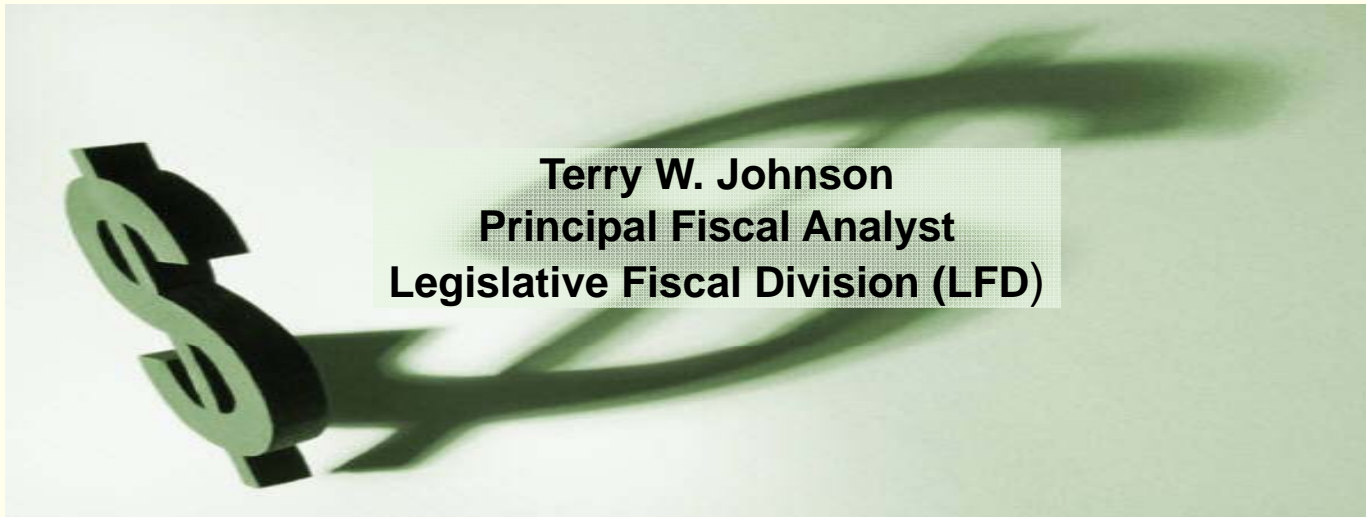




General Fund Status

Fiscal Year 2009 Actual/2011 Biennium Projected



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**A report to the
Montana Taxpayer's Association**

Legislative Fiscal Division



www.leg.mt.gov/css/fiscal



Presentation Outline

- **General Fund Fiscal Year 2009**
 - Preliminary Balance
 - Revenues
 - Disbursements
 - Adjustments

- **2011 Biennium General Fund Outlook**





Fiscal 2009 General Fund Ending Balance

Preliminary Balance:	\$ 392.0 M
Expected Balance:	<u>\$ 369.1 M</u>
Difference:	\$ 22.8 M



Why?



General Fund Revenue: \$ 23.9 M

Major Sources Above HJ 2 Estimate

Corporation Income Tax	\$ 9.1 M
U.S. Mineral Leasing	\$ 6.7 M
Oil & Natural Gas Tax	\$ 5.7 M
Property Tax	<u>\$ 2.4 M</u>

Total Above Estimate: \$23.9 M





General Fund Revenue: \$-60.5 M

Major Sources Below HJ 2 Estimate

Liquor Profits	\$ -1.4 M
Coal Trust Interest Earnings	\$ -2.4 M
Liquor Excise Tax	\$ -3.1 M
All Other Revenue	\$ -3.9 M
Video Gaming Tax	\$ -4.1 M
Vehicle Fee/Tax	\$ -7.7 M
Individual Income Tax	\$-37.5 M
Remaining Revenue Sources	<u>\$ -0.4 M</u>
Total Below Estimate:	<u>\$-60.5 M</u>





Net GF Revenue Change: \$ -36.6 M

Total Above Estimate	\$ 23.9 M
Total Below Estimate	<u>\$-60.5 M</u>
Total Net Change:	\$-36.6 M





General Fund Reversions: \$51.7 M



Total Reversions	\$ 99.6 M
Budgeted Reversions	<u>\$ 47.9 M</u>
Unanticipated Reversions	\$ 51.7 M
(Before Continuing Adjustments)	





General Fund Reversions after Continuing Authority: \$31.2 M



Reversions After Budgeted Amount	\$ 51.7 M
Less Unanticipated Cont. Authority	\$-17.9 M
Less Anticipated Continuing Authority	<u>\$ -2.6 M</u>
Unanticipated Reversions	\$31.2 M





General Fund Balance Adjustments: \$7.7 M

Prior Year Revenue	\$ 4.9 M
Prior Year Expenditures	\$ -.4 M
Other Adjustments	<u>\$ 3.2 M</u>
Total Adjustments	\$ 7.7 M





General Fund Balance Change Fiscal 2009 Summary

➤ Beginning Balance	\$ 0.0 M
➤ Revenues	\$ -36.6 M
➤ Reversions (Before Continuing)	\$ 51.7 M
➤ Adjustments	<u>\$ 7.7 M</u>
Total Change	\$ 22.8 M





General Fund Balance Change Fiscal 2009

With Continuing Adjustment

➤ Total Change	\$ 22.8 M
➤ Less Unanticipated Continuing	<u>\$-17.9 M</u>

Total Net Change \$ 4.9 M





General Fund 2011 Biennium Outlook



➤ Projected Biennium Balance (Revised)	\$ 287.4 M
➤ Projected Balance Post Session	<u>\$ 282.4 M</u>
Total Fund Balance Change (Rounded)	\$ 5.0 M

Why?

➤ Revenue Collections	\$ -36.6 M
➤ Disbursements	\$ 51.7 M
➤ Fund Balance Adjustments	\$ 7.7 M
➤ Unanticipated Continuing Authority	<u>\$ -17.9 M</u>
Total Change	\$ 4.9 M





Potential 2011 Biennium General Fund Outlook

General Fund Figures in Millions	High Range Scenario	Low Range Scenario
2011 Biennium Ending Fund Balance	\$287.4	\$287.4
Potential Revenue Adjustments *		
Individual Income Tax	(74)	(160)
Corporation Income Tax	(22)	(82)
Oil & Gas Production Tax	<u>28</u>	<u>28</u>
Potential Ending Fund Balance	\$219.4	\$73.4

* Assumes potential shortfall in 2010 also occurs in 2011.





Potential 2011 Biennium General Fund Outlook

What is happening?

Individual Income Tax Comparison				
Revenue Code & Description	Through 9/30/2008	Through 9/30/2009	Difference	Percent Change
	Fiscal 2009	Fiscal 2010		
510101 Withholding Tax	159,749,745.88	154,089,314.74	(5,660,431.14)	-3.54%
510482 Mineral Royalty WH Tax	7,045,138.64	2,274,039.92	(4,771,098.72)	-67.72%
510102 Estimated Tax	55,919,922.16	39,400,963.76	(16,518,958.40)	-29.54%
510103 Current Year I/T	3,715,100.79	(962,164.56)	(4,677,265.35)	-125.90%
510105 Income Tax - Audit Collections	7,841,771.00	12,187,561.00	4,345,790.00	55.42%
510106 Income Tax Refunds	<u>(17,507,049.68)</u>	<u>(21,538,842.89)</u>	<u>(4,031,793.21)</u>	<u>23.03%</u>
Totals	\$216,764,628.79	\$185,450,871.97	(\$31,313,756.82)	-14.45%
Percent of Actual/Estimated	25.01%	22.07%		





Potential 2011 Biennium General Fund Outlook

What is happening?

Corporation Income Tax Comparison				
Revenue Code & Description	Through 9/30/2008 Fiscal 2009	Through 09/30/09 Fiscal 2010	Difference	Percent Change
510501 Corporation Tax	5,874,142.23	3,460,269.14	(2,413,873.09)	-41.09%
510505 Corporation Tax Estimated Paym	37,234,144.02	17,306,257.85	(19,927,886.17)	-53.52%
510502 Corporation Tax Refunds	(2,592,417.78)	(4,100,230.96)	(1,507,813.18)	58.16%
510503 Corporation Tax-Audit Collect.	<u>5,131,315.00</u>	<u>968,299.00</u>	<u>(4,163,016.00)</u>	-81.13%
Totals	\$45,647,183.47	\$17,634,595.03	(\$28,012,588.44)	-61.37%
Percent of Actual/Estimated	28.47%	15.25%		

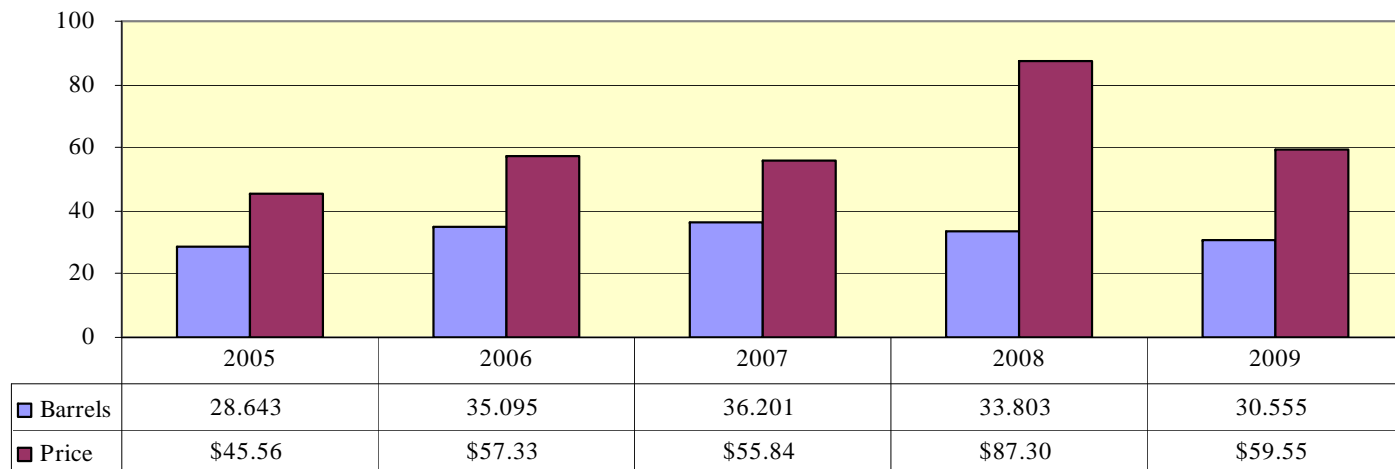




Potential 2011 Biennium General Fund Outlook

What is happening?

Montana Oil Production & Price By Fiscal Year
Barrels in Millions : Price in \$'s per Barrel



Questions

Legislative Fiscal Division



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General Fund Balance Components



- **Current Year Revenues**
- **Current Year Disbursements**
- **Balance Adjustments**
 - Prior Year Revenue
 - Prior Year Disbursements
 - Other Adjustments

