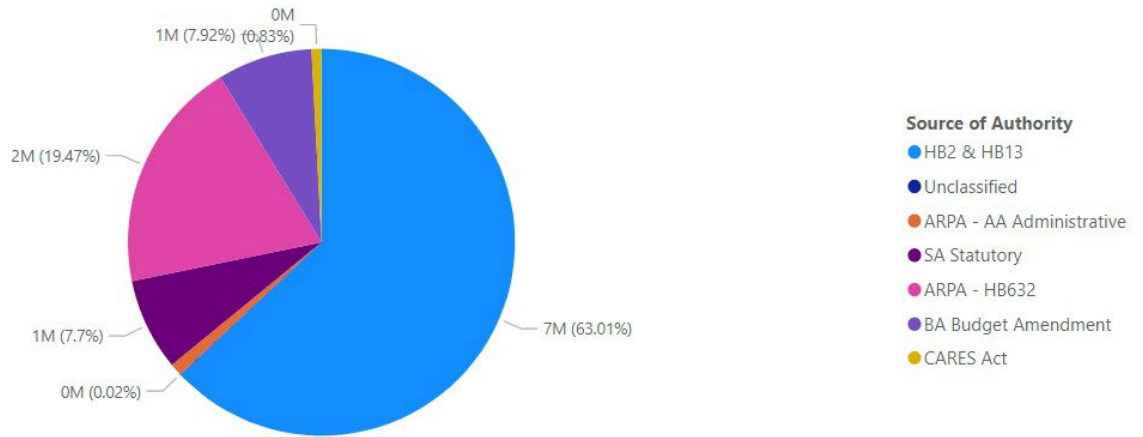


MONTANA STATE LIBRARY (MSL)

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the agency is shown in the pie chart below. HB 2 and HB 13 provide 63.0% of the total authority for this agency. All types of appropriation authority for this agency are described below, including total budget and the percent expended by source of authority.

Total Modified Budget by Source of Authority



Source of Authority	FYE22 Modified Budget	FYE22 Expended Budget	Percent Expended
HB2 & HB13	7,228,002	6,709,336	92.8%
BA Budget Amendment	909,047	381,578	42.0%
SA Statutory	883,690	766,786	86.8%
Unclassified	1,916		
CARES	94,867	94,867	100.0%
ARPA	2,354,029	1,215,757	51.6%
Total	11,471,550	9,168,323	79.9%

Report Period

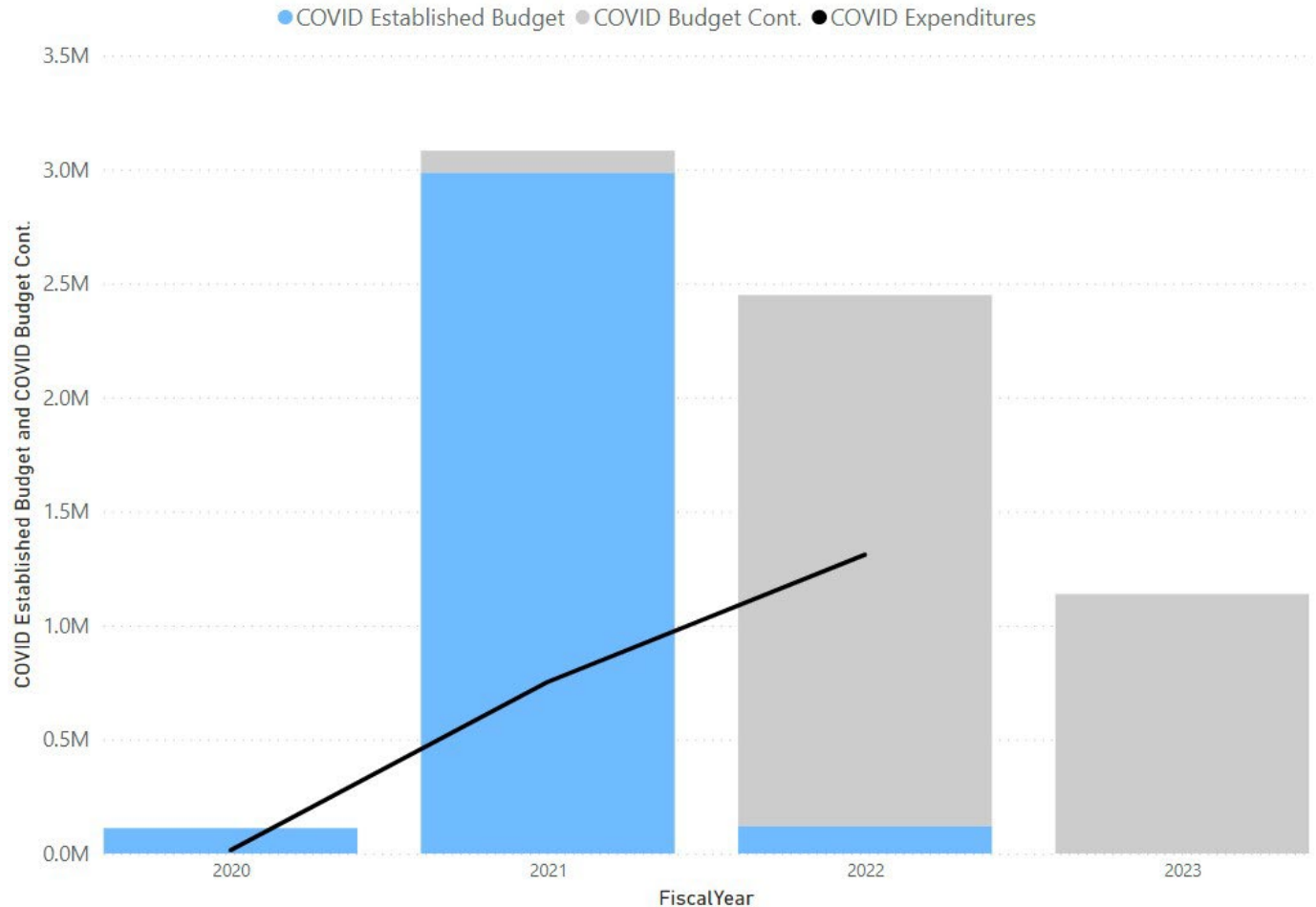
- Jul
- Aug
- Sep
- Oct
- Nov
- Dec
- Jan
- Feb
- Mar

Other Bills

COVID-19 Authority

The following chart is provided to allow the legislature to examine the funding that is available to the agency for COVID-19 impacts.

COVID Established Budget, COVID Continuing Budget, and COVID Expenditures by Fiscal Year



For FY 2022, the MSL’s total COVID budget is approximately \$2.4 million. ARPA federal funding totaling \$2.2 million and CARES Act funding totaling \$95,000 was established as continuing authority from FY 2021. Additionally, in FY 2022, \$120,000 of COVID budget was established for the biennium through an administrative appropriation for the Newslines from the Department of Health and Human Services’ funds for supporting older Americans and families.

In terms of expenditure in FY 2022, a total of \$1.2 million of ARPA funding was expended. This includes \$60,000 of expenditure for the Newslines, \$497,000 of ARPA funding for the hot spots program, and \$658,000 of ARPA funding for e-learning. The CARES Act budget of \$95,000 was fully expended.

At the end of FY 2022, approximately \$1.1 million of authority remained and was established as continuing authority in FY 2023. The deadline for spending this funding is December 31, 2022.

Statutory Appropriations

Statutory authority for the MSL for FY 2022 totaled approximately \$884,000. Of that total authority, \$434,000 was general fund for state aid grants to local libraries, and \$450,000 was state special revenue 9-1-1 funding for GIS mapping.

The MSL fully expended its state aid funding and expended about \$333,000 or 74.0% of its 9-1-1 funding in FY 2022. The remaining budget for the 9-1-1 funding was \$116,903, which was primarily in operating expenses.

Budget Amendments

A total of \$909,000 of federal special revenue authority was established for the MSL in FY 2022 through budget amendments.

This includes approximately \$564,000 of authority from the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) for development and delivery of natural resource inventory and assessment information and other GIS data. In FY 2022, the MSL expended \$215,000 of that authority; the MSL has until September of 2026 to expend the majority of the remaining authority.

Approximately \$233,000 of authority was established for the activities of the Montana Natural Heritage Program. Of that authority, the MSL expended \$107,000 in FY 2022. Several of the funding agreement end dates extend beyond FY 2022.

Additionally, \$112,000 of authority was established for a grant from the Institute of Museum and Library Service's Laura Bush 21st Century Librarian Program related to developing training for small and rural libraries. The MSL expended approximately \$60,000 of that authority and has through July 2023 to expend the remainder of the funds.

Unclassified

Per 39-71-403(1)(b)(iv), MCA, when workers' compensation premiums are lower than the previous year, state agencies shall reduce personal services appropriations by the amount of the premium reduction. To track the changes in appropriation authority, total appropriations are not reduced, instead the Governor's Office of Budget and Program Planning (OBPP) requires state agencies to:

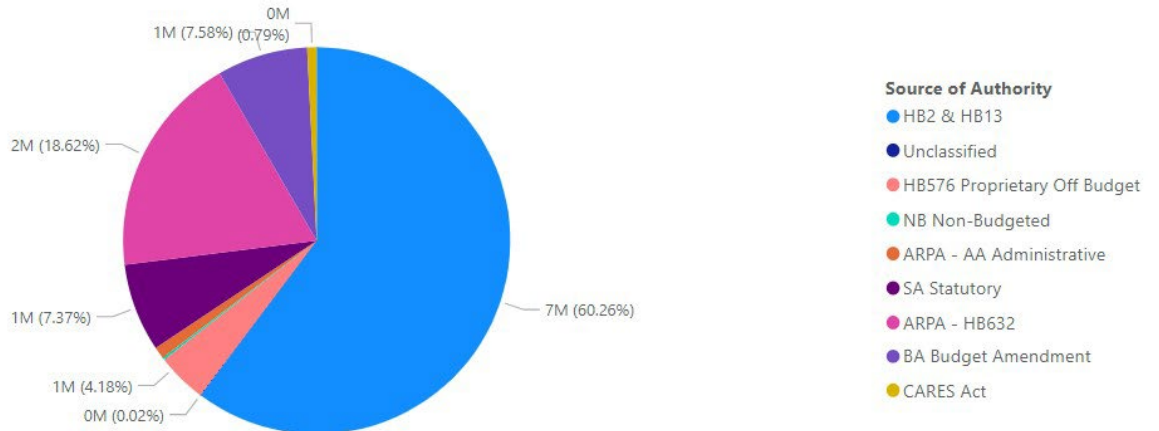
- Reduce HB 2, statutory, and proprietary appropriations
- Create a separate offsetting entry on the financial statements in the same amount using an identifying number for workers' compensation entries

The offsetting entries are identified as "frozen" appropriations, which means the appropriations will not be spent unless authorized by OBPP. For the MSL, this appropriation totals approximately \$1,900 and is identified as "unclassified" in the chart on page 1.

TOTAL EXPENDITURE AUTHORITY

The total expenditure authority for the agency is shown in the following pie chart. Total expenditure authority includes non-budgeted proprietary funding and non-budgeted expenditures such as transfers or indirect costs which are not included in the previous pie chart as the expenditures are not appropriated.

Modified Budget and Expended Budget by Source of Authority



Source of Authority	Modified Budget	Expended Budget	Percent Expended	Report Period
HB2 & HB13	7,228,002	6,709,336	92.8%	<input checked="" type="checkbox"/> Jul
BA Budget Amendment	909,047	381,578	42.0%	<input type="checkbox"/> Aug
HB576 Proprietary Off Budget	501,803	490,188	97.7%	<input type="checkbox"/> Sep
NB Non-Budgeted	21,715	163,965	755.1%	<input type="checkbox"/> Oct
SA Statutory	883,690	766,786	86.8%	<input type="checkbox"/> Nov
Unclassified	1,916			<input type="checkbox"/> Dec
CARES	94,867	94,867	100.0%	<input type="checkbox"/> Jan
ARPA	2,354,029	1,215,757	51.6%	<input type="checkbox"/> Feb
Total	11,995,068	9,822,476	81.9%	<input type="checkbox"/> Mar
				<input type="checkbox"/> Apr

The MSL is the fiscal agent for the Montana Shared Catalog (MSC), a cooperative catalog project, funded by members fees paid by participating libraries. The MSC’s budget was appropriated at \$417,000 for FY 2022. Additional authority of \$85,000 was added to the MSC’s budget for personal services through budget modification, which brings the total budget to \$502,000; funding for this additional authority is from member dues collected. Expenditure for the MSC totaled \$490,000 in FY 2022.

The MSL also has non-budgeted funding from private grants and donations, as well as interest from the Montana state library trust, established in 22-1-225, MCA. The MSL expended approximately \$164,000 of non-budgeted funds in FY 2022. Approximately \$143,000 of the expenditure was for consulting and professional services, including the MSL’s rebranding project.

HB 2 BUDGET MODIFICATIONS

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the HB 2 modified budget through June 30, 2022. Net modifications to the budget include operating plan changes from one expenditure account to another, program transfers, reorganizations, and agency transfers of authority. The **positive modifications** and **negative modifications** are shown by program, expenditure account, and fund type.

Legislative Budget Compared to Modified Budget - HB 2 Only

Agency Name	June Modified Budget	FYE22 Modified Budget	Net Modifications
Library Commission	7,227,760	7,228,002	242
Total	7,227,760	7,228,002	242

Acct & Lvl 1 DESC	June Modified Budget	FYE22 Modified Budget	Net Modifications
61000 Personal Services	4,101,013	4,169,086	68,073
62000 Operating Expenses	2,511,742	2,555,911	44,169
66000 Grants	611,961	499,961	-112,000
69000 Debt Service	3,044	3,044	

Fund Type	June Modified Budget	FYE22 Modified Budget	Net Modifications
01 General	2,828,689	2,828,689	0
02 State/Other Spec Rev	3,156,767	3,156,767	0
03 Fed/Other Spec Rev	1,242,304	1,242,546	242

The MSL's June modified budget totaled approximately \$7.2 million. \$242 of federal special revenue was added to the budget due to a correction for worker's compensation.

In June 2022, the MSL had two operating plan changes, which moved budget among expenditure categories but neither increased nor decreased the overall budget. The MSL moved \$112,000 from grants in the land information account to personal services. The second operating plan change moved \$154,000 from personal services to operating expenses and also moved \$110,000 from operating expenses to personal services in the land information account, resulting in a net operating plan change of \$44,000 being moved from personal services to operating expenses. Both operating plan changes were to correct negative balances at the end of the fiscal year.

HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through June 30, 2022.

Expended Budget and Remaining Budget by Fund Type - HB 2 Only



acclv1_descr	Modified Budget	Expended Budget	Percent Expended
Personal Services	4,169,086	3,982,273	95.5%
Operating Expenses	2,555,911	2,249,504	88.0%
Grants	499,961	474,515	94.9%
Debt Service	3,044	3,043	100.0%

Program Name	Modified Budget	Expended Budget	Percent Expended
STATEWIDE LIBRARY RESOURCES	7,228,002	6,709,336	92.8%
Total	7,228,002	6,709,336	92.8%

The MSL’s modified HB 2 budget totaled approximately \$7.2 million in FY 2022; the MSL expended \$6.7 million or 92.8% of its HB 2 budget.

By fund type, the MSL’s budget is comprised of \$2.8 million of general fund, \$3.2 million of state special revenue, and \$1.2 million of federal special revenue. MSL expended \$2.6 million of its general fund budget, \$2.5 million of its state special revenue budget, and \$1.2 million of its federal special revenue budget in FY 2022.

By account, the MSL expended approximately \$4.0 million or 95.5% of its personal services budget, \$2.2 million or 88.0% of its operating expenses budget, and \$475,000 or 94.9% of its grants budget. Remaining authority for operating expenses included \$147,000 for the real-time network; that authority is biennial, however, and is continued in FY 2023. There was also approximately \$116,000 of remaining authority that was restricted for expenditures related to information technology services provided by the Department of Administration’s State Information Technology Services Division (SITSD).

The following table shows the MSL’s HB 2 budget and expenditures by category, including Central Services, Patron and Local Library Development Services, and GIS, Data, and Information Programs. The legislative budget in the first table is what was identified in the budgeting system for each MSL workgroup from the 2021 Legislative Session. The expenditures are from the state accounting system. The agency’s spending plan is also included in the second table; unless restricted, such as for the real-time network, the agency has flexibility to move funding among the categories.

MSL HB 2 Budget and Expenditures by Category through June 30, 2022			
	Legislative Budget - HB 2	Expenditures FYE 2022	Percent Expended of Legislative Budget
Central Services	2,821,885	1,872,522	66.4%
Patron & Local Library Development Services	1,085,703	2,041,143	188.0%
GIS, Data, & Information Programs	2,960,796	2,795,670	94.4%
Budget Modifications¹	359,618		
Fiscal Transfer of Federal Funding	358,856		
HB 13 Pay Plan Adjustment	2,294		
Reduction for Worker's Comp	(1,532)		
Total	7,228,002	6,709,336	92.8%
¹ Budget modifications include federal fiscal transfer, worker's compensation reduction, and HB 13 pay plan adjustment			

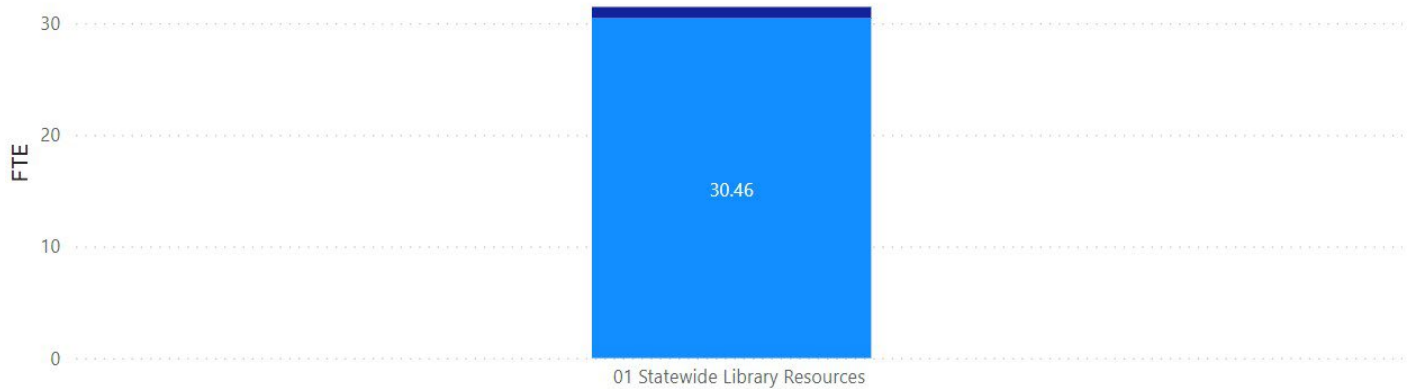
	Agency Spending Plan - HB 2	Expenditures FYE 2022	Percent Expended of Agency Spending Plan
Central Services	2,004,248	1,872,522	93.4%
Patron & Local Library Development Services	2,039,731	2,041,143	100.1%
GIS, Data, & Information Programs	3,184,023	2,795,670	87.8%
Total	7,228,002	6,709,336	92.8%

In the agency spending plan, in June of 2022, the MSL moved approximately \$354,000 from Central Services and \$59,000 from Patron & Local Library Development Services to GIS, Data, & Information Programs. This brought the final budget for GIS, Data, & Information Programs to approximately \$3.2 million.

Personal Services

The following chart shows the filled and vacant FTE within the agency through August 1, 2022.

Position Status ● Filled ● Vacant



Of the 31.46 FTE under HB 2, the MSL had 1.00 FTE vacant through August 1, 2022. This position was previously a library assistant position for the talking book library program. It was vacated after May 1, which was the reporting period for the previous quarterly financial report. Some of the services such as readers’ advisory and circulation that were being provided by MSL staff, including this position, were switched to being contracted services provided by Utah State Library.¹ After the position was vacated, on May 21, 2022, the MSL reclassified the position from library assistant to an attorney position, which is currently vacant. The job announcement for the staff attorney was posted in May; as of July 20, 2022, it had not yet been filled.

In terms of hours utilized, out of the available hours through June 30, 2022, the MSL utilized 93.9% of hours available; this is slightly lower than the MSL’s FY 2021 utilization rate, which was 97.5%. The difference is likely due to the previously vacant positions in FY 2022 that were reported in prior quarter financial reports.

¹ For more information regarding the contracting of Talking Book Library services, see MSL memo, dated April 6, 2022: https://ftpaspen.msl.mt.gov/EventResources/20220408154548_20678.pdf

OTHER ISSUES

During the 67th Legislative Session, the MSL was authorized \$1.7 million of additional funding for the 2023 biennium for the land information account in order to collect, maintain, and disseminate Montana's land characteristic information digitally. The MSL expended 96.1% of that authority in FY 2022.

Additionally, restricted, one-time-only funding was authorized for start-up costs to build out a statewide real-time network. The FY 2022 budget for this project was \$462,500 of state special revenue; MSL expended \$259,000 or 55.9% of this funding in FY 2022. This authority is biennial, so the remaining authority of approximately, \$204,000 was established as continuing authority in FY 2023.