



## **FY 2015/16 Legislative Budget Request**

September 10, 2014

Florida Fish and Wildlife Conservation Commission  
Office of Executive Director

Report Date: August 28, 2014

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# FY 2015/16 Legislative Budget Request

(1) New Budget Issues

(2) Potential 5% Budget Reductions - Schedule VIIIB

(3) Potential Budget Redirects - Schedule VIIC



There are three separate action items for Commission approval for the FY 2015/16 Legislative Budget Request:

- (1) New Budget Issues
- (2) Potential 5% Budget Reductions - Schedule VIIIB
- (3) Potential Budget Redirects - Schedule VIIC

# Revenue Structure Overview

## *Fundamentals of Commission Funds*

### General Revenue Fund

- State Tax Revenues Available to the Governor and Legislature for any use
- These are the revenues allocated across state programs

### State Trust Funds

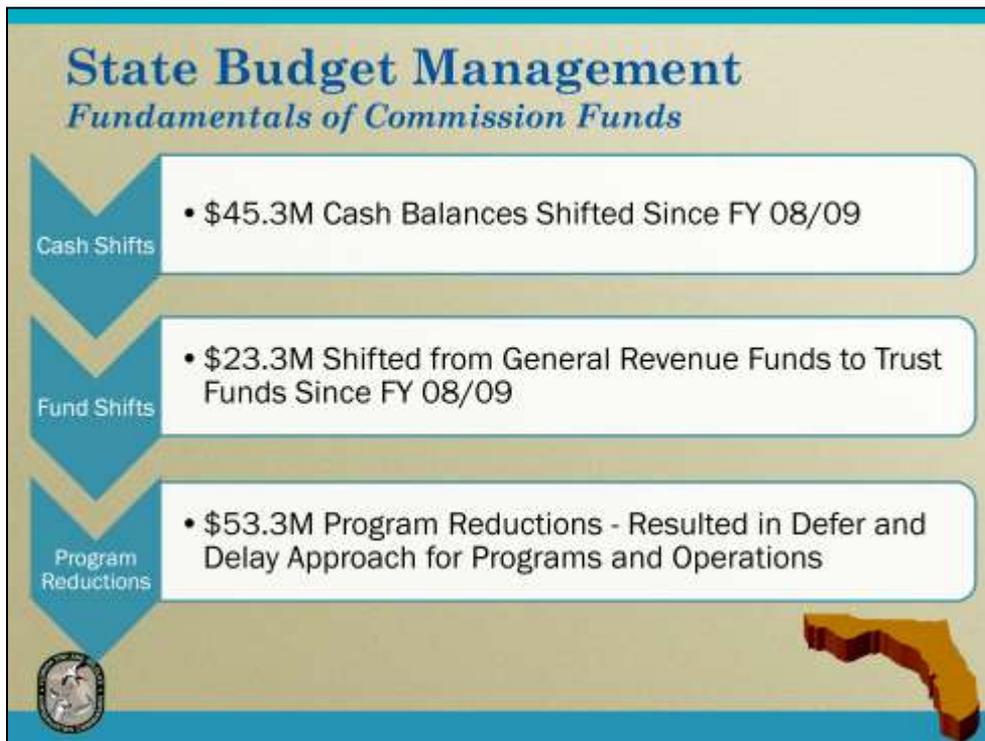
- Revenues that are described in law for specific purposes
- Most trust funds subject to cash shifts

### Federal Trust Funds

- Revenues that are provided to the State by the Federal Government
- There is limited legislative discretion except to appropriate the funds



Each state agency is funded by a variety of funding sources. While we project the revenues that will come into the trust funds, the Legislature determines (via annual appropriations) how much funding we can actually spend in any given year. For example, we can only spend up to the amount appropriated even if we receive more revenue than the budget that is appropriated. Similarly, if revenues come in at less than the budgeted amount, we can only spend up to the available amount of revenue. The authority for how these revenues can be spent is found in state statutes.



During Florida’s economic downturn (prior 5 to 7 years), several methods were used to help the State of Florida balance it’s budget:

1. Cash balances from trust funds were shifted and used to address shortfalls in other areas of the budget.
2. Fund shifts from General Revenue funding were initiated to fund other areas of the budget.
3. Program reductions resulted in defer and delay management strategies. For example, capital outlay expenditures were postponed and maintenance expenditures were deferred.

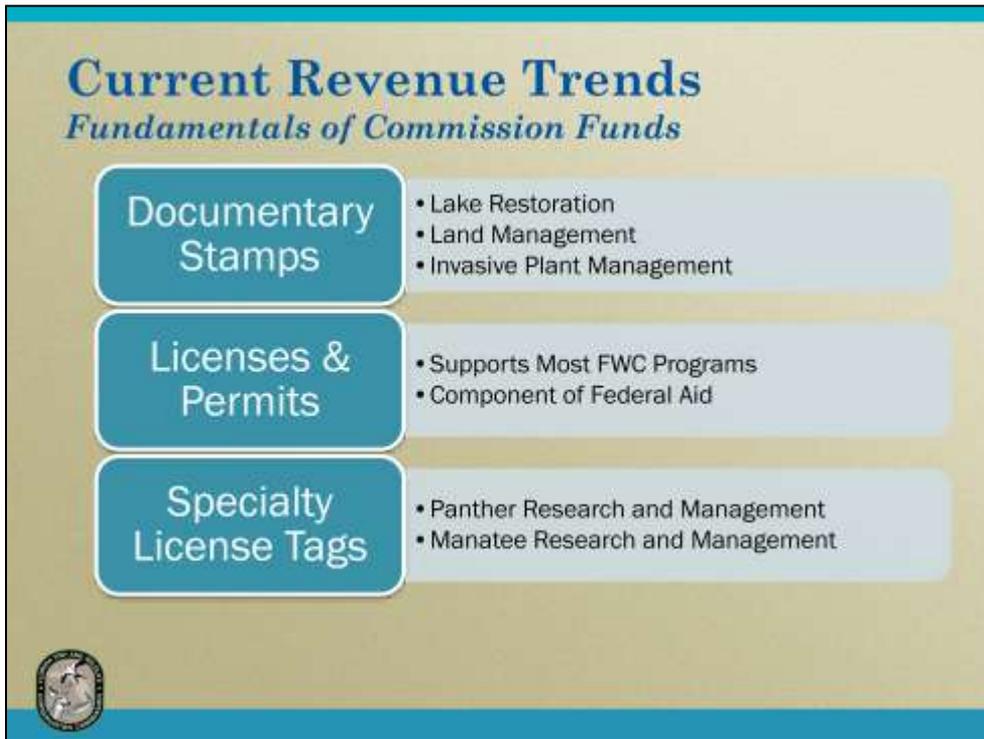
# Revenue Sources

FWC has a diverse funding structure with 14 discrete trust funds with a wide variety of revenue streams

Most revenue sources remain fairly constant; some revenues are significantly impacted by economic trends

FWC staff analyze fund balances and monitor the health of the fund





Documentary Stamp revenues for the State of Florida are increasing; FWC is projecting the maximum allowable receipts for Lake Restoration and Invasive Plant Management; there is no cap on revenues for Land Management.

Licenses and Permits, overall (both hunting & fishing), are slightly on the increase.

Revenues for specialty tags for the Florida Panther and Manatee remain constant.

# Current Revenue Trends

## *Fundamentals of Commission Funds*

Vessel Registrations & Vessel Fuel Taxes

- Invasive Plant Management
- Law Enforcement
- Boating Improvement Grants

Federal Grants

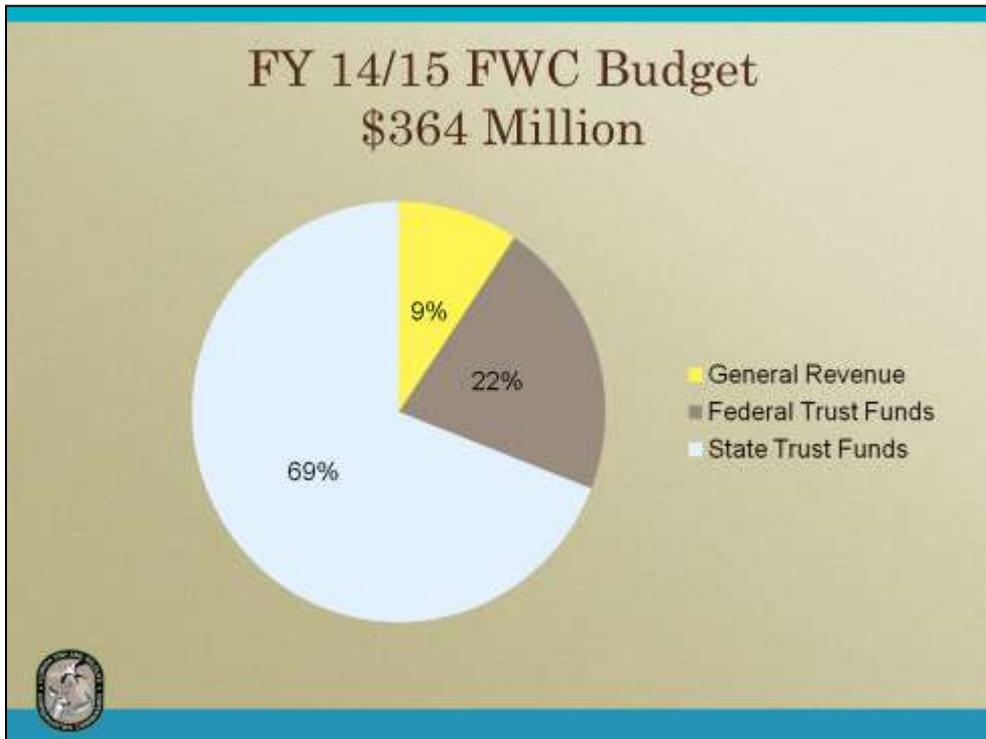
- Supports Numerous FWC Programs

Deepwater Horizon Settlement Funds

- Gulf Coastline and Habitat Restoration



Vessel registration fees are at maximum receipts; federal grant funding is on the decline in some areas (Freshwater Federal Sport Fish Restoration); settlement funds from the Deepwater Horizon incident are increasing.



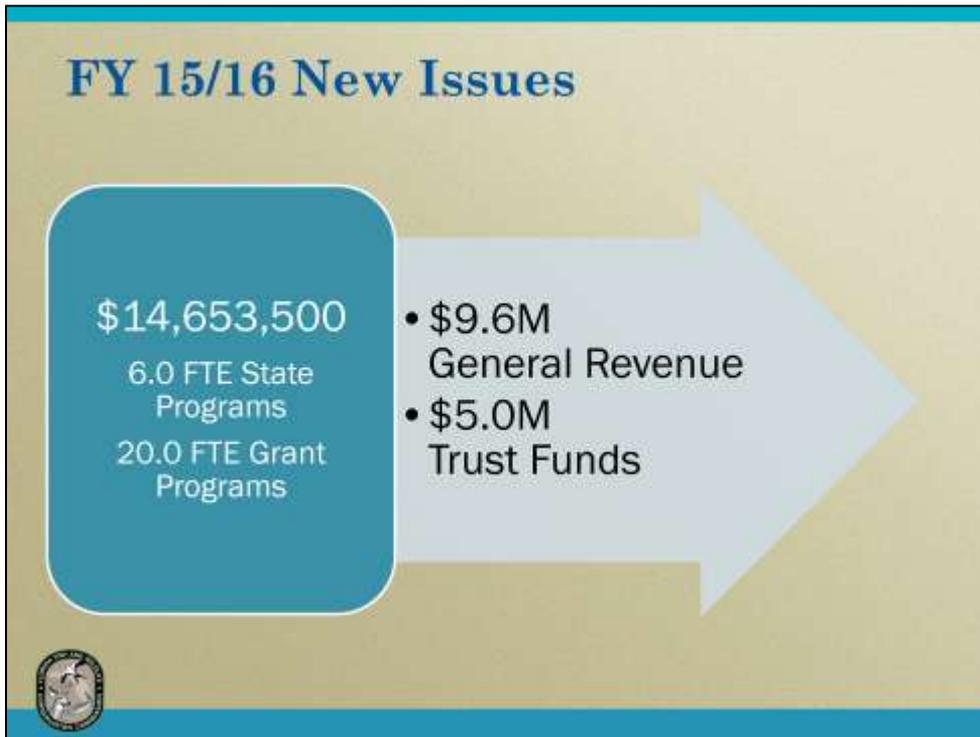
FWC's budget is funded mostly from State Trust Funds.

# FY 2015/16 Legislative Budget Request

(1) New Budget Issues



This is the first action item for Commission approval: New Budget Issues.



**I. Strategic Initiative Support**

FL Youth Conservation Center Networks	4.0 FTE, \$	542,308 GR/TF
Apalachicola Oyster Fishery Monitoring	2.0 FTE, \$	300,000 TBD
Freshwater Fisheries Monitoring Program	\$	236,347 SGTF
Lionfish Outreach	\$	160,000 GR
Florida Boating Improvement Program-FCO	\$	1,842,600 TF
Non-CARL Land Mgmt & Public Use Services	\$	700,000 TF
Wildlife Mgmt Area Land Improvements-FCO	\$	1,500,000 TF

**II. Operational Support**

Agency Fund Shift from MRCTF to GR*	\$	5,000,000 GR/TF
Law Enforcement Operational Expense	\$	1,500,000 GR
LE Vehicle/Vessel Replacement Funding	\$	2,343,347 GR
OPS Health Insurance	\$	178,898 TF

**III. Optimize Federal and Grant Funding**

Tenoroc Shooting Range Enhancements-FCO	\$	950,000 FGTF
Artificial Reef Construction & Assessment-FCO	\$	600,000 GR/TF
Boating Access Improvements – FCO	\$	3,800,000 TF
Convert OPS Grant Staff to FTE	20.0 FTE; \$	0 FGTF
Gulf Coast Restoration		TBD

\*This amount is not included in the total, as fund shifts do not increase the total budget.



### I. Strategic Initiative Support

FL Youth Conservation Center Networks	4.0 FTE, \$ 542,308 GR/TF
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### III. Optimize Federal and Grant Funding

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Convert OPS Grant Staff to FTE 20.0 FTE;	\$ 0 FGTF
Gulf Coast Restoration	TBD

\*This amount is not included in the total, as fund shifts do not increase the total budget.

# FY 2015/16 Legislative Budget Request

Policy  
Drives  
Budget

- Strategic Initiative Support
- Operational Support
- Optimize Federal and Grant Funding



Agency policy is the major driver for agency budget requests. These are found in Commission Focal Areas and Agency Strategic Initiatives. The budget requests are divided into 3 main groupings:

- 1) Strategic Initiative Support
- 2) Operational Support
- 3) Optimize Federal and Grant Funding

# New Budget Issues for 2015

## Strategic Initiative Support

- FL Youth Conservation Center Networks 4.0 FTE - \$542,308 GR/TF
- Apalachicola Oyster Fishery Monitoring 2.0 FTE - \$300,000 TBD
- Freshwater Fisheries Monitoring Program - \$236,347 TF
- Lionfish Outreach - \$160,000 TF
- FL Boating Improvement Program - \$1.8M TF
- Non-CARL Land Management - \$700,000 TF
- Wildlife Management Area Land Improvements - \$1.5M TF



See Tab 3 for a summary list of new budget issues for the 2015 Legislative Session.

# New Budget Issues for 2015

## Operational Support

- Law Enforcement Operational Expense - \$1.5M GR
- Law Enforcement Vehicle & Vessel Replacement - \$2.3M GR
- Agency Fund Shift from MRCTF - \$5M GR
- OPS Health Insurance Shortage - \$178,898 TF



See Tab 3 for a summary list of new budget issues for the 2015 Legislative Session.

# New Budget Issues for 2015

## Optimize Federal & Grant Funding

- Tenoroc Shooting Range Enhancements - \$950,000 TF
- Artificial Reef Construction & Assessment - \$600,000 GR/TF
- Boating Access Improvements - \$3.8M TF
- Convert OPS Grant Staff to FTE - 20.0 FTE Temporary, \$0
- Gulf Coast Restoration - TBD



See Tab 3 for a summary list of new budget issues for the 2015 Legislative Session.

## FY 2015/16 Legislative Budget Request

### (2) Potential 5% Budget Reductions – Schedule VIII B



The second action item we will take up is the Potential 5% Budget Reductions – Schedule VIII B.

In preparation for the 2015 Legislative Session, the Governor, House, and Senate instructed state agencies to prepare a list of potential reductions equal to 5% of the adjusted recurring budget for next year. The full extent of what may be needed for budget reductions next year, if any, is not yet known. It is intended that this list will provide lawmakers with enough options to allow them to be selective in the event budget reductions are necessary.

## Potential 5% Budget Reductions – Schedule VIII B

5% TARGET = \$10.8M

- \$1.2M General Revenue
- \$9.6M Trust Funds



In preparation for the 2015 Legislative Session, the Governor, House, and Senate instructed state agencies to prepare a list of potential reductions equal to 5% of the adjusted recurring budget for next year. The full extent of what may be needed for budget reductions next year, if any, is not yet known. It is intended that this list will provide lawmakers with enough options to allow them to be selective in the event budget reductions are necessary. In developing this list, agency directors carefully reviewed all activities within divisions and offices and made every effort to conserve long term program investments, minimize impacts to existing programs' abilities to effectively operate, maximize use of federal grants, continue work in progress, and delay work not yet started. It should be noted, however, that by identifying issues for the purpose of this exercise, does not imply they are not valuable agency services.

The 5% list totals \$10,791,965 of which \$1,214,788 is from General Revenue and \$9,577,177 is from trust funds. Also, because so much of the agency budget is used as State match for grants, an additional \$60,000 in grant funding would be lost if the matching budget included in some of these issues is cut. These are the same issues that the Commission approved for the last budget cycle.

See Tab 4 for details of Potential Budget Reductions – Schedule VIII B.

# FY 2015/16 Legislative Budget Request

(3) Potential Budget Redirects –  
Schedule VIIC



This is the third action item for Commission approval: Potential Budget Redirects – Schedule VIIC.



In preparation for the 2015 Legislative Session, the Governor, House, and Senate instructed state agencies to identify programs, services, functions and activities that are currently being performed that may no longer be the highest and best use of state or federal resources. Essentially, this exercise asks agencies to recommend how current resources could be better used for other important programs, services, functions, and activities. Staff was asked to consider those functions where we may be currently limited by statutory language, proviso, or other mandates that could be changed and re-directed to higher priority work. Any issues that are identified are not restricted by funding source, but proposed reprioritizations must be an allowable use of existing funds. Agencies are only required to submit a total of three (3) issues in the Legislative Budget Request (LBR).

See Tab 5 for details of Potential Budget Redirects – Schedule VIIC.

## FY 2015/16 Legislative Budget Request Staff Recommendation:

Approve New Budget Issues

Approve the list of potential  
Schedule VIII B reduction  
issues for the 2015  
Legislative Session

Approve the list of potential  
Schedule VIII C redirect  
issues for the 2015  
Legislative Session

Authorize the Executive  
Director in consultation with  
the Chairman to make  
adjustments to these issues  
as needed through the 2015  
Legislative Session

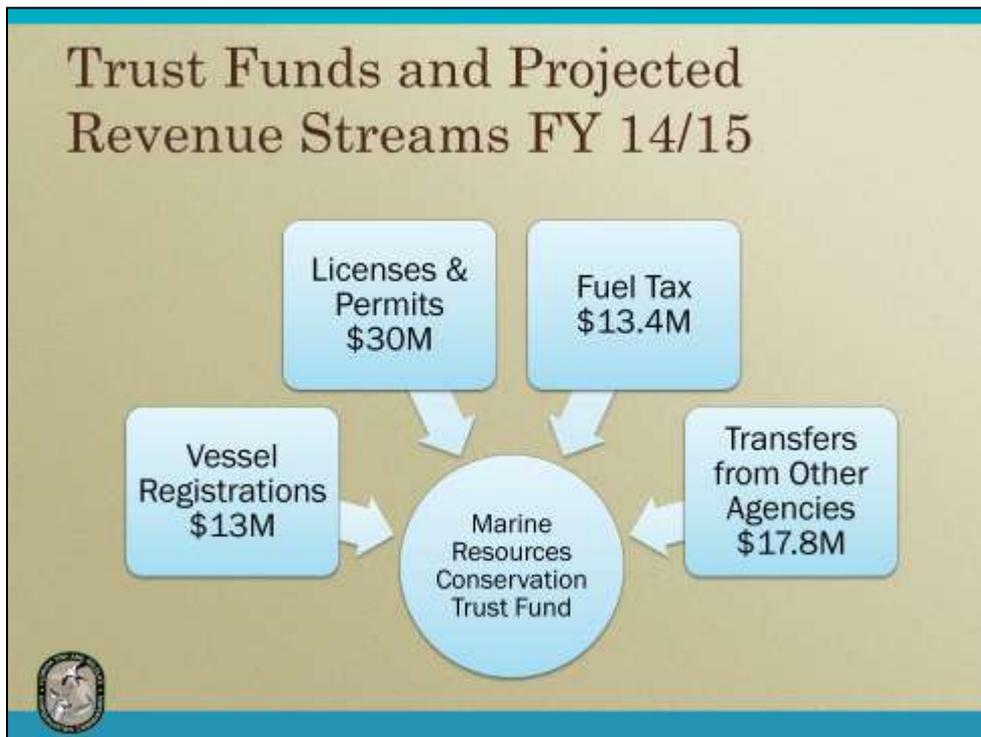


At this time, we have scheduled an opportunity for public comment.

After public comment, if any, staff recommends adoption of the budget issues and reductions as presented, with an authorization for the Executive Director to consult with the Chairman as needed to make any adjustments that may be necessary as we continue to move through the process.

The following slides are considered backup material and are not anticipated to be part of the actual presentation to the Commission





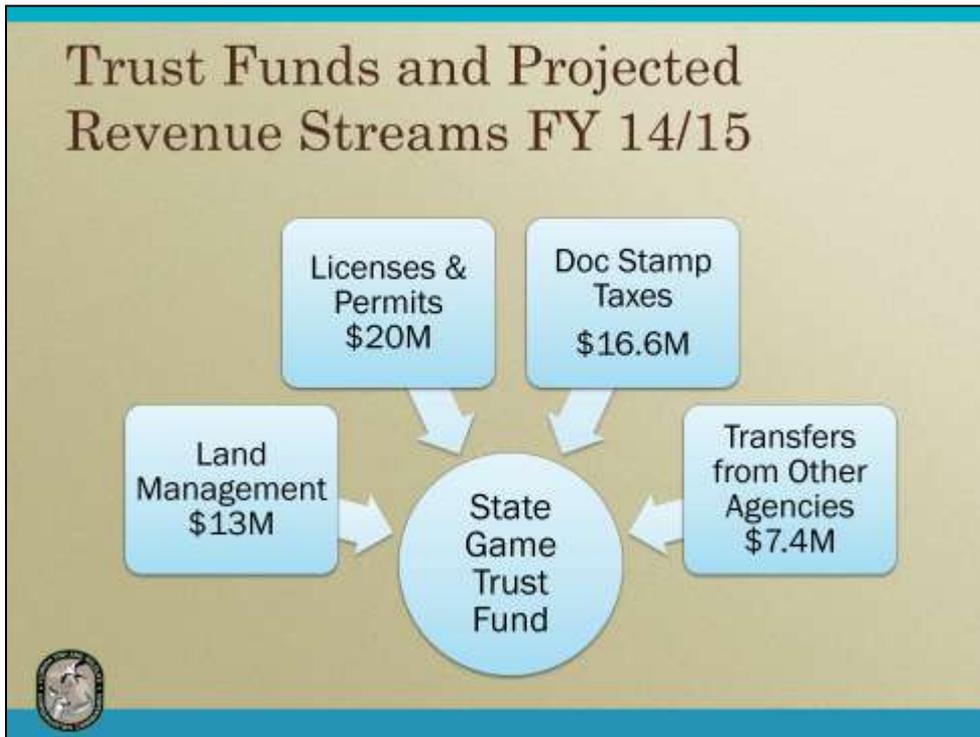
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Marine Resources Conservation Trust Fund:

**Revenue Sources:** Recreational and commercial saltwater fishing licenses, permits, fees and fines; vessel registration fees; marina fuel taxes; marine turtle specialty license plate fees (voluntary fee); boating fines, fees and penalties; judgments and forfeitures; transfers from other agencies, contract reimbursements, proceeds from sale of seized property, and interest earnings.

**Purpose of Fund:** Provides funding for marine-related activities such as research, fisheries management and enhancement, artificial reefs, saltwater fish hatcheries, marine turtle protection, law enforcement, boating and waterways support and infrastructure, trap retrieval, aquatic education, recreational and commercial licensing, information/ education activities and marine mammal care.

**Programs Supported:** Division of Law Enforcement; Division of Habitat and Species Conservation; Division of Marine Fisheries Management; Fish and Wildlife Research Institute; Office of Community Relations; Office of Licensing and Permitting; Office of Policy and Accountability.



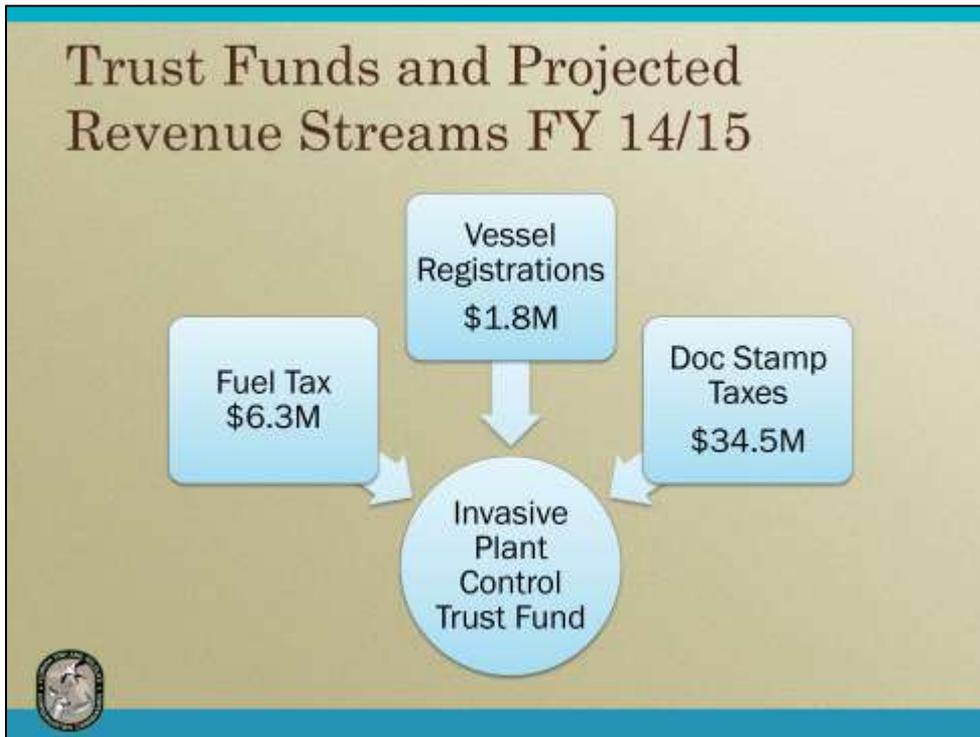
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**State Game Trust Fund:**

**Revenue Sources:** Fees from hunting and freshwater fishing licenses, permits, stamps, and tags; documentary stamp taxes, Wildlife Management Area access fees; Largemouth Bass specialty license plate fees (voluntary fee); motor fuel taxes; land management revenues, contract reimbursements, donations, proceeds from sale of seized property, and interest earnings.

**Purpose of Fund:** Provides funding for various wildlife and freshwater fisheries activities, such as research, freshwater fisheries management, freshwater fish hatcheries, and law enforcement; recreational and commercial licensing programs for hunting and freshwater fishing activities; and education and information.

**Programs Supported:** Division of Law Enforcement; Division of Habitat and Species Conservation; Division of Hunting and Game Management; Division of Freshwater Fisheries Management; Division of Marine Fisheries Management; Fish and Wildlife Research Institute; Office of Public Access and Wildlife Viewing Services; Office of Community Relations; Office of Licensing and Permitting; Office of Policy and Accountability.



While we project the revenues that will come into the trust funds, the Legislature determines (via annual appropriations) how much funding we can actually spend in any given year. For example, we can only spend up to the amount appropriated even if we receive more revenue than the budget that is appropriated. Similarly, if revenues come in at less than the budgeted amount, we can only spend up to the available amount of revenue. The authority for how these revenues can be spent is found in state statutes.

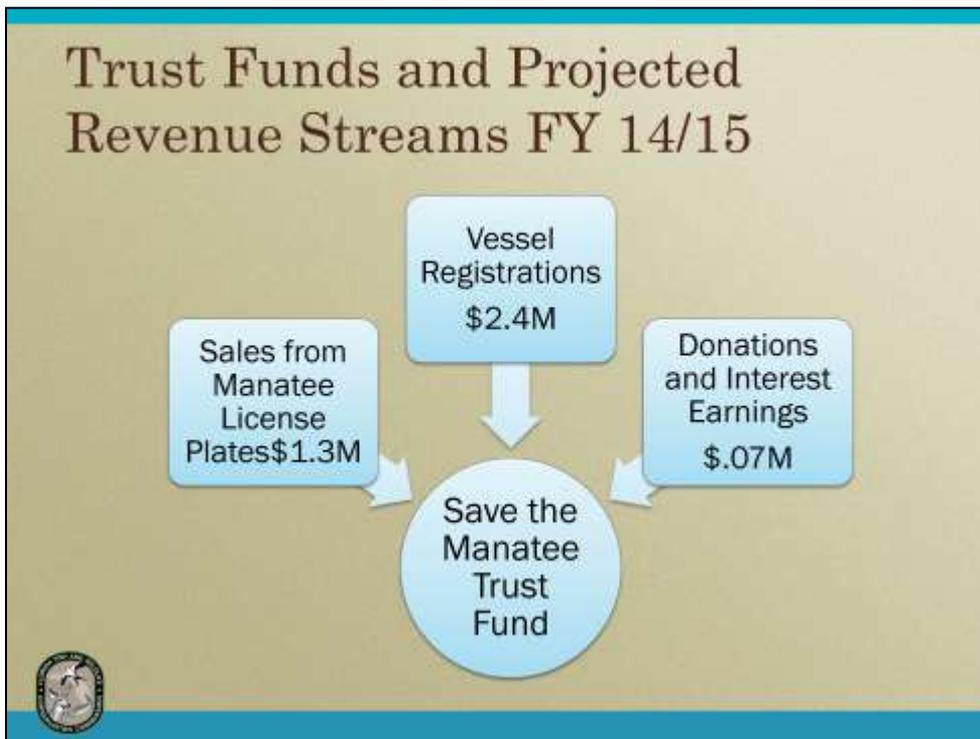
**Invasive Plant Control Trust Fund:**

**Revenue Sources:** 2.28% of documentary stamp taxes (capped at \$36.1 million), \$6.3 million fuel tax revenues, \$2 from each non-commercial vessel registration fee (excluding class A-1), 40% of commercial vessel registrations fees, and interest earnings.

**Purpose of Fund:** To achieve eradication or maintenance control of invasive exotic plants on public lands; to assist state and local government agencies in the development and implementation of coordinated management plans for the eradication; to contract or enter into agreements with entities for research concerning control agents; at least 20% of the documentary stamp tax revenues shall be used for the purpose of controlling non-native, upland invasive plant species on public lands.

**Programs Supported:** Division of Habitat and Species Conservation

**Transfers to Other Agencies:** Department of Agriculture and Consumer Services; University of Florida



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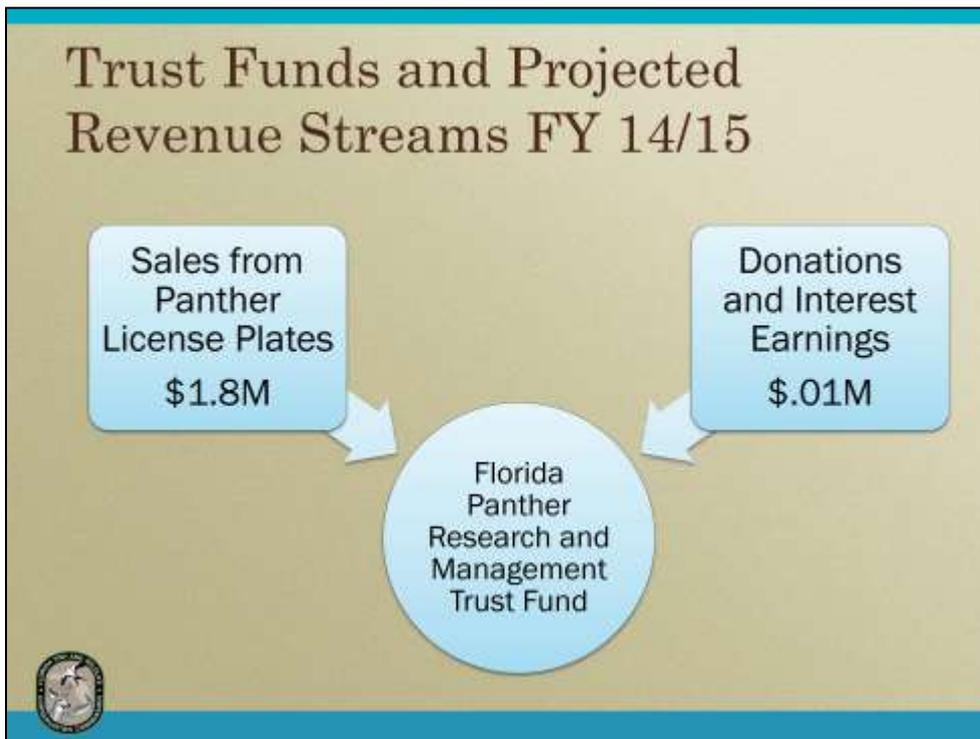
### Save the Manatee Trust Fund

**Revenue Sources:** Manatee specialty license plate fees (voluntary fee), state vessel registration fees, contributions/donations, and interest earnings.

**Purpose of Fund:** Provides funding for manatee and marine mammal research, management, protection, and recovery.

**Programs Supported:** Division of Habitat and Species Conservation; Fish and Wildlife Research Institute; Office of Community Relations.

**Transfers to Other Agencies:** None



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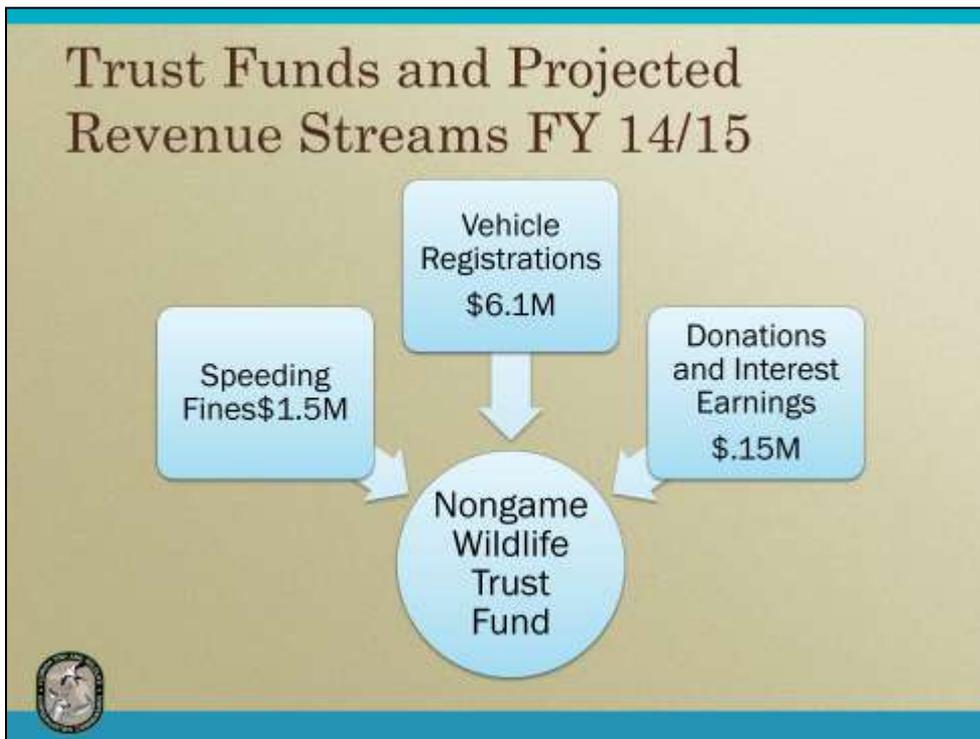
### Florida Panther Research and Management Trust Fund

**Revenue Sources:** 100% of panther specialty license plate fees (voluntary fee); and interest earnings.

**Purpose of Fund:** Provides funding to manage and protect Florida panthers, to educate the public on necessity of panther management, to reestablish Florida panthers into suitable habitat, and to promote and market the panther specialty license plate.

**Programs Supported:** Division of Habitat and Species Conservation; Fish and Wildlife Research Institute; Office of Community Relations.

**Transfers to Other Agencies:** None



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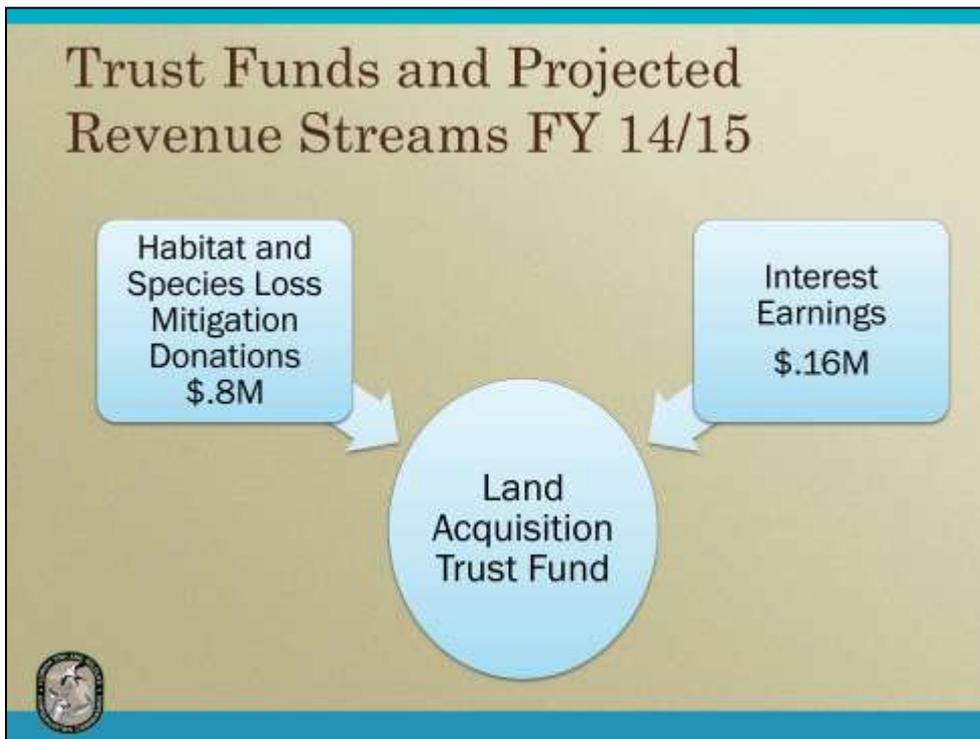
### Nongame Wildlife Trust Fund

**Revenue Sources:** Speeding fines, vehicle title fees, voluntary contributions and interest earnings.

**Purpose of Fund:** Provides funding for the management and conservation efforts for non-game wildlife species, conservation stewardship, documentation of non-game wildlife populations trends, and assessment of wildlife habitat.

**Programs Supported:** Division of Habitat and Species Conservation; Fish and Wildlife Research Institute.

**Transfers to Other Agencies:** None



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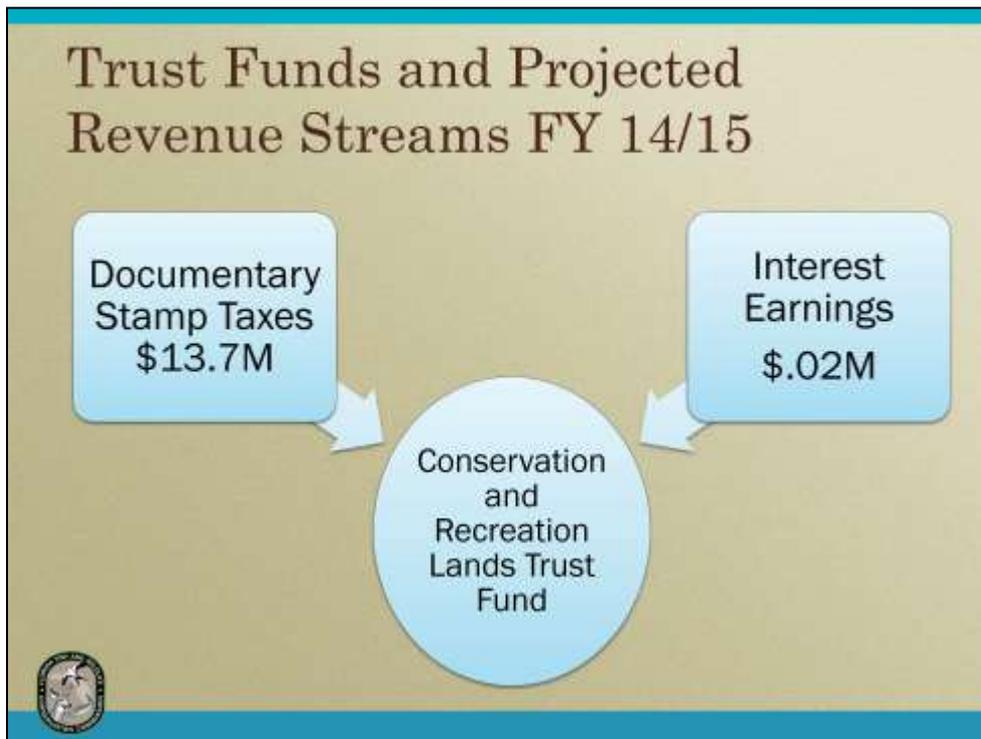
### Land Acquisition Trust Fund

**Revenue Sources:** Habitat and species loss mitigation donations and interest earnings.

**Purpose of Fund:** Provides funding for acquisition and management of fish and wildlife mitigation park land and mitigated species recovery plans. A portion of the mitigation revenue is held as interest-generating principle. The interest earnings are used to fund perpetual land management.

**Programs Supported:** Division of Habitat and Species Conservation

**Transfers to Other Agencies:** None



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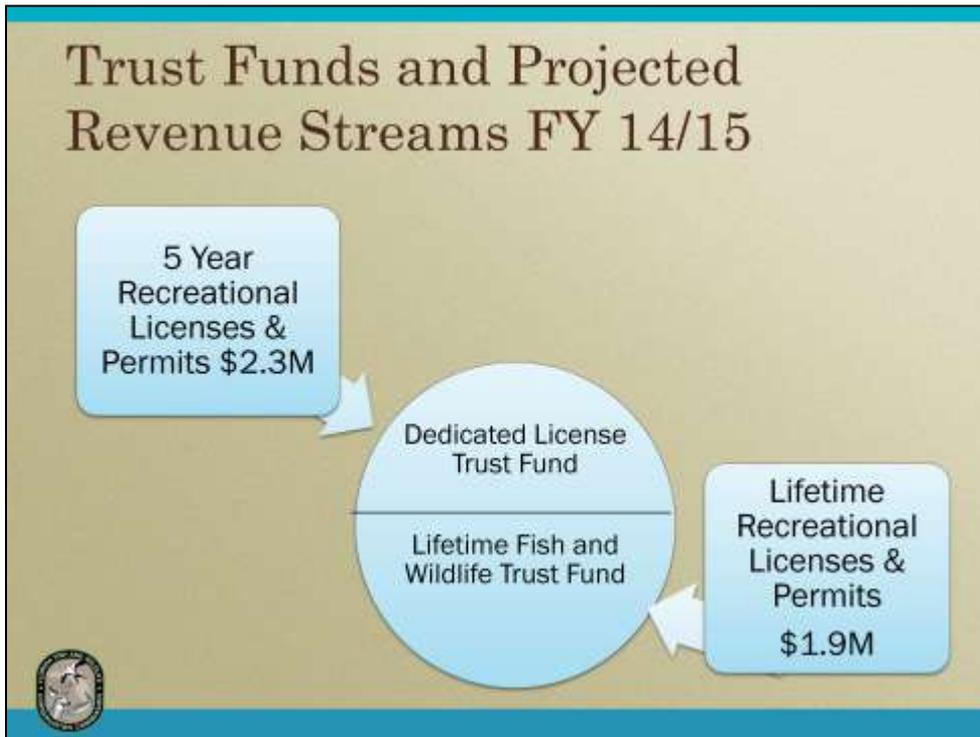
### Conservation and Recreation Lands Trust Fund

**Revenue Sources:** Documentary stamp taxes and interest earnings

**Purpose of Fund:** Provides funding for the management of conservation and recreation lands by the Commission.

**Programs Supported:** Division of Law Enforcement; Division of Habitat and Species Conservation; Division of Hunting and Game Management; Division of Freshwater Fisheries Management; Division of Marine Fisheries Management; Fish and Wildlife Research Institute; Office of Public Access and Wildlife Services.

**Transfers to Other Agencies:** None



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### Lifetime Fish and Wildlife Trust Fund

**Revenue Sources:** Proceeds from the sale of lifetime recreational hunting and fishing licenses.

**Purpose of Fund:** Lifetime license proceeds are held here in perpetual trust for the purpose of generating interest earnings to support fish and wildlife conservation programs. Interest is transferred to other trust funds for appropriation.

**Programs Supported:** None (not an operating trust fund)

**Transfers to Other Agencies:** None

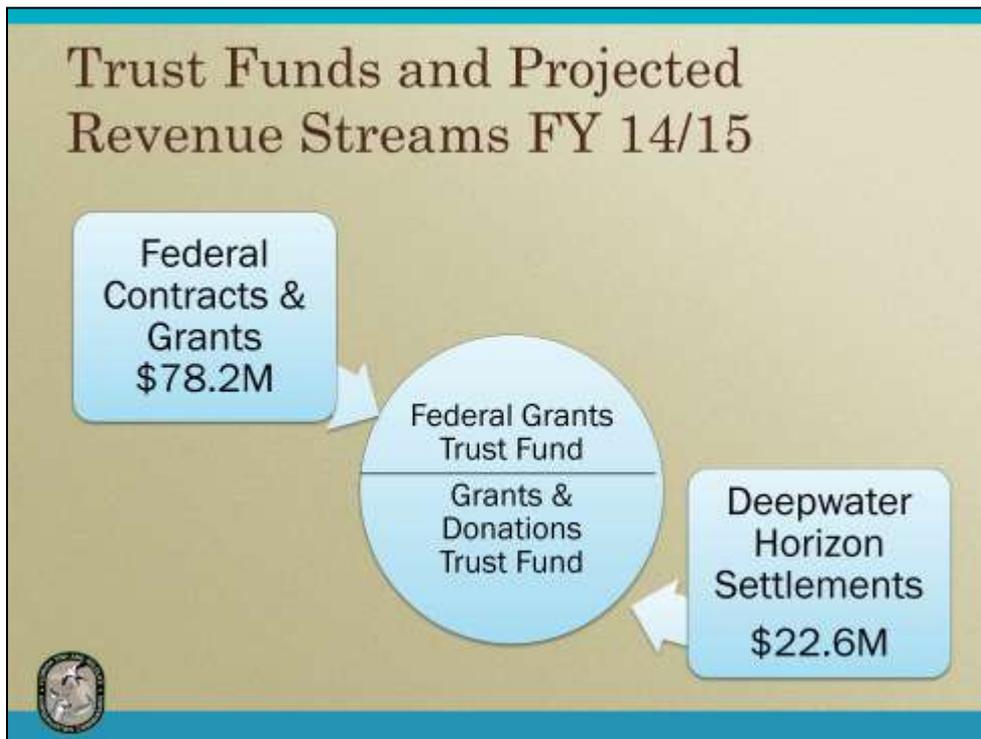
### Dedicated License Trust Fund

**Revenue Sources:** Proceeds from the sale of 5-year recreational hunting and fishing licenses and permits.

**Purpose of Fund:** Serves as a holding trust for future portions of five-year license and permit sales. Each year 1/5 of proceeds and all interest earnings are transferred to operating trust funds for appropriation.

**Programs Supported:** None (not an operating trust fund)

**Transfers to Other Agencies:** None



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#### Federal Grants Trust Fund:

**Revenue Sources:** Federal contract and grant reimbursements, Federal grant program income and interest earnings, and cash advances from other funds.

**Purpose of Fund:** Serves as a depository for federal grant funds used for allowable grant activities within all programs of the agency.

**Programs Supported:** Division of Law Enforcement; Division of Habitat and Species Conservation; Division of Hunting and Game Management; Division of Freshwater Fisheries Management; Division of Marine Fisheries Management; Fish and Wildlife Research Institute; Office of Public Access & Wildlife Viewing Services.

#### Grants & Donations Trust Fund

**Revenue Sources:** Grants from private and public non-federal sources and interest earnings.

**Purpose of Fund:** Serves as a depository for non-federal grant funds used for allowable grant activities within all programs of the agency.

**Programs Supported:** Division of Habitat and Species Conservation; Division of Hunting and Game Management; Division of Marine Fisheries Management; Fish and Wildlife Research Institute; Division of Law Enforcement; Office of Public Access & Wildlife Viewing Services.