

**77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session
BUDGET REPORT AND MEASURE SUMMARY**

JOINT COMMITTEE ON WAYS AND MEANS

MEASURE: SB 5547-A

Carrier – House: Rep. Unger

Carrier – Senate: Sen. Edwards

Action: Do Pass as Amended and be Printed A-Engrossed

Vote: 18 – 7 – 1

House

Yeas: Barker, Buckley, Frederick, Huffman, Jenson, Komp, Nathanson, Read, Smith, Tomei, Williamson

Nays: Freeman, Hanna, McLane, Richardson

Exc:

Senate

Yeas: Devlin, Edwards, Girod, Hansell, Johnson, Monroe, Steiner Hayward

Nays: Thomsen, Whitsett, Winters

Exc: Bates

Prepared By: Lisa Pearson, Department of Administrative Services

Reviewed By: Susie Jordan, Legislative Fiscal Office

Meeting Date: June 14, 2013

Agency

Water Resources Department

Biennium

2013-15

Budget Summary*

	2011-13 Legislatively Approved Budget ⁽¹⁾	2013-15 Current Service Level	2013-15 Committee Recommendation	Committee Change from 2011-13 Leg. Approved	
				\$\$ Change	% Change
General Fund	\$ 20,359,297	\$ 23,640,461	\$ 27,209,767	\$ 6,850,470	33.6%
Lottery Funds Debt Service	\$ 732,384	\$ 574,025	\$ 574,025	\$ (158,359)	-21.6%
Other Funds	\$ 27,370,270	\$ 10,885,075	\$ 21,172,809	\$ (6,197,461)	-22.6%
Other Funds Debt Service	\$ 1,791,895	\$ 2,404,586	\$ 3,130,777	\$ 1,338,882	74.7%
Federal Funds	\$ 1,195,479	\$ 1,276,373	\$ 1,272,735	\$ 77,256	6.5%
Total	\$ 51,449,325	\$ 38,780,520	\$ 53,360,113	\$ 1,910,788	3.7%

Position Summary

Authorized Positions	146	142	157	11
Full-time Equivalent (FTE) positions	144.59	141.09	154.80	10.21

⁽¹⁾ Includes adjustments through December 2012

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Subcommittee recommended approval of House Bill 2559, which removes the sunset on water right fees approved by the 2009 Legislature to ensure costs of water rights processing are shared equally by the public through General Fund and by private water rights holders. The recommended bill would increase fees by 13 percent over the levels approved by the 2009 Legislature.

Summary of Natural Resources Subcommittee Action

The Water Resources Department administers laws governing surface and groundwater resources. The goal is to balance use of the state's water among current and future generations of Oregonians. The department processes transfers of water rights, permits, certificates, and water rights applications, administers hydroelectric relicensing, inspects construction and maintenance of wells and dams, provides technical information and analysis on surface water and groundwater availability, adjudicates pre-1909 and federal reserved water rights, and negotiates Native American reserved water rights.

The Subcommittee approved a total funds budget of \$53,360,115, including \$27,209,767 General Fund, and 154.80 FTE. The total funds budget is 3.7 percent greater than the 2011-13 biennium legislatively approved budget through December 2012, and a 37.6 percent increase from the 2013-15 biennium current service level. The increase from the current service level reflects investments in implementing the Integrated Water Resources Strategy and extension of the water rights fee framework approved by the 2009 Legislature.

Administrative Services Division

This program provides fiscal, human resource, and business support services for daily operation of the department. In addition, the division provides management oversight for the Water Development Loan Fund and contract assistance to the Oregon Watershed Enhancement Board (OWEB). The Subcommittee approved a total funds budget of \$5,894,471 and 13.00 FTE.

Package 081: May 2012 E-Board was approved; this package reduces General Fund by \$1,352 in professional services as part of the permanent \$28 million statewide reductions from the 2011-13 biennium.

The Subcommittee recommended package 091: Statewide Administrative Savings. This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

Package 092: PERS Taxation Policy was approved; this package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving the payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

The Subcommittee recommended package 093: Other PERS Adjustments. This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent. An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Package 204: Water Supply Development Program was approved; this package provides \$415,531 General Fund and two positions (2.00 FTE) to evaluate water supply development options. A related proposal to bond for water supply improvements is under consideration in Senate Bill

5506 in the Joint Committee on Ways and Means Capital Construction Subcommittee. If approved, the debt service would be paid from non-dedicated Lottery Funds. Due to the shift in timing and availability of funding, it may be necessary for the Department to utilize existing General Fund appropriations to initiate high priority projects and reimburse these costs with bond proceeds when the bond proceeds become available. If the bond sale does not move forward as anticipated, the department may request restoration of up to \$2 million from the Legislature or interim Emergency Board.

The Subcommittee recommended package 206: Feasibility Study Grants – SB 1069. This package adds \$890,976 General Fund and one permanent position (0.50 FTE) to provide resources for an ongoing competitive grant program to share the cost to individuals and communities who are seeking local solutions to their water shortage problems. This package relates to the Integrated Water Supply Strategy recommended action 13-C.

Field Services Division

This program processes water rights transfer and permit amendment applications, provides planning assistance, inspects the construction and maintenance of wells and dams, and provides technical information on surface water and groundwater availability. The Subcommittee approved a total funds budget of \$11,592,012 and 53.83 FTE.

Package 081: May 2012 E-Board was approved; this package reduces General Fund by \$26,133 as part of the permanent \$28 million in statewide reductions from the 2011-13 biennium. The reductions affect professional services, other Services and Supplies, and printing and web services.

The Subcommittee recommended package 091: Statewide Administrative Savings. This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

Package 092: PERS Taxation Policy was approved; this package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving the payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

The Subcommittee recommended package 093: Other PERS Adjustments. This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent. An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Package 201: Implement Integrated Water Resource Strategy (IWRS) was approved; this package provides \$209,004 General Fund and one permanent position (1.00 FTE) to implement data collection, local planning, instream protections, water supply development, funding for local communities and stable funding for state agencies. This package supports implementation of the 2012-17 IWRS and the development of the next IWRS, due in 2017.

The Subcommittee recommended package 202: Conduct Basin Groundwater Investigations. This package provides \$250,000 General Fund to conduct basin-by-basin groundwater investigations, including data surveys, analyses of relationships between ground and surface water, and developing science-based tools for groundwater management. Of this amount \$100,000 is designated for studies in the Metolius Water Basin. This package supports a partnership with the US Geological Survey to study groundwater and provide data for its management.

Package 203: Field Services Capacity was approved; this package provides \$342,333 General Fund and two permanent positions (1.83 FTE) to restore assistant watermasters in the Wallowa and Klamath Basins. The assistant watermaster position in the Klamath Basin will be hired to aid in the immediate distribution of water following the conclusion of the Klamath Basin adjudication. One of the positions will be phased-in, thus the amount for the 2015-17 biennium will be larger than for the 2013-15 biennium.

Package 209: Limited Duration Assistant Water Master was approved as a permanent position. It provides \$167,080 Other Funds expenditure limitation and one position (1.00 FTE) to continue a county-funded water master for south central region. Deschutes, Jefferson, Crook and Klamath counties provide the funding.

Technical Services Division

This program includes hydrologic analysis, groundwater investigations and management, hydrographics, dam safety, geographic information systems, data entry, information systems management, well construction, and investigations and compliance. The Subcommittee approved a total funds budget of \$12,601,302 and 43.30 FTE.

The Subcommittee recommended package 070: Revenue Shortfalls. This package eliminates one position (1.00 FTE) and \$115,022 Other Funds expenditure limitation to reflect the sunset on fees approved by the 2009 Legislative Assembly. House bill 2259 would extend the fees, and the position is restored in package 208.

Package 081: May 2012 E-board was approved; this package reduces General Fund by \$59,592 as part of the permanent \$28 million in statewide reductions from the 2011-13 biennium. The reductions affect professional services and public web services.

The Subcommittee recommended package 091: Statewide Administrative Savings. This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

Package 092: PERS Taxation Policy was approved; this package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving the payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

The Subcommittee recommended package 093: Other PERS Adjustments. This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by

approximately 2.2 percent. An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Package 101: Water-Use Reporting Program was approved. It provides \$174,363 General Fund and one position (1.00 FTE) to restore a permanent position for measuring and reporting amounts of surface or groundwater diverted for beneficial use. The package will enable the agency to provide technical assistance to water users and to work with water users to fulfill requirements of their water use measurement and reporting.

The Subcommittee recommended package 102: Instream Protections. This package provides \$366,856 General fund and two permanent positions (2.00 FTE), which include a hydrologist and a permit writer. These positions will research and secure additional in-stream flow protections, including peak and ecological flows. This package complements approved packages in the Oregon Department of Fish and Wildlife budget for biologists to determine flow needs for native fish species.

Package 103: Measurement Cost Share Fund was approved. It provides \$100,000 General Fund to recapitalize a fund that assists water users in purchasing and installing weirs, flumes, meters and other appropriate measurement devices on significant points of diversion in priority watersheds. The deployment of devices is part of a plan developed in 2000.

The Subcommittee recommended package 105: Groundwater Data Collection. This package provides \$780,000 General Fund and two permanent positions (1.75 FTE) to increase data collection sites, analyze groundwater systems, assess options for new but sustainable uses, investigate reports of user problems, and consolidate information in a database.

Package 106: Surface Water Data Collection was approved. It provides \$730,000 General Fund and three permanent hydrologic positions (2.63 FTE) to provide and manage new stream gages at high priority points of diversion.

Water Rights and Adjudication

This program evaluates and acts upon applications for new in-stream and out-of-stream water rights. It also administers water right certification, adjudication, hydroelectric relicensing, water right policy development, and permit extension evaluation. The adjudication section is responsible for ruling on pre-1909 and federal reserved water rights, and for negotiation of Native American reserved water rights. The Subcommittee approved a total funds budget of \$7,169,516 and 37.67 FTE.

The Subcommittee recommended package 070: Revenue Shortfalls. This package eliminates six positions (6.00 FTE) and \$826,810 Other Funds expenditure limitation to reflect the sunset on fees approved by the 2009 Legislative Assembly. House bill 2259 would extend the fees, and the positions are restored in package 208.

Package 081: May 2012 E-board was approved; this package reduces General Fund by \$420 as part of the permanent \$28 million in statewide reductions from the 2011-13 biennium. The reduction affects professional services.

The Subcommittee recommended package 091: Statewide Administrative Savings. This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

Package 092: PERS Taxation Policy was approved; this package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving the payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

The Subcommittee recommended package 093: Other PERS Adjustments. This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent. An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Package 208: Extend Water Right Transactions Fee was approved. It provides \$996,209 Other Funds expenditure limitation and seven positions (7.00 FTE) to restore positions eliminated in package 070 in this program and in the Technical Services program.

Director's Office

This program includes strategic planning and support for the Water Resources Commission, alternative dispute resolution, contested case hearings, administrative rules coordination, legislative coordination, and citizen response and information services. The Subcommittee approved a total funds budget of \$2,424,435 and 6.00 FTE.

Budget Note:

The Water Resources Department will report on a quarterly basis to the House and Senate Environment and Natural Resources Committees regarding the status of the Columbia River Treaty Review undertaken by the Bonneville Power Administration and the United States Army Corps of Engineers. The report shall include information regarding Oregon's perspective and key interests in areas such as Hydropower, Flood Risk Management, Ecosystem-Based Function, Navigation, and Water Supply.

Package 081: May 2012 E-Board was approved; this package reduces General Fund by \$25,731 as part of the permanent \$28 million in statewide reductions from the 2011-13 biennium.

The Subcommittee recommended package 091: Statewide Administrative Savings. This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Executive Branch had intended for these reductions to be specified in the Governor's 2013-15 recommended budget. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

Package 092: PERS Taxation Policy was approved; this package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving the payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

The Subcommittee recommended package 093: Other PERS Adjustments. This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent. An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Water Development Loan Fund

This program finances irrigation, drainage projects, community water supply projects, fish protection projects, watershed enhancement projects, and safe drinking water projects. The Subcommittee approved a total funds budget of \$13,678,377 and 1.00 FTE.

Package 092: PERS Taxation Policy was approved; this package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving the payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

The Subcommittee recommended package 093: Other PERS Adjustments. This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent. An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

Package 205: Water Development Loan Fund – Umatilla Project was approved; it provides \$11,061,191 Other Funds expenditure limitation for loans to implement water development projects in the Columbia River Basin. The 2009 Legislature authorized \$10 million in General Obligation bonds for the 2009-11 biennium and \$15 million for the 2011-13 biennium. The Umatilla Basin Water Commission requested the bonding authority be deferred until the 2013-15 biennium in case the Commission chooses to use the Water Development Loan Program to fund the next phase of the project. The package includes expenditure limitation for bond proceeds, costs of issuance and debt service. The debt service would be self-financed through loan repayments. The package relates to the IWRS recommended action 10b.

Summary of Performance Measure Action

See attached Legislatively Adopted 2013-15 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5547-A

Water Resources Department
Lisa Pearson -- 503-373-7501

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2011-13 Legislatively Approved Budget at Dec 2012 *	\$ 20,359,297	\$ 732,384	\$ 29,162,165	\$ 0	\$ 1,195,479	\$ 0	\$ 51,449,325	146	144.59
2013-15 ORBITS printed Current Service Level (CSL)*	\$ 23,640,461	\$ 574,025	\$ 13,289,661	\$ 0	\$ 1,276,373	\$ 0	\$ 38,780,520	142	141.09
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
010-01 - Administrative Services									
Package 081: May 2012 E-Board									
Services and Supplies	\$ (1,352)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (1,352)	0	0.00
Capital Outlay	\$ 0	\$ (20,104)	\$ 0	\$ 0	\$ 0	\$ 0	\$ (20,104)		
Debt Service account 7990	\$ 0	\$ 20,104	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,104		
Package 091: Statewide Administrative Savings									
Personal Services	\$ (58,076)	\$ 0	\$ (28,742)	\$ 0	\$ 0	\$ 0	\$ (86,818)	0	0.00
Services and Supplies	\$ (66,902)	\$ 0	\$ (39,053)	\$ 0	\$ 0	\$ 0	\$ (105,955)		
Package 092: PERS Taxation Policy									
Personal Services	\$ (4,149)	\$ 0	\$ (768)	\$ 0	\$ 0	\$ 0	\$ (4,917)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ (33,158)	\$ 0	\$ (6,135)	\$ 0	\$ 0	\$ 0	\$ (39,293)	0	0.00
Package 204: Water Supply & Development Program									
Personal Services	\$ 357,049	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 357,049	2	2.00
Services & Supplies	\$ 58,482	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 58,482		
Package 206: Feasibility Study Grants-SB 1069									
Personal Services	\$ 101,368	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 101,368	1	0.50
Services & Supplies	\$ 40,609	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 40,609		
Special Payments account 6085	\$ 748,999	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 748,999		
010-03 - Field Services									
Package 081: May 2012 E-Board									
Services and Supplies	\$ (24,563)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (24,563)		
Special Payment account 6085	\$ (1,570)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (1,570)		
Package 092: PERS Taxation Policy									
Personal Services	\$ (21,623)	\$ 0	\$ (3,004)	\$ 0	\$ (405)	\$ 0	\$ (25,032)	0	0.00

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5547-A

Water Resources Department
Lisa Pearson -- 503-373-7501

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 093: Other PERS Adjustments									
Personal Services	\$ (172,782)	\$ 0	\$ (23,995)	\$ 0	\$ (3,233)	\$ 0	\$ (200,010)	0	0.00
Package 201: Implement Integrated Water Resources									
Personal Services	\$ 178,312	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 178,312	1	1.00
Services and Supplies	\$ 30,692	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 30,692		
Package 202: Conduct Basin Groundwater									
Services and Supplies	\$ 250,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 250,000		
Package 203: Field Services Capacity									
Personal Services	\$ 266,677	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 266,677	2	1.83
Services and Supplies	\$ 75,656	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 75,656		
Package 209: Limited Duration Assist. Water Master									
Personal Services	\$ 0	\$ 0	\$ 136,585	\$ 0	\$ 0	\$ 0	\$ 136,585	1	1.00
Services and Supplies	\$ 0	\$ 0	\$ 30,495	\$ 0	\$ 0	\$ 0	\$ 30,495		
010-04 - Technical Services									
Package 070: Revenue Shortfalls									
Personal Services	\$ 0	\$ 0	\$ (115,022)	\$ 0	\$ 0	\$ 0	\$ (115,022)	-1	-1.00
Package 081: May 2012 E-Board									
Services and Supplies	\$ (59,592)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (59,592)		
Package 092: PERS Taxation Policy									
Personal Services	\$ (13,392)	\$ 0	\$ (8,171)	\$ 0	\$ 0	\$ 0	\$ (21,563)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ (107,011)	\$ 0	\$ (65,290)	\$ 0	\$ 0	\$ 0	\$ (172,301)	0	0.00
Package 101: Water-Use Reporting Program									
Personal Services	\$ 152,856	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 152,856	1	1.00
Services and Supplies	\$ 21,507	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 21,507		
Package 102: Instream Protections									
Personal Services	\$ 305,713	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 305,713	2	2.00
Services and Supplies	\$ 61,143	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 61,143		

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5547-A

**Water Resources Department
Lisa Pearson -- 503-373-7501**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 103: Measurement Cost Share Fund									
Services and Supplies	\$ 100,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 100,000		
Package 105: Groundwater Data Collection									
Personal Services	\$ 240,129	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 240,129	2	1.75
Services and Supplies	\$ 539,871	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 539,871		
Package 106: Surface Water Data Collection									
Personal Services	\$ 381,335	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 381,335	3	2.63
Services and Supplies	\$ 348,665	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 348,665		
010-06 - Water Rights and Adjudications									
Package 070: Revenue Shortfalls									
Personal Services	\$ 0	\$ 0	\$ (826,810)	\$ 0	\$ 0	\$ 0	\$ (826,810)	-6	-6.00
Package 081: May 2012 E-Board									
Services and Supplies	\$ (420)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (420)		
Package 092: PERS Taxation Policy									
Personal Services	\$ (6,810)	\$ 0	\$ (9,843)	\$ 0	\$ 0	\$ 0	\$ (16,653)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ (54,411)	\$ 0	\$ (78,648)	\$ 0	\$ 0	\$ 0	\$ (133,059)	0	0.00
Package 208: Extend Water Right Transaction Fee									
Personal Services	\$ 0	\$ 0	\$ 941,830	\$ 0	\$ 0	\$ 0	\$ 941,830	7	7.00
Services and Supplies	\$ 0	\$ 0	\$ 54,379	\$ 0	\$ 0	\$ 0	\$ 54,379		
010-07 - Director's Office									
Package 081: May 2012 E-Board									
Services and Supplies	\$ (731)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (731)		
Special Payments account 6085	\$ (25,000)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (25,000)		
Package 092: PERS Taxation Policy									
Personal Services	\$ (4,251)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (4,251)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ (33,964)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (33,964)	0	0.00

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Water Resources Department
Lisa Pearson -- 503-373-7501

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
020-00 - Water Development Loan Program									
Package 092: PERS Taxation Policy									
Personal Services	\$ 0	\$ 0	\$ (564)	\$ 0	\$ 0	\$ 0	(564)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ 0	\$ 0	\$ (4,510)	\$ 0	\$ 0	\$ 0	(4,510)	0	0.00
Package 205: Water Development Loan Fund-Umatilla									
Services and Supplies	\$ 0	\$ 0	\$ 335,000	\$ 0	\$ 0	\$ 0	335,000		
Special Payment account 6080	\$ 0	\$ 0	\$ 10,000,000	\$ 0	\$ 0	\$ 0	10,000,000		
Debt Service account 7100	\$ 0	\$ 0	\$ 135,000	\$ 0	\$ 0	\$ 0	135,000		
Debt Service account 7150	\$ 0	\$ 0	\$ 591,191	\$ 0	\$ 0	\$ 0	591,191		
TOTAL ADJUSTMENTS	\$ 3,569,306	\$ 0	\$ 11,013,925	\$ 0	\$ (3,638)	\$ 0	14,579,593	15	13.71
SUBCOMMITTEE RECOMMENDATION *	\$ 27,209,767	\$ 574,025	\$ 24,303,586	\$ 0	\$ 1,272,735	\$ 0	53,360,113	157	154.80
% Change from 2011-13 Leg Approved Budget	33.6%	-21.6%	-16.7%	0.0%	6.5%	0.0%	3.7%		
% Change from 2013-15 Current Service Level	15.1%	0.0%	82.9%	0.0%	-0.3%	0.0%	37.6%		

Legislatively Approved 2013-2015 Key Performance Measures

Agency: WATER RESOURCES DEPARTMENT

Mission: To serve the public by practicing and promoting responsible water management.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
1 - FLOW RESTORATION - Percent of watersheds that need flow restoration for fish that had a significant quantity of water put instream through WRD administered programs.		Approved KPM	24.00	24.00	24.00
2 - PROTECTION OF INSTREAM WATER RIGHTS - Ratio of the streams regulated to protect instream water rights to all streams regulated.		Approved KPM	0.85	0.80	0.80
3 - MONITOR COMPLIANCE - Percent of total regulatory actions that found water right holders in compliance with water rights and regulations.		Approved KPM	95.00	98.00	98.00
4 - STREAM FLOW GAGING - Percent change from 2001 in the number of WRD operated or assisted gauging stations.		Approved KPM	-0.90	6.50	6.50
5 - ASSESSING GROUNDWATER RESOURCES - Percent change from 2001 in the number of wells routinely monitored to assess ground water resources.		Approved KPM	4.00	7.00	7.00
6 - EQUIP CITIZENS WITH INFORMATION - Percent of water management related datasets collected by WRD that are available to the public on the internet.		Approved KPM	90.00	90.00	90.00
7 - EQUIP CITIZENS WITH INFORMATION - Number of times water management related data was accessed through the WRD's Internet site.		Approved KPM	2.17	2.25	2.25
8 - Fully implement the Water Resources Commissions 2000 Water Measurement Strategy		Approved KPM	668.00	1,125.00	1,300.00
9 - PROMOTE EFFICIENCY IN WATER MANAGEMENT AND CONSERVATION PLAN REVIEWS - Percent of water management and conservation plans that received a preliminary review within 90 days of plan submittal.		Approved KPM	96.00	95.00	95.00

Agency: WATER RESOURCES DEPARTMENT

Mission: To serve the public by practicing and promoting responsible water management.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
10 - PROMOTE EFFICIENCY IN WATER RIGHT APPLICATION PROCESSING - Percent of water right applications that receive an initial review within 45 days of application filing.		Approved KPM	35.00	55.00	55.00
11 - PROMOTE EFFICIENCY IN TRANSFER APPLICATION PROCESSING - Percent of transfer final orders issued within 120 days of application filing.		Approved KPM	32.00	30.00	30.00
12 - PROMOTE EFFICIENCY IN FIELD STAFF REGULATORY ACTIVITIES - Number of places where water is legally taken out of stream and used (points of diversion) per FTE of field staff.		Approved KPM	2,640.00	2,400.00	2,400.00
13 - INCREASE WATER USE REPORTING		Approved KPM	19.00	74.00	78.00
14 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Accuracy	Approved KPM	77.00	85.00	85.00
14 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Availability of Information	Approved KPM	78.00	85.00	85.00
14 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Expertise	Approved KPM	81.00	85.00	85.00
14 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Helpfulness	Approved KPM	83.00	85.00	85.00
14 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Overall	Approved KPM	76.00	85.00	85.00

Agency: WATER RESOURCES DEPARTMENT

Mission: To serve the public by practicing and promoting responsible water management.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
14 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent" in overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Timeliness	Approved KPM	62.00	85.00	85.00

LFO Recommendation:

LFO recommends approving the Key Performance Measures submitted by the department with the following modifications:

KPM # 2 – PROTECTION OF INSTREAM WATER RIGHTS: Targets need to be increased to at least .80 to reflect additional investments in stream flow monitoring devices and personnel as well as actual experience.

KPM #3 – STREAM FLOW GAGING: Increased targets to reflect additional investment in budget resources.

KPM #4 – ASSESSING GROUNDWATER RESOURCES: Increased investment of resources should increase performance by 20%; target is increased to reflect additional resources.

KPM #10 - PROMOTE EFFICIENCY IN WATER MANAGEMENT AND CONSERVATION PLAN REVIEWS: Combination of additional staff and agency efforts to conduct outreach education should enable agency to maintain higher target levels. Target is increased to 95%.

KPM #12 - PROMOTE EFFICIENCY IN FIELD STAFF REGULATORY ACTIVITIES: The budget adds three new positions in Field Services which should increase performance. The average actual experience over the last three years exceeded the target by 10%. With additional staff, the target should be increased by 20%.

KPM #13 – INCREASE WATER USE REPORTING: Targets are to increase the percent reporting by 5% each year. The agency reports the lower target reflects the removal of funding for the position managing the workload. The budget reinstates funding for the position, therefore the target should be increased to the level commensurate with the results when the positions was filled in 2008.

Sub-Committee Action:

The Subcommittee Approved the LFO Recommendations