

Florida Fish and Wildlife Conservation Commission

Minutes of the Special Commission Meeting

February 8, 2006

Tallahassee

A special meeting of the Florida Fish and Wildlife Conservation Commission was held in the auditorium of the Farris Bryant Building, Tallahassee, February 8, 2006, and called to order at 9:10 a.m., by Chairman Rodney Barreto with the following members in attendance:

Mr. David K. Meehan, St. Petersburg                      Mr. H.A. "Herky" Huffman, Enterprise

Mr. Richard A. Corbett, Tampa                              Mr. Brian S. Yablonski, Tallahassee

Ms. Kathy Barco, Jacksonville

Staff

Mr. Kenneth D. Haddad	Executive Director
Mr. Victor J. Heller	Assistant Executive Director
Mr. James V. Antista	General Counsel
Mr. Nick Wiley	Director, Division of Hunting and Game Management
Mr. Timothy Breault	Director, Division of Habitat and Species Conservation
Mr. Darrell Scovell	Director, Division of Freshwater Fisheries Management
Mr. Gil McRae	Director, Fish and Wildlife Research Institute
Ms. Jacqueline Fauls	Director, Legislative Affairs Office
Ms. Sandra L. Wilson	Director, Finance and Budget Office
Ms. Sharon T. Lobello	Director, Community Relations Office

Mr. Vic Heller gave the invocation and led the assembly in the Pledge of Allegiance to the Flag.

Chairman Barreto explained that the special meeting was convened solely for discussion of the agency Financial Business Plan and agency financial status. He welcomed Mr. Brett Boston, independent contractor from Group Solutions, Inc., who presented an overview of previous recommendations for a Financial Business Plan (FBP) for the agency. Mr. Barreto thanked Mr. Boston for his insight and consulting work with the Wildlife Foundation of Florida.

## Financial Business Plan Overview

Mr. Boston's overview consisted of review of the five planning steps developed by the FBP team in Phase I: (1) research, (2) surveys of various publics, (3) development of a range of revenue-enhancement options, (4) presentation of the results and findings to the Commission, and (5) the on-going process for building stakeholder and public support for the selected options.

Budget considerations for the agency included:

- License exemptions are hurting the agency, resulting in lost revenues
- Population growth is making it hard to manage wildlife
- Inflation is reducing capability of agency to manage fish and wildlife
- Several trust funds are declining rapidly
- A change in financial structure is needed

During the previous discussion of Phase 1 of the FBP with the Commission, members asked what budget reductions the agency has seen over the past few years. Over the past six years, FWC budget cuts have totaled \$27 million; 37 staff positions have been eliminated; and, as a percentage of the total budget for all funds, budget reductions have averaged approximately 2.8 percent per year over the six-year period.

Commission direction on the agency future financial strategy was two-fold: (1) status quo—develop funding needed to maintain the current level of services only, and (2) enhancements—provide current service levels with some enhancement of existing programs. Staff was directed to pursue and evaluate both strategies.

Phase II was designed to generate revenue options needed to maintain and enhance current programs and services with stakeholder guidance and support.

Stakeholder messages included the need for more user marketing and educational efforts; enhancement of partnering with organizations, volunteers, governmental entities, and businesses; and increased funding transparency.

Price points recommended included increasing freshwater fishing and hunting license fees; saltwater fishing—removing the shoreline exemptions and increasing license fees and permits; exempt youth—registering youth to ensure their numbers are totaled for federal funding matches; and adjusting or increasing vessel licenses.

The focus groups summary included:

- FWC has stakeholder support to take the necessary actions to shore up the trust funds.
- There was very strong support for finding ways to increase the amount of Wallop-Breaux and Pittman-Robertson (federal) dollars coming back to Florida.

- The concept of user-pay and equity was a strong message from the focus groups.
- Concerns were expressed that FWC users were not the sole beneficiaries of the agency's work and that General Revenue dollars should also be sought.
- Many in the groups recommended that Law Enforcement overhead should be removed from the trust funds and be completely paid by General Revenue because all Floridians benefit from their efforts. The smaller trust funds are more greatly impacted by this overhead load.
- Broader funding mechanisms than user fees were seen as necessary to address current and future resource pressures for the wildlife and FWC.
- Users would like more transparency in tracking fee collection and use
- Agency must increase communication with all stakeholders regarding priorities and spending of funds.
- FWC should communicate more broadly regarding its mission, projects and programs.
- Once facts were known, stakeholders strongly agreed that funding increases were needed.
- Most organizations felt that they can and should assist FWC in shoring up its financial situation.
- Stakeholders want a percentage of increased fees to go directly to the user groups providing those fees.
- New user groups were unaware of what FWC did or provided for them, and did not understand the concept of user pay.
- New user groups have a philosophy that they would not pay for access, infrastructure, and use, which is counter to the traditional user groups.

### Financial Business Plan Budget

Mr. Boston stated that that Phase III of the Financial Business Plan provides final recommendations on fees and funding; assesses the budget and program needs; and concludes with presentation of the budget.

The current (2004-05) agency recurring revenue and expense statement depicts a \$3,945,690 shortfall in net expenses. In 2005-06 this shortfall increases to \$5,519,083, and by fiscal year 10/11 it increases to \$11,163,272.

Final recommendations on fees and funding include:

- Remove saltwater shoreline exemption
- Increase nonresident fishing fees
- Seek funding source to capture federal funds associated with registering exempt youths and seniors in fishing and hunting (administrative fee of \$2).
- Seek a larger share of General Revenue funding for Law Enforcement
- Update manatee and panther tag legislation to provide for marketing monies.
- Remove Law Enforcement load on panther and manatee trust funds.

As an introduction to the budget, Mr. Boston explained that the complexity of FWC mandates makes current financial planning difficult. Inflexibility within funding sources also makes financial adjustments more difficult. FWC continues to struggle with the concept of reduction, efficiencies, and alignment around priorities.

Mr. Boston discussed significant FWC funding gaps and recurring costs that exceed recurring revenues in freshwater fishing, hunting, marine law enforcement, marine research and management, panther trust fund programs, and manatee trust fund programs. He also discussed the impact of nonresident fee changes on the agency budget and possible changes to trust fund allocations.

### Commission Discussion

The Commission discussed the following topics with the staff regarding the budget, budget deficiencies, and agency efficiencies:

- Securing federal funding for state funds expended following last year's hurricanes
  - Imposing a vessel license fee versus an individual license fee for head boat captains. Convene a "blue ribbon" committee of boat captains to debate.
  - Reviewing affects of shortages in trust funds, including eliminating cost of law enforcement from Manatee and Panther tag trust funds.
  - Reviewing services the agency provides
  - Reviewing fund reductions in documentary stamp monies coming to agency.
- Initiating equipment efficiencies
- Locating areas where the agency might still tighten its spending
- Expanding privatization
- Expanding partnering
- Seeking the aid of an outside efficiency consultant
- Developing a business case for the agency
- Marketing for vehicle tags that provide trust fund dollars to agency
- Providing agency efficiencies to the Legislature with budget request

Commissioner Yablonski offered a summation of topics discussed and offered topics for the Commission and staff to address in developing the agency business case. Through General Consent the Commission concurred with the summation:

1. Check-Off Opportunities—Provide opportunities for people to contribute funds when they buy their hunting/fishing licenses, vehicle license tags, vessel registrations, magazine subscriptions, etc. Funds generated from the check-off could be used to provide the \$2 needed to register youths and seniors in order to receive Federal Aid matching funds.

2. Grants—Maximize grants. Seek additional grants to reduce program funding from permit and license revenue.

3. User Base—Grow the base of hunters, fishers, and other members of the public who purchase our licenses, permits and registrations.

4. Efficiencies—Develop more FWC efficiencies. Bring in an outside person to review agency programs and identify additional cost savings. Included would be an evaluation of FWC equipment to determine if it is more economical to rent or lease as opposed to purchase. Explore with other agencies what they have done to improve efficiencies.

5. Marketing—Evaluate marketing as a method to increase our base of users and to increase hunting/fishing license, permit and vehicle license tag sales.

6. Privatization—Evaluate privatization as an option to reduce personnel and equipment costs.

7. Red Tape—Elimination of “red tape” in our processes that would save the agency time and money.

8. Volunteers—Evaluate volunteer programs as a method to reduce program costs.

9. Non-recurring Funding—Recognize that “non-recurring” funds are likely to be a consistent part of budget and maximize their use.

10. Administrative Costs—Reduce administrative costs. Reduce bureaucratic requirements, cost-accounting procedures, excessive controls.

11. Documentary Stamps—Evaluate/project the future income from documentary stamps.

12. Stakeholder Coordination Plan—This would inform stakeholders about the FBP, need for the plan, consequences of not doing the plan, and guidance on how stakeholders can help advocate—where and when.

13. Fees—Consider increasing various permit and license fees and/or repeal exemptions. Develop a stakeholder information program designed to educate stakeholders about proposed fees, where the fees would be used, and involve stakeholders in supporting the legislation.

Mr. Haddad stated that staff will work with Commissioner Barco, who has taken the lead on the Financial Business Plan regarding these subjects.

#### Public Comment

Pat Rose (Save the Manatee Club) offered the Club’s assistance within the Legislative process to help the agency meet its fiscal needs in the future. He pointed out that paying Law Enforcement personnel from the Save the Manatee Trust Fund was not part of the original legislation; and, when it was approved, the

Club believed it would be a "one time fix." He offered to work with the FWC on cost of living increases, impacts of growth of human population in Florida, and their effects on money available for research and management of this state's fish and wildlife resources.

There being no further business, the meeting was adjourned at 1:10 p.m.

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Rodney Barreto  
Chairman

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Kenneth D. Haddad  
Executive Director

Respectfully submitted:

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Commission Secretary

Tm/minutes  
February 8 2006