

Agency Budget Request Decision Package Summary

(Lists only the agency Performance Level budget decision packages, in priority order)

Agency: **205 Board of Pilotage Commissioners**

9/9/2014
2:50:26PM

Budget Period: **2015-17**

Decision Package	
Code	Decision Package Title
PL-A0	Pilot Examination & Simulator Eval

Agency: 205 Board of Pilotage Commissioners

Decision Package Code/Title: 90 Maintenance Level Revenue

Budget Period: 2015-17

Budget Level: M1 - Mandatory Caseload and Enrollment Changes

Recommendation Summary Text:

Maintenance level revenue estimates.

Fiscal Detail

Operating Expenditures

Total

Total Cost

Revenue

<u>Fund</u>	<u>Source</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
025 Pilotage Account	0263 Puget Sound Pilot Lc	1,088,000	1,088,000	2,176,000
025 Pilotage Account	0279 Vessel Regis Fee	19,500	19,500	39,000
Total Revenue		1,107,500	1,107,500	2,215,000

Package Description:

Maintenance level revenue assumptions for the Board of Pilotage by revenue source for the 15-17 Biennium.

Pilot Licenses \$754,000
Vessel Exemptions: \$39,000
Stipends: \$1,422,000
Total Revenue: \$2,215,000

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Performance Measure Detail

Activity:

No measures submitted for package

Incremental Changes

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

What are the other important connections or impacts related to this proposal?

What alternatives were explored by the agency, and why was this alternative chosen?

What are the consequences of adopting or not adopting this package?

What is the relationship, if any, to the state's capital budget?

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

Expenditure and revenue calculations and assumptions

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Agency: 205 Board of Pilotage Commissioners
Decision Package Code/Title: AC Self-Insurance Premium
Budget Period: 2015-17
Budget Level: M2 - Inflation and Other Rate Changes

Recommendation Summary Text:

The Board of Pilotage's mission is to ensure against the loss of lives, loss of or damage to property and vessels, and to protect the marine environment by maintaining efficient and competent compulsory pilotage services in Washington waters.

Self-Insurance premiums are an important part of the agency budget activities. Unfortunately, the large increases in cost are difficult for the agency to absorb. The relief from these additional premiums will help us return our focus to providing a qualified and capable work force of highly skilled pilots.

This request is in response to the recent increase to the amount billed in the 2013-15 Biennium with the expectation that it will increase again.

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
025-6 Pilotage Account-Non-Appropriated	80,000	80,000	160,000
Total Cost	80,000	80,000	160,000

Package Description:

Throughout its existence, few claims have been filed against the Board of Pilotage. Despite the limited number of claims, none of which have been sustained to date, the Commission is committed to identifying areas of potential risk and implementing strategies for mitigating future claims

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

One of the Commission's goals is the "Administration of high pilotage qualifications and performance standards". The Commission's strategies for realizing this goal, as referred to in the strategic plan, include requiring all pilots to attend continuing education and training courses at least every five years and establish minimum qualification and examination standards in order to maintain a roster of eligible pilot candidates. This is to help ensure against the loss of lives and loss of or damage to property and vessels.

Performance Measure Detail

Activity:

No measures submitted for package

Incremental Changes

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

N/A

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

This decision package assists the Results Washington Goals set by the Governor, specifically an efficient, effective, and accountable government, and Clean Environment.

What are the other important connections or impacts related to this proposal?

None.

What alternatives were explored by the agency, and why was this alternative chosen?

None.

What are the consequences of adopting or not adopting this package?

Non-funding would require resources to be applied to litigation rather than serving Washington's marine environment and water ways

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Based on historical data.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing. Self-Insurance premiums will undoubtedly increase in a manner consistent with trends in inflation and general tort claim practices.

Agency: 205 Board of Pilotage Commissioners
Decision Package Code/Title: N0 Pilot Examination & Simulator Eval
Budget Period: 2015-17
Budget Level: PL - Performance Level

Recommendation Summary Text:

The Board is charged with testing and training pilots in order to provide efficient pilotage services for the inland waters of Washington state. It is apparent that it will be necessary to hold a pilot exam in FY2016 to continue acquiring new pilots for training and licensing. The Board has statutory authority to "contract with a firm knowledgeable and experienced in the development of professional tests and evaluations for development and grading of examinations and other evaluation methods". The Board has determined that this next exam, in its entirety will be conducted by a professional outside firm through a personal service contract. The Board and its staff will provide management and oversight assistance. Without this higher level of exam administration expertise, the Board is subject to more legal challenges.

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
025-6 Pilotage Account-Non-Appropriated	80,000	20,000	100,000
Total Cost	80,000	20,000	100,000

Package Description:

The Board of Pilotage Commissioners will be conducting a pilot examination during FY2016. This is followed by an associated course of "Train-the-Trainer" that is necessary for all currently licensed pilots to attend in order to conduct proper training programs for the successful candidates. This exam process will require a personal service contract. It is the Board's intent to contract out for most all services related to conducting a pilot examination, training pilots to train potential new pilots, and other post-exam activities.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Contracting with a professional individual or firm knowledgeable in exam administration will ensure a more efficient and less costly process. This process will provide for the maintenance of a roster of eligible pilot candidates who are necessary to ensure the transportation of people and goods into and out of Washington State.

Performance Measure Detail

Activity:

No measures submitted for package

Incremental Changes

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes. It provides a qualified and capable work force of highly skilled pilots.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

Yes, this decision package supports the Governor's Result Washington's goal of a prosperous economy, and Efficient, Effective and Accountable Government.

What are the other important connections or impacts related to this proposal?

N/A

What alternatives were explored by the agency, and why was this alternative chosen?

Since the agency is mandated to conduct pilot exams, it is necessary to find the most efficient and cost effective method to accomplish this charge. The agency does not have the expertise in-house to conduct pilot exams using current staff and resources. It is necessary to contract with experts in this field.

What are the consequences of adopting or not adopting this package?

Pilot exams are a primary function of the agency and are mandated by the legislature in order to achieve and retain an efficient pilotage service. If the funding isn't provided for this professional service, the agency has no funds built into its current base.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and revenue calculations and assumptions

Expenditure estimates were based on historical data.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs and functions are ongoing. Statutory provisions allow a successful pilot candidate, upon completion of a pilot exam, to remain on a waiting list for only four years. This would necessitate the administration of a new pilot exam about every four years, depending on the need for new pilots.

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
C Professional Svc Contracts	69,600	17,400	87,000
E Goods\Other Services	800	200	1,000
G Travel	9,600	2,400	12,000
Total Objects	80,000	20,000	100,000

Recommendation Summary

Agency: 205 Board of Pilotage Commissioners

2:45:14PM

9/9/2014

Dollars in Thousands

	Annual Average FTEs	General Fund State	Other Funds	Total Funds
2013-15 Current Biennium Total	2.5		1,316	1,316
CL AA 92K DES Central Services			2	2
CL AB G05 Biennialize Employee PEBB Rate			7	7
Total Carry Forward Level	2.5		1,325	1,325
Percent Change from Current Biennium			.7%	.7%
M1 90 Maintenance Level Revenue				
Carry Forward plus Workload Changes	2.5		1,325	1,325
Percent Change from Current Biennium			.7%	.7%
M2 AC Self-Insurance Premium			160	160
Total Maintenance Level	2.5		1,485	1,485
Percent Change from Current Biennium			12.8%	12.8%
PL A0 Pilot Examination & Simulator Eval			100	100
Subtotal - Performance Level Changes	0.0		100	100
2015-17 Total Proposed Budget	2.5		1,585	1,585
Percent Change from Current Biennium			20.4%	20.4%

M1 90 Maintenance Level Revenue

Maintenance level revenue estimates.

M2ACSelf-Insurance Premium

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PL A0 Pilot Examination & Simulator Eval

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