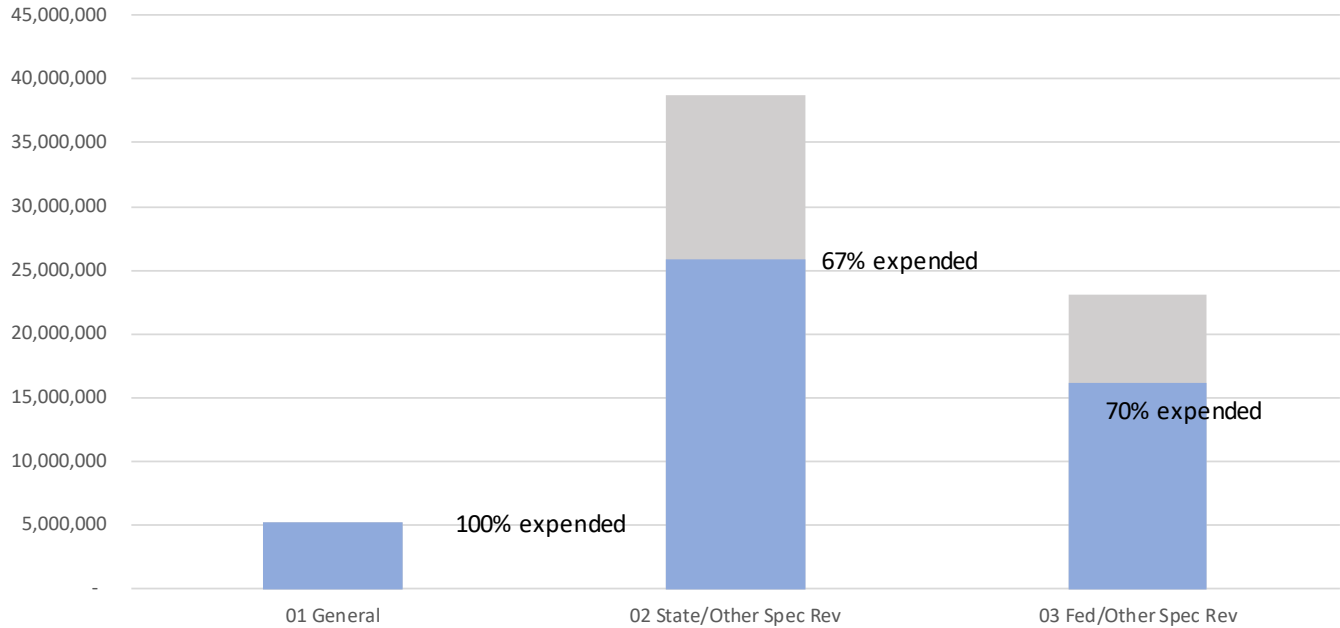


Department of Environmental Quality has \$102,592,843 in total authority, \$67,008,659 (65%) is HB 2 authority
HB 2 Expenditures

70% of the agency's total HB2 budget was expended, **83%** is the 5 year average

Budgeted vs. Expended

by fund type



Expenditure Account	Budgeted	Expended	% Expended
Personal Services	29,457,732	27,810,490	94%
Operating Expenses	31,947,292	17,558,647	55%
Equipment & Intangible Assets	101,740	-	0%
Grants	1,685,863	1,518,430	90%
Transfers-out	3,816,032	296,736	8%
Agency Program	Budgeted	Expended	% Expended
10 Central Management Program	5,542,958	3,856,431	70%
20 Water Quality Division	17,386,164	15,101,603	87%
40 Waste Mgmt & Remediation Div	21,923,459	14,462,532	66%
50 Air Energy & Mining Division	21,550,897	13,176,428	61%
90 Petro Tank Release Comp Board	605,181	587,307	97%
Total	67,008,659	47,184,303	70%

The Department of Environmental Quality budget is 57.9% supported with state special revenues, with general fund supporting only 7.8% of the agency budget. The remainder of the HB 2 budget is from federal special revenue appropriations.

The low operating expenses were primarily attributed to un-expended state special revenue appropriation primarily for hard rock mining reclamation, the largest appropriation from state special revenue. Forecasting the level of activities impacting each state special fund is difficult, and often results in unexpended budget authority.

General Fund \$5.2 million budgeted, \$5.2 million expended

The agency expended all the general fund appropriation almost entirely for personal services and operating expenses. The Water Quality Division, and the Air, Energy, and Mining Division combined expended 78.5% of the general fund while the Central Management and Waste Management and Remediation expended the balance. No general fund was expended by the Enforcement Division.

State Special Revenue \$38.8 million budgeted, \$25.9 million expended

DEQ expended only 66.8% of the legislative appropriation for state special revenue. The agency has spending authority from 39 state special revenue accounts, each account is restricted on its use. Forecasting the level of activities impacting each fund is difficult, and often results in unexpended budget authority. For example, \$5.5 million was unexpended from the Hard Rock Mining Reclamation account, and a combined \$1.2 million was appropriated for the Pegasus Bankruptcy, bond forfeitures and DNRC grants however, no expenditures were made against those appropriations. Selected budgeted funds representing 75% of total appropriations are detailed in the table below.

Appropriated and Expended for Selected State Special Revenue Funds			
<u>State Special Revenue Fund</u>	<u>Appropriated</u>	<u>Expended</u>	<u>Percent Expended</u>
Hard Rock Mining Reclamation	\$6,469,992	\$968,457	15.0%
Air Quality-Operating Fees	4,276,128	3,664,174	85.7%
Environmental Quality Protection	4,086,854	3,244,119	79.4%
MPDES Permit Program	2,867,334	2,716,705	94.7%
Petroleum Storage Tank Cleanup	2,144,385	2,054,476	95.8%
Natural Resources Operations	2,045,813	2,035,462	99.5%
Junk Vehicle Disposal	2,042,529	1,748,459	85.6%
Major Facility Siting	1,545,216	275,463	17.8%
Public Drinking Water	1,412,707	1,383,197	97.9%
Subdivision Plat Review	1,296,511	1,192,247	92.0%
Pegasus Bankruptcy/Operations	731,321	-	0.0%
Reclamation - Bond Forfeitures	223,844	-	0.0%
DNRC Grants - Remediation	128,530	-	0.0%
Open cut Bond Forfeitures	114,624	-	0.0%
Energy Conservation Repayment Acct	12,431	-	0.0%
Other State Special Revenue (29 Funds)	9,374,272	6,599,410	70.4%
Total State Special Revenue	\$38,772,491	\$25,882,169	66.8%

Federal Special Revenue \$23.0 million budgeted, \$16.1 million expended

The agency receives funding from 65 different federal sources. The federal funds earmarked for abandoned mines, EPA projects and other grants account for much of the unexpended federal appropriation.

HB 2 Modifications

Negative modifications vs. positive modifications, by program

The net budget modifications were \$0.

Agency Program	April Budget	FYE Modified Budget	Net Modifications
10 Central Management Progr	5,615,958	5,542,958	(73,000)
20 Water Quality Division	17,386,164	17,386,164	-
40 Waste Mgmt & Remediation	21,923,459	21,923,459	-
50 Air Energy & Mining Division	21,477,897	21,550,897	73,000
90 Petro Tank Release Comp B	605,181	605,181	-
Expenditure Account	April Budget	FYE Modified Budget	Net Modifications
Personal Services	29,457,732	29,457,732	-
Operating Expenses	31,947,292	31,947,292	-
Equipment & Intangible Assets	101,740	101,740	-
Grants	1,685,863	1,685,863	-
Transfers-out	3,816,032	3,816,032	-
Fund Type	April Budget	FYE Modified Budget	Net Modifications
01 General	5,199,273	5,199,273	-
02 State/Other Spec Rev	38,772,491	38,772,491	-
03 Fed/Other Spec Rev	23,036,895	23,036,895	-
Total	67,008,659	67,008,659	-

Since April, the agency transferred \$73,000 of general fund authority from the Central Management Program to the Air Energy and Mining Division.