

Agency Budget Comparison

The following table summarizes the total proposed budget by year, type of expenditure, and source of funding.

Agency Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Legislative Budget 2016	Legislative Budget 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	7.00	7.00	7.00	7.00	7.00	7.00	0.00	0.00 %
Personal Services	634,238	649,030	652,663	651,635	1,283,268	1,304,298	21,030	1.64 %
Operating Expenses	337,388	317,997	337,675	304,707	655,385	642,382	(13,003)	(1.98)%
Grants	443,031	462,238	487,238	462,238	905,269	949,476	44,207	4.88 %
Total Costs	\$1,414,657	\$1,429,265	\$1,477,576	\$1,418,580	\$2,843,922	\$2,896,156	\$52,234	1.84 %
General Fund	493,654	493,391	547,672	503,329	987,045	1,051,001	63,956	6.48 %
State/Other Special Rev. Funds	223,495	223,294	222,304	223,059	446,789	445,363	(1,426)	(0.32)%
Federal Spec. Rev. Funds	697,508	712,580	707,600	692,192	1,410,088	1,399,792	(10,296)	(0.73)%
Total Funds	\$1,414,657	\$1,429,265	\$1,477,576	\$1,418,580	\$2,843,922	\$2,896,156	\$52,234	1.84 %

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Legislative Budget Analysis, E-122

Executive Budget Comparison

The following table compares the legislative budget for the 2017 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2014	Executive Budget Fiscal 2016	Legislative Budget Fiscal 2016	Leg — Exec. Difference Fiscal 2016	Executive Budget Fiscal 2017	Legislative Budget Fiscal 2017	Leg — Exec. Difference Fiscal 2017	Biennium Difference Fiscal 16-17
FTE	7.00	7.00	7.00	0.00	7.00	7.00	0.00	0.00
Personal Services	634,238	664,245	652,663	(11,582)	663,217	651,635	(11,582)	(23,164)
Operating Expenses	337,388	356,901	337,675	(19,226)	336,875	304,707	(32,168)	(51,394)
Grants	443,031	443,031	487,238	44,207	443,031	462,238	19,207	63,414
Total Costs	\$1,414,657	\$1,464,177	\$1,477,576	\$13,399	\$1,443,123	\$1,418,580	(\$24,543)	(\$11,144)
General Fund	493,654	513,548	547,672	34,124	506,509	503,329	(3,180)	30,944
State/other Special Rev. Funds	223,495	235,414	222,304	(13,110)	229,279	223,059	(6,220)	(19,330)
Federal Spec. Rev. Funds	697,508	715,215	707,600	(7,615)	707,335	692,192	(15,143)	(22,758)
Total Funds	\$1,414,657	\$1,464,177	\$1,477,576	\$13,399	\$1,443,123	\$1,418,580	(\$24,543)	(\$11,144)

The legislatively approved budget added a new proposal that increased general fund revenue by \$25,000 in FY 2016 as a restricted, biennial, one-time-only appropriation for a Glass Blowing program to be implemented.

Agency Highlights

Montana Arts Council Major Budget Highlights
<ul style="list-style-type: none">• The legislatively approved budget maintains operations of the agency which includes increases caused by present law adjustments and a new proposal of \$25,000 general fund revenue for a Glass Blowing program

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Legislative Budget Analysis, E-124

Funding

The agency is funded with a combination of general fund, state special revenue funds from the cultural and aesthetic project account, and federal funds from the National Endowment for the Arts.

General fund supports:

- A portion of the agency operations and services to the state’s arts community
- Arts grants including artists in the schools and several other grant programs available to non-profit arts organizations, schools, and other entities

State special revenue includes proceeds from the cultural and aesthetic project account. This account:

- Receives interest earnings from a statutory trust account that is funded from a 0.63% distribution from the coal severance tax
- Must be used for protection of works of art in the State Capitol and other cultural and aesthetic projects (15-35-108, MCA)
- Supports the agency’s administration of the cultural and aesthetic trust activities and its Circle of American Masters program, which promotes Montana’s traditional and native arts and cultures

Federal funds come from the National Endowment for the Arts. These federal funds:

- Are formula grants from the federal agency rather than competitive grants
- Require a dollar for dollar match with non-federal revenue. The agency uses general fund and its allocation from the cultural and aesthetic project account to match the federal grant
- Are used for agency administration, grants, and services to the state’s arts community

Budget Summary by Category

The following summarizes the total budget utilizing the FY 2015 Legislative base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget
2015 Budget	493,391	493,391	986,782	93.89 %	1,429,265	1,429,265	2,858,530	98.70 %
PL Adjustments	29,281	9,938	39,219	3.73 %	23,311	(10,685)	12,626	0.44 %
New Proposals	25,000	0	25,000	2.38 %	25,000	0	25,000	0.86 %
Total Budget	\$547,672	\$503,329	\$1,051,001		\$1,477,576	\$1,418,580	\$2,896,156	

Present Law Adjustments -

The “Present Law Adjustments” table shows the changes from FY 2015 legislative appropriation to the budget proposed. Each is discussed in the narrative that follows.

Present Law Adjustments										
	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 100 - Operating Expenses	0.00	6,030	617	2,904	9,551	0.00	4,349	546	2,153	7,048
DP 102 - Other PS	0.00	3,408	914	(4,577)	(255)	0.00	8,054	1,759	(11,096)	(1,283)
DP 510 - Legislative Audit - HB 2 2014 Fixed Costs (Restricted/Biennia	0.00	20,960	0	0	20,960	0.00	0	0	0	0
DP 515 - State Share Health Insurance	0.00	1,351	1,098	1,439	3,888	0.00	1,351	1,098	1,439	3,888
DP 525 - Fixed Costs	0.00	(4,737)	(4,614)	(6,051)	(15,402)	0.00	(5,218)	(4,240)	(15,017)	(24,475)
DP 526 - 2017 Biennium Legislative Audit (RST/BIEN)	0.00	586	0	0	586	0.00	0	0	0	0
DP 527 - Inflation Deflation	0.00	1,078	1,051	1,378	3,507	0.00	781	635	2,248	3,664
DP 531 - SITSD Rate Adjustment	0.00	796	0	0	796	0.00	796	0	0	796
DP 532 - General Liability Insurance Rate Adjustment	0.00	(134)	0	0	(134)	0.00	(135)	0	0	(135)
DP 550 - Motor Pool Rate Adjustments	0.00	(57)	(56)	(73)	(186)	0.00	(40)	(33)	(115)	(188)
Grand Total All Present Law Adjustments	0.00	\$29,281	(\$990)	(\$4,980)	\$23,311	0.00	\$9,938	(\$235)	(\$20,388)	(\$10,685)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 100 - Operating Expenses -

The legislature approved this present law decision package adding general fund revenue to provide increases in the 2017 biennium for legal fees, minor computer equipment, rent increase, and increased production and circulations of the State of the Arts newspaper.

DP 102 - Other PS -

The legislature adopted personal service adjustments outside of state share health insurance increases, vacancy savings, and the executive implementation of the 2015 pay increase.

DP 510 - Legislative Audit - HB 2 2014 Fixed Costs (Restricted/Biennia -

The legislature provided a restricted biennial appropriation for the legislative audit costs. The funding is established at the level of the 2015 biennial appropriation contained in HB 2 as enacted by the 2013 Legislature.

DP 515 - State Share Health Insurance -

The legislature provided appropriation authority for the state share of health insurance, as adopted by the 2015 Legislature.

DP 525 - Fixed Costs -

The Legislature approved a general fund reduction to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs are liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates for these services are approved in a separate portion of the budget.

DP 526 - 2017 Biennium Legislative Audit (RST/BIEN) -

The legislature adjusted legislative audit costs and funding based on the current estimate of the Legislative Auditor.

DP 527 - Inflation Deflation -

The legislature adopted inflation/deflation factors for budgeted expenditures such as food or electricity. The legislature concurred with the executive on the factors with the exception of gasoline, aviation gasoline, diesel fuel, and jet fuel. For these factors the legislature further deflated costs to align the budget with more current information on declining prices of oil and gas projected to continue into the 2017 biennium.

DP 531 - SITSD Rate Adjustment -

The legislature approved an increase for fixed cost rates included in state agency budgets for information technology services provided by the State Information Technology Services Division (SITSD).

DP 532 - General Liability Insurance Rate Adjustment -

The legislature reduced the rate assessed to state agencies for general liability insurance provided by the Risk Management and Tort Defense Division.

DP 550 - Motor Pool Rate Adjustments -

The legislature adopted a reduction to the motor pool rates.

New Proposals -

The "New Proposals" table shows the changes from the legislative appropriation for FY 15 to the proposed budget.

New Proposals	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 200 - Glassblowing Arts Program (Restricted/Biennial/OTO)	0.00	25,000	0	0	25,000	0.00	0	0	0	0
Total	0.00	\$25,000	\$0	\$0	\$25,000	0.00	\$0	\$0	\$0	\$0

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 200 - Glassblowing Arts Program (Restricted/Biennial/OTO) -

The Legislature appropriated \$25,000 general fund in FY 2016 as restricted, biennial, one-time-only revenue for a Glass Blowing program.