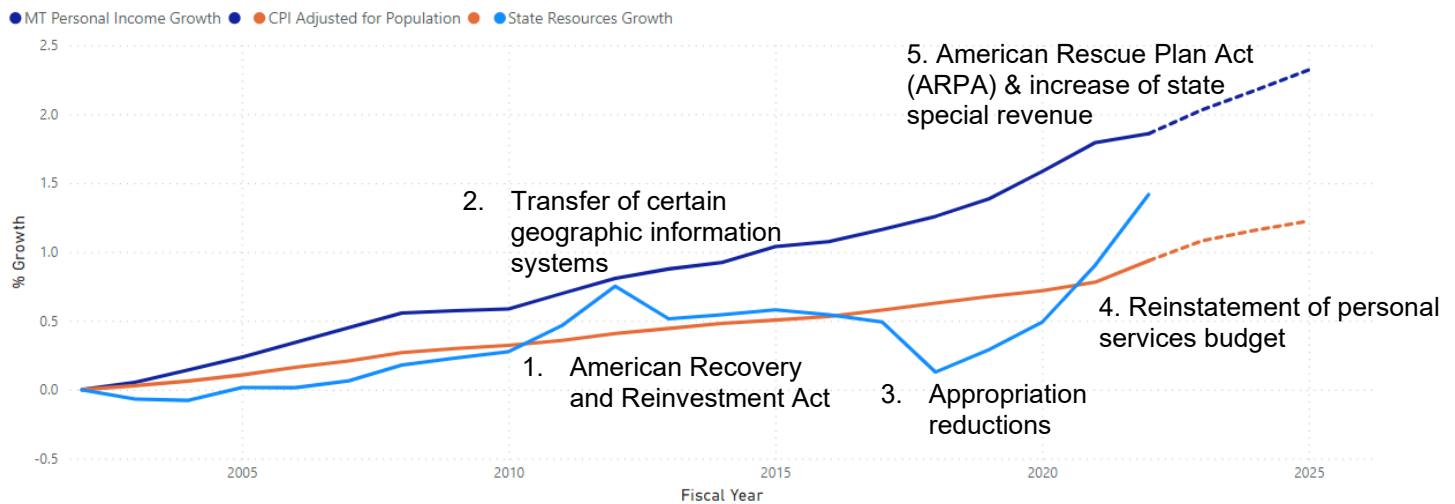


State Library Commission

The chart shows the growth in state resource expenditures compared to the growth in personal income and growth in inflation.



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.

The chart above compares the growth in the expenditure of all government funds, otherwise known as state resources, and the following pages include charts that isolate general fund and state special fund expenditures. The term “state resources” incorporates five fund types: general, state special, federal special, capital projects, and appropriated proprietary (17-7-150, MCA). The term excludes transfers of money among these funds and between one of these funds and the debt services fund. This provision ensures that expenditures are only counted once. When comparing appropriation of state resources, statute requires a specific methodology that ensures equitable comparisons between biennia.

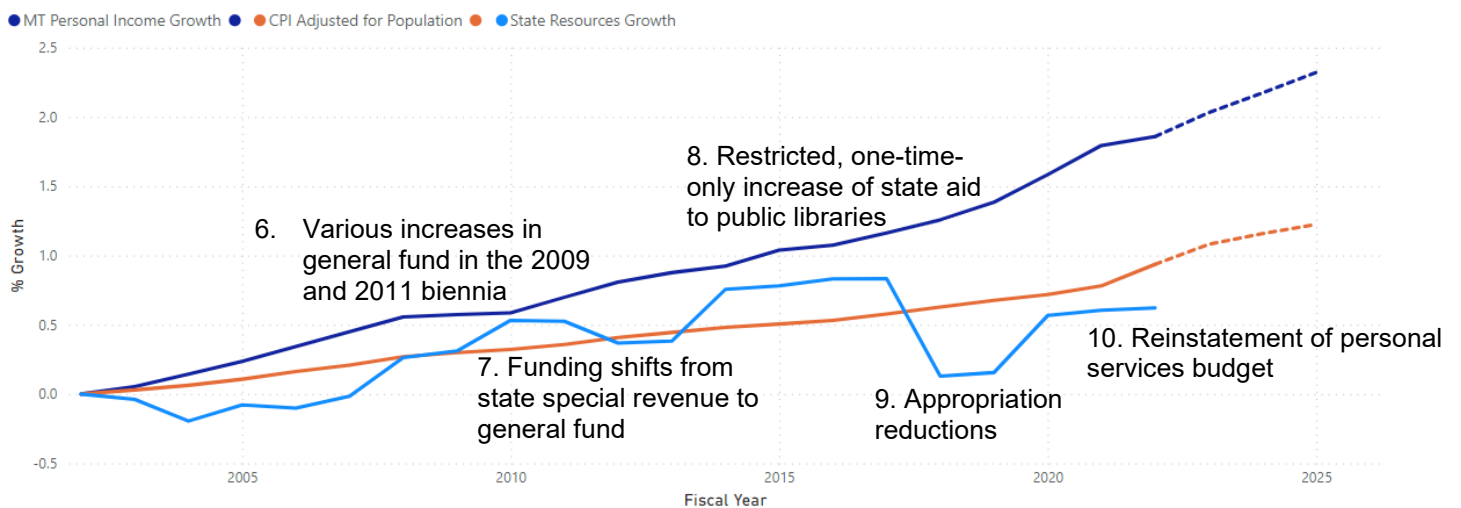
With a few exceptions, the trend for expenditures related to all governmental funds in the Montana State Library has followed the growth in inflation. The following list discusses in more detail the inflection points on the charts:

1. The Montana State Library received federal funds as part of the American Recovery and Reinvestment Act (ARRA). Expenditures totaled approximately \$608,000 in FY 2011, \$751,000 in FY 2012, and \$445,000 in FY 2013
2. The 2013 Legislature approved the transfer of the administration of certain geographic information systems (GIS) from the Department of Administration to the Montana State Library. This increased state special revenue expenditures by approximately \$892,000 and 2.50 FTE were added in FY 2014
3. Legislators anticipated revenue shortfalls for FY 2017 through FY 2018 and reduced appropriations during the 2017 regular session and during a special session in November 2017. The general fund appropriations for the Montana State Library were reduced by approximately \$212,000 because of vacancy savings, the 5.0% reduction plan, and information technology convergence savings. Additionally, SB 261 (2017 regular session) reduced general fund appropriations by approximately \$680,000

4. For the 2021 biennium, the legislature adopted statewide present law adjustments to increase personal services by approximately \$480,000 in FY 2020 and \$477,000 in FY2021. This was based on the executive’s proposal to reinstate personal services after the reductions from the prior biennium
5. The Montana State Library received federal funds under the American Rescue Plan Act (ARPA), which was appropriated through HB 632 (2021). Expenditures totaled approximately \$1.2 million in FY 2022, and approximately \$1.1 million of authority was continued for expenditure in FY 2023. Additionally, the 2021 Legislature increased state revenue appropriations to \$1.7 million for the Montana Land Information Act (MLIA), provided a \$925,000 appropriation for the biennium for start-up costs to build out a statewide real-time network, and increased state special revenue appropriation of the natural resource information system (NRIS) and geographic information system (GIS) fixed costs

General Fund Only

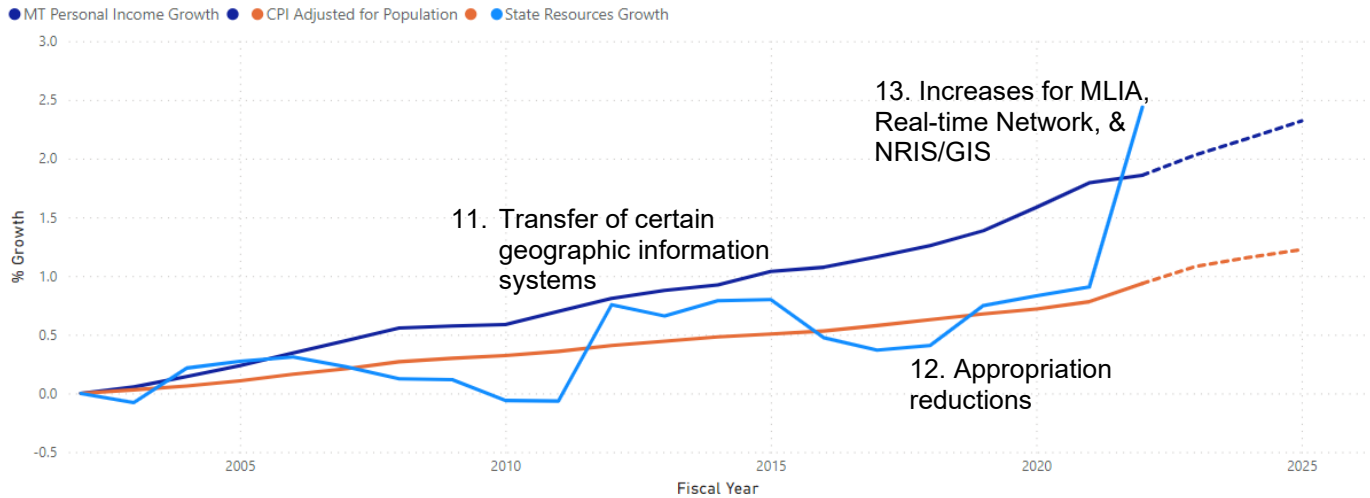
The chart shows the growth in state resource expenditures compared to the growth in personal income and growth in inflation.



6. In the 2009 biennium the Montana State Library received additional general fund appropriations for the geographic information system and the Natural Heritage Program to obtain, catalog, store, manage, and provide access to natural resource information. In the 2011 biennium the Montana State Library also received general fund appropriations to provide for additional reading services for blind patrons
7. In the 2009 and the 2011 biennia there were funding shifts from the resource indemnity trust (RIT) state special revenue account to general fund because the RIT state special revenue account was over-appropriated
8. For the 2015 biennium, the legislature authorized a restricted, one-time-only increase in general fund state aid to local public libraries of \$293,000 per fiscal year. Following that, in FY 2017, state aid was authorized as a statutory appropriation at a rate of \$0.40 per capita
9. In FY 2018 there was a reduction in general fund expenditures because of appropriation reductions approved by the legislature
10. Of the statewide present law adjustments to reinstate the Montana State Library’s personal services budget in FY 2020, approximately 87.0% was funded with general fund

State Special Only

The chart shows the growth in state resource expenditures compared to the growth in personal income and growth in inflation.



11. In FY 2013, the legislature authorized the transfer of the administration of certain geographic information systems (GIS) from the Department of Administration to the Montana State Library, which increased state special revenue expenditures by approximately \$892,000
12. In the 2017 biennium the legislature approved a reduction in state special revenue in order to align budgeted expenditures with HJ 2 projections related to the coal severance tax
13. As described previously, state special revenue authority was increased for the Montana State Library in the 2023 biennium. In FY 2022, the Montana State Library expended 96.1% of the Montana Land Information Act appropriation, 55.9% of the real-time network appropriation, and fully expended the NRIS/GIS appropriation