

Department of Commerce has \$141,078,170 in total authority, \$32,229,805 (23%) is HB 2 authority

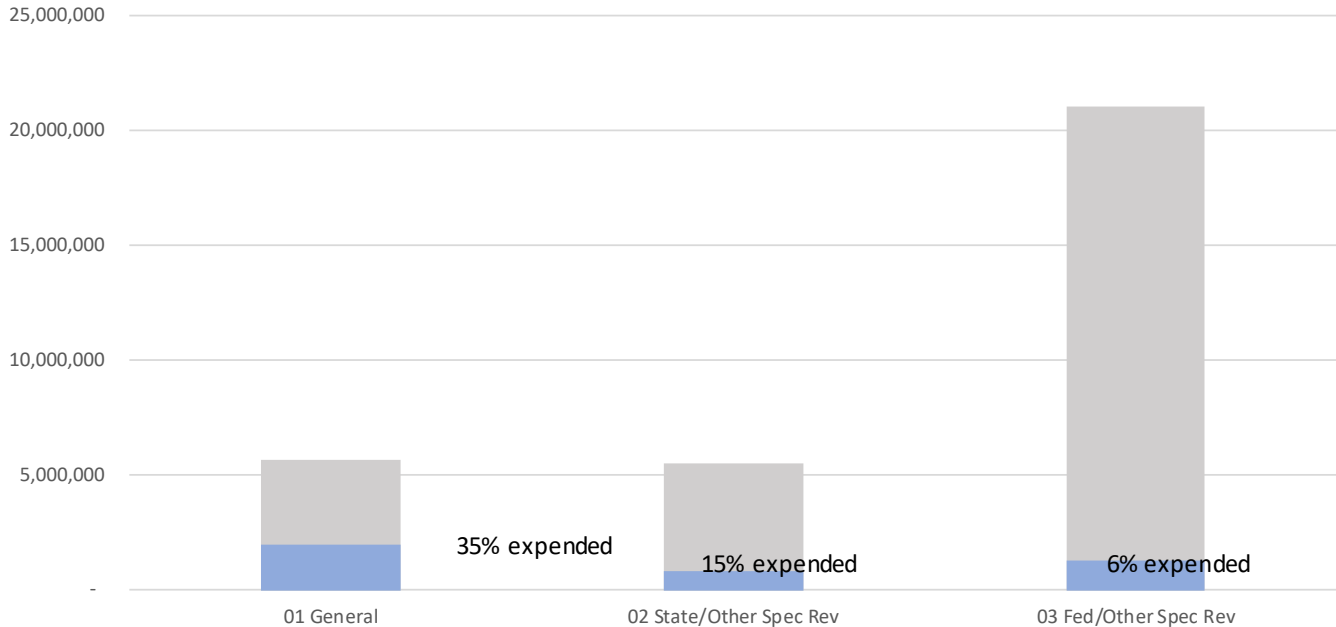
## HB 2 Expenditures

**13%** of the agency's total HB2 budget has been expended, **16%** is the 5 year average

## HB 2 Expenditures

### Budgeted vs. Expended

by fund type



Expenditure Account	Budgeted	Expended	% Expended
Personal Services	4,079,355	1,147,786	28%
Operating Expenses	5,059,017	1,025,105	20%
Local Assistance	46,000	-	0%
Grants	22,244,310	1,076,104	5%
Transfers-out	801,123	800,000	100%
Agency Program	Budgeted	Expended	% Expended
51 Mt Office Of Tourism & Bus Dev	7,986,570	2,347,471	29%
60 Community Development Division	23,492,950	1,337,314	6%
78 Board Of Horse Racing	200,285	148,719	74%
81 Directors Office	550,000	215,492	39%
<b>Total</b>	<b>32,229,805</b>	<b>4,048,996</b>	<b>13%</b>

Federal special revenue provides the greatest amount of the HB 2 modified budget for the Department of Commerce at 65.3%, followed by general fund at 17.5%. State special revenue provides the remaining 17.2% of the agency's HB 2 budget. Over 77.2% of the overall funding in the department is not budgeted through HB 2 but provided as either nonbudgeted proprietary funding or as statutory appropriations.

Personal services make up 12.7% of the FY 2020 modified HB 2 budget. Department of Commerce has 8.2 FTE vacant as of December 5, 2019 or 17.1% of the FTE funded in HB 2. The vacancies are contributing to the low expenditure of personal services.

Operating expenses are 15.7% of the FY 2020 modified HB 2 budget. Operating expenses below what would be anticipated for this point in the budget are related to four revolving load funds within the Office of Tourism and Business Development and the Community Development Division including the:

- Microbusiness loan account has \$498,000 in operating expense budget with all loan funds currently disbursed. When loan repayment generates funding, additional loans can be made
- The GAP Financing Program has \$179,000 in operating expense budget, and one loan application under review and another pending
- The Economic Development Administration revolving loan fund has \$473,000 in operating expense budget and has not received any loan applications from eligible entities
- The community development block grant has \$283,000 in operating expenses and as of the end of November has not received any loan application from eligible entities

The process for awarding grants is cyclical; as a result spending for grants is higher at the end of the fiscal year than in the first five months.

The Board of Horse Racing activity is based mainly in the summer months. Operating expenses related to horsing racing are not incurred during the off season. For this reason, the budget of the Board of Horse Racing, especially that for operating expenses, is expended at the beginning of the fiscal year.

## HB 2 Modifications

### Negative modifications vs. positive modifications, by program

The net budget modifications were \$0.

Agency Program	Leg Budget	Dec Modified Budget	Net Modifications
51 MT OFFICE OF TOURISM & BUS DEV	7,986,570	7,986,570	-
60 COMMUNITY DEVELOPMENT DIVISION	23,492,950	23,492,950	-
78 BOARD OF HORSE RACING	200,285	200,285	-
81 DIRECTORS OFFICE	550,000	550,000	-
Expenditure Account	Leg Budget	Dec Modified Budget	Net Modifications
Personal Services	4,082,905	4,079,355	(3,550)
Operating Expenses	5,371,956	5,059,017	(312,939)
Local Assistance	46,000	46,000	-
Grants	21,928,945	22,244,310	315,365
Transfers-out	799,999	801,123	1,124
Fund Type	Leg Budget	Dec Modified Budget	Net Modifications
01 General	5,647,735	5,647,735	-
02 State/Other Spec Rev	5,540,766	5,540,766	-
03 Fed/Other Spec Rev	21,041,304	21,041,304	-
<b>Total</b>	<b>32,229,805</b>	<b>32,229,805</b>	<b>-</b>

The Office of Tourism and Business Development transferred \$3,550 in personal services and \$311,815 in operating expenses to grants for the state special revenue provided for primary business sector training. The Office of Tourism and Business Development anticipates using the appropriation to make grants to businesses that qualify for the program.