



MONTANA LEGISLATIVE AUDIT DIVISION

FINANCIAL AUDIT

State of Montana

For the Fiscal Year Ended June 30, 2009

JANUARY 2010

08-01B

REPORT SUMMARY

The Montana Legislature uses the State's Basic Financial Statements to gain perspective of the State's financial position to help guide its course of actions. At the end of fiscal year 2009, Montana had \$392.5 million available for spending from the General Fund.

Context

The Basic Financial Statements include all of the state's financial activity for the fiscal year. Through services provided, taxes collected, and grants received, Montana received approximately \$5.35 billion in revenue during fiscal year 2009, which increased from \$5.14 billion in fiscal year 2008. Health and social services and education services accounted for approximately \$2.6 billion out of almost \$5.1 billion of the state's costs in 2009. Unemployment Insurance costs increased from approximately \$90 million in fiscal year 2008 to \$236 million in fiscal year 2009.

An in-depth analysis of the state's financial position as of June 30, 2009, can be reviewed in the Management's Discussion and Analysis section of the report. Additional information is also provided in the Notes to the Financial Statements.

Results

In fiscal year 2009, the retirement systems' audits disclosed material noncompliance with the Montana Constitution and state law requiring these systems to be adequately funded for future periods. As of July 1, 2009, these systems were not adequately funded. This issue will be resolved by the responsible agencies.

| Recommendation Concurrence | |
|---|---|
| Concur | 0 |
| Partially Concur | 0 |
| Do Not Concur | 0 |
| Source: Agency audit response included in final report. | |

For a complete copy of the report or for further information, contact the Legislative Audit Division at 406-444-3122; e-mail to lad@mt.gov; or check the website at <http://leg.mt.gov/audit>. Report Fraud, Waste, and Abuse to the Legislative Auditor's FRAUD HOTLINE Call toll-free 1-800-222-4446, or e-mail lad@mt.gov.