



STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

September 2008

Item #3c: Management Status Report - Budget

Prepared By: Mark Jarasitis, Chief Financial Officer

Presented By: Kaleen Cottingham, Director

**Approved by the
Director:**

Proposed Action: Briefing

Summary

The attached financial reports reflect Recreation and Conservation Funding Board (Board) activities as of July 31, 2008.

- Attachment 1 reflects the budget status of Board activities by program. The Washington Wildlife Recreation Program (WWRP) program is 97% committed. The remaining 3% will be committed by assigning returned funding to projects; several large project closures affected this balance.
- Attachment 2 reflects the budget status of the entire agency by board.
- Attachment 3 reflects the revenue collections. The revenue collections reflect activity through July 2008 and reflect the most recent revenue forecasts as of February 2008.
- Attachment 4 is a Washington Wildlife Recreation Program (WWRP) summary. To date, 78% of funds appropriated in the WWRP program since its inception have been spent.



If you have any questions on the materials, please call Mark Jarasitis at (360) 902-3006 or inquire at the meeting.

Staff Recommendation, Background, Analysis, Next Steps

None

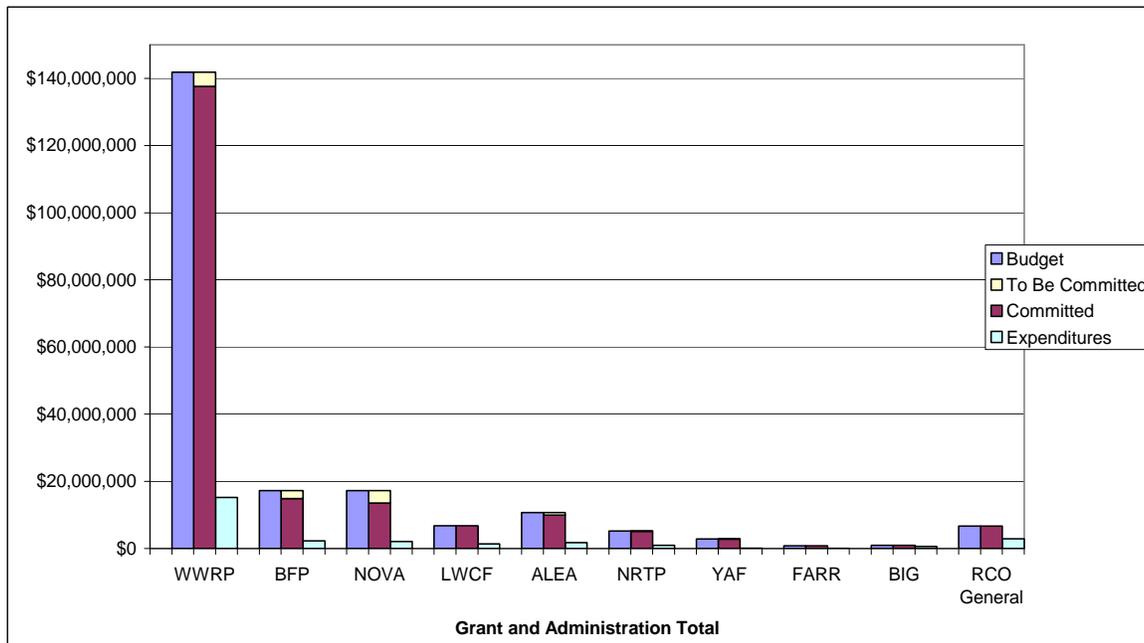
Attachments

1. Recreation and Conservation Funding Board budget status by program
2. Agency budget status by board
3. Revenue collections
4. Washington Wildlife Recreation Program (WWRP) summary

Recreation and Conservation Office
For the Period of July 1, 2007 - July 31, 2009, actuals through 07/31/2008 (fm 13)
Percentage of biennium reported: 54.2%

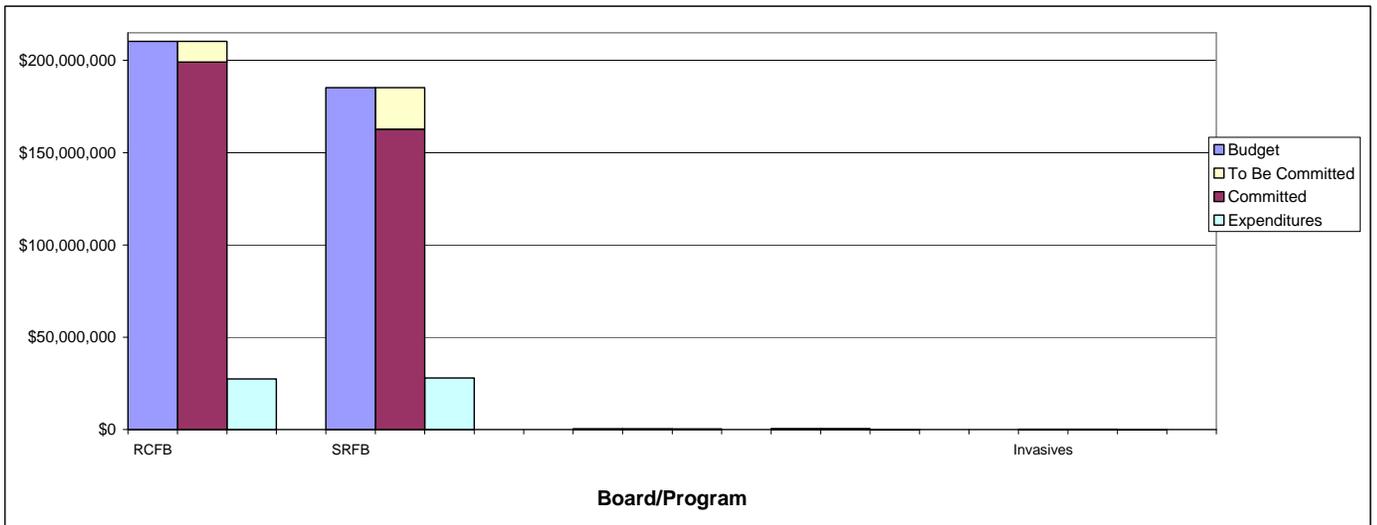
	BUDGET	COMMITTED		TO BE COMMITTED		EXPENDITURES	
	new and reapp. 2007-2009	Dollars	% of budget	Dollars	% of budget	Dollars	% Expended of committed
Grant Programs							
WA Wildlife & Rec. Program (WWRP)	\$141,845,277	\$137,608,681	97%	\$4,236,595	3.0%	\$15,224,237	11.1%
Boating Facilities Program (BFP)	17,278,282	14,851,392	86%	2,426,890	14.0%	2,278,156	15.3%
Nonhighway & Off-Road Vehicle (NOVA)	17,231,220	13,526,669	79%	3,704,551	21.5%	2,096,124	15.5%
Land & Water Conserv. Fund (LWCF)	6,824,644	6,824,644	100%	0	0%	1,380,093	20.2%
Aquatic Lands Enhan. Account (ALEA)	10,661,249	9,951,705	93%	709,544	6.7%	1,739,962	17.5%
National Recreational Trails (NRTP)	5,218,556	5,120,706	98%	97,851	1.9%	939,021	18.3%
Youth Athletic Facilities (YAF)	2,821,554	2,817,089	100%	4,465	0.2%	130,303	4.6%
Firearms & Archery Range Rec (FARR)	804,100	804,100	100%	0	0%	73,194	9.1%
Boating Infrastructure Grants (BIG)	951,404	951,404	100%	0	0%	618,947	65.1%
Sub Total Grant Programs	203,636,285	192,456,389	95%	11,179,895	5%	24,480,036	12.7%
Administration							
General Operating Funds	6,666,789	6,666,789	100%	0	0%	2,931,187	44.0%
Grant and Administration Total	\$210,303,074	\$199,123,178	95%	\$11,179,895	5%	\$27,411,223	13.8%

Note: The budget column shows the state appropriations and any received federal awards.



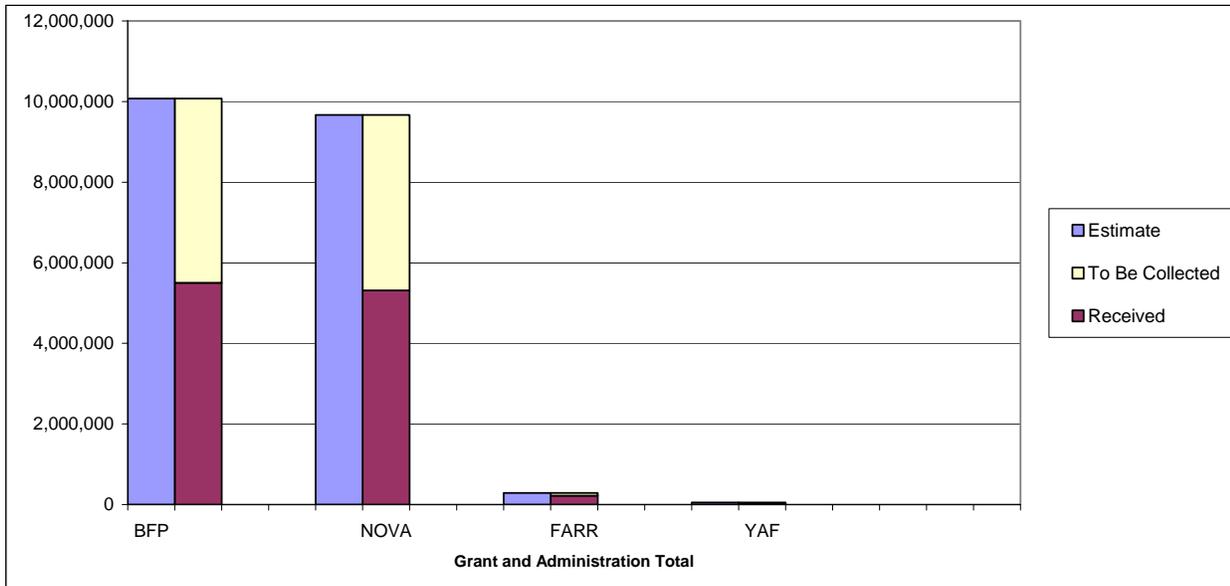
Recreation and Conservation Office
2007-09 Budget Status Report, Capital + Operating the Agency
For the Period of July 1, 2007 - July 31, 2009, actuals through 07/31/2008 (fm 13)
Percentage of biennium reported: 54.2%

	New	Reapp.	BUDGET	COMMITTED		TO BE COMMITTED		EXPENDITURES	
			new and reapp. 2007-2009	Dollars	% of budget	Dollars	% of budget	Dollars	% Expended of committed
Board/Program									
RCFB	\$133,085,137	\$77,217,937	210,303,074	\$199,123,178	95%	\$11,179,895	5.32%	\$27,411,223	14%
SRFB	107,233,549	78,026,361	185,259,910	162,723,986	88%	22,535,924	12.16%	27,982,654	17%
Hatchery Reform	-	439,547	439,547	439,547	100%	0	0.00%	383,801	87%
Biodiversity Council	570,000	-	570,000	570,000	100%	0	0.00%	137,601	24%
Invasive Species Council	200,000	-	200,000	200,000	100%	0	0.00%	97,804	49%
Total	\$241,088,686	\$155,683,845	\$396,772,530	\$363,056,711	92%	\$33,715,819	8.50%	\$56,013,083	15%



Recreation and Conservation Office
2007-09 Budget Status Report - Revenues
For the Period of July 1, 2007 - July 31, 2008, actuals through 08/14/2008 (fm13)
Percentage of biennium reported: 54.2%

	FORECAST	COLLECTIONS	
	Estimate	Actual	% of Estimate
Revenue			
Boating Facilities Program (BFP)	\$10,070,055	\$5,503,206	55%
Nonhighway, Off-Road Vehicle Program (NOVA)	9,663,100	5,311,268	55%
Firearms and Archery Range Rec Program (FARR)	287,000	224,982	78%
Youth Athletic Facilities (YAF)	50,000	27,008	54%
Total	20,070,155	11,066,464	55%



Revenue Notes:

Boating Facilities Program (BFP) revenue is from the unrefunded marine gasoline taxes.

Nonhighway, Off-Road Vehicle Program (NOVA) revenue is from the motor vehicle gasoline tax paid by users of ORVs and nonhighway roads and from the amount paid for by ORV use permits.

Firearms and Archery Range Rec Program (FARR) revenue is from \$3 each concealed pistol license fee.

Youth Athletic Facilities (YAF) revenue is from an initial \$10 million contribution by the Seattle Seahawks "team affiliate" in 1998. The new revenue is from the interest on the unexpended amount of the fund.

The numbers reflect activity through July 2008 - 54.2% of time spent.

This reflects the most recent revenue forecast of February 2008, there were slight reductions in the projected revenue collected.

**Recreation and Conservation Funding Board
Washington Wildlife and Recreation Program
1990 Thru July 31, 2008 (08/14/08)**

History of Biennial Appropriations

<u>Biennium</u>	<u>Appropriation</u>
89-91 Biennium	\$53,000,000
91-93 Biennium	61,150,000
93-95 Biennium	65,000,000
95-97 Biennium*	43,760,000
97-99 Biennium	45,000,000
99-01 Biennium	48,000,000
01-03 Biennium	45,000,000
03-05 Biennium	45,000,000
05-07 Biennium **	48,500,000
07-09 Biennium ***	97,000,000
Grand Total	<u><u>\$551,410,000</u></u>

* Original appropriation was \$45 million.

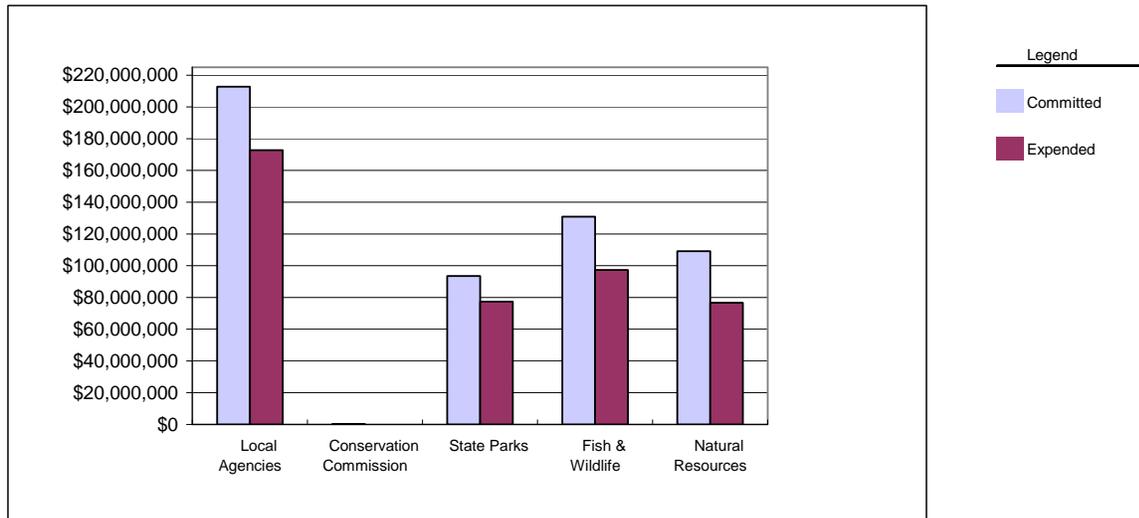
** Entire appropriation was \$50 million. 3% or \$1,500,000, went to admin.

*** Entire appropriation was \$100 million. 3% or \$3,000,000 went to admin.

History of Committed and Expenditures

Agency	Committed	Expenditures	% Expended
Local Agencies	\$212,771,144	\$172,817,173	81%
Conservation Commission	\$207,000	\$0.00	0%
State Parks	93,498,054	77,323,002	83%
Fish & Wildlife	130,848,734	97,252,880	74%
Natural Resources	109,113,461	76,600,468	70%
Riparian Habitat Admin	185,046	185,046	100%
Land Inventory (\$169k for SSB 6242)	549,965	549,965	100%
Sub Total Committed	<u><u>\$547,173,405</u></u>	<u><u>\$424,728,534</u></u>	78%

History of Committed and Expenditures-Graph





STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

September 2008

To: Recreation and Conservation Funding Board Members and Designees

FROM: Kaleen Cottingham, Director

SUBJECT: Governor's Direction to Reduce Expenditures, September 2008

On August 4, 2008, Governor Gregoire directed state agency heads to reduce fuel consumption, reduce some expenditures, and stop hiring new employees. I want to update the Recreation and Conservation Funding Board about the steps that I have taken at the Recreation and Conservation Office (RCO) to meet both the letter and intent of the Governor's directive.

Reducing Fuel Consumption

The directive to reduce fuel costs by five percent is a challenge for the RCO because we are working to increase site visits to ensure project implementation, completion, and ongoing compliance. In fact, our need to travel more was part of the justification for increased staffing levels. To decrease costs, I have asked staff to coordinate their travel as much as possible; for example, visiting several sponsors on a trip or doing a site visit for another grant manager if they are traveling in a reasonable proximity. We replaced our truck with a hybrid Ford Escape, and are evaluating whether to replace more of our fleet with hybrid vehicles.

Knowing that the site visits are vital to our business, I also have directed staff to look for alternate cost reductions that would equate to the fuel reduction.

The first step, taken with concurrence of the board chairs, was to move the meetings of this board, the Salmon Recovery Funding Board, and the Biodiversity Council back to Olympia. This decision required careful consideration because the "travel" meetings provide excellent opportunities for public participation and for the board members to visit and learn from projects they have funded. However, I had to weigh those benefits against both the fuel and per diem costs of staff travel for the meeting.

I also moved the staff retreat from the UW's Pack Forest in Eatonville back to Olympia. Doing so will reduce both the fuel costs and per diem charges we would have incurred.



Other Spending Adjustments

The Governor also imposed a freeze on hiring, discretionary purchases of new equipment, out-of-state travel, and non-emergency personal services contracts. The following is a summary of the actions we have taken in response.

- The RCO had filled all but one of our outstanding vacancies before the freeze. The one remaining vacant position, which supports the Monitoring Coordinator and related data management coordination functions, will remain vacant for the foreseeable future. We have several temporary and project employees. We will continue their status at least through the end of the biennium.
- We continue to carefully consider all purchase requests, and purchase only non-discretionary equipment.
- Three staff members had planned to attend out of state conferences. Although the information would be very useful for them, we have cancelled the trips. One staff member, who is speaking at a conference in Canada, had planned to cover his own travel expenses and will be allowed to travel out-of-state.
- Prior to the freeze on contracting we had solicited proposals for consultants to evaluate the level of services of the state boating programs and had evaluated the two responding bids. However, contract negotiations did not start before the Governor's directive, so we have tabled the procurement. Staff is exploring whether we can complete any of the work through agreements with other government agencies.