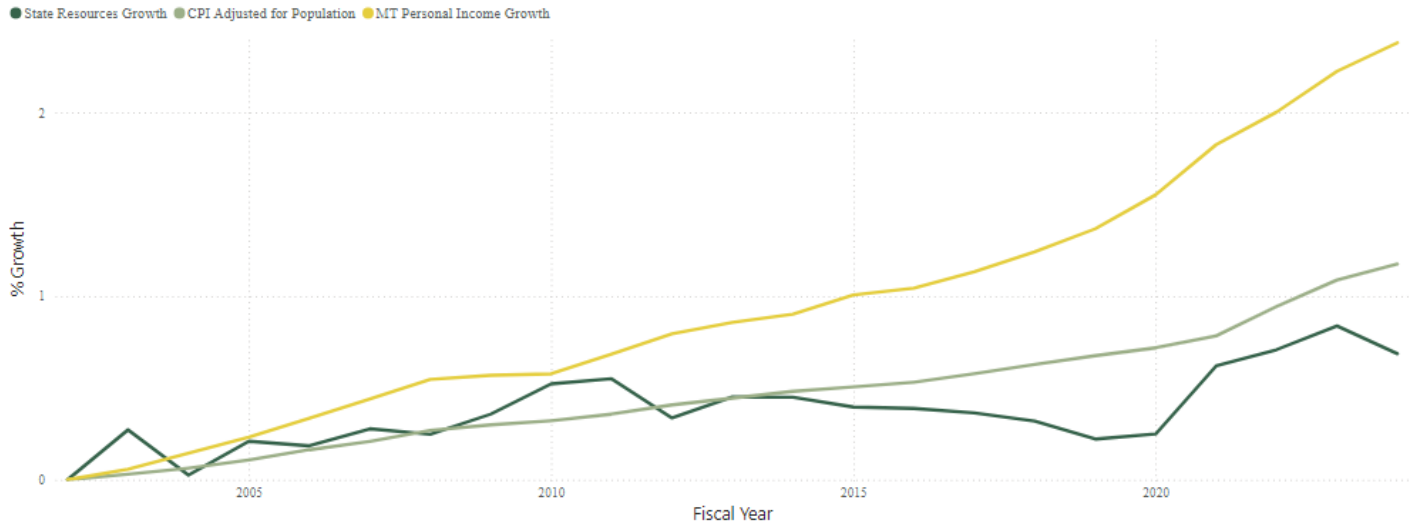


Montana Arts Council

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

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



Overall, variations in expenditures in the Montana Arts Council are primarily driven by the Cultural and Aesthetic Grants Program. These expenditures include both general fund and state special revenue expenditures that are approved by the legislature in both HB 2 and HB 9. Increases and decreases in general fund and state special revenues are discussed in further detail below. The general decline from FY 2014 through FY 2019 were due to the decreases in federal special revenue and state special revenue expenditures, while the increase after FY 2020 can be attributed to Covid-19 relief funds through the American Rescue and Recovery Act (ARPA). In general, expenditure growth from 2012 to 2024 has been below the rate of inflation.

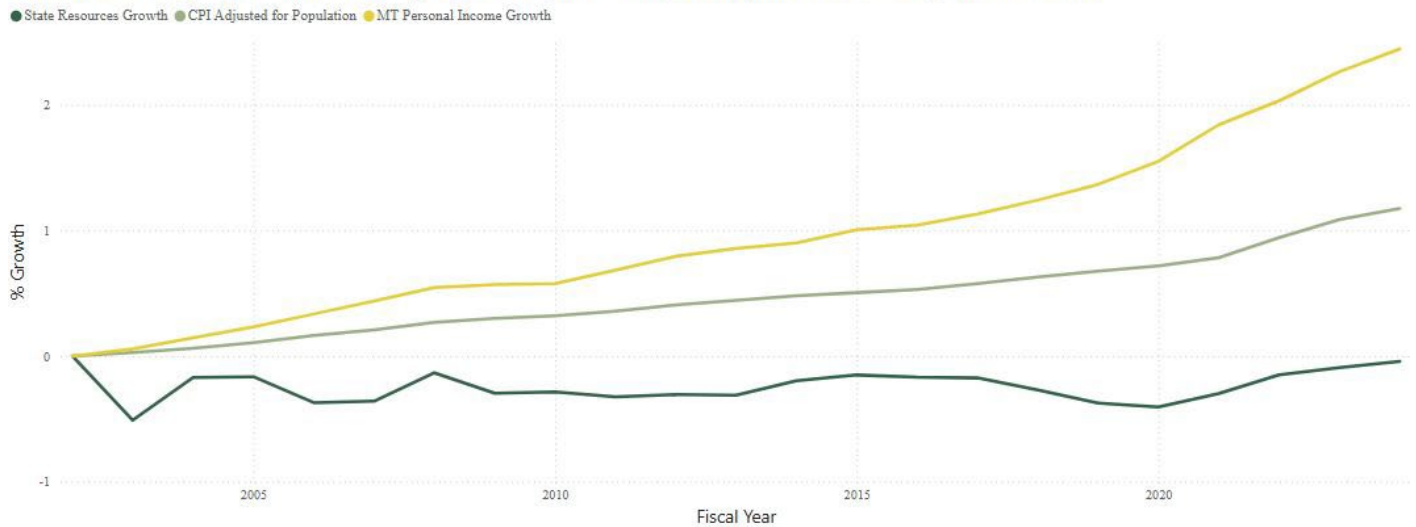


Updated October 2024

General Fund

General Fund Only

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

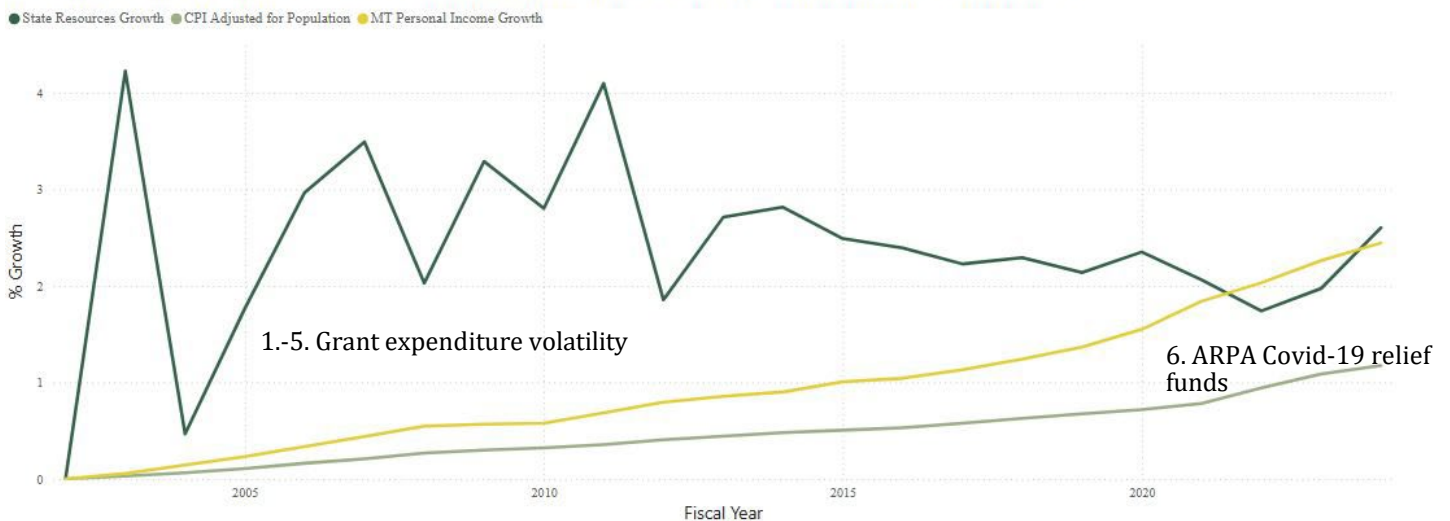


In FY 2004 there was an increase in general fund expenditures by approximately \$250,000 for grant expenditures approved in HB 9. The general fund appropriations were approved in HB 9 because of the shortfall of interest on the cultural and aesthetic project state special revenue fund. Since then, general fund expenditures have remained relatively constant, and below the rate of inflation.

State Special Revenue

State Special Only

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



The following list discusses in more detail the inflection points on the chart:

1. In FY 2003 there was an increase in state special revenue expenditures of approximately \$582,000



Updated October 2024

because of grants approved by the legislature in HB 9. In addition to funding from the cultural and aesthetic project state special revenue account, these grants also received funding of approximately \$200,000 from the accommodations tax state special revenue account

2. In FY 2004 there was a decrease in state special revenue expenditures by approximately \$539,000 and an increase in general fund expenditures by approximately \$250,000 for grant expenditures approved in HB 9. The general fund appropriations were approved in HB 9 because of the shortfall of interest on the cultural and aesthetic project state special revenue fund
3. In FY 2005 there was an increase in expenditures from the cultural and aesthetic project state special revenue fund of approximately \$182,000 for projects approved by the legislature in HB 9. General fund expenditures remained constant
4. Cultural and aesthetic project grant expenditures between FY 2006 and FY 2019 were constrained by available funds in the cultural and aesthetic project state special revenue fund and accounts for the variation in state special revenue expenditures during this period
5. The increase in FY 2020 and the subsequent decrease in FY 2021 is due to the appropriation for the cultural and aesthetic project state special revenue fund being entirely allocated to FY 2020 in the accounting system
6. In FY 2022 the arts council received \$754,500 in ARPA and National Endowment for the Arts (NEA) with an additional \$375,193 in ARPA HB 632 authority for FY 2023

