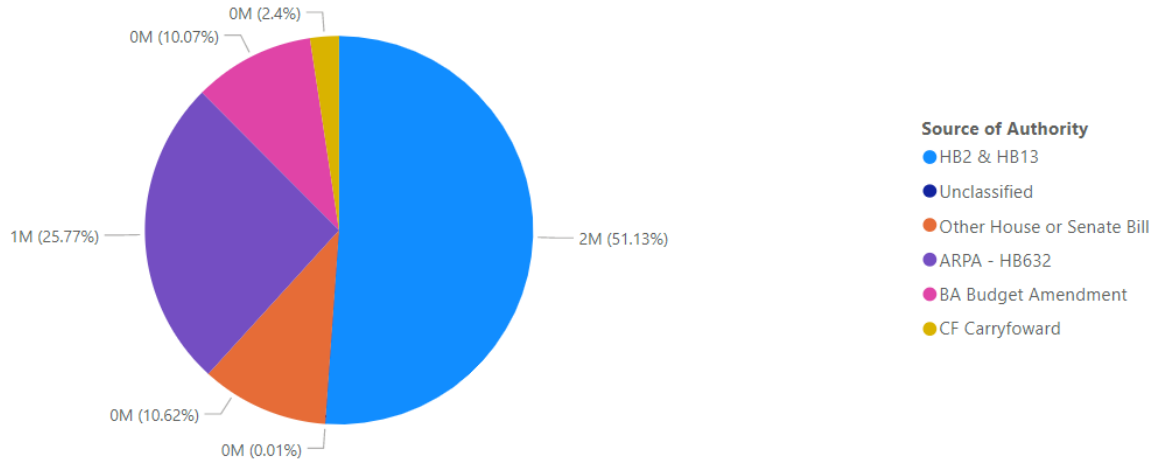


# MONTANA ARTS COUNCIL

## TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the agency is shown in the pie chart below. HB 2 and HB 13 provide 51.1% 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	FYE22 Modified Budget	FYE22 Expended Budget	Percent Expended
HB2 & HB13	1,515,570	1,490,871	98.4%
BA Budget Amendment	298,523	168,081	56.3%
CF Carryforward	71,149	20,337	28.6%
Other House or Senate Bill	314,800	137,850	43.8%
Unclassified	258		
ARPA	764,000	388,807	50.9%
<b>Total</b>	<b>2,964,300</b>	<b>2,205,946</b>	<b>74.4%</b>

### Report Period

- Jul
- Aug
- Sep
- Oct
- Nov
- Dec
- Jan
- Feb
- Mar
- Apr
- May
- Jun

## Budget Amendments

The agency requested budget amendment authority for increased federal authority when federal grants awarded from the National Endowment for the Arts exceeded HB 2 budget authority. The agency has used 56.3% of its current budget amendment authority. This includes \$72,578 on operating expenses, \$72,758 in grants, and \$22,746 for debt service.

## Carryforward and/or Continuing Authority

The agency expended \$20,337 or 28.6% of its \$71,149 of carryforward authority. The funds were used for operating costs in the Montana Artrepenuer program and the creative aging grant program.

## Other Bills

Montana Arts Council (MAC) received \$314,800 of authority from HB 9, cultural and aesthetic grants, of which \$137,850 or 43.8% has been expended for grants.

## Unclassified

MAC had a positive adjustment in the amount of \$258 due to adjustments in workers' compensation premiums.

Per 39-71-403(1)(b)(iv), MCA, when workers' compensation premiums are lower than the previous year, state agencies shall reduce personal services appropriations by the amount of the premium reduction. To track the changes in appropriation authority, total appropriations are not reduced, instead, the Governor's Office of Budget and Program Planning (OBPP) requires state agencies to:

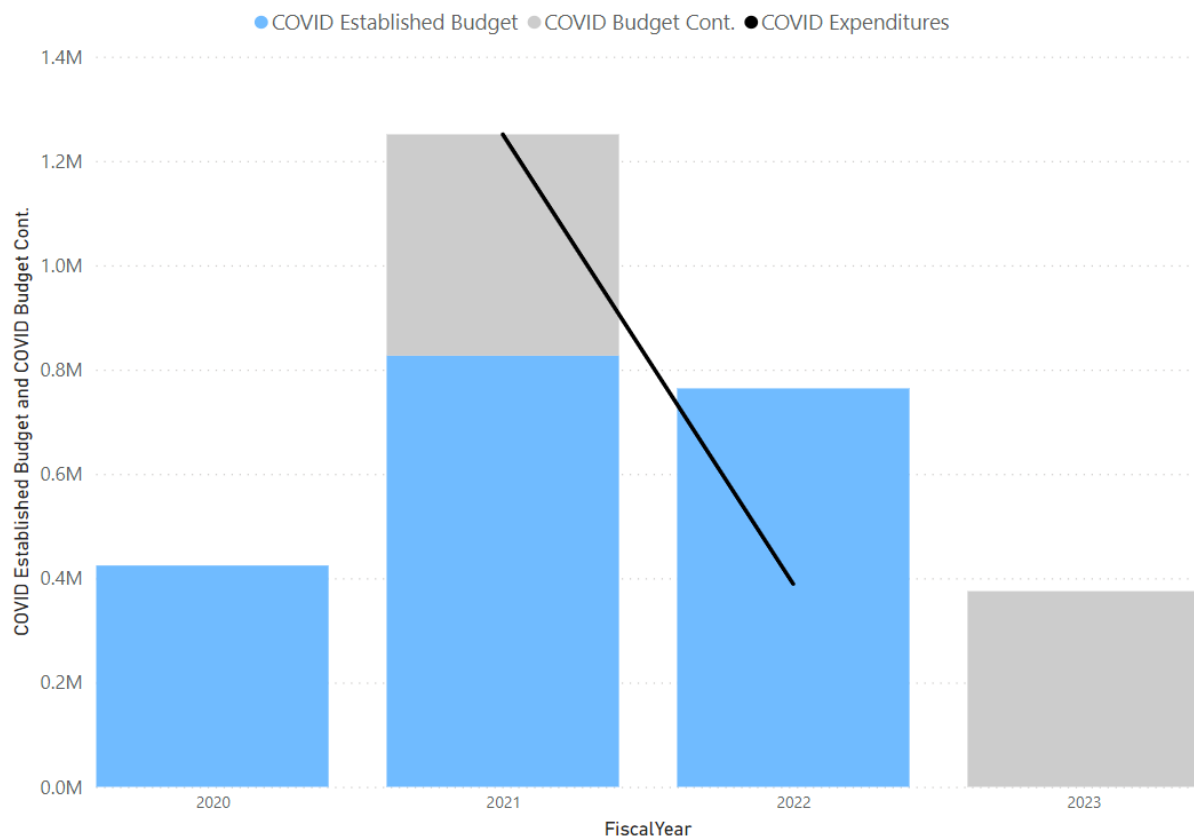
- Reduce HB 2, statutory, and proprietary appropriations
- Create a separate offsetting entry on the financial statements in the same amount using an identifying number for workers' compensation entries

The offsetting entries are identified as "frozen" appropriations, which means the appropriations will not be spent unless authorized by OBPP.

## 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



Under HB 632, the legislature appropriated \$764,000 of federal American Rescue Plan Act (ARPA) funding to the Montana Arts Council; the appropriation was authorized to begin in FY 2021 through the biennium beginning July 1, 2023. As the chart shows, Cares I funding available in FY 2020 of \$424,400 was unspent and moved to FY 2021 (light grey). By the end of FY 2021, all of the FY 2020 and FY 2021 authority had been expended (black dot). ARPA appropriation authority of \$764,000 in FY 2022 is 50.9% expended, this includes \$368,807 for individual grants and \$20,000 in organizational grants. The remaining authority of \$375,193 is available for use in FY 2023.

## HB 2 BUDGET MODIFICATIONS

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the ending FYE modified budget. 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	June Modified Budget	FYE22 Modified Budget	Net Modifications
Montana Arts Council	1,515,570	1,515,570	0
<b>Total</b>	<b>1,515,570</b>	<b>1,515,570</b>	<b>0</b>

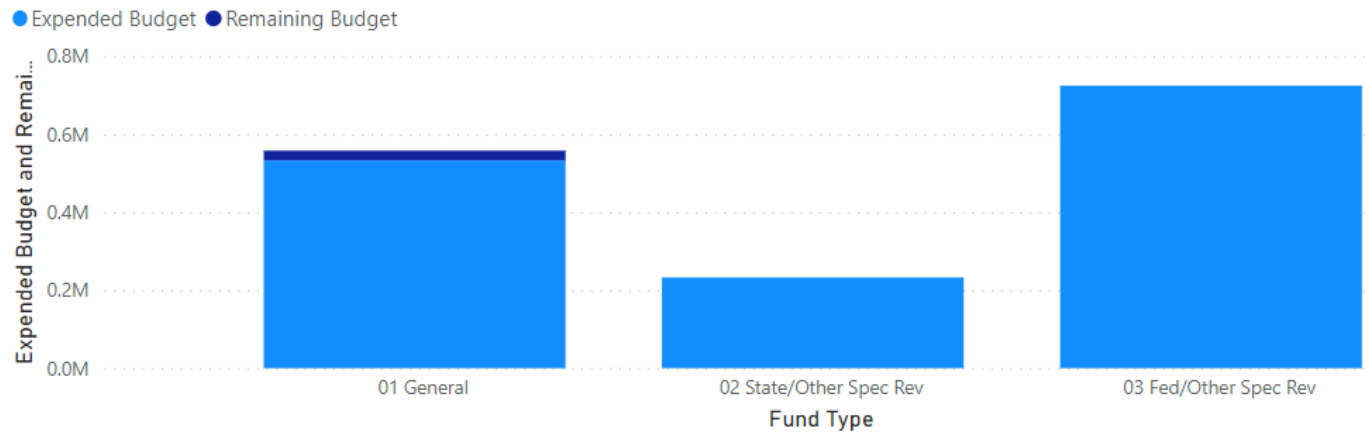
Acct & Lvl 1 DESC	June Modified Budget	FYE22 Modified Budget	Net Modifications
61000 Personal Services	689,176	689,176	
62000 Operating Expenses	341,410	218,922	-122,488
66000 Grants	462,238	584,726	122,488
69000 Debt Service	22,746	22,746	

Fund Type	June Modified Budget	FYE22 Modified Budget	Net Modifications
01 General	558,107	558,107	
02 State/Other Spec Rev	232,703	232,703	
03 Fed/Other Spec Rev	724,760	724,760	0

The MAC had net zero budget modifications. Budget changes from June are reflected in the chart above. The MAC moved \$122,488 of spending authority from operating expenses, to grants for the purpose of awarding additional federal grants.

## HB 2 APPROPRIATION AUTHORITY

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



acclv1_descr	Modified Budget	Expended Budget	Percent Expended
Personal Services	689,176	674,735	97.9%
Operating Expenses	218,922	208,664	95.3%
Grants	584,726	584,726	100.0%
Debt Service	22,746	22,746	100.0%

Program Name	Modified Budget	Expended Budget	Percent Expended
PROMOTION OF THE ARTS	1,515,570	1,490,871	98.4%

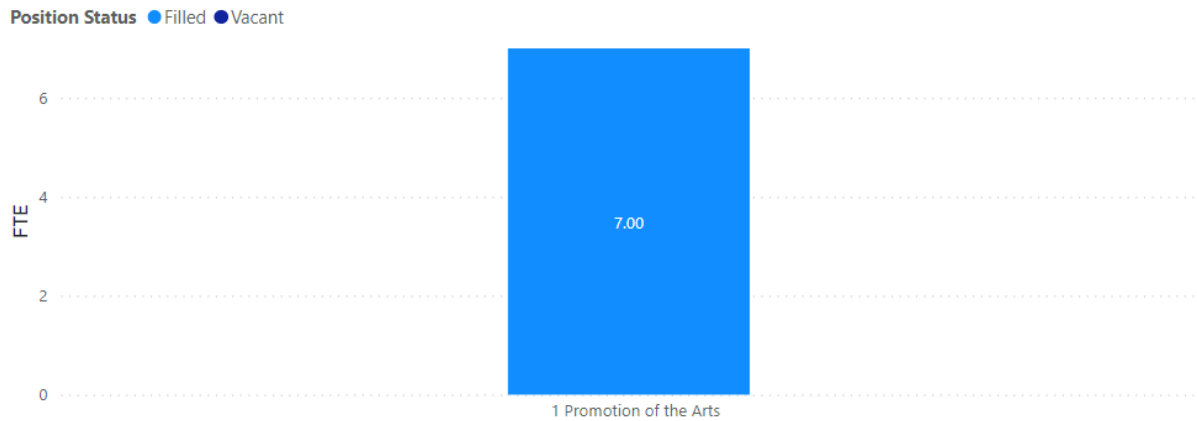
In total, the MAC's modified HB 2 authority with all funds was \$1.5 million, and the agency expended 98.4% or \$1.5 million.

By fund type, the MAC's modified HB 2 budget authority consisted of the following: \$558,107 of general fund; \$232,703 of state special revenue; and \$724,760 of federal special revenue. The MAC expended 95.6% of its general fund authority. The MAC fully expended its state special and federal special authority.

By expenditure account, the MAC's personal services budget was 97.9% expended. Operating expenses budget authority was 95.3% expended. Budget authority for grants and debt services were fully expended.

## Personal Services

The following chart shows the filled and vacant FTE within the agency as of August 1, 2022.



The agency has 7.00 FTE and no vacant positions. The personal services budget of \$689,176 was 97.9% expended. Pay rate adjustments were as follows: 3 longevity raises totalling \$2,847, one retention adjustment totalling \$2088, and one market adjustment totalling \$38 annually.

## OTHER ISSUES

### Information Technology Project Expenditures

The MAC does not have any SITSD projects identified for reporting to the LFC.

### Required Reports

A link to the MAC's ARPA funding quarterly report, as required by HB 632, is available on the Education Interim Budget Committee's (IBC) webpage in the Meeting Materials section: <https://www.leg.mt.gov/lfd/interim-budget-committee-section-e/>