



STATE OF WASHINGTON
WASHINGTON STATE PARKS AND RECREATION COMMISSION

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July 17, 2025

Item E-3: 2026 Supplemental Operating Budget – Requested Action

EXECUTIVE SUMMARY: This item asks the Washington State Parks and Recreation Commission to 1) approve the 2026 supplemental operating budget request for submission to the Office of Financial Management (OFM). This item advances the Commission’s strategic goal: “Resource Management – Obtain and effectively manage resources needed to create and sustain an exceptional parks system.”

2026 SUPPLEMENTAL BUDGET DEVELOPMENT:

Budget Instructions and Submittal. OFM issued a memorandum regarding 2026 supplemental budget development on June 4, 2025 (Appendix 1) that includes:

- Non-discretionary changes in legally mandated caseloads or workloads.
- Necessary technical corrections to the enacted 2025-27 budgets.
- Additions or reductions to federal or private/local funding anticipated for the remainder of the biennium.
- Critical and emergent costs that cannot be accommodated with savings or efficiencies in the existing budget.
- Additional options for efficiencies, reform, administrative savings, or reductions in non-essential services and programs.

Budget Development Process. Ongoing efforts concerning the 2026 supplemental budget proposal included:

- Since fall 2025 the Budget office has been capturing and tracking potential requests including discussions during monthly operating budget meetings.
- Review of the Strategic Plan to ensure alignment with Commission priorities.
- Review of the Governor priorities.
- Numerous discussions among the agency’s Executive Leadership Team and senior management members concerning priorities, resource needs and capacity.
- Staffing reviews to determine resource needs and ensure optimum use of staff, make investments in priority work, and continue efficient operations.
- A review of costs associated with goods, services, travel, and equipment to ensure expenses are appropriate and to identify areas of additional resource needs and savings.
- Update of the 2025-27 earned revenue forecast and the 6-Year PRSA projection.
- Discussion with OFM regarding questions, issues, and approaches.
- Discussion with the Commission’s Budget Committee.

2026 SUPPLEMENTAL OPERATING BUDGET SUBMITTAL

Assumptions

1. State Parks will submit a budget request using OFM's instructions as a guideline.
2. The General Fund will be the funding source for request packages that are not supported, in part or in total, by earned revenue.
3. The proposal will cause PRSA fund balance to be lower as of June 30, 2027 on paper though with the potential for a positive actual to projected earned revenue the ending balance may not be as low as expected.
4. Revised projected earned revenue the 2025-27 biennium is \$149.7 million.

In summary, the proposed 2026 supplemental operating budget request (Appendix 2) identifies funding needs for additional priority investments to enable forward progress in improving agency efforts to maintain and operate the park system. This proposal considers Commission priorities, Governor priorities, and management capacity.

STAFF RECOMMENDATION:

Based on the above assumptions and other considerations and the review of funding requests, staff recommends the development of a total 2026 supplemental operating budget request (Appendix 2) that is approximately \$7.5 million (which includes all programs and funding sources). Staff also requests authority be given to the Director to make final changes as needed to the 2026 supplemental operating budget request before final submission to the OFM.

NEXT STEPS:

If this requested action is approved, over the next two months staff will refine expenditure estimates, develop, and compile the supplemental operating budget request (Appendix 2), and submit the request to OFM by the September 15, 2025 due date.

SUPPORTING INFORMATION:

Appendix 1: Office of Financial Management June 4, 2025, 2026 supplemental budget instruction memorandum

Appendix 2: 2026 Supplemental Operating Budget Proposal

REQUESTED ACTION FROM COMMISSION:

That the Washington State Parks and Recreation Commission:

- 1) Authorize the Director to submit a 2026 supplemental operating budget request to the Office of Financial Management (OFM) for approximately \$7.5 million as recommended by staff in Appendix 2.
- 2) Authorize the Director to make changes, technical corrections, and adjust dollar amounts in the supplemental operating budget request as needed for submittal.

Author(s)/Contact: Van A. Church, Budget Director
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Reviewers:

Chris Gourley, SEPA Review: Following review, staff has determined that the action proposed for the Commission by staff is exempt from the State Environmental Policy Act (SEPA) pursuant to WAC 197-11-800(14)(c),(g), and (h). The list of projects included in this action item are for

planning consideration only. This action does not commit the agency to proceed with any specific proposal. Any future proposals may require additional SEPA review.

Andy Woo, Assistant Attorney General:

Laura Holmes, Administrative Services Director

Approved for Transmittal to Commission

A handwritten signature in black ink, appearing to read "Diana Dupuis". The signature is fluid and cursive, with the first name "Diana" written in a larger, more prominent script than the last name "Dupuis".

Diana Dupuis, Director

APPENDIX 1
OFFICE OF FINANCIAL MANAGEMENT
JUNE 4, 2025 OPERATING AND CAPITAL BUDGET INSTRUCTIONS



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555

June 4, 2025

TO: Agency Directors
Presidents of Higher Education Institutions

FROM: K.D. Chapman-See
Director

SUBJECT: INSTRUCTIONS FOR 2026 SUPPLEMENTAL BUDGET SUBMITTALS

Supplemental budget requests are due to the Office of Financial Management (OFM) on **September 15, 2025**. We will very likely continue to face a challenging state budget environment in the coming year and anticipate increasing caseloads and ongoing uncertainty in the economy and federal funding. Please focus your submittals on the following:

- Non-discretionary changes in legally mandated caseloads or workloads.
- Necessary technical corrections to the enacted 2025-27 budgets.
- Additions or reductions to federal or private/local funding anticipated for the remainder of the biennium.
- Critical and emergent costs that cannot be accommodated with savings or efficiencies in the existing budget.
- Additional options for efficiencies, reform, administrative savings, or reductions in non-essential services and programs.

Agencies are asked to limit all discretionary budget requests, consistent with efficiency and performance management efforts to streamline and improve services while *reducing* costs. Budget requests should be limited to only those initiatives which meet the state's highest priority needs for the most efficient, high- quality services to the public over the long term. The supplemental budget must continue to re-examine all state functions to ensure that only essential services are funded, and that those services are delivered with maximum efficiency and attention to outcomes, paying particular attention to retaining services for our most vulnerable residents and overburdened communities. The state's ability to replace lost or reduced federal funding will be very limited.

Strategic and Performance Outcomes

Governor Ferguson's [strategic and performance](#) outcome priorities are in development and will be communicated at a later date.

Operating, Transportation, and Capital Budgets

Narrative descriptions for budget requests should be very detailed. The justification must fully explain why additions cannot be included within your existing budget. Also, describe the implications to program outcomes and client services, revenues (including fees), legislation, federal rules, and any barriers that might complicate achievement of a policy change. Clearly identify any changes that will require 2026 agency request legislation.

The Governor will continue to focus on equity in his 2026 supplemental budget requests. Therefore, agencies are expected to address the impacts on marginalized communities in their decision packages.

Budget advisors will consider your responses to the following questions when reviewing your decision packages. They will analyze budget impacts to understand how reductions or additions impact opportunities and access for individuals who have historically been excluded or under-represented.

- **Equity impacts to under-represented communities** (i.e., the demographic, geographic, and economic groups currently or historically affected by the policy, program, and potential decision)
- **Populations benefiting from or burdened by the proposal** (i.e., the program or policy expands or limits contract opportunities and access for individuals who have historically been excluded or underserved; the change in policies or practices perpetuates racial disparities and/or institutional racism; and whether benefits and resources are distributed in an accessible manner to communities that need it)
- **Strategies to mitigate unintended consequences** (i.e., the program or policy integrates strategies to improve access for immigrants, refugees and under-represented people; culturally specific strategies are included to address the needs of Washingtonians; and perspectives were involved or not involved in developing the proposal or making decisions).

Operating and Transportation Budgets

Operating and transportation supplemental budget requests must be submitted to OFM electronically through the enterprise Agency Budget System (ABS). Your agency's release of ABS operating budget data inclusive of required elements constitutes your submittal. For the complete 2025-27 budget instructions, system tutorials and credentialing information, please visit our Washington [BudgetWorks](#) site.

Capital Budget

Legislative changes in the 2025-27 capital budget will impact 2026 supplemental capital budget requests:

- The minor works threshold was increased to \$2 million for most state agencies and \$4 million for higher education institutions. Agencies must use reappropriations before new appropriations, without regard to lists or projects submitted at the time the funds were appropriated.
- Requests related to a project whose total project cost exceeds the total estimated in prior budget requests by 15 percent must include a statement detailing the amount and reason for the additional cost. If the increased cost is the result of a change in design, the agency must also submit a construction cost estimate for the design as originally submitted.
- Agencies should carefully consider whether projects funded through grant programs are ready to proceed before requesting or awarding funding. The biennial capital budget now requires new 2025-27 appropriations for grant programs and community projects to be spent in a timely manner. The Legislature does not intend to reappropriate most 2025-27 bond-funded grant program projects for which a contract has not been executed within four years or for which appropriations have not been spent within six years of appropriation.

Agencies must submit capital budget requests using the Capital Budget System (CBS), and for projects greater than \$2 million (\$4 million for higher education), must attach a completed [C-100 form](#). OFM no longer utilizes the FTP site for capital budget submittals. Submittals can now be uploaded to a secure managed file transfer ([MFT](#)) site, which also works for agencies and institutions outside of the state government network. The [Capital Budget Team](#) will send further instructions to agencies.

APPENDIX 2

2026 SUPPLEMENTAL OPERATING BUDGET PROPOSAL (Estimates)

	FTEs	Dollars
Budget by Fund Source:		
General Fund - State		2,753,000
Parks Renewal and Stewardship Account		2,825,000
Climate Accounts		900,000
Dedicated & Other Funds		1,007,000
Total Budget Proposal	14.1	7,485,000
Maintenance Level Items		
▪ Retirement Cash-Out of Leave Costs *	0.4	71,000
▪ Completed Capital Project Operating Costs *	2.0	621,000
▪ Completed RCO Grants Operating Impacts *		60,000
▪ Credit Card Transaction Costs		25,000
▪ Discover Pass Fulfillment		50,000
▪ Utility Inflationary Cost Impacts		500,000
▪ Pay Station (Flowberg) Maintenance Agreement Increase		150,000
▪ Discover Pass Increase Implementation Costs *		190,000
▪ Federal Spending Authority Increase		1,000,000
Subtotal Maintenance Level	2.4	2,667,000
Policy Request Items		
▪ Fort Worden Campus Operations *	4.9	1,770,000
▪ Water and Wastewater Facility Compliance *	1.1	416,000
▪ ADA Compliance *	1.0	372,000
▪ Replace High Energy-Consuming Systems **		300,000
▪ Assessments for Sustainable Operations **		600,000
▪ IT Support Software Ongoing Maintenance		82,000
▪ Shared Email Accounts *		44,000
▪ Beebe Bridge Park Spending Authority	4.7	1,227,000
▪ Millersylvania Spending Authority		7,000
Subtotal Policy Request	11.7	4,818,000
Total Maintenance and Policy Request Items	14.1	7,485,000

* Denotes a Full or Partial GF-S Request

** Denotes Climate Fund Request