

Summary Sheet

Meeting dates:	June 31, 2020
Agenda item:	6. 2021-23 Operating Budget Request: Maintenance Level – Briefing and Decision
Presenter(s):	Nate Pamplin, Director of Budget and Government Affairs Morgan Stinson, Budget Officer

Background summary:

Staff will present requests for the Department's 2021-23 Operating Budget Maintenance Level request. The maintenance level budget is for routine, unavoidable anticipated cost increases.

For the 2021-23 maintenance level budget, the Department is requesting \$10.7M for the following items:

- Police RMS & CAD Replacement Project Completion
- IT Reclass Appeals (also 2021 SUPP)
- Office of Administrative Hearings
- Interest Arbitration (E2SSB 5481) (also included in 2021 Second Suppl.)
- Lease Rate Adjustments
- Maintain Technology Access
- Equipment Replacement
- Operation and Maint. (O&M) from Capital Budget
- Equipment Replacement
- Utility Rate Adjustments
- County assessment Increase for Fire Suppression
- Wildfire Habitat Recovery
- NPDES (ECY rate change after July 2020)
- Minimum Wage (L&I, COLA adjustments in Sept 2020)
- PILT Office of the State Treasurer Bills
- Columbia River Salmon and Steelhead Correction

In addition, the Maintenance Level budget requests includes two adjustments to spending authority (which does not impact the State General Fund). The first is a \$21M net increase in spending authority to address the authority needed next biennium when the State Wildlife Account is separated into the Fish, Wildlife, and Conservation Account and the Limited Fish and Wildlife Account, per SB 6072. A second authority adjustment is to decrease federal and local expenditure authority by a total of \$11M to account for declining contracts in those fund sources.

Staff will complete writing the budget request and submit to the Governor's Office of Financial Management in September.

Staff recommendation: Approve the 2021-23 maintenance level operating budget as presented.

Policy issue(s) and expected outcome: N/A

Fiscal impacts of agency implementation: Secure funding for increasing maintenance-level costs in 2021-23.

Public involvement process used and what you learned: The Department's Budget and Policy Advisory Group was briefed on draft 2021-23 operating budget proposals on May 29, and some initial feedback was heard relative to priorities and strategy. The F&W Commission was briefed on June 12, 2020. The Director's Office hosted a webinar for statewide and regional conservation and outdoor organizations on July 16, 2020. Finally, the Budget and Policy Advisory Group was briefed on July 28, 2020.

Action requested and/or proposed next steps: Approve the 2021-23 operating budget maintenance level request as presented.

Draft motion language: "I move to approve the 2021-23 operating budget maintenance level request as presented by staff, with allowance for minor adjustments as staff prepare final documents for submittal to the Governor's Office."

Post decision communications plan: The budget request will be submitted to OFM in September and staff will update the Department's website on the 2021 legislative session and budget proposals.