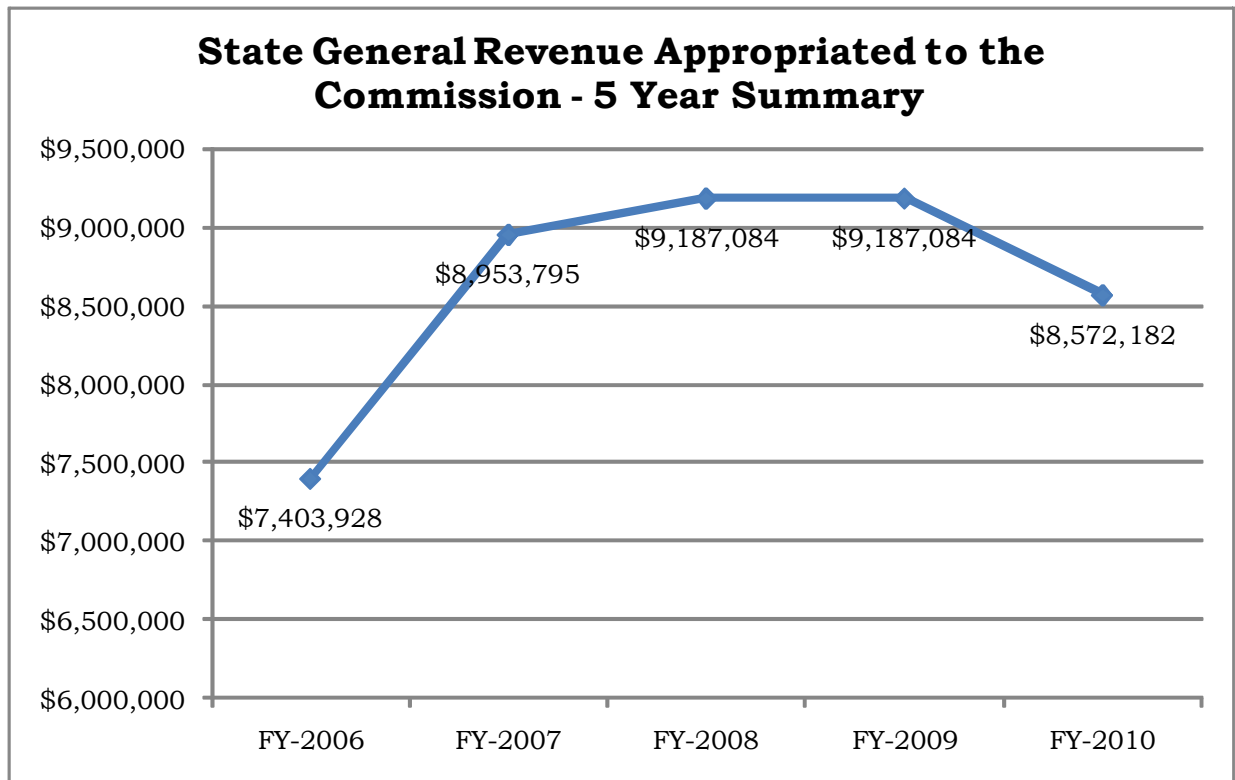
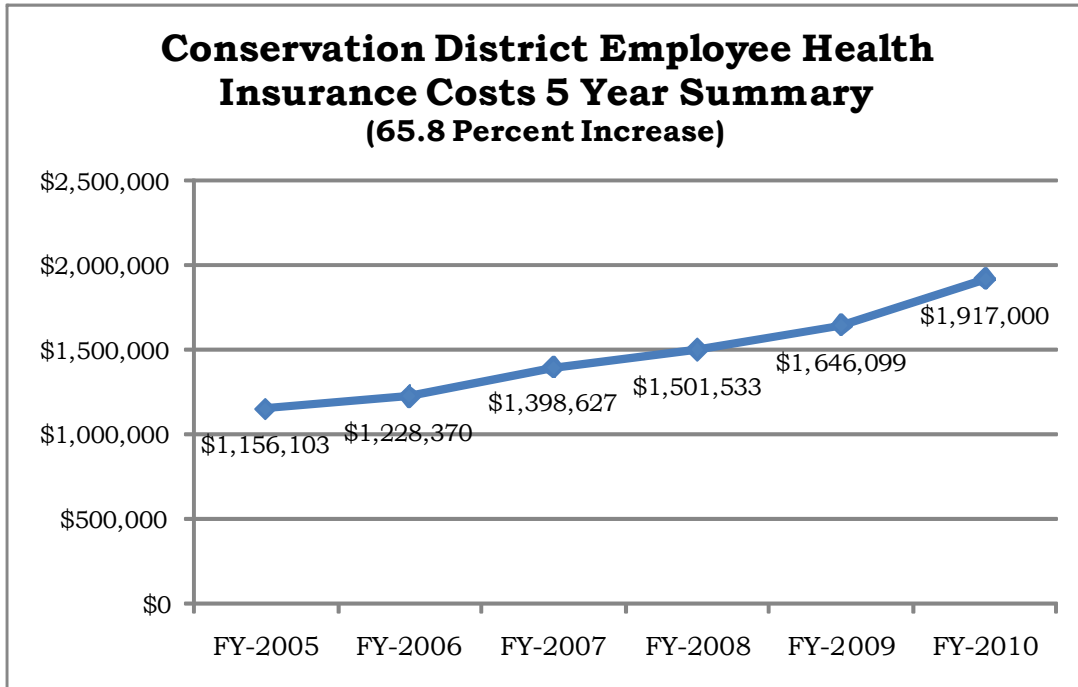


CONSERVATION DISTRICT AND COMMISSION BUDGET OVERVIEW

July 2009

Overview: The highlight of conservation funding in the 2009 legislative session was the authorization of a 25 million dollar conservation bond. The bond was sold in June 2009 and funds will be available in Fiscal Year 2010. The primary focus of the bond funding is the operation and maintenance, repair, and rehabilitation of upstream flood control structures. On the down side the slowing economy with reduced state revenues resulted in a 7% cut in the general revenue appropriations coming to the Commission beginning July 1. It is this appropriation that funds Conservation District operations and much of the Commission's operations. In addition to the 7% cut, health care costs for district employees will rise by \$275,000 in FY 2010. The legislature did not appropriate new funds for this increase. Consequently, the Commission's budget is extremely tight. We anticipate a standstill budget for districts. In order to fill the cuts we will use some reserve funds and several sources of earned funds that we receive for administering various federal programs and contracts. While we believe we can manage FY 2010 without significant cuts, it will be difficult to maintain our operations at the current level in FY 2011 and FY 2012 without a significant increase in funding for operations.





The total budget for Conservation Districts for employee salaries and benefits and district operations in FY-2010 is \$8,726,972, 102% of the General Revenue to be received in FY-2010. When commission operations and employees are added, \$1,671,471 must be made up from other funding sources. These sources include the NRCS Contributions Agreement, administering the Infrastructure Revolving Fund, administering federal contracts and federal indirect costs.

Other Funding Sources Used

1. Funding from NRCS Contributions Agreement	\$387,500
2. Administering the Infrastructure Revolving Fund	\$788,310
3. Interest from the Cost Share Fund (one time)	\$225,000
4. Earnings from Administering Federal Contracts	\$170,661
5. Federal Indirect Costs from Water Quality/Abandoned Mine Land Reclamation Programs Administration	\$100,000
	\$1,671,471