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**STATE OF WASHINGTON**

**RECREATION AND CONSERVATION OFFICE**

October 2008

**Item #13b: Overview of Available Funds for Programmatic Activities and 2008 Grant Round**

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**Presented By:** Jim Fox, Special Assistant to the Director

**Approved by the Director:**

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**Proposed Action: Presentation**

**Summary**

The Salmon Recovery Funding Board (Board) currently has \$21,239,120 available to fund programmatic activities and grants through the remainder of the 2007-09 biennium. Recreation and Conservation Office staff anticipates that some additional funds will be available from terminated projects and projects completed under budget.

Two monitoring projects (agenda items 14 and 15) are requesting a total of \$1,675,000. If approved, this would leave \$19,564,120 available for both grant awards and funds the Board may want to reserve for cost increases. The announced target for this grant round was \$20,000,000.

**Staff Recommendation**

Staff recommends that the Board provide the full amount for the Department of Fish and Wildlife (WDFW) and Department of Ecology (Ecology) monitoring requests and reduce the current level of funding for the 2008 grant round to \$19,564,120. In addition, staff recommends that the Board apply returned funds to project grants up to a total of \$20



million. Funds returned after the December 2008 Board meeting would be applied to projects that receive only partial funding in this grant round (up to a total of \$20 million). If additional returned funds become available after the \$20 million target is reached, staff recommends that the Board set them aside for cost increases or other actions approved by the Board.

## Background

The available balance for the remainder of the 2007-09 biennium is currently \$21,239,120. These funds include unspent state and federal money and the 2008 federal Pacific Coast Salmon Recovery Fund (PCSRF) appropriation.

The PCSRF agreement requires that at least 10 percent of the total state appropriation be used for monitoring. For this award, that equates to \$2,350,000. The monitoring efforts currently funded by the Board (e.g., Tetra Tech effectiveness monitoring), plus the amounts requested by the Ecology and the WDFW, meet the 10 percent requirement as shown below:

### Currently obligated monitoring funds:

Project implementation monitoring	\$75,000
Project effectiveness monitoring (Tetra Tech)	550,000
Estuary monitoring protocols	<u>50,000</u>
Total obligated monitoring funds	\$675,000

### Requests

Ecology intensively monitored watersheds request	\$1,467,000
WDFW status and trends monitoring request	<u>208,000</u>
Total current monitoring requests	\$1,675,000

**Total** \$2,350,000

If the Board approves the Ecology and WDFW requests, the remaining balance for grant awards and future cost increases would be \$19,564,120:

Available funds	\$21,239,120
Monitoring requests	<u>-1,675,000</u>
Available for grants and cost increases	\$19,564,120

If the Board does not approve one or both of the monitoring requests, there may be other currently funded monitoring activities that could meet some of the 10 percent requirement. However, most of the remaining \$1.6 million monitoring obligation would be carried forward for funding in future years.

The announced target for the 2008 grant round was \$20 million, and the lead entities and recovery regions have submitted projects accordingly.

## **Analysis**

The Board has several options to consider.

### Option 1

Fund the WDFW and Ecology monitoring projects, reduce the level of funding for the 2008 grant round to \$19,564,120, and apply future returned funds to cost increases.

- This option would continue two high-priority monitoring projects and provide nearly full funding for the 2008 grant cycle.
- Lead entities and recovery regions were given a target of \$20 million and have submitted projects accordingly.

### Option 2

Fund the WDFW and Ecology monitoring projects, reduce the level of funding for the 2008 grant round to \$19,564,120, and apply future returned funds to projects that are partially funded during the December 2008 grant round, up to a grant total of \$20 million. If additional returned funds become available after the \$20 million target is reached, set them aside for cost increases.

- Grant managers believe that enough returned funds would become available either before the December Board meeting or in the first part of 2009 to provide \$20 million in this grant round.
- There may be insufficient funds in 2009 for cost increases.

### Option 3

Reduce the amount for one or both monitoring requests by \$438,880 and keep the 2008 grant funding at \$20 million. Find other currently funded monitoring activities to meet the PCSRF 10 percent requirement or satisfy the obligation in future years.

- This would meet the \$20 million target for the 2008 grant round.
- It is unlikely that either monitoring project can succeed with a major budget cut.
- If the Board carries the monitoring obligation over to future years, the cost will add to anticipated obligations and future PCSRF appropriations, compounding the problem.

## **Next Steps**

Staff recommends Option 2. However, before making a final decision on the options above, the Board should consider each monitoring proposal (agenda items 14 and 15).

**Salmon Recovery Funding Board**  
**For the Period of July 1, 2007 - July 31, 2009, actuals through 08/31/2008 (fm 14)**  
**Percentage of biennium reported: 58.3%**

	BUDGET	COMMITTED		TO BE COMMITTED		EXPENDITURES	
	new and reapp. 2007-2009	Dollars	% of budget	Dollars	% of budget	Dollars	% of comm
<b><u>Grant Programs</u></b>							
State Funded 01-03	\$847,644	\$847,644	100%	\$0	0%	\$386,208	46%
State Funded 03-05	\$5,025,994	\$5,025,994	100%	\$0	0%	\$1,159,087	23%
State Funded 05-07	\$13,434,653	\$13,434,653	100%	\$0	0%	\$3,521,803	26%
State Funded 07-09	\$17,460,000	\$15,856,573	91%	\$1,603,427	9%	\$2,475,825	16%
State Funded Total	36,768,291	35,164,864	96%	1,603,427	4.4%	7,542,923	21%
Federal Funded 2003	\$7,232,109	\$7,232,109	100%	\$0	0%	\$7,232,109	100%
Federal Funded 2004	\$10,130,757	\$10,130,757	100%	\$0	0%	\$3,110,651	31%
Federal Funded 2005	\$10,447,211	\$10,447,211	100%	\$0	0%	\$1,655,619	16%
Federal Funded 2006	\$15,661,856	\$15,661,856	100%	\$0	0%	\$2,955,474	19%
Federal Funded 2007	\$21,260,405	\$18,707,212	88%	\$2,553,193	12%	\$1,832,471	10%
Federal Funded 2008	\$14,732,500	\$0	0%	\$14,732,500	100%	\$0	-
Federal Funded 2008 Monitoring	\$2,350,000	\$0	0%	\$2,350,000	100%	\$0	-
Federal Funded Total	81,814,838	62,179,146	76%	19,635,692	24%	16,786,323	27%
Lead Entities	3,412,598	3,412,598	100%	-	0%	951,923	28%
Forest & Fish	8,403,387	8,403,387	100%	-	0%	3,343,662	40%
Puget Sound	39,527,500	39,527,500	100%	-	0%	4,110,119	10%
Family Forest Fish Pass Prog	8,543,400	6,788,998	79%	1,754,402	21%	4,044,617	59.6%
<b>Sub Total Grant Programs</b>	<b>178,470,015</b>	<b>155,476,493</b>	<b>87%</b>	<b>22,993,521</b>	<b>13%</b>	<b>32,734,950</b>	<b>21%</b>
<b><u>Administration</u></b>							
SRFB Admin/Staff	4,349,981	4,349,981	100%	-	0%	2,034,994	47%
Technical Panel	400,000	370,012	93%	29,988	7%	299,175	81%
<b>Sub Total Administration</b>	<b>4,749,981</b>	<b>4,719,993</b>	<b>99%</b>	<b>29,988</b>	<b>1%</b>	<b>2,334,169</b>	<b>49%</b>
<b>Grant and Administration Total</b>	<b>\$183,219,996</b>	<b>\$160,196,487</b>	<b>87%</b>	<b>\$23,023,509</b>	<b>13%</b>	<b>\$35,069,118</b>	<b>22%</b>

note: Activities such as Smolt Monitoring, Effectiveness Monitoring, Regional Funding are combined with projects in the state and federal funding lines above.