




February 15, 2018

TO: Members of the House Committee on Corrections and Institutions

FROM: Karen S. Mittelman, executive director   
Vermont Arts Council

RE: FY2019 budget request/Section E.808 of the General Fund  
Appropriations

As the new executive director of the Vermont Arts Council, I'm pleased to submit the following background materials regarding our FY2019 budget submission:

- the Arts Council's proposed budget for FY2019
- a list of our FY2018 grants, which delivered outstanding arts programs to every county in Vermont
- data on the Cultural Facilities grant program, which helps nonprofits to enhance or expand the capacity of an existing facility to provide cultural activities to the public.

Over the past five years, the Council awarded more than \$3.2 million in 823 grants that supported artists and performers, brought creative experiences to students across the state, and revitalized public spaces, from downtowns to public libraries and parks. The attached pages give you a snapshot of our work, and I will be happy to answer questions or to provide additional information.

Explanation of the proposed change in the lease for our building at 136 State Street (Sec. E.808)

In the past, the Department of Buildings and General Services has charged the Vermont Arts Council rent at a below-market rate. The Arts Council has been counting the subsidized rent as an in-kind donation from the state of Vermont when we report state revenue to the National Endowment for the Arts. The NEA requires that state governments match the allocation of federal dollars for the arts; and NEA has allowed Vermont to include the rent subsidy in order to meet our state's required 1:1 match.

If that rent subsidy is removed, we risk leaving federal dollars on the table that would be coming in to Vermont to support arts and cultural organizations across the state. Therefore, in the face of a rent increase this year, additional general funds were allocated to the Arts Council. This increased allocation (to \$717,735) accomplishes two things: it enables the Arts Council to continue to leverage critical federal funds, while also addressing the shortfall in BGS Fee for Space revenue.

We are grateful for the ongoing support of the state of Vermont, and I look forward to working with each of you.



## Proposed FY19 Budget

### Revenue and Expense Summary

Major Category	FY17 ACTUAL	FY18 BUDGET	VAC FY19 Budget
<b>REVENUE</b>			
State Appropriation	\$675,307	\$675,307	\$717,735
State - office rental & internet access subsidy/in-kind	47,700	38,150	0
Other State Contracts, capital funds			
Art in State Buildings - capital funds	4,000	50,000	50,000
Cultural Facilities Grants - capital funds	224,628	200,000	200,000
Federal Grant: National Endowment for the Arts	718,800	708,900	708,900
Private funds: Grants, contributions, misc revenue	104,281	75,900	85,540
<b>TOTAL REVENUE</b>	<b>\$ 1,774,716</b>	<b>\$ 1,748,257</b>	<b>\$ 1,762,175</b>
<b>EXPENSES</b>			
<b>Services:</b>			
<b>Grant programs</b>			
"Animating Infrastructure" projects	74,904	-	-
Art in State Buildings projects	4,000	45,000	45,000
Artist Projects and Professional Development	35,952	35,000	50,000
Arts Organizations Projects and technical assistance	67,490	63,200	65,000
Arts Education grants to schools	123,800	77,500	77,500
Cultural Facilities grants to towns, nonprofits	224,628	200,000	200,000
Partnership/operating grants for nonprofits	174,750	154,000	130,000
Subtotal Grants	\$ 705,524 39.8%	\$ 574,700 32.9%	\$ 567,500 32.2%
<b>Workshops</b>			
Accessibility workshops, technical assistance	12,527	6,000	6,400
Artists Business & marketing workshops	10,862	10,000	5,500
Arts organizations workshops	44,364	20,800	20,000
Poetry Out Loud (national high school program)	19,856	17,500	17,500
Teaching artists training workshops	5,023	500	0
<b>Partnership Projects</b>			
Cultural Data Project (to assist nonprofits)	2,500	5,000	2,500
Publications, Marketing, VT Creative Network Services	84,577	66,907	58,600
Recognition and awards, other services	14,758	15,000	15,000
Staffing for program services	505,390	528,059	538,624
Program services operating expenses	60,341	92,746	91,176
Subtotal Services	\$ 760,201	\$ 762,512	\$ 755,300
Subtotal Grants and Services	\$ 1,465,725	\$ 1,337,212	\$ 1,322,800
<b>Fundraising &amp; Administration</b>			
Staffing	363,295	311,545	326,513
Phone, postage, printing, rent, travel, other operating	98,044	99,500	112,862
Subtotal Fundraising & Administration	\$ 461,339	\$ 411,045	\$ 439,375
<b>TOTAL EXPENSES</b>	<b>\$ 1,927,064</b>	<b>\$ 1,748,257</b>	<b>\$ 1,762,175</b>
<b>NET GAIN/(LOSS)</b>	<b>\$ (152,348)</b>	<b>\$ -</b>	<b>\$ -</b>

Total Staffing Costs	868,685	839,604	865,137
Council Investment	152,348		-
Change in Anticipated Revenues		\$ (26,459)	\$ 13,918
Increase (Decrease) Direct money to Grants		\$ (0)	\$ (7,200)
Increase (Decrease) Direct money to Services			\$ (7,212)

# Vermont Arts Council FY2018 Grants

To date in FY2018, the Vermont Arts Council has awarded 115 grants totaling \$525,358.

**Arts Impact Grants** support organizations, municipalities, and schools in their efforts to create a more vibrant quality of life by providing equal and abundant access to the arts.

**18 grants totaling \$41,313**

**Art in State Buildings** grants promote the work of Vermont artists by placing works of art in public buildings.

**2 grants totaling \$6,000**

**Arts Partnership Program** advance the annual operations of Vermont arts organizations through three-year grants.

**29 grants totaling \$158,800**

**Artists in Schools Grants** support in-class artist residencies for Vermont schools.

**28 residencies totaling \$50,850**

**Cultural Facilities Grants** help nonprofit organizations and municipalities enhance, create, or expand the capacity of an existing building to provide cultural activities to the public.

**16 grants totaling \$209,095**

**Creation Grants** support the creation of new work by Vermont artists.

**10 grants totaling \$30,000**

**Head Start Arts Integration Grants** fund partnerships between local arts organizations and Head Start agencies to support early arts education programs.

**6 grants totaling \$21,500**

**Technical Assistance Grants** help Vermont arts organizations strengthen their capacity to serve constituents.

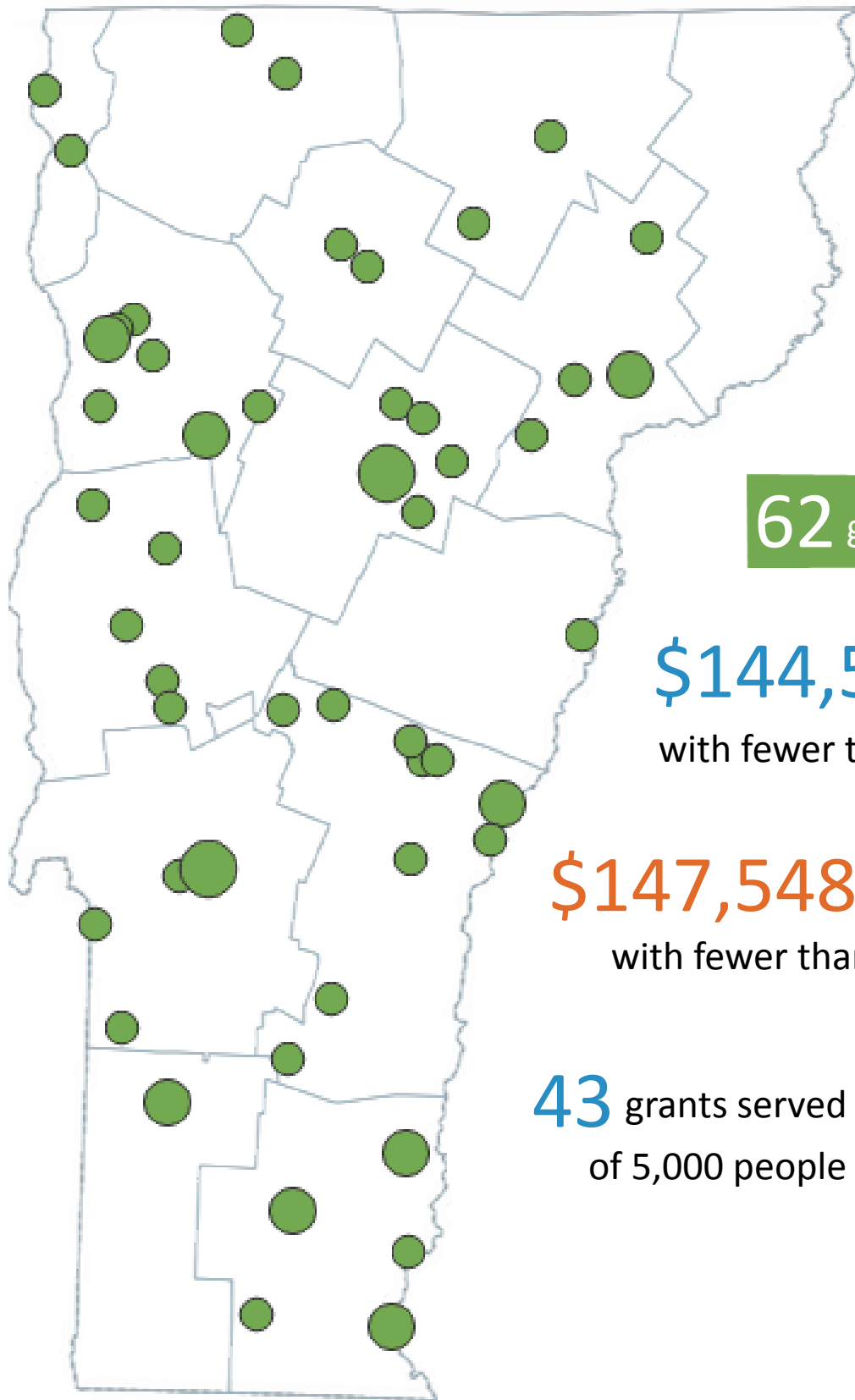
**4 grants totaling \$4,550**

**Director's Discretionary Grants**

**2 Arts in Education grants totaling \$3,250**



# Cultural Facilities Grants FY2014 - FY2017



Number of grants

● 1

● 3

**62** grants awarded

**\$144,508** to 11 towns  
with fewer than 1,000 people

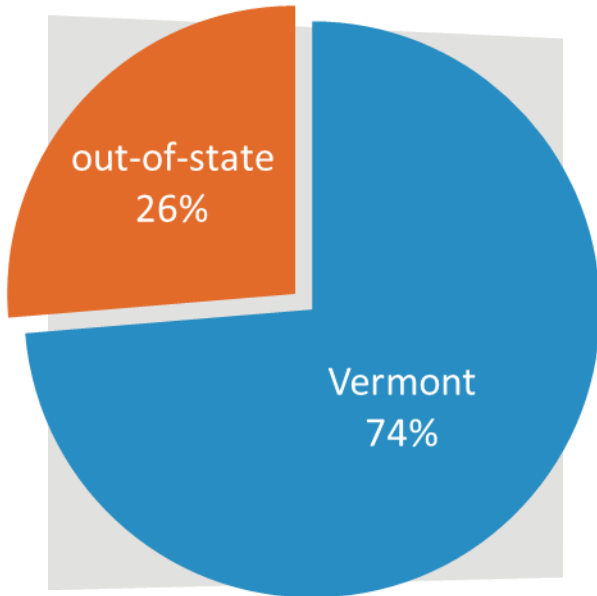
**\$147,548** to 13 towns  
with fewer than 2,000 people

**43** grants served communities  
of 5,000 people or fewer

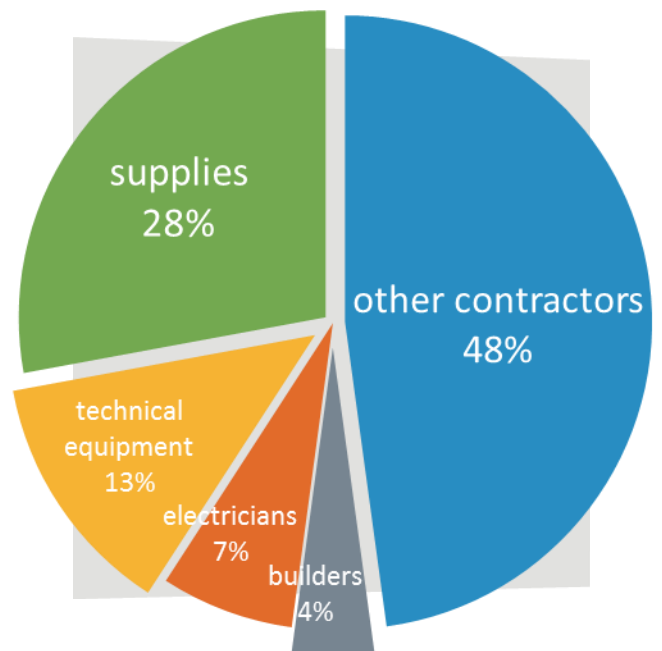
# Cultural Facilities Grants FY2014 - FY2017

For every \$1 granted, more than \$2 are invested into the local economy.

Businesses



Distribution of Funds



Boosting Local Economies

