

**Department of Environmental Conservation  
FY22 - Mid-Year Status Report**

Item #	Approp/ Allocation	Description	Amount / Fund Source	Comment	LFD Questions	Agency Comments
1	Administration / State Support Services	Reduce Authority Associated with Three Positions Deleted in Administrative Services Due to Administrative Efficiencies	Total: (\$466.3) (\$152.7) Fed Rcpts (Fed) (\$4.2) GF/Match (UGF) (\$135.8) Gen Fund (UGF) (\$121.0) Oil/Haz Fd (DGF) (\$31.1) Clean Air (Other) (\$15.4) Vessel Com (Other) (\$6.1) Ocn Ranger (Other)	The Department has recognized operational efficiencies as a result of the implementation of the IRIS accounting system as well as changes to the processes and workflows of related administrative functions. In addition to this reduction, the following three vacant positions in the Financial Services section of the Administrative Services allocation were deleted due to these efficiencies:  <b>Full-time Accounting Technician II (18-7636), range 14, located in Juneau</b> <b>Full-time Accountant III (18-7786), range 18, located in Juneau</b> <b>Full-time Accountant III (18-7839), range 18, located in Anchorage</b>	Has this reduction had any impacts beyond the deletion of the three vacant positions?	There have been no additional impacts from this reduction at this time.
2	Spill Prevention and Response / Spill Prevention and Response	Reduce Staffing Levels Due to Oil and Hazardous Substance Release Prevention and Response Account Revenue Shortfall	Total: (\$462.7) (\$29.8) Fed Rcpts (Fed) (\$411.3) Oil/Haz Fd (DGF) (\$21.6) Vessel Com (Other) (5) PFT Positions	The following five positions deleted in the FY22 budget are currently vacant.  <b>One position in the Program Support Unit</b> <b>One position in Aleutian/Western Alaska Preparedness and Response Unit</b> <b>Two positions in the Contaminated Sites Program</b> <b>One administrative support position</b>	Has this reduction been sufficient to address the shortfall in revenue in FY22?	There is sufficient revenue from the Prevention Account to meet the budgeted authority for FY2022. While this reduction did not bring the budget completely in line with revenues, there was an available fund balance from the prior year that covered the gap.

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3	Water / Water Quality, Infrastructure Support & Financing	Replace State Revolving Loan Fund Administrative Fees with Federal Receipts	Net Zero  \$600.0 Fed Rcpts (Fed) (\$462.5) CleanAdmin (Other) (\$137.5) DrinkAdmin (Other)	The Department collects a 5% fee on all loans issued from the Alaska Clean Water and Alaska Drinking Water State Revolving Loan funds. These fees are used to administer the loan programs. This fund source change replaces some of this authority with available federal grant funds.  As demand for new loans increases, the department plans to rely more heavily on the administrative fees and divert the set-asides to the loan fund to meet that demand.	Has there been any increase in demand for new loans that would impact the department's plan with this funding?	While there has not been a marked increase in demand for loans since this time last year, much of the additional funding for water and wastewater infrastructure from the Federal Infrastructure bill is expected to flow through these loan funds.
4	Various	SB 55, Ch. 9, SLA 2021 Employer Contributions to PERS	\$1,705.1 Gen Fund (UGF)	SB 55 removes the 22% cap on payroll contributions to the Public Employee Retirement System (PERS) for the State of Alaska as a PERS employer. The budgetary impact of this legislation is reflected as a shift from the direct appropriation to PERS (which is typically funded with UGF) to agency payroll, where the cost can be spread across all fund sources. Specifically, the UGF impact to the Department of Environmental Conservation is \$1,705.1 spread across multiple allocations.	Are the non-UGF fund sources added for SB55 in your agency realizable?	DEC's fund sources where it is anticipated the Department will be unable to realize additional revenues as a result of the change to the PERS rate (primarily fee-based fund sources where we are unable to recover our full direct costs due to statutory limitations), were backfilled with UGF as part of the fiscal note. There are currently no anticipated shortfalls as a result of SB55