

State of Rhode Island and Providence Plantations

Executive Summary



Fiscal Year 2019

Gina M. Raimondo, Governor

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DEPARTMENT OF ENVIRONMENTAL MANAGEMENT					
Source Of Funds	FY 2016 Actuals	FY 2017 Actuals	FY 2018 Enacted	FY 2018 Revised	FY 2019 Recommended
General Revenue	\$38,163,784	\$38,207,990	\$39,304,184	\$40,435,079	\$41,222,720
Federal Funds	\$21,109,597	\$19,397,456	\$33,399,312	\$34,487,171	\$31,763,160
Restricted Receipts	\$13,374,290	\$13,366,576	\$17,374,083	\$17,654,218	\$17,580,291
Other Funds	\$1,198,511	\$936,891	\$3,481,038	\$3,480,570	\$4,554,841
RI Capital Plan Fund	\$4,949,316	\$6,764,125	\$10,392,475	\$12,492,111	\$8,350,000
Total Funding	\$78,795,498	\$78,673,037	\$103,951,092	\$108,549,149	\$103,471,012
FTE Authorization	399.0	400.0	400.0	400.0	400.0

FY 2018 Revised Budget

The Governor recommends revised FY 2018 appropriations of \$108.5 million for the Department of Environmental Management, including \$40.4 million from general revenue, \$34.5 million from federal funds, \$17.7 million from restricted receipts, \$12.5 million from the Rhode Island Capital Plan Fund, and \$3.5 million in other funds. Relative to FY 2018 enacted levels, recommended general revenue financing increases by \$1.1 million, federal funds financing increases by \$1.1 million, restricted receipts financing increases by \$280,135, Rhode Island Capital Plan Fund financing increases by \$2.1 million, and other funds decreases by \$468. The revised FY 2018 budget is inclusive of enacted statewide medical insurance savings distributed to state agencies, which resulted in \$99,324 of general revenue savings allocated to the Department of Environmental Management. Additionally, pursuant to authority provided by the General Assembly in the FY 2018 Appropriations Act, increased funding totaling \$2.5 million is now reflected in the agency budget. This accounts for the decentralization of budgetary authority for statewide internal services provided by the Department of Administration's Divisions of Human Resources and Information Technology.

Office of the Director

Within the Office of the Director, the Governor recommends revised FY 2018 appropriations of \$11.1 million, including \$7.1 million from general revenue, \$3.9 million from restricted receipts, and \$503 from federal funds. Relative to FY 2018 enacted levels, recommended general revenue financing decreases by \$1.6 million, federal funds financing increases by \$503, and restricted receipt financing decreases by \$134,408 attributable to the following adjustments:

- *Personnel Expenses.* The Governor reduces general revenues by \$186,504, not including statewide benefit changes for personnel costs. The decrease is due to staff vacancies as a result of the voluntary retirement incentive.
- *Internal Services.* The Governor recommends a \$1.7 million increase in general revenue funding for internal services previously budgeted in the Department of Administration.
- *Lease Space Costs.* The Governor includes an increase of \$46,290 in general revenue primarily to cover the current electricity costs of the Foundry building where the Department headquarters is located. The Department entered into a new lease in July 2016, which required electricity usage to be paid monthly; previously, the Department paid annually for the previous year's usage. As such, in FY 2018, the Department will be paying for FY 2017, as well as monthly for FY 2018. This double-payment is offset by a decrease in the cost of property taxes, also a result of the new lease. This increase in FY 2018 is one-time and will not occur in future years.

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Bureau of Natural Resources

Within the Bureau of Natural Resources, the Governor recommends revised FY 2018 appropriations of \$65.1 million, including \$21.1 million from general revenue, \$23.7 million from federal funds, \$4.4 million from restricted receipts, \$12.5 million for the Rhode Island Capital Plan Fund, and \$3.3 million from other funds. Relative to FY 2018 enacted levels, recommended general revenue financing increases by \$27,369, federal fund financing increases by \$711,645, restricted receipt financing increases by \$426,369, Rhode Island Capital Plan Fund financing increases by \$2.1 million, and other funds financing decreases by \$334, attributable to the following adjustments:

- *Grants to Host Communities/Share of Beach Parking Fees.* The Governor recommends a decrease of \$56,234 in general revenue payments to host communities for their portion of the beach parking fees, which are appropriations in the Department's budget. Parking fee collections were lower than anticipated for the previous season, resulting in the smaller payment.
- *Vehicle Maintenance.* The Governor recommends a decrease of \$80,000 in general revenues for vehicle maintenance for enforcement staff. Recent purchases of new vehicles will require lower maintenance expenses.
- *Seasonal Employees.* The Governor recommends an additional \$83,382 in general revenues for seasonal parks and recreation staff. The Department employs over 500 lifeguards, rangers, groundskeepers, and other seasonal employees every year between the months of March and October. Based on actual employees and hours worked in calendar year 2016, the Governor recommends the increase of \$83,382 for personnel costs, including wages, benefits, and overtime.
- *Personnel Expenses.* The Governor recommends a decrease of \$185,794 in general revenue, not including statewide benefit changes for personnel costs or for seasonal recreation staff, for staff vacancies as a result of the voluntary retirement incentive.
- *Internal Services.* The Governor recommends a \$321,175 increase in general revenue funding for internal services previously budgeted in the Department of Administration.
- *Federal Grant Funding.* The Governor's recommendation includes a \$711,645 increase in federal funding. New grants awarded include funding for the Food Safety Modernization Act and coyote ecology and outreach.
- *RICAP Adjustments.* The Governor's recommendation makes adjustments to RICAP funding across projects for the Department due to revised project schedules and unspent funds from FY 2017, which have resulted in a \$2.1 million increase in funding in FY 2018.

Bureau of Environmental Protection

Within the Bureau of Environmental Protection, the Governor recommends revised FY 2018 appropriations of \$32.4 million, including \$12.2 million from general revenue, \$10.8 million from federal funds, \$9.3 million from restricted receipts, and \$164,600 in other funds. Relative to FY 2018 enacted levels, recommended general revenue financing decreases by \$485,246, federal financing increases by \$375,711, restricted receipts decreases by \$11,826, and other funds decreases by \$134.

- *Clean Diesel Program.* The Governor recommends a decrease in general revenue funding for the Clean Diesel Program from \$1.0 million to \$250,000. The program works to reduce emissions from heavy-duty diesel engines operating on state roads and assists companies with supply chain efficiency.

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- *Personnel Expenses.* The Governor recommends a decrease of \$125,409, not including statewide benefit changes for personnel costs. The decrease is due to staff vacancies as a result of the voluntary retirement incentive.
- *Internal Services.* The Governor recommends a \$439,186 increase in general revenue funding for internal services previously budgeted in the Department of Administration.
- *Federal Grant Funding.* The Governor's recommendation includes a \$375,711 increase in federal funding, primarily to reflect changes in federal grant spending based on revised schedules.

FY 2019 Recommended Budget

The Governor recommends FY 2019 appropriations of \$103.5 million for the Department of Environmental Management, including \$41.2 million from general revenue, \$31.8 million from federal funds, \$17.6 million from restricted receipts, \$8.4 million from the Rhode Island Capital Plan Fund, and \$4.6 million from other funds. Relative to FY 2018 enacted levels, recommended general revenue financing increases by \$1.9 million, federal funds financing decreases by \$1.6 million, restricted receipt financing increases by \$206,208, Rhode Island Capital Plan Fund financing decreases by \$2.0 million, and other funds financing increases by \$1.1 million. The FY 2019 budget is inclusive of enacted statewide assessed fringe benefit, medical and retirement adjustments distributed to state agencies, which resulted in an increase of \$100,634 of general revenue allocated to the Department of Environmental Management. Additionally, pursuant to authority provided by the General Assembly in the FY 2018 Appropriations Act, increased funding totaling \$2.6 million is now reflected in the agency budget. This accounts for the decentralization of budgetary authority for statewide internal services provided by the Department of Administration's Divisions of Human Resources and Information Technology.

Office of the Director

Within the Office of the Director program, the Governor recommends FY 2019 appropriations of \$11.0 million, including \$7.0 million from general revenue, \$3.8 million from restricted receipts, and \$212,741 in federal funding. Relative to FY 2018 enacted levels, recommended general revenue financing increases by \$1.4 million, restricted receipt financing decreases by \$213,502, and federal funds increase by \$212,741, attributable to the following adjustments:

- *Personnel Expenses.* The Governor recommends a \$190,272 decrease in general revenue for personnel expenses, exclusive of statewide benefit changes for personnel costs. The decrease is due to the elimination of a position in the Office of Administrative Adjudication and continued savings from the voluntary retirement incentive in FY 2018.
- *Internal Services.* The Governor recommends a \$1.8 million increase in general revenue funding for internal services previously budgeted in the Department of Administration.
- *Lease Space Costs.* The Governor recommends a decrease of \$162,580 in general revenue funding for the current cost of the lease of the Foundry building, where the Department headquarters are located. The Department recently entered into a new lease, which began in July 2016. The new lease has lower requirements for payment of property taxes as part of the Department's annual obligation.

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Bureau of Natural Resources

Within the Bureau of Natural Resources, the Governor recommends FY 2019 appropriations of \$60.2 million, including \$21.8 million from general revenue, \$21.6 million from federal funds, \$4.0 million from restricted receipts, \$8.4 million for the Rhode Island Capital Plan Fund, and \$4.5 million from other funds. Relative to FY 2018 enacted levels, recommended general revenue financing increases by \$694,749, federal fund financing decreases by \$1.4 million, restricted receipt financing decreases by \$4,972, Rhode Island Capital Plan Fund financing decreases by \$2.0 million, and other funds financing increases by \$1.2 million, attributable to the following adjustments:

- *Minimum Wage Increase for Seasonals.* The minimum wage increased from \$9.60 to \$10.10 per hour on January 1, 2018, and will increase again to \$10.50 per hour on January 1, 2019. The Governor recommends increasing funding by \$107,868 for the Department's seasonal recreational program for FY 2019 to reflect the higher wages. In addition, as in FY 2018, the Governor recommends an increase of \$124,762 in funding for wages and benefits to reflect an increase hours, based on actual 2016 data.
- *Internal Services.* The Governor recommends a \$323,651 increase in general revenue funding for internal services previously budgeted in the Department of Administration.
- *Grants to Host Communities/Share of Beach Parking Fees.* The Governor recommends \$56,234 less in general revenue in order to pay the host communities for their portion of the beach parking fees, which are appropriations in the Department's budget. The FY 2019 budget is based on FY 2018 actual payments, which were lower than anticipated.
- *Food Safety Modernization Act.* The Governor recommends \$200,000 in federal funding for two new FTE positions to implement the Food Safety Modernization Act. The federal law regulates the way foods are grown, harvested, and processed.
- *RICAP Adjustments.* The Governor's recommendation makes adjustments to RICAP funding across projects for the Department, and reduces funding for dam repair, recreational facilities, bike paths, and Fort Adams. The Governor instead recommends bond referenda in November to fund these projects. The recommended budget also includes an additional \$3.5 million for the new Natural Resources and Visitors Center in the Arcadia Management Area, which will provide for public programming, meeting, and gathering spaces, as well as creating more centralized office space for the Department.
- *DOT Recreational Projects.* The Governor recommends an additional \$1.2 million in FY 2019 for DOT Recreational Projects, which continues funding for various state recreational area improvement projects.

Bureau of Environmental Protection

Within the Bureau of Environmental Protection, the Governor recommends FY 2019 appropriations of \$32.3 million, including \$12.5 million from general revenue, \$10.0 million from federal funds, \$9.7 million from restricted receipts, and \$55,154 from other funds. Relative to FY 2018 enacted levels, recommended general revenue financing decreases by \$185,631, federal fund financing decreases by \$411,922, restricted receipt financing increases by \$424,682, and other funds financing decreases by \$109,580, attributable to the following adjustments:

- *Clean Diesel Program.* The Governor recommends eliminating funding for the Clean Diesel Program in FY 2019, a reduction of \$1.0 million from 2018 enacted levels. The program works to

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reduce emissions from heavy-duty diesel engines operating on state roads and assists companies with supply chain efficiency.

- *Internal Services.* The Governor recommends a \$442,580 increase in general revenue funding for internal services previously budgeted in the Department of Administration.

Full-Time Equivalent Positions

The Governor recommends 400.0 FTE positions in the revised FY 2018 Budget and in the recommended FY 2019 Budget, unchanged from the enacted FY 2018 budget.

Investing in a Green Economy and Clean Water

Included within her FY 2019 – FY 2023 Capital Improvement Plan, the Governor recommends a total of \$48.5 million in General Obligation (GO) Bond Referenda in November 2018 to be used for environmental and recreational purposes as follows:

- *Resiliency.* The Governor recommends \$20.5 million to focus on coastal infrastructure, clean drinking water, and wastewater. Projects will include matching grants for coastal resiliency and wastewater treatment facility improvements, state-owned dam repair, and clean water infrastructure upgrades.
- *State and Local Recreation.* The Governor recommends \$15.0 million for capital improvements to state-owned recreational facilities and to provide matching grants for municipalities to acquire, develop, or rehabilitate local recreational facilities.
- *Bike Infrastructure.* The Governor recommends \$5.0 million for the repair of state bikeways, including the East Bay Bike Path, and construction of new bikeways.
- *Brownfield Remediation and Economic Development.* The Governor recommends \$4.0 million for matching grants focusing on the preparation of contaminated brownfield sites for economic development.
- *Open Space and Access to Farmland.* The Governor recommends \$4.0 million for matching grants for the State Farmland Access Program and to support municipalities, local land trusts, and nonprofit organizations develop open space and urban parklands.

COASTAL RESOURCES MANAGEMENT COUNCIL					
Source Of Funds	FY 2016 Actuals	FY 2017 Actuals	FY 2018 Enacted	FY 2018 Revised	FY 2019 Recommended
General Revenue	\$2,410,069	\$2,392,188	\$2,487,578	\$2,490,523	\$2,597,897
Federal Funds	\$1,818,741	\$3,112,357	\$1,649,291	\$4,213,821	\$2,733,267
Restricted Receipts	\$194,623	\$142,106	\$250,000	\$250,000	\$250,000
Other Funds	\$0	\$0	\$0	\$0	\$0
RI Capital Plan Fund	\$0	\$321,755	\$450,000	\$300,000	\$675,000
Total Funding	\$4,423,433	\$5,968,406	\$4,836,869	\$7,254,344	\$6,256,164
FTE Authorization	29.0	29.0	29.0	29.0	29.0

FY 2018 Revised Budget

The Governor recommends revised FY 2018 appropriations of \$7.3 million for the Coastal Resources Management Council, including \$2.5 million from general revenue, \$4.2 million from federal funds, \$250,000 from restricted receipts, and \$300,000 from the Rhode Island Capital Plan Fund. Relative to FY 2018 enacted levels, recommended general revenue financing increases by \$2,945, federal financing increases by \$2.6

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million, restricted receipt financing is unchanged, and Rhode Island Capital Plan Fund financing decreases by \$150,000. The revised FY 2018 Budget is inclusive of medical insurance savings distributed to state agencies, which resulted in \$8,249 of general revenue savings allocated to the Coastal Resources Management Council. Additionally, pursuant to authority provided by the General Assembly in the FY 2018 Appropriations Act, increased funding totaling \$17,233 is now reflected in the agency budget. This accounts for the decentralization of budgetary authority for statewide internal services provided by the Department of Administration's Division of Information Technology.

- *Personnel Financing.* The Governor's recommendation includes \$3.5 million from all funds for personnel expenditures for 29.0 FTE positions, a decrease of \$34,929 from the enacted FY 2018 Budget. The recommendation includes \$2.3 million in general revenue financing, a decrease of \$14,288 from the enacted FY 2018 Budget.
- *Federal Grant Financing.* The Governor's recommendation includes \$4.2 million in federal funds financing, an increase of \$2.6 million from enacted FY 2018 levels. The increase is primarily due to lower than expected construction costs, resulting in the carry forward of funds from FY 2017 for the Ningret Pond dredging project. Additionally, a number of new grants were awarded for various modeling and design projects.

FY 2019 Recommended Budget

The Governor recommends FY 2019 appropriations of \$6.3 million for the Coastal Resources Management Council, including \$2.6 million from general revenue, \$2.7 million from federal funds, \$250,000 from restricted receipts, and \$675,000 from the Rhode Island Capital Plan Fund. Relative to FY 2018 enacted levels, recommended general revenue financing increases by \$110,319, federal financing decreases by \$1.1 million, restricted receipts financing is unchanged, and Rhode Island Capital Plan Fund financing increases by \$225,000. The recommended FY 2019 Budget is inclusive of adjustments to assessed fringe, retirement, medical benefits distributed to state agencies, which resulted in an \$8,268 increase in general revenue allocated to the Coastal Resources Management Council. Additionally, pursuant to authority provided by the General Assembly in the FY 2018 Appropriations Act, increased funding totaling \$17,366 is now reflected in the agency budget. This accounts for the decentralization of budgetary authority for statewide internal services provided by the Department of Administration's Division of Information Technology.

- *Personnel Financing.* The Governor's recommendation includes \$3.5 million for personnel expenditures for 29.0 FTE positions, an increase of \$14,984 from the enacted FY 2018 Budget. The recommendation includes \$2.4 million in general revenue financing, an increase of \$27,953 from the enacted 2018 Budget. The increase is mostly due to higher benefit expenses.
- *Data Analysis/Technical Support.* The Governor recommends \$50,000 in general revenue to support maintenance of StormTools, a web-based product that illustrates and displays storm inundation along Rhode Island's coastline. The tool was developed using federal funds as part of the Shoreline Beach Special Area Management Plan. The additional funding is needed to maintain and host the site in partnership with the University of Rhode Island. A further \$15,000 in general revenue is recommended to complete weekly measurements and analysis of the Charlestown shoreline that will help better predict potential risks and damages.

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- *Federal Grant Financing.* The Governor's recommendation includes \$2.7 million in federal grants, an increase of \$1.1 million from enacted 2018 levels. The increase is mainly due a number of new grants awarded in FY 2018 to work on elevation maps, coastal resiliency, and other projects.
- *Rhode Island Capital Plan Funds.* Most of the increase in the FY 2019 Budget is due to the second year of funding for the Coastal Storm Risk Study project, a \$375,000 increase from the first year.

The Governor recommends 29.0 FTE positions in the revised FY 2018 Budget and in the recommended FY 2019 Budget, which represents no change from the enacted FY 2018 level.

