

June 10, 2010

**TO:** Leadership Council Members

**FROM:** Jim Cahill, Director of Administration and Finance

**SUBJECT: Puget Sound Partnership 2011-13 Biennial Budget Development**

As a state agency the Puget Sound Partnership is required to submit to the Office of Financial Management (OFM) its budget request for the 2011-13 Biennium no later than September 13, 2010. This request is reviewed by OFM who then provides recommendations to the Governor for her biennial budget request. The Governor is statutorily required to submit her biennial budget request to the Legislature no later than December 20.

This memo provides some background information on the Partnership's 2009-11 Biennial Budget and lays out a schedule and process for the Leadership Council approval of the Partnership's budget request.

**Partnership's 2009-11 Biennial Budget**

Following the 2010 legislative session, the Partnership's biennial budget total slightly more than \$14.5 million for the 2009-11 Biennium. In addition the Partnership receives \$1.8 million from the Recreation and Conservation Office (RCO) for supporting for oversight and management of the Puget Sound regional salmon recovery plan. A breakout of fund sources is show in the table below.

**Puget Sound Partnership 2009-11 Biennial Budget Fund Sources**

<b>Fund</b>	<b>Amount</b>	<b>Percentage</b>
GF-S	\$6,007,000	37%
Federal	\$7,214,000	44%
Aquatic Lands Enhancement Account	\$493,000	3%
State Toxics Control Account	\$794,000	5%
Regional Salmon Recovery -RCO	\$1,823,324	11%
<b>Total</b>	<b>\$16,331,324</b>	<b>100%</b>

Currently, when funding from RCO is included, the Partnership budget is split 66% state and 44% federal sources.

Within this total appropriation the Partnership anticipates passing \$4.3 million through to other state agencies, local governments and nonprofits. A breakout of pass through funding is show in the table below.

**Puget Sound Partnership 2009-11 Biennial Budget Pass-Through Amounts**

<b>Program</b>	<b>Recipient</b>	<b>Amount</b>	<b>Fund Source</b>
Public Education and Outreach Grants	EcoNet, Public education organizations	\$801,000 \$1,500,000	GF-S Federal
Puget Sound Water Quality Monitoring	Department of Ecology	\$475,000	Federal
Coastal Water Quality Monitoring	Department of Ecology	\$305,000	GF-S
Watershed Lead Support	Watershed Lead Entities	\$735,000	Federal
Shellfish Emergency Monitoring	Puget Sound Restoration Fund	\$150,000	Federal
Invasive Species Control	Department of Fish and Wildlife	\$330,000	Aquatic Lands Enhancement Account
Puget Sound Steelhead Recovery	Department of Fish and Wildlife	\$160,000	RCO
	Northwest Indian Fisheries Commission	\$40,000	
<b>Total</b>		<b>\$4,296,000</b>	

The work of the Partnership can be broken into four major activities contained in the table below.

**Puget Sound Partnership 2009-11 Biennial Budget Activities**

<b>Activity</b>	<b>Biennial FTE</b>	<b>Total</b>	<b>State</b>	<b>Federal</b>
Action Agenda Implementation, Science and Performance Measurement	8.4	\$4,668,456	\$1,094,300	\$3,574,156
Public Education and Outreach	6.4	\$3,700,503	\$2,300,503	\$1,400,000
Salmon Recovery, Local Integration and Technical Assistance	13.2	\$3,845,883	\$1,855,755	\$1,990,128
Administration	9.4	\$2,293,158	\$2,043,442	\$249,716
<b>Total</b>	<b>37.4</b>	<b>\$14,508,000</b>	<b>\$7,294,000</b>	<b>\$7,214,000</b>

## **2011-13 Biennial Budget Outlook**

The state budget outlook for the 2011-13 biennium continues to be gloomy. Currently, based upon generally conservative assumptions OFM is projecting a General Fund-State shortfall close to \$3 billion. Under this scenario preserving current General Fund- State programs will be a challenge. Requesting additional state funds will be even more difficult.

## **2011-13 Biennial Budget Development Process**

Preparation of the Partnership's biennial budget will require work by the Partnership's staff and review and approval of the request by the Leadership Council.

The following action and timeline is proposed.

May 26, 2010 - PSP staff were requested to submit initial ideas for additional funding to the PSP Management Team.

June 16, 2010 – PSP Management Team narrows list of possible budget proposals. Topical areas to be considered for additional investment include but are not limited to: science, growth management, invasive species, federal/tribal relations, and stormwater management.

July 14, 2010 (tentative) - Partnership selects its final proposals for review by the Leadership Council.

July 20, 2010 (tentative) - Partnership budget proposals submitted to the Leadership Council.

July 29-30, 2010 - Leadership Council approves budget proposals for the Partnership to submit to OFM.

September 13, 2010 – Partnership submits 2011-13 Biennial Budget request to OFM.

## **Questions for the Leadership Council**

1. Are there any specific areas that the Council believes the Partnership should prioritize for additional requests?
2. Does the process and schedule seem reasonable?