

ENVIRONMENTAL IMPROVEMENT PROGRAM

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY19 Adjusted Base	FY20 Recommended	% Change Over FY19	FY21 Recommended	% Change Over FY20
GPR	15,482,400	13,251,500	-14.4	10,938,900	-17.5
SEG-O	8,000,000	8,000,000	0.0	8,000,000	0.0
TOTAL	23,482,400	21,251,500	-9.5	18,938,900	-10.9

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY19 Adjusted Base	FY20 Recommended	FTE Change Over FY19	FY21 Recommended	FTE Change Over FY20
TOTAL	0.00	0.00	0.00	0.00	0.00

AGENCY DESCRIPTION

The program was created in 1997 Wisconsin Act 27 to expand lending activities related to the water quality of our state. The program operates three lending programs for the purposes of construction and expansion of wastewater facilities, construction and expansion of public drinking water facilities, and remediation of municipally-owned contaminated lands. The Department of Natural Resources has lead responsibility for the environmental and project management aspects of the program. The Department of Administration is responsible for the financial management of the program.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

Program 1: Clean Water Fund Program Operations

Goal: Protect the water quality of our surface water and ground waters by funding the repair, rehabilitation, expansion and construction of municipal wastewater collection and treatment facilities.

Goal: Encourage communities to undertake needed surface water and ground water construction projects in a time frame that is in the best interests of the community and the environment.

Goal: Provide the most cost-effective means of capital to communities.

Goal: Reduce the amount of GPR support needed.

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Program 2: Safe Drinking Water Loan Program Operations

Goal: Protect public health by providing the financial resources necessary for communities to maintain safe and adequate public drinking water systems.

Goal: Encourage communities to undertake needed drinking water supply construction projects in a time frame that is in the best interests of the community and the environment.

Goal: Provide the most cost-effective means of capital to communities.

PERFORMANCE MEASURES

2017 AND 2018 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2017	Actual 2017	Goal 2018	Actual 2018
1.	Number of financial assistance agreements.	45	90	45	96
1.	Dollar amount of financial assistance agreements.	\$200 million	\$150.9 million	\$200 million	\$200.8 million
1.	Delinquent/defaulted loans.	0	0	0	0

Note: Based on fiscal year.

2019, 2020 AND 2021 GOALS

Prog. No.	Performance Measure	Goal 2019	Goal 2020	Goal 2021
1.	Number of financial assistance agreements.	45	45	45
1.	Dollar amount of financial assistance agreements.	\$200 million	\$200 million	\$200 million
1.	Delinquent/defaulted loans.	0	0	0

Note: Based on fiscal year.

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GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Replacement of Lead Service Lines
2. Safe Drinking Water Loan Program
3. Clean Water Fund
4. Debt Service Reestimate

Environmental Improvement Program

Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY18	ADJUSTED BASE FY19	AGENCY REQUEST FY20	AGENCY REQUEST FY21	GOVERNOR'S RECOMMENDATION FY20	GOVERNOR'S RECOMMENDATION FY21
GENERAL PURPOSE REVENUE	\$14,984.0	\$15,482.4	\$15,482.4	\$15,482.4	\$13,251.5	\$10,938.9
Local Assistance	14,984.0	15,482.4	15,482.4	15,482.4	13,251.5	10,938.9
SEGREGATED REVENUE (3)	\$0.0	\$8,000.0	\$8,000.0	\$8,000.0	\$8,000.0	\$8,000.0
Local Assistance	0.0	8,000.0	8,000.0	8,000.0	8,000.0	8,000.0
TOTALS - ANNUAL	\$14,984.0	\$23,482.4	\$23,482.4	\$23,482.4	\$21,251.5	\$18,938.9
Local Assistance	14,984.0	23,482.4	23,482.4	23,482.4	21,251.5	18,938.9

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Table 3
Department Budget Summary by Program (in thousands of dollars)

	ACTUAL FY18	ADJUSTED BASE FY19	AGENCY REQUEST FY20	AGENCY REQUEST FY21	GOVERNOR'S RECOMMENDATION FY20	GOVERNOR'S RECOMMENDATION FY21
1. Clean water fund program operations	\$9,888.6	\$17,893.5	\$17,893.5	\$17,893.5	\$16,280.2	\$13,988.8
2. Safe drinking water loan program operations	\$5,095.4	\$5,588.9	\$5,588.9	\$5,588.9	\$4,971.3	\$4,950.1
TOTALS	\$14,984.0	\$23,482.4	\$23,482.4	\$23,482.4	\$21,251.5	\$18,938.9

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1. Replacement of Lead Service Lines

The Governor recommends providing additional general fund supported general obligation bonding authority of \$40,000,000 under the safe drinking water loan program for the replacement of lead service lines.

2. Safe Drinking Water Loan Program

The Governor recommends providing additional general fund supported general obligation bonding authority of \$3,550,000 for the safe drinking water loan program to fund the current program. The Governor also recommends the issuance of revenue bonds to fund the state match requirements and additional loans in the safe drinking water loan program. The Governor further recommends increasing the maximum loan length from 20 years to 30 years to mirror the clean water fund program.

3. Clean Water Fund

The Governor recommends providing additional general fund supported general obligation bonding authority of \$13,500,000 for the clean water fund program to account for a miscalculation in the prior biennial budget.

4. Debt Service Reestimate

Source of Funds	Agency Request				Governor's Recommendations			
	FY20		FY21		FY20		FY21	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	-2,230,900	0.00	-4,543,500	0.00
TOTAL	0	0.00	0	0.00	-2,230,900	0.00	-4,543,500	0.00

The Governor recommends adjusting the program's base budget to reflect a reestimate of debt service on authorized bonds.

Environmental Improvement Program