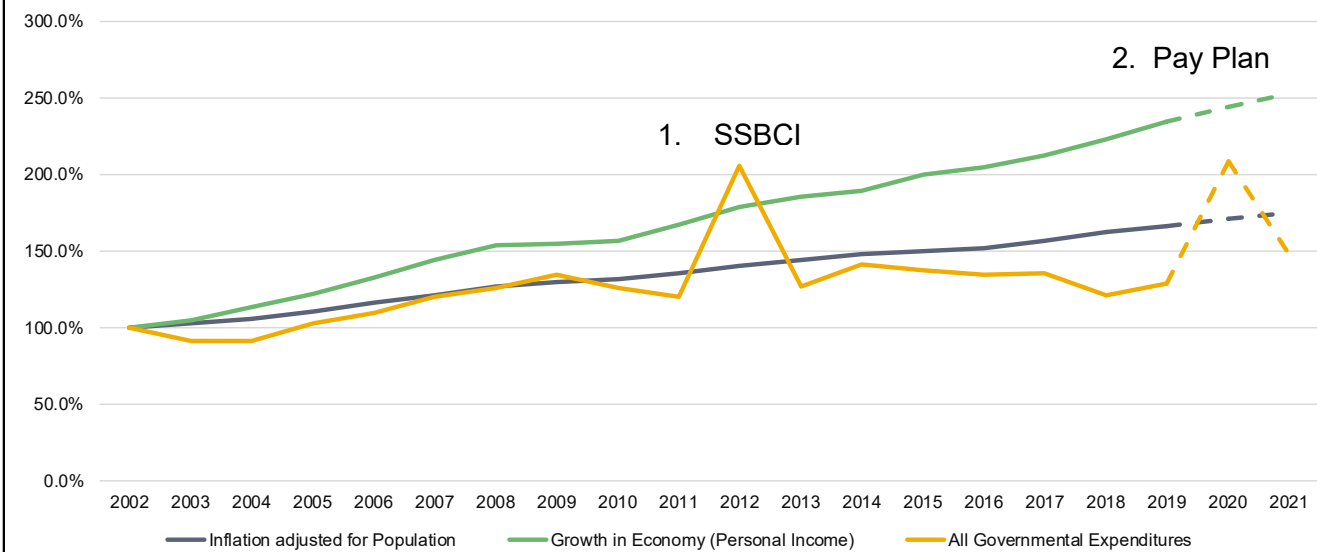


31010-Governor's Office

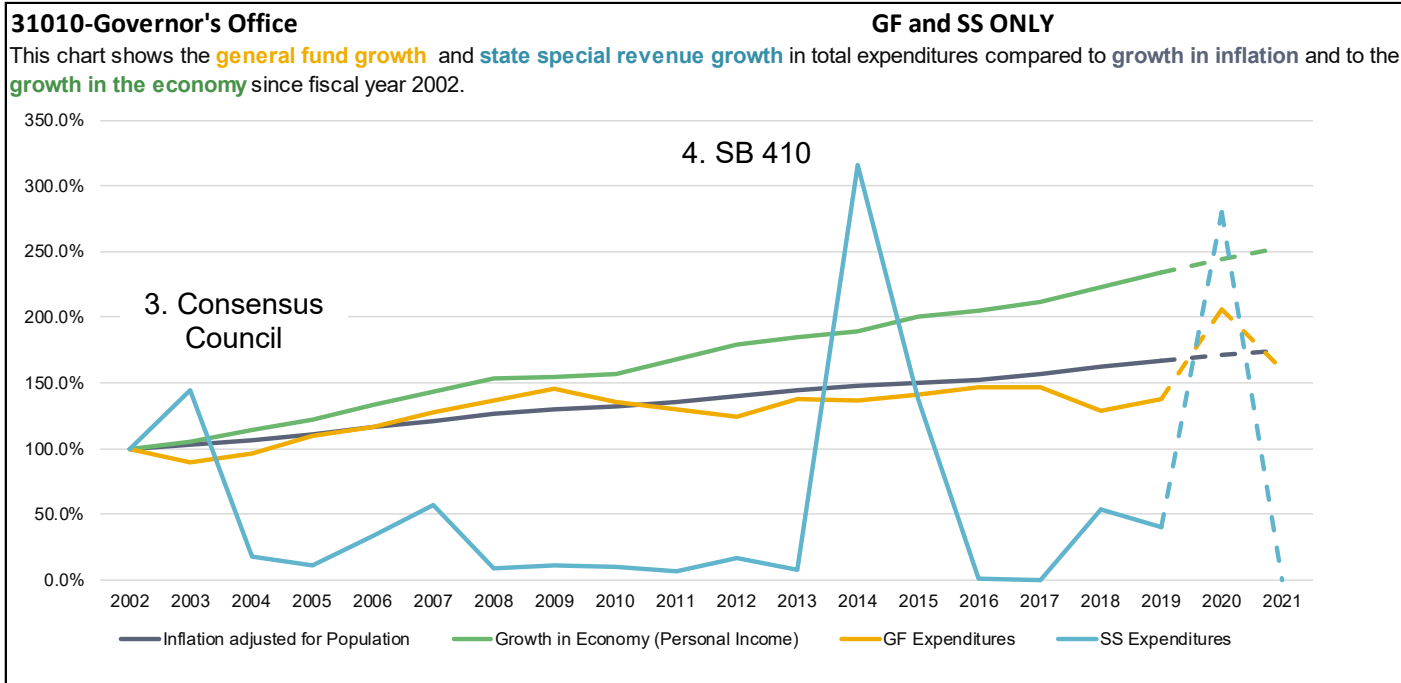
This chart shows the **all funds growth** in total expenditures compared to **growth in inflation** and to the **growth in the economy** since fiscal year 2002.



This report includes a series of charts that compare expenditure growth to the growth in the economy and growth in inflation adjusted for population. Montana statute, 17-8-106, MCA, recommends using growth in personal income for comparison purposes. Personal income is a measure for growth in the economy. Comparing growth allows financial planners to consider past and future demands in services or changes in revenues.

In general, all funds growth is total expenditures for the Governor's Office has been lower than the rate of inflation adjusted for population. The following list discusses in more detail the inflection points on the charts.

1. The significant increase in expenditures in FY 2012 is due to the Governor's Office receiving federal funds under the State Small Business Credit Initiative Act of 2010 (SSBCI). The purpose of the allocation was to assist the State of Montana in increasing the amount of capital made available by private lenders to small business through the Montana SSBCI Loan Participation Program
2. Historically, the legislature provides a pay plan contingency in the pay plan bill. The appropriation is made to the Governor's Office and then transferred to other state agencies that require additional funding for unanticipated personal service costs such as retirement payouts, those that cannot meet targeted vacancy savings amounts, or for legislation adopted with significant personal services costs not funded within the bill itself. The budget for the entire pay plan contingency is shown in FY 2020.



- State special revenue expenditures in FY 2002 and FY 2003 are primarily related to the Consensus Council, which did not have state special revenue expenditures after FY 2003 and was disbanded around FY 2009
- Increases in expenditures in FY 2014 and FY 2015 are due to SB 410 (2013 session). This bill transferred \$7.5 million into the Governor’s operations state special revenue account for the purpose of funding operations costs in several agencies (specified in the bill)

GENERAL FUND

For the most part, the Governor’s Office is supported by general fund. The increases and decreases shown in the figure above include:

- FY 2009 there was the purchase of engines for the Governor’s plane - nearly \$650,000 general fund
- FY 2012 is impacted by general fund reductions, based on the submitted 5% reduction plan, approved by the legislature
- The reduction in FY 2018 expenditures is related to the reductions based on the 5% reduction plan approved by the legislature and reductions related to SB 261

STATE SPECIAL REVENUE

With the exception of the appropriations discussed on the previous page, the Governor’s Office does not have state special revenue appropriations.