

## Dept. of Mines ( 12500)

Lead Administrator: Mary Ann Pritchard, Director

FY'17 Projected Division/Program Funding By Source					
	Appropriations	Federal	Revolving	Local	Other*
Administration	\$176,588	\$265,588	\$149,136		
Coal Division	\$149,498	\$806,612	\$416,908		
Minerals Division	\$444,686		\$421,395		
Data Processing ( IT)		\$35,500	\$25,000		
Okla. Miner Training Inst.	\$5,000	\$128,000	\$150,000		
<b>Total</b>	<b>\$775,772</b>	<b>\$1,235,700</b>	<b>\$1,162,439</b>	<b>\$0</b>	<b>\$0</b>

\*Source of "Other" and % of "Other" total for each.

FY'16 Carryover and Refund by Funding Source					
	Appropriations	Federal	Revolving	Local	Other*
FY'16 Carryover	\$60,063				
FY'16 GR Refund**	\$23,654				

\*Source of "Other" and % of "Other" total for each.

\*\*Indicate how the FY'16 General Revenue refund was budgeted  
The FY16 General Revenue refund was budgeted for an inspection vehicle for the Minerals Division.

**What Changes did the Agency Make between FY'16 and FY'17?**

1.) Are there any services no longer provided because of budget cuts?  
None

2.) What services are provided at a higher cost to the user?  
None

3.) What services are still provided but with a slower response rate?  
None

4.) Did the agency provide any pay raises that were not legislatively/statutorily required? If so, please provide a detailed description.  
The Administrators were provided pay increases based upon the increase of duties as the agency absorbed agency retirements. The Department of Mines has approximately 65% of the staff with over 25 years of state service; and 38% with over 30 years of state service.

FY'18 Requested Division/Program Funding By Source					
	Appropriations	Federal	Revolving	Other	Total
Administration	\$176,588	\$265,588	\$149,136		
Coal Division	\$149,498	\$806,612	\$416,908		
Minerals Division	\$444,686		\$421,395		
Data Processing ( IT)		\$35,500	\$25,000		
Okla. Miner Training Inst.	\$5,000	\$128,000	\$150,000		
General Approp. Refund	\$23,654				
<b>Total</b>	<b>\$799,426</b>	<b>\$1,235,700</b>	<b>\$1,162,439</b>	<b>\$0</b>	<b>\$0</b>

\*Source of "Other" and % of "Other" total for each.

**FY'18 Top Five Appropriation Funding Requests**

Request 1: Description      Agency Operations  
Request 2: Description  
Request 3: Description  
Request 4: Description  
Request 5: Description

**Total Increase above FY-18 Request**

**How would the agency handle a 5% appropriation reduction in FY'18?**

A 5% appropriation cut is equivalent to \$39,971. The agency is expecting another retirement of a long time employee with over 35 years of service. Based upon the federal grant allocations and matching requirements of his salary, a combination of reassignments or underfilling the position would be necessary. There would be related savings in general operational costs, including fuel, communications and IT savings, if the position were to remain vacant.

**How would the agency handle a 7.5% appropriation reduction in FY'18?**

A 7.5% appropriation cut is equivalent to \$59,957. In addition to the actions listed above, the agency would need to review the part-time employees. The agency would look at ending a part time position and reassigning the duties to the existing full time employees currently on staff.

**How would the agency handle a 10% appropriation reduction in FY'18?**

A 10% appropriation cut is equivalent to \$79,943. In addition to the actions listed above, the agency would have to turn again to the state for such as travel, fuel, communications and computer equipment. Since the agency has already been proactive in minimizing these costs, future appropriations may impact current staffing levels, and therefore meeting mission requirements.

**Is the agency seeking any fee increases for FY'18?**

Increase 1 N/A  
Increase 2 N/A  
Increase 3 N/A

**What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?**

N/A

**Federal Government Impact**

**1.) How much federal money received by the agency is tied to a mandate by the Federal Government?**

100% of the federal funds received from the Office of Surface Mining Reclamation and Enforcement (OSMRE) are tied to mandates. The agency is responsible for the administration and enforcement of the coal mining program in Oklahoma.

**2.) Are any of those funds inadequate to pay for the federal mandate?**

The OSMRE federal funds require approximately a 50% match. When the agency is unable to match federal funding, the result is mismanagement of federal funds. Consequently, things such as technology upgrades, vehicle replacement and field equipment purchases may be tabled until they are pending final award of our current federal grant with the OSMRE.

**3.) What would the consequences be of ending all of the federal funded programs for your agency?**

The State of Oklahoma would need to replace the OSMRE federal funding with state resources, or the state's failure to fund this program would result in the state government taking over the regulation, permit issuance and enforcement of coal mining in Oklahoma. The OMTI is mandated by state law and requires state funding for that program. The only solution would be a funding stream supplied via appropriations or significant fee changes for the miner training and certification.

**4.) How will your agency be affected by federal budget cuts in the coming fiscal year?**

The agency does not foresee any federal budget cuts in the coming fiscal year.

**5.) Has the agency requested any additional federal earmarks or increases?**

No.

**Division and Program Descriptions**

<b>Administration</b>	This program includes the Director and support staff, comprised of the financial staff.
<b>Coal Division</b>	The coal program includes the administration and enforcement of the coal regulatory program for the permitting activities, inspection, CCB, reclamation and legal actions associated with the program enforcement.
<b>CCB (FlyAsh)</b>	Coal Combustion Byproduct (CCB) placement is an environmental necessity. The placement assists in the reclamation of mine sites left by previous operations. All fly ash, bottom ash, or any other material produced by power plants and kiln dust generated by cement producing entities shall be exempt from all solid waste disposal requirements under Title 27A of the Oklahoma Statutes, provided such ash or dust is constructively reutilized, or disposed of in a noncoal mining operations subject to the provisions contained in Title 45 of the Oklahoma Statutes.
<b>Minerals</b>	This program includes all activities of the Minerals Division. It includes all permitting activities, reclamation and safety inspections on mine sites and the enforcement of non-mining blasting. There are over 700 active mines in the state.
<b>Blasting</b>	The non-mining blasting program is responsible for the regulation of blasting, and the use, transfer, or storage of explosives for various purposes. Responsibilities include the issuance of blasting permits, the issuance of blasting exemptions, the maintenance of the seller's records, the investigation of blasting complaints, the issuance of violations and the assurance of compliance.
<b>Oklahoma Miner Training Institute</b>	The Oklahoma Miner Training Institute (OMTI) is responsible for the statutorily mandated training of miners in the state, as outlined under Title 45. The OMTI trains and certifies miners from other states and independent contractors.

**Data Processing/IT** This is now a mandated separate activity of the agency. In previous fiscal years, these costs were not included in the budget. In previous fiscal years, these costs were not included in the budget.

FY'17 Budgeted FTE					
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K
Coal Program	3		15	2	12
Minerals Program	2		11	1	10
Administration	2		6		5
<b>Total</b>	<b>7</b>	<b>0</b>	<b>32</b>	<b>3</b>	<b>27</b>

FTE History				
	2017 Budgeted	2016	2013	2010
Administration	6	6	6	8
Coal Program	15	15	15	16
Minerals Program	11	12	11	11
<b>Total</b>	<b>32</b>	<b>33</b>	<b>32</b>	<b>35</b>

Performance Measure Review				
	FY'16	FY'15	FY'14	FY'13
<b>Health and Safety Inspections</b> Each mining operation must be inspected a minimum of 4-6 times per year; based upon the status of the mine. Inspections may occur more frequently based upon mine or permit condition.	3458	3375	3409	3075
<b>Permit issued/renewals</b> Each mining operation either receives a life expectancy permit, or renews an existing permit.	661	663	643	651

Revolving Funds (200 Series Funds)		
	FY'14-16 Avg. Revenues	FY'14-16 Avg. Expenditures
<b>Revolving Fund I</b> Brief Description	\$948,230	\$914,816
<b>Revolving Fund II</b> Brief Description	\$143,278	\$118,540

<b>Total</b>	
	\$591,312
	\$1,373,018
	\$866,081
	\$60,500
	\$283,000
	\$0
	<b>\$3,173,911</b>

<b>Total</b>	
	\$60,063
	\$23,654

ption in a separate document.  
and reorganizations.  
state service.

<b>% Change</b>	
	0.00%
	0.00%
	0.00%
	0.00%
	0.00%
	0.00%

<b>\$ Amount</b>	
	\$799,426

0

s state service.  
osition would be an option.  
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operational costs  
a significant reduction in

<b>\$ Amount</b>	
	\$0
	\$0
	\$0

The State of Oklahoma has primacy

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/ coal combustion, power generating  
permitting requirements pursuant to  
ed of in any active or inactive coal or

clamation inspections and all health  
) permitted sites in all 77 counties of

r sale of explosives for non-mining  
ns, the inspection of blasting sites  
essment of penalties for non-

of all miners on the mine sites in the  
ident contractors.

Recorded as part of the administration

<b>\$70 K - \$\$\$</b>	
	1
	1
	<b>2</b>

<b>2006</b>	
	8
	16
	13
	<b>37</b>

<b>FY'12</b>	
	3836
	621

<b>June '16 Balance</b>	
	\$65,639
	\$93,478