

CULTURAL & AESTHETIC GRANTS PROGRAM

PROGRAM SUMMARY

The Cultural and Aesthetic (C&A) Grant Program, administered by the Montana Arts Council (MAC), provides grants for cultural and aesthetic programs across the state. The program is funded with the investment earnings from a statutory trust. The trust receives distributions of coal severance tax. By statute, the interest from the cultural trust is appropriated for protection of works of art in the Montana State Capitol and for other cultural and aesthetic projects (15-35-108, MCA). Grant applications for cultural and aesthetic projects are submitted to the MAC on a biennial basis. Eligible applicants include, but are not limited to, the State of Montana and regional, county, city, town, or Indian tribal governments.

BUDGET & EXPENDITURE

Approximately \$344,800 total was established as the budget for the C & A Program in the 2023 biennium for the 74 project grants and protection of works of art in the Capitol authorized in HB 9 (2021). This authority was fully expended in the 2023 biennium. Additionally, there was expenditure of \$11,400 in FY 2022 for grants authorized during the 2021 biennium.

C & A GRANTS PROGRAM FUND BALANCE

The following chart shows the projected C&A grant fund balance, based on 2023 biennium actuals and 2025 biennium projections.

Cultural & Aesthetic Grant Fund Balance Analysis - 2025 Biennium					
Account - 02009					
	FY 2022	FY 2023	FY 2024	FY 2025	2025 Bien.
	Actuals	Actuals	Projected	Projected	Projected
Estimated Beginning Fund Balance	\$37,705	\$124,251	\$268,946	\$54,456	\$268,946
Interest Earnings (09037)	(25,672)	268,042	0	0	0
Interest Earnings Transferred-02009 ¹	<u>493,977</u>	<u>320,631</u>	<u>595,773</u>	<u>641,590</u>	<u>1,237,363</u>
Total Revenues	468,305	588,673	595,773	641,590	1,237,363
Expenditures					
MAC Administration ²	232,703	237,105	221,387	227,760	449,147
Capitol Cmplx Works of Art	0	30,000	30,000	0	30,000
Prior Biennium	11,400	0	0	0	0
Fund Balance Adjustment (State Fund Dividend)	(194)	(77)	0	0	0
2025 Biennium Grants	<u>137,850</u>	<u>176,950</u>	<u>558,876</u>	<u>0</u>	<u>558,876</u>
Total Expenditures/Appropriations	381,759	443,978	810,263	227,760	1,038,023
Ending Fund Balance	\$124,251	\$268,946	\$54,456	\$468,286	\$468,286

¹HJ 2

²HB 2

In looking at FY 2023 actuals, revenue from interest earnings was about \$49,000 greater than HJ 2 (2021) projections. Of the total revenue from interest earnings of \$589,000, approximately \$321,000 was transferred to the cultural & aesthetics fund for FY 2023 expenditure. The MAC fully expended the authority established for grants in the 2023 biennium, as well as the HB 2 (2021) authority for the MAC's administrative costs.

Revenue projections for the 2025 biennium are based on HJ 2 (2023) revenue estimates. Under HB 9 (2023), sixty-five grants were authorized totaling \$559,000, as well as \$30,000 for protection of works of art within the Capitol. Under HB 2 and HB 13 (2023), the MAC was appropriated a total of \$449,000 from the C&A grant fund for the biennium for the agency's administrative costs. The current estimated ending fund balance is projected to be approximately \$468,000.