

OHIO RIVER VALLEY WATER SANITATION COMMISSION

MINUTES

**236th Commission Meeting
Hilton Cincinnati Netherland Plaza
Cincinnati, Ohio
Thursday, June 29, 2023**

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Thursday, June 29, 2023**

Chair Toby Frevert, Presiding

Call to Order

Chair Frevert called the 236th meeting of the Ohio River Valley Water Sanitation Commission to order at 9:00 A.M., Thursday, June 29, 2023.

Executive Director Harrison led the Pledge of Allegiance.

Quorum Call

Commissioner Flannery certified that a quorum was present (see Roster of Attendance, page 10).

Report of the Chair

Chair Frevert started the meeting by expressing how great the commission meeting has been with the 75th anniversary and also the opportunity to share experiences, perhaps both positive and negative, that came out of the East Palestine railroad accident. We learned a lot. ORSANCO did a wonderful job which was heard time and time again. He also acknowledged that as a retired state employee, he thought the State of Ohio, from the governor right down through all the agencies, did a wonderful job.

Report of the Executive Director

Executive Director Harrison thanked staff for the incredible 75th anniversary event. He also thanked Chair Frevert for his guidance and direction. He invited David Miracle to come up to receive a gift of gratitude that Mike Wilson made on behalf of Nucor who in addition to Taft, was a title sponsor for the 75th anniversary banquet. Commissioner Miracle was unfortunately called away and could not be there to accept it at the banquet event.

Director Harrison thanked ORSANCO's Counsel Aaron Herzig for his great idea to take the opportunity to highlight ORSANCO's Foundation (FORE) and its wonderful work and to secure funding through sponsorships for the Foundation. Through Taft and Nucor's generous sponsorships as well as a number of individual sponsorships, we were able to raise significant funding for the Foundation and are very grateful for all of our sponsors.

Executive Director Harrison then provided a status update on permit reviews for the meeting minutes.

Staff received and reviewed 11 NPDES permits (4 draft, 4 final and 3 modifications) to ensure compliance with provisions of the ORSANCO's Pollution Control Standards. The reviews were completed in accordance with the established PCS Implementation Procedures.

The specific permits reviewed included:

- City of Follansbee, (WV0020273) at Ohio River Mile (ORM) 70.5
- Wheeling Power Company, (WV0005304) at ORM 112
- City of New Martinsville, (WV0027472) at ORM 128.7
- City of South Shore WWTP, (KY0026131) at ORM 353.8
- Augusta Distillery, (KY0113573) at ORM 426.8
- New Riff Distilling LLC, (KY0112429) at ORM 469.5
- Buckeye Terminal LLC, (KY0089711) at ORM 611.6
- Louisville Gas and Electric-Mill Creek Generating Station, (KY0003221) at ORM 626
- Mosaic Crop Nutrition LLC, (KY0112364) at ORM 807.4
- Sigeco AB Brown Generating Station, (IN0052191) at ORM 817
- Sabic Innovative Plastics US LLC, (IN000210) at ORM 831.2

The reviews were completed in accordance with the established PCS Implementation Procedures.

Action on Minutes

ACTION: Motion by Commissioner Flannery, second by Commissioner Harrison and unanimously carried, that the minutes of the 235th meeting of the Commission, be adopted as presented.

Report of the Treasurer

Commissioner Flannery reported that a detailed Treasurer's Report as of May 31, 2023, was provided in the agenda materials for this meeting.

The report indicates a balance of \$506,904 in accounts receivable due the Commission. The balance represents \$442,589 due from federal sources, and \$64,315 due from other sources.

Additionally, the report indicates receipts of \$2,549,059 plus carryover of \$4,093,109 totaling \$6,642,168 through the end of May 2023. Of that amount \$3,123,358 was expended on programs, leaving \$3,428,810 available for the continuation of ORSANCO's programs.

Report of the Technical Committee

Technical Committee Chair Scott Mandirola reported the Technical Committee held its 232nd meeting over the past two days. Seven states, two federal agencies, and four advisory committees were represented. A summary of the meeting follows:

Continuing Review of ORSANCO's Monitoring Programs

ORSANCO'S Monitoring Strategy Review Committee met in April and June to discuss alternatives for use of FFY24 Monitoring Initiative funds from the USEPA totaling approximately \$79,000. These funds are stipulated for use in filling short-term monitoring gaps, not for long-term routine monitoring programs.

Alternatives considered included updating ORSANCO's Monitoring Strategy, analyzing long-term trends of bimonthly/clean metals data, PFAS monitoring, evaluating new bacteria monitoring technologies, and others. TEC endorsed moving forward with updating the Commission's monitoring strategy, which would allow for all of the other alternatives to be evaluated for future implementation, while all staff time projects are most beneficial for the budget.

Technical Program Outcomes from May 11 Program and Finance Committee Meeting

Staff discussed highlights of the FY2024 Technical Program as endorsed at the May Program and Finance Committee meeting. The FY2024 Technical Program budget increased by \$350,000 over the current program, primarily due to NRSA, and other special projects grant funding.

ORSANCO Biological Programs Update

Staff reported that the 2022 pool surveys of Belleville and Olmsted are now complete and will be made available online shortly. Staff also provided an update on the recalibration of biological indices and the 2023 survey schedule, which includes National Rivers and Streams Assessments on behalf of USEPA and probabilistic surveys of New Cumberland and Cannelton pools.

ORSANCO Source Water Protection Programs Update

Staff provided an overview of the ongoing activities associated with the Commission's Source Water Protection and Emergency Response programs. This included an update on the Organics Detection System detailing the operational status of the system, the purchase and installation of a new gas chromatograph with mass spec, and progress to develop a data management and alert system for the ODS network. The Committee was also briefed on a methanol barge accident in Louisville, Kentucky. An update was also provided on a separate incident involving benzene detections on the Mahoning River which have been ongoing intermittently since February 2022.

East Palestine Spill Debriefing

A train derailment occurred in East Palestine, Ohio on February 3, 2023 impacting local tributaries and the Ohio River. Approximately 50 railcars either derailed or were damaged, several of which were carrying hazardous materials. ORSANCO played a critical role in monitoring downstream water quality in the Ohio River and communicating results with drinking water systems and response agencies. The East Palestine response showcased the breadth of ORSANCO's response capabilities including utility notifications, river sampling, lab analysis, time-of-travel modeling, data reporting and mapping, and public engagement. Further review and inter-agency debriefings of the response will be completed to identify what worked well and how response activities could be improved in the future.

Report of the Personnel Committee

Personnel Chair George Elmaraghy reported on two items.

The first item is a proposed revision to the Commission's salary table. ORSANCO attempts to update the salary schedule every 3 to 5 years by completing an external salary survey to benchmark positions and compensation with local market data, Compact states data, and other relevant organizations such as utilities and interstate commissions.

A revised salary table was approved by the Commission in June 2022. The Committee is proposing adjusting the ranges in the current table by 2% to help minimize the magnitude of changes that will possibly need to be made in the next full scale update. In addition, as inflation continuing to impact salaries, the Committee would like to gradually increase the ranges each year.

The proposed FY24 range table, adjusted by 2%, was provided in advance of the meeting for consideration and posted on the Commissioner Web Portal.

The second is the proposed adjustment to the Flexible Spending Account (FSA) Contribution. ORSANCO provides a monthly contribution to each staff member's Flexible Savings Account (FSA) to help offset the cost of health insurance premiums. To help offset the sizeable increases to health insurance premium costs, the Committee recommends a \$50 per month contribution increase for each staff member. The last increase to the FSA Plan contribution was in 2011.

The cost of these two recommended actions can be reasonably accommodated in the FY24 proposed budget, and has been reviewed by the Program & Finance Committee.

ACTION: Motion by Commissioner Elmaraghy, second by Commissioner John Lyons and unanimously carried, that the new salary table effective July 1, 2023, be adopted as presented.

ACTION: Motion by Commissioner Elmaraghy, second by Commissioner Rockensuess and unanimously carried, that the recommendation to increase the Flexible Spending Account contribution by \$50 per month, be adopted as presented.

Report of the Program & Finance Committee

Committee Chair, Commissioner Hoopgarner, provided the following report:

The Program and Finance Committee conducted a meeting on May 11, 2023. Seven member states including Kentucky, Ohio, Illinois, Indiana, West Virginia, New York, and Pennsylvania were represented, as well as the Federal Government.

A detailed packet containing the balanced budget as well as items discussed during the meeting was provided in advance. The Committee developed five recommendations for Commission consideration. Two resolutions covering adoption of the FY24 balanced budget and a state funding recommendation for FY26 were also included.

Status of April 2022 Program & Finance Committee Recommendations

The Committee received an update on the status of recommendations that had been made by the Committee at its April 2022 meeting.

1. Recommended adoption of the FY23 program plan and balanced budget.
 - *Commission adopted resolution 3-22 to approve the Program Plan and Budget for FY23.*
2. Recommended adoption of a 2% state funding increase for FY25.
 - *Commission Adopted Resolution 4-22 establishing a 2% state funding increase for FY25.*
3. Recommended setting the FY23 Defined Contribution Plan discretionary contribution at 5% of compensation.
 - *Recommendation adopted by Commission action in June 2022.*
4. Recommended a proposal to advance the Strategic Planning Process by drafting a Plan by September 1, 2022 for review by the Committee, then deciding on next steps to have the Draft Plan available for consideration by the Commission in June 2022.
 - *Strategic Plan adopted by the Commission in June 2022*

FY24 Budget Message

Executive Director Richard Harrison provided a budget message overview focusing on the proposed FY24 balanced budget, five-year revenue and expenditure forecasts, carryover resources, and ongoing funding initiatives.

Fiscal Year 2024 Programs

The Committee received detailed presentations from managerial staff describing proposed program activities, focusing on program changes and the budget impacts of such changes.

Estimated Carryover Resources into FY24

Staff provided an overview of the estimated carryover resources of \$3,700,474, which includes unencumbered resources of \$2,454,553, restricted operating reserves of \$600,000, encumbered resources of \$263,885, and capital equipment \$382,036.

Proposed FY24 Budget

The Committee received a detailed budget presentation by staff covering resources and expenditures broken down by program area. Staff presented a total proposed program budget of \$4,522,882.

Capital Equipment Budget

Staff presented an overview of current capital assets and recommendations to better facilitate asset replacement and serve as a basis for a proposed Capital Budget for FY24.

Five-Year Moderate Forecast

Executive Director Harrison presented detailed forecasts of projected revenues and expenditures through FY28. The forecasts show a trend of relatively flat funding with some increases in expenses, heightening attention to the need to continue identifying additional funding sources.

Recommended Levels of State Funding for Fiscal Year 2026

The Committee gave serious consideration and concluded that a 2.0% state funding increase be recommended for FY26.

Committee Recommendations

Each of these will be presented as Motions for Commission vote:

1. Recommend adoption of the FY24 program plan and balanced budget as presented.
2. Recommend adoption of a 2% state funding increase for fiscal year 2026.
3. Recommend setting ORSANCO's FY24 Defined Contribution Plan discretionary contribution at 6% of compensation.
4. Recommend directing ORSANCO's Executive Director to work with member states to develop a five-year strategy to utilize USEPA additional categorical grants made available to ORSANCO state agencies from the Infrastructure Bill and other available sources.
5. The Program & Finance Committee recommends that the Environmental Justice Committee develop a set of recommendations to the Commission regarding the inclusion of Environmental Justice activities throughout ORSANCO programs and seek available funding to support these activities.

The Program & Finance Committee recommends that the Environmental Justice Committee develop a set of recommendations to the Commission regarding the inclusion of Environmental Justice activities throughout ORSANCO programs and seek available funding to support these activities.

Committee Chair Hoopingarner presented these recommendations as motions for consideration.

ACTION: Motion by Commissioner Hoopingarner, second by Commissioner Harrison and carried, to adopt **Resolution 2-23 (Attachment 1)**, approving the program plan and budget for FY23 as presented.

ACTION: Motion by Commissioner Hoopingarner, second by Commissioner Proxy Scott Twait, and carried, to adopt **Resolution 3-23 (Attachment 2)**, establishing state funding dues for FY26 as presented.

ACTION: Motion by Commissioner Hoopingarner, second by Commissioner Kupke, and carried, to accept the Committee recommendation setting the FY24 Defined Contribution Plan voluntary contribution at 6% of compensation, consistent with the FY23 funding level.

ACTION: Motion by Commissioner Hoopingarner, second by Commissioner Kupke, and carried, to accept the Committee recommendation to direct ORSANCO's Executive Director to work with member states to develop a five-year strategy to utilize USEPA additional categorical grants made available to ORSANCO state agencies from the Infrastructure Bill and other available sources.

ACTION: Motion by Commissioner Hoopingarner, second Commissioner Kupke, and carried, to accept the Committee recommendation that the Environmental Justice Committee develop a set of recommendations to the Commission regarding the inclusion of Environmental Justice activities throughout ORSANCO programs and seek available funding to support these activities.

Report of the Nominating Committee

Commissioner Wilson, Committee Chair, reported that the Committee recommends the following slate of officers for 2022-2023:

Chair: John Hoopingarner of Ohio
Vice Chair: David Flannery of West Virginia
Secretary/Treasurer: Joseph Harrison, Jr. of Indiana

ACTION: Motion by Commissioner Wilson, second by Commissioner George Elmaraghy and unanimously carried, to accept the slate of officers as recommended.

Report of the Pension Committee

The Pension Committee continues to work with staff to review the Pension Plan and monitor the investment portfolio to provide ongoing recommendations to sustain the Plan in a cost effective manner.

The Committee has worked closely with staff and the Plan's actuarial consultant from Buck Global to monitor and recommend updated actuarial assumptions as appropriate. The Committee recommends three assumption changes which were provided in the Commission meeting agenda packet in advance of this meeting.

Based on research of current benchmarks, advice from the actuarial consultant and the investment manager, the Committee recommends lowering the investment return assumption from 7.5% to 6.75%. A 6.75% return assumption better reflects a more achievable annual return, is more in line with currently accepted returns, and can be better supported in the valuation reports.

The actuarial consultant also proposed revising the assumption relating to asset valuation by replacing the market value method to an asset smoothing method. Asset smoothing helps to better control the annual fluctuations in recommended contributions to the Plan.

And finally, the mortality table recommended assumption change is simply adopting the most recently updated commonly used table.

ACTION: Motion by Commissioner Harrison, second by Commissioner Kupke and unanimously carried, to adopt the FY24 Pension Plan Actuarial Assumptions Table as presented.

Report of the Water Users Advisory Committee (WUAC)

Chris Bobay, Committee Chair, gave the following report:

The Water Users Advisory Committee last met on May 31 and June 1. The agenda centered around discussion of the East Palestine incident and subsequent Ohio River spill response. As is customary for any major river incident, we conducted an after-action review process. We went through the incident timeline and solicited feedback from those involved on the technical response. Once we compile our lessons learned, we will be happy to share our feedback and any recommendations with ORSANCO and this Commission.

The Committee makes the following commendations:

- We commend ORSANCO for the response to the East Palestine train derailment incident. We learned a lot from this incident. This was a major test of the system and our processes and procedures. So, thanks again to ORSANCO for their resiliency.
- We also commend the drinking water systems and the ODS operators. Our partners at Greater Cincinnati Water Works led the way on the production of timely, quality data that proved to be invaluable. But we also want to recognize all the ODS operators, especially those in the upper basin that kept their instrumentation running even when their plants were shut down. The strength of the ODS is the connectedness of the people in the network. Yes, we have an obligation to keep our tools sharp and our people trained up. But, this incident really demonstrated how the network operates and how the community of water professionals comes together. That connectedness must be preserved. And ORSANCO plays a major role in that ongoing coordination and facilitation.
- We also want to recognize Director Vogel and the staff at Ohio EPA for their support and coordination. I've had the chance to talk to city council members and public health officials and many of us recognize that what happened in East Palestine, OH was very different than what happened in the Ohio River. I know many in the general public failed to recognize this difference, but we did. And we're thankful for your diligent efforts and coordination with ORSANCO throughout the incident.

Spill response is not the only thing on our radar. We have a proposed PFAS Rule and new MCL framework. We also have proposed revisions to the Consumer Confidence Rule. Comment periods have closed on those with many of committee members submitting comments to EPA. We are 6 months in on the next round of Unregulated Contaminant Monitoring for PFAS. And 2 years in on a 3-year implementation of Lead and Copper Rule Revisions. Collaboration with state agencies on implementation issues will be critical to our path forward and we look forward to working with many of you on these important issues.

Report of the Public Information Advisory Committee

Betsy Mallison, Committee Chair, presented the following report to the Commission:

PIACO met in person on Wednesday, June 28, 2023. The committee talked about many items including the communications staff's response to the train derailment and the River Sweep which is now a different format where people are encouraged to do their own cleanups throughout the summer. Currently, 87 River Sweep events have taken place involving 4,539 volunteers and 87,000 tons of trash already picked up and it is only June. It is being promoted through October. The Committee talked about the funding for the River Sweep. We have collected \$65,000 for sponsorships and another \$72,500 still pending.

The Committee discussed the Life Below the Waterline. There are 3 events this year including the one held this week during the 75th anniversary celebration. She thanked the staff and Annette Shumard who received a lot of press. They also discussed the replacement and repairs made to the aquarium and the fact that the staff is being cross trained. They are concerned about the staff level of communications because as they move forward in environmental justice and other activities, they will need additional help for grant writing, fund raising, etc.

There are a few openings on PIACO if anyone has any recommendations, send your nominations to David Bailey.

Report of the Watershed Organizations Advisory Committee (WOAC)

Chris Tavenor, Committee Chair, presented the following report to the Commission:

1. **Quarterly meeting.** The committee met on June 8 with the following agenda items:
 - Updates from Executive Director Richard Harrison
 - Discussion of American Rivers MER Designation
 - Ohio River Basin Restoration Plan
 - Organizational Updates
 - ORSANCO 75th Celebration

2. **American Rivers' Most Endangered River Designation of the Ohio River.** Over the past few months, organization members of the Watershed Organization Advisory Committee participated in American Rivers' announcement of the Ohio River as one of its annual Most Endangered Rivers. We were excited to have ORBA joining the advocacy surrounding the announcement as well, and we believe the announcement emphasizes both the current strengths of the river as well as the opportunities to invest in long-term conservation throughout the watershed.

The Most Endangered River designation represents an opportunity for communities all along the river to advocate for the funding needed from Congress to reinforce existing progress toward restoring and protecting the many different uses of the Ohio River. To us, we see the designation as fundamentally supportive of the values underpinning the immense work going into the Ohio River Basin Restoration Plan.

In early June, advocates from WOAC member organizations joined ORBA in Washington D.C. in advocacy for Ohio River funding. We believe consistent collaboration toward sustained funding for the watershed is key to meeting the needs of Ohio River communities. We hope to see federal funds allocated in a fair and proportional method for watershed groups and entities working to protect and restore the Ohio River.

3. **Ohio River Basin Restoration Plan.** Speaking of the Ohio River Basin Restoration Plan, many of the WOAC member organizations continued participating and recruiting for the listening sessions for the plan's design efforts. National Wildlife Federation has been instrumental in development of the plan's framework, and other member organizations are excited to provide feedback once draft chapters are completed. We encourage ORSANCO commissioners to be thoughtful and intentional in their review of plan drafts—we believe a robust, comprehensive plan is more important than rushing the plan to completion. Especially in the face of ongoing emergencies like the causes and impacts of global climate change, it's imperative to get the plan right.

4. **East Palestine.** WOAC would like to express gratitude to Executive Director Richard Harrison and especially ORSANCO field staff for their rapid response efforts following the East Palestine train derailment around monitoring the Ohio River—the continuous effort and coordination conducted by ORSANCO’s team did not go unnoticed by advocacy and watershed organizations throughout the region. We especially appreciated the transparent communication of data from ORSANCO’s team in the weeks following the detection of contaminants in the Ohio River itself. In the face of a difficult situation, the amount of resources dedicated to response is evident. While there are certainly opportunities for further refinement to emergency response strategies, the ongoing communication of data, tactics, and resources available to the community has been essential to meeting the needs of the impacted community.
5. **ORSANCO 75th Celebration.** Many of our members have representatives here this week, and we’re excited to join you all in celebrating 75 years of ORSANCO’s work on the Ohio River. Many of our organizations—and other grassroots organizations not currently part of WOAC—have booths at the festival later today, and we hope you’ll stop by our tables to learn more about the work our organizations are doing throughout your states.

Upcoming Meetings

Chair Frevert noted the following schedule for upcoming Commission meetings:

- February 6-8, 2024 – Covington, Kentucky
- June 11-13, 2024 – Louisville, Kentucky
- October 8-10, 2024 – TBD

Chair Frevert announced that an ad hoc committee on environmental justice concerns has been formed over the last several months. Commissioner Davitt Woodwell has agreed to chair the committee. We will be sending out and making public the charge for the committee and the participants. We have an excellent core group to get the committee moving. He extended the opportunity for others if they are interested in joining. He has indicated to the committee chair that he has great enthusiasm for the committee. The committee is thinking it will have a virtual meeting later during the summer.

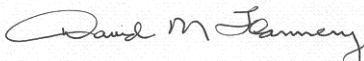
Comments

Commissioner David Flannery offered his thanks for Chair Frevert’s leadership for years and during his time as Chair.

Adjournment

The 236th meeting of the Commission was adjourned at 9:48 A.M.

Minutes approved by:



David Flannery, Secretary/Treasurer

Prepared by Tracey Edmonds

ROSTER OF ATTENDANCE
236th Commission Meeting
June 29, 2023

Commissioners

Illinois	Scott Twait (PROXY for Director John Kim) Toby Frevert
Indiana	Brian Rockensuess John Kupke Joseph Harrison, Jr.
Kentucky	John Lyons (PROXY for Lt. Governor Jacqueline Coleman) Carey Johnson (PROXY for Secretary Rebecca Goodman) Spencer Bruce - virtual
New York	Michael Wilson Douglas Conroe
Ohio	Anne Vogel John Hoopingarner Holly Christmann
Pennsylvania	Davitt Woodwell Kevin Halloran (PROXY for Secretary Richard Negrin) Bruce Herschlag
West Virginia	David Flannery Ron Potesta Scott Mandirola (PROXY for Secretary Harold Ward)
Virginia	Jeffrey Hurst
Federal	David Miracle George Elmaraghy Tom FitzGerald – virtual
Legal Counsel	Aaron Herzig

Executive Director Richard Harrison

Staff

Ryan Argo, David Bailey, Nick Callahan (virtual), Stacey Cochran (virtual), Sam Dinkins, Tracey Edmonds (virtual), Jason Heath, Joe Gilligan, Adam Scott, Annette Shumard, Jamie Tsiominas (virtual)

Guests

Chris Bobay, Bill Boria, Chuck Duritsa, Lisa Eikenburg, Kylie Johnson, Betsy Mallison, Angie Rosser, Tiffani Kavalec, Tom McCaffrey, Brad Gavin, Gabrielle Ghreichi, Parvonay Stover, Chris Tavenor, Mary Jo Stanley, Alan Vicory

RESOLUTION 2-23

PROGRAM PLAN AND BUDGET FOR FISCAL YEAR 2024

WHEREAS: The Commission has established the sum of \$1,468,600 as the amount of appropriations to be requested from the signatory states for fiscal year 2024; and

WHEREAS: Funds from the United States Government for approximately \$2,180,526 may be allocated to the Commission for fiscal year 2024; and

WHEREAS: Funds amounting to \$505,467 may be available from a variety of sources to support the Ohio River Sweep, ORSANCO/USGS Gaging Stations, Life Below the Waterline; and

WHEREAS: The Commission is anticipated to carry over resources of \$3,347,185 into the 2024 fiscal year.

NOW, THEREFORE, BE IT RESOLVED THAT: The 2024 Fiscal Year Program Plan for all activities and the budget contained therein and in support thereof be approved as presented.

BE IT FURTHER RESOLVED THAT: The Executive Director is hereby authorized to make application for funding as may be available from US EPA, for other Federal funding and funding from other sources as may become available.

BE IT FURTHER RESOLVED THAT: The expenditures in fiscal year 2024 be substantially within the framework of the following guidelines, which are made a part of this Resolution.

2024 FISCAL YEAR BUDGET

Payroll	\$1,701,470
Employee Benefits	846,552
Staff Travel	197,741
Commission Travel	93,125
Advisory Committees	12,796
Supplies	230,285
Telephone	13,788
Equipment Purchases	122,500
Utilities & Maintenance	21,480
Equipment Repairs & Maintenance	91,298
Printing & Reproduction	9,400
Lab Fees and Delivery	318,748
Contractual Services	<u>863,700</u>
Total Expenditure Budget	\$4,522,882

RESOLUTION 3-23

STATE FUNDING LEVEL FOR FY2026

BACKGROUND

The Commission has the responsibility of setting levels of state funding to support its programs. By policy, such state funding is to be established two years in advance to facilitate legislative/fiscal processes of the individual states. In developing its recommendations, the Program and Finance Committee relied, in part, on current and future budget information, the current rate of inflation and the current level of funds in the reserve account. The Program and Finance Committee was presented with alternative increases in the states' 2026 funding and agreed to recommend a 2% increase in state funding for the 2026 fiscal year. The attached listing displays each state's proportional share of the Commission's budget for 2026 in comparison with their most recent funding levels.

ACTION REQUESTED OF THE COMMISSION

Authorize a level of state funding for FY2026 by means of the following Resolution "State Funding Level for 2026."

RESOLUTION 3-23

STATE FUNDING LEVEL FOR 2026

WHEREAS: Article V of the Compact provides that the Commission shall submit to the Governor of each state, at such time as he may request, a budget of its estimated expenditures for such period as may be required by the laws of such state for presentation to the legislature thereof;

NOW, THEREFORE, BE IT RESOLVED THAT: The sum of \$1,528,000 be budgeted for operating expenses of the Commission in the Fiscal Year July 1, 2025 to June 30, 2026. Such sum to be prorated among the signatory states in accordance with the provisions of Article X of the Compact.