



# Department of Fish and Wildlife Cost Analysis

## Proposed Final Report

Joint Legislative Audit & Review Committee  
March 26, 2008

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## Why an Analysis of WDFW Costs?

Background

- 2007-09 Operating Budget directs JLARC to analyze the Department of Fish and Wildlife's (WDFW)
  - Revenue sources
  - Legal requirements on how revenues are used
  - Decisions on which revenue sources for various expenditures
  - Hunting, fishing, and other costs

## Wildlife and Fish “Property of State”



Background

- Washington Department of Fish and Wildlife mandate:

*Wildlife, fish, and shellfish are the property of the State. The Commission, Director, and Department shall preserve, protect, perpetuate, and manage the wildlife and food fish, game fish, and shellfish in state waters and offshore waters. (RCW 74.04.012)*

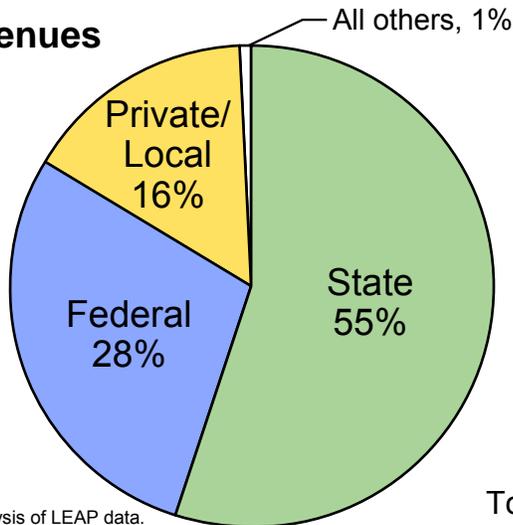
- 1994: Department of Fisheries and Department of Wildlife **merged** into WDFW.
- FY 2006 Operating Expenditures: \$142.6 million from 27 funds.

## Funding: Where Does the Money Come From?



Summary: Funding

### FY06 Revenues



Source: JLARC analysis of LEAP data.

Total: \$135.4 M

## Funding: Where Does the Money Come From?



Summary: Funding

### State Revenues:

<b>General Fund-State</b>	<b>\$46.5 M</b>	<b>34%</b>
General Taxes		
<b>Wildlife Account-State</b>	<b>\$25.1 M</b>	<b>19%</b>
Primarily sale of recreational hunting and fishing licenses		
<b>Other State</b>	<b>\$3.0 M</b>	<b>2%</b>
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<b>Total State</b>	<b>\$74.6 M</b>	<b>55%</b>

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## Funding: 'Strings' and Stability



Summary: Funding

- **'Strings'**: Range of flexibility
  - ✓ Federal matching requirements - State funds set aside
  - ✓ Wildlife Account - Restricted and unrestricted amounts
- **Stability**: Year-to-year variation
  - ✓ Hunting and fishing license revenues are up while the number sold is down

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## The Department's Funding and Fund Use Structure is Complex



Summary – Expenditures, “Take” and “Non-Take”

### **Expenditures - which funds to use?**

- Decisions made at detailed level
- Three main drivers:
  - **Restrictions**
  - **History**
  - **Availability**
    - ✓ **Wildlife Account-State: available for all Department activities**

### **“Take” and “Non-Take”**

- Department is almost evenly divided, but this varies by program

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## Three Recommendations to Improve Financial Management Information



Recommendations

- Complex funding decisions made at a detailed level can create confusion
- Recommendations for improvements in three financial management processes to help reduce this confusion
- Assist decision makers as budgets are developed

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## Concerns with Forecasting and Stability of Wildlife Account-State



Recommendation 1: Forecasting

### **Recommendation #1: Improvements in Forecast Process for License Fee Revenues**

*The Department of Fish and Wildlife, in consultation with the Office of Financial Management and legislative fiscal staff, should develop options for more accurately forecasting license fee revenues.*

**OFM and WDFW concur**

## Data on Restricted and Unrestricted Wildlife Account Fund Balance



Recommendation 2: Ending Fund Balance

### **Recommendation #2: Improvements in Estimating Wildlife Account Ending Fund Balance**

*The Department of Fish and Wildlife, in consultation with the Office of Financial Management and legislative fiscal staff, should develop alternative methods for tracking, accounting, and reporting restricted and unrestricted fund balances for the Wildlife Account.*

**OFM and WDFW concur**

## Amount of State Dollars Needed to Match Federal Funds



Recommendation 3: Matching Funds

### **Recommendation #3: Improvements in Reporting the Data**

*The Department of Fish and Wildlife, in consultation with the Office of Financial Management and legislative fiscal staff, should develop quarterly reports that describe the total General Fund-State and Wildlife Account-State dollars set aside to meet federal matching requirements.*

**OFM concurs**

**WDFW partially concurs – prefers annual report**

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Report available on  
JLARC website:  
[www.jlarc.leg.wa.gov](http://www.jlarc.leg.wa.gov)

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