

SFY 2025 Governor's Recommended Budget

Department of Environmental Conservation
Jason Batchelder, Commissioner

Agenda

- SFY25 DEC Budget Overview
- SFY25 DEC Budget - Key Changes
 - DEC One-Time Investments
 - Position Changes
- On-going and Significant Initiatives
- Budget Development Form

SFY25 DEC Budget Overview

| | SFY 2023 Actuals | SFY 2024 Budget | SFY 2025 Gov Rec | 24-25 Change |
|-----------------------------------|---------------------|--------------------|---------------------|--------------------|
| Major Object | | | | |
| Personal Services | 43,434,699 | 82,595,116 | 85,601,713 | 3,006,597 |
| Operating Expenses | 17,418,791 | 22,709,539 | 23,963,124 | 1,253,585 |
| Grants | 28,857,137 | 51,885,745 | 97,430,875 | 45,545,130 |
| Total | 89,710,627 | 157,190,400 | 206,995,712 | 49,805,312 |
| Funds | | | | |
| General Funds | 11,576,356 | 12,203,848 | 12,580,576 | 376,728 |
| Special Funds | 36,010,876 | 57,688,164 | 56,405,597 | (1,282,567) |
| Federal Funds | 32,501,149 | 77,959,378 | 128,119,317 | 50,159,939 |
| Interdepartmental Transfer | 9,622,247 | 9,339,010 | 9,890,222 | 551,212 |
| Total | 89,710,627 | 157,190,400 | 206,995,712 | 49,805,312 |

SFY25 DEC Budget Overview – by Program Divisions



SFY25 DEC Budget Key Changes

- **Bipartisan Infrastructure Law (BIL):**
 - Provides \$45.3M in additional funding for significant efforts within our existing State Revolving Loan Programs, Brownfields Program and Superfund Sites along with related staffing
- **Ongoing and Other Operational Costs:**
 - Pay Act increase of \$1.75m across all base funding sources, includes the new FMLI and Childcare benefits
 - Contractual cost net increase \$1.16M, including \$3.3M increase for groundwater remediation at Commerce St Plume Superfund Site
 - Paid for with federal BIL funding
 - Increase of \$260k to purchase Air Monitoring equipment
 - Paid for with federal Inflation Reduction Act (IRA) funding
 - Increase of \$514K across all appropriations for our internal administrative services allocations and other minor adjustments

One-Time DEC Investments

- **Continue Healthy Homes Initiative:**
 - \$4,000,000 to replace on-site failed or inadequate wastewater and drinking water systems serving Vermonters with low to moderate income.
 - Funding to be utilized as ARPA funds are exhausted by 12/31/2024.
 - To date, program has helped 420 Vermonters with limited financial means replace failed or failing drinking water and wastewater systems.
- **Capitalize Unsafe Dam Fund:**
 - \$1,000,000 to capitalize a revolving loan fund within the existing Unsafe Dams Fund established by 10 V.S.A. §1106 that would offer low-cost loans and subsidies for dam repair and rehabilitation.

One-Time DEC Investments

- **Water Resources Development Act (WRDA) Recovery Planning and Implementation Study Match:**
 - \$500,000 to provide state 1:1 match for federal funds for a feasibility study of future flood measures for the Winooski River.
 - Study will support development of a long-term vision for watershed resilience and protect the community from future floods.
 - Planned scope would include evaluation of additional operational controls at Wrightsville and East Barre flood control dams.

SFY25 DEC Budget – Position Changes

- **Conversion of three key positions from limited-service to permanent**
 - Two positions in the Dam Safety Program
 - In response to 2021 report of the State Auditor as well as the clear demands during and following this summer’s historic floods
 - One in the Geology Division
 - Making these positions permanent will help attract and retain high quality candidates in what are essential and highly technical roles.

Significant and On-going Initiatives

- Deploying hundreds of millions of dollars of investments made possible by ARPA, BIL and IRA funds.
- Undertaking PFAS monitoring and response work (private wells, water supplies, and WWTF effluent) to ensure Vermonters are protected from the potential effects of PFAS on human health.
 - DEC published updated *PFAS Roadmap* in December 2023
- On-going work related to the implementation of Act 64 (2015)
 - Vermont's Clean Water Act – and Act 76 (2019) related to establishing Clean Water Service Providers.
- Continuing PCB testing in the more than 300 Vermont schools built prior to 1980.

Budget Development Form

Sec. B.709-711

| | General \$\$ | Clean Water \$\$ | Special \$\$ | Federal \$\$ | Interdept'l | Total \$\$ |
|---|-------------------|-------------------|--------------------|--------------------|------------------|--------------------|
| DEC Whole FY 2024 Appropriation | 12,203,848 | 16,685,000 | 41,003,164 | 77,959,378 | 9,339,010 | 157,190,400 |
| Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY24 budget) | | | | | | 0 |
| FY 2024 Other Changes | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Approp. After FY 2024 Other Changes | 12,203,848 | 16,685,000 | 41,003,164 | 77,959,378 | 9,339,010 | 157,190,400 |
| CURRENT SERVICE LEVEL/CURRENT LAW | 376,728 | (75,000) | (1,207,567) | 50,159,938 | 551,212 | 49,805,312 |
| <i>Personal Services</i> | <i>312,977</i> | <i>13,731</i> | <i>(2,038,208)</i> | <i>4,267,259</i> | <i>450,837</i> | <i>3,006,597</i> |
| 500000: Salary & Wages: Classified Employees | 25,062 | 3,628 | 151,402 | 63,368 | 209,980 | 453,440 |
| 500010: Salary & Wages: Exempt Employees | | | | | | |
| 501500: Health Insurance: Classified Employees | 54,448 | 5,228 | 367,775 | 217,140 | 151,217 | 795,809 |
| 501510: Health Insurances: Exempt Employees | | | | | | |
| 502000: Retirement: Classified Employees | 38,679 | 968 | 81,078 | 47,242 | 21,843 | 189,810 |
| 502010: Retirement: Exempt Employees | | | | | | |
| All Other Employee Payroll Related Fringe Benefits | 19,322 | 2,838 | (222,825) | 18,103 | 11,145 | (171,417) |
| 504040: VT Family & Medical Leave Insurance Premium | 14,127 | 440 | 34,543 | 23,631 | 10,981 | 83,723 |
| 504045: Child Care Contribution | 12,565 | 393 | 30,727 | 21,020 | 9,766 | 74,471 |
| 505200: Workers' Compensation Insurance Premium | 0 | 0 | 0 | 0 | 13,983 | 13,983 |
| 508000: Vacancy Turnover Savings | 17,986 | 236 | 37,694 | 22,619 | 2,761 | 81,297 |
| Net Change in Contracts and 3rd Pty Services | | | (2,518,602) | 3,677,938 | | 1,159,336 |
| Convert limited service Geology position to permanent | 16,287 | - | - | 60,356 | 19,161 | 95,803 |
| Convert 2 limited service position in Dam Safety to permanent | 114,501 | - | - | 115,841 | - | 230,342 |
| | | | | | | 0 |
| <i>Operating Expenses</i> | <i>63,751</i> | <i>(18,495)</i> | <i>35,415</i> | <i>1,003,634</i> | <i>169,280</i> | <i>1,253,585</i> |
| 515010: Fee-for-Space Charge | | | | | 14,658 | 14,658 |
| 516000: Insurance Other Than Employee Benefits | | | | | (276) | (276) |
| 516010: Insurance - General Liability | | | | | 25,209 | 25,209 |
| 516671: VISION/ISD | 6,104 | | | | 30,329 | 36,433 |
| 516685: ADS Allocated Charge | 10,613 | | | | 1,789 | 12,402 |
| 519006: Human Resources Services | | | | | 17,914 | 17,914 |
| 523620: Single Audit Allocation | | | | | (7,891) | (7,891) |
| 524000 Bank Charges | | | | | 125,000 | 125,000 |
| 519010: Administrative Service Charge | 5,807 | | 141,254 | 331,622 | | 478,683 |
| 519110, 519150 Environmental Lab and Site Work | | | (23,750) | 420,000 | | 396,250 |
| 522400 Other Equipment | | | | 244,896 | | 244,896 |
| 514000 Leases | | | | | (96,275) | (96,275) |
| Other various changes in operating costs and funding sources | 41,227 | (18,495) | (82,089) | 7,116 | 58,823 | 6,582 |
| <i>Grants</i> | <i>0</i> | <i>(70,236)</i> | <i>795,226</i> | <i>44,889,045</i> | <i>(68,905)</i> | <i>45,526,776</i> |
| Net Change in Grants/Loans | | (70,236) | 795,226 | 44,889,045 | (68,905) | 45,545,130 |
| | | | | | | 0 |
| Subtotal of Increases/Decreases | 376,728 | (75,000) | (1,207,567) | 50,159,938 | 551,212 | 49,805,312 |
| FY 2025 Governor Recommend | 12,580,576 | 16,610,000 | 39,795,597 | 128,119,316 | 9,890,222 | 206,995,712 |

Budget Development Form

Sec. B. 709

| | General \$\$ | Clean Water \$\$ | Special \$\$ | Federal \$\$ | Interdept'l | Total \$\$ |
|---|------------------|------------------|------------------|------------------|------------------|-------------------|
| Approp #1 [6140020000] Management and Support Services: FY 2024 Approp | 2,039,082 | 345,017 | 443,536 | 2,129,363 | 8,385,532 | 13,342,530 |
| Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY24 budget) | | | | | | 0 |
| FY 2024 Other Changes | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Approp. After FY 2024 Other Changes | 2,039,082 | 345,017 | 443,536 | 2,129,363 | 8,385,532 | 13,342,530 |
| CURRENT SERVICE LEVEL/CURRENT LAW | 79,493 | (8,331) | 14,645 | 35,347 | 547,884 | 669,039 |
| <i>Personal Services</i> | <i>21,549</i> | <i>10,164</i> | <i>117,659</i> | <i>38,116</i> | <i>364,721</i> | <i>552,210</i> |
| 500000: Salary & Wages: Classified Employees | 1,054 | 2,109 | 14,399 | (49,617) | 137,522 | 105,468 |
| 500010: Salary & Wages: Exempt Employees | | | | | | |
| 501500: Health Insurance: Classified Employees | 2,129 | 4,257 | 41,107 | 14,894 | 144,745 | 207,132 |
| 501510: Health Insurances: Exempt Employees | | | | | | |
| 502000: Retirement: Classified Employees | 844 | 563 | 15,923 | 7,037 | 19,141 | 43,508 |
| 502010: Retirement: Exempt Employees | | | | | | |
| All Other Employee Payroll Related Fringe Benefits | 637 | 2,638 | 18,376 | 7,961 | 9,810 | 39,422 |
| 504040: VT Family & Medical Leave Insurance Premium | 294 | 292 | 655 | 3,674 | 9,993 | 14,908 |
| 504045: Child Care Contribution | 261 | 261 | 582 | 3,267 | 8,887 | 13,259 |
| 505200: Workers' Compensation Insurance Premium | | | | | 13,983 | 13,983 |
| 508000: Vacancy Turnover Savings | 44 | 44 | 65 | 544 | 1,480 | 2,176 |
| Net Change in Contracts and 3rd Pty Services | | | 26,551 | (10,000) | | 16,551 |
| Convert limited service Geology positon to permanent | 16,287 | | | 60,356 | 19,161 | 95,803 |
| | | | | | | 0 |
| <i>Operating Expenses</i> | <i>57,944</i> | <i>(18,495)</i> | <i>(103,014)</i> | <i>(2,769)</i> | <i>177,068</i> | <i>110,734</i> |
| 515010: Fee-for-Space Charge | | | | | 14,658 | 14,658 |
| 516000: Insurance Other Than Employee Benefits | | | | | (276) | (276) |
| 516010: Insurance - General Liability | | | | | 25,209 | 25,209 |
| 516671: VISION/ISD | 6,104 | | | | 30,329 | 36,433 |
| 516685: ADS Allocated Charge | 10,613 | | | | 1,789 | 12,402 |
| 519006: Human Resources Services | | | | | 17,914 | 17,914 |
| 523620: Single Audit Allocation | | | | | (7,891) | (7,891) |
| 524000 Bank Charges | | | | | 125,000 | 125,000 |
| Other varous changes in operating costs and funding sources | 41,227 | (18,495) | (103,014) | (2,769) | 66,611 | (16,440) |
| 514000 Leases | | | | | (96,275) | (96,275) |
| | | | | | | 0 |
| <i>Grants</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>0</i> | <i>6,095</i> | <i>6,095</i> |
| Net change in Grants | | | | | 6,095 | 6,095 |
| | | | | | | 0 |
| Subtotal of Increases/Decreases | 79,493 | (8,331) | 14,645 | 35,347 | 547,884 | 669,039 |
| FY 2025 Governor Recommend | 2,118,575 | 336,686 | 458,181 | 2,164,711 | 8,933,416 | 14,011,569 |

Budget Development Form

Sec. B. 710

| | General \$\$ | Clean Water \$\$ | Special \$\$ | Federal \$\$ | Interdept'l | Total \$\$ |
|---|----------------|------------------|--------------------|-------------------|-----------------|-------------------|
| Approp #2 [6140030000] Air and Waste Management: FY 2024 Approp | 193,565 | 0 | 26,236,633 | 14,342,090 | 167,054 | 40,939,342 |
| Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY24 budget) | | | | | | 0 |
| FY 2024 Other Changes | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Approp. After FY 2024 Other Changes | 193,565 | 0 | 26,236,633 | 14,342,090 | 167,054 | 40,939,342 |
| CURRENT SERVICE LEVEL/CURRENT LAW | 5,807 | 0 | (1,593,053) | 4,457,974 | (82,788) | 2,787,940 |
| <i>Personal Services</i> | <i>0</i> | <i>0</i> | <i>(1,652,155)</i> | <i>3,640,522</i> | <i>0</i> | <i>1,988,367</i> |
| 500000: Salary & Wages: Classified Employees | | | 4,962 | 100,148 | | 105,110 |
| 500010: Salary & Wages: Exempt Employees | | | | | | |
| 501500: Health Insurance: Classified Employees | | | 91,455 | 179,029 | | 270,484 |
| 501510: Health Insurances: Exempt Employees | | | | | | |
| 502000: Retirement: Classified Employees | | | 9,020 | 19,041 | | 28,061 |
| 502010: Retirement: Exempt Employees | | | | | | |
| All Other Employee Payroll Related Fringe Benefits | | | 4,695 | 7,792 | | 12,487 |
| 504040: VT Family & Medical Leave Insurance Premium | | | 12,299 | 7,112 | | 19,411 |
| 504045: Child Care Contribution | | | 10,943 | 6,328 | | 17,271 |
| 505200: Workers' Compensation Insurance Premium | | | | | | 0 |
| 508000: Vacancy Turnover Savings | | | 9,625 | 5,414 | | 15,039 |
| 507xxx: Contracted Services | | | (1,795,153) | 3,315,657 | | 1,520,504 |
| | | | | | | 0 |
| <i>Operating Expenses</i> | <i>5,807</i> | <i>0</i> | <i>(15,898)</i> | <i>780,440</i> | <i>(7,788)</i> | <i>762,561</i> |
| 515010: Fee-for-Space Charge | | | | | | 0 |
| 516000: Insurance Other Than Employee Benefits | | | | | | 0 |
| 516010: Insurance - General Liability | | | | | | 0 |
| 516671: VISION/ISD | | | | | | 0 |
| 516685: ADS Allocated Charge | | | | | | 0 |
| 519006: Human Resources Services | | | | | | 0 |
| 523620: Single Audit Allocation | | | | | | 0 |
| 519010 Administrative Service Charge | 5,807 | | | 107,017 | | 112,824 |
| 519110, 519150 Environmental Lab and Site Work | | | (23,750) | 420,000 | | 396,250 |
| 522400 Other Equipment | | | | 244,896 | | 244,896 |
| Other varous changes in operating costs and funding sources | | | 7,852 | 8,527 | (7,788) | 8,591 |
| <i>Grants</i> | <i>0</i> | <i>0</i> | <i>75,000</i> | <i>37,012</i> | <i>(75,000)</i> | <i>37,012</i> |
| Net Change in Grants/Loans | | | 75,000 | 37,012 | (75,000) | 37,012 |
| | | | | | | 0 |
| Subtotal of Increases/Decreases | 5,807 | 0 | (1,593,053) | 4,457,974 | (82,788) | 2,787,940 |
| FY 2025 Governor Recommend | 199,372 | 0 | 24,643,580 | 18,800,064 | 84,266 | 43,727,282 |

Budget Development Form

Sec. B. 711

| | General \$\$ | Clean Water \$\$ | Special \$\$ | Federal \$\$ | Interdept'l | Total \$\$ |
|--|-------------------|-------------------|-------------------|--------------------|----------------|--------------------|
| Approp #3 [6140040000] Office of Water Programs: FY 2024 Approp | 9,971,201 | 16,339,983 | 14,322,995 | 61,487,925 | 786,424 | 102,908,528 |
| Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY24 budget] | | | | | | 0 |
| FY 2024 Other Changes | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Approp. After FY 2024 Other Changes | 9,971,201 | 16,339,983 | 14,322,995 | 61,487,925 | 786,424 | 102,908,528 |
| CURRENT SERVICE LEVEL/CURRENT LAW | 291,428 | (66,669) | 370,841 | 45,666,617 | 86,116 | 46,348,333 |
| <i>Personal Services</i> | <i>291,428</i> | <i>3,567</i> | <i>(503,712)</i> | <i>588,621</i> | <i>86,116</i> | <i>466,020</i> |
| 500000: Salary & Wages: Classified Employees | 24,008 | 1,518 | 132,041 | 12,836 | 72,458 | 242,862 |
| 500010: Salary & Wages: Exempt Employees | | | | | | |
| 501500: Health Insurance: Classified Employees | 52,319 | 971 | 235,214 | 23,217 | 6,472 | 318,193 |
| 501510: Health Insurances: Exempt Employees | | | | | | |
| 502000: Retirement: Classified Employees | 37,835 | 405 | 56,134 | 21,164 | 2,702 | 118,241 |
| 502010: Retirement: Exempt Employees | | | | | | |
| All Other Employee Payroll Related Fringe Benefits | 18,685 | 200 | (245,897) | 2,351 | 1,335 | (223,326) |
| 504040: VT Family & Medical Leave Insurance Premium | 13,833 | 148 | 21,590 | 12,845 | 988 | 49,404 |
| 504045: Child Care Contribution | 12,303 | 132 | 19,202 | 11,425 | 879 | 43,941 |
| 505200: Workers' Compensation Insurance Premium | | | | | | 0 |
| 508000: Vacancy Turnover Savings | 17,943 | 192 | 28,004 | 16,661 | 1,282 | 64,082 |
| Net Contracts and Other Personal Services | | | (750,000) | 372,281 | | (377,719) |
| Convert 2 limited service position in Dam Safety to permanent | 114,501 | | | 115,841 | | 230,342 |
| | | | | | | 0 |
| <i>Operating Expenses</i> | <i>0</i> | <i>0</i> | <i>154,327</i> | <i>225,963</i> | <i>0</i> | <i>380,290</i> |
| 515010: Fee-for-Space Charge | | | | | | 0 |
| 516000: Insurance Other Than Employee Benefits | | | | | | 0 |
| 516010: Insurance - General Liability | | | | | | 0 |
| 516671: VISION/ISD | | | | | | 0 |
| 516685: ADS Allocated Charge | | | | | | 0 |
| 519006: Human Resources Services | | | | | | 0 |
| 523620: Single Audit Allocation | | | | | | 0 |
| 519010: Administrative Service Charge | | | 141,254 | 224,605 | | 365,859 |
| Other varous changes in operating costs and funding sources | | | 13,073 | 1,358 | | 14,431 |
| <i>Grants</i> | <i>0</i> | <i>(70,236)</i> | <i>720,226</i> | <i>44,852,033</i> | <i>0</i> | <i>45,502,023</i> |
| Net Grants/Loans | | (70,236) | 720,226 | 44,852,033 | | 45,502,023 |
| | | | | | | 0 |
| Subtotal of Increases/Decreases | 291,428 | (66,669) | 370,841 | 45,666,617 | 86,116 | 46,348,333 |
| FY 2025 Governor Recommend | 10,262,629 | 16,273,314 | 14,693,836 | 107,154,542 | 872,540 | 149,256,861 |