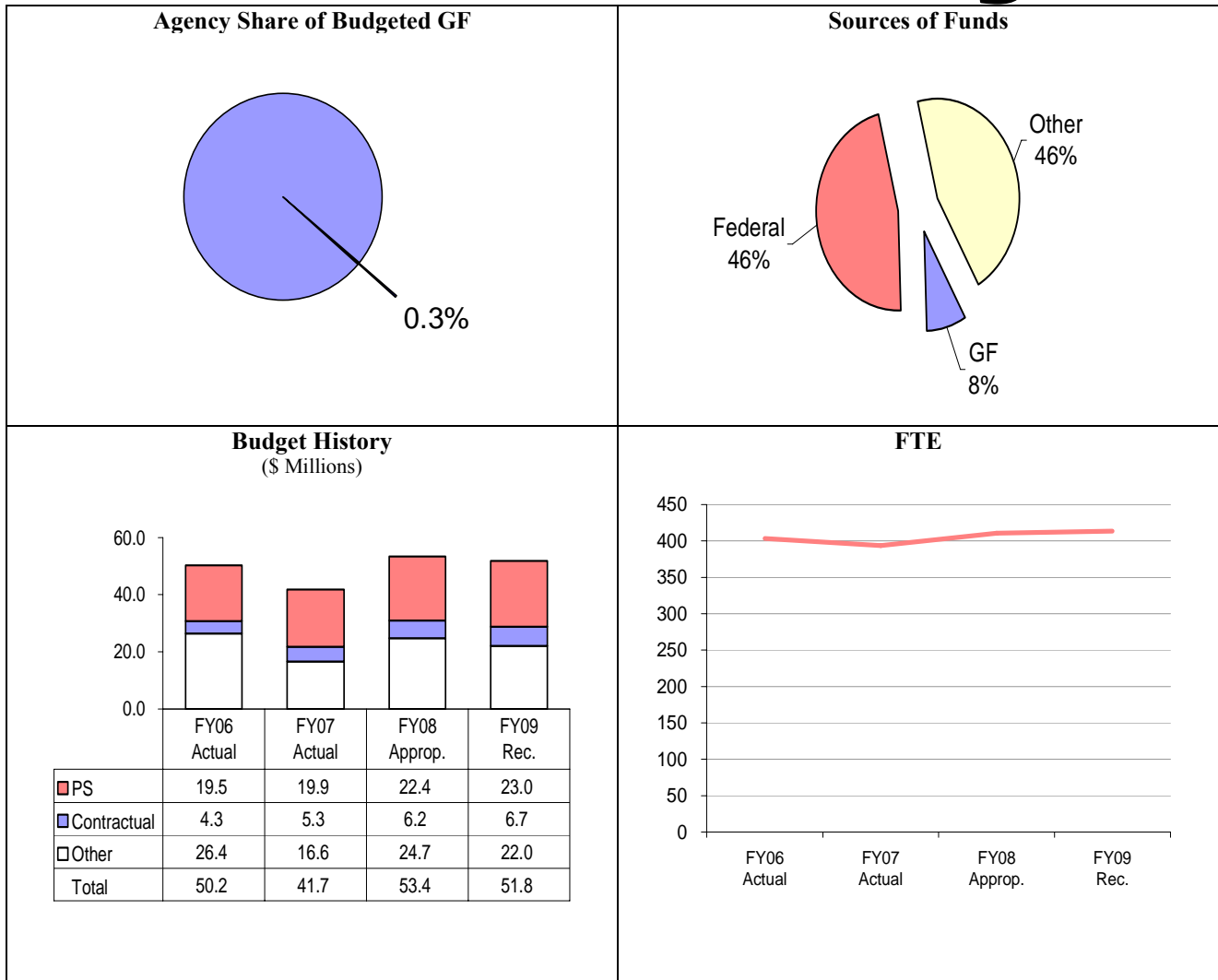


FY09 Budget Briefing

Public Safety



Key Responsibilities

- Keep South Dakota a safe place to live, work, visit, and raise a family.
- The department performs law enforcement, public safety communications, highway safety, traffic crash record keeping, driver licensing, regulatory inspection services, emergency medical licensing and certification, fire training and investigation, emergency preparedness and hazard mitigation, and homeland security.

Key Personnel

- Tom Dravland, Department Secretary
- Cindy Jungman, Finance Officer

Department of Public Safety

For FY 2009, the Governor recommends a decrease of \$1,584,395 from all funds and an increase of 3.0 FTEs from FY 2008. The FY 2009 recommended budget consists of \$3,999,780 from general funds, \$24,214,862 in federal fund expenditure authority, and \$23,580,258 in other fund expenditure authority; for a total budget of \$51,794,900 and 413.5 FTEs.

| Item | Actual FY07 | Budgeted FY08 | Agency Req. FY09 | Gov Rec. FY09 | Inc/Dec FY09 | % Change From FY08 |
|----------------------|-------------------|-------------------|---------------------|-------------------|--------------------|-----------------------|
| Personal Services | 19,908,601 | 22,448,958 | 22,448,958 | 23,033,609 | 584,651 | 2.6% |
| Travel | 1,380,951 | 1,536,856 | 1,558,956 | 1,483,956 | (52,900) | (3.4%) |
| Contractual Services | 5,264,539 | 6,199,393 | 6,740,643 | 6,714,643 | 515,250 | 8.3% |
| Supplies & Materials | 2,018,376 | 2,523,152 | 2,552,402 | 2,257,402 | (265,750) | (10.5%) |
| Grants And Subsidies | 11,022,247 | 18,868,846 | 17,318,846 | 17,318,846 | (1,550,000) | (8.2%) |
| Capital Outlay | 2,149,424 | 1,802,090 | 2,339,590 | 986,444 | (815,646) | (45.3%) |
| Other | 1,766 | - | - | - | - | 0.0% |
| Total | 41,745,904 | 53,379,295 | 52,959,395 | 51,794,900 | (1,584,395) | (3.0%) |
| Funding Types | | | | | | |
| General | 3,717,406 | 3,882,068 | 3,904,168 | 3,999,780 | 117,712 | 3.0% |
| Federal | 14,901,532 | 24,819,540 | 24,169,540 | 24,214,862 | (604,678) | (2.4%) |
| Other | 23,126,965 | 24,677,687 | 24,885,687 | 23,580,258 | (1,097,429) | (4.4%) |
| Total | 41,745,903 | 53,379,295 | 52,959,395 | 51,794,900 | (1,584,395) | (3.0%) |
| FTE | 393.6 | 410.5 | 410.5 | 413.5 | 3.0 | 0.7% |

The Governor's recommendation throughout this analysis also includes funding for Performance And Compensation Equity (PACE) movement of 2.5% for those employees who are paid under the job-worth of their pay range, a 2.5% across-the-board increase for all permanent employees, and an increase in the employer paid portion of the state health insurance plan.

| | General Funds | Federal Funds | Other Funds | Total |
|-----------------------|---------------|---------------|----------------|----------------|
| 2.5% PACE Movement | 19,227 | 8,413 | 120,336 | 147,976 |
| 2.5% Across-the-Board | 63,407 | 30,554 | 403,275 | 497,236 |
| Health Insurance | 12,978 | 6,355 | 77,909 | 97,242 |
| | 95,612 | 45,322 | 601,520 | 742,454 |

Major Expansions and Reductions

| Program | Agency Request | | | Governor's Recommendation | | |
|--|--------------------|-----------|-----|---------------------------|-------------|-----|
| | State General Fund | All Funds | FTE | State General Fund | All Funds | FTE |
| Enforcement | | | | | | |
| A. -Personal Services | | | | | (157,803) | 3.0 |
| B. -Operating Expenses | | 175,000 | | | (1,574,146) | |
| Emergency Services & Homeland Security | | | | | | |
| C. -Operating Expenses | | (650,000) | | | (650,000) | |
| Inspection and Licensing | | | | | | |
| D. -Operating Expenses | 22,100 | 55,100 | | 22,100 | 55,100 | |
| Governor's Salary Policy | | | | 95,612 | 742,454 | |
| Total | 22,100 | (419,900) | - | 117,712 | (1,584,395) | 3.0 |

Enforcement

A. Highway Patrol – The Governor is recommending an increase of \$84,197 in other fund expenditure authority for personal services and 3.0 FTEs for the capitol complex security. These FTEs are being moved from the Bureau of Administration and therefore there is an offset reduction of 3.0 FTEs in the Bureau of Administration’s requested FY 2009 budget.

Highway Patrol – The Governor is recommending a decrease of \$242,000 in other fund expenditure authority for personal services. This decrease is due to a flat revenue stream in the State Highway Fund. The Governor is recommending reductions of personal services overtime in order to conserve spending.

B. Highway Patrol – The Governor is recommending a decrease of \$1,599,146 in other fund authority for operating expenditures. This decrease is due to a flat revenue stream in the State Highway Fund. It includes reductions in travel costs, contractual services, materials and supplies, and capital outlay.

Highway Safety – The agency requests and the Governor is recommending an increase of \$25,000 in other fund authority for education and training consulting for motorcycle training. Motorcycle training is conducted through a contract with the South Dakota Safety Council and is funded by the Motorcycle Safety Fund with revenues derived from motorcycle education fees. The number of participants in motorcycle training courses has continued to rise and the increase is needed to match current contract levels.

Highway Safety – The agency requested an increase of \$150,000 in capital outlay to purchase used motorcycles for use in the motorcycle safety training courses. This is not in the Governors recommended budget.

Emergency Services and Homeland Security

C. Emergency Management- The agency requests and the Governor is recommending an increase of \$512,500 in federal fund expenditure authority for operating expenditures. This increase is for additional Emergency Management and Performance Grant (EMPG) funding

which will provide the opportunity to expand the Emergency Management training program. Recent disasters in the state have demonstrated the need for more intensive state-wide emergency training.

Emergency Management- The agency requests and the Governor is recommending an increase of \$450,000 in federal fund expenditure authority for operating expenditures. The increase is requested to provide additional budget authority to meet the current level of non-EMPG grants for local governments. These include Pre-disaster Mitigation, Hazardous Material Emergency Preparedness, Flood Mitigation Assistance, and the Comprehensive Environmental Response, Compensation, and Liability Act.

Emergency Management- The agency requests and the Governor is recommending an increase of \$387,500 in federal fund expenditure authority for operating expenditures. The increase is from EMPG funding to purchase incident management software, 7 shelter trailers, emergency rescue equipment, audio visual enhancement for the Emergency Operations Center, incident management team equipment, 20 notebook computers, 5 printers, and other assets.

Homeland Security- The agency requests and the Governor is recommending a decrease of \$2,000,000 in federal fund expenditure authority for operating expenditures. A reduction is requested in Homeland Security Grants to counties due to lower federal funding.

Inspection and Licensing:

- D. Weights and Measures- The agency requested and the Governor recommends an increase of \$22,100 in general fund expenditure authority for operating expenditures. The increase is for billings from Fleet and Travel for heavy scale trucks. Fleet and Travel has indicated the rate will likely increase to \$1.87 per mile. The current base budget is for \$1.25 per mile, which was set in FY 2005. This increase is based on average miles of 35,645 per year.

Driver Licensing- The agency requested and the Governor recommends an increase of \$33,000 in other fund expenditure authority for operating expenditures. The increase is in the contract for the production of driver licenses and ID cards which expires June 2008. The contract will be resigned at that time, and the vender has indicated a projected increase per card. The cost for cards has not increased since 1990, and a 10% increase is to be expected.

Administration

To provide leadership and direction to the department's agencies; to develop and implement policies; to prepare an annual budget; to oversee legislative activities; and to provide administrative and fiscal support.

The Governor recommends a total appropriation of \$851,520 and 8.5 FTE for the Administration Division for FY 2009. This dollar amount consists of \$105,167 from the State general fund, \$122,538 from federal sources, and \$623,815 from other funds. The Governor's recommendation is an increase from FY 2008 in State general funds of \$3,239 (3.2%), in federal funds of \$3,188 (2.7%), and in other funds of \$16,217 (2.7%). The only increase for this Office is the Governor's Salary Policy.

| Item | Actual FY07 | Budgeted FY08 | Agency Req. FY09 | Gov Rec. FY09 | Inc/Dec FY09 | % Change From FY08 |
|----------------------|------------------------|--------------------------|-----------------------------|--------------------------|-------------------------|-------------------------------|
| Personal Services | 325,706 | 689,525 | 689,525 | 712,169 | 22,644 | 3.3% |
| Travel | 8,048 | 12,699 | 12,699 | 12,699 | - | 0.0% |
| Contractual Services | 43,231 | 110,054 | 110,054 | 110,054 | - | 0.0% |
| Supplies & Materials | 9,520 | 12,898 | 12,898 | 12,898 | - | 0.0% |
| Grants And Subsidies | - | - | - | - | - | 0.0% |
| Capital Outlay | 4,733 | 3,700 | 3,700 | 3,700 | - | 0.0% |
| Other | - | - | - | - | - | 0.0% |
| Total | 391,238 | 828,876 | 828,876 | 851,520 | 22,644 | 2.7% |
| Funding Types | | | | | | |
| General | 60,940 | 101,928 | 101,928 | 105,167 | 3,239 | 3.2% |
| Federal | - | 119,350 | 119,350 | 122,538 | 3,188 | 2.7% |
| Other | 330,298 | 607,598 | 607,598 | 623,815 | 16,217 | 2.7% |
| Total | 391,238 | 828,876 | 828,876 | 851,520 | 22,644 | 2.7% |
| FTE | 4.4 | 8.5 | 8.5 | 8.5 | - | 0.0% |

Enforcement

To protect the rights and interests of the public; to promote the safe and efficient use of our highways; to provide enforcement of all traffic, motor carrier, and criminal statutes and regulations; to promote traffic safety and compliance with state and federal laws and regulations; to provide radio dispatch services; to maintain data on vehicle accidents; and to pursue a reduction in traffic crashes, traffic and criminal violations. The Division of Enforcement includes the Highway Patrol, Accident Records, Highway Safety, and State Radio.

The Governor recommends a total appropriation of \$24,866,802 and 282.0 FTEs for the Division of Enforcement for FY 2009. This dollar amount consists of \$1,824,656 from the State general fund, \$5,626,688 from federal sources, and \$17,415,458 from other funds. The Governor's recommendation is an increase from FY 2008 in State general funds of \$55,956 (3.2%), an increase in federal funds of \$16,090 (0.3%), and a decrease in other funds of \$1,264,966 (6.8%). The Governor's recommendation has an increase of 3.0 FTEs.

| Item | Actual FY07 | Budgeted FY08 | Agency Req. FY09 | Gov Rec. FY09 | Inc/Dec FY09 | % Change From FY08 |
|----------------------|-------------------|-------------------|---------------------|-------------------|--------------------|-----------------------|
| Personal Services | 14,774,125 | 16,147,275 | 16,147,275 | 16,528,501 | 381,226 | 2.4% |
| Travel | 773,728 | 836,239 | 836,239 | 761,239 | (75,000) | (9.0%) |
| Contractual Services | 1,799,236 | 2,375,990 | 2,400,990 | 2,374,990 | (1,000) | (0.0%) |
| Supplies & Materials | 1,591,671 | 1,803,024 | 1,803,024 | 1,508,024 | (295,000) | (16.4%) |
| Grants And Subsidies | 1,276,986 | 3,210,000 | 3,210,000 | 3,210,000 | - | 0.0% |
| Capital Outlay | 1,838,947 | 1,687,194 | 1,837,194 | 484,048 | (1,203,146) | (71.3%) |
| Other | - | - | - | - | - | 0.0% |
| Total | 22,054,693 | 26,059,722 | 26,234,722 | 24,866,802 | (1,192,920) | (4.6%) |
| Funding Types | | | | | | |
| General | 1,604,766 | 1,768,700 | 1,768,700 | 1,824,656 | 55,956 | 3.2% |
| Federal | 2,642,830 | 5,610,598 | 5,610,598 | 5,626,688 | 16,090 | 0.3% |
| Other | 17,807,098 | 18,680,424 | 18,855,424 | 17,415,458 | (1,264,966) | (6.8%) |
| Total | 22,054,694 | 26,059,722 | 26,234,722 | 24,866,802 | (1,192,920) | (4.6%) |
| FTE | 271.1 | 279.0 | 279.0 | 282.0 | 3.0 | 1.1% |

Revenues

| | FY07 | | Difference Over (Under) Estim. | FY08 | | | FY09 Estimate |
|---|----------------------|------------------|---|----------------------|---------------------|-----------------------|------------------|
| | Original Estimate | Actual | | Original Estimate | Current Estimate | Change in Estimate | |
| Sale of Highway Patrol Vehicles | 155,000 | 58,486 | (96,514) | 119,000 | 62,000 | (57,000) | 62,000 |
| Highway Patrol Equipment/Misc. Sales | 30,000 | 40,234 | 10,234 | 27,200 | 30,000 | 2,800 | 30,000 |
| Fleet and Equipment Damage Recovery | 10,000 | 7,914 | (2,086) | 10,000 | 8,000 | (2,000) | 8,000 |
| Permit Sales | 2,300,000 | 3,432,059 | 1,132,059 | 3,300,000 | 3,450,000 | 150,000 | 3,450,000 |
| Sale of Accident Reports | 19,760 | 24,154 | 4,394 | 20,000 | 23,429 | 3,429 | 22,726 |
| Motorcycle Registration Fees | 332,500 | 384,297 | 51,797 | 344,500 | 395,825 | 51,325 | 407,700 |
| Interest Rec.- Motorcycle Registrations | 3,500 | 1,564 | (1,936) | 4,500 | 1,979 | (2,521) | 2,039 |
| Total | 2,850,760 | 3,948,708 | 1,097,948 | 3,825,200 | 3,971,233 | 146,033 | 3,982,465 |

Budget Notes

- The Governor's recommended salary policy for the Division of Enforcement is \$55,956 in general fund authority, \$16,090 in federal fund authority, and \$466,983 in other fund authority.

- Highway Patrol – The Governor is recommending an increase of \$84,197 in other fund expenditure authority for personal services and 3.0 FTEs for the capitol complex security. These FTEs are being moved from the Bureau of Administration, and therefore there is an offset reduction of 3.0 FTEs in the Bureau of Administration’s requested FY 2009 budget.
- Highway Patrol – The Governor is recommending a decrease of \$242,000 in other fund expenditure authority for personal services. This decrease is due to a flat revenue stream in the State Highway Fund. The Governor is recommending reductions of personal services overtime in order to conserve spending.
- Highway Patrol – The Governor is recommending a decrease of \$1,599,146 in other fund authority for operating expenditures. This decrease is due to a flat revenue stream in the State Highway Fund. It includes reductions in travel costs, contractual services, materials and supplies, and capital outlay.
- Highway Safety – The agency requests and the Governor is recommending an increase of \$25,000 in other fund authority for education and training consulting for motorcycle training. Motorcycle training is conducted through a contract with the South Dakota Safety Council and is funded by the Motorcycle Safety Fund with revenues derived from motorcycle education fees. The number of participants in motorcycle training courses has continued to rise and the increase is needed to match current contract levels.
- Highway Safety – The agency requested an increase of \$150,000 in capital outlay to purchase used motorcycles for use in the motorcycle safety training courses. This is not in the Governors recommended budget.

Selected Performance Indicators

| | FY07 | | | FY08 | | | FY09 |
|---|-------------------|-----------|--------------------------------|-------------------|------------------|--------------------|-----------|
| | Original Estimate | Actual | Difference Over (Under) Estim. | Original Estimate | Current Estimate | Change in Estimate | Estimate |
| Patrol of Public Highways (Hours) | 137,000 | 139,828 | 2,828 | 137,780 | 139,900 | 2,120 | 137,102 |
| Enforcement- Moving Traffic Violations: | | | | | | | |
| DWI | 3,370 | 3,526 | 156 | 3,700 | 3,550 | (150) | 3,479 |
| Warnings Issued | 32,860 | 34,433 | 1,573 | 35,500 | 34,500 | (1,000) | 33,810 |
| Total Citations Issued | 33,840 | 29,220 | (4,620) | 33,262 | 29,300 | (3,962) | 28,714 |
| Enforcement of Vehicle Equip. Violations: | | | | | | | |
| Warnings Issued | 12,660 | 13,882 | 1,222 | 15,000 | 13,900 | (1,100) | 13,622 |
| Citations Issued | 500 | 638 | 138 | 590 | 640 | 50 | 627 |
| Bus Inspections (Hours) | 1,475 | 1,332 | (143) | 1,650 | 1,370 | (280) | 1,302 |
| Safety Education Hours | 5,000 | 4,617 | (383) | 5,500 | 4,670 | (830) | 4,577 |
| Drug Related Arrests: | | | | | | | |
| Felony | 350 | 283 | (67) | 350 | 285 | (65) | 279 |
| Misdemeanor | 2,350 | 2,384 | 34 | 2,600 | 2,400 | (200) | 2,352 |
| Stationary/Mobile Port Activity: | | | | | | | |
| Trucks Checked | 609,000 | 714,826 | 105,826 | 800,000 | 717,000 | (83,000) | 720,000 |
| Total Miles Driven All Operations | 5,868,862 | 5,475,907 | (392,955) | 5,479,920 | 5,492,335 | 12,415 | 4,275,877 |
| Accidents Processed | 15,875 | 14,864 | (1,011) | 15,700 | 15,158 | (542) | 15,613 |
| Fatal Cases Processed | 178 | 138 | (40) | 166 | 148 | (18) | 152 |
| Highway Safety Projects Funded | 160 | 120 | (40) | 120 | 120 | - | 120 |
| Percent- Federal Funds to Local Benefit | 80% | 80% | 0% | 80% | 80% | 0% | 80% |
| Motorcycle Safety Courses Offered | 280 | 320 | 40 | 350 | 336 | (14) | 352 |
| Motorcycle Riders Trained | 1,700 | 1,950 | 250 | 2,150 | 2,018 | (132) | 2,088 |
| State Radio Traffic Stop Calls | 175,204 | 158,000 | (17,204) | 160,000 | 160,000 | - | 156,800 |
| State Radio Accident Calls | 5,901 | 5,900 | (1) | 6,000 | 6,000 | - | 6,000 |
| Radio Telephone Contacts | 242,331 | 222,000 | (20,331) | 224,000 | 224,000 | - | 224,000 |

Emergency Services and Homeland Security

Emergency Services mission is to provide for the safety of the public by assisting state and local governments to improve their capability to prepare for, respond to, and recover from an emergency or disaster event by training firefighters and ambulance personnel, and other emergency management and public safety personnel; reviewing building plans; inspecting facilities for life safety requirements; investigating fires; coordinating a state response to an emergency or disaster situation; and providing preparedness and recovery information to local governments and South Dakota citizens.

Homeland Security's mission is to lead the effort in keeping South Dakota free from any acts of terrorism by coordinating an extensive information sharing network between all levels of government and local officials; by assisting city, county, and tribal governments with an ongoing assessment of their jurisdictions to determine their anti-terrorism needs; and by managing anti-terrorism Homeland Security grants to assist city, county and tribal governments with the acquisition of resources needed to both prevent acts of terrorism and to respond and recover should one occur.

The Division of Emergency Services and the Division Homeland Security was reported as separate budget units in the FY 2008 budget. They have been combined into the Division of Emergency Services & Homeland Security for FY 2009. The Division includes Emergency Management, Emergency Medical Services, the State Fire Marshal, and the Office of Homeland Security.

The Governor recommends a total appropriation of \$20,216,406 and 35.5 FTEs for the Division of Emergency Services & Homeland Security for FY 2009. This dollar amount consists of \$1,495,530 from the State general fund, \$18,465,636 from federal sources, and \$255,240 from other funds. The Governor's recommendation is an increase from FY 2008 in State general funds of \$34,778 (2.4%), a decrease in federal funds of \$623,956 (3.3%), and an increase in other funds of \$2,198 (0.9%).

| Item | Actual FY07 | Budgeted FY08 | Agency Req. FY09 | Gov Rec. FY09 | Inc/Dec FY09 | % Change From FY08 |
|----------------------|-------------------|-------------------|---------------------|-------------------|------------------|-----------------------|
| Personal Services | 1,609,092 | 2,156,747 | 2,156,747 | 2,219,767 | 63,020 | 2.9% |
| Travel | 224,374 | 314,514 | 314,514 | 314,514 | - | 0.0% |
| Contractual Services | 1,924,077 | 2,176,436 | 2,659,686 | 2,659,686 | 483,250 | 22.2% |
| Supplies & Materials | 200,928 | 452,102 | 481,352 | 481,352 | 29,250 | 6.5% |
| Grants And Subsidies | 9,745,261 | 15,658,846 | 14,108,846 | 14,108,846 | (1,550,000) | (9.9%) |
| Capital Outlay | 111,607 | 44,741 | 432,241 | 432,241 | 387,500 | 866.1% |
| Other | 1,766 | - | - | - | - | 0.0% |
| Total | 13,817,105 | 20,803,386 | 20,153,386 | 20,216,406 | (586,980) | (2.8%) |
| Funding Types | | | | | | |
| General | 1,398,788 | 1,460,752 | 1,460,752 | 1,495,530 | 34,778 | 2.4% |
| Federal | 12,237,623 | 19,089,592 | 18,439,592 | 18,465,636 | (623,956) | (3.3%) |
| Other | 180,696 | 253,042 | 253,042 | 255,240 | 2,198 | 0.9% |
| Total | 13,817,107 | 20,803,386 | 20,153,386 | 20,216,406 | (586,980) | (2.8%) |
| FTE | 32.0 | 35.5 | 35.5 | 35.5 | - | 0.0% |

Revenues

| | FY07 | | | FY08 | | | FY09 |
|--|-------------------|----------------|--------------------------------|-------------------|------------------|--------------------|----------------|
| | Original Estimate | Actual | Difference Over (Under) Estim. | Original Estimate | Current Estimate | Change in Estimate | Estimate |
| Ambulance Service Licenses | 50 | 72 | 22 | 1,680 | 1,680 | - | 60 |
| EMT Patches | 300 | 1,829 | 1,529 | 1,200 | 1,800 | 600 | 1,800 |
| Fireworks Licenses | 65,000 | 67,575 | 2,575 | 65,000 | 65,000 | - | 65,000 |
| Boiler Certification and Inspection Fees | 150,000 | 171,359 | 21,359 | 155,000 | 167,000 | 12,000 | 167,000 |
| Total | 215,350 | 240,835 | 25,485 | 222,880 | 235,480 | 12,600 | 233,860 |

Budget Notes

- The Governor’s recommended salary policy for the Division of Emergency Services & Homeland Security is \$34,778 in general fund authority, \$26,044 in federal fund authority, and \$2,198 in other fund authority.
- Emergency Management- The agency requests and the Governor is recommending an increase of \$512,500 in federal fund expenditure authority for operating expenditures. This increase is for additional Emergency Management and Performance Grant (EMPG) funding which will provide the opportunity to expand the Emergency Management training program. Recent disasters in the state have demonstrated the need for more intensive state-wide emergency training.
- Emergency Management- The agency requests and the Governor is recommending an increase of \$450,000 in federal fund expenditure authority for operating expenditures. The increase is requested to provide additional budget authority to meet the current level of non-EMPG grants for local governments. These include Pre-disaster Mitigation, Hazardous Material Emergency Preparedness, Flood Mitigation Assistance, and the Comprehensive Environmental Response, Compensation, and Liability Act.
- Emergency Management- The agency requests and the Governor is recommending an increase of \$387,500 in federal fund expenditure authority for operating expenditures. The increase is from EMPG funding to purchase incident management software, 7 shelter trailers, emergency rescue equipment, audio visual enhancement for the Emergency Operations Center, incident management team equipment, 20 notebook computers, 5 printers, and other assets.
- Homeland Security- The agency requests and the Governor is recommending a decrease of \$2,000,000 in federal fund expenditure authority for operating expenditures. A reduction is requested in Homeland Security Grants to Counties due to lower federal funding.

Selected Performance Indicators

| | FY07 | | | FY08 | | | FY09 |
|--|-------------------|-----------|--------------------------------|-------------------|------------------|--------------------|-----------|
| | Original Estimate | Actual | Difference Over (Under) Estim. | Original Estimate | Current Estimate | Change in Estimate | Estimate |
| On-Site Assistance/Counties Visited | 264/66 | 264/66 | 0/0 | 264/66 | 264/66 | 0/0 | 264/66 |
| Emergency Simulation Exercises | 57 | 57 | - | 61 | 61 | - | 61 |
| Duty officer calls | 420 | 420 | - | 400 | 454 | 54 | 400 |
| Emergency Medical Services: | | | | | | | |
| Newly Trained EMTs: | | | | | | | |
| Basic | 550 | 443 | (107) | 550 | 550 | - | 550 |
| Intermediate | 50 | 79 | 29 | 50 | 60 | 10 | 60 |
| Paramedic | 60 | 57 | (3) | 60 | 60 | - | 60 |
| EMT's Recertified: | | | | | | | |
| Basic | 1,100 | 1,137 | 37 | 1,100 | 1,100 | - | 1,100 |
| Intermediate | 240 | 196 | (44) | 240 | 240 | - | 230 |
| Paramedic | 260 | 314 | 54 | 300 | 300 | - | 310 |
| Ambulance Services Licensed: | | | | | | | |
| Ground | 129 | 128 | (1) | 127 | 128 | 1 | 128 |
| Air | 7 | 7 | - | 7 | 7 | - | 7 |
| Out-of-State | 13 | 15 | 2 | 13 | 15 | 2 | 15 |
| Fire Marshal: | | | | | | | |
| Fire Investigations | 70 | 72 | 2 | 70 | 70 | - | 70 |
| Plans Reviewed | 450 | 439 | (11) | 450 | 450 | - | 450 |
| Public Education Contacts | 14,000 | 13,500 | (500) | 14,000 | 14,000 | - | 14,000 |
| Schools Inspected | 253 | 259 | 6 | 253 | 271 | 18 | 212 |
| Fireworks Licenses | 375 | 393 | 18 | 375 | 375 | - | 375 |
| Boiler Inspections/Insurance | 2,000 | 1,976 | (24) | 2,000 | 2,000 | - | 2,000 |
| Boiler Inspections/State | 2,050 | 2,000 | (50) | 2,050 | 2,050 | - | 2,050 |
| Firefighter Classes/Firefighters Trained | 450/7,000 | 450/7,200 | 0/200 | 450/7,000 | 450/7,000 | 0/0 | 450/7,000 |

Inspection and Licensing

To make South Dakota highways safe by ensuring only qualified drivers are licensed to drive; to keep South Dakota safe by ensuring secure South Dakota driver license and identification documents are issued based upon legitimate identification documents; to protect the health, safety, and economic interests of citizens by providing a consolidated manpower pool and expertise to allow efficiencies of required inspections for state agencies; and by enforcing laws governing weighing and measuring devices. The Inspection and Licensing Division includes Weights and Measures, Driver Licensing, and Inspections.

The Governor recommends a total appropriation of \$5,860,172 and 87.5 FTEs for the Division of Inspection and Licensing for FY 2009. This dollar amount consists of \$574,427 from the State general fund and \$5,285,745 from other funds. The Governor's recommendation is an increase from FY 2008 in State general funds of \$23,739 (4.3%) and an increase in other funds of \$149,122 (2.9%).

| Item | Actual | Budgeted | Agency Req. | Gov Rec. | Inc/Dec | % Change |
|----------------------|------------------|------------------|------------------|------------------|----------------|-------------|
| | FY07 | FY08 | FY09 | FY09 | FY09 | From FY08 |
| Personal Services | 3,199,676 | 3,455,411 | 3,455,411 | 3,573,172 | 117,761 | 3.4% |
| Travel | 374,801 | 373,404 | 395,504 | 395,504 | 22,100 | 5.9% |
| Contractual Services | 1,497,995 | 1,536,913 | 1,569,913 | 1,569,913 | 33,000 | 2.1% |
| Supplies & Materials | 216,257 | 255,128 | 255,128 | 255,128 | - | 0.0% |
| Grants And Subsidies | - | - | - | - | - | 0.0% |
| Capital Outlay | 194,137 | 66,455 | 66,455 | 66,455 | - | 0.0% |
| Other | - | - | - | - | - | 0.0% |
| Total | 5,482,866 | 5,687,311 | 5,742,411 | 5,860,172 | 172,861 | 3.0% |
| Funding Types | | | | | | |
| General | 652,913 | 550,688 | 572,788 | 574,427 | 23,739 | 4.3% |
| Federal | 21,080 | - | - | - | - | 0.0% |
| Other | 4,808,873 | 5,136,623 | 5,169,623 | 5,285,745 | 149,122 | 2.9% |
| Total | 5,482,866 | 5,687,311 | 5,742,411 | 5,860,172 | 172,861 | 3.0% |
| FTE | 86.2 | 87.5 | 87.5 | 87.5 | - | 0.0% |

Revenues

| | FY07 | | Difference Over (Under) Estim. | FY08 | | | FY09 Estimate |
|-------------------------------------|----------------------|------------------|---|----------------------|---------------------|-----------------------|------------------|
| | Original Estimate | Actual | | Original Estimate | Current Estimate | Change in Estimate | |
| General Fund: | | | | | | | |
| Heavy Scales | 95,107 | 71,247 | (23,860) | 70,347 | 76,890 | 6,543 | 88,335 |
| Small Scales, Gas Pumps, and Meters | 88,168 | 73,435 | (14,733) | 76,924 | 105,920 | 28,996 | 146,225 |
| Service Agencies | - | 3,430 | 3,430 | - | 5,156 | 5,156 | 6,763 |
| Metrology Lab | - | 10,632 | 10,632 | - | 17,318 | 17,318 | 22,036 |
| Motor Vehicle Fund: | | | | | | | |
| Operators License Applications | 2,365,899 | 2,478,207 | 112,308 | 2,495,453 | 2,478,207 | (17,246) | 2,478,207 |
| Abstract of Driving Records | 2,019,249 | 2,187,702 | 168,453 | 2,017,539 | 2,187,702 | 170,163 | 2,187,702 |
| Service Charge--NSF Checks | 5,474 | 4,484 | (990) | 4,484 | 4,484 | - | 4,484 |
| Reimbursements/Dividends | 1,380 | 1,487 | 107 | 1,143 | 1,487 | 344 | 1,487 |
| State Inspection Fund: | | | | | | | |
| Inspection Billings | 1,114,471 | 1,266,028 | 151,557 | 1,291,731 | 1,291,731 | - | 1,291,731 |
| Investment Council Interest | 7,773 | 5,756 | (2,017) | 6,222 | 6,222 | - | 6,222 |
| Total | 5,697,521 | 6,102,408 | 404,887 | 5,963,843 | 6,175,117 | 211,274 | 6,233,192 |

Budget Notes

- The Governor’s recommended salary policy for the Division of Inspection and Licensing is \$1,639 in general fund authority and \$116,122 in other fund authority.
- Weights and Measures- The agency requested and the Governor recommends an increase of \$22,100 in general fund expenditure authority for operating expenditures. The increase is for billings from Fleet and Travel for heavy scale trucks. Fleet and Travel has indicated the rate will likely increase to \$1.87 per mile. The current base budget is for \$1.25 per mile, which was set in FY 2005. This increase is based on average miles of 35,645 per year.
- Driver Licensing- The agency requested and the Governor recommends an increase of \$33,000 in other fund expenditure authority for operating expenditures. The increase is in the contract for the production of driver licenses and ID cards which expires June 2008. The contract will be resigned at that time, and the vender has indicated a projected increase per card. The cost for cards has not increased since 1990, and a 10% increase is to be expected.

Selected Performance Indicators

| | FY07 | | | FY08 | | | FY09 |
|--|-------------------|----------|--------------------------------|-------------------|------------------|--------------------|----------|
| | Original Estimate | Actual | Difference Over (Under) Estim. | Original Estimate | Current Estimate | Change in Estimate | Estimate |
| Weights and Measures: | | | | | | | |
| Livestock/Other Scales-Special Req. | 136/1,809 | 69/1,414 | (67)/(395) | 60/1,330 | 69/1,414 | 9/84 | 69/1,414 |
| Retail Scales, Pumps, Meters | 10,011 | 10,902 | 891 | 10,097 | 10,902 | 805 | 10,902 |
| Inspections for Other Agencies: | | | | | | | |
| Inspections for DECA | 1,000 | 1,160 | 160 | 1,050 | 1,160 | 110 | 1,160 |
| Inspections for DSS | 875 | 834 | (41) | 812 | 834 | 22 | 834 |
| Inspections for Lottery | 18,426 | 18,939 | 513 | 18,617 | 18,939 | 322 | 18,939 |
| Inspections for DOH | 5,624 | 6,640 | 1,016 | 6,685 | 6,640 | (45) | 6,640 |
| Inspections for DOA | 2,584 | 2,055 | (529) | 2,242 | 2,055 | (187) | 2,055 |
| Driver Licensing: | | | | | | | |
| Identification Cards | 20,000 | 21,436 | 1,436 | 21,000 | 22,000 | 1,000 | 22,000 |
| Licenses Issued | 190,001 | 205,260 | 15,259 | 199,001 | 206,000 | 6,999 | 206,000 |
| State Agency Requested ID Cards | 741 | 2,881 | 2,140 | 1,390 | 2,890 | 1,500 | 2,890 |
| Abstracts of Driving Records | 499,058 | 546,950 | 47,892 | 526,777 | 546,950 | 20,173 | 546,950 |
| Alcohol-Related Offenses | 18,375 | 16,303 | (2,072) | 18,927 | 16,500 | (2,427) | 16,500 |
| Other Offenses/Actions | 74,175 | 85,010 | 10,835 | 78,701 | 85,010 | 6,309 | 85,000 |
| Hearings | 571 | 332 | (239) | 563 | 332 | (231) | 332 |
| Suspension for Unpaid Fines | 20,499 | 19,881 | (618) | 21,449 | 20,000 | (1,449) | 20,000 |

Other Departmental Issues

A. Budget Transfers (FY07 and FY08 year-to-date):

| | | |
|---|-------------------|----------------------------|
| \$ 405,000 No FTE | One Time Transfer | 06/25/2007 approved by BFM |
| <p>Transferred \$155,000 in general fund personal services and operating from Enforcement and Emergency Management into Inspection and Licensing for capital outlay.</p> <p>Transferred \$250,000 in other fund expenditure authority from personal services to operating (capital outlay) within Enforcement.</p> <p>The funds are available due to turnover and expenditures coming in lower than anticipated. The funds will be used to cover unexpected one-time costs in capital outlay.</p> | | |

| | | |
|---|---------------|----------------------------|
| \$ 316,800 2.5 FTE | Base Transfer | 07/12/2007 approved by BFM |
| <p>Transferred \$39,000 of general funds from personal services out of State Radio (\$20,000) and Emergency Services (\$19,000), into Administration personal services.</p> <p>Transferred \$277,800 of federal fund expenditure authority from operating costs out of Homeland Security to Administration (\$160,900 federal and other funds in personal services), Inspection and Licensing (\$50,000 other funds in operating and \$30,000 in personal services), and Enforcement (\$36,900 federal funds in personal services).</p> <p>Transferred 2.0 FTE from Enforcement and .5 FTE from Inspection and Licensing to Administration.</p> <p>This transfer is to realign funds and FTE authority based on where expenditures for the year are projected to occur.</p> | | |

B. Audit Findings:

DEPARTMENT OF PUBLIC SAFETY
CURRENT AUDIT FINDING AND RECOMMENDATION

Federal Compliance Audit Finding:

Finding No. 14000200601:

The recipient share of outlays reported on the March 31, 2006 FEMA 20-10, Financial Status Report, for the Public Assistance Grant was not accurate.

CFDA Title: Disaster Grants - Public Assistance (Presidentially Declared Disasters)

CFDA Number: 97.036

Federal Award Number: SDDR1620

Federal Award Year: 2006

Federal Agency: Department of Homeland Security

Analysis:

The quarterly FEMA 20-10, Financial Status Report, is a required federal financial report for the Public Assistance Grant. The March 31, 2006 FEMA 20-10 Report for Disaster Number 1620 was judgmentally selected for testing.

The cumulative outlays (federal and non-federal) less any rebates, refunds, or other credits are to be reported on line 10a of the report. The non-federal outlays that are included in line 10a are to be reported on line 10b.

The federal government pays seventy-five percent of the eligible costs for disaster projects funded under the program. Of the twenty-five percent non-federal share of project costs, ten percent are paid by the state, while the subrecipient is responsible for the remaining fifteen percent. The department did not report any of the subrecipients' project outlays, which resulted in an understatement of \$2,569,876.07 on line 10b of the FEMA 20-10 report. While the March 31, 2006 FEMA 20-10 was the only report selected for testing in our sample, conversations with Department personnel indicated similar errors were made on all FEMA 20-10 Reports submitted for the Public Assistance Grant.

As a result, inaccurate information regarding non-federal outlays was reported to the federal government.

RECOMMENDATION:

1. We recommend procedures be implemented to ensure that the accurate amount of non-federal outlays is reported on the FEMA 20-10, Financial Status Report, for future periods.

Auditee's Corrective Action Plan:

The Department of Public Safety has implemented procedures to ensure the accurate reporting of non-federal outlays on the FEMA 20-10, Financial Status Report.

C. Committee Questions:

- Provide an update on the Homeland Security funds as to where the dollars have been spent and a breakdown by community.

Homeland Security Information

The US Department of Homeland Security awards Homeland Security funds to states to protect communities against acts of terrorism through the Homeland Security Grant Program. These grants have a three year period of performance and have been earmarked specifically for projects that enhance public safety.

The Homeland Security Grant Program does not require matching funds. This grant is an 80/20 split program meaning 80% of the funds must be awarded to local jurisdictions and the state may retain 20% of the grant. The grant is awarded by the Office of Homeland Security to local and tribal jurisdictions using a population based formula.

The 80% is awarded to regions comprised of a group of counties and to individual tribal governments. The regions are managed by a lead county from within the group. The regions are listed below with the highlighted county being the lead county:

Region 1 -- Bennett, Custer, Fall River, Haakon, Jackson, **Pennington**, & Shannon

Region 2 -- Butte, Harding, Lawrence, Meade, & **Perkins**

Region 3 -- Campbell, Corson, Dewey, Potter, **Walworth**, & Ziebach

Region 4 -- Brule, Buffalo, Charles Mix, Gregory, Hand, **Hughes**, Hyde, Jones, Lyman, Mellette, Stanley, Sully, Todd, & Tripp

Region 5 -- Aurora, Bon Homme, **Davison**, Douglas, Hanson, Hutchinson, Miner, & Yankton

Region 6 -- **Beadle**, Brown, Edmunds, Faulk, Jerauld, McPherson, Sanborn, & Spink

Region 7 -- Clark, **Codington**, Day, Deuel, Grant, Hamlin, Kingsbury, Marshall, & Roberts

Region 8 -- Clay, Brookings, Lake, Lincoln, McCook, **Minnehaha**, Moody, Turner, & Union

The Homeland Security grant is managed in accordance with guidelines and priorities established by the US Department of Homeland Security. The program also follows additional guidance from the South Dakota Homeland Security Senior Advisory Committee.

The Office of Homeland Security provides local and tribal stakeholders with allowable funding areas. The local and tribal officials then determine, based on local capabilities and need, the specific priorities for their communities and decide how these local grant funds will be used. The Office of Homeland Security reviews all requests to ensure they meet specified compliance criteria before expenditures are made. The Office of Homeland Security further conducts monitoring visits with local jurisdictions on an annual basis to ensure compliance.

The US Department of Homeland Security awarded the State of South Dakota \$7,560,000 for Homeland Security efforts during grant year 2006. The grant focused on enhancing and expanding interoperable communications capabilities, protecting critical infrastructure, and standardizing first responder response capabilities. Funding levels varied depending on the

jurisdiction's population, based on the 2000 Census. The funding levels for the 2006 grant are as follows:

**HOMELAND SECURITY GRANT PROGRAM
FFY 2006 ALLOCATION**

| | | | |
|------------------------|-----------|--------------------------------------|------------------|
| 1 - Pennington Region | 859,102 | Rosebud Sioux Tribe | 63,911 |
| 2 - Perkins Region | 472,020 | Lower Brule Sioux Tribe | 18,406 |
| 3 - Walworth Region | 151,642 | Yankton Sioux Tribe | 27,115 |
| 4 - Hughes Region | 522,497 | Cheyenne Sioux Tribe | 53,134 |
| 5 - Davison Region | 556,795 | Standing Rock Sioux Tribe | 26,408 |
| 6 - Beadle Region | 604,042 | Santee Sioux Tribe | 13,780 |
| 7 - Codington Region | 588,972 | Sisseton/Wahpeton Sioux Tribe | 29,619 |
| 8 - Minnehaha Region | 1,936,763 | Statewide Training/Exercise | 300,000 |
| Crow Creek Sioux Tribe | 20,964 | State of South Dakota Administration | 378,000 |
| Oglala Sioux Tribe | 102,830 | State of South Dakota Equipment | 834,000 |
| | | TOTAL | 7,560,000 |

For federal grant year 2007, the Office of Homeland Security was awarded \$6,550,000 for the Homeland Security Grant Program. The 2007 grant focuses primarily on protecting critical infrastructure, enhancing/expanding law enforcement's ability to digitally fingerprint individuals, and expanding the capabilities of our regional response teams. The funding levels for the 2007 grant are as follows:

**HOMELAND SECURITY GRANT PROGRAM
FFY 2007 ALLOCATION**

| | | | |
|------------------------|-----------|--------------------------------------|------------------|
| 1 - Pennington Region | 575,406 | Lower Brule Sioux Tribe | 17,172 |
| 2 - Perkins Region | 364,562 | Yankton Sioux Tribe | 22,421 |
| 4 - Hughes Region | 422,683 | Cheyenne Sioux Tribe | 38,106 |
| 5 - Davison Region | 384,249 | Standing Rock Sioux Tribe | 21,995 |
| 6 - Beadle Region | 483,303 | Santee Sioux Tribe | 14,383 |
| 7 - Codington Region | 464,721 | Sisseton/Wahpeton Sioux Tribe | 23,931 |
| 8 - Minnehaha Region | 1,917,178 | Local Training/Exercise | 358,511 |
| Crow Creek Sioux Tribe | 18,714 | State of South Dakota Training | 169,450 |
| Oglala Sioux Tribe | 68,063 | State of South Dakota Administration | 327,500 |
| Rosebud Sioux Tribe | 44,602 | State of South Dakota Equipment | 813,050 |
| | | TOTAL | 6,550,000 |

- Provide an update on the REAL ID program.

REAL ID UPDATE

The Department of Homeland Security (DHS) officially delivered its final rule on Minimum Standards for Driver's Licenses and Identification Cards Acceptable to Federal Agencies for Official Purposes to the Office of Management & Budget (OMB) for its review on November 27. OMB must issue its report on the rule within 90 days. Once the review is completed OMB will return the draft to DHS with any changes it wants. Once this 90 days is over, the rule is then published in the Federal Register and can only be revised by Congress and the President. It should be noted that the executive order for OMB's review of the rule mandates 90 days, however for certain rules, and in certain instances, this review may take longer and can be extended, but 90 days is general practice.

The Congressional Review Act (CRA) requires that an agency promulgating a major rule must delay the effective date for 60 days from the date of publication in the *Federal Register* or receipt of the rule by Congress, whichever is later.

D. Letters of Intent:

Due to the uncertainty of the federal rules and regulations regarding the REAL ID Act, the Joint Appropriations Committee requests that the Department of Public Safety not spend any federal money on the REAL ID Act until all rules and regulations are finalized by the federal government.

E. General Fund Reversions:

The Department of Public Safety reverted \$20,259 in general fund authority at the end of FY 2007. Of this amount, \$2,004 was for personal services and \$18,255 was for operating expenditures.

F. Selected Condition Statements:

A copy of the State Highway Fund condition statement is included with the Department of Transportation's Budget Brief.