FY 13-14 Executive Budget Review
DEPARTMENT OF ENVIRONMENTAL QUALITY

House Committee on Appropriations
by House Fiscal Division
March 27, 2013
Agenda

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Department Structure

**Office of the Secretary**
- Executive Administration

**Office of Environmental Compliance**
- Enforcement Division
- Assessment Division
- Inspection Division
- Underground Storage Tank and Remediation Division

**Office of Environmental Service**
- Public Participation and Permit Support Services Division
- Air Permit Division
- Water Permits Division
- Waste Permits Division

**Office of Management and Finance**
- Financial Services
- Human Resources
- Information Services
### Means of Finance

<table>
<thead>
<tr>
<th>Means of Finance</th>
<th>Actual Expenditures FY 11-12</th>
<th>Existing Operating Budget FY 12-13 (12/1/12)</th>
<th>Executive Budget Recommended FY 13-14</th>
<th>Change from FY12-13 to FY13-14</th>
<th>Percent Change from FY12-13 to FY13-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>State General Fund</td>
<td>$498,828</td>
<td>$500,000</td>
<td>$500,000</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Interagency Transfers</td>
<td>$1,432,030</td>
<td>$2,917,443</td>
<td>$1,073,300</td>
<td>($1,844,143)</td>
<td>-63.2%</td>
</tr>
<tr>
<td>Fees and Self-Gen Rev</td>
<td>$305,662</td>
<td>$105,000</td>
<td>$105,000</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Statutory Dedications</td>
<td>$85,940,322</td>
<td>$100,795,058</td>
<td>$97,671,280</td>
<td>($3,123,778)</td>
<td>-3.1%</td>
</tr>
<tr>
<td>Federal Funds</td>
<td>$18,526,379</td>
<td>$22,789,400</td>
<td>$22,789,400</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$106,703,221</td>
<td>$127,106,901</td>
<td>$122,138,980</td>
<td>($4,967,921)</td>
<td>-3.9%</td>
</tr>
<tr>
<td>Authorized Positions</td>
<td>805</td>
<td>762</td>
<td>699</td>
<td>(63)</td>
<td>-8.3%</td>
</tr>
</tbody>
</table>

**Significant Adjustments:**

- **Interagency Transfers**
  - Non-recurs Deepwater Horizon funds for the oil disaster
  - $1.8M

- **Statutory Dedications**
  - Reduces funding and transfers 55 positions from DEQ to DNR for the management and finance consolidation
  - $3.1M

- **Transfer 55 Positions** from DEQ to DNR for the management and finance consolidation
  - Eliminates 8 additional authorized positions
  - 63 T.O.
**10-Year Budget History**

**DEPARTMENT OF ENVIRONMENTAL QUALITY**
*(Total Means of Finance)*

![Graph showing 10-year budget history for DEQ](image)

- **FY 03-04:** $109
- **FY 04-05:** $117
- **FY 05-06:** $133
- **FY 06-07:** $129
- **FY 07-08:** $118
- **FY 08-09:** $117
- **FY 09-10:** $117
- **FY 10-11:** $107
- **FY 11-12:** $127
- **FY 12-13 (12/1/12)*:** $122
- **FY 13-14**

**Source:** Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/12
**Governor’s Executive Budget Recommendation*
Major Sources of Revenues FY 13-14

Interagency Transfers - $1 million

• Governor’s Office of Homeland Security and Emergency Preparedness for demolition and landfill oversight.

Statutory Dedications - $98 million

• Environmental Trust Fund
• Motor Fuels Underground Tank Fund
• Waste Tire Management Fund
• Hazardous Waste Site Cleanup Fund

Federal Funds - $23 million

• Environmental Protection Agency (EPA)
• Louisiana Clean Diesel Grant
• Water Pollution Control Grant
• Air Pollution Grant
• Leakage Underground Storage Tank grant
• U.S. Department of Energy
# Expenditure Breakdown

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>FY 11-12 Actual Expenditures</th>
<th>FY 12-13 Existing Operating Budget (12/1/12)</th>
<th>FY 13-14 Executive Budget Recommendation</th>
<th>Change from FY 12-13 to FY 13-14</th>
<th>Percent Change from FY12-13 to FY13-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$43,344,017</td>
<td>$42,620,490</td>
<td>$36,555,223</td>
<td>($6,065,267)</td>
<td>(14.2%)</td>
</tr>
<tr>
<td>Other Compensation</td>
<td>189,467</td>
<td>251,043</td>
<td>251,043</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Related Benefits</td>
<td>18,263,705</td>
<td>18,859,457</td>
<td>17,048,966</td>
<td>(1,810,491)</td>
<td>(9.6%)</td>
</tr>
<tr>
<td>Travel</td>
<td>386,704</td>
<td>447,613</td>
<td>298,163</td>
<td>(149,450)</td>
<td>(33.4%)</td>
</tr>
<tr>
<td>Operating Services</td>
<td>3,121,740</td>
<td>3,716,005</td>
<td>3,592,296</td>
<td>(123,709)</td>
<td>(3.3%)</td>
</tr>
<tr>
<td>Supplies</td>
<td>922,423</td>
<td>1,204,544</td>
<td>1,036,544</td>
<td>(168,000)</td>
<td>(13.9%)</td>
</tr>
<tr>
<td>Prof Srvcs</td>
<td>3,337,407</td>
<td>4,141,191</td>
<td>4,141,191</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Other Charges</td>
<td>37,103,785</td>
<td>55,366,558</td>
<td>59,215,554</td>
<td>3,848,996</td>
<td>7.0%</td>
</tr>
<tr>
<td>Acq/Major Repairs</td>
<td>33,973</td>
<td>500,000</td>
<td>0</td>
<td>(500,000)</td>
<td>(100.0%)</td>
</tr>
<tr>
<td>Unallotted</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>TOTAL EXP</td>
<td>$106,703,221</td>
<td>$127,106,901</td>
<td>$122,138,980</td>
<td>($4,967,921)</td>
<td>(3.9%)</td>
</tr>
</tbody>
</table>

**Salaries/Related Benefits**
- Eliminating funding and 63 authorized positions. Transferring 55 positions to the Department of Natural Resources for the consolidation of the management and finance functions such as human resources and information technology.

**Other Charges**
- Increase in IAT for the consolidation of human resources and information technology, contracts and procurement to DNR

**Acquisitions/Major Repairs**
- Non-recurs replacement equipment.
6-Year Expenditure History (in millions)

**Personal Services**
- 2008-2009: $63.9
- 2009-2010: $64.6
- 2010-2011: $63.9
- 2011-2012: $61.8
- 2012-2013: $61.7
- 2013-2014: $53.9

**Operating Expenses**
- 2008-2009: $6.6
- 2009-2010: $5.5
- 2010-2011: $4.7
- 2011-2012: $4.4
- 2012-2013: $5.4
- 2013-2014: $4.9

**Professional Services**
- 2008-2009: $3.3
- 2009-2010: $3.2
- 2010-2011: $3.3
- 2011-2012: $4.1
- 2012-2013: $4.1

**Acquisitions & Major Repairs**
- 2008-2009: $1.8
- 2009-2010: $0.1
- 2010-2011: $0.5
- 2011-2012: $0.0
- 2012-2013: $0.5
- 2013-2014: $0.0
6-Year Expenditure History (in millions)

**Other Charges**

- **08-09**: $42.6
- **09-10**: $43.6
- **10-11**: $44.8
- **11-12**: $37.1
- **12-13***: $55.4
- **13-14****: $59.2

*Existing Operating Budget as of 12/1/12
**Governor’s Executive Budget Recommendation

Source: Executive Budget Supporting Documents
### Significant Adjustments

Non-recurs Deepwater Horizon expenditures associated with the oil disaster.

<table>
<thead>
<tr>
<th>SGF</th>
<th>$0</th>
<th>IAT</th>
<th>($1,844,143)</th>
<th>SGR</th>
<th>SD</th>
<th>FED</th>
<th>TOTAL</th>
</tr>
</thead>
</table>

Transfer funding and 55 authorized positions to the Department of Natural Resources for the consolidation of the management and finance functions.

<table>
<thead>
<tr>
<th>SGF</th>
<th>$0</th>
<th>IAT</th>
<th>$0</th>
<th>SGR</th>
<th>($1,157,096)</th>
<th>SD</th>
<th>$0</th>
<th>FED</th>
<th>TOTAL</th>
</tr>
</thead>
</table>

Non-recurs funding for the implementation of the LA Governor Enterprise Resource Planning system.

<table>
<thead>
<tr>
<th>SGF</th>
<th>$0</th>
<th>IAT</th>
<th>$0</th>
<th>SGR</th>
<th>($500,000)</th>
<th>SD</th>
<th>$0</th>
<th>FED</th>
<th>TOTAL</th>
</tr>
</thead>
</table>
## Discretionary/Nondiscretionary Funding in FY 13-14

### Executive Budget

#### Department of Environmental Quality Total Budget

<table>
<thead>
<tr>
<th>Amount</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>$122.1 M</td>
<td>Total Budget</td>
</tr>
<tr>
<td>$111.3</td>
<td>Discretionary</td>
</tr>
<tr>
<td>91%</td>
<td></td>
</tr>
<tr>
<td>$10.8 M</td>
<td>Non-Discretionary</td>
</tr>
<tr>
<td>9%</td>
<td></td>
</tr>
</tbody>
</table>

#### Nondiscretionary

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Mandate - Federal</td>
<td>$3,520,000</td>
</tr>
<tr>
<td>Safe Drinking Water Act</td>
<td></td>
</tr>
<tr>
<td>Unavoidable Obligations*</td>
<td>$7,272,065</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$10,792,065</td>
</tr>
</tbody>
</table>

* Includes:
  - Rent and Maintenance in State-Owned Buildings
  - Group Insurance for Retirees
  - Legislative Auditor Fees
## Discretionary/Nondiscretionary Funding in FY 13-14

### Executive Budget

<table>
<thead>
<tr>
<th>Activity</th>
<th>Discretionary SGF</th>
<th>Nondiscretionary SGF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Administration</td>
<td>$1,986,369</td>
<td>$0</td>
</tr>
<tr>
<td>Criminal Investigation</td>
<td>$683,889</td>
<td>$0</td>
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<tr>
<td>Public Information</td>
<td>$282,743</td>
<td>$0</td>
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<tr>
<td>Audit</td>
<td>$462,006</td>
<td>$0</td>
</tr>
<tr>
<td>Legal Affairs</td>
<td>$2,912,789</td>
<td>$0</td>
</tr>
<tr>
<td>Business and Community Outreach</td>
<td>$2,944,560</td>
<td>$3,000,000</td>
</tr>
<tr>
<td>Enforcement</td>
<td>$4,105,517</td>
<td>$0</td>
</tr>
<tr>
<td>Assessment</td>
<td>$7,464,370</td>
<td>$878,796</td>
</tr>
<tr>
<td>Inspections</td>
<td>$13,602,161</td>
<td>$0</td>
</tr>
<tr>
<td>Remediation and UST</td>
<td>$13,429,824</td>
<td>$0</td>
</tr>
<tr>
<td>Permits Support</td>
<td>$2,891,306</td>
<td>$0</td>
</tr>
<tr>
<td>Air Permits</td>
<td>$5,465,960</td>
<td>$0</td>
</tr>
<tr>
<td>Water Permits</td>
<td>$4,510,335</td>
<td>$0</td>
</tr>
<tr>
<td>Waste Permits</td>
<td>$2,335,393</td>
<td>$0</td>
</tr>
<tr>
<td>Support Services</td>
<td>$48,269,693</td>
<td>$6,913,269</td>
</tr>
<tr>
<td><strong>TOTAL SGF</strong></td>
<td><strong>$111,346,915</strong></td>
<td><strong>$10,792,065</strong></td>
</tr>
</tbody>
</table>
FY 13-14 Salaries and Positions

- $37 million for Salaries and Other Compensation
- $17 million for Related Benefits
- Total Personnel Services = $54 million, 86% of the Department of Environmental Quality total Executive Budget Recommendation (excluding Other Charges)

- 699 Authorized Positions (690 classified and 9 unclassified)
  - There are no non-T.O. positions

- As of 1/30/2013, Department of Environmental Quality had 44 vacancies
Salaries and Positions

TOTAL FULL-TIME EQUIVALENT (FTE) POSITIONS

Source: Prepared by House Fiscal Division staff using information from ISIS-HR

Eddriene Sylvester 342-1964  DEQ  House Fiscal Division
Salaries and Positions

CLASSIFIED AVERAGE ANNUAL PAY PER FTE

Source: Prepared by House Fiscal Division staff using information from ISIS-HR and Civil Service
Salaries and Positions

UNCLASSIFIED AVERAGE ANNUAL PAY PER FTE

Source: Prepared by House Fiscal Division staff using information from ISIS-HR and Civil Service

Eddriene Sylvester 342-1964

DEQ

House Fiscal Division
### Department Contacts

<table>
<thead>
<tr>
<th>NAME</th>
<th>TITLE</th>
<th>PHONE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peggy Hatch</td>
<td>Secretary</td>
<td>225-219-3950</td>
</tr>
<tr>
<td>Alex Appeaning</td>
<td>Deputy Secretary</td>
<td>225-219-3951</td>
</tr>
<tr>
<td>Vince Sagnibene</td>
<td>Undersecretary</td>
<td>225-219-3840</td>
</tr>
</tbody>
</table>