

State of Rhode Island and Providence Plantations

Executive Summary



Fiscal Year 2012

Lincoln D. Chafee, Governor

Natural Resources

Natural Resources

Summary

The Natural Resources function includes the Department of Environmental Management, the State Water Resources Board and the Coastal Resources Management Council. The Governor recommends total full-time equivalent positions of 446.0 FTE in FY 2011 and 446.0 FTE in FY 2012 for the natural resource function. Up to 350 temporary positions may also be utilized for seasonal support at state parks and beaches. Certain debt service for general obligation bonds issued to finance capital projects of the Narragansett Bay Commission and the Rhode Island Clean Water Finance Agency are appropriated in the Department of Administration, though the agencies themselves are not part of the state budget.

The Department of Environmental Management manages and protects Rhode Island's public and common natural assets, including land, air and water resources. It manages state-owned lands, including state parks and beaches, forests, port facilities, and fish and wildlife management areas. The Department of Environmental Management administers a capital management program financed by general obligation bonds, funds from the Rhode Island Capital Plan Fund, federal funds, restricted receipts and third-party sources (for land acquisition). Capital program activities include: acquisition and development of recreational, open space and agricultural lands; municipal and non-profit grant programs for land acquisition and development; improvements to state-owned ports and recreation facilities; Superfund federal mandates; construction of new state environmental facilities; municipal wastewater facility construction grant programs; and, grants to non-governmental entities for specified water quality improvement projects. The Department of Environmental Management also monitors the use and quality of state groundwater; regulates discharges and uses of surface fresh and salt water; enforces game, fishing and boating regulations; coordinates a statewide forest fire protection plan; regulates air quality; and monitors the disposal of solid and hazardous wastes.

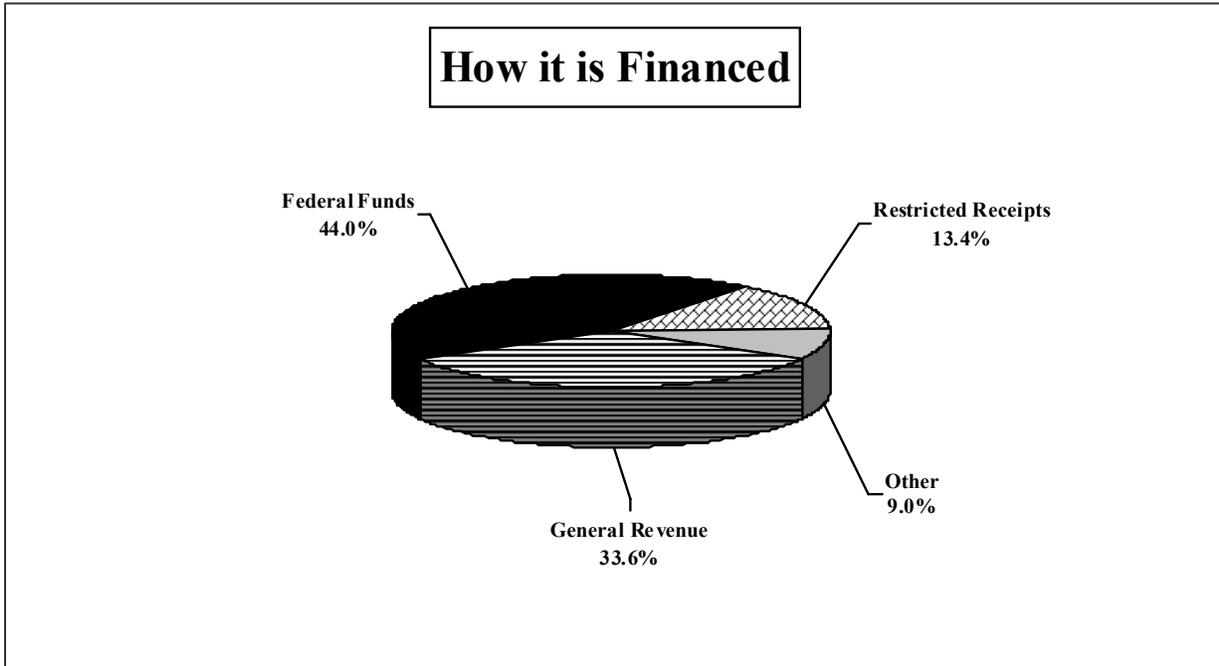
The Coastal Resource Management Council seeks to preserve, protect and restore the coastal resources of the state. The Coastal Resource Management Council is administered by sixteen appointed representatives from the public and from state and local government, and is staffed with professional engineers, biologists, environmental scientists and marine resource specialists. The Coastal Resource Management Council issues permits regarding proposed changes in coastal facilities within an area from three miles offshore to two hundred feet inland from coastal features, including all freshwater wetlands within the coastal zone. The Coastal Resource Management Council formulates, amends, and enforces violations of the Rhode Island Coastal Resources Management Plan and Special Area Management plans. The council: develops guidelines and advises communities on harbor management plans; develops a Submerged Lands Management licensing program for public trust areas; designates public rights-of-way to the shore; and serves as the aquaculture coordinator for permitting and planning actions. The Coastal Resource Management Council is the lead agency for all dredging and implements an extensive habitat restoration effort. It also conducts public outreach and public communication campaigns on its programs and activities, and coordinates its programs with other government agencies.

The State Water Resources Board is a water supply planning and development agency responsible for promoting the protection of developed and undeveloped drinking water supplies for the thirty-nine municipal water supply systems located in the state. The State Water Resources Board regulates water supply distribution lines connecting water supply systems and is creating a computerized database for drought alert communication. The State Water Resources Board also manages the Big River Management Area, a water supply reservation. The State Water Resources Board is composed of thirteen appointed representatives from the public and from state and local government.

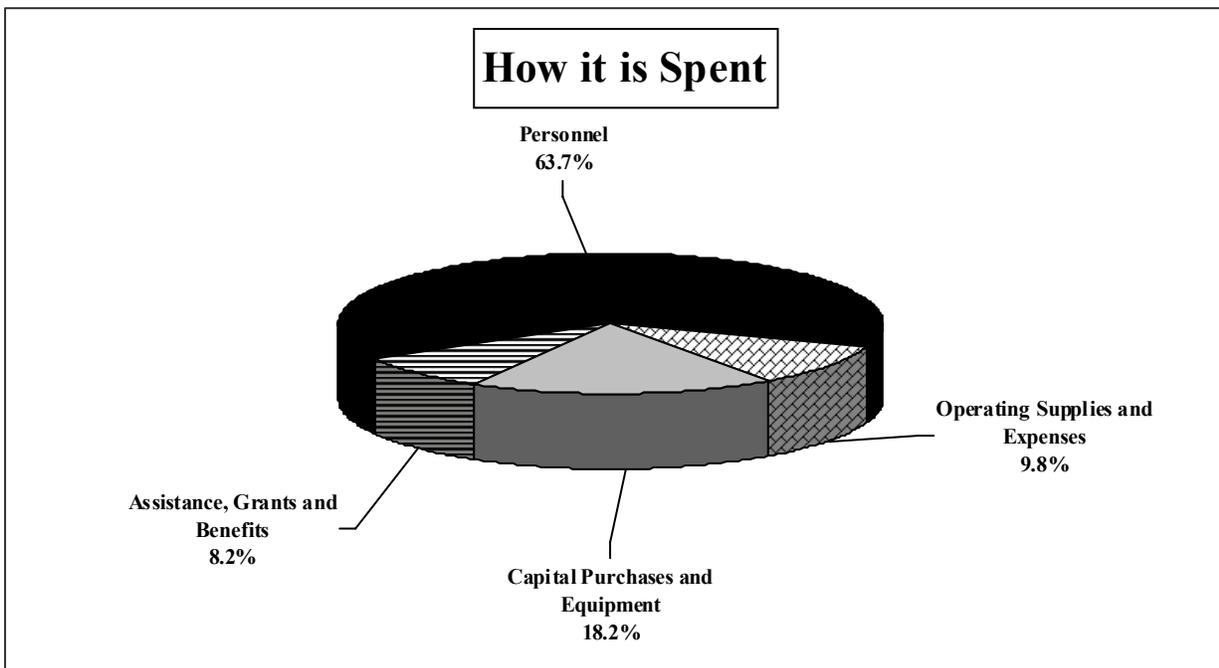
The Governor's revised recommendation for FY 2011 from all funds for natural resource agencies is \$111.8 million, an increase of \$12.8 million from the enacted appropriations of \$99.0 million. Of this amount, \$37.6 million, or 33.6 percent, is from general revenue, \$49.3 million, or 44.0 percent, is from

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federal funds, \$14.9 million, 13.4 percent, is from restricted receipts, and \$10.0 million, or 9.0 percent, is from other funds. General revenues decrease by \$128,625, or 0.3 percent, federal funds increase by \$11.8 million, or 24.0 percent, attributable to carryover, new awards and the American Recovery and Reinvestment Act, restricted receipts increase by \$537,511, or 3.6 percent, and other funds increased by \$608,078, or 6.1 percent over the enacted level.

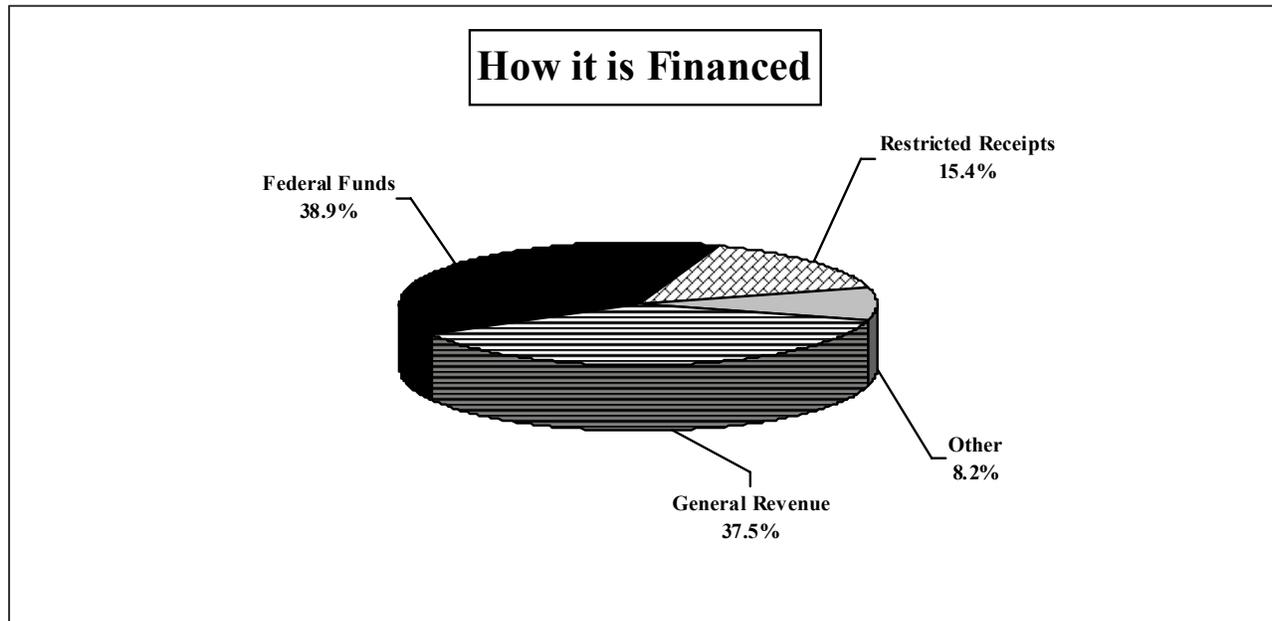


Of the \$111.8 million recommended for natural resources for FY 2011, personnel is budgeted at \$71.2 million; or 63.7 percent; operating at \$11.0 million, or 9.8 percent; assistance, grants, and benefits at \$9.2 million, or 8.2 percent; and capital improvements at \$20.3 million, or 18.2 percent.

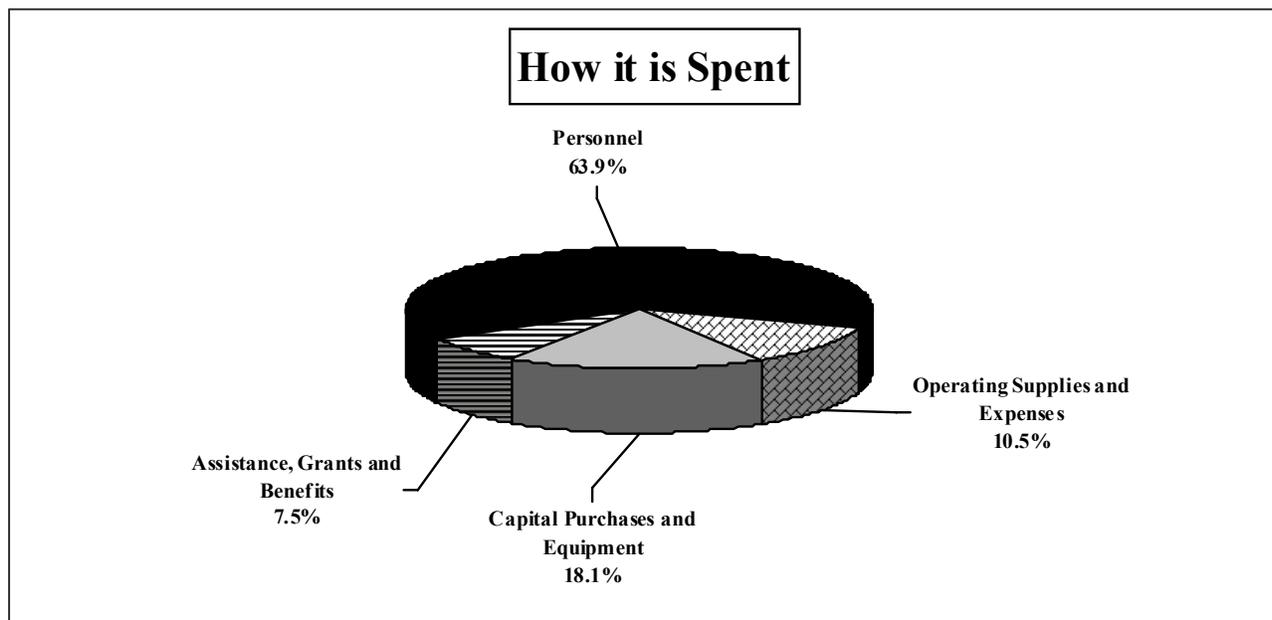


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The Governor's revised recommendation for FY 2012 from all funds for natural resource agencies is \$104.0 million, or an increase of \$5.0 million from the enacted appropriations of \$99.0 million. Of this amount, \$39.0 million, or 37.5 percent, is from general revenue, \$40.4 million, or 38.9 percent, is from federal funds, \$16.1 million, 15.4 percent, is from restricted receipts, and \$8.5 million, or 8.2 percent, is from other funds. General revenues decrease by \$1.2 million or 3.1 percent, federal funds increase by \$2.9 million, or 7.2 percent, attributable to carryover, new awards and the American Recovery and Reinvestment Act, restricted receipts increase by \$1.7 million, or 10.6 percent, and other funds decreased by \$785,970, or 9.2 percent over the enacted level.



Of the \$104.0 million recommended for natural resources for FY 2012, personnel is budgeted at \$66.4 million; or 63.9 percent; operating at \$10.9 million, or 10.5 percent; assistance, grants, and benefits at \$7.8 million, or 7.5 percent; and capital improvements at \$18.8 million, or 18.1 percent.



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Environmental Management

The Governor's revised FY 2011 Budget for the Department of Environmental Management is \$100.7 million, including \$34.2 million in general revenue, \$42.3 million in federal funds, \$14.7 million in restricted receipts, and \$9.4 million in other funds. This represents a total increase of \$7.6 million from the enacted budget of \$93.1 million. Funding changes include a decrease of \$135,135 or 0.4 percent, in general revenue expenditures, an increase of \$6.9 million, or 16.4 percent, in federal funds expenditures; an increase of \$537,511, or 3.6 percent, in restricted receipts; and an increase of \$196,900, or 2.0 percent, in other funds.

The \$135,135 decrease in general revenue appropriations reflect the statewide adjustment for four pay reduction days totaling \$242,208. Additional general revenue changes include: an increase of \$309,320 for payroll expenditures as a result of an Executive Counsel position being filled and increased financing for Parks and Recreation, \$225,061 in Seasonal Recreation for payroll expenditures, contracted services, operating expenses and assistance and grants, \$107,947 for payments to beach host communities, and a decrease of \$187,240 for contract professional services.

The Governor's recommendation for federal funds totals \$42.3 million in FY 2011, an increase of \$6.9 million from the enacted FY 2011 Budget of \$35.4 million. The Governor's recommendation in the Office of the Director is an increase of \$108,000 from the enacted FY 2011 Budget of \$566,300, which is due to an increase of \$108,000 for a Wind Turbine at Fisherman's State Park. In the Bureau of Natural Resources, the Governor recommends an increase of \$4.6 million from the enacted FY 2011 Budget of \$21.4 million. Major changes include increase of \$2.0 million for Land Acquisition, including the purchase of three properties, \$1.0 million for the Pilot Permit Bank Program, \$800,000 for Wildlife Development Construction, \$615,000 for the State Wildlife Grant Implementation Contracts, and \$575,000 for the Fish & Wildlife Construction grant. In the Bureau of Environmental Protection, the Governor recommends an increase of \$2.3 million from the enacted FY 2011 Budget of \$13.4 million. Major changes include increase of \$1.1 million for the Stimulus Diesel Emission Program, \$600,000 for Air Resources Grants, \$550,000 for the Stimulus EPA Brownsfields Program and \$250,000 for the Stimulus Leaking Underground Storage Tank Program.

The Governor's recommendation for restricted receipts totals \$14.7 million in FY 2011, an increase of \$537,511 from the enacted FY 2011 Budget of \$14.1 million. This increase is primarily due to an additional \$322,113 in the Office of the Director and \$312,195 in the Bureau of Environmental Protection. The Office of the Director's major changes include: increases of \$150,000 in the Indirect Cost Recovery Fund and \$77,000 in the Bay, River and Watersheds Fund. Major changes in the Bureau of Environmental Protection are: increases of \$310,000 in Water Resources, \$200,000 in the Environmental Response Fund II and a decrease of \$75,000 in the Oil Spill Prevention, Administration, and Response Fund.

The Governor's recommendation for other funds totals \$9.4 million in FY 2011, which is an increase of \$196,900 from the enacted FY 2011 Budget. The major increases for the Department of Environmental Management include an additional \$200,000 for Recreational Facilities Improvements from the Rhode Island Capital Plan Fund.

For FY 2011, the Governor recommends 410.0 FTE positions for the Department of Environmental Management. There is no change in FTE positions from the enacted level of 410.0 FTE positions.

The Governor's FY 2012 Budget for the Department of Environmental Management is \$97.6 million, including \$35.5 million in general revenue, \$38.4 million in federal funds, \$15.8 million in restricted

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receipts, and \$7.9 million in other funds. This represents a total increase of \$4.4 million from the FY 2011 enacted Budget of \$93.1 million and includes an increase of \$1.1 million or 3.1 percent, in general revenue expenditures; an increase of \$3.0 million, or 7.8 percent, in federal funds expenditures; an increase of \$1.7 million, or 10.8 percent, in restricted receipts; and a decrease of \$1.3 million, or 16.5 percent, of other funds.

The \$1.1 million increase in general revenue appropriations reflects the following statewide adjustments: a decrease of \$146,546 achieved from the Health Benefit Retirement adjustment, an increase of \$19,125 for Unachieved Personnel Savings and \$21,122 for Retiree Health Benefits. Major general revenue changes as compared to the FY 2011 enacted budget include an increase of \$57,458 for utilities and rent at the Promenade Street headquarters. There are also decreases of \$366,589 in the seasonal recreation program for payroll expenditures, contracted services, operating expenses, and assistance and grants, and \$212,740 for contract professional services.

The Governor's recommendation for federal funds totals \$38.4 million in FY 2012 and reflects an increase of \$3.0 million from the enacted FY 2011 Budget of \$35.4 million. A decrease of \$90,000 in the Office of the Director is attributable to the decrease of \$90,000 for the Blackstone Valley Watershed project grant. In the Bureau of Natural Resources, the Governor recommends an increase of \$3.0 million from the enacted FY 2011 Budget of \$21.4 million. Major changes include a decrease of \$1.1 million for Estuarine Reserve Construction grant and increase of \$1.0 million for Wildlife Restoration & Land Acquisition, \$999,930 for the Pilot Permit Bank Program, \$953,424 for Wildlife Development, \$668,074 for Wildlife Restoration Construction and \$599,509 for the Fish and Wildlife Construction Program grant. In the Bureau of Environmental Protection, the Governor recommends a decrease of \$15,917 from the enacted FY 2011 Budget of \$13.4 million. Major changes include increase of \$500,000 for the EPA Brownsfields Program and \$470,776 for Non-Point Source Pollution Management. There are decreases of \$200,000 from the Diesel Emissions Program, \$175,000 from the Leaking Underground Storage Tank grant, \$175,000 from the EPA Brownsfields Assessment grant, \$150,000 from Homeland Security, and \$144,756 from Air Toxic Monitoring Project.

The Governor's recommendation for restricted receipts totals \$15.8 million in FY 2012, which is an increase of \$1.7 million from the enacted FY 2011 Budget. This increase is primarily due to \$1.7 million in the Bureau of Natural Resources. The Bureau's major changes include increases of \$1.7 million for Fort Adams Asset Protection and \$413,966 in the State Revolving Fund Administration, decreases of \$70,827 in the Environmental Response Fund II, and \$502,028 in the Oil Spill Prevention, Administration, and Response Fund.

The Governor's recommendation for other funds totals \$7.9 million in FY 2012, which is a decrease of \$1.3 million from the enacted FY 2011 Budget of \$9.2 million. The major changes for the Department include a decrease of \$950,000 for the Blackstone Valley Bike Path Design and a decrease of \$250,000 for Fort Adams Rehabilitation from the Rhode Island Capital Plan Fund.

The Governor recommends 410.0 FTE positions for FY 2012, which is equal to the FY 2011 enacted level of 410.0 FTE positions.

Coastal Resources Management Council

The Coastal Resources Management Council's task is to preserve and protect the state's coastal resources through long-range planning, permitting, and enforcement actions in several fields, such as submerged lands management, rights-of-way designations, dredging coordination, coastal habitat preservation and restoration, harbor management, aquaculture development, and non-point pollution control. The Governor's revised FY 2011 budget for the Coastal Resources Management Council is \$9.3 million. This

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includes \$2.1 million of general revenue, \$6.9 million of federal funds, and \$250,000 in restricted receipts. General revenue increases by \$24,688, while federal funds increase by \$4.9 million, from the enacted level. General revenue personnel expenditures increase due to full funding of the agency's personnel costs, and include statewide adjustments for four (4) pay reduction days and a deferral of COLA adjustments to January 1, 2011. In addition, the Governor recommends the continued transfer of \$33,375 in contract services costs to available federal funds. Federal funds increase by \$122,934 due to the balance forward of unspent funds in the federal operating line item and increased expenditure totaling \$167,931 in two other federal grants (Aquatic Invasive Species and Ocean Area Management Plan). In addition, the Governor recommends expenditure schedule revisions of federal grants that were awarded in FY 2010: Narragansett Bay Habitat Restoration Planning to study shorelines to determine how organic materials can be used to restore habitats (\$954,415); Aquaculture Research to foster the development of aquaculture (\$345,040); and \$3.3 million for the R.I. River Ecosystem Restoration project, funded by American Recovery and Reinvestment Act stimulus funds to construct four fish ladders and remove two dams. \$250,000 in restricted receipt expenditures is recommended for the Coastal and Estuary Habitat Restoration Program and Trust fund from the Oil Spill Prevention, Administration and Response Fund, to be spent on specific projects to rehabilitate coastal habitats.

In the FY 2012 budget, the Governor recommends \$4.95 million, including \$2.2 million of general revenue, \$2.0 million of federal funds, \$250,000 in restricted receipts, and \$429,100 in Other (Rhode Island Capital Plan) funds. In addition to statewide target and other statewide adjustments of \$127,243, including a 3.0 percent COLA effective June 19, 2011, the general revenue budget increase of \$198,299 from the enacted budget includes \$35,375 of contract legal expenditures due to the reduction in federal operating funds of \$91,000 to \$1.4 million, and other personnel and operating adjustments of \$37,331. The Governor recommends Rhode Island Capital Plan funds of \$429,100 for the South Coast Restoration project.

The FTE position ceiling for the Council is unchanged at 30.0 FTE positions for FY 2011 and FY 2012.

State Water Resources Board

The State Water Resources Board's overall responsibility is for the management of the state's water resources, with a special emphasis on the drinking water supply, through financing of upgrades and land acquisition projects and through the coordination of efforts by regulatory agencies and water suppliers. The Governor's revised FY 2011 budget for the Water Resources Board is \$1.8 million, including \$1.3 million in general revenue and \$531,178 in other funds. The general revenue budget decreases by \$18,178 from the enacted budget. The Governor's recommended budget includes statewide adjustments for four pay reduction days and COLA deferral from July 1, 2010 to January 2, 2011. General revenue personnel expenditures increase by \$5,662 from the FY 2011 enacted budget, reflecting \$693,171 in full funding for the Agency's six positions. Contract services decrease by \$12,000 due to the transfer of some stream gauging costs to bond and federal funds. The Governor also recommends level funding of \$249,734 for the Water Allocation Plan to conduct studies of specific surface and subsurface water supply sources. Operating expenditures decrease by \$11,800 to \$125,113 in copier equipment and supplies, mileage, telephone and advertising. The Governor also recommends \$336,015 in full funding from the Rhode Island Capital Plan Fund for the completion of consulting services required to proceed with the development of the Big River Groundwater Supply Development project to ensure drinking water supply requirements in central Rhode Island, caused by residential, commercial and industrial expansion. The Governor also recommends the expenditure of \$195,163 for ground and building repairs and improvements to the Big River Management Area financed from the Rhode Island Capital Plan Fund.

In the FY 2012 budget, the Governor recommends \$1.4 million, \$1.2 million in general revenue and \$200,000 from the Rhode Island Capital Plan Fund, a decrease of \$6,273 from the enacted budget. In

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addition to statewide target adjustments of \$47,531, including a 3.0 percent COLA effective June 19, 2011, the budget includes \$200,000 to fund Water Allocation Plan studies, a reduction of \$49,734 from the enacted budget. The budget also includes \$55,000 in education grants to Exeter/West Greenwich (a reduction of \$44,000) and a \$22,444 legislative grant to the Rhode Island Rivers Council. The Governor also recommends \$200,000 in R.I. Capital Plan funds for repairs and improvements in the Big River Management Area.

The Governor recommends 6.0 FTE positions in both FY 2011 and FY 2012, unchanged from the FY 2011 enacted level.