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January 13, 2004

## MEMORANDUM

**TO:** Council Members

**FROM:** Patty O'Toole

**SUBJECT:** 2004 – Fish and Wildlife Program Funding Risk Analysis and budget discussion

**Purpose:** This is an information update and no action is requested.

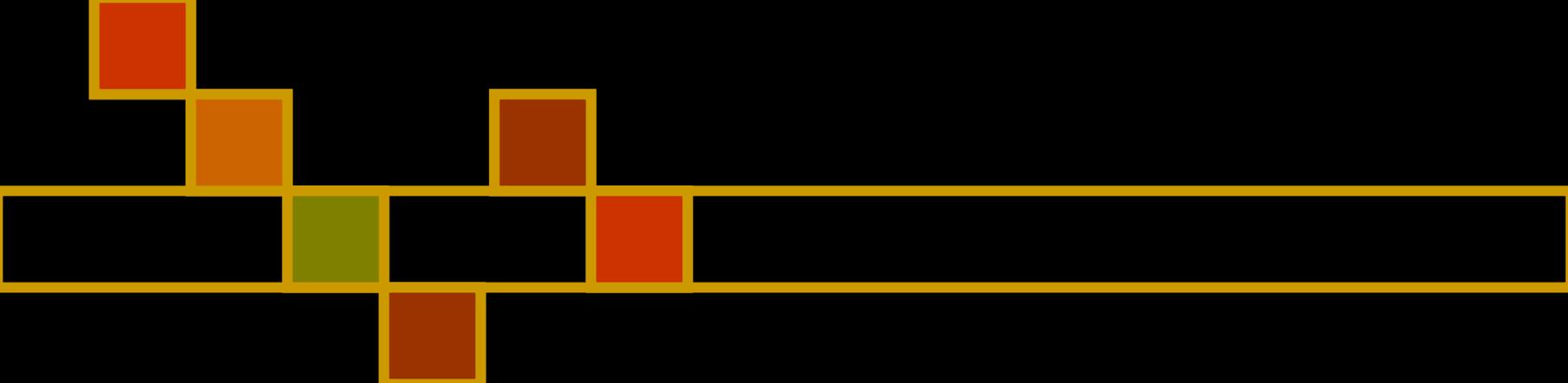
At the December Council meeting, staff presented a Fish and Wildlife Program budget update. We discussed the impacts that the Fiscal Year 2003 budget may have on the FY 2004 budget, and also discussed the results of the November Program Status Review meeting.

At the January meeting staff will present an assessment of issues that may impact the adopted Council project funding recommendations in FY 2004 and beyond. In addition, staff will introduce possible options for addressing the issues presented in the analysis.

### Possible Options:

- Add money to the program to address the actions of the past that continue to impact the current program.
- Cut the program to manage to the financial number – Council makes the cuts or Bonneville makes the cuts based upon Council developed principles.
- Bonneville manages to the financial goal, while fully implementing the Council's recommendations, with the Council monitoring implementation and taking corrective actions, if necessary.

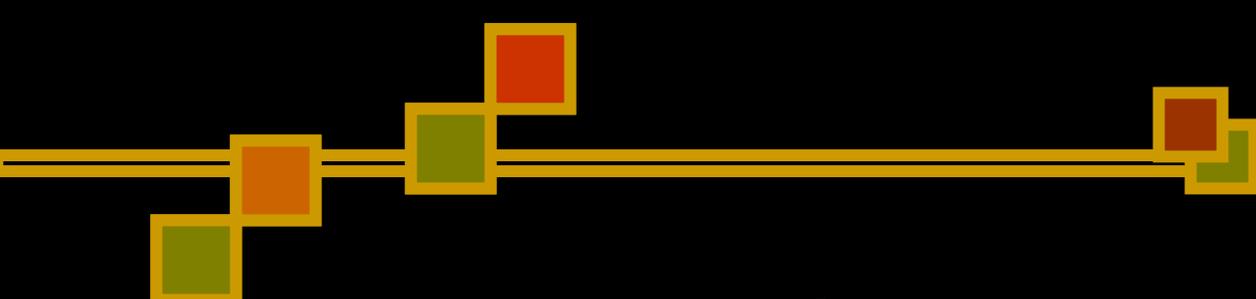
Given the amount of time that Council staff is spending each day working with budget issues, there is interest in examining the option of Bonneville managing the budget to the financial goal while fully implementing the Council's recommendations. This may allow staff to spend more time working on other pressing Program issues such as subbasin planning and developing future project selection processes.



# 2004 – Fish and Wildlife Program Funding Risk Analysis

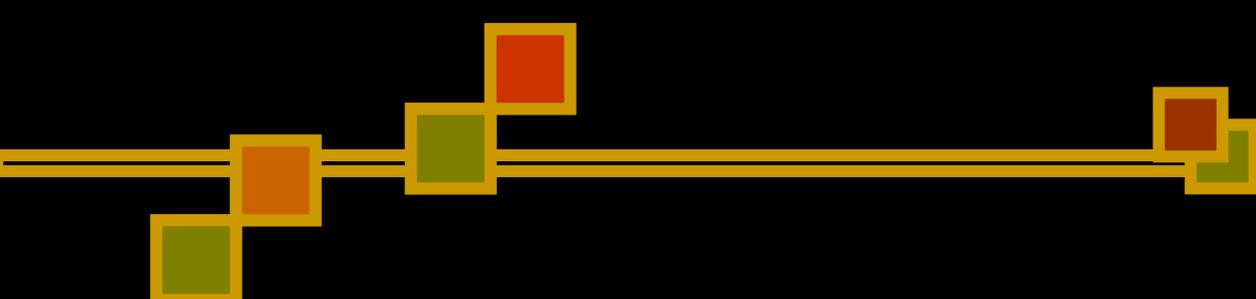


A Staff Analysis of the Expense Portion of the  
Fish and Wildlife Program



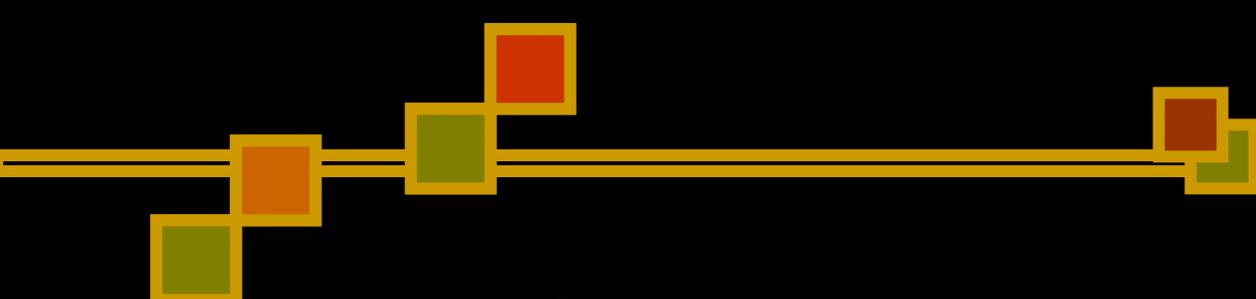
# Managing the Program Through Numbers

- Bonneville wants to manage its financial exposure for the expense portion of the direct program to \$139 million.
  - Bonneville has made available \$36 million per year of capital borrowing authority for the program.
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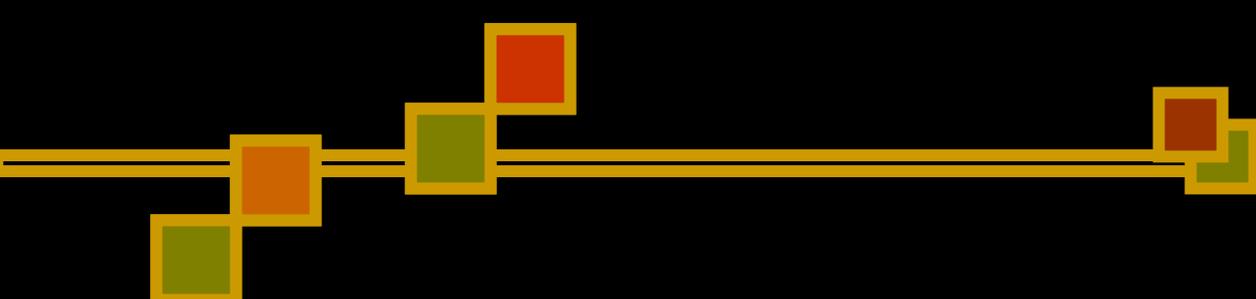
# Council Goals and Objectives

- To maintain the integrity of its adopted project funding recommendations.
  - To ensure greater accountability and stability for the projects implementing the Program.
  - To provide a transition to the implementation of subbasin plans.
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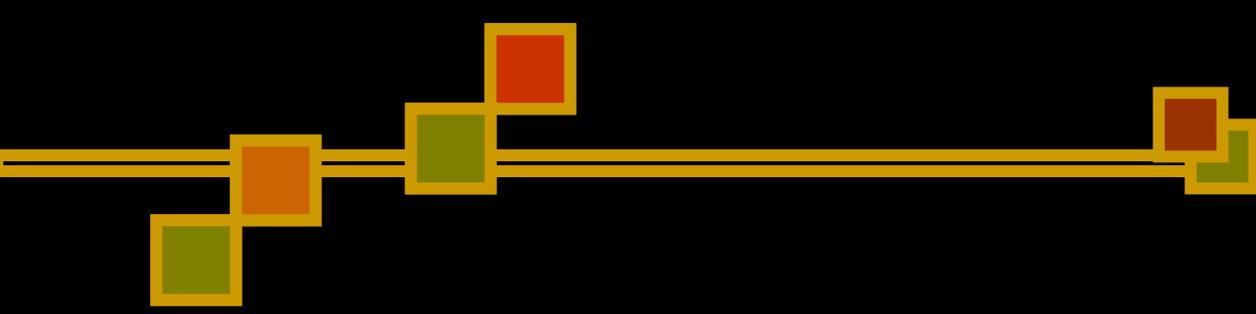
# Possible Options

- Add money to the program to address the actions of the past that continue to impact the current program.
  - Cut the program to manage to the financial number – Council makes the cuts or Bonneville makes the cuts based upon Council developed principles.
  - Bonneville manages to the financial goal, while fully implementing the Council's recommendations, with the Council monitoring implementation and taking corrective actions, if necessary.
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# Conceptual approach

- Bonneville manages to the financial goal, while fully implementing the Council's recommendations, with the Council monitoring implementation and taking corrective actions, if necessary.
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## Conceptual approach (cont'd)

- Commit to focused discussion with Bonneville and others to resolve the outstanding issues.
  - Utilize the Program Status Review meetings for a more in-depth discussion of budget issues
  - Free up Council staff to work on other program issues.
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