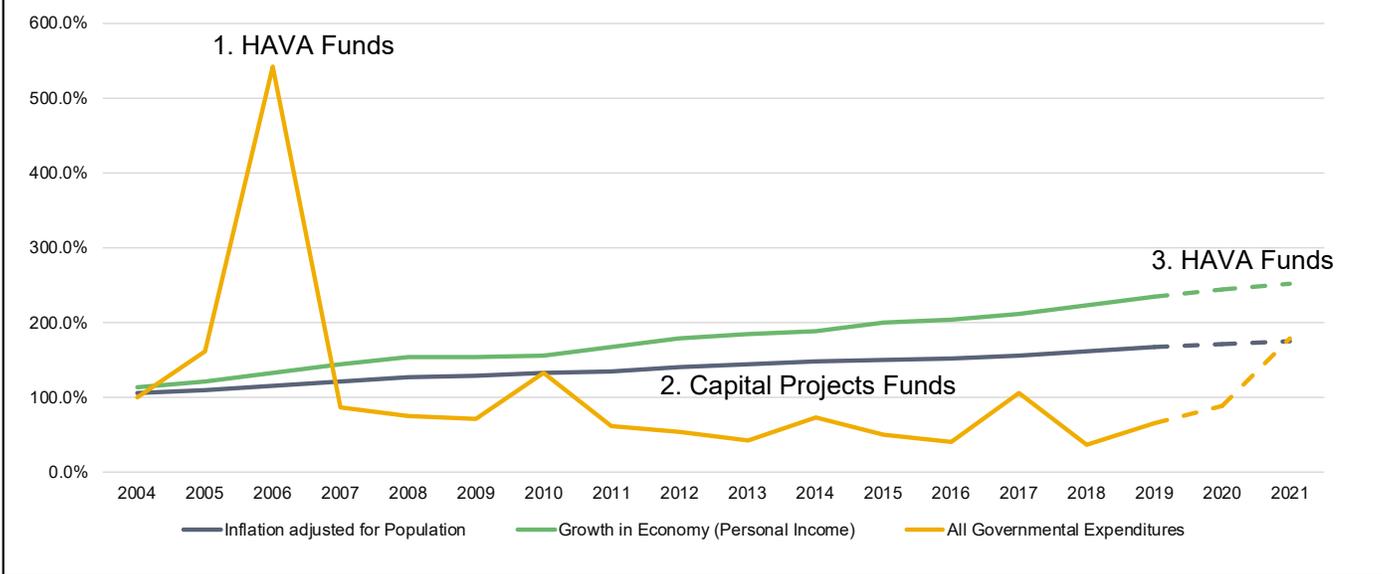


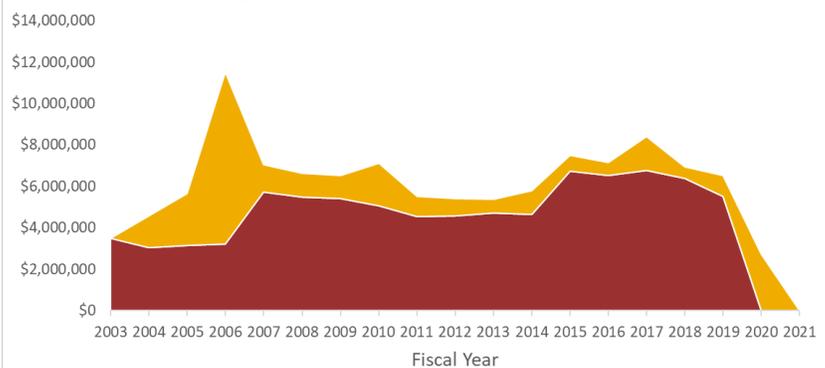
32010-Secretary of State

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.

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The Secretary of State's budget consists primarily of non-budgeted proprietary funds, with some additional governmental funds for capital projects and from federal grants. Due to the fact that the proprietary funds are not budgeted, only the capital projects and federal grants are shown in this analysis.

The following list discusses in more detail the inflection points related to governmental expenditures:

- Over the last 20 years, the Secretary of State's Office has received numerous federal grants through the Help America Vote Act of 2002 (HAVA). HAVA was passed by Congress in the wake of the controversial 2000 presidential election in Florida. The largest of those grants for the Secretary of State's Office was awarded in 2006, when the legislature approved \$11.0 million in federal dollars for the development a computerized statewide voter registration list that contains the name and registration information of every legally registered voter in the state. This sum included funding for technology development, advertising costs, education costs for local government voting administration personnel, and 1.00 modified FTE to coordinate the HAVA requirements;

2. Capital projects funds in FY 2010 and FY 2011 were appropriated for the initial implementation of the Secretary of State's Systems Integration Management System (SIMS), to begin the full replacement of the outdated and ailing mainframe-based system, which had been in use since its installation in 1978. Capital projects funds were again appropriated in FY 2014, FY 2015, and FY 2017 for additional phases of the SIMS project; and
3. In FY 2018, the Secretary of State's Office received \$3.0 million in HAVA funds for election security, which are to be spent from FY 2018 through FY 2020. Approximately \$230,000 of those funds are budgeted for personal services in FY 2020.