

2011-13 Budget Context

Fish and Wildlife Commission Meeting

August 5, 2010

David Giglio

WDFW Budget Director

State Budget Context

Revenue growth fell while costs increased:

- FY 2009: \$9 billion GFS problem
- FY 2010: additional \$3 billion problem
- FY 2011: yet another \$3 billion problem

Statewide solutions:

- Federal support, one-time fund transfers, program reductions, new revenue

WDFW Budget Reductions

WDFW's GFS budget has shrunk 39% over the last four years:

- \$56.2 million in FY 2008
- \$49.1 million in FY 2009
- \$41.3 million in FY 2010
- \$34.3 million in FY 2011*

FY 2012? Proportionate share of statewide GFS shortfall is around \$6-8 million per year.

WDFW GFS Usage

WDFW's major uses of GFS:

- Hatchery operations (\$8 million/yr)
- Fish recovery & management (\$8 m/yr)
- Enforcement (\$7 m/yr)
- Administration (\$6 m/yr)
- HPAs (\$5 m/yr)

Governor's Budget Instructions

Approach to 2011-13 Biennial budget:

- Is the activity a core service?
- Is the activity mandatory?
- Does state government have to perform the activity?
- Are there more cost-effective ways of delivering the service?
- Does the activity need to be paid for with state funds? Should user fees be charged or raised?

State Wildlife Account

Due to the expiring surcharge, rising costs and programs shifted onto the account, we face a shortfall of \$10-11 million in 2011-13.

Without fee increases, cuts will:

- Reduce recreational opportunities
- Reduce natural resource law enforcement
- Reduce fish production and associated business

Up Next:

- Strategic Planning: Dave Geiger
- Capital Budget: Bill Phillips
- Operating Budget: David Giglio

2011-13 Budget Requests

Philosophy

- Limit our requests, focus on strategic priorities
- Look for efficiencies, ways to prepare for GFS reductions (through November)
- Expect to rely more on our own fees
- Ensure State Wildlife Account revenue meets the needs of hunting and sport fishing

Changes to the July 15 Packet

Withdrawn requests:

- Leasing DNR Lands
- Proportionate Administrative Funding
- Maintain Enterprise Applications

New or adjusted requests

- Preparing WDFW Buildings for Sale (expanded)
- Cover higher health care costs
- Reduce State Wildlife authority

Maintenance Level Requests

Maintenance Level requests are for

- Technical corrections.
- Unavoidable cost increases.
- Balancing to available revenue.

Maintenance Level Requests

WDFW is requesting additional funding for:

- FY 2011 Supplemental: \$643,000 (all GFS)
- 2011-13 Biennial: \$2.7 million (\$1.5 m GFS)

Some ML requests have no costs or undetermined costs.

State Wildlife authority will be reduced about \$10 million (which we hope to restore through fee increases)

Policy Level Requests

Reducing Wildlife Conflict

– \$825,000 WLS, 3.5 FTEs

Preparing WDFW Buildings for Sale

– \$1,500,000 WLS, 0 FTEs

Hatchery Reform: Broodstock Management

– \$335,000 GFS, 1 FTE

Critical Asset Management

– \$13 million need and \$2-3 million request

An Incomplete Budget

- New fees are necessary to maintain current programs and services. These will be discussed as part of the legislative agenda.
- Greatest budget impacts will not be adding new programs:
 - GFS reductions in the Governor's and Legislative budgets.
 - WLS reductions if we do not update fees.