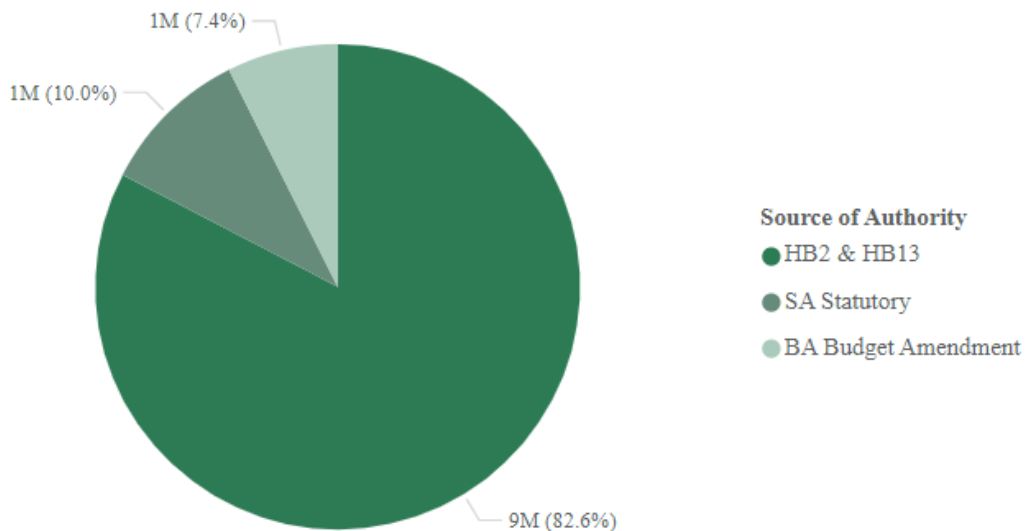


# MONTANA STATE LIBRARY

## TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the Montana State Library (MSL) is shown in the pie chart below. HB 2 and HB 13 provide 82.6% 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	Modified Budget	Expended Budget	% Expended
HB2 & HB13	8,616,926	6,018,251	69.8%
BA Budget Amendment	772,226	305,109	39.5%
SA Statutory	1,038,707	971,869	93.6%
<b>Total</b>	<b>10,427,859</b>	<b>7,295,229</b>	<b>70.0%</b>

## Statutory Appropriations

Statutory appropriations totaled approximately \$1.0 million through May 31, 2024, which was 10.0% of the total appropriation authority for the agency. This authority includes approximately \$542,000 general fund for state aid grants to local libraries, of which the MSL has expended 100.0%. Statutory appropriations also include \$497,000 of next generation (NG) 9-1-1 state special revenue funding, of which the MSL has expended 86.5%. The majority of the NG 9-1-1 fund expenditures were for a data assessment service subscription and personal services costs.

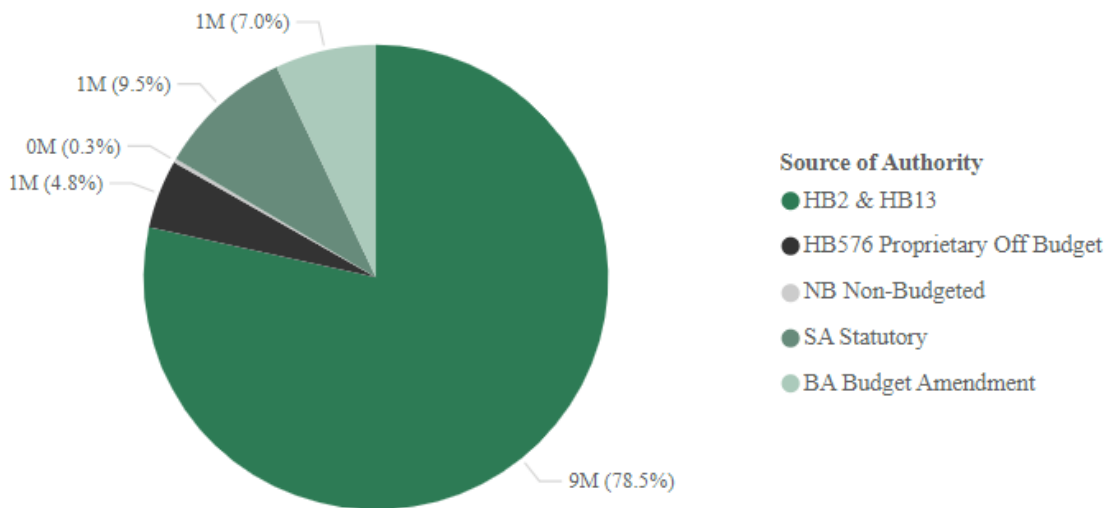
## Budget Amendments

The MSL had approximately \$772,000 of federal special revenue authority added through budget amendments, which was 7.4% of total appropriation authority for the agency. Of that total, \$560,000 of authority was added for providing the U.S. Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) and the U.S. Forest Service with access to Montana Natural Heritage Program data. Of that authority, the MSL has expended \$197,000 or 35.1%. Most of these grants have end dates that extend beyond the end of the fiscal year, allowing time in subsequent fiscal years for expenditures.

## 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 & Expended Budget by Source of Authority**



Source of Authority	Modified Budget	Expended Budget	% Expended
HB2 & HB13	8,616,926	6,018,251	69.8%
BA Budget Amendment	772,226	305,109	39.5%
HB576 Proprietary Off Budget	524,313	427,790	81.6%
NB Non-Budgeted	30,000	152,837	509.5%
SA Statutory	1,038,707	971,869	93.6%
<b>Total</b>	<b>10,982,172</b>	<b>7,875,855</b>	<b>71.7%</b>

## Non-budgeted Proprietary Fund Authority

The MSL is the fiscal agent for the Montana Shared Catalog (MSC), a cooperative catalog project, funded by member fees paid by participating libraries. A total budget of \$464,000 was established for the MSC, and of that

budget, the MSL has expended approximately \$428,000 or 92.1%. The most significant expenditures include \$178,000 for information technology subscription costs and \$229,000 for personal services costs.

Additionally, the Montana State Library has added \$60,000 in proprietary fund authority for the real-time network. SB 60 authorized the creation of this enterprise fund. In FY 2024, subscriptions will cost \$1,200, and the MSL anticipates 25 subscribers by fiscal year end.

## 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 from March 1, 2024 through May 31, 2024. 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	HB 2 Budget	Modified Budget	Net Modifications
Library Commission	8,616,926	8,616,926	
01 STATEWIDE LIBRARY RESOURCES	8,616,926	8,616,926	
<b>Total</b>	<b>8,616,926</b>	<b>8,616,926</b>	

Expenditure Type	HB 2 Budget	Modified Budget	Net Modifications
61000 Personal Services	4,370,544	4,370,544	
62000 Operating Expenses	3,474,040	3,474,040	
63000 Equipment & Intangible Assets	7,155	7,155	
66000 Grants	499,947	499,947	
69000 Debt Service	265,240	265,240	
<b>Total</b>	<b>8,616,926</b>	<b>8,616,926</b>	

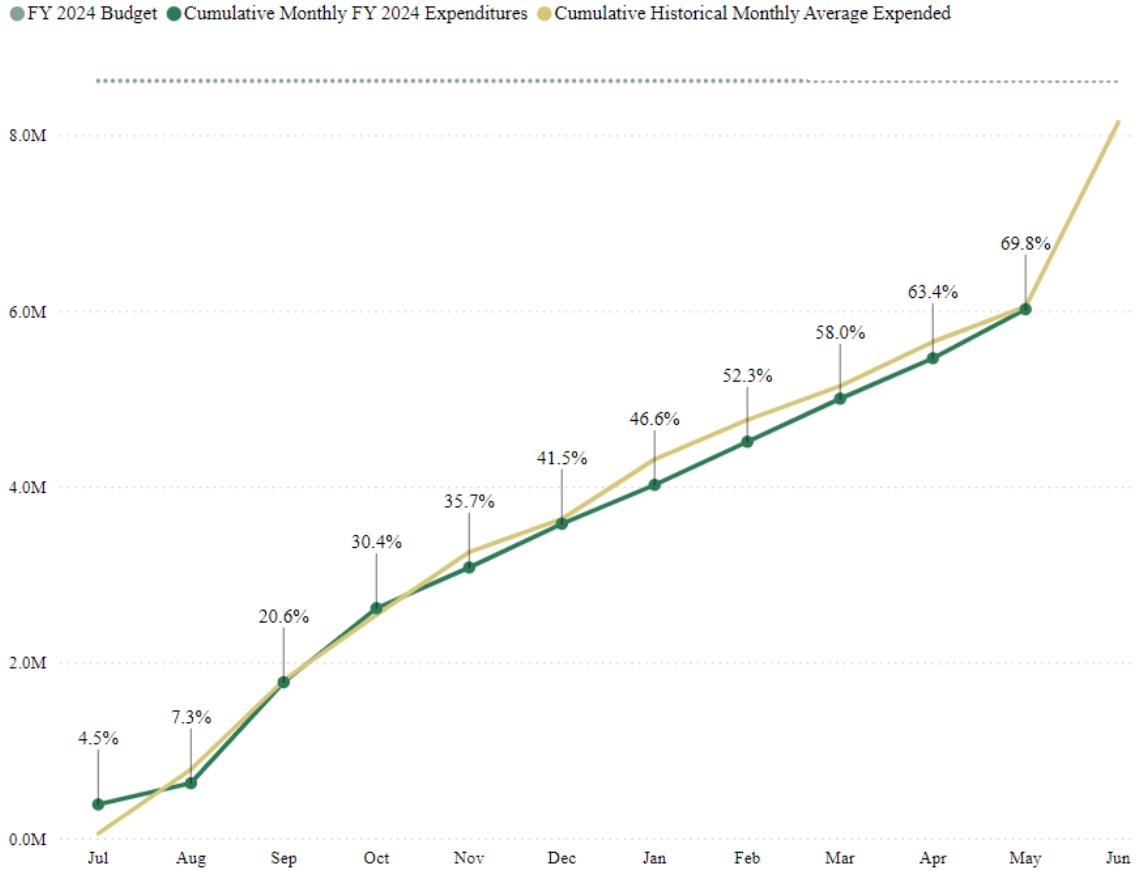
Fund Type	HB 2 Budget	Modified Budget	Net Modifications
01 General	3,205,884	3,205,884	
02 State/Other Spec Rev	3,907,330	3,907,330	
03 Fed/Other Spec Rev	1,503,712	1,503,712	
<b>Total</b>	<b>8,616,926</b>	<b>8,616,926</b>	

The Montana State Library did not have any budget modification between March 1, 2024 and May 31, 2024.

## HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through May 31, 2024.

### Monthly Expenditures Compared to Historical Average



Program Name	Modified Budget	Expended Budget	% Expended
01 STATEWIDE LIBRARY RESOURCES	8,616,926	6,018,251	69.8%
<b>Total</b>	<b>8,616,926</b>	<b>6,018,251</b>	<b>69.8%</b>

Expenditure Type	Modified Budget	Expended Budget	% Expended
Personal Services	4,370,544	3,757,747	86.0%
Operating Expenses	3,474,040	1,676,483	48.3%
Equipment & Intangible Assets	7,155		
Grants	499,947	318,780	63.8%
Debt Service	265,240	265,240	100.0%
<b>Total</b>	<b>8,616,926</b>	<b>6,018,251</b>	<b>69.8%</b>

Fund Type	Modified Budget	Expended Budget	% Expended
01 General	3,205,884	2,449,296	76.4%
02 State/Other Spec Rev	3,907,330	2,467,012	63.1%
03 Fed/Other Spec Rev	1,503,712	1,101,942	73.3%
<b>Total</b>	<b>8,616,926</b>	<b>6,018,251</b>	<b>69.8%</b>

The MSL expended 69.8% of its \$8.6 million HB 2 modified budget through May 31, 2024. Overall, this is in close alignment with the five-year average of 70.2%.

The budget for operating expenses totals \$3.5 million and is 48.3% expended at this point in the fiscal year. Revenues for the Montana geospatial information state special revenue fund have declined since their peak in FY 2022, so the MSL is pausing spending from this fund, where possible. This fund supports approximately 26.7% of total operating expenses, so it is impacting the percent expended from this account. The table below provides information on the revenues, expenditures, and fund balances for the Montana geospatial information state special revenue fund from FY 2019 through FY 2024 (year-to-date). It is important to note that the 2021 Legislature approved a fee increase from \$0.75 to \$1.50 starting in FY 2022, so there was a significant increase in revenue in that fiscal year.

Montana State Library						
Montana Geospatial Information Account (02779) Fund Balance						
As of June 3, 2024						
	FY 2019	FY 2020	FY 2021	FY 2022*	FY 2023	FY 2024**
Beginning Fund Balance	\$ 1,082,809	\$ 1,001,261	\$ 1,058,165	\$ 1,463,415	\$ 1,546,284	\$ 556,545
<b>Revenues</b>						
Investment Earnings	25,460	17,973	2,049	1,700	43,214	33,879
Charges For Services	<u>739,285</u>	<u>927,370</u>	<u>1,341,148</u>	<u>2,039,065</u>	<u>1,287,547</u>	<u>950,740</u>
Total Revenues	764,746	945,342	1,343,197	2,040,765	1,330,761	984,619
<b>Expenditures</b>						
Equipment	-	-	-	-	(11,372)	-
Grants	(223,951)	(182,948)	(151,549)	(235,851)	(228,062)	(72,478)
Operating Expenses	(134,590)	(172,306)	(233,113)	(628,730)	(681,448)	(113,771)
Personal Services	(487,753)	(533,185)	(553,284)	(1,095,141)	(1,208,100)	(1,079,688)
Transfers-out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(211,517)</u>	<u>-</u>
Total Expenditures	(846,293)	(888,439)	(937,946)	(1,959,722)	(2,340,500)	(1,265,937)
Adjustments				1,826	20,000	
Ending Fund Balance	<u>\$ 1,001,261</u>	<u>\$ 1,058,165</u>	<u>\$ 1,463,415</u>	<u>\$ 1,546,284</u>	<u>\$ 556,545</u>	<u>\$ 275,227</u>
*Fee changed in 7-4-2637(3)(a)(iii), MCA from \$0.75 to \$1.50						
**As of June 3, 2024						

Additionally, the Montana State Library historically has several operating expenses that are paid at the end of the fiscal year. In FY 2024, these expenditures are anticipated to include:

- TRIMBLE, which is a real-time network contract. Expenditures towards the end of the fiscal year are anticipated to be approximately \$78,000
- Trails, which is membership and subscription services to libraries. Expenditures at the end of the fiscal year are anticipated to be \$19,000
- Digital Equity access points, which is internal wiring projects for local libraries and anticipated to have approximately \$31,000 in expenditures by the end of the fiscal year

Additionally, appropriations of approximately \$500,000 for grants are 63.8% expended at this point in the fiscal year. Grant payments from the Montana geospatial information account are typically awarded at the end of the fiscal year. The MSL anticipates fewer grant expenditures this year because they typically extend and accrue expenditures for existing grants if they have not been completed in the year awarded. MSL will not be extending grants this fiscal year so grant expenditures are likely to decrease. MSL also anticipates pausing the grant program for FY 2025.

The following table shows the MSL’s HB 2 budget and expenditure by category, including central services; patrol and local library development services; and geographic information services (GIS), data, and information programs.<sup>1</sup> The legislative budget in the first table is what was identified in the budgeting system for each MSL workgroup from the 2023 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, FY 2024 through May 31, 2024			
	Legislative Budget HB 2 and HB 13		Percent Expended of Legislative Budget
		Expenditures	
Central Services	\$ 3,489,596	\$ 1,764,857	50.6%
Patron & Local Library Development Services	2,448,183	2,177,589	88.9%
GIS, Data, & Information Programs	2,561,481	2,075,804	81.0%
Budget Modifications			
HB 13 Pay Plan Adjustment	117,666		
<b>Total</b>	<b>\$ 8,616,926</b>	<b>\$ 6,018,251</b>	<b>69.8%</b>

	Agency Spending Plan HB 2 and HB 13		Percent Expended of Agency Spending Plan
		Expenditures	
Central Services	\$ 2,355,434	\$ 1,764,857	74.9%
Patron & Local Library Development Services	2,797,376	2,177,589	77.8%
GIS, Data, & Information Programs	3,389,220	2,075,804	61.2%
<b>Total<sup>1</sup></b>	<b>\$ 8,542,031</b>	<b>\$ 6,018,251</b>	<b>70.5%</b>
<sup>1</sup> The total for agency spending plan is less than the official budget by \$74,895 due to a difference in anticipated vs. actual federal grant amount			

The legislative budget totals \$8.6 million and includes \$8.5 million appropriated under HB 2, along with \$118,000 added to the budget under HB 13. Of the HB 2 funding, 41.1% is budgeted for central services, 28.8% is budgeted for patron and local library development services, and 30.1% is budgeted for GIS, data, and information programs.

In comparison, the agency spending plan budget totals \$8.5 million, which includes funding appropriated under both HB 2 and HB 13. Of that funding, the agency’s plan includes 27.6% for central services; 32.7% for patron

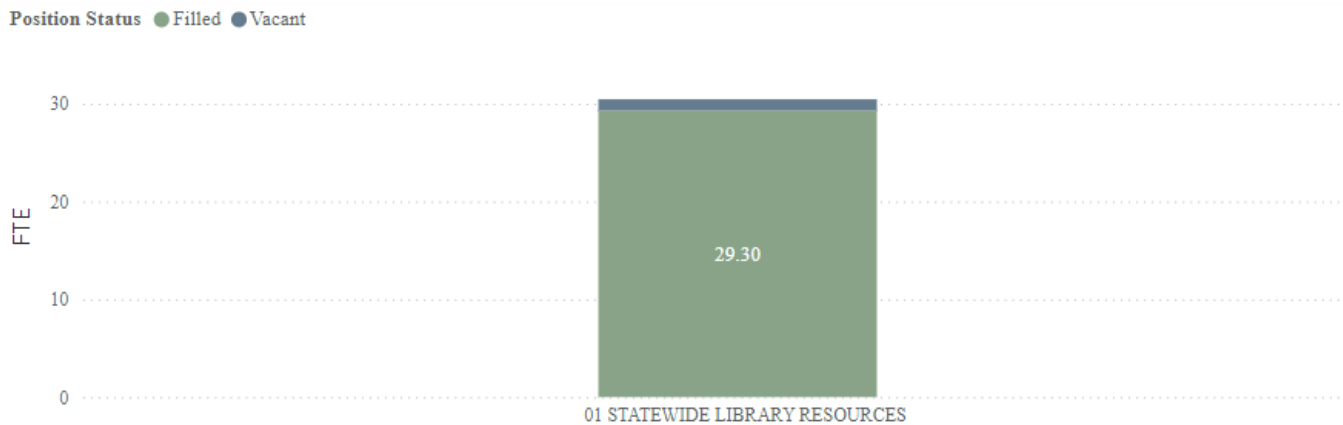
---

<sup>1</sup> More detail about each category can be found in Appendix B of this memo, dated March 16, 2022, to the Section E Interim Budget Committee: <https://leg.mt.gov/content/Publications/fiscal/2023-Interim/IBC-E/LFD-Memo-MSL-Program-03-16-22-Final.pdf>

and local library development services; and 39.7% for GIS, data, and information programs. The agency spending plan budget total is approximately \$75,000 less than the total for the legislative budget; this is due to slightly lower than anticipated federal grant funding. The agency’s spending plan aligns with the actual grant amount.

## Personal Services

Appropriations for personal services in the Montana State Library total \$4.4 million and are 86.0% expended through May 31, 2024. The MSL has 30.46 HB 2 FTE, and 96.2% of these positions were filled as of May 1, 2024. The MSL had two vacancies, which include 1.00 FTE for a library supervisor and 0.16 FTE for a student intern position. The following chart shows the filled and vacant FTE within the agency as of May 1, 2024.



The chart below shows the hourly utilization percentage for the Montana State Library between July 1 and May 1 for each fiscal year when compared to the available hours for the same time period. Overall, the agency has utilized 95.0% of the hours budgeted, as shown in the chart below. This is slightly higher than the average utilization rate of 88.9% for the five-year time period shown.



## **OTHER ISSUES**

### **Real-Time Network**

For the 2025 biennium, the legislature appropriated \$500,000 per fiscal year of state special revenue authority for additional start-up and ongoing costs related to the Montana real-time network, which is a network of permanent continuously operating reference stations (CORS) spread throughout the state. The CORS are mounted with global navigation satellite system receivers and communication equipment to continuously receive and stream global navigation satellite system (GNSS) data.

The Montana State Library has expended \$162,000 or 32.4% of this appropriation as of May 31, 2024. The MSL recently signed a contract with the Department of Transportation to access an existing software contract that it has with TRIMBLE. Expenditures on this contract total \$78,000 and are anticipated to be paid by the end of the fiscal year. Additionally, the MSL has signed a contract for marketing of the real-time network to assist with implementation.

### **Hot Spot Lending Program**

The MSL was appropriated \$400,000 of state special revenue per fiscal year of the 2025 biennium for continuing the hot spot lending program for local libraries. This program was originally established using federal American Rescue Plan Act funding and was continued in the 2025 biennium with a one-time-only appropriation of coal severance tax funding. Of the FY 2024 appropriation, the MSL has expended 91.1%. For more information about the program, the MSL has a dashboard available:

[https://dataportal.mt.gov/t/MSL/views/MSL\\_HotSpotProgram/HotSpotUsage?%3Aembed\\_code\\_version=3&%3Aembed=y&%3AloadOrderID=0&%3Adisplay\\_spinner=no&%3AshowAppBanner=false&%3Adisplay\\_count=n&%3AshowVizHome=n&%3Aorigin=viz\\_share\\_link](https://dataportal.mt.gov/t/MSL/views/MSL_HotSpotProgram/HotSpotUsage?%3Aembed_code_version=3&%3Aembed=y&%3AloadOrderID=0&%3Adisplay_spinner=no&%3AshowAppBanner=false&%3Adisplay_count=n&%3AshowVizHome=n&%3Aorigin=viz_share_link)