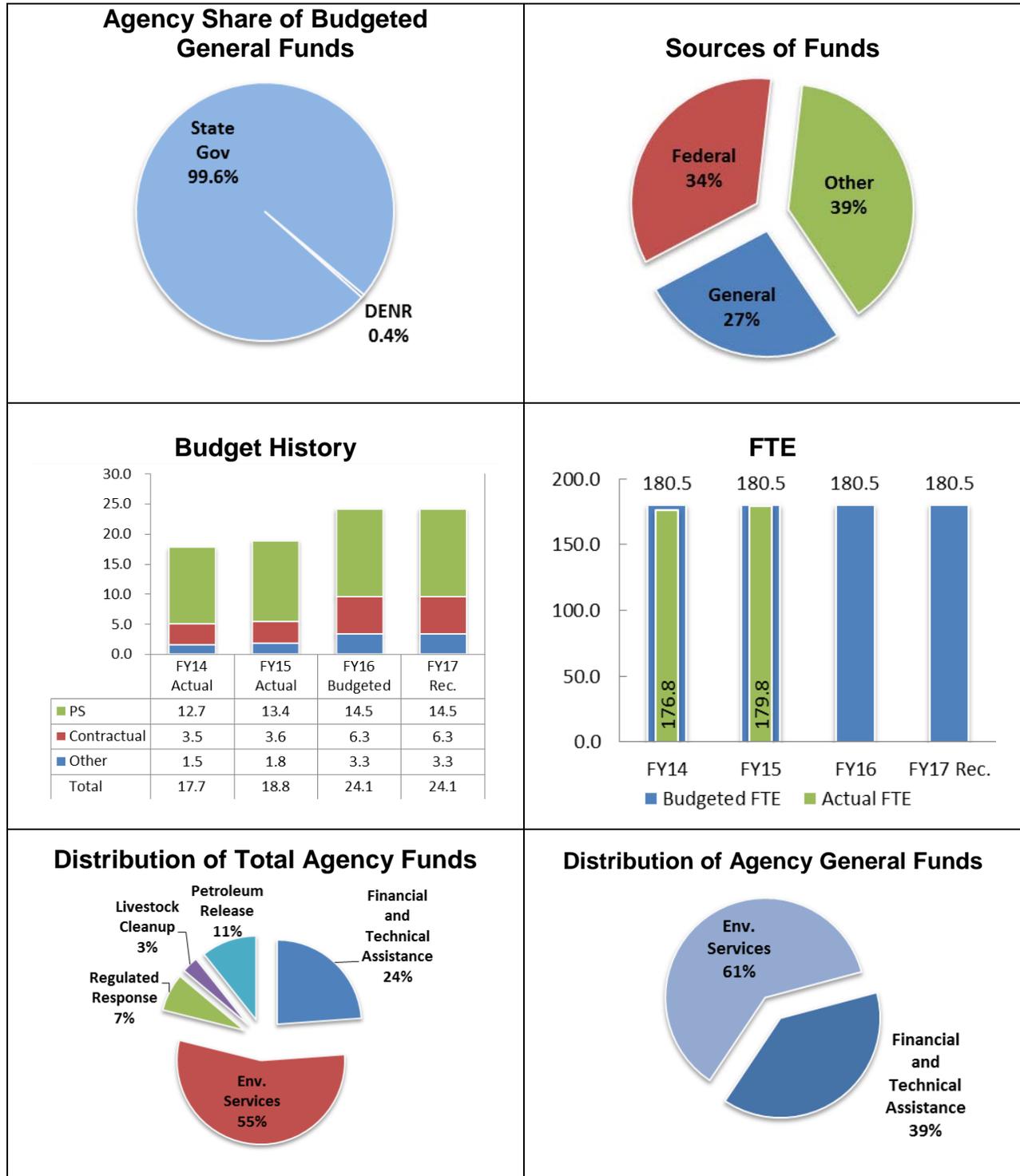


FY17 Budget Briefing

Department of Environment and Natural Resources

Information contained in this document is based on the Governor's original recommended FY17 budget.
This document may not correspond with the final FY17 budget adopted by the Legislature.



Key Personnel

- Steve Pirner, Secretary
- James Feeney, Director, Financial and Technical Assistance
- Tim Tollefsrud, Director, Environmental Services
- Rob Green, Finance Officer

Department Total

The mission of the Department of Environment and Natural Resources is 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 with reduced red tape, expanded e-government functions, and exceptional customer service to promote a prosperous economy while protecting South Dakota's environment and natural resources for today and tomorrow.

	Actual FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Personal Services							
Employee Salaries	9,771,506	10,492,232	11,487,518	11,487,518	11,487,518	0	0.0%
Employee Benefits	2,954,921	2,953,804	3,051,971	3,051,971	3,051,971	0	0.0%
FTE	176.8	179.8	180.5	180.5	180.5	0.0	0.0%
Funding Types							
General	5,084,872	5,263,972	5,494,073	5,494,073	5,494,073	0	0.0%
Federal	4,715,842	5,246,051	5,456,647	5,556,647	5,556,647	100,000	1.8%
Other	2,925,713	2,936,014	3,588,769	3,488,769	3,488,769	(100,000)	(2.8%)
Total PS	12,726,427	13,446,037	14,539,489	14,539,489	14,539,489	0	0.0%
Operating Expenses							
Travel	598,044	620,072	632,522	632,522	632,522	0	0.0%
Contractual Services	3,451,430	3,598,815	6,277,982	6,277,982	6,277,982	0	0.0%
Supplies & Materials	211,226	191,427	294,138	294,138	294,138	0	0.0%
Grants And Subsidies	406,217	864,366	2,078,380	2,078,380	2,078,380	0	0.0%
Capital Outlay	313,635	118,980	262,143	262,143	262,143	0	0.0%
Other	31		0	0	0	0	0.0%
Funding Types							
General	903,148	1,257,720	951,342	951,342	951,342	0	0.0%
Federal	2,043,417	2,494,473	2,745,974	2,745,974	2,745,974	0	0.0%
Other	2,034,019	1,641,467	5,847,849	5,847,849	5,847,849	0	0.0%
Total OE	4,980,584	5,393,661	9,545,165	9,545,165	9,545,165	0	0.0%
Totals							
Funding Types							
General	5,988,020	6,521,692	6,445,415	6,445,415	6,445,415	0	0.0%
Federal	6,759,259	7,740,524	8,202,621	8,302,621	8,302,621	100,000	1.2%
Other	4,959,732	4,577,481	9,436,618	9,336,618	9,336,618	(100,000)	(1.1%)
Total	17,707,011	18,839,697	24,084,654	24,084,654	24,084,654	0	0.0%

Major Expansions or Reductions:

Budget Realignment: Increase of **\$100,000** in **federal fund** expenditure authority and a corresponding decrease of **(\$100,000)** in **other fund** expenditure authority to align the budget with anticipated actual expenditures.

Department Object Detail

Item	Actual FY2014	Actual FY2015	Budgeted FY2016	Gov. Rec FY2017	Inc/Dec FY2016	% Change FY2016
PERSONAL SERVICES						
General	5,084,872	5,263,972	5,494,073	5,494,073	0	0.0%
Federal	4,715,842	5,246,051	5,456,647	5,556,647	100,000	1.8%
Other Funds	2,925,713	2,936,013	3,588,769	3,488,769	(100,000)	(2.8%)
Total Personal Services	12,726,427	13,446,036	14,539,489	14,539,489	0	0.0%
FTE	176.8	179.8	180.5	180.5	0.0	0.0%
TRAVEL						
General	287,435	309,651	199,261	199,261	0	0.0%
Federal	192,081	204,673	273,597	273,597	0	0.0%
Other Funds	118,527	105,748	159,664	159,664	0	0.0%
Total Travel	598,043	620,072	632,522	632,522	0	0.0%
CONTRACTUAL SERVICES						
General	518,566	843,849	648,289	648,289	0	0.0%
Federal	1,550,981	1,554,650	1,833,573	1,833,573	0	0.0%
Other Funds	1,381,884	1,200,316	3,796,120	3,796,120	0	0.0%
Total Contractual Services	3,451,431	3,598,815	6,277,982	6,277,982	0	0.0%
SUPPLIES AND MATERIALS						
General	85,610	87,489	80,681	80,681	0	0.0%
Federal	97,065	75,463	118,915	118,915	0	0.0%
Other Funds	28,551	28,475	94,542	94,542	0	0.0%
Total Supplies and Materials	211,226	191,427	294,138	294,138	0	0.0%
GRANTS AND SUBSIDIES						
General	0	6,735	0	0	0	0.0%
Federal	140,539	567,963	356,880	356,880	0	0.0%
Other Funds	265,679	289,668	1,721,500	1,721,500	0	0.0%
Total Grants and Subsidies	406,218	864,366	2,078,380	2,078,380	0	0.0%
CAPITAL OUTLAY						
General	11,537	9,996	23,111	23,111	0	0.0%
Federal	62,750	91,724	163,009	163,009	0	0.0%
Other Funds	239,348	17,260	76,023	76,023	0	0.0%
Total Capital Outlay	313,635	118,980	262,143	262,143	0	0.0%
OTHER						
General	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0.0%
Other Funds	31	0	0	0	0	0.0%
Total Other	31	0	0	0	0	0.0%
TOTAL						
General	5,988,020	6,521,692	6,445,415	6,445,415	0	0.0%
Federal	6,759,258	7,740,524	8,202,621	8,302,621	100,000	1.2%
Other Funds	4,959,733	4,577,480	9,436,618	9,336,618	(100,000)	(1.1%)
Total All Funds	17,707,011	18,839,696	24,084,654	24,084,654	0	0.0%

FINANCIAL AND TECHNICAL ASSISTANCE

The mission of the Division of Financial and Technical Assistance is 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.

	Actual FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Personal Services							
Employee Salaries	2,864,225	3,165,846	3,558,125	3,558,125	3,558,125	0	0.0%
Employee Benefits	878,589	893,516	922,125	922,125	922,125	0	0.0%
FTE	53.3	55.8	56.5	56.5	56.5	0.0	0.0%
Funding Types							
General	1,954,726	2,019,845	2,128,638	2,128,638	2,128,638	0	0.0%
Federal	1,321,500	1,521,302	1,530,514	1,630,514	1,630,514	100,000	6.5%
Other	466,588	518,215	821,098	721,098	721,098	(100,000)	(12.2%)
Total PS	3,742,814	4,059,362	4,480,250	4,480,250	4,480,250	0	0.0%
Operating Expenses							
Travel	182,355	227,745	210,000	210,000	210,000	0	0.0%
Contractual Services	580,865	598,280	850,701	850,701	850,701	0	0.0%
Supplies & Materials	74,561	71,419	137,052	137,052	137,052	0	0.0%
Grants And Subsidies	0	148,544	0	0	0	0	0.0%
Capital Outlay	34,297	11,302	68,381	68,381	68,381	0	0.0%
Funding Types							
General	342,211	343,613	356,029	356,029	356,029	0	0.0%
Federal	396,989	573,235	623,781	623,781	623,781	0	0.0%
Other	132,878	140,444	286,324	286,324	286,324	0	0.0%
Total OE	872,078	1,057,291	1,266,134	1,266,134	1,266,134	0	0.0%
Totals							
Funding Types							
General	2,296,937	2,363,458	2,484,667	2,484,667	2,484,667	0	0.0%
Federal	1,718,489	2,094,537	2,154,295	2,254,295	2,254,295	100,000	4.6%
Other	599,466	658,658	1,107,422	1,007,422	1,007,422	(100,000)	(9.0%)
Total	4,614,892	5,116,653	5,746,384	5,746,384	5,746,384	0	0.0%

Budget Notes

Budget Realignment: Increase of **\$100,000** in **federal fund** expenditure authority and a corresponding decrease of **(\$100,000)** in **other fund** expenditure authority to align the budget with anticipated actual expenditures.

Revenues:	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Sale of Publications/Maps	\$533	\$1,257	\$500	\$500
Selected Statistical Data:	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Travel, Direct, Noncash, Receiving Vouchers, and Cash Receipts Processed	4,486	5,192	5,100	5,100
Requisitions/Travel Requests Processed	64/1047	36/1,129	40/1,150	40/1,150
Contracts and Grants Monitored	312	325	325	325
Awards/Projects:				
Consolidated Program	\$11.86M/24	\$19.8M/27	\$6.7M/10	10M/14
Small Community Planning Grants	\$112K/13	\$166K/20	\$135K/15	\$135K/15
Solid Waste Projects	\$1.2M/9	\$3.33M/15	\$2.65M/15	\$2.65M/15
State Revolving Fund (SRF) Loans	\$56.63M/32	\$84.6M/39	\$75M/40	\$75M/40
State Water Resources Management System (SWRMS)	\$5.3M/2	\$7M/1	\$2.9M/3	\$1M/2
Nonpoint Source Awards/Projects	\$2.4M/5	\$2.4M/6	\$2.4M/6	\$2.4M/6
Water Quality Grants	\$1.42M/10	\$1.05M/5	\$1.0M/5	\$1.0M/5
Nonpoint Source Projects in Progress	14	13	12	12
TMDL Waterbodies Under Assessment	47	9	7	9
Statewide Lake Assessment Monitoring	25	32	40	20
State Water Plan Projects	61	57	60	60
Construction Inspections Conducted	100	117	100	100
Plans & Specs Reviewed	42	42	45	45
SRF Loans Reviewed/Monitored	32/408	39/455	40/470	40/485
Test-Hole Footage Drilled	11,139	8,875	10,000	10,000
Test Holes Drilled	86	75	80	90
Wells Installed	37	47	40	40
X-Ray Analyses Completed	68	56	75	75
Water Samples Collected for Chem. Analysis	177	97	129	85
Square Miles Mapped (1:250,000 scale)	0	0	3,350	3,350
Square Miles Mapped (1:100,000 scale)	1,714	1,050	1,400	1,500
Square Miles Mapped (1:24,000 scale)	405	364	170	175
Square Miles Mapped for Aquifer Studies	4,703	3,770	3,500	3,500
Projects and Publications Completed	10	10	10	10
Presentations Given to Public or Agencies	39	37	35	35
Drilling Weeks Accomplished	38.5	49.9	40	40
Number of test holes drilled	86	23	20	20
Number of feet drilled	11,139	3,873	3,000	3,000
Number of monitoring wells installed	37	14	15	15
Number of aquifer reports prepared	NA	1	1	1

ENVIRONMENTAL SERVICES

The mission of the Division of Environmental Services is to provide the highest level of service as we work to protect the environment and public health through implementation of the state's environmental regulatory programs for the benefit of all South Dakota citizens.

	<u>Actual</u> <u>FY2014</u>	<u>Actual</u> <u>FY2015</u>	<u>Budgeted</u> <u>FY2016</u>	<u>Agency</u> <u>Request</u> <u>FY2017</u>	<u>Gov Rec</u> <u>FY2017</u>	<u>Gov Rec</u> <u>Inc/Dec</u> <u>FY2017</u>	<u>% Change</u> <u>From</u> <u>FY2016</u>
Personal Services							
Employee Salaries	6,627,809	7,033,218	7,612,046	7,612,046	7,612,046	0	0.0%
Employee Benefits	1,992,655	1,982,266	2,044,665	2,044,665	2,044,665	0	0.0%
FTE	118.5	119.3	119.0	119.0	119.0	0.0	0.0%
Funding Types							
General	3,130,146	3,244,127	3,365,435	3,365,435	3,365,435	0	0.0%
Federal	3,394,342	3,724,749	3,926,133	3,926,133	3,926,133	0	0.0%
Other	2,095,975	2,046,608	2,365,143	2,365,143	2,365,143	0	0.0%
Total PS	8,620,463	9,015,484	9,656,711	9,656,711	9,656,711	0	0.0%
Operating Expenses							
Travel	402,125	379,375	408,722	408,722	408,722	0	0.0%
Contractual Services	2,110,022	2,372,581	2,437,389	2,437,389	2,437,389	0	0.0%
Supplies & Materials	132,736	118,226	152,686	152,686	152,686	0	0.0%
Grants And Subsidies	228,955	493,008	404,880	404,880	404,880	0	0.0%
Capital Outlay	77,468	107,334	190,460	190,460	190,460	0	0.0%
Other	0		0	0	0	0	0.0%
Funding Types							
General	560,937	914,107	595,313	595,313	595,313	0	0.0%
Federal	1,646,428	1,921,239	2,122,193	2,122,193	2,122,193	0	0.0%
Other	743,973	635,178	876,631	876,631	876,631	0	0.0%
Total OE	2,951,338	3,470,524	3,594,137	3,594,137	3,594,137	0	0.0%
Totals							
Funding Types							
General	3,691,083	4,158,234	3,960,748	3,960,748	3,960,748	0	0.0%
Federal	5,040,770	5,645,988	6,048,326	6,048,326	6,048,326	0	0.0%
Other	2,839,948	2,681,786	3,241,774	3,241,774	3,241,774	0	0.0%
Total	11,571,801	12,486,008	13,250,848	13,250,848	13,250,848	0	0.0%

Budget Notes

No recommended increases or decreases.

Revenues:	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE
	FY14	FY15	FY16	FY17
Mining/Oil and Gas Permit Fees	161,785	160,443	160,000	160,000
Licensing and Renewal of Asbestos Handlers	24,208	22,982	23,000	23,000
Water & Wastewater Operator Cert. Exams & Renewals	18,412	19,536	19,750	19,800
SARA Title III Fees	152,300	153,615	150,000	150,000
Air Quality Permit Fees	513,834	507,843	508,000	508,000
Solid Waste Permit Fees	17,270	3,561	7,500	12,500
Solid Waste Administration Fee	137,135	152,268	150,000	150,000
Surface Water Discharge Permit Fees	590,902	580,098	580,398	580,000
Feedlot Fees	90,245	90,827	90,875	92,425
Drinking Water System Fees	265,467	260,441	262,000	262,500
Oil and Gas Conservation Tax	378,205	270,320	250,000	250,000
Water Right Fees	209,063	199,781	200,000	200,000
<i>Total</i>	2,558,826	2,421,715	2,401,523	2,408,225

Selected Statistical Data:	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE
	FY14	FY15	FY16	FY17
Permitted Air Emission Sources	724	648	650	655
Ethanol Prod. Capacity from Plants with Air Quality Permits (millions of gallons)	1,250	1,300	1,330	1,350
Air Quality Monitoring Sites	15	14	13	14
Operating Air Quality Samplers	60	60	52	52
Total Continuous Air Quality Samples Collected	13,505	12,226	12,959	13,140
Stream Sites Sampled for Ambient Water Quality	146	146	155	155
Regulated Public Drinking Water Systems	638	636	639	639
Total Population Served by Public Water Systems	782,000	782,000	782,500	783,000
Hazardous Waste Generators	2,427	2,561	2,636	2,711
Permitted Solid Waste Disposal Sites	242	236	236	236
Total Sources Authorized Under General Industrial Storm Water Permits	989	1,002	1,010	1,050
Total Sources Authorized Under General Storm Water Construction Permit	2,086	1,775	1,800	1,800
Storm Water Inspections	120	117	120	120
Cumulative Spill Sites	10,389	10,657	10,907	11,157
Contaminated Sites Cleaned Up and Closed Out/ Percentage of Cumulative Spill Sites Closed Out	9,990/96%	10,273/96%	10,523/96%	10,773/96%
Total Water Right Permits	8,628	8,662	8,700	8,740
Cumulative Tanks Removed/Sites through the Abandoned Storage Tank Removal Project	4,441/3,235	4,521/3,294	4,621/3,394	4,721/3,494
Active Above-Ground Storage Tanks Regis.	3,596	3,560	3,560	3,560
Active Underground Storage Tanks Regis.	2,865	2,866	2,866	2,866
Spills and Releases Reported	315	268	250	250
Wastewater Point Sources Permitted	371	373	377	383
Active Gold and Other Mine Permits	51	52	54	58
Active Sand and Gravel Mine Sites Licensed	1,629	1,595	1,595	1,595
Total Regulated Underground Injection Wells	136	139	140	141

Selected Statistical Data (Continued):

	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Producing Gas/Oil Wells	66/174	67/165 (Est.)	67/165	67/165
# Public Water Supply Systems Provided Assistance with Source Water Assessment & Protection	65	69	69	69
Provide Source Water Protection Area Reports to New Public Water Supply Systems	8	8	8	8
Public Water Supply Systems with Source Water and Wellhead Measures in Place	71	71	71	71
Hydrogeologic Review of Facility Locations Permitted and Nonpermitted Facilities Required to Monitor Groundwater Quality	405	467	470	470
Total Groundwater Discharge Permits	14	14	14	14
Groundwater Discharge Permits and Variances Amended, Renewed, or Issued	6	6	6	6
Compliance Rate for Underground Storage Tanks	98%	98%	98%	98%
Storage Tank Closures Reported	158	145	150	150
Storage Tank Facility Inspections	456	745	745	745
Storage Tank Plans and Specifications Approved	60	57	60	60
Abandoned Tanks Removed/Sites	121/92	80/59	100/100	100/100
Spill and Release Site Closures	281	283	250	250
Site Assessment Reports Evaluated for Compliance with Federal Hazardous Waste Regulations	15	15	15	15
Brownsfields Assessments Completed	5	5	5	5
Brownfields Cleanup Project Completed	2	2	2	2
Interstate Pipelines Reviewed for Environmental Concerns	2	3	3	3
Workshops and Meetings Held to Maintain Effective Community Right-to-Know Activities About Hazardous Materials Stored or Used in Communities	7	8	8	8
Local Emergency Planning Cmtes Receiving Assistance	39	38	38	38
Large Manufacturing Facilities Reporting Chem Storage & Use for Federal SARA Title III Sec. 313 (TRI)	95	97	97	97
Facilities Reporting Chemical Storage & Use for Federal SARA Title III Sec. 312	1,653	1,684	1,684	1,684
Public Drinking Water Systems/Percent Compliance with Microbiological Standards	611/96%	618/97%	618/97%	618/97%
Public Drinking Water Systems/Percent Compliance with Chemical, Radiological, and Turbidity Standards	622/97%	626/98%	626/98%	626/98%
Public Drinking Water Systems/Percent Compliance with Microbiological Monitoring & Reporting Requirements	607/95%	597/93%	597/93%	607/95%
Public Drinking Water Systems Required to Add Fluoride	77	77	52	52
Sanitary Surveys of Public Drinking Water Systems	197	197	196	187
Certified Drinking Water and Wastewater Operators Plans & Specs Approved for Pub Drinking Water Systems	1,400	1,400	1,461	1,465
Compliance Rate for Consumer Confidence Reports	105	105	93	100
Compliance Rate for Consumer Confidence Reports	99%	100%	100%	100%
Number of Capacity Development Reviews	11	20	15	15
Percentage of Major Wastewater Facilities in Significant Compliance with State Requirements	90%	90%	100%	100%
Wastewater Point Source Permits Renewed or New Issue	45	46	56	60
Drinking Water Systems Authorized to Discharge Under the General Water Pollution Control Permit	79	79	79	79
Municipal Separate Storm Sewer System (MS4s) Audits	1	2	1	1
Wastewater Permit File Evaluations	83	65	70	70
Wastewater Compliance Audits	104	134	115	115

Selected Statistical Data (Continued):

	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Pretreatment Industrial Users Permitted	36	40	40	40
Biosolids Generators Permitted	25	26	26	26
Biosolids Generators Inspected	4	14	9	10
Industrial Pretreatment Inspections	28	29	30	30
Municipal Pretreatment Compliance Inspections	4	5	4	4
Municipal Pretreatment Audits	1	1	1	1
Environmental Reviews for Construction Projects	251	200	250	250
Review and Revise Surface Water Quality Standards	Yes	Yes	Yes	Yes
Water Resource Enhancement Approvals	1	0	1	1
Use Attainability Analyses of Streams	16	45	30	20
Recreational Use Assessment of Streams	45	35	20	20
401 Water Quality Certifications	19	15	19	19
Septic System Plans Reviewed & Approved	178	192	205	215
On-Site Wastewater System Installer Certified	145	149	153	157
Total On-Site Wastewater System Installers Certified	697	699	701	703
Number of Improperly Installed Onsite Waste Water Systems by Certified Installers	5	5	5	5
Application Approvals for New, Expanding, and Modifications to Existing Animal Feeding Operations Under General Water Pollution Control Permit	132	150	165	180
Public Notice of New and Expanding Animal Feeding Operations Application	25	26	26	26
Total Animal Feeding Operations Permitted	414	417	428	439
Inspections of Newly Built Manure Mgmt. Systems	42	60	71	82
Operational Inspections of Permitted Animal Feeders	270	270	307	319
Animal Feeding Operations Subject to Permit Fee	442	444	455	466
Training and Ed Sessions for Operators of Animal Feeding Operations, Local Gov. Officials, & General Public	8	12	10	10
Attendees at Env Training for Livestock Producers	154	116	104	104
Feedlot Complaint Inspections	16	25	25	25
Revised Nutrient Management Plan Approvals	120	158	210	310
CAFO Compliance Rate	98%	97%	95%	95%
CAFO Enforcement and Compliance Actions	90	96	95	95
Plans & Specifications Approvals for Wastewater Facilities	91	84	85	85
Addendum to Plans & Specifications for W.W. Facilities	26	5	10	10
Small Air Emission Sources Regulated by Rule	892	985	1,050	1,100
New and Construction Air Quality Permits Issued	106	87	90	90
Existing Air Quality Permits Renewed or Modified	64	71	70	70
Backlog of New or Modified Air Permits New or Expanding Industries	0	0	0	0
Ave. Number of Days to Issue New or Modified Air Permits	63	82	<90	<90
Total Number of General Air Quality Permits Issued	10	10	10	10
Facilities Permitted Under Air Quality General Permits	543	422	450	450
Air Quality Inspections	145	167	160	160
Compliance Rate of Air Quality Inspections	99%	99%	>95%	>95%
Monitor and Audit Performance Tests of Air Emissions and Review Results	18	35	45	50
Statewide Inventory of All Air Pollution Sources	1	1	1	1
Provide Technical Indoor Air and Radon Assistance	193	199	200	200
Provide Radon webpage with general information & EPA contact information	Yes	Yes	Yes	Yes

Selected Statistical Data (Continued):

	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Total Air Quality Samples Collected (PM Manual)	1,550	1,290	1,031	1,031
Percentage of Air Quality Samples Meeting Federal Sampling Requirements (Manual)	98%	98%	>90%	>90%
Percentage of Air Quality Samples Meeting Federal Sampling Requirements (Continuous)	99%	97%	>90%	>90%
PM Concentrations from Air Quality Samplers Greater than Federal Air Quality Standards	2	4	11	0
Ozone Concentrations from Air Quality Samplers Greater than Federal Air Quality Standards	0	1	0	0
Sulfur Dioxide Concentrations from Air Quality Samplers Greater than Federal Air Quality Standards	0	0	0	0
Nitrogen Oxide Concentrations from Air Quality Samplers Greater than Federal Air Quality Standards	0	0	0	0
Air Quality Nonattainment Areas	0	0	0	0
Number of Older Diesel Engines Replaced	4	3	3	5
Clean Diesel Grant Dollars Paid for Replacements	\$81,970	\$56,880	\$67,021	\$104,956
New Mine Licenses Issued for Sand and Gravel	14	19	19	19
Active Sand and Gravel Mine Licenses	516	525	525	525
Compliance Rate - Sand and Gravel Mine Licenses	97%	97%	97%	97%
Bond Held for Sand and Gravel Mine Licenses	\$2,857,682	\$2,895,893	\$2,895,893	\$2,895,893
Mined Acres Reclaimed During the Year Under Sand and Gravel Mine Licenses	665	780	780	780
Acres in Compliance - Sand & Gravel Mine Licenses	20,587	21,149	21,149	21,149
Tons of Sand, Gravel, and Rock Produced	20,205,834	22,578,271	22,578,271	22,578,271
Inspections Conducted - Sand & Gravel Mine Licenses	215	277	277	277
New Exploration Notices of Intent Issued	3	0	2	2
Exploration Notices of Intent Closed	2	1	0	4
Active Exploration Notices of Intent	37	36	38	36
Bond Held for Exploration Reclamation	\$143,750	\$119,750	\$134,750	\$120.05
Inspections Conducted - Exploration	16	21	21	21
Gold and Other Mine Permits Issued	2	1	4	4
Mine Permit Amendments Issued	0	0	1	1
Technical Revisions to Mine Permits Issued	3	10	5	5
Bond Held for Mine Permits	\$139,788,408	\$141,778,480	\$149,940,892	\$153,123,541
Spill Bonds Held for Mine Permits	\$580,700	\$597,800	\$612,400	\$627,400
Mined Acres Reclaimed During the Year - Mine Permits	123	83	108	90
Acres in Compliance - Mine Permits	3,450	3,619	3,420	3,535
Compliance Rate for Acres Mined Under Gold and Other Mine Permits	93%	93%	93%	93%
Gold Mine Environmental Audits	3	3	3	3
Inspections Conducted - Mine Permits	227	272	272	272
Ounces of Gold Produced - Calendar Year	56,237	72,095	80,000	80,000
Value of Gold Produced - Calendar Year	\$79,363,342	\$90,407,130	\$96,000,000	\$96,000,000
New Drilling Permits Issued for Oil and Gas	13	12	12	12
Avg Number of Days to Issue Oil & Gas Drilling Permit	12	10	<14	<14
Gas Fields	3	3	3	3
Oil Fields	29	29	29	29
Estimated Value of Gas/Oil Produced	\$164,121,000	\$110,183,000	\$103,220,000	\$103,220,000
Oil Produced (Thousands of 42 gallon barrels)	1,829	1,816 (Est.)	1,700	1,700
Marketed Gas Produced (Millions of Cubic Feet)	358	329 (Est.)	329	329
Oil and Gas Wells Plugged	5	7	7	7
Oil and Gas Sites Reclaimed and Released	3	1	2	2

Selected Statistical Data (Continued):

	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Bond Held for Oil and Gas Wells	\$1,251,000	\$1,371,000	\$1,371,000	\$1,371,000
Inspections Conducted - Oil and Gas	246	323	323	323
Oil and Gas Cases Requiring Board Hearing	1	0	1	1
Oil and Gas Cases Approved by Secretary	43	7	7	7
Notices of Recommendation Issued for Oil & Gas	0	0	1	1
Hazardous Waste Generator Inspections	73	86	75	75
Compliance Rate of Hazardous Waste Generators Inspected	98.60%	98%	98%	98%
Percent of Hazardous Waste Generators Returned to Compliance within Required Time Frame	100%	100%	100%	100%
Hazardous Waste Generator Determination Inspect.	23	26	25	25
Follow-Up to Citizen Complaints About Hazardous Waste	11	13	12	12
Notification of Hazardous Waste Activity Processed	115	91	100	100
Hazardous Waste Transport Document Corrections	19	10	7	7
Number of Hazardous Waste Generators Assisted in Completing Biennial Hazardous Waste Reports	41	NA	40	NA
Educational Institutions and Businesses Assisted on Proper Disposal of Wastes	21	36	38	38
Disseminate Hazardous Waste Minimization Information	75	75	75	75
Permitted Hazardous Waste Sites	2	2	2	2
Hazardous Waste Permit Modifications	2	4	3	3
Amendments Made to Hazardous Waste Rules to Comply with Federal Regulations	No	No	No	Yes
Submit Annual Hazardous Waste Authorization Application	No	Yes	No	No
Certified Asbestos Workers	376	374	375	375
Conduct Audit of Asbestos Abatement Training Courses	4	4	4	4
Asbestos Notifications Processed	210	211	220	220
Asbestos Inspections	36	35	35	35
Compliance Rate of Asbestos Facilities Inspected	83%	77%	>80%	>80%
Provide Technical Assistance on Asbestos	491	511	520	520
Total General Permits for Solid Waste Solid Waste Permits Issued/Renewed:	8	8	8	8
Type I (>150,000 Tons/Year)	0	2	1	1
Type II, III (Between 500 and 150,000 Tons/Year)	21	9	18	17
Type IV (Less than 500 Tons/Year)	22	15	12	18
General Permit Authorizations	25	5	23	17
Solid Waste Plans and Specifications Approvals	5	7	7	7
Solid Waste Facilities Closed	6	9	4	3
Solid Waste Facility Inspections:				
Type I (>150,000 Tons/Year)	7	6	6	6
Type II, III (Between 500 and 150,000 Tons/Year)	65	64	65	65
Type IV (less than 500 tons/year)	42	46	44	44
Other (General)	58	61	58	58
Compliance Rate for Solid Waste Inspections	95%	91%	>90%	>90%
Solid Waste Complaints Investigated	43	30	35	35
New Water Right Permits Issued	207	125	140	150
Water Right Permit Cancellations	50	44	60	60
Deferred Water Right Applications	26	23	20	15
Water Right Permit Investigations	115	137	270	300
Water Right Licenses Issued	94	140	175	225
Water Right Complaint Investigations	38	19	35	35

Selected Statistical Data (Continued):

	ACTUAL	ACTUAL	ESTIMATE	ESTIMATE
	FY14	FY15	FY16	FY17
Daily Stream Flow Measuring Stations	50	50	48	48
Water Well Drillers Licensed	138	145	145	145
Well Pump Installers Licensed	30	35	35	35
Inspections of State-Owned Dams & Other High Hazard Da	57	63	70	70
Total Number of Water Right Observation Wells	1,556	1,556	1,560	1,565
Observation Well Measurements	15,255	11,882	12,000	12,250
Observation Wells Repaired or Developed	408	225	300	350
Dry Draw Location Notices Recorded	57	36	50	50
Reported Surface Water Use for Irrigation (Acre-Feet -- Calendar Year)	97,300	74,731	90,000	90,000
Reported Groundwater Use for Irrigation (Acre-Feet -- Calendar Year)	221,085	158,292	230,000	230,000
Irrigation Questionnaires Mailed	3,690	3,813	3,930	4,100
Irrigation Questionnaire Violation Suspensions	1	0	1	1
Ordinary High Water Marks Established	1	0	1	1
Lake Level Measurements	296	302	302	305
Data Recorders for Measuring Water Levels in Observation Wells	33	35	35	35
Temporary Water Permits Issued	149	137	140	140
Transfer of Water Right Permit	113	146	150	150
Held Applications for Fully Appropriated Aquifers	0	42	42	50
Fully Appropriated Aquifers 5 Year Reviews	0	0	2	3

REGULATED RESPONSE FUND - INFORMATIONAL

The mission of the Regulated Response Fund is to provide for the cleanup of regulated substances during emergencies or when necessary to protect the public health, safety, welfare, or the environment of the state.

The Regulated Substance Response Fund was created by the 1988 Legislature to deal with environmental cleanups and is funded by penalties collected from environmental violations and investment interest. A one-time appropriation of \$350,000 from the Petroleum Release Compensation Fund was approved when the fund was created.

	Actual FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Operating Expenses							
Contractual Services	84,819	89,999	1,750,002	1,750,002	1,750,002	0	0.0%
Supplies & Materials	1,649		0	0	0	0	0.0%
Capital Outlay	201,636		0	0	0	0	0.0%
Funding Types							
General	0	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	288,103	89,999	1,750,002	1,750,002	1,750,002	0	0.0%
Total OE	288,103	89,999	1,750,002	1,750,002	1,750,002	0	0.0%
Totals							
Funding Types							
General	0	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	288,103	89,999	1,750,002	1,750,002	1,750,002	0	0.0%
Total	288,103	89,999	1,750,002	1,750,002	1,750,002	0	0.0%

Budget Notes

No recommended increases or decreases.

The ending balance in the fund on 6/30/15 was \$4,617,870.

Revenues:	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Penalties and Reimbursements	39,971	74,850	63,395	63,395
Investment Council Interest	47,467	31,173	31,000	31,000
<i>Total</i>	87,438	106,023	94,395	94,395

Selected Statistical Data:	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Brohm Match	\$245,610	\$234,972	0	0
Estelline Pesticide Release	\$7,386	0	0	0
Estelline Moberg/Petersen	\$9,543	\$9,286	0	0
Sioux Falls PCE Investigation	0	\$10,780	0	0
Budgeted Capacity to Match EPA Superfund Expenditures at Brohm and Respond to Other Cleanups			\$1,750,002	\$1,750,002

LIVESTOCK CLEANUP FUND - INFORMATIONAL

The mission of the Livestock Cleanup Fund is to provide for the cleanup of discharges or spills from animal feeding operations during emergencies, or when necessary to protect the public health, safety, welfare, or the environment of the state.

The Livestock Cleanup Fund was created by the 1998 Legislature to deal with discharges and spills from animal feeding operations and is funded by penalties collected from animal feeding operations for environmental violations and investment interest. A one-time appropriation of \$750,000 from the State General Fund was approved when the fund was created.

	Actual FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Operating Expenses							
Contractual Services	0	0	765,000	765,000	765,000	0	0.0%
Funding Types							
General	0	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	0	0	765,000	765,000	765,000	0	0.0%
Total OE	0	0	765,000	765,000	765,000	0	0.0%
Totals							
Funding Types							
General	0	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	0	0	765,000	765,000	765,000	0	0.0%
Total	0	0	765,000	765,000	765,000	0	0.0%

Budget Notes

No recommended increases or decreases.

The ending balance in the fund on 6/30/15 was \$1,293,282.

Revenues:	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Investment Council Interest	17,641	12,232	12,000	12,000
Penalties and Reimbursements	27,556	30,753	24,569	24,569
<i>Total</i>	45,197	42,985	36,569	36,569

Selected Statistical Data:	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Environmental Cleanups Funded	0	0	0	0
Redfield Livestock Auction	0	0	0	0
Wagner Livestock Yard	0	0	0	0
Budgeted Capacity to Respond to Cleanups			765,000	765,000

PETROLEUM RELEASE COMPENSATION

The mission of Petroleum Release Compensation is to assist in the cleanup of certain petroleum releases; to determine the amount of reimbursement due to responsible parties for corrective actions they have taken; to provide a financial assurance mechanism that will comply with the federal and state financial responsibility requirements for regulated petroleum tank owners; to administer the Abandoned Tank Removal Program; and to make payments for tank pulling and corrective action at abandoned sites.

	Actual FY2014	Actual FY2015	Budgeted FY2016	Agency Request FY2017	Gov Rec FY2017	Gov Rec Inc/Dec FY2017	% Change From FY2016
Personal Services							
Employee Salaries	279,472	293,171	317,347	317,347	317,347	0	0.0%
Employee Benefits	83,677	78,020	85,181	85,181	85,181	0	0.0%
FTE	5.0	4.8	5.0	5.0	5.0	0.0	0.0%
Funding Types							
General	0	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	363,150	371,191	402,528	402,528	402,528	0	0.0%
Total PS	363,150	371,191	402,528	402,528	402,528	0	0.0%
Operating Expenses							
Travel	13,563	12,952	13,800	13,800	13,800	0	0.0%
Contractual Services	44,362	41,150	48,390	48,390	48,390	0	0.0%
Supplies & Materials	2,280	1,781	4,400	4,400	4,400	0	0.0%
Capital Outlay	235	343	3,302	3,302	3,302	0	0.0%
Funding Types							
General	0	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	60,440	56,226	69,892	69,892	69,892	0	0.0%
Total OE	60,440	56,226	69,892	69,892	69,892	0	0.0%
Totals							
Funding Types							
General	0	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	423,590	427,417	472,420	472,420	472,420	0	0.0%
Total	423,590	427,417	472,420	472,420	472,420	0	0.0%

Budget Notes

No recommended increases or decreases.

Revenues:	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Deposited to Petroleum Release Comp Fund:				
Petroleum Tank Inspection Fee	1,771,036	1,833,586	1,775,000	1,775,000
Interest	69,770	56,017	70,000	70,000
<i>Total</i>	1,840,806	1,889,603	1,845,000	1,845,000

Selected Statistical Data:	ACTUAL FY14	ACTUAL FY15	ESTIMATE FY16	ESTIMATE FY17
Petroleum Release Program:				
Cases Initiated	45	60	45	45
Claims Processed and Amount Paid	57/\$2,169,247	19/\$214,367	35/\$350,000	35/\$350,000
Abandoned Tank Program:				
Abandoned Tank Sites Initiated	100	62	60	60
Abandoned Tank Sites Completed	94	60	55	55
Tank Removed at Abandoned Tank Sites	117	80	65	65
Claims Processed/Amounts Paid	185/\$541,344	138/\$400,721	110/\$350,000	110/\$350,000
Responsible Parties Reimbursed	111	85	70	70
Public Presentations	2	3	2	2
Review Contracts and Corrective Action Plans	54	57	50	50
Board Meetings	1	2	2	2
Annual Insurance Meeting	Yes	Yes	Yes	Yes
Annual Report to Governor & Legislature	Yes	Yes	Yes	Yes
Claims Closed	116	119	90	90
Cost Recovery Action	Yes	Yes	Yes	Yes

Petroleum Release Compensation - Informational

The mission of Petroleum Release Compensation – Informational is to provide financial assistance in the cleanup of certain petroleum releases; to determine the amount of reimbursement due to responsible parties for corrective actions they have taken; to provide a financial assurance mechanism that will comply with the federal and state financial responsibility requirements for regulated petroleum tank owners; to report to the Governor and Legislature; to administer the Abandoned Tank Removal Program; and to make payments for tank pulling and corrective action at abandoned sites.

The Petroleum Release Compensation Fund (PRCF) was created by the 1988 Legislature to prevent and clean up petroleum releases. The PRCF is a state-operated program that can financially assist petroleum tank owners with the cleanup of petroleum releases. Funding is from a portion of the Tank Inspection Fee and interest income.

	<u>Actual</u> <u>FY2014</u>	<u>Actual</u> <u>FY2015</u>	<u>Budgeted</u> <u>FY2016</u>	<u>Agency</u> <u>Request</u> <u>FY2017</u>	<u>Gov Rec</u> <u>FY2017</u>	<u>Gov Rec</u> <u>Inc/Dec</u> <u>FY2017</u>	<u>% Change</u> <u>From</u> <u>FY2016</u>
Operating Expenses							
Contractual Services	631,363	496,805	426,500	426,500	426,500	0	0.0%
Grants And Subsidies	177,262	222,815	1,673,500	1,673,500	1,673,500	0	0.0%
Funding Types							
General	0	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	808,625	719,620	2,100,000	2,100,000	2,100,000	0	0.0%
Total OE	808,625	719,620	2,100,000	2,100,000	2,100,000	0	0.0%
Totals							
Funding Types							
General	0	0	0	0	0	0	0.0%
Federal	0	0	0	0	0	0	0.0%
Other	808,625	719,620	2,100,000	2,100,000	2,100,000	0	0.0%
Total	808,625	719,620	2,100,000	2,100,000	2,100,000	0	0.0%

Budget Notes

No recommended increases or decreases.

The ending balance in the fund on 6/30/15 was \$4,749,291.

The Governor is recommending a transfer from the Petroleum Release Compensation Fund of \$3.5 million to help pay for emergency special appropriations in FY2016.

Governor's Recommended State Employee Compensation Plan

For FY17, the Governor recommended the funding for the state employee compensation plan and bureau billings be placed in a pool in BFM to be distributed to each agency. He also recommended the total decrease for health insurance be included in BFM's budget and be allocated at a future time. *Therefore, individual agency personal services and contractual services budgets do not reflect budget increases for the compensation plan, bureau billings, or the decrease for health insurance.*

- Below are the estimated distributions for employee compensation for FY17. BFM will distribute dollars from the Pool after calculating the increase for salary policy and the decrease for employee health insurance. The distributed amount to the agency will be in addition to the agency's appropriated personal services budget.

FY17 Salary Policy Component	Object	General	Federal	Other	Total
Health Insurance	PS	(\$18,497)	(\$18,708)	(\$11,746)	(\$48,951)
Market Adjustment	PS	\$129,288	\$128,528	\$81,181	\$338,997
Movement Towards Market Value	PS	\$68,320	\$78,610	\$40,772	\$187,702
Health Insurance	OE	(\$1,440)	(\$1,244)	(\$725)	(\$3,409)
Market Adjustment	OE	\$1,929	\$2,725	\$1,755	\$6,409
Movement Towards Market Value	OE	\$1,526	\$2,231	\$2,635	\$6,392
	Total	\$181,126	\$192,142	\$113,872	\$487,140

- Recommended FY17: 2.7% market adjustment for all permanent employees (except Career Bands); 0%-2.7% market adjustments for Career Bands; 2.5% movement toward market value for General Pay Structure and PACE; 0% to 4.5% pay for performance for Career Bands; decrease of \$275 per benefitted employee for the employer-paid portion of the health insurance plan.
 - FY16: 2% market adjustment for all permanent employees (except Career Bands); 0%-6.6% market adjustments for Career Bands; 2.5% movement toward market value for General Pay Structure and PACE; 0% to 4.5% pay for performance for Career Bands; 0% health insurance.
 - FY15: 3% across-the-board/market adjustment for all permanent employees (including Career Bands); 3% adjustment toward job worth for PACE; 0%-4.5% pay for performance for Career Bands; targeted compensation adjustments for a small number of hard-to-fill, below market vocational jobs; 18.6% health insurance.
 - FY14: 3% across-the-board for all permanent employees (except Career Bands); 3.5% to 4% market adjustment for Career Bands; 3.5% adjustment toward job worth for PACE; 0%-4.5% pay for performance for Career Bands; 14.7% health insurance.
- Below are the estimated increases to the bureau billings for FY17. The amount distributed from the BFM pool to the agency will be in addition to the agency's appropriated contractual services budget.

Estimated FY17	General	Federal	Other	Total
Bureau Billing Adjustments	698	1,164	812	2,674

Interagency Billings

Below are the sources of funds DENR used to pay for services provided by central governmental bureaus (Bureau of Finance and Management, Bureau of Information and Telecommunications, Bureau of Administration, Bureau of Human Resources) in FY2015.

Bureau Name	General	Federal	Other	Total
Bureau of Finance and Management	\$8,243	\$32,749	\$30,782	\$71,774
Bureau of Administration	\$337,139	\$308,213	\$189,047	\$834,399
Bureau of Information and Telecommunication	\$205,988	\$244,010	\$147,637	\$597,635
Bureau of Human Resources	\$31,932	\$38,080	\$24,406	\$94,419
Total FY15 Interagency Payments	\$583,303	\$623,052	\$391,872	\$1,598,226

Recent Budget History

General Fund Reversions from the General Appropriations Act:

FY2011: \$0
 FY2012: \$0
 FY2013: \$0
 FY2014: \$0
 FY2015: \$0

Other Fund Balances

Company and Fund Name	Blue Book Page	Ending Cash and Investment Balance on June 30		60-Month Average	Lowest Monthly Cash Balance in Past Five Years	
		FY2014	FY2015	Cash Balance	Amount	Month
Co 3036 - Petroleum Release Compensation Fund	253	\$ 4,033,415	\$ 4,749,291	\$ 4,418,961	\$ 3,146,367	July 2010
Co 3072 - Environment and Natural Resources Fee Fund	254	\$ 2,417,426	\$ 2,081,931	\$ 2,622,539	\$ 1,914,112	April 2011
Co 3073 - Water and Environment Fund	256	\$ 22,349,317	\$ 35,008,188	\$ 17,407,274	\$ 4,612,427	December 2010
Co 3074 - Board of Certification Fund	258	\$ 2,818	\$ 88	\$ 18,724	\$ (6,525)	November 2014
Co 3074 - Other Activities	259	\$ (78,130)	\$ (56,790)	\$ (108,956)	\$ (524,779)	September 2012
Co 3075 - Environmental Livestock Cleanup Fund	260	\$ 1,250,298	\$ 1,293,282	\$ 1,194,356	\$ 1,104,085	August 2011
Co 3075 - Hazardous Waste Revolving Fund	261	\$ -	\$ 15,924	\$ 43,182 #	\$ (4,911)	January 2014
Co 3075 - Reclamation Fund	262	\$ 16,508,125	\$ 16,665,077	\$ 12,417,090	\$ 7,073,141	July 2010
Co 3075 - Regulated Substance Response Fund	263	\$ 4,743,170	\$ 4,617,870	\$ 3,394,500	\$ 2,779,392	August 2010
Co 3075 - Well Rehabilitation and Plugging Subfund	264	\$ 6,898	\$ 6,967	\$ 6,728	\$ 6,449	July 2010
Co 3075 - Clean Water State Revolving Fund	265	\$ 6,063,073	\$ 12,698,415	\$ 19,126,018	\$ -	July 2010
Co 3075 - Drinking Water State Revolving Fund	267	\$ 5,533,837	\$ 9,179,865	\$ 8,356,670	\$ -	July 2010

#Average cash balance and lowest cash balance are actually less than five years due to age of fund.

Refer to the Supplemental Information and Blue Book Section for more information on these and other funds.