

Multiple Agency Fiscal Note Summary

Bill Number: 5902 SB	Title: State park system/accounts
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Office of State Treasurer	Non-zero but indeterminate cost and/or savings. Please see discussion.								
State Parks and Recreation Commission	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Total \$	0	0	0	0	0	0	0	0	0

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of State Treasurer	.0	0	0	0	.0	0	0	0	.0	0	0	0
State Parks and Recreation Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
State Parks and Recreation Commission	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total

Estimated Capital Budget Breakout

NONE

Prepared by: Matthew Hunter, OFM

Phone:
(360) 529-7078

Date Published:
Final 1/12/2024

Individual State Agency Fiscal Note

Bill Number: 5902 SB	Title: State park system/accounts	Agency: 090-Office of State Treasurer
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Jed Herman	Phone: 360-786-7346	Date: 01/09/2024
Agency Preparation: Dan Mason	Phone: (360) 902-8990	Date: 01/12/2024
Agency Approval: Dan Mason	Phone: (360) 902-8990	Date: 01/12/2024
OFM Review: Amy Hatfield	Phone: (360) 280-7584	Date: 01/12/2024

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

SB 5902 allows the parkland acquisition account, state parks renewal and stewardship account, snowmobile account, and winter recreational program account to be the recipient of their earnings from investments.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Projected cash flows are currently unavailable; therefore, estimated earnings from investments are indeterminable. To assist, an assumption, historical data, and projected interest rates are provided, (attached).

There may be an impact on the debt service limitation calculation. Changes to the earnings credited to the general fund impacts, by an equal amount, general state revenues.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

November 2023 Revenue Forecast	
Fiscal Year	Earnings from Investments: Projected Net Interest Rate
2024	3.56%
2025	3.55%
2026	3.30%
2027	3.05%

Historical Information						
Earnings from Investments credited to the General Fund from the following accounts						
Account	Name	Fiscal Year				
		FY 19	FY 20	FY 21	FY 22	FY 23
007	Winter Recreational Program Account	30,149	28,542	18,671	15,632	80,798
01M	Snowmobile Account	67,627	55,486	28,581	18,449	80,831
02N	Parkland Acquisition Account	248	229	166	1,590	49,400
269	State Parks Renewal and Stewardship Account	438,035	363,504	247,799	209,784	930,519
	Total	<u>\$ 536,059</u>	<u>\$ 447,761</u>	<u>\$ 295,217</u>	<u>\$ 245,455</u>	<u>\$1,141,548</u>

Assumption: RCW 43.79A.040(4)(b) will be amended to include the parkland acquisition account.

Individual State Agency Fiscal Note

Bill Number: 5902 SB	Title: State park system/accounts	Agency: 465-State Parks and Recreation Commission
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Jed Herman	Phone: 360-786-7346	Date: 01/09/2024
Agency Preparation: Van Church	Phone: (360) 902-8542	Date: 01/12/2024
Agency Approval: Van Church	Phone: (360) 902-8542	Date: 01/12/2024
OFM Review: Matthew Hunter	Phone: (360) 529-7078	Date: 01/12/2024

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

The proposed legislation allows the parkland acquisition account, State Parks renewal and stewardship account, snowmobile account, and winter recreational program account to be the recipient of their earnings from investments.

Due to the variability of the average daily cash balances and increasing/decreasing interest rates the calculation of projected earned interest with any reasonable certainty is problematic leading the fiscal impact to be indeterminate.

The four Funds involved in the proposed legislation are summarized below:

Fund 007 - Winter Recreation Program Account

- Appropriated Fund for administration, planning, construction, publicity, and maintenance (snow removal) of winter recreational parking areas.
- Sources of revenue include sales of Sno-Park permits for parking in areas adjacent to winter rec trailheads, donations, and other miscellaneous revenue.

Fund 01M - Snowmobile Account

- Appropriate Fund used for the administration, acquisition, development, operation, and maintenance of snowmobile facilities and the implementation of snowmobile safety, enforcement, and education programs.
- Sources of revenue include taxes, licenses, permits fees, gifts, grants, donations, and other miscellaneous revenue.

Fund 02N - Parkland Acquisition Account

- Appropriated Fund used solely for the purchase or acquisition of property for use as state park property.
- Sources of revenue include proceeds from the sale of real property.

Fund 269 - Parks Renewal and Stewardship Account

- Appropriated Fund used for operating state parks, developing and renovating park facilities, and other park purposes.
- Sources of revenue include Discover Pass sales, camping and overnight accommodation fees, donations and other miscellaneous revenue. Cash on hand includes "earned" and "unearned" revenue. "Unearned" revenue includes Camping and Overnight Accommodation reservation deposits.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Due to the variability of the average daily cash balances and increasing/decreasing interest rates the calculation of projected earned interest with any reasonable certainty is problematic leading the fiscal impact to be indeterminate.

The below information by each of the four Funds, reflects the 5-year historical cash balances and the projected earned investment revenue based on the State Treasurer's four years of projected interest rates.

Fund 007 - Winter Recreation Program Account

- Appropriated Fund for administration, planning, construction, publicity, and maintenance (snow removal) of winter recreational parking areas.
- Sources of revenue include sales of Sno-Park permits for parking in areas adjacent to winter rec trailheads, donations, and other miscellaneous revenue.
- Average cash balance:
FY19 \$1.7M

FY20 \$1.7M

FY21 \$2.4M

FY22 \$3.1M

FY23 \$3.4M

- Cash balance as of 11/30/2023 \$3,209,669

- Projected Earned Revenue (based on FY21-23, or 3-year average cash balance and State Treasurer projected investment interest rates):

FY24 \$105,000

FY25 \$105,000

FY26 \$98,000

FY27 \$90,000

Fund 01M - Snowmobile Account

- Appropriate Fund used for the administration, acquisition, development, operation, and maintenance of snowmobile facilities and the implementation of snowmobile safety, enforcement, and education programs.

- Sources of revenue include taxes, licenses, permits fees, gifts, grants, donations, and other miscellaneous revenue.

- Average cash balance:

FY19 \$3.8M

FY20 \$3.3M

FY21 \$3.5M

FY22 \$3.7M

FY23 \$3.5M

- Cash balance as of 11/30/2023 \$3,386,062

- Projected Earned Revenue (based on FY21-23, or 3-year average cash balance and State Treasurer projected investment interest rates):

FY24 \$127,000

FY25 \$126,000

FY26 \$118,000

FY27 \$109,000

Fund 02N - Parkland Acquisition Account

- Appropriated Fund used solely for the purchase or acquisition of property for use as state park property.

- Sources of revenue include proceeds from the sale of real property.

- Average cash balance:

FY19 \$14,000

FY20 \$14,000

FY21 \$22,000

FY22 \$267,000

FY23 \$2.2M

- Cash balance as of 11/30/2023 \$642,862

- Projected Earned Revenue (based on \$20,000/yr average cash balance and State Treasurer projected investment interest rates):

FY24 \$1,000

FY25 \$1,000

FY26 \$1,000

FY27 \$1,000

Fund 269 - Parks Renewal and Stewardship Account

- Appropriated Fund used for operating state parks, developing and renovating park facilities, and other park purposes.

- Sources of revenue include Discover Pass sales, camping and overnight accommodation fees, donations and other miscellaneous revenue. Cash on hand includes "earned" and "unearned" revenue." Unearned" revenue includes Camping

and Overnight Accommodation reservation deposits.

- Average cash balance:

FY19 \$24.6M

FY20 \$21.3M

FY21 \$30.9M

FY22 \$40.4M

FY23 \$41.3M

- Cash balance as of 11/30/2023 \$37,924,323

- Projected Earned Revenue (based on FY20-23, or 4-year average cash balance and State Treasurer projected investment interest rates):

FY24 \$1,191,000

FY25 \$1,187,000

FY26 \$1,104,000

FY27 \$1,020,000

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

None.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

FY24-27 Projection

Fund 007	Average Cash		% Interest	Average Cash			
	Balance - "Actual"			Balance - "Projected"	Earned Interest - FY	Earned Interest - Biennium	
FY19	\$ 1,683,024.98		FY24	3.56%	\$ 2,957,272	\$ 105,000	
FY20	\$ 1,702,033.65		FY25	3.55%	\$ 2,957,272	\$ 105,000	\$ 210,000
FY21	\$ 2,395,044.56		FY26	3.30%	\$ 2,957,272	\$ 98,000	
FY22	\$ 3,074,990.36		FY27	3.05%	\$ 2,957,272	\$ 90,000	\$ 188,000
FY23	\$ 3,401,780.20						
Fund 01M							
FY19	\$ 3,785,757.08		FY24	3.56%	\$ 3,563,207	\$ 127,000	
FY20	\$ 3,309,997.81		FY25	3.55%	\$ 3,563,207	\$ 126,000	\$ 253,000
FY21	\$ 3,474,356.61		FY26	3.30%	\$ 3,563,207	\$ 118,000	
FY22	\$ 3,695,978.33		FY27	3.05%	\$ 3,563,207	\$ 109,000	\$ 227,000
FY23	\$ 3,519,284.65						
Fund 02N							
FY19	\$ 13,918.93		FY24	3.56%	\$ 20,000	\$ 1,000	
FY20	\$ 13,679.86		FY25	3.55%	\$ 20,000	\$ 1,000	\$ 2,000
FY21	\$ 21,990.93		FY26	3.30%	\$ 20,000	\$ 1,000	
FY22	\$ 267,341.01		FY27	3.05%	\$ 20,000	\$ 1,000	\$ 2,000
FY23	\$ 2,194,442.75						
Fund 269							
FY19	\$ 24,590,294.27		FY24	3.56%	\$ 33,446,106	\$ 1,191,000	
FY20	\$ 21,280,819.85		FY25	3.55%	\$ 33,446,106	\$ 1,187,000	\$ 2,378,000
FY21	\$ 30,856,416.68		FY26	3.30%	\$ 33,446,106	\$ 1,104,000	
FY22	\$ 40,345,905.02		FY27	3.05%	\$ 33,446,106	\$ 1,020,000	\$ 2,124,000
FY23	\$ 41,301,283.94						

WA Treasurer Projected Interest Rates

November 2023 Revenue Forecast	
Fiscal Year	Earnings from Investments: Projected Net Interest Rate
2024	3.56%
2025	3.55%
2026	3.30%
2027	3.05%

All Funds Total by FY and 2023-25 and 2025-27			
FY24	\$	1,424,000	
FY25	\$	1,419,000	\$ 2,843,000
FY26	\$	1,321,000	
FY27	\$	1,220,000	\$ 2,541,000

FY19-23 Historical

	FY19	FY20	FY21	FY22	FY23
Jul	0.0013	0.0017	0.0007	0.0004	0.0009
Aug	0.0013	0.0015	0.0008	0.0003	0.0012
Sep	0.0013	0.0015	0.0008	0.0004	0.0013
Oct	0.0014	0.0014	0.0008	0.0004	0.0015
Nov	0.0014	0.0014	0.0008	0.0004	0.0018
Dec	0.0015	0.0014	0.0007	0.0003	0.0020
Jan	0.0015	0.0013	0.0007	0.0003	0.0021
Feb	0.0014	0.0014	0.0007	0.0004	0.0020
Mar	0.0016	0.0015	0.0006	0.0004	0.0022
Apr	0.0016	0.0014	0.0006	0.0005	0.0023
May	0.0017	0.0011	0.0005	0.0005	0.0025
Jun	0.0017	0.0011	0.0004	0.0007	0.0027
	1.78%	1.67%	0.82%	0.50%	2.25%

007	\$ 1,683,025	\$ 1,702,034	\$ 2,395,045	\$ 3,074,990	\$ 3,401,780	Avg Cash Balance
	\$ 29,891	\$ 28,458	\$ 19,713	\$ 15,443	\$ 76,545	Projected Earned Interest
	\$ 30,149	\$ 28,542	\$ 18,671	\$ 15,632	\$ 80,798	Actual Earned Interest
01M	\$ 3,785,757	\$ 3,309,998	\$ 3,474,357	\$ 3,695,978	\$ 3,519,285	Avg Cash Balance
	\$ 67,236	\$ 55,343	\$ 28,597	\$ 18,562	\$ 79,189	Projected Earned Interest
	\$ 67,627	\$ 55,486	\$ 28,581	\$ 18,449	\$ 80,831	Actual Earned Interest
02N	\$ 13,919	\$ 13,680	\$ 21,991	\$ 267,341	\$ 2,194,443	Avg Cash Balance
	\$ 247	\$ 229	\$ 181	\$ 1,343	\$ 49,378	Projected Earned Interest
	\$ 248	\$ 229	\$ 166	\$ 1,590	\$ 49,400	Actual Earned Interest
269	\$ 24,590,294	\$ 21,280,820	\$ 30,856,417	\$ 40,345,905	\$ 41,301,284	Avg Cash Balance
	\$ 436,727	\$ 355,817	\$ 253,971	\$ 202,626	\$ 929,337	Projected Earned Interest
	\$ 438,035	\$ 363,504	\$ 247,799	\$ 209,784	\$ 930,519	Actual Earned Interest
	\$ 534,100	\$ 439,848	\$ 302,461	\$ 237,974	\$ 1,134,448	Projected Earned Interest
	\$ 536,059	\$ 447,761	\$ 295,217	\$ 245,455	\$ 1,141,548	Actual Earned Interest

5-Year Historical Interest Earned by Fund

Historical Information						
Earnings from Investments credited to the General Fund						
from the following accounts						
Account	Name	Fiscal Year				
		FY 19	FY 20	FY 21	FY 22	FY 23
007	Winter Recreational Program Account	30,149	28,542	18,671	15,632	80,798
01M	Snowmobile Account	67,627	55,486	28,581	18,449	80,831
02N	Parkland Acquisition Account	248	229	166	1,590	49,400
269	State Parks Renewal and Stewardship Account	438,035	363,504	247,799	209,784	930,519
	Total	\$ 536,059	\$ 447,761	\$ 295,217	\$ 245,455	\$1,141,548