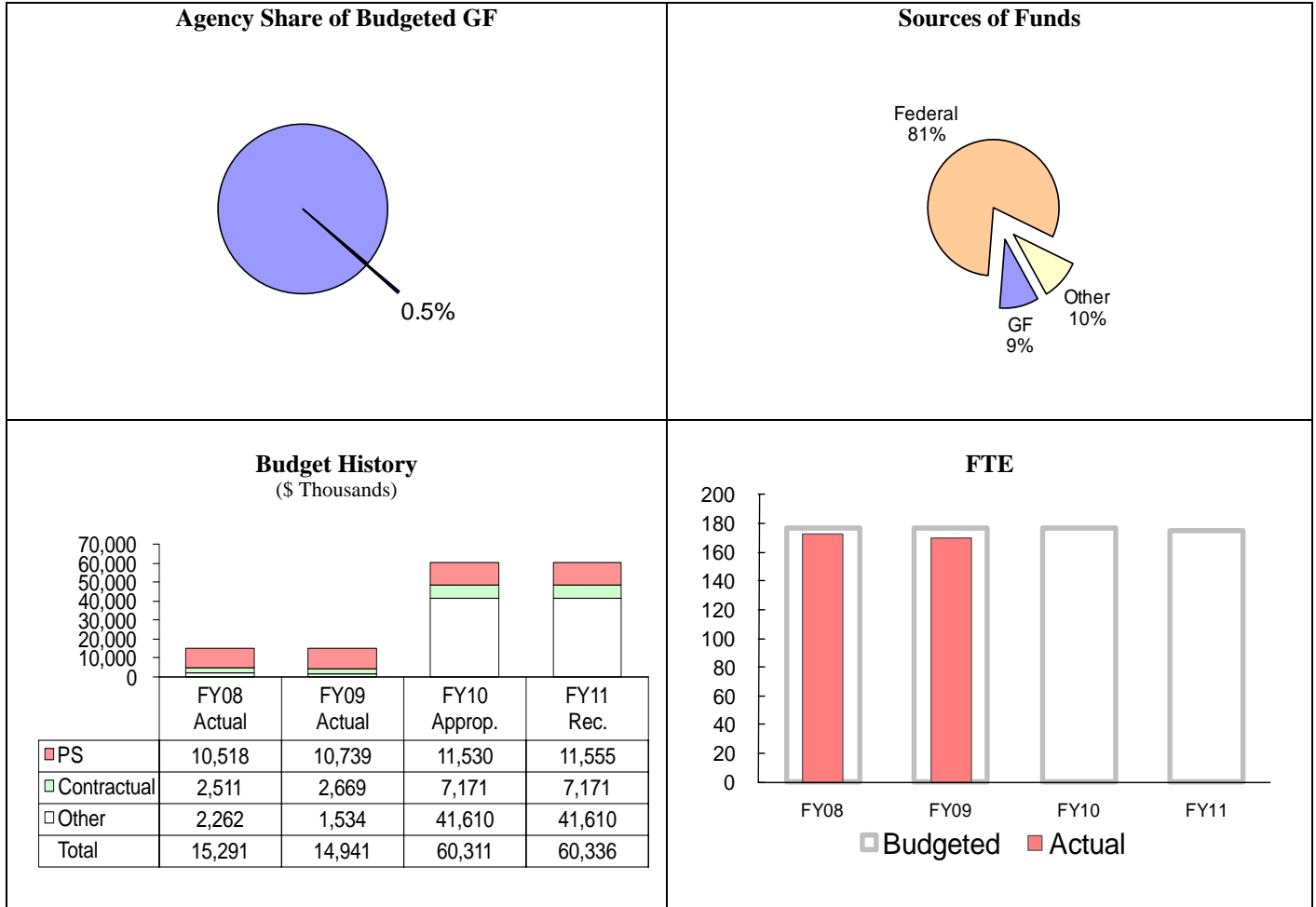


FY11 Budget Briefing

Environment and Natural Resources



Key Responsibilities

- To protect public health and the environment by providing environmental monitoring and natural resource assessment, technical and financial assistance for environmental projects, and environmental regulatory services; all done in a manner to protect South Dakota's environment and natural resources for today and tomorrow while treating everyone as our customer and exceeding their expectations.

Key Personnel

- Steve Pirner, Department Secretary
- Rob Green, Finance Officer

Environment and Natural Resources

For FY11, the Governor recommends an increase of \$24,498 in all funds and a decrease of 1.8 FTEs from FY10. The FY11 recommended budget consists of \$5,807,108 from general funds, \$48,671,279 in federal fund expenditure authority, and \$5,857,407 in other fund expenditure authority, for a total budget of \$60,335,794 and 174.7 FTEs.

	Actual FY09	Budgeted FY10	Agency Req. FY11	Gov Rec. FY11	Inc/Dec FY11	% Change From FY10
Personal Services	10,738,730	11,530,174	11,530,174	11,554,672	24,498	0.2%
Travel	643,326	628,722	628,722	628,722	-	0.0%
Contractual Services	2,668,542	7,170,841	7,170,841	7,170,841	-	0.0%
Supplies & Materials	316,821	289,738	289,738	289,738	-	0.0%
Grants And Subsidies	110,718	40,447,980	40,447,980	40,447,980	-	0.0%
Capital Outlay	462,687	243,841	243,841	243,841	-	0.0%
Other	650	-	-	-	-	0.0%
Total	14,941,474	60,311,296	60,311,296	60,335,794	24,498	0.0%
Funding Types						
General	6,446,126	5,795,361	5,795,361	5,807,108	11,747	0.2%
Federal	6,041,727	48,671,026	48,671,026	48,671,279	253	0.0%
Other	2,453,621	5,844,909	5,844,909	5,857,407	12,498	0.2%
Total	14,941,474	60,311,296	60,311,296	60,335,794	24,498	0.0%
FTE	169.5	176.5	176.5	174.7	(1.8)	(1.0%)

Salary Policy

	General Funds	Federal Funds	Other Funds	Total
0% PACE Movement	-	-	-	-
0% Across-the-Board	-	-	-	-
Health Insurance	25,342	23,697	12,498	61,537
Total	25,342	23,697	12,498	61,537

Excess Personal Services History

Amount appropriated for personal services that exceeded personal services needs.

	General Funds	Federal Funds	Other Funds	All Funds	FTE
FY09	0.00	185,952.55	220,491.37	406,443.92	7.0
FY08	0.00	78,123.72	168,771.31	246,895.03	3.4
FY07	50,000.00	7,558.62	79,096.78	136,655.40	3.7
FY06	154,432.31	42,232.54	23,143.49	219,808.34	5.3
FY05	1,398.67	(366,000.00)	383,500.64	18,899.31	1.6
5 Yr Ave.	41,166.20	(10,426.51)	175,000.72	205,740.40	4.2

Department's FY10 Highest Priorities

- Lack of Water
- Provide Water, Wastewater, and Solid Waste Facilities
- Timely Environmental Permitting
- Total Maximum Daily Loads
- Federal EPA Challenges/Projects

Major Expansions and Reductions

Governor's Recommendation			
Budget Item	State General Fund	All Funds	FTE
Financial and Technical Assistance			
Personal Services	(9,365)	(31,189)	(1.5)
Environmental Services			
Personal Services	(4,230)	(5,850)	(0.3)
State Health Insurance Plan	25,342	61,537	0.0
Total	11,747	24,498	(1.8)

Financial and Technical Assistance:

- Personal Services- The Governor recommends a decrease of \$9,365 from general funds, \$21,824 in federal fund expenditure authority, and 1.5 FTEs due to unutilized seasonal FTE.

Environmental Services:

- Personal Services- The Governor recommends a decrease of \$4,230 from general funds, \$1,620 in federal fund expenditure authority, and 0.3 FTE due to unutilized seasonal FTE.

State Health Insurance Plan:

- The Governor recommends an increase of \$61,537 (\$25,342 GF, \$23,697 FF, \$12,498 OF) for the employer paid portion of the state health insurance plan.

Financial and Technical Assistance

To evaluate the natural resources of the state and to provide technical and financial assistance in a customer service-oriented manner for the protection, restoration, and development of those resources.

The total recommended budget for Financial and Technical Assistance consists of \$2,186,616 from general funds, \$40,541,563 in federal fund expenditure authority, and \$819,032 in other fund expenditure authority, for a total budget of \$43,547,211 and 56.5 FTEs.

	Actual FY09	Budgeted FY10	Agency Req. FY11	Gov Rec. FY11	Inc/Dec FY11	% Change From FY10
Personal Services	3,456,856	3,769,026	3,769,026	3,757,983	(11,043)	(0.3%)
Travel	204,741	220,000	220,000	220,000	-	0.0%
Contractual Services	522,492	804,695	804,695	804,695	-	0.0%
Supplies & Materials	127,979	137,052	137,052	137,052	-	0.0%
Grants And Subsidies	19,584	38,574,100	38,574,100	38,574,100	-	0.0%
Capital Outlay	82,889	53,381	53,381	53,381	-	0.0%
Other	-	-	-	-	-	0.0%
Total	4,414,541	43,558,254	43,558,254	43,547,211	(11,043)	(0.0%)
Funding Types						
General	2,303,281	2,187,181	2,187,181	2,186,616	(565)	(0.0%)
Federal	1,606,541	40,555,627	40,555,627	40,541,563	(14,064)	(0.0%)
Other	504,719	815,446	815,446	819,032	3,586	0.4%
Total	4,414,541	43,558,254	43,558,254	43,547,211	(11,043)	(0.0%)
FTE	54.2	58.0	58.0	56.5	(1.5)	(2.6%)

Revenues

	Actual FY08	Actual FY09	Estimated FY10	Estimated FY11
Sale of Publications/Maps	2,236	1,501	1,500	1,500
Total	2,236	1,501	1,500	1,500

- **Personal Services-** The Governor recommends a decrease of \$9,365 from general funds, \$21,824 in federal fund expenditure authority, and 1.5 FTEs due to unutilized seasonal FTE. The Governor also recommends an increase of \$20,146 (\$8,800-GF, \$7,760-FF, \$3,586-OF) for the employer paid portion of the state health insurance plan.

Selected Statistical Data

	Actual FY08	Actual FY09	Estimated FY10	Estimated FY11
Vouchers, and Cash Receipts Processed	4,516	3,723	4,000	4,000
Requisitions/Travel Requests Processed	49/1,235	75/910	50/1,000	50/1,000
Contracts and Grants Monitored	368	344	364	364
Awards/Projects:				
Consolidated Program	\$4.2M/21	\$2.0M/9	\$2.5M/12	\$2.5M/12
Small Community Planning Grants	\$190K/37	\$215K/33	\$200K/35	\$200K/35
Solid Waste Program	\$1.4M/10	\$1.9M/8	\$2.0M/10	\$2.0M/10
State Revolving Fund (SRF) Loans	\$82.8M/29	\$83.6M/60	\$65M/40	\$65M/40
ARRA Funds		\$27.4M/48	\$11.3M/27	
Non-ARRA Funds	\$82.8M/29	\$56.2M/42	\$53.7M/39	\$65M/40
SWRMS Projects	\$6.9M/3	\$7.65M/3	\$6.75M/4	\$6.5M/2
Nonpoint Source Awards/Grants	\$3.2M/8	\$3.6M/11	\$3.1M/7	\$3.1M/7
Water Quality Grants	\$590K/5	\$1.0M/6	\$1.5M/6	\$1.5M/6
Nonpoint Source Projects in Progress	26	21	20	20
TMDL Waterbodies Under Assessment	105	80	80	65
Statewide Lake Assessment Monitoring	50	50	50	50
Reference Site Monitoring	0	12	18	24
State Water Plan Projects	57	135	60	60
Construction Inspections Conducted	70	68	75	85
Construction Plans & Specs Reviewed	52	46	80	55
EPA SRF Loans Reviewed/ Monitored	30/270	60/327	20/345	25/360
Test-Hole Footage Drilled	13,915	10,295	15,000	15,000
Test Holes Drilled	92	40	75	75
Wells Installed	5	23	10	10
X-Ray Analyses Completed	621	293	400	150
Water Samples Collected for Chem. Analysis	161	122	257	260
Square Miles Mapped (Geologic)	38,803	42,062	50,000	40,000
Square Miles Mapped for Aquifer Studies	5,060	5,814	4,500	5,000
Projects and Publications Completed	8	10	10	10
Presentations Given to Public or Agencies	45	44	45	45
Drilling Weeks Accomplished	33	39	36	36
core archive inventory				
Homestake/SUSL core archive management	No	Yes	Yes	Yes
Establish and maintain permanent ground water monitoring sites related to the Hyperion Energy Center	No	Yes	Yes	Yes
Monitor ground-water quality related to the Hyperion Energy Center	No	Yes	Yes	Yes

Environmental Services

To provide environmental services in a customer service-oriented manner to help municipalities, industries, and citizens comply with regulations that protect public health, conserve natural resources, preserve the environment, and promote economic development.

The total recommended budget for Environmental Services consists of \$3,620,492 from general funds, \$8,129,716 in federal fund expenditure authority, and \$2,523,375 in other fund expenditure authority, for a total budget of \$14,273,583 and 118.2 FTEs.

	Actual FY09	Budgeted FY10	Agency Req. FY11	Gov Rec. FY11	Inc/Dec FY11	% Change From FY10
Personal Services	7,281,874	7,761,148	7,761,148	7,796,689	35,541	0.5%
Travel	438,586	408,722	408,722	408,722	-	0.0%
Contractual Services	2,124,120	3,851,146	3,851,146	3,851,146	-	0.0%
Supplies & Materials	188,842	152,686	152,686	152,686	-	0.0%
Grants And Subsidies	91,133	1,873,880	1,873,880	1,873,880	-	0.0%
Capital Outlay	379,797	190,460	190,460	190,460	-	0.0%
Other	650	-	-	-	-	0.0%
Total	10,505,002	14,238,042	14,238,042	14,273,583	35,541	0.2%
Funding Types						
General	4,142,845	3,608,180	3,608,180	3,620,492	12,312	0.3%
Federal	4,435,186	8,115,399	8,115,399	8,129,716	14,317	0.2%
Other	1,926,971	2,514,463	2,514,463	2,523,375	8,912	0.4%
Total	10,505,002	14,238,042	14,238,042	14,273,583	35,541	0.2%
FTE	115.3	118.5	118.5	118.2	(0.3)	(0.3%)

Revenues

	Actual FY08	Actual FY09	Estimated FY10	Estimated FY11
Mining/Oil and Gas Permit Fees	46,250	51,400	115,000	115,000
Licensing and Renewal of Asbestos Handlers	17,800	22,150	20,000	20,000
Water and Wastewater Operator Certification	17,624	18,356	18,500	18,500
SARA Title III Fees	84,680	90,760	85,000	85,000
Air Quality Permit Fees	397,925	357,247	420,000	420,000
Solid Waste Permit Fees	16,250	7,350	5,000	13,500
Solid Waste Administration Fee	0	0	137,500	137,500
Surface Water Discharge Permit Fees	588,000	594,675	594,350	595,350
Feedlot Fees	77,525	84,271	94,235	100,250
Drinking Water System Fees	257,771	250,481	251,660	252,000
Oil and Gas Conservation Tax	294,773	297,711	300,000	300,000
Water Right Fees	59,799	41,892	168,000	168,000
Total	1,858,397	1,816,293	2,209,245	2,225,100

- **Personal Services-** The Governor recommends a decrease of \$4,230 from general funds, \$1,620 in federal fund expenditure authority, and 0.3 FTE due to unutilized seasonal FTE. The Governor also recommends an increase of \$41,391 (\$16,542-GF, \$15,937-FF, \$8,912-OF) for the employer paid portion of the state health insurance plan.

Selected Statistical Data

	Actual FY08	Actual FY09	Estimated FY10	Estimated FY11
Permitted Air Emission Sources	618	641	660	680
Ethanol Prod. Capacity from Plants with Air Quality Permits (millions of gallons)	1,250	1,380	1,425	1,425
Air Quality Monitoring Sites	15	18	17	18
Operating Air Quality Samplers	59	72	66	67
Total Continuous Air Quality Samplers	7,300	9,315	13,505	13,800
Stream Sites Sampled- Ambient Water Qual. Monitoring	142	147	147	147
Regulated Public Drinking Water Systems	657	658	659	660
Total Population Served by Public Water Systems	715,175	718,173	720,000	722,000
Hazardous Waste Generators	1,858	1,917	1,966	2,012
Permitted Solid Waste Disposal Sites	248	244	246	246
Total Sources Authorized Under General Storm Water Permits	1,158	1,094	1,150	1,200
Total Sources Authorized Under General Storm Water Construction Permit	1,827	2,128	2,220	2,300
Storm Water Inspections	210	218	230	240
Cumulative Spill Sites	8,873	9,080	9,280	9,480
Contaminated Sites Cleaned Up and Closed Out/ Percentage of Cumulative Spill Closed Out	8,244/93%	8,558/94%	8,724/94%	8,912/94%
Total Water Right Permits	7,861	7,961	8,041	8,121
Cumulative Tanks Removed/Sites through the	4,076/2,919	4,110/2,963	4,160/3,013	4,210/3,063
Active Above-Ground Storage Tanks Regis.	4,132	4,102	4,100	4,100
Active Underground Storage Tanks Regis.	2,992	3,013	3,010	3,010
Spills and Releases Reported	242	207	200	200
Wastewater Point Sources Permitted	377	375	378	380
Active Gold and Other Mine Permits	43	43	45	50
Active Sand and Gravel Mine Sites Licensed	1,886	1,795	1,850	1,850

Regulated Response Fund- Informational

To provide for the cleanup of regulated substances during emergencies or when necessary to protect public health, safety, welfare, or the environment of the state.

The total recommended budget for the Regulated Response Fund consists of \$1,750,000 in other fund expenditure authority and 0.0 FTE.

	Actual FY09	Budgeted FY10	Agency Req. FY11	Gov Rec. FY11	Inc/Dec FY11	% Change From FY10
Personal Services	-	-	-	-	-	0.0%
Travel	-	-	-	-	-	0.0%
Contractual Services	21,930	1,750,000	1,750,000	1,750,000	-	0.0%
Supplies & Materials	-	-	-	-	-	0.0%
Grants And Subsidies	-	-	-	-	-	0.0%
Capital Outlay	-	-	-	-	-	0.0%
Other	-	-	-	-	-	0.0%
Total	21,930	1,750,000	1,750,000	1,750,000	-	0.0%
Funding Types						
General	-	-	-	-	-	0.0%
Federal	-	-	-	-	-	0.0%
Other	21,930	1,750,000	1,750,000	1,750,000	-	0.0%
Total	21,930	1,750,000	1,750,000	1,750,000	-	0.0%
FTE	-	-	-	-	-	0.0%

Revenues

	Actual FY08	Actual FY09	Estimated FY10	Estimated FY11
Penalties and Reimbursements	331,842	98,797	95,000	97,000
Investment Council Interest	92,523	127,906	129,000	129,000
Total	424,365	226,703	224,000	226,000

➤ Starting Cash Balance in Regulated Response Fund on 7/01/09- \$2,780,273.

Selected Statistical Data

	Actual FY08	Actual FY09	Estimated FY10	Estimated FY11
Belle Fourche Shop Cleanup	\$2,596	\$4,219	\$0	\$0
Madison VOC Investigation	\$19,685	\$12,154	\$0	\$0
I-29 Fertilizer Spill	\$40,291	\$1,866	\$0	\$0
Park Ridge Mall	\$19,933	\$1,147	\$0	\$0
Hermosa Flood	\$895	\$0	\$0	\$0
Buhl's Dry Cleaner	\$0	\$2,447	\$0	\$0
Kidder Fuel	\$0	\$4,219	\$0	\$0
Capacity to Match EPA Superfund Expenditures at Brohm and Respond to Other Cleanups Needed to Protect Health and the Environment	\$0	\$0	\$1,750,000	\$1,750,000

Livestock Cleanup Fund- Informational

To provide for the cleanup of discharges or spills from animal feeding operations during emergencies, or when necessary to protect public health, safety, welfare, or environment of the state.

The total recommended budget for the Livestock Cleanup Fund consists of \$765,000 in other fund expenditure authority and 0.0 FTE.

	Actual FY09	Budgeted FY10	Agency Req. FY11	Gov Rec. FY11	Inc/Dec FY11	% Change From FY10
Personal Services	-	-	-	-	-	0.0%
Travel	-	-	-	-	-	0.0%
Contractual Services	-	765,000	765,000	765,000	-	0.0%
Supplies & Materials	-	-	-	-	-	0.0%
Grants And Subsidies	-	-	-	-	-	0.0%
Capital Outlay	-	-	-	-	-	0.0%
Other	-	-	-	-	-	0.0%
Total	-	765,000	765,000	765,000	-	0.0%
Funding Types						
General	-	-	-	-	-	0.0%
Federal	-	-	-	-	-	0.0%
Other	-	765,000	765,000	765,000	-	0.0%
Total	-	765,000	765,000	765,000	-	0.0%
FTE	-	-	-	-	-	0.0%

Revenues

	Actual FY08	Actual FY09	Estimated FY10	Estimated FY11
Investment Council Interest	43,892	52,112	50,000	50,000
Penalties and Reimbursements	36,295	14,764	9,000	10,000
Total	80,187	66,876	59,000	60,000

➤ Starting Cash Balance in the Livestock Cleanup Fund on 7/01/09 - \$1,086,985.

Selected Statistical Data

	Actual FY08	Actual FY09	Estimated FY10	Estimated FY11
Environmental Cleanups Funded	1	0	1	0
Stockman's Livestock Market	\$121,800	\$0	\$0	\$0
Capacity to Respond to Cleanups Needed to Protect Public Health and the Environment	\$0	\$0	\$765,000	\$765,000

Other Departmental Issues

A. General Fund Reversions FY05-FY09

FY05- \$119,515

FY06- \$25,418

FY07- \$0

FY08- \$0

FY09- \$0

B. Letters of Intent – FY10

None.