2021 Operating Budget Requests

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June 12, 2020
Agenda

2021 Legislative Session Overview

Department Budget Overview

OFM Budget Savings and Reductions
Assignment for SFY21

2021 Second Supplemental

2021 Operating Budget Requests
  • Maintenance Level
  • Performance Level
2021 Legislative Session Overview
2021 Legislative Session

- **105 days** – long session, with focus on developing biennial budget
- **Revenue outlook** – $7B less than expected
- **Potential special session** – narrowly focused on COVID-19 economic response
- **Natural resource agency focus** on keeping our programs whole
- **Nov Election** – many retirements and competitive legislative districts
Department Budget Overview
2019-21 Operating Budget
(dollars in millions)

- State General Fund $163.7 (31%)
- State Wildlife Account $115.4 (22%)
- General Fund Federal $141.3 (26%)
- General Fund Local $69.4 (13%)
- Other Funding $43.6 (8%)
2017-19 Biennium Spending by Activity (dollars in millions)
WDFW General Fund Appropriations
(dollars in millions)
Anticipated 2021-23 Carry-Forward

<table>
<thead>
<tr>
<th></th>
<th>17-19 BN</th>
<th>19-21 BN</th>
<th>CF Level Changes</th>
<th>Anticipated 21-23 BN</th>
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<tbody>
<tr>
<td>General Fund - State</td>
<td>$93,243</td>
<td>$161,487</td>
<td>$(15,197)</td>
<td>$146,290</td>
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<td>State Wildlife Acct</td>
<td>$112,612</td>
<td>$115,447</td>
<td>$4,682</td>
<td>$120,129</td>
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<td>Total</td>
<td>$205,855</td>
<td>$276,934</td>
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<td>$266,419</td>
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Expiration of one-time funding
- 2019 SRKW investments – ($8.2M)
- 2020 Provisos- ($3.5 M)
  - (CR Pinniped, Green Crab, Net Ecological Gain, etc.)

Resolution of Structural Deficit
- $14.7M swap WL-S for GF-S
- Reversal of one-time investment from 2019 - ($24M)
OFM Budget Savings Exercise
OFM Guidance

$1.9B savings target statewide (15% reduction)

• Identify under-expenditures, premium adjustments and efficiencies
• Focus on General Fund accounts, but consider all accounts for savings
• Use other funds in lieu of General Fund
• Reduce, delay or eliminate programs
• Identify programs or services that do not meet your core mission
• Look for opportunities to immediately realize savings through program changes that you anticipate proposing in your 2021–23 budget requests
Our Approach: Fiscal Year 2020-21
Budget Savings

Submitted $12.8M budget savings list to OFM on June 1

- Prioritized one-time and non-FTE reductions wherever possible
- Examined new 2020 supplemental budget appropriations
- Included flexible, non-GFS fund sources
- Identified potential, low-impact fund transfer
- Used 2018 zero-based budgeted and new 2020 strategic plan to guide efforts
WDFW’s $12.8M one-time reductions for SFY21

- Savings from SFY2020
- Reduce/Eliminate 2020 Supplemental Provisos
- New savings (hiring freeze, contract freeze)
- Access positive fund balance on one-time basis, diminish future opportunities
Operating Budget Requests
Three levels for budget

- Carryforward level – technical only (No requests)
- Maintenance level – for increased costs
- Performance level – budget requests
Two budget requests in September

Second Supplemental
- For last minute, retroactive and emergent changes ("onetime")
- Through June 30, 2021

21-23 Biennial Budget Request
- July 1, 2021 – June 30, 2023
- May include cut packages
- Instructions from OFM later this month
2021 Second Supplemental Operating Budget Requests
2021 Second Supplemental Operating Budget Requests

- SB 5481 Interest Arbitration $264k
- IT Reclass Appeals, $98k
- Wildfire Habitat Recovery, $100k (placeholder)
Maintenance Level Requests
Maintenance Level Requests

Maintenance level is for areas where costs are increasing in ways we don’t control

- ~$5M - $6M of requests
Maintenance Level Requests

Many of these will go away by July/August
- Police RMS & CAD Replacement Project Completion
- IT Reclass Appeals (also 2021 SUPP)
- Office of Administrative Hearings
- Interest Arbitration (E2SSB 5481) (also 2021 SUPP)
- Lease Rate Adjustments
- Maintain Technology Access
- Operation and Maint. (O&M) from Capital Budget
- Equipment Replacement (working to identify items)
- Utility Rate Adjustments
- Wildfire Habitat Recovery
- NPDES (ECY rate change after July 2020)
- Minimum Wage (L&I, COLA adjustments in Sept 2020)
- PILT (wait for CFL budget to see if it covers OST bills)
Performance Level Requests
Performance Level Requests: Overview

- The following list is conceptual

- It’s too early for us to have vetted dollar amounts

- We wanted to talk to you before beginning public engagement process
Performance Level Requests: Overview

- Between $10M - $15M
- Emergent needs, continuing one-time funding, job creation, & following through on commitments
- Likely to receive guidance from OFM for reduction packages
Performance Level Requests: Decisions Packages

• Aquatic Invasive Species
  o Monitoring and Enforcement

• Columbia River Policy
  o License Buyback and Alternative Gear

• Diversity Species Recovery
  o Monitoring, Restoration, and Policy work
Performance Level Requests: Decisions Packages

• Enforcement
  o Increasing officer support statewide

• Fish Passage Barrier Removal
  o Rulemaking, inventory, staff support

• HPA Landowner Assistance
  o HPA Compliance Inspectors
Performance Level Requests: Decisions Packages Contd.

- **Monitoring Fisheries**
  - Increased coastal and Puget Sound fisheries monitoring
  - North of Falcon commitments
  - Quicksilver

- **Produce Hatchery Fish**
  - Hatchery maintenance and marking trailers

- **Wild Fish for SRKW**
  - SRKW Task Force ongoing work (Forage fish monitoring, Reintroduction to Upper Columbia, Northern Pike suppression, etc.)
Performance Level Requests: Decisions Packages Contd.

- **Supporting Local Governments**
  - GMA expertise and HPA support statewide

- **Wildlife Rehabilitation**
  - Epidemiologist and wildlife rehab funding pass-thru

- **Marine Mammal Management**
  - Pinniped management
  - SRKW outreach and effectiveness reporting
Performance Level Requests: Decisions Packages Contd.

Potential Special Session Packages:
- **Stewarding WDFW Lands**
  - Lands showcase and O&M; Job partnerships

- **Evergreen Jobs**
  - “Nature in the City” and “Backyard Wildlife Sanctuaries” Pilots
  - Net Ecological Gain

- **Expedite Restoration Projects**
  - ACOE streamlined permitting
  - FHEP and FEMA streamlined permitting
Next Steps

- Outreach
  - Director’s Office Webinar
  - Advisory Groups
  - Tribes
- Budget and Policy Advisory Group, July 28
- F&W Commission Approval, July 31-Aug 1
- WDFW submittal to OFM, September
- Governor’s Budget, December
- Legislature, January-April, 2021
Questions?