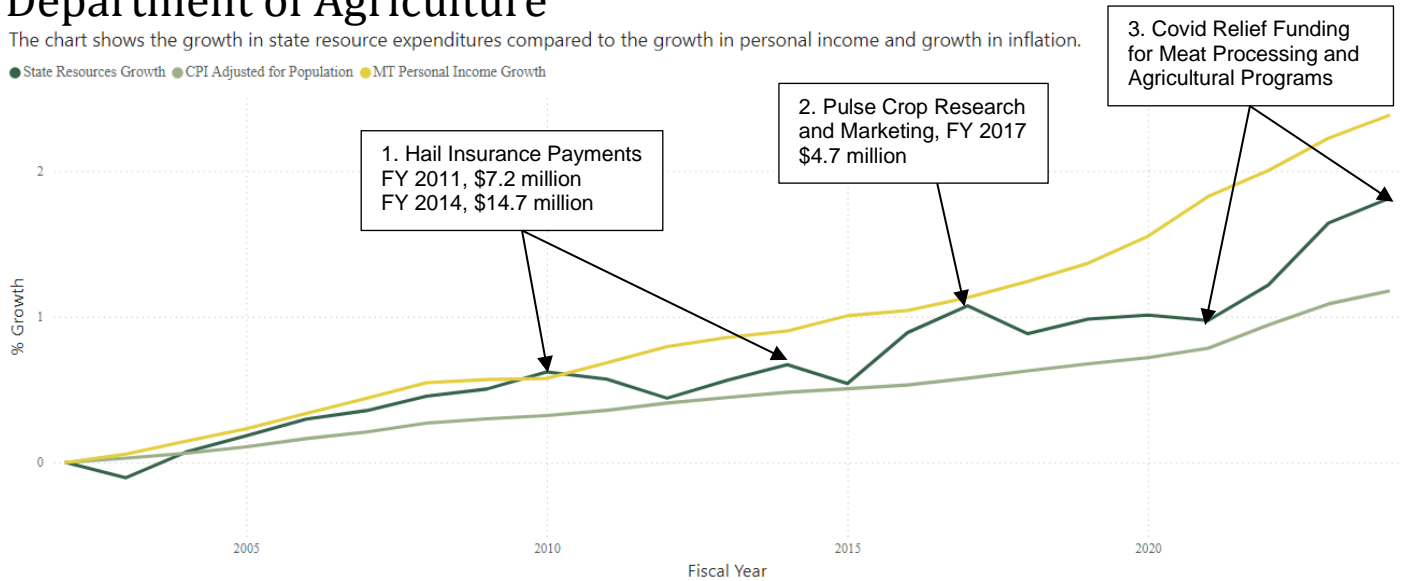


Department of Agriculture

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

● State Resources Growth ● CPI Adjusted for Population ● MT Personal Income Growth



This report includes a series of charts that compare state resource expenditure growth to the growth in personal 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.

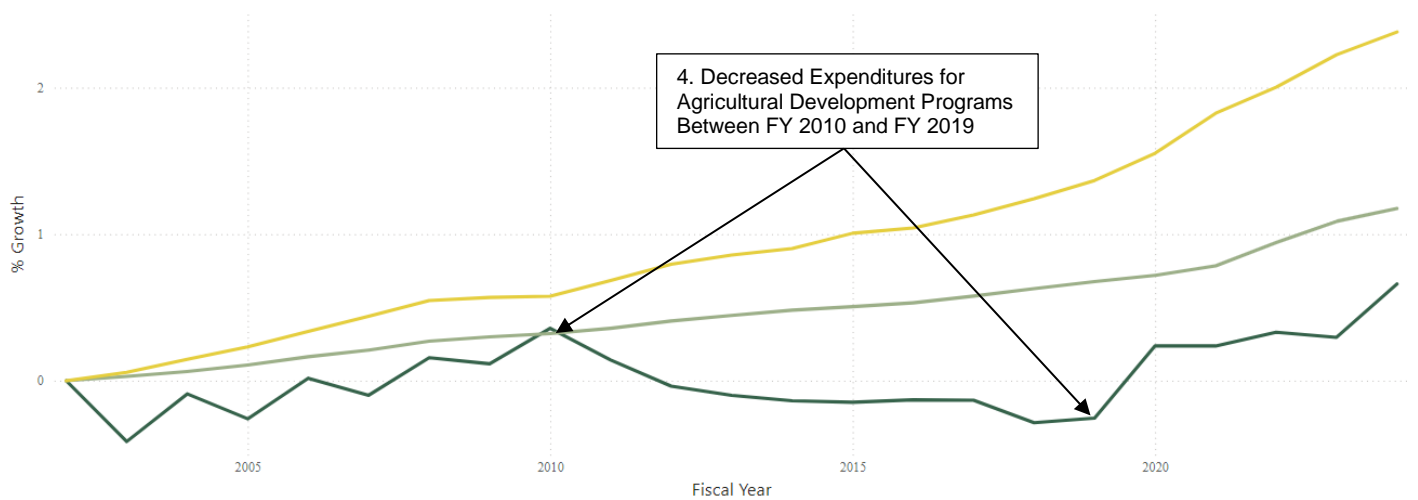
Expenditures of state resources has grown at an annual rate of 3.6% over the last twenty-two years. Payments for hail insurance claims totaled \$10.6 million in FY 2008 and \$14.6 million in FY 2014. Statutory expenditures in the 2017 biennium for pulse crop research and marketing totaled \$4.7 million. Expenditures of federal covid relief funds for meat processing infrastructure and agricultural programs starting in FY 2020 increase expenditure growth to 8.7% over the last four years.

Over the period of this report expenditures have shifted from general fund and state special revenue to federal funds. In FY 2002 the general fund and state special revenue accounted for 87.0% of expenditures, in FY 2024 these funding sources account for 73.0% of expenditures.

General Fund Only

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

● State Resources Growth ● CPI Adjusted for Population ● MT Personal Income Growth

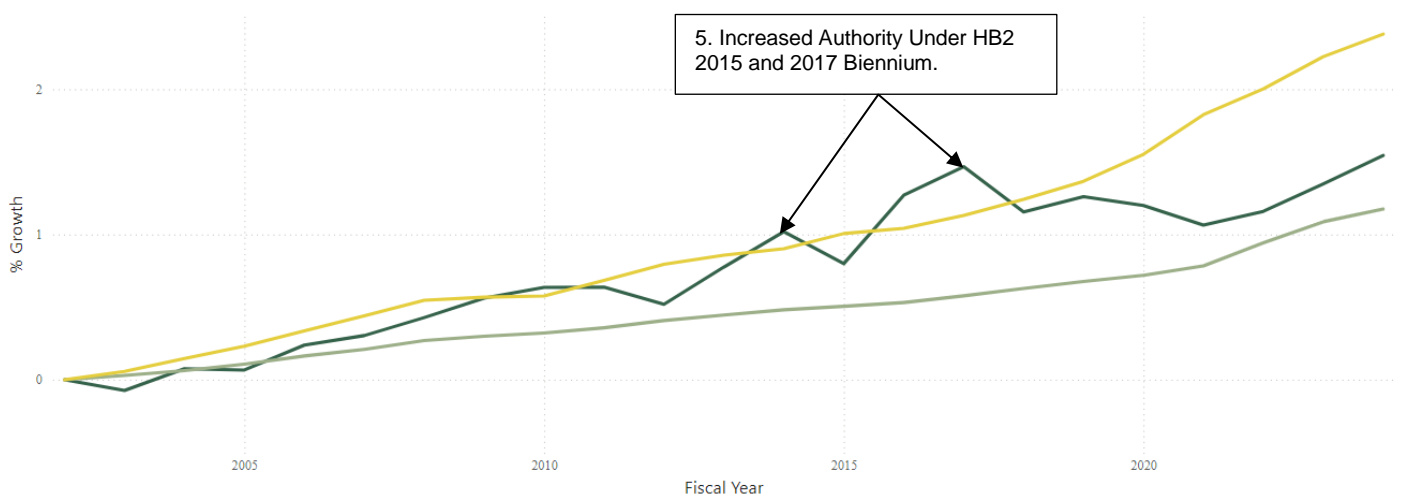


Expenditures of general fund has grown 2.3% annual rate over the period of the chart, less than the annual rate of inflation of 3.6% over the same period. Over the years about 52.9% general fund expenditures are statutorily appropriated for growth through agriculture programs, Montana food and agriculture development programs, and cooperative development centers. Between FY 2010 and FY 2019 there was a decrease in statutory expenditures for Agricultural Development Programs. The general fund also supports personal services, administrative, maintenance, and operational costs.

State Special Only

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

● State Resources Growth ● CPI Adjusted for Population ● MT Personal Income Growth



In fiscal year 2002, state special revenue accounted for 57.3% of total expenditures. By fiscal year 2022, this proportion had increased to 65.9%. Looking at the past five biennia, House Bill 2 (HB 2) has been the primary vehicle for appropriating state special revenue, accounting for 85.0% of these funds. The 2015 and 2017 biennia saw higher-than-usual expenditure authorizations under HB 2 compared to historical trends. Statutory authorized expenditures make up 9.0% of the total and are primarily directed towards agricultural development programs.