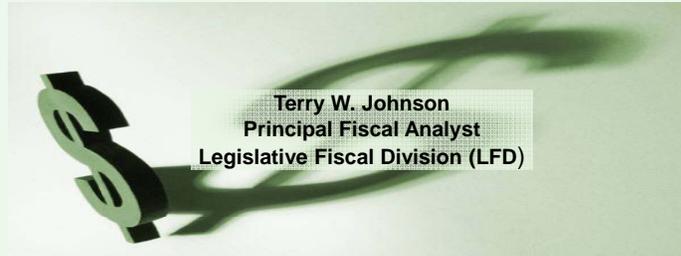




2013 Biennium Budget Outlook



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December 9, 2010

Montana Taxpayers Association

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Legislative Fiscal Division



Presentation Outline

- **State Fund Structure**
- **Executive Budget by Fund**
- **General Fund**
 - What Happened – 2011 Biennium
 - General Fund Revenue Outlook
 - Executive General Fund Budget
 - Budget Gap





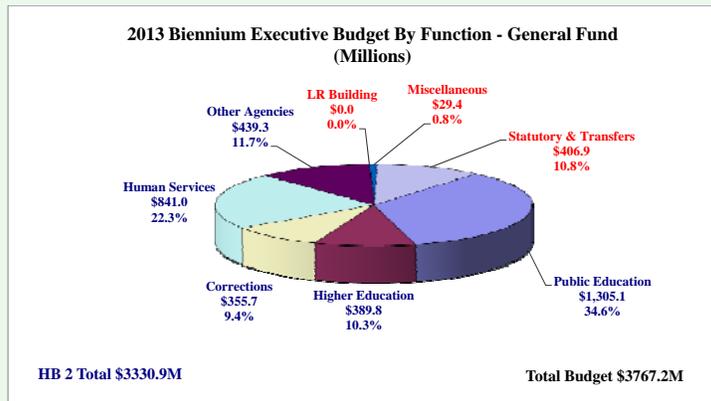
State Government Fund Structure



- General Fund
- State Special Revenue
- Federal Special Revenue
- Capital Projects
- Proprietary



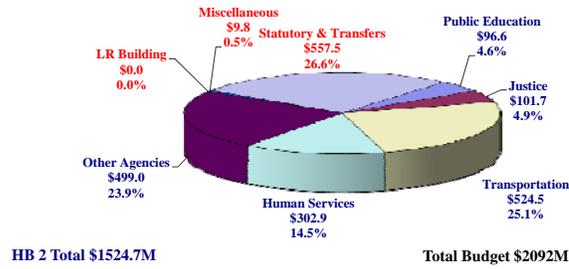
2013 Biennium Executive Budget General Fund





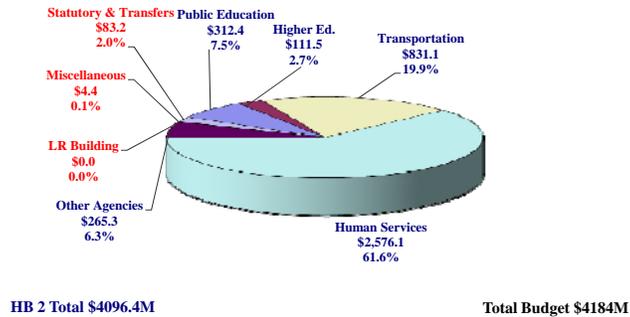
2013 Biennium Executive Budget State Special

2013 Biennium Executive Budget By Function - State Special (Millions)



2013 Biennium Executive Budget Federal Special

2013 Biennium Executive Budget By Function - Federal Special (Millions)





2013 Biennium Executive Budget Total Funds

2013 Biennium Executive Budget By Function - Total Funds (Millions)



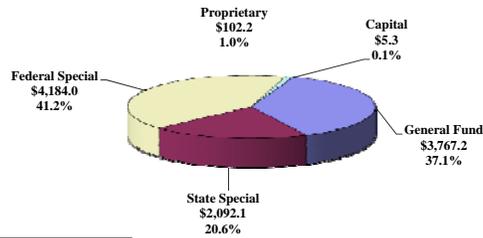
HB 2 Total \$8985.5M

Total Budget \$10150.8M



2013 Biennium Executive Budget Summary by Fund

2013 Biennium Executive Budget By Function - Fund Source (Millions)

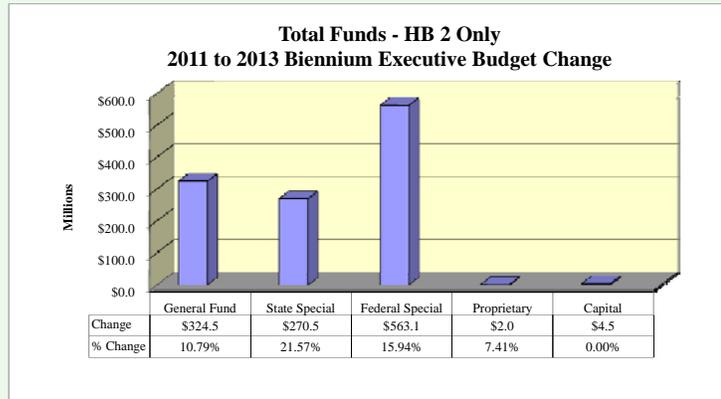


HB 2 Total \$8985.5M

Total Budget \$10150.8M



2013 Biennium Executive Budget Total Funds Biennial Comparison



General Fund - What Happened During the 2011 Biennium



Legislative Fiscal Division What Happened	
Changes Since Adjournment 61st Legislature	2011 Biennium Millions
Federal Fiscal Policies	83.4
Spending Reductions	41.0
Otter Creek Bonus Payment	<u>81.5</u>
Total Biennium Changes	\$205.9

Legislative Fiscal Division 

 **Fiscal 2010 - General Fund Revenue: \$ 43.0M**
Major Sources Above HJ 2 Estimate

Oil & Natural Gas Tax	\$ 28.6 M
Institution Reimbursements	\$ 6.0 M
Remaining Sources	<u>\$ 8.4 M</u>
Total Above Estimate:	\$ 43.0 M



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Legislative Fiscal Division 

 **Fiscal 2010 - General Fund Revenue: \$-188.6 M**
Major Sources Below HJ 2 Estimate

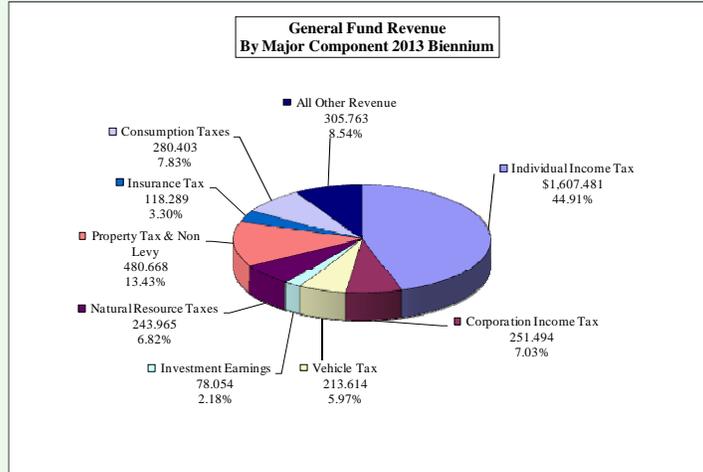
Insurance Tax	\$ -3.9 M
Treasury Cash Account Interest	\$ -5.3 M
Property Tax	\$ -6.3 M
Vehicle Fee/Tax	\$ -6.4 M
Video Gaming Tax	\$ -16.6 M
Corporation Income Tax	\$ -27.7 M
Individual Income Tax	<u>\$-122.4 M</u>
Total Below Estimate:	\$-188.6 M
Net Change	\$-145.6M



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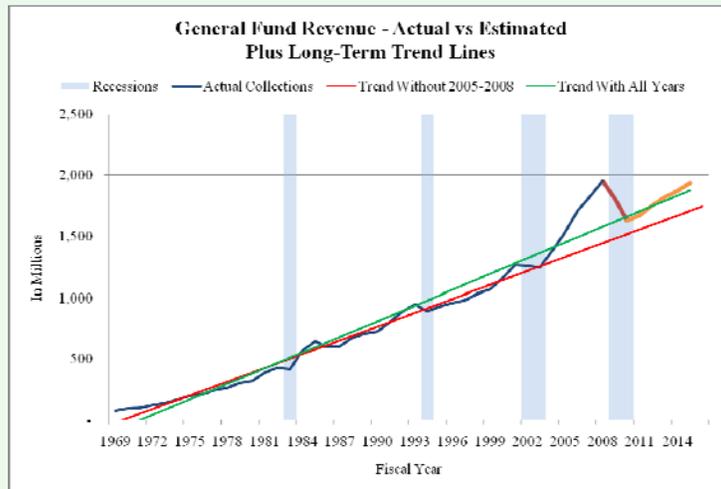
2013 Biennium General Fund Revenue Legislative Estimate \$3,579.7 Million



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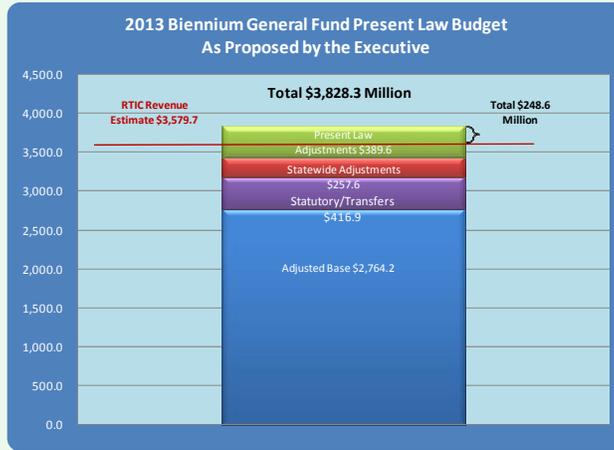
General Fund Revenue Outlook



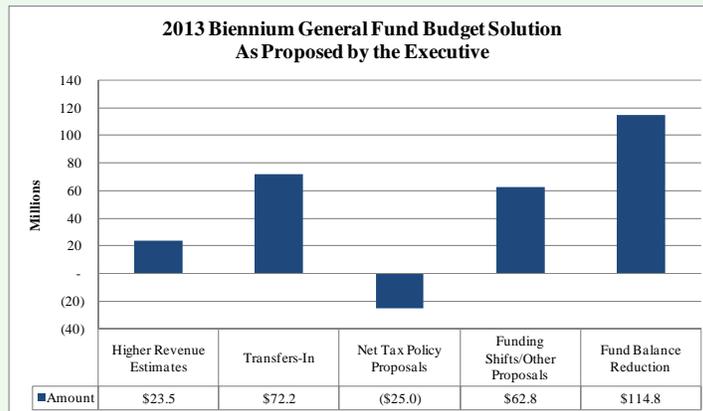
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2013 Biennium General Fund Budget Executive Present Law Proposal



2013 Biennium General Fund Budget Proposed Executive Solution - \$248.2 Million





2013 Biennium General Fund Budget Executive Budget Solution Detail

2013 Biennium General Fund Budget Solution As Proposed By the Executive

Budget Proposal	Millions
Higher Revenue Estimates	\$23.5
Transfers-In	72.2
Tax Policy Additions	33.0
Tax Policy Reductions	(58.0)
HB2 Funding Shifts/Other	80.5
Non-HB2 Proposals	(17.8)
Fund Balance Drawdown	<u>114.8</u>
Total Solution	\$248.2

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2013 Biennium General Fund Budget Gap

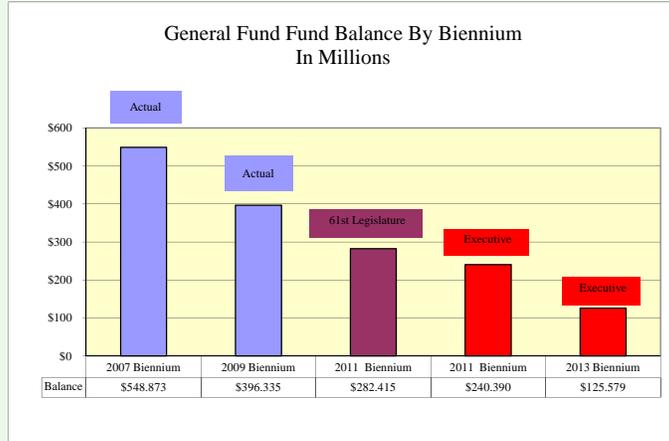
2013 Biennium General Fund Budget Budget Gap in Millions

Budget Category	FY 2012	FY 2013
On-Going Revenue *	\$1,752.560	\$1,825.640
On-Going Disbursements *	\$1,859.290	\$1,900.796
Budget Gap	(\$106.730)	(\$75.156)
% of Revenue	-6.1%	-4.1%
* As Proposed in the Executive Budget		

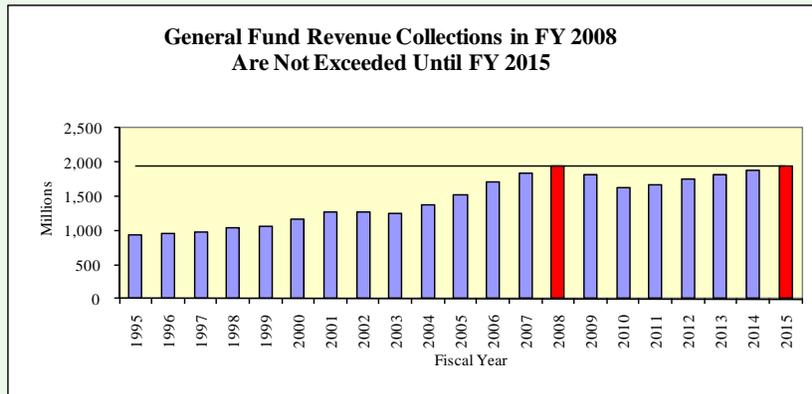
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General Fund Balance History



Long-term General Fund Revenue Outlook



Questions ?

