

Agency Budget Comparison

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

Agency Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	7.00	7.00	7.00	7.00	7.00	7.00	0.00	0.00%
Personal Services	505,301	544,373	595,624	596,717	1,049,674	1,192,341	142,667	13.59%
Operating Expenses	335,429	291,442	345,877	317,997	626,871	663,874	37,003	5.90%
Grants	462,238	772,840	552,238	462,238	1,235,078	1,014,476	(220,602)	(17.86%)
Total Costs	\$1,302,968	\$1,608,655	\$1,493,739	\$1,376,952	\$2,911,623	\$2,870,691	(\$40,932)	(1.41%)
General Fund	451,284	448,088	576,186	476,907	899,372	1,053,093	153,721	17.09%
State Special	204,321	201,903	220,123	215,923	406,224	436,046	29,822	7.34%
Federal Special	647,363	958,664	697,430	684,122	1,606,027	1,381,552	(224,475)	(13.98%)
Total Funds	\$1,302,968	\$1,608,655	\$1,493,739	\$1,376,952	\$2,911,623	\$2,870,691	(\$40,932)	(1.41%)

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Legislative Budget Analysis, E-43

Executive Budget Comparison

The following table compares the legislative budget in the 2015 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2012	Executive Budget Fiscal 2014	Legislative Budget Fiscal 2014	Leg – Exec. Difference Fiscal 2014	Executive Budget Fiscal 2015	Legislative Budget Fiscal 2015	Leg – Exec. Difference Fiscal 2015	Biennium Difference Fiscal 14-15
FTE	7.00	7.00	7.00	0.00	7.00	7.00	0.00	
Personal Services	505,301	595,624	595,624	0	596,717	596,717	0	0
Operating Expenses	335,429	345,801	345,877	76	317,935	317,997	62	138
Grants	462,238	554,238	552,238	(2,000)	554,238	462,238	(92,000)	(94,000)
Total Costs	\$1,302,968	\$1,495,663	\$1,493,739	(\$1,924)	\$1,468,890	\$1,376,952	(\$91,938)	(\$93,862)
General Fund	451,284	578,159	576,186	(1,973)	568,886	476,907	(91,979)	(93,952)
State/Other Special	204,321	220,111	220,123	12	215,913	215,923	10	22
Federal Special	647,363	697,393	697,430	37	684,091	684,122	31	68
Total Funds	\$1,302,968	\$1,495,663	\$1,493,739	(\$1,924)	\$1,468,890	\$1,376,952	(\$91,938)	(\$93,862)

The legislature declined to fully fund the Governor's \$184,000 new proposal request to increase state funds for the arts in education grant program. The legislature instead approved a \$90,000 biennial, one-time-only appropriation for the arts in education grant program. A portion of this appropriation, \$35,000, is restricted to a grant to the Box Elder schools for its Fine Arts Glass Blowing program.

Agency Highlights

Montana Arts Council Major Budget Highlights
<ul style="list-style-type: none"> ◆ The legislative budget decreases slightly overall in the 2015 biennium compared to the 2013 biennium. However, some of the budget line items and funding sources show significant changes between the biennia: <ul style="list-style-type: none"> • Personal services expenditures increase as a result of FY 2012 and FY 2013 pay increases continued into the 2015 biennium • General fund increases to fund more arts in the schools grants and to fund a portion of the 2015 biennium pay adjustments • Federal funds are projected to decrease in the 2015 biennium and are subject to sequestration

The legislature provided funding to continue pay adjustments implemented in FY 2012 and FY 2013 that averaged 10 percent agency wide. The legislature did not fully fund the Governor's request to increase state funding for the arts in the schools grant program in part due to the ongoing funding required for the 2013 biennium pay adjustments.

Funding

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
- 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:

- Will be subject to sequestration
- 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
- Were approved by the legislature as a biennial appropriation

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	451,284	451,284	902,568	85.71%	1,302,968	1,302,968	2,605,936	90.78%
Statewide PL Adjustments	36,158	29,376	65,534	6.22%	104,397	84,816	189,213	6.59%
Other PL Adjustments	(1,256)	(3,753)	(5,009)	(0.48%)	(3,626)	(10,832)	(14,458)	(0.50%)
New Proposals	90,000	0	90,000	8.55%	90,000	0	90,000	3.14%
Total Budget	\$576,186	\$476,907	\$1,053,093		\$1,493,739	\$1,376,952	\$2,870,691	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the adjusted base budget approved by the legislature.

Present Law Adjustments	-----Fiscal 2014-----				-----Fiscal 2015-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					90,323					91,416
Inflation/Deflation					737					1,369
Fixed Costs					13,337					(7,969)
Total Statewide Present Law Adjustments		\$36,158	\$16,371	\$51,868	\$104,397		\$29,376	\$13,300	\$42,140	\$84,816
DP 50 - Initial Motion to FY 2012 Base	0.00	(36,158)	(16,371)	(51,868)	(104,397)	0.00	(29,376)	(13,300)	(42,140)	(84,816)
DP 51 - Adjustment for Statewide Personal Services	0.00	31,283	14,164	44,876	90,323	0.00	31,662	14,335	45,419	91,416
DP 52 - Adjustment for Statewide Operations	0.00	4,895	2,216	7,020	14,131	0.00	(2,272)	(1,028)	(3,257)	(6,557)
DP 51142 - Adj for Rent, Newspaper, Computers, Software	0.00	(1,276)	(578)	(1,829)	(3,683)	0.00	(3,767)	(1,705)	(5,403)	(10,875)
Total Other Present Law Adjustments	0.00	(\$1,256)	(\$569)	(\$1,801)	(\$3,626)	0.00	(\$3,753)	(\$1,698)	(\$5,381)	(\$10,832)
Grand Total All Present Law Adjustments	0.00	\$34,902	\$15,802	\$50,067	\$100,771	0.00	\$25,623	\$11,602	\$36,759	\$73,984

DP 50 - Initial Motion to FY 2012 Base - The legislature adopted a motion to establish the starting point for budget deliberations as the FY 2012 base. This adjustment removes statewide present law adjustments for personal services, vacancy savings, fixed costs, and inflation/deflation.

DP 51 - Adjustment for Statewide Personal Services - This adjustment funds statewide personal services and vacancy savings at the amount requested by the executive.

DP 52 - Adjustment for Statewide Operations - This adjustment establishes the fixed cost and inflation/deflation rates as approved by the General Government subcommittee.

DP 51142 - Adj for Rent, Newspaper, Computers, Software - The legislature reduced the budget for one time only operating costs and increases for building lease and State of the Arts newspaper production and circulation costs.

New Proposals

New Proposals										
	-----Fiscal 2014-----					-----Fiscal 2015-----				
Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 300 - Arts In Education Grants (BIEN/OTO)										
01	0.00	90,000	0	0	90,000	0.00	0	0	0	0
Total	0.00	\$90,000	\$0	\$0	\$90,000	0.00	\$0	\$0	\$0	\$0

DP 300 - Arts In Education Grants (BIEN/OTO) - The legislature added general fund as a biennial, one-time-only appropriation to increase funding for the arts in education program. \$35,000 of the appropriation is restricted to a grant to the Box Elder schools for its Fine Arts Glass Blowing program:

- At least \$30,000 must be allocated for propane and glass costs
- Up to \$5,000 may be allocated to reimburse participating schools for travel expenses
- Funds must be used to supplement, but not supplant, local funding for the program

The remaining \$55,000 of the appropriation is available for other arts in education grants.