



# MONTANA LEGISLATIVE BRANCH

## Legislative Fiscal Division

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**Date:** February 24, 2009  
**To:** Members of the 61<sup>st</sup> Legislature  
**From:** Terry W. Johnson

**RE:** General Fund Status Sheet

The general fund status sheet (GFSS) is analogous to your personal checkbook register. Your bank balance fluctuates either up or down as you make deposits and expend monies. Similarly, the general fund status sheet simply measures the state's financial condition as the legislature adjusts revenue flows (adopts taxation policies) and appropriates funds (authorizes expenditures).

The general fund status sheet is prepared during legislative sessions to provide the legislature with a current projection of the financial status of the general fund account. This budgetary status sheet is usually prepared at least once a week and serves as a "work in progress" tool to assist the legislature in balancing the state's general fund budget. Financial information on revenue estimates, taxation legislation, and appropriation measures are the basic components of the general fund status sheet. The status sheet is usually prepared on Fridays and distributed either late Friday night or early Saturday morning.

The starting point for the status sheet is the projected general fund balance *before* any legislative action has been taken. This balance is based on revenue estimates adopted by the Revenue and Transportation Interim Committee (RTIC) on November 18, 2008, agency base budgets for fiscal 2008 as assumed for fiscal 2010 and 2011, statewide present law adjustments, and LFD estimates for all statutory appropriations, fund balance adjustments, and transfers.

The status sheet also shows any proposed legislation that has a general fund fiscal impact (revenue or disbursement). These bills and their impacts are posted to the document after any committee takes positive executive action. Subsequent amendments to bills are also incorporated into the document once they have been adopted by a committee. The projected ending balance *after* legislative action to date is provided to show the legislature a "point in time" status of the general fund account.

The status sheet also includes all general fund bills that could change the level of spending for state agencies. These bills, categorized as "potential appropriations", result from legislation that change the duties and functions of state agencies without making a corresponding appropriation adjustment. These adjustments may be considered by the HB2 conference committee toward the end of the legislative session. These "potential" spending changes are *not* included in the projected ending balance until legislative action includes the amounts in the appropriation act.

LFD staff is available to assist legislators in interpreting the general fund status sheet.