

Libby Asbestos Superfund Oversight Committee

Budget Overview:

Three types of funds available to the State of Montana for Libby Superfund Site for Operation and Maintenance (O&M). Some of the requirements for use of the funds is limited based on settlement or appropriation of money. DEQ will be asking the Committee for input and discussion as things move forward. Here is a summary of the type of funds:

- 1.) EPA has approximately \$11 million in O&M funds for all operable units excluding operable unit 3 (mine site) and operable unit 6 (BNSF). The funds are administered by EPA to DEQ through a cooperative agreement grant. DEQ currently has a small amount this year for Operable Unit 1 and Operable Unit 2 for general O&M, which includes site inspection and reporting. In addition, EPA will have their own charges to this funding source for administration and oversight.
- 2.) The State of Montana, DEQ received \$5,167,000 for O&M as part of the 2008 bankruptcy settlement. A total of \$480,000 has been allocated from this account for FY2018, which was used for oversight and support of the Advisory Team, since the 2015 SB315 appropriation and transfer did not start until July 1, 2018 (State Fiscal Year 2019). The State of Montana will use some of these funds for legal and technical support to defend reserved bankruptcy claims as they relate to operable unit 3 and intend to get the full investment reimbursed.
- 3.) As authorized in Montana Code Annotated 75-10-743(10)(c) and 75-10-704(4)(j)(I)., DEQ received an appropriation of \$600,000 annual from an Orphan Share transfer that started July 1, 2018. In addition, Montana Code Annotated 75-10-1601 provides a framework on how this money can be used and establishes a permanent Trust fund to pay exclusively for costs to the State of cleanup and long-term O&M.
 - 20% of the funds or \$120,000 allocated to trust fund
 - 80% of funds or \$480,000 allocated to cleanup operation and maintenance account. The balance from the \$480,000 allocated annually for O&M is moved to Libby Asbestos Cleanup Trust as an Income Transfer.
 - 25% of these funds or \$120,000 used for administrative purposes.

State Fiscal Year 2020 Budget: November 2019 update

Libby Asbestos Cleanup Trust (Fund 09033)

	Fund Balance (06/30/2019)	SFY 2020 Revenue	Current Fund Balance
530025 STIP Participant Earnings	\$7,256.38	\$5,221.11	\$12,477.49
530032 MBOI Investment Appr/Depr	\$34.59	\$(34.59)	\$0.00
582825 Income Transfers-Nonbudgeted	\$240,000.00	\$120,000.00	\$360,000.00
582852 Income Transfers	\$484,593.79	\$0.00	\$484,593.79
TOTALS	\$731,884.76	\$125,186.52	\$857,071.28

Libby Asbestos Cleanup and Operations Account (Fund 02130)

	Allocated Annually	Expenditures thru FYE 2019	Expenditures FY20	Projected FY20 Expenditures	Projected Balance FY20
Personal Services	\$71,742.00	\$3,651.47	\$4,630.15	\$8,162.00	\$63,580.00
Operating Expenses	\$166,743.00	\$2,666.80	\$11,515.83	\$27,000.00	\$139,743.00
Potential Transfers-out	\$241,515.00	\$484,593.79	\$0.00	\$0.00	\$241,515.00
TOTALS	\$480,000.00	\$490,912.06	\$16,145.98	\$35,162.00	\$444,838.00

- **Summary from July 1, 2019 through November 30, 2019.**
- **Estimated expenses for the remainder of the year include:**
 - o Personnel Services (salary and benefits) for DEQ staff time to support Libby Asbestos Superfund Oversight Team efforts.
 - o Operating expenses for Lincoln County/DEQ Memorandum of Understanding.