

Department of Mines (12500)

Lead Administrator: Mary Ann Pritchard, Director

Lead Financial Officer: Suzen M. Rodesney

FY'19 Projected Division/Program Funding By Source							
Dept.		Appropriations	Federal	Revolving	Local	Other*	Total
Administration	1	\$243,828	\$310,602	\$202,624			\$757,054
Coal Division	2	\$142,018	\$926,260	\$457,913			\$1,526,192
Minerals Division	3	\$423,895		\$463,335			\$887,231
Data Processing (IT)	88		\$53,000	\$26,000			\$79,000
Okla. Miner Training Inst.	10		\$160,000	\$165,000			\$325,000
							\$0 DU
Total		\$809,741	\$1,449,863	\$1,314,873	\$0	\$0	\$3,574,477

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

FY'18 Carryover and Refund by Funding Source							
		Appropriations	Federal	Revolving	Local	Other*	Total
FY'18 Carryover		\$7,826					
		\$0					\$7,826

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

What Changes did the Agency Make between FY'18 and FY'19?	
1.) Are there any services no longer provided because of budget cuts?	No
2.) What services are provided at a higher cost to the user?	The Minerals production fees were increased with industry concurrence, by the Legislature, from \$.01/ton to \$.0125/ton, effective November 1, 2017.
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?	Yes

FY'20 Requested Division/Program Funding By Source							
		Appropriations	Federal	Revolving	Other	Total	% Change
Administration	1	\$233,417	\$310,602	\$202,624		\$746,643	-1.38%
Coal Division	2	\$125,141	\$926,260	\$457,913		\$1,509,314	-1.11%
Minerals Division	3	\$417,301		\$463,335		\$880,637	-0.74%
Data Processing (IT)	88		\$53,000	\$26,000		\$79,000	0.00%
Okla. Miner Training Inst. (Division)	10		\$160,000	\$165,000		\$325,000	0.00%
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Total		\$775,859	\$1,449,863	\$1,314,873	\$0	\$3,540,594	-0.95%

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

FY'20 Top Five Appropriation Funding Requests		\$ Amount
Request 1: Description	AGENCY OPERATIONS	\$775,859
Request 2: Description		
Request 3: Description		
Request 4: Description		
Request 5: Description		
Total FY-20 Request		\$ 775,859

Does the agency have any costs associated with the Pathfinder retirement system and federal employees?
(If so, please describe the costs and provide an estimate for FY '20, FY '21, and FY '22.)
Currently, the agency only has three (3) employees who are in the Pathfinder retirement system and their payroll allocations are assigned to a federal grant. At this time, it is approximately \$9,200 per year that the agency cannot allocate to the federal program. The agency must use non grant funds to cost out and pay for these contributions.

How would the agency be affected by receiving the same appropriation for FY '20 as was received in FY '19? (Flat/ 0% change)
The agency would be able to meet the statutory requirements and continue to serve the needs of the permittees and clients who require the services of the Department of Mines.

How would the agency handle a 2% appropriation reduction in FY '20?

A 2% appropriation cut is equivalent to \$15,517. The agency has two inspection vehicles budgeted for the grant year 2019. We would only purchase one vehicle, saving the matching requirement of approximately \$15,517.

Is the agency seeking any fee increases for FY '20?

		\$ Amount
Increase 1	N/A	\$0
Increase 2	N/A	\$0
Increase 3	N/A	\$0

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

There are not any special projects or capital technology requests planned at this time.

Federal Funds

	FY 19 projected	FY 18	FY 17	FY 16	FY 15
Federal Funding I Office of Surface Mining Reclamation and Enforcement (U.S. Dept. of Interior) Administration and Enforcement Grant CFDA 15.250	\$ 1,187,009	\$ 1,001,555	\$ 1,026,046	\$ 1,134,476	\$ 1,039,370
Federal Funding II Mine Safety and Health Administration (U.S. Dept. of Labor) Oklahoma Miner Training Institute Grant CFDA 17.600	\$ 163,000	\$ 159,610	\$ 123,977	\$ 125,017	\$ 108,986
Federal Funding III (Brief Description with CFDA number)					
Federal Funding IV (Brief Description with CFDA number)					
Federal Funding V (Brief Description with CFDA number)					

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 State of Oklahoma has primacy for the administration and enforcement of the coal mining program in Oklahoma. The federal funds from the US Dept. of Labor for the Oklahoma Miner Training Institute (OMTI) are not considered a federal mandate.
- 2.) Are any of those funds inadequate to pay for the federal mandate?**
No
- 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 federal government taking over the regulation, permit issuance and enforcement of coal mining in Oklahoma. The OMTI program of the ODM is mandated by state law, and would still require state funding for the portion of the program mandated by Oklahoma Statute. The OMTI would cease training the courses supported by the federal funding. The only financial solution would be to develop a funding stream supplied via appropriations or significant fee changes for the mining industry to obtain their training and certification.
- 5.) Has the agency requested any additional federal earmarks or increases?**
No

Division and Program Descriptions

Administration	This program includes the Director, Deputy Director and support staff, comprised of the financial staff. Their responsibility is to provide agency leadership and support services for the operation of the Department.
Coal Division	The coal program includes the administration and enforcement of the coal regulatory program for the State of Oklahoma. It includes all permitting activities, inspection, CCB, reclamation and legal actions associated with the program enforcement.
CCB (FlyAsh)	Coal Combustion Byproduct (CCB) placement is an environmental necessity. The placement assists in the reclamation of old abandoned mine sites left by previous operations. All fly ash, bottom ash, or any other material produced by coal combustion, power generating facilities and kiln dust generated by cement producing entities shall be exempt from all solid waste permitting requirements pursuant to Title 27A of the Oklahoma Statutes, provided such ash or dust is constructively reutilized, or disposed of in any active or inactive coal or noncoal mining operations subject to the provisions contained in Title 45 of the Oklahoma Statutes.
Minerals	This program includes all activities of the Minerals Division. It includes all permitting activities, reclamation inspections and all health and safety inspections on mine sites and the enforcement of non-mining blasting. There are over 700 permitted sites in all 77 counties of the state.

Blasting

The non-mining blasting program is responsible for the regulation of blasting, and the use, transfer, or sale of explosives for non-mining purposes. Responsibilities include the issuance of blasting permits, the issuance of blasting exemptions, the inspection of blasting sites and the seller's records, the investigation of blasting complaints, the issuance of violations and the assessment of penalties for non-compliance.

Oklahoma Miner Training Institute

The Oklahoma Miner Training Institute (OMTI) is responsible for the statutorily mandated training of all miners on the mine sites 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 recorded as part of the administration costs.

FY'19 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Administration	3		7		4	3
Coal Program	3		13		11	2
Minerals Program	1		11	2	8	1
Total	7	0	31	2	23	6

FTE History					
	2019 Budgeted	2018	2017	2015	2010
Administration	7	6	6	6	8
Coal Program	13	13	15	15	16
Minerals Program	11	12	12	12	12
Total	31	31	33	33	36

Performance Measure Review					
	FY 18	FY 17	FY 16	FY 15	FY 14
Minerals and Coal Inspections Each minerals 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. Quarterly and monthly coal inspections are required per mine status.	3941	3921	3771	3375	3409
Mineral permits issued/renewals Each mining operation either receives a life expectancy permit, or renews an existing permit.	739	730	712	739	751

Revolving Funds (200 Series Funds)			
	FY'16-18 Avg. Revenues	FY'16-18 Avg. Expenditures	June '18 Balance
Revolving Fund I Dept. of Mines agency operations revolving fund.	\$996,664	\$951,306	\$183,081
Revolving Fund II OMTI revolving fund.	\$161,651	\$140,682	\$178,879