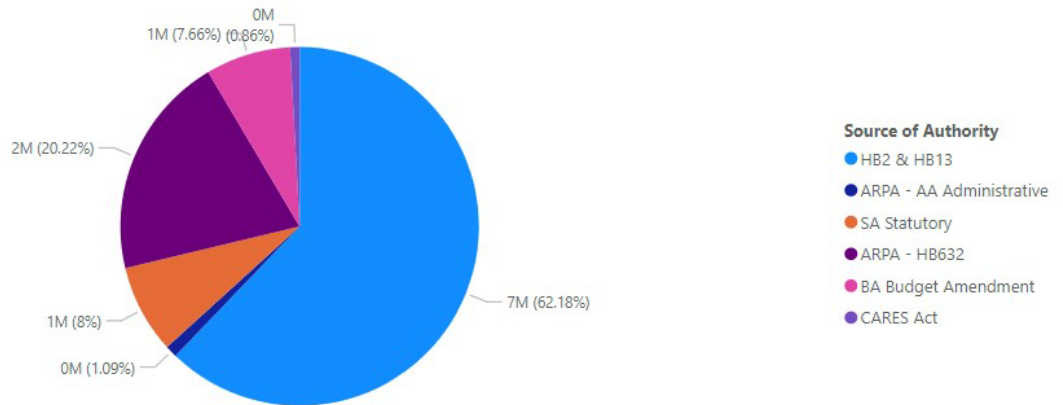


MONTANA STATE LIBRARY (MSL)

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the agency is shown in the pie chart below. HB 2 and HB 13 provide 62.2% 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	Percent Expended
HB2 & HB13	6,870,678	3,883,498	56.5%
BA Budget Amendment	846,646	168,489	19.9%
SA Statutory	883,690	497,316	56.3%
CARES	94,867	94,867	100.0%
ARPA	2,354,029	530,289	22.5%
Total	11,049,909	5,174,459	46.8%

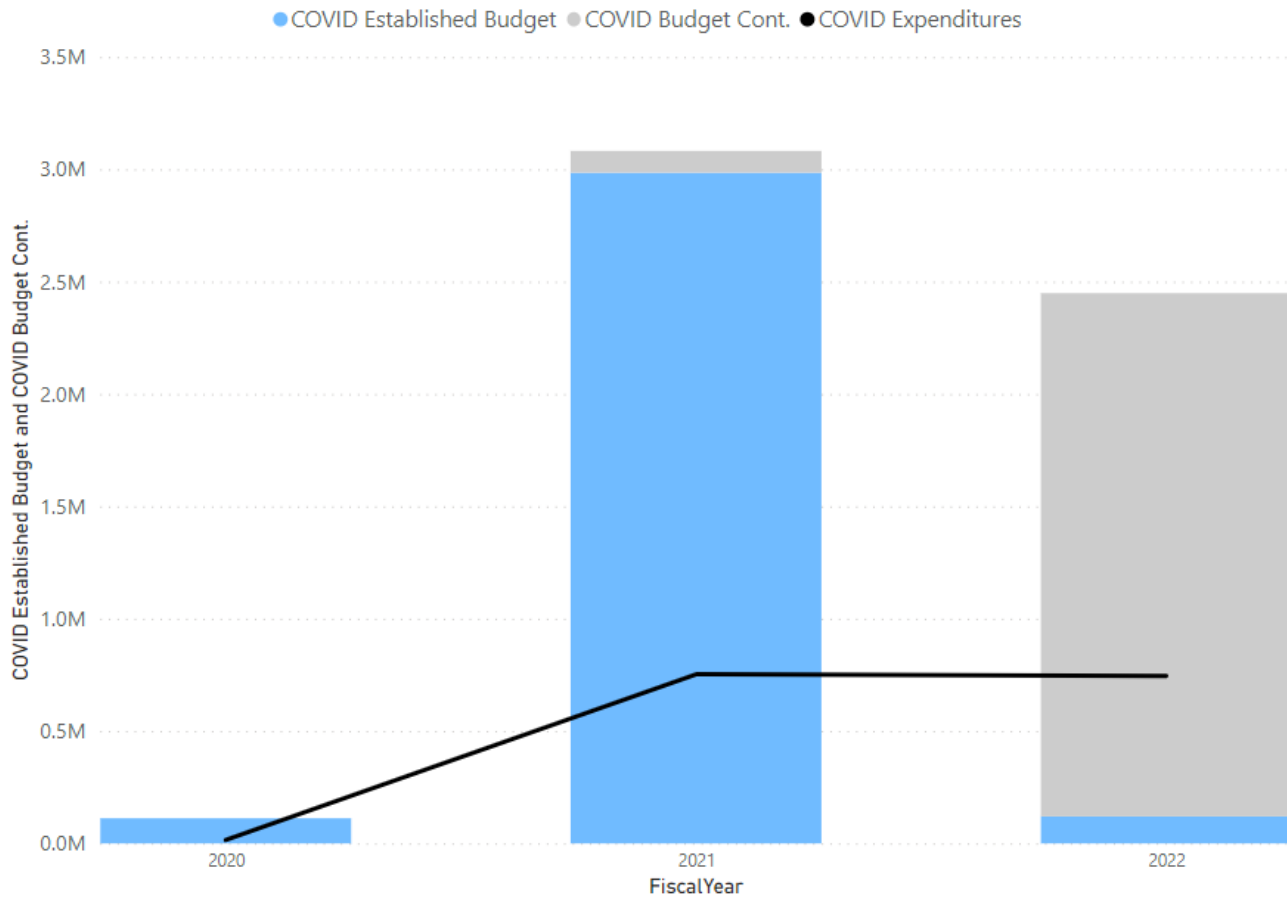
- Report Period**
- Jul
 - Aug
 - Sep
 - Oct
 - Nov
 - Dec
 - Jan
 - Feb
 - ..

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. American Rescue Plan Act (ARPA) federal funding totaling \$2.2 million and Coronavirus Aid, Relief, and Economic Security (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 Newsline from the Department of Health and Human Services' funds for supporting older Americans and families.

In terms of expenditures in FY 2022, the MSL has expended \$225,000 of ARPA funding for the hotspots program, \$60,000 for Newsline, and \$246,000 for e-learning; the deadline for spending this funding is December 31, 2022. The CARES Act budget of \$95,000 has been fully expended.

Statutory Appropriations

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

The MSL has expended \$432,000 of its state aid funding and about \$65,000 of its 9-1-1 funding. According to the MSL, a contractor has recently been selected and signed on for the NextGen 9-1-1 project, and additional expenditures are anticipated soon.

Budget Amendments

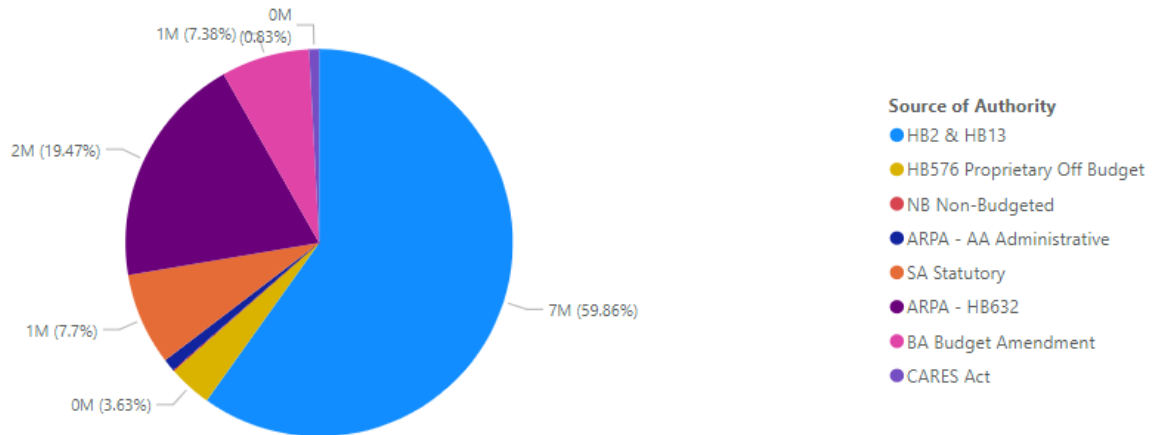
A total of \$847,000 of federal special revenue authority has been established through budget amendments. For this reporting period, \$300,000 of that authority was added for the development and delivery of natural resource inventory and assessment information and other GIS data under an agreement with the U.S. Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS). The MSL has through September 2026 to expend the funds.

Of the \$168,000 expended of budget amendment authority in FY 2022, \$100,000 has been expended for data and information services provided under agreements with USDA NRCS. Additionally, \$33,000 has been expended under 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.

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	6,870,678	3,883,498	56.5%	<input type="checkbox"/> Jul
BA Budget Amendment	846,646	168,489	19.9%	<input type="checkbox"/> Aug
HB576 Proprietary Off Budget	416,793	390,632	93.7%	<input type="checkbox"/> Sep
NB Non-Budgeted	10,350	11,636	112.4%	<input type="checkbox"/> Oct
SA Statutory	883,690	497,316	56.3%	<input type="checkbox"/> Nov
CARES	94,867	94,867	100.0%	<input checked="" type="checkbox"/> Dec
ARPA	2,354,029	530,289	22.5%	<input checked="" type="checkbox"/> Jan
Total	11,477,052	5,576,727	48.6%	<input checked="" type="checkbox"/> Feb
				<input type="checkbox"/> Mar

The MSL is the fiscal agent for the Montana Shared Catalog (MSC), a cooperative catalog project, funded by fees paid by participating libraries. The FY 2022 non-budgeted proprietary funding authorized for the MSC is about \$417,000. Of the total MSC budget, the MSL has expended \$391,000 or 93.7% of its FY 2022 budget. This expenditure percentage is slightly higher than was reported in the December LFD financial report. According to the agency, this was due to using Library and Services Technology Act (LSTA) federal funding instead of non-budgeted proprietary funding for some expenditures during the quarter totaling approximately \$62,000.

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 February 28, 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	Starting Budget	Prior Period Modifications	Legislative Budget	Net Modifications	Modified Budget
Library Commission	6,870,678	0	6,870,678		6,870,678
Total	6,870,678	0	6,870,678		6,870,678

Acct & Lvl 1 DESC	Starting Budget	Prior Period Modifications	Legislative Budget	Net Modifications	Modified Budget
61000 Personal Services	2,405,796	145,000	2,550,796		2,550,796
62000 Operating Expenses	3,266,904	-148,044	3,118,860		3,118,860
66000 Grants	1,197,978	0	1,197,978		1,197,978
69000 Debt Service		3,044	3,044		3,044

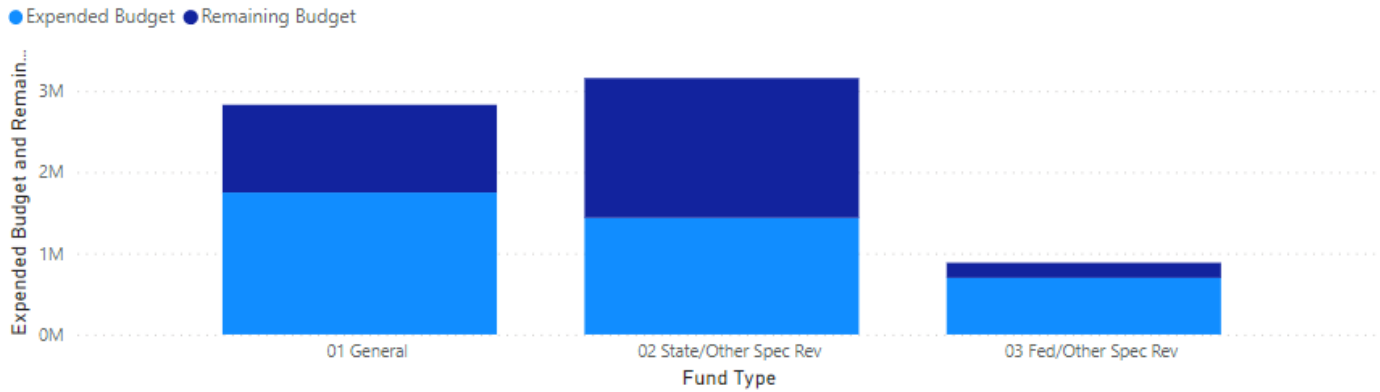
Fund Type	Starting Budget	Prior Period Modifications	Legislative Budget	Net Modifications	Modified Budget
01 General	2,829,605	0	2,829,605		2,829,605
02 State/Other Spec Rev	3,157,383	0	3,157,383		3,157,383
03 Fed/Other Spec Rev	883,690		883,690		883,690

There have been no modifications to the MSL's HB 2 budget for this reporting period.

HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through February 28, 2022.

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



acclv1_descr	Modified Budget	Expended Budget	Percent Expended
Personal Services	2,550,796	2,444,569	95.8%
Operating Expenses	3,118,860	1,201,241	38.5%
Grants	1,197,978	235,658	19.7%
Debt Service	3,044	2,029	66.7%

Program Name	Modified Budget	Expended Budget	Percent Expended
STATEWIDE LIBRARY RESOURCES	6,870,678	3,883,498	56.5%
Total	6,870,678	3,883,498	56.5%

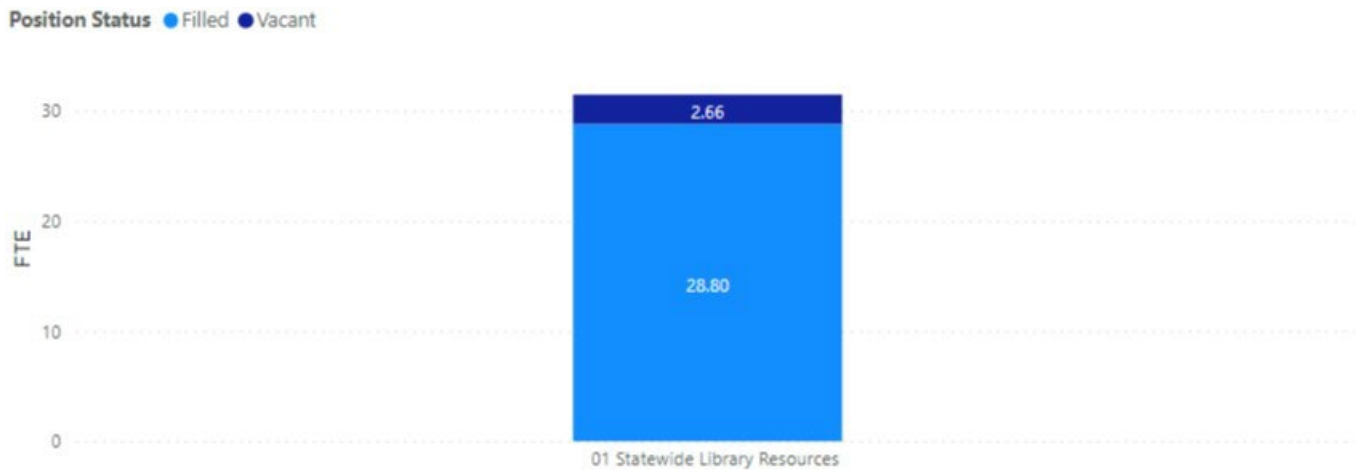
By fund type, this budget is comprised of \$2.8 million of general fund, \$3.2 million of state special revenue, and \$900,000 of federal special revenue. MSL has expended \$1.7 million of its general fund budget, \$1.4 million of its state special revenue budget, and \$698,000 of its federal special revenue budget through February 2022.

By account, the MSL has expended \$2.4 million or 95.8% of its personal services budget. Personal services is discussed below and was also addressed in the December 2021 quarterly report. MSL has expended \$1.2 million or 38.5% of its operating expenses budget. For grants, the MSL has expended \$236,000 of coal severance tax funds for payments to local library federations.

To align the agency's budget with planned expenditure, the MSL has submitted a budget modification request to move a total of \$1.5 million of authority from operating expenses and grants to personal services in FY 2022 and to move a total of \$1.6 million of authority from operating expenses and grants to personal services in FY 2023. That request is currently under review by the Governor's budget office.

Personal Services

The following chart shows the filled and vacant FTE within the agency through February 1, 2021.



Of the 31.46 FTE under HB 2, the MSL has had 2.66 vacant FTE. These vacancies include a GIS specialist position and an IT systems administrator.

In terms of hours utilized, out of the available hours through February 1, 2022, the MSL has utilized 93.7%.

Next Steps for Personal Services Reporting

In upcoming Quarterly Financial Reports, the LFD will begin the process of a more comprehensive look at personal services. The LFD will compare two executive “snapshots” -- July 2020 and July 2022. The analysis will identify adjustments adopted by the legislature in 2021 and modifications made by the agencies, within the confines of budget law.

The September Quarterly Financial Report will provide the complete comparison from July 2020 to July 2022. Ultimately, the analysis will result in a description of all the components that will be part of the executive’s decision package one (DP 1) 2025 biennium budget request. This work will prepare legislators for budget deliberations in the 2023 session. For a review of how DP 1 works and snapshot components, please read this [short brochure](#) from 2019.

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 has expended \$663,000 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 is \$462,500 of state special revenue; MSL has expended \$17,000 of this funding through February 2022. The MSL has partnered with the Montana Department of Transportation (MDT) on a research project¹ to analyze business models for implementation and operation of the real-time network, and MDT is participating in a related pilot project. According to MSL², MDT has budgeted a total of \$913,000 of MDT's funding for the pilot project and has expended \$461,000 through January 2022.

¹ <https://mdt.mt.gov/research/projects/planning/gnss.aspx>

² https://ftpaspen.msl.mt.gov/EventResources/20220128142214_20677.pdf