

OREGON DEPARTMENT OF FISH AND WILDLIFE



Diamond Lake and Mount Thielsen

2015-17 Budget Development

Looking Back at the Last 6 Years

- In 2009, set fees to last six years
- Fulfilled the commitment but less than expected cash reserves
 - Lower than expected nonresident revenues
 - Legislative fund shifts
 - Lower than projected interest earnings



Budget Challenges

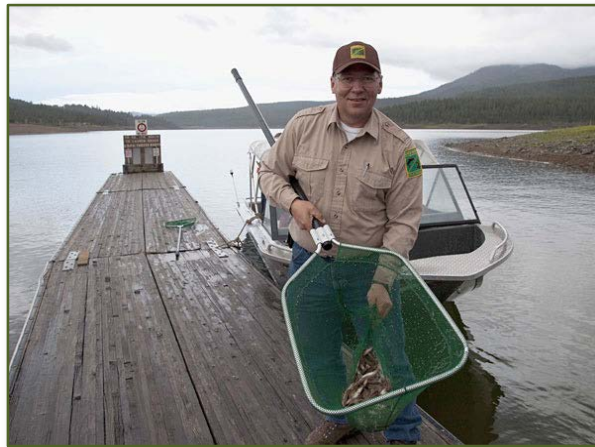
- Fishing and hunting participation
- General Fund trends
- Increasing demand for service
- Increasing management complexities



Upland bird hunting



Steelhead & Salmon fishing



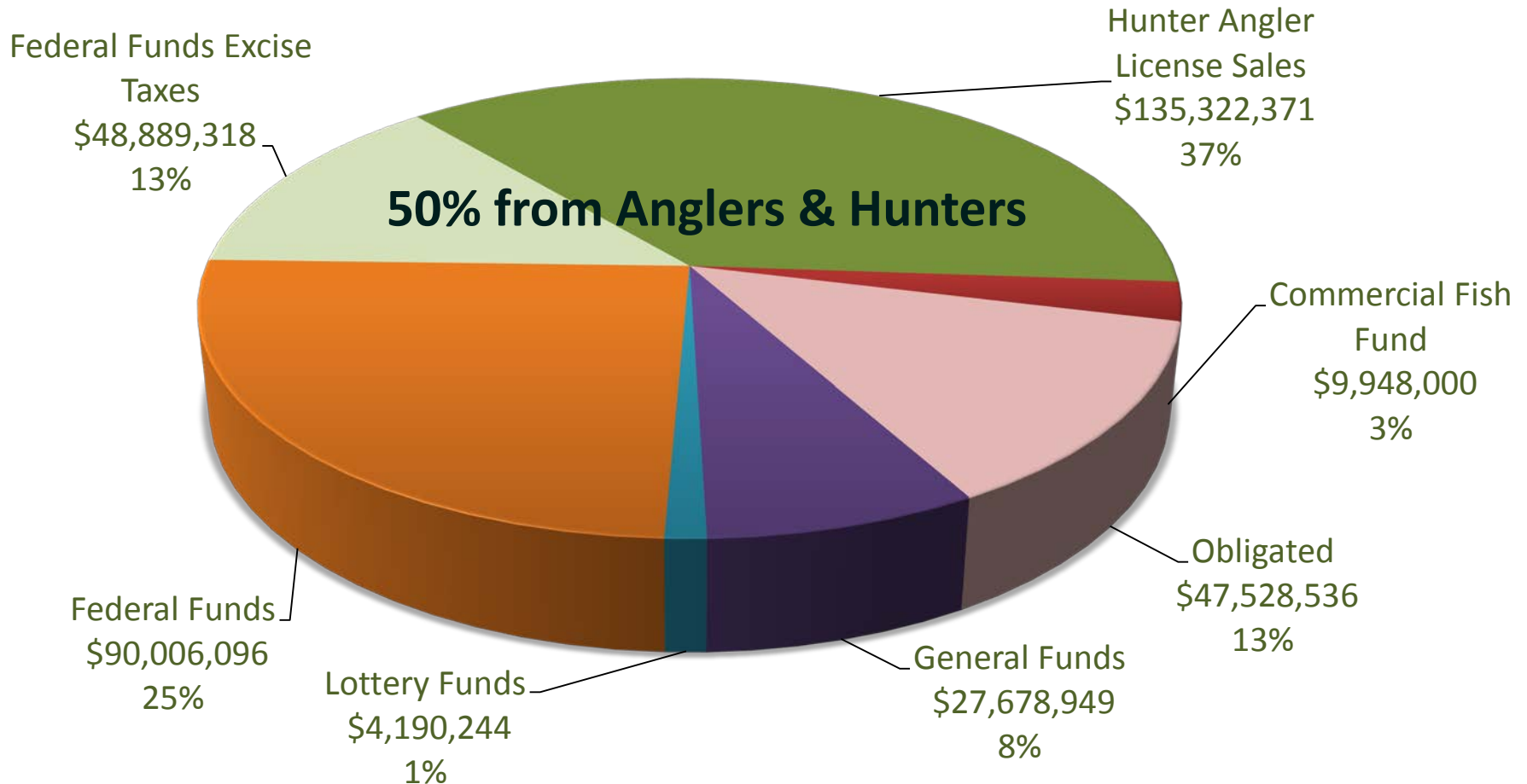
Stocking tiger muskie in Phillips Reservoir



Wolves in Oregon

Budget Drivers

2015-17 Licenses and Federal Revenues



Budget Drivers



Carl Shoemaker, Chief of Oregon Fish & Game Commission helped develop national model for funding fish and wildlife management

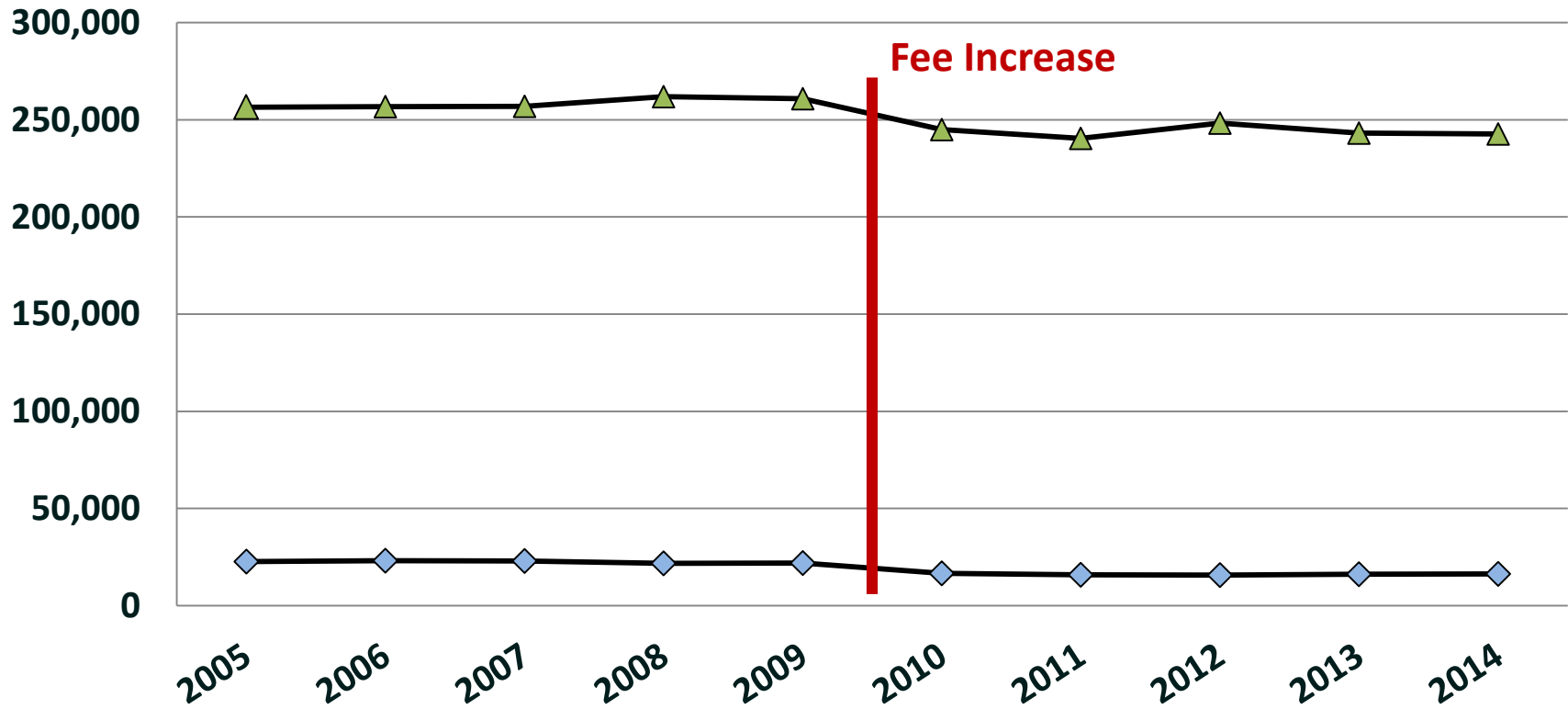
User pay model (North American)

- Expanded in 1930's
- Licenses and tag sales
- Federal excise tax on purchases of firearms, ammunition, and fishing tackle
- Very successful in funding fishing, hunting, conservation efforts and is the primary funding source

Budget Drivers

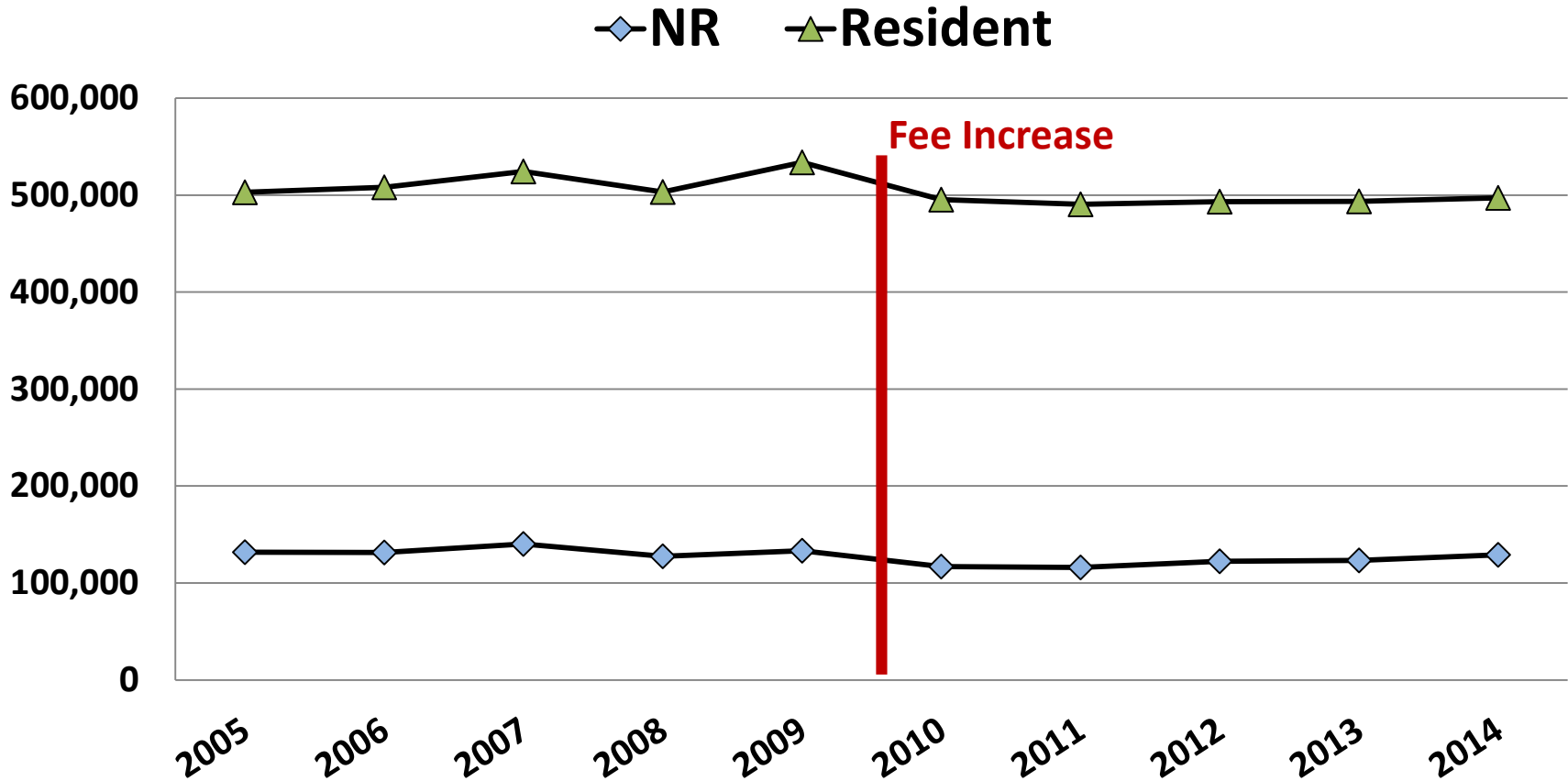
Resident & Non-Resident Hunters

◆ NR ▲ Resident



Budget Drivers

Resident & Non-Resident Anglers



Budget Drivers Funding Stewardship

Wildlife Viewing

- 1.4 million participants each year
- Significant economic benefit
- Little associated revenue



Viewing platform at Ladd Marsh in NE Oregon

Budget Drivers

Increasing Stewardship Demands

- Biological assessments for other agencies
 - Permit review and comments
 - Regional Solutions
 - Endangered Species Act
- ✓ HB 3315 - Recoup costs for services for fee-funded programs
 - ✓ HB 2402 – Alternative Funding task force



Wind Farm near Arlington



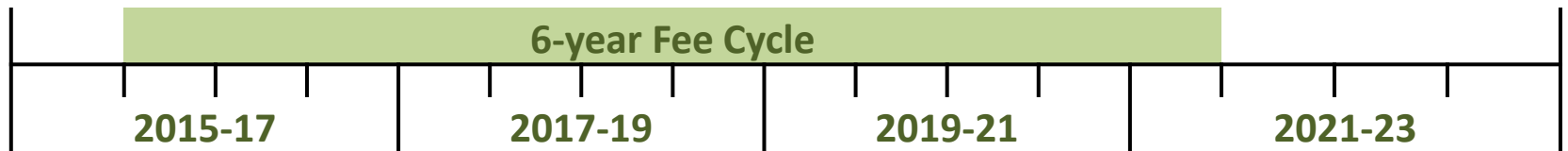
Strategies for a Sustainable Budget

2015-17 Recreational Licenses

- For 2015-17, \$32 million gap between projected expenses and revenues
- Gap projected based on working assumptions
 - Restore working capital
 - Fully fund all programs with no restrictions
 - Increased costs due to inflation
 - No additional revenue from license sales & other sources
 - Fully fund OSP Fish & Wildlife Division request
- Planning over a six year horizon

Looking Forward

- Keep expenditures within projected revenues
- What strategies can be used to improve our revenues?





Public Input

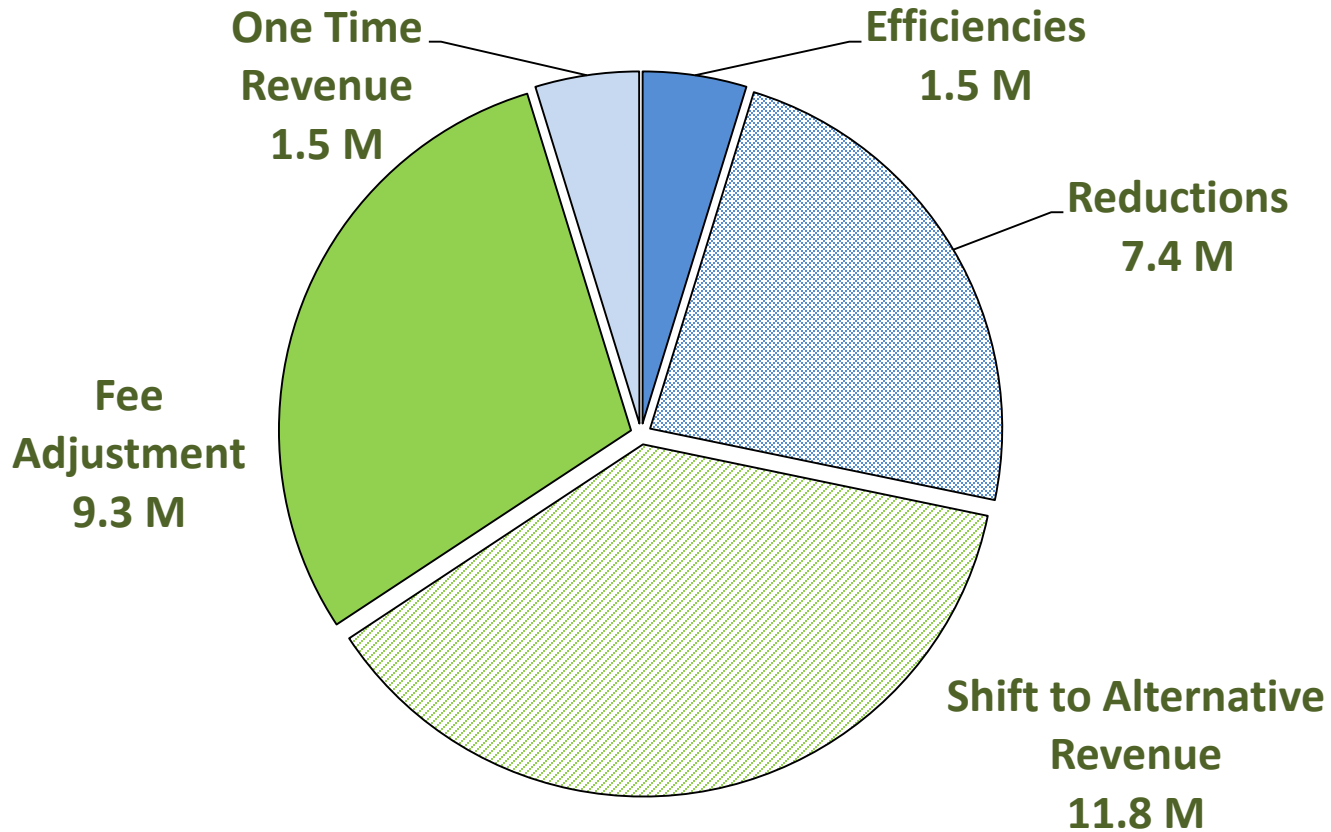
- 58,000 hunters and anglers surveyed
 - Residents and non-residents
 - Current and lapsed buyers
 - 17,000 responses
 - Focus groups
- External Budget Advisory Committee – 50 stakeholder groups; 4 meetings to date
- Town hall meetings – 290 members of the public attended; 8 meetings statewide
- Written Comments to the Commission during budget preparation
- Presentations to groups, organizations

Our Vision for the Future

- Making fishing and hunting better
 - Mule Deer Initiative
 - Black-tailed deer management
 - Cougar – prey interaction
 - Improving lake and reservoir fishing opportunities
 - Columbia River management reforms
 - Wild coho fishery
 - Increasing fishing and hunting access
- Attracting new hunters and anglers
 - Youth license
 - Regulation simplification
 - Mobile apps
 - Workshops, clinics and partnerships
- Conservation
 - Implementing Conservation and Recovery Plans
 - Managing and conserving all fish and wildlife
 - Habitat is key



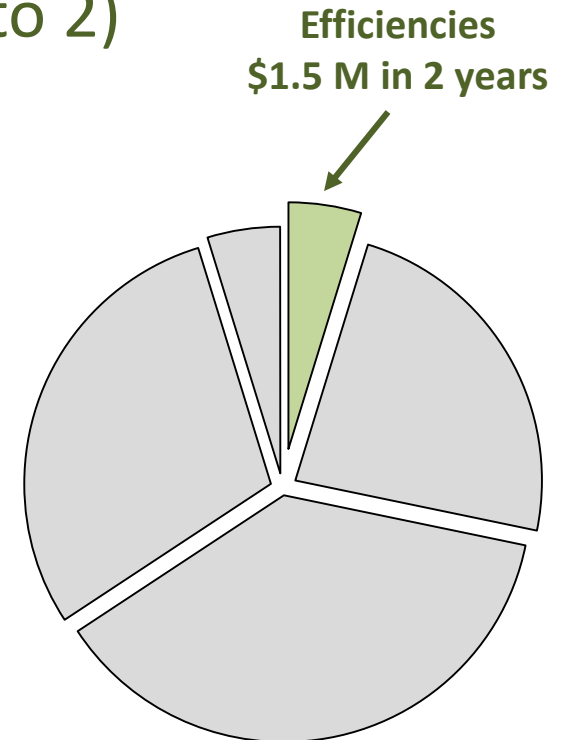
Strategies for Balancing 2015-17 Recreational License Budget



Program Efficiency & Effectiveness

Efficiency & Cost Savings Efforts

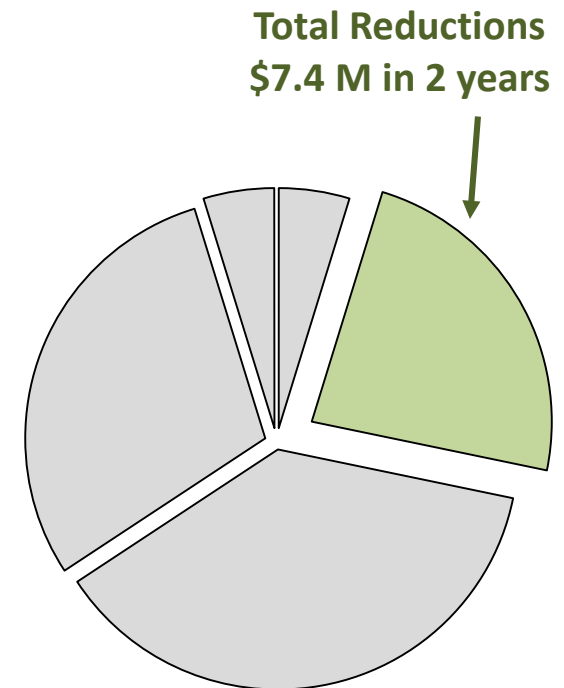
- Reduced printed publications such as regulations
 - \$180,000 per biennium
- Regional consolidation (going from 4 to 2)
 - \$600,000 per biennium
- Vehicle management
 - \$500,000 per biennium
- Administrative Services Labor Savings
 - \$220,000 per biennium
- Headquarters building
 - \$900,000 savings per biennium
 - \$360,000 DEQ revenue per biennium



Program Reductions

Public Input - License Funded

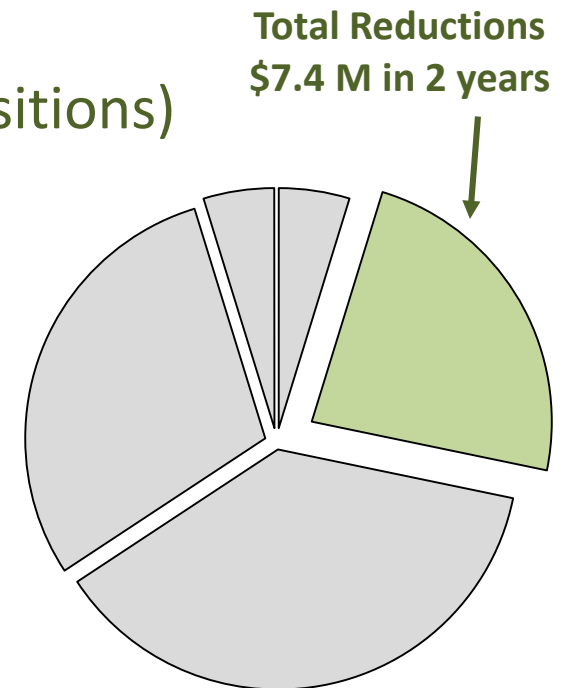
- Maintain field staff
- Support for local staff
- Concern about reductions to assistant district biologists
- Maintain hatchery production



Program Reductions

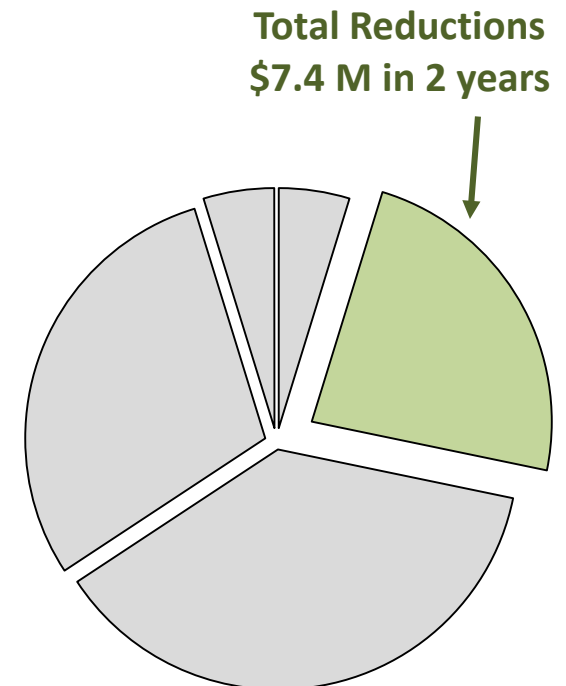
License Funded

- Fish Funded Programs (27 positions impacted)
 - Fish propagation staff (3 positions)
 - Complex Salmon River Hatchery with Cedar Creek Hatchery (2 positions)
 - Screens and Passage/Engineering (5 positions)
 - Warm Water Program (2 positions)
 - Field Biologists (3 positions)
 - Marine Program (2 positions)
 - Avian Predation Program (1 position)
 - Fish Conservation staff (7 positions)
 - Fish support (2 positions)



Program Reductions License Funded

- Regions (11 positions)
 - Volunteer coordinator (2 positions)
 - Fisheries technician (1 position) and Experimental Biologist Assistants (2 positions)
 - Support staff (6 positions)
- Admin (10 positions)
 - Accounts payable (1 position)
 - Contracting (1 position)
 - Licensing (2 positions)
 - Information & Education staff (3 positions)
 - Director's Office support (2 positions)
 - Help Desk (1 position)

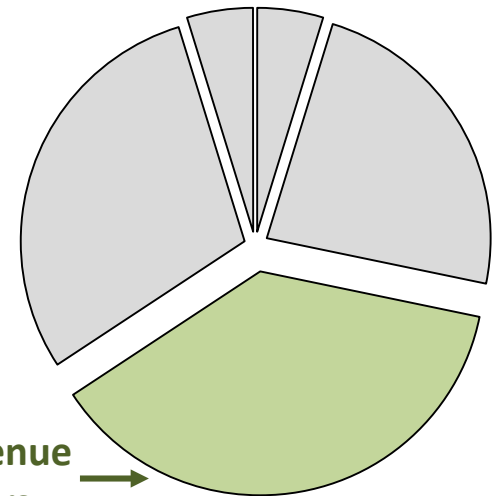


Recreational Licenses Fund Shifts

Public Input

- Support for shifting programs from hunter/angler costs to broader public
- Continue to pursue alternative revenue sources
- Concern about predator management ultimately shifting onto hunting dollars
- Realign revenues within the department to match beneficiaries, specifically hatcheries
- Concern if department does not secure the general fund

Shift to Other Revenue
\$11.8 M in 2 years

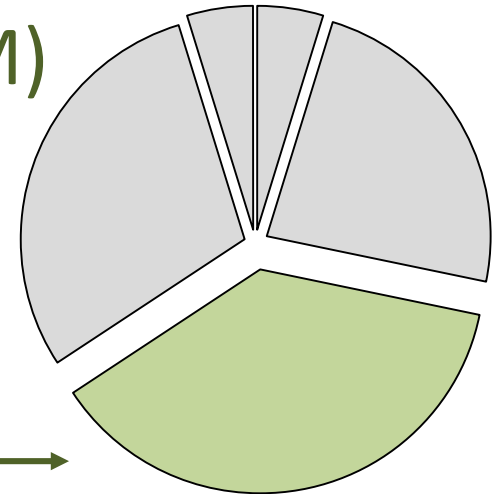


Shift to Other Revenue Sources

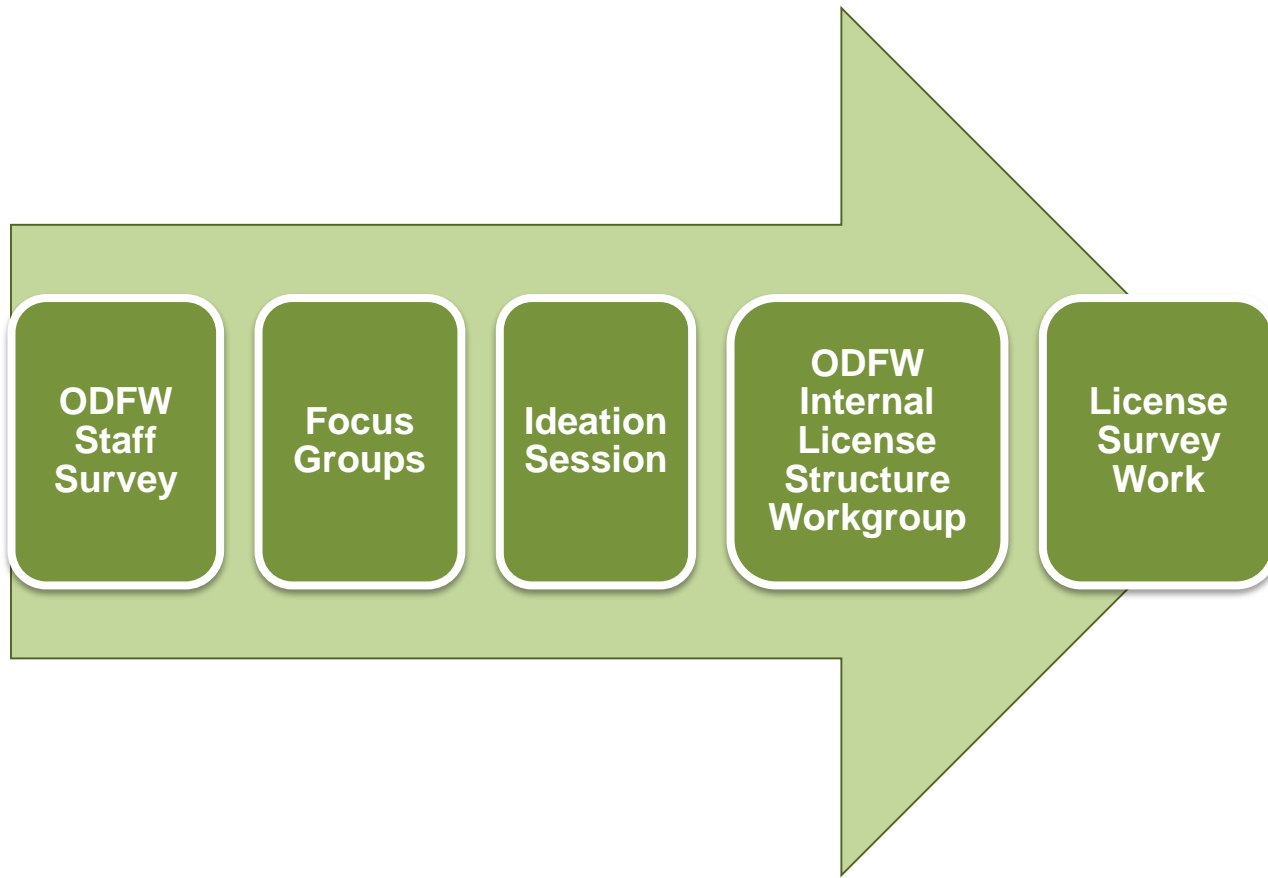
POP 101

- Shift to General Fund (\$4.5 M)
 - Field staff (\$3.6 M)
 - Water Quality Quantity (\$605 k)
 - Habitat and conservation strategy staff (\$299 k)
- Shift OSP to General Fund (\$5.1 M)
- Shift costs to various revenues where appropriate (\$2.2 M)

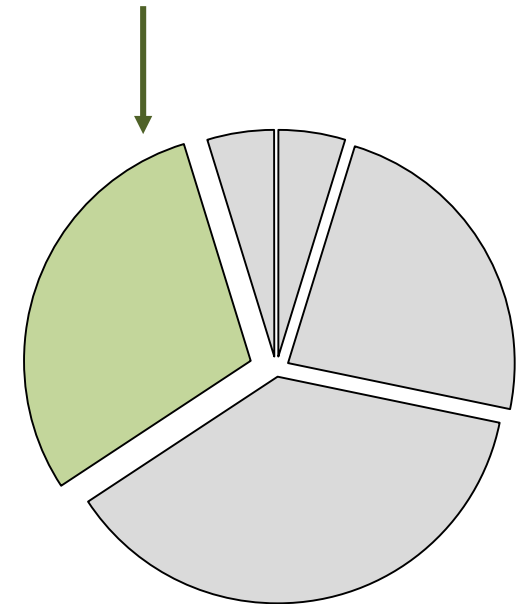
Shift to Other Revenue
\$11.8 M in 2 years →



Fee Adjustments A Path to Compromise



Fee Adjustment Restructuring
\$9.3 M in 2 years

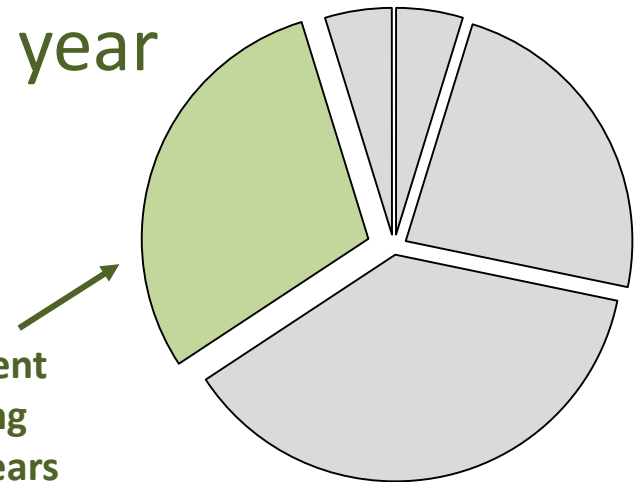


Fee Adjustments

Agency Goals

- Maintain priority programs
- Minimize impacts on participation
- Strategic adjustments rather than across the board
- 2 year increments rather than 6 year
- Promote participation by youth & families
- New license concepts

Fee Adjustment
Restructuring
\$9.3 M in 2 years



Fee Adjustments

Extensive Public Involvement

- 8 focus groups
 - Portland, Eugene, Medford, Bend, & LaGrande
 - New and Avid hunters and anglers
- Ideation session
 - Generate as many ideas as possible to improve the value and customer experience of the licensing process.
- Staff survey
- More than 500 ideas generated



Fee Adjustments

Public Input - Customer Survey

- Survey was active November-December 2013
 - Random sample of hunters and anglers
 - 58,000 e-mail surveys; 1,200 mail surveys
 - Mix of resident/non-resident
 - Mix of current and lapsed buyers
- Responses
 - Resident – 11,240 (30.4%)
 - Non-resident – 6,058 (27.1%)



Fee Adjustments

Public Input - Evaluation Process

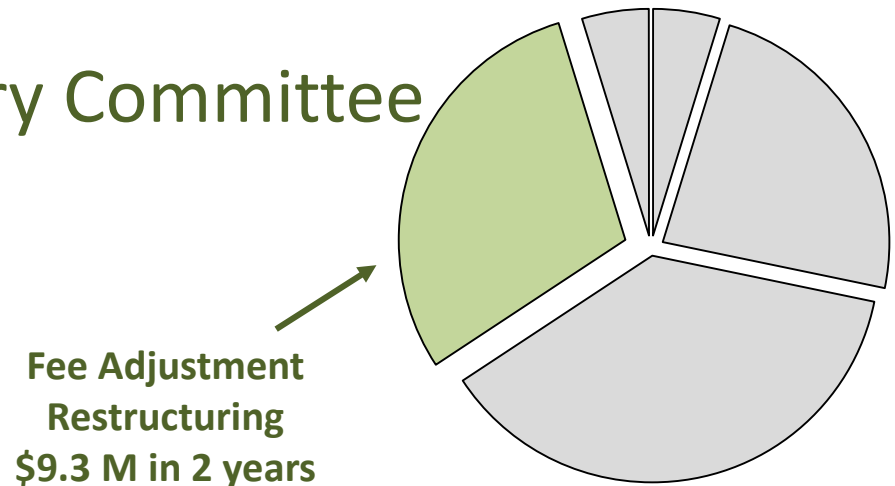
- Ideas evaluated based on:
 - Value to the customer
 - Revenue impact
 - Feasibility
 - Ability to implement
 - Customer interest



Fee Adjustments

Development of Final Package

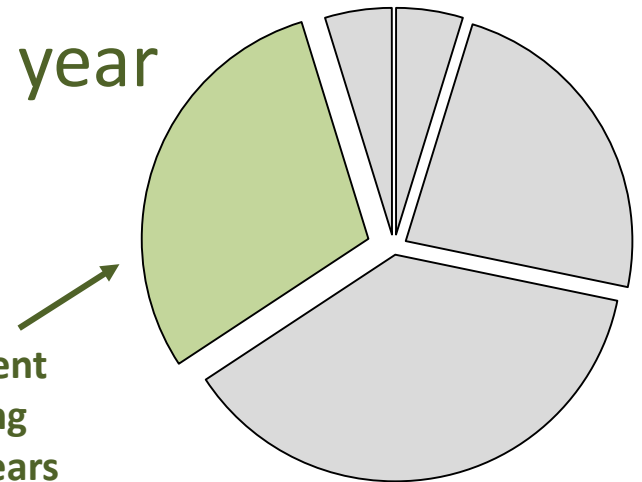
- Evaluated by Executive Leadership Team
- Revenue modeling
 - Sales history
 - Buying pattern
 - Participation
- External Budget Advisory Committee
- Town Hall hearings
- Commission approval



Fee Adjustments POP 102

- Funds priority programs
- Minimize impacts on participation
- Strategic adjustments rather than across the board
- 2 year increments rather than 6 year
- Promote participation by youth & families
- New license concepts

Fee Adjustment
Restructuring
\$9.3 M in 2 years



Fee Adjustments

Pioneer License

- Over 56,000 free Pioneer Licenses issued in 2014
- Charging a minimal amount allows for federal funding match
- \$6 leverages up to an additional \$20 of federal funding



Fee Adjustments

New Youth License

Reduced costs overall for youth

- One license for 12-17 years of age
 - Hunt, fish, shellfish
 - Resident & nonresident
 - Columbia & Ocean included
- Reduced cost of tags & stamps
- No increase on Juvenile SportsPac





Fee Adjustments

Recreational Licenses

	Current	2016	2018	2020
Hunting	\$29.50	\$33.50	\$34.00	\$34.50
Fishing	\$33.00	\$38.00	\$41.00	\$44.00
Deer	\$24.50	\$27.50	\$28.00	\$28.50
Elk	\$42.50	\$48.00	\$49.00	\$49.50
Angling Tag	\$26.50	\$35.00	\$40.50	\$46.00
Combination	\$58.00	\$65.00	\$70.00	\$72.00
Sports Pac	\$164.75	\$185.00	\$191.00	\$196.50
Controlled Hunt Apps	\$8.00	\$8.00	\$8.00	\$8.00

Price includes all vendor fees.

Recreational Licenses Adjusted for Inflation

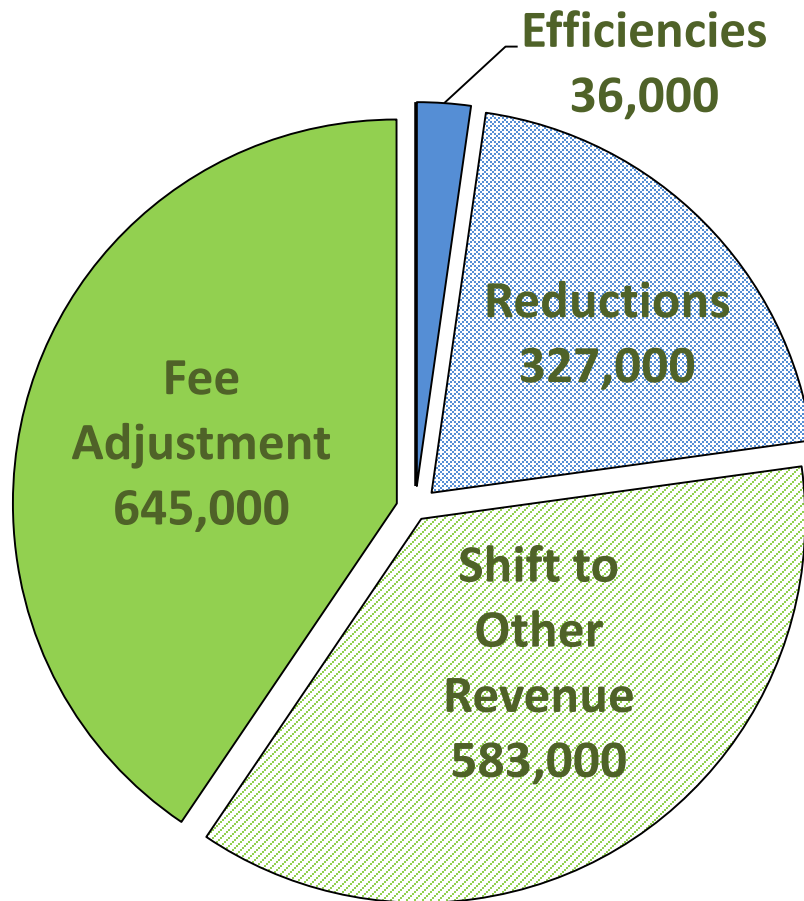
In the 1970's	In the 2010's
<i>A hunting license cost \$7 in 1976 (\$28.66 in 2013 dollars)</i>	<i>A hunting license cost \$29.50 in 2013</i>
<i>A fishing license cost \$9 in 1976 (\$36.85 in 2013 dollars)</i>	<i>A fishing license cost \$33.00 in 2013</i>

In 2016, a hunting license will cost \$33.50 and a fishing license will cost \$38.00.

Source: Oregon Department of Fish and Wildlife: Financial Condition Review, Secretary of State Audit Report, April 2015

2015-17 Budget Development

Commercial Fish Fund Strategies

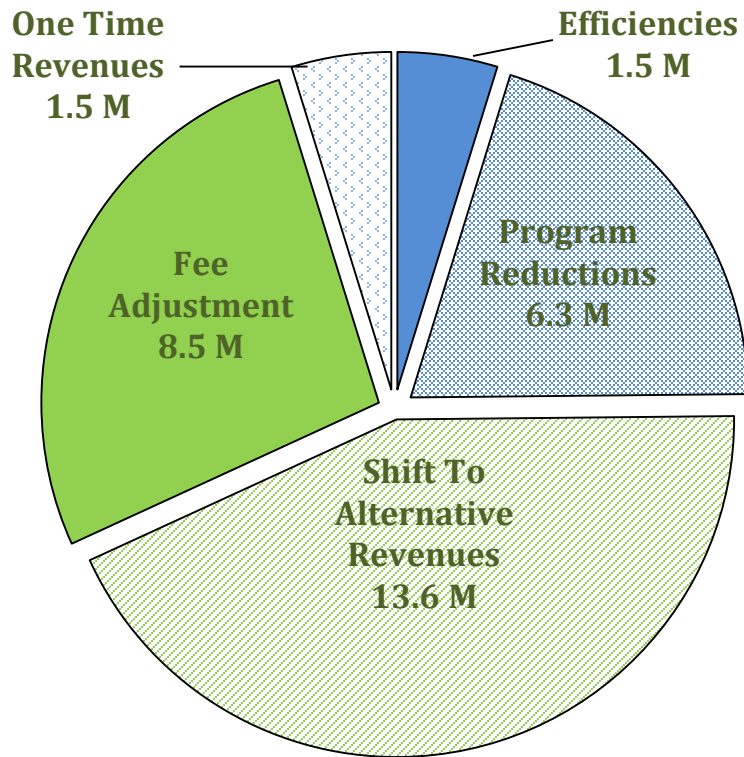


- \$1.4 million gap
- Similar strategies as recreational licenses
- Developed with subgroup of commercial fishing reps
- Also shifts \$655,000 from recreational to CFF
- Adjusted license fees for consistency between fisheries
- 2 vacant positions affected

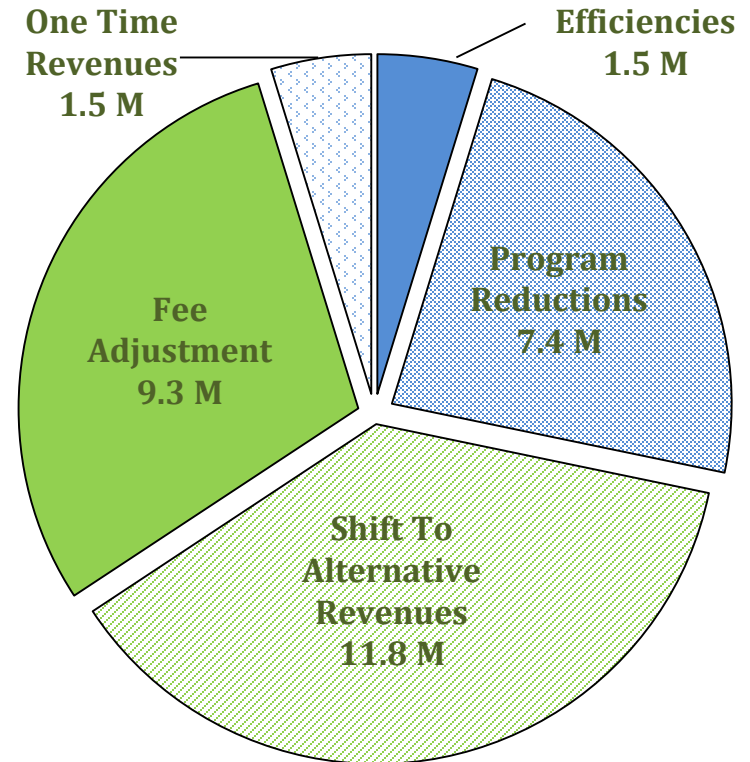
Strategies for Balancing 2015-17

Difference Between ARB and GRB

ARB



GRB





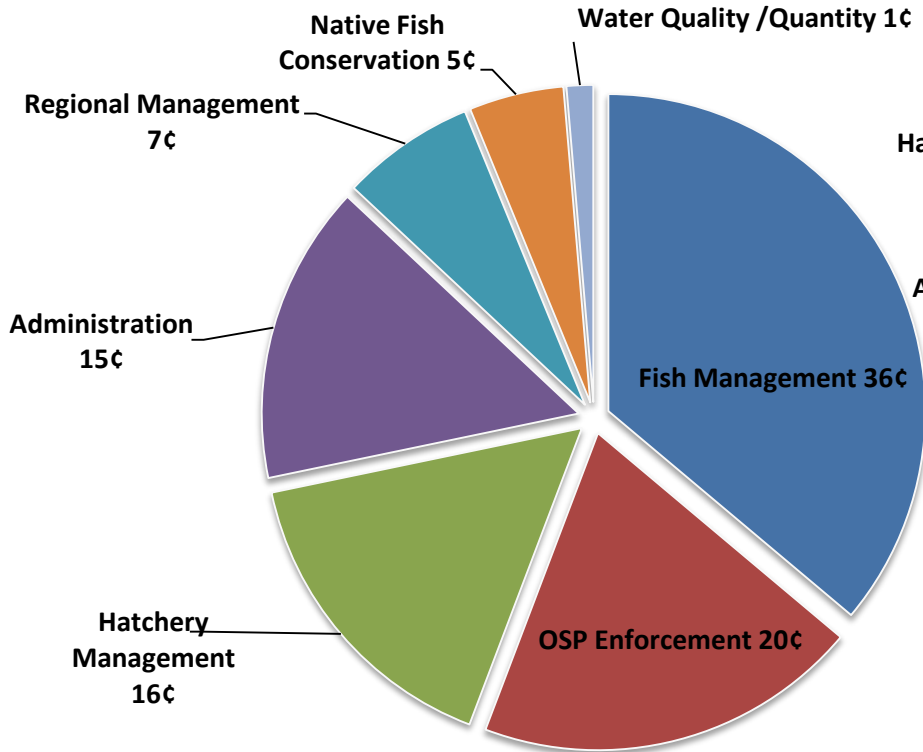
ODFW Budget Summary

Adjustments in Governor's Budget

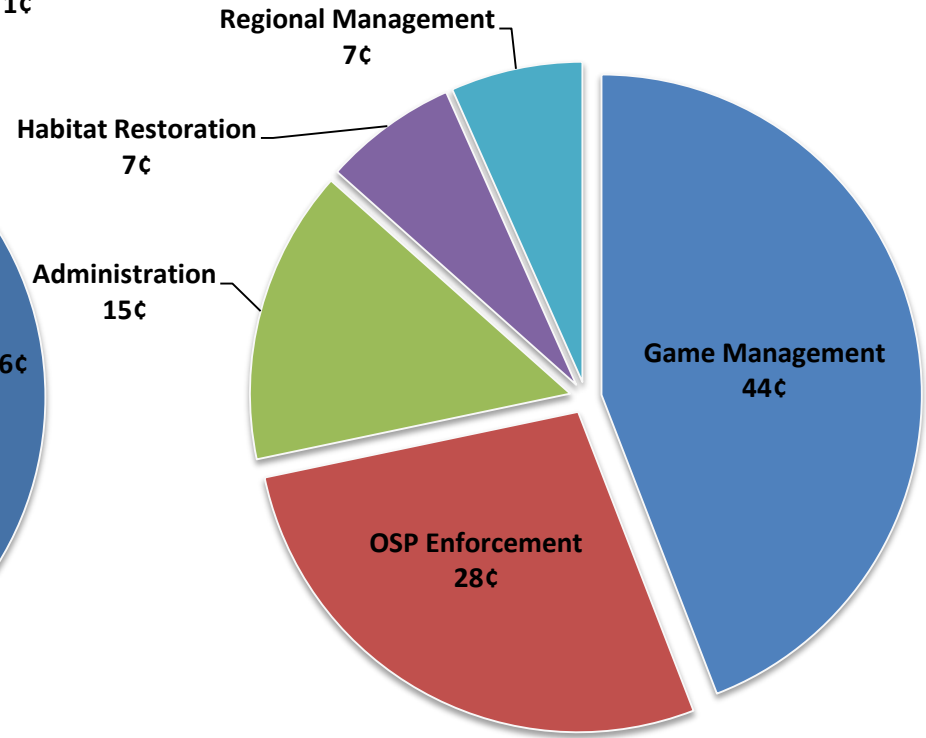
Fund Type (% of total)	2013-15 Legislatively Adopted Budget	2015-17 Agency Request Budget	2015-17 Governor's Budget
General Fund	17,704,434 (5%)	36,928,257 (10%)	27,678,949 (8%)
Lottery Funds	4,921,716 (1%)	6,366,457 (2%)	4,190,244 (1%)
Other Funds	185,369,107 (54%)	174,204,918 (49%)	174,683,746 (51%)
Federal Funds	134,778,425 (39%)	140,121,662 (39%)	138,895,412 (40%)
Total Funds	342,773,682	357,621,294	345,448,351

How License Dollars Are Spent

Fish

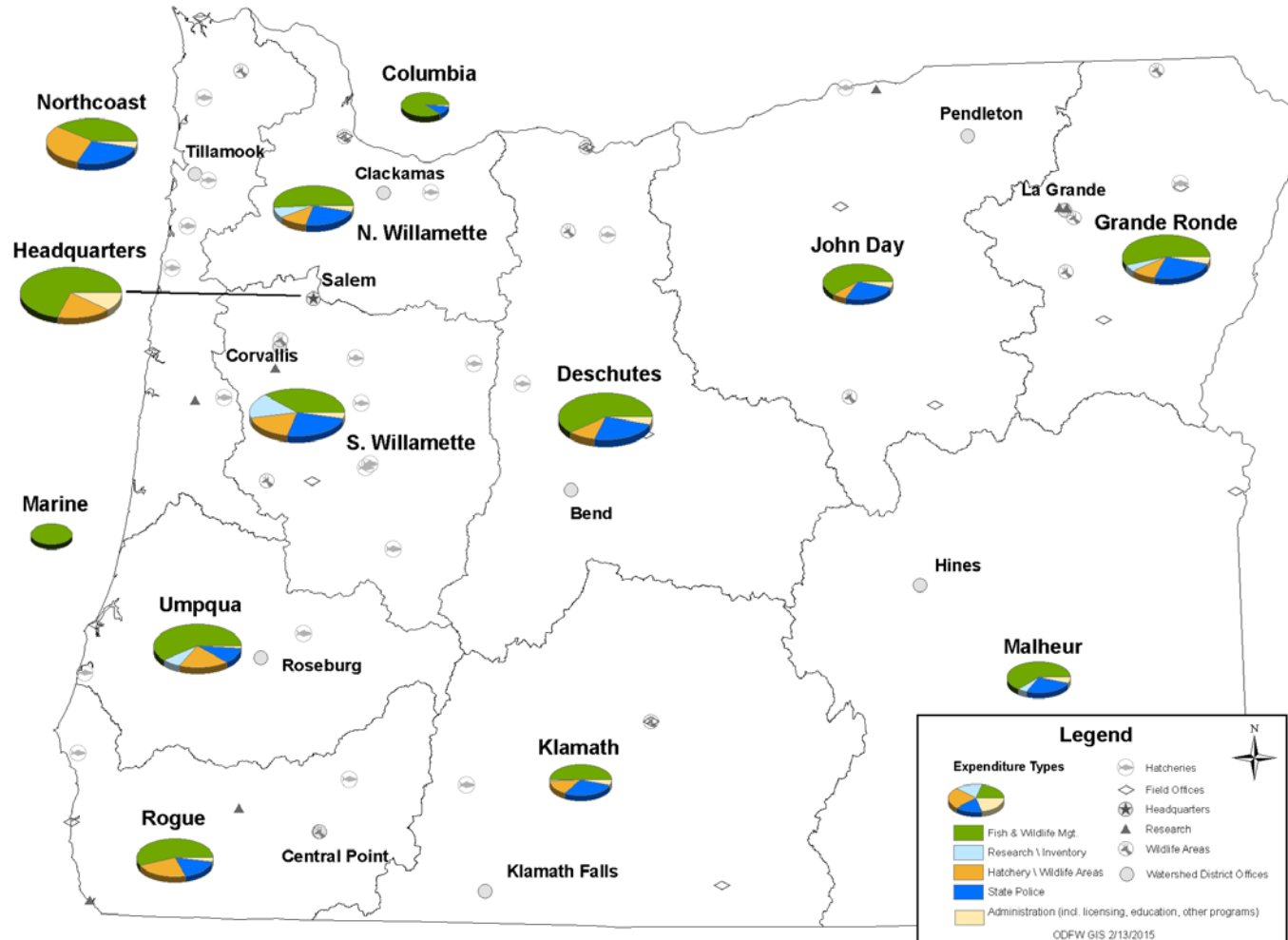


Wildlife



Where License Dollars Are Spent

ODFW License Expenditures - FY 2013-15



Package 070 Reductions

- Much bigger than what we buy back
 - Majority of position reductions are not proposed for restoration
- POP 102 restores priority programs
- Without POP 102, ODFW will need other revenue or program reductions
- ODFW may lose leverage on federal grants that require match



Reductions

If POP-102 is not approved (License fees)

- \$9,150,000 in reductions
- 42 positions affected
 - Hatchery closures
 - Close Oregon Hatchery Research Center
 - Eliminate trout purchases from private hatcheries
 - Reductions in Fish and Wildlife headquarters staff
 - Reductions in Fish and Wildlife regional staff
 - Reductions in Administration staff and services
 - Reduced enforcement



Reductions

If POP-102 is not approved (License fees)

Wildlife Division

Eliminate 6 Fish and Wildlife Technicians

- 1 Fish and Wildlife Technician (Roseburg)
- 1 Fish and Wildlife Technician (Roseburg)
- 1 Fish and Wildlife Technician (Baker)
- 1 Fish and Wildlife Technician (Bend)
- 1 Fish and Wildlife Technician (Clackamas)
- 1 Fish and Wildlife Technician (Hines)



Reductions

If POP-102 is not approved (License fees)

Wildlife Division

Eliminate 7 NRS 1 and 2 Biologists

- 1 NRS 2 (Salem)
- 1 NRS 2 (Tillamook)
- 1 NRS 1 (The Dalles)
- 1 NRS 1 (Prineville)
- 1 NRS 2 (Ontario)
- 1 NRS 2 (Bend)
- 1 NRS 2 (Medford)



Reductions

If POP-102 is not approved (License fees)

Wildlife Division

Eliminate 1 Volunteer Coordinator

- Eliminate remaining months of part time position (Corvallis)

Reduce Services and Supplies

- Winter Feeding
- Wildlife Damage – Regional
- Regional Habitat
- Mule Deer Initiative

Reductions

If POP-102 is not approved (License fees)

Fish Division (License)

Reduce Southwest Fish Liberation

- 1 Program Analyst (Roseburg)

Eliminate Fish Division Rules Coordinator

- 1 Administrative Specialist 2 (Salem)

Eliminate Oregon Hatchery Research Center

- 2 Fish and Wildlife Technicians (Alsea)
- 1 Fish and Wildlife Manager (Alsea)
- Services and Supplies

Eliminate N. Santiam River Summer Steelhead

- 1 Fish & Wildlife Technician (Leaburg)
- Services and Supplies



Reductions

If POP-102 is not approved (License fees)

Fish Division (License)

Eliminate trout purchases from private hatcheries

Close Bandon Hatchery

- 2 Fish and Wildlife Technicians (Bandon)
- 1 Fish and Wildlife Manager (Bandon)
- Services and Supplies

Close Alsea River Hatchery

- 3 Fish and Wildlife Technicians (Alsea)
- 1 Fish and Wildlife Manager (Alsea)
- Services and Supplies



Reductions

If POP-102 is not approved (License fees)

Fish Division (License)

Eliminate 2 Fish District Technicians

- 2 Fish and Wildlife Technicians (Corvallis)

Eliminate 4 Assistant District Fish Biologists

- Clackamas, Newport, Bend, Klamath Falls
- Services and Supplies

Eliminate Water Program

- 1 Program Manager (PEM-E) - Salem
- 2 Natural Resource Specialists 4 - Salem
- Service and Supplies

Reduce Columbia/Willamette Fishery Monitoring

- Services and supplies



Reductions

If POP-102 is not approved (License fees)

Fish Division (Shellfish)

Reduce Shellfish program

- Eliminate 1 NRS 3 (Newport)
- Reduce 1 EBA (Newport)
- Reduce Service and Supplies

Reductions

If POP-102 is not approved (Commercial Fish) Fish Division (Commercial Fish Fund)

Eliminate Pacific Fishery Management Council Stock Assessment Support

Eliminate Oregon Coastal Zone Management Association Contract

Reduce Groundfish Sampling Program

- 1 Experimental Biological Aide (Newport)

Reduce Nearshore Groundfish Program

- 1 Natural Resource Specialist 3 (Newport)
- Services and Supplies

Reduce Columbia River Selective Gear Evaluation Program



Reductions

If POP-102 is not approved (License fees)

Other Reductions

Administration Reductions

- 1 Accountant (Salem)
- 1 Payroll Assistant (Salem)
- Services and Supplies

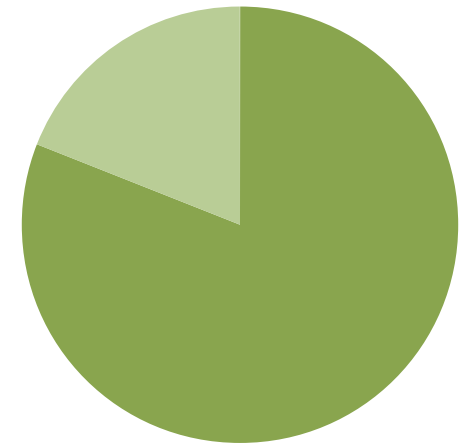
Reduce Oregon State Police Enforcement

- Reduce Enforcement (License)
- Reduce Enforcement (CFF)

2015-17 Budget Development Policy Option Packages

Themes	Count
Access	1
Columbia River	1
Conservation	5
Hatchery Management	3
Passage & Screens	3
Pittman Robertson	2
Portland Harbor	1
Research & Monitoring	4
Restoration	2
Revenue Shortfall	2
Wildlife Areas	3
Total	27

New 22% (6)



Continued 78% (21)



Continuation POPs Access and Columbia River

Type	Fund	Amount	Positions	FTE
POP 118 - Voluntary Access & Habitat Incentive Program				
Continuation	FF	750,000	2	1
Continuation of program working with voluntary landowners. Increases public hunting access and improves wildlife habitat.				
POP 103 - Columbia River Fish Management and Reform				
Continuation	FF	3,528,032	24	12
Relocate/increase hatchery fish production in off-channel areas. Evaluate expanding existing sites & adding new sites. Enhance law enforcement of expanded recreational fisheries. Relating Legislation: SB 830.				



Continuation POPs Conservation

Type	Fund	Amount	Positions	FTE
POP 105 – Sage Grouse Initiative				
Continuation	GF/OF	180,000	2	1
Focus on partnerships with private landowners and other agencies to restore sage grouse habitats in eastern Oregon.				
POP 123 - Willamette Wildlife Mitigation Program				
Continuation	FF	1,560,000	4	2.33
Review, assess and recommend potential properties for acquisition to Bonneville Power Administration. Monitor acquisitions for compliance and ecological condition.				



Continuation POPs Conservation

Type	Fund	Amount	Positions	FTE
POP 124 - Coordination of Energy Development & Transmission				
Continuation	OF	162,552	2	1
Electric Transmission Line from Boardman, Oregon to Hemingway Butte, Idaho. Work with Idaho Power Company on proposed line and permitting process.				
POP 126 - Blue Mountain Fish Habitat Restoration				
Continuation	FF	100,000	1	1
Continuation of Blue Mountain Fish Habitat Restoration. Fish & riparian habitat restoration in Grande Ronde basin.				



Continuation POPs Hatchery Management

Type	Fund	Amount	Positions	FTE
POP 106 – Mitchell Act Funding for Hatcheries				
Continuation	FF	2,171,000	10	6.5
Continuation of Mitchell Act fish marking and hatchery reform.				
POP 107 - Marion Forks Hatchery Complex				
Continuation	FF	600,000	3	3
Continuation of Marion Forks/Minto Ponds complex.				
POP 108 - Idaho Power Company Fall Chinook Production				
Continuation	OF	360,000	0	0
Continuation of hatchery production at Irrigon Hatchery. Mitigation for Hells Canyon complex				



Continuation POPs

Passage & Screens and Portland Harbor

Type	Fund	Amount	Positions	FTE
POP 119 - Fish Passage & Screening				
Continuation	FF/OF	307,000	1	.42
Maintenance of existing fish screens and limitation for fish screening & passage on Honey Creek in Lake County.				
POP 125 - Portland Harbor Injury Assessment				
Continuation	OF	100,000	0	0
Provides for ODFW's role in Portland Harbor injury assessment.				



Continuation POPs

Pittman - Robertson

Type	Fund	Amount	Positions	FTE
POP 109 - Pittman-Robertson funding for Wildlife Research & Management				
Continuation	FF	7,700,000	0	0
Continuation of investments in research & management, Mule Deer Initiative, Big Game and Waterfowl Aerial Surveys, Improved Mule Deer Surveys and Population Assessments, Wetland Restoration on Klamath Wildlife Area, Black-tailed Deer Research, Deferred Maintenance on Wildlife Areas				
POP 129 - Hunter Education, Recruitment, Retention				
Continuation	FF	3,100,000	7 temps	0
Provides funding for hiring of temp staff to conduct mandatory hunter ed field classes, hunting clinics, and help at workshops to recruit new hunters. Increases digital and printed materials to increase awareness of hunting opportunities. Expands resources and facilities for hunter workshops and events				



Continuation POPs Research & Monitoring

Type	Fund	Amount	Positions	FTE
POP 112 - Coastal/L Columbia Fish Monitoring				
Continuation	GF/OF	723,000	0	0
Continuation of priority fish monitoring critical to fisheries management and local economies. Monitoring of adult and juvenile salmonids and salmonid habitat.				
POP 113 - Fish Research, Monitoring, and Evaluation				
Continuation	GF/LF/OF	2,400,000	23	13.50
Continues recovery plan implementation and RME efforts for Pacific salmon and steelhead. Research and monitoring in lower Columbia River for reintroduction of chum salmon.				



Continuation POPs

Research & Monitoring

Type	Fund	Amount	Positions	FTE
POP 114 - Fish Research, Monitoring, and Evaluation				
Continuation	FF/OF	12,725,000	115	68.10
Coastal Chinook Research Monitoring & Evaluation, Lower Columbia Chinook Monitoring, Willamette Salmon RME, Oregon Chub Monitoring and Evaluation Clackamas RME, Northeast Oregon Salmon Population & Habitat Monitoring Blitzen River Redband Trout Research.				
POP 115 - Deschutes Basin Fish Monitoring & Recovery				
Continuation	FF/OF	1,735,000	3	2
Continuation of fish population monitoring in middle Deschutes River. Development of a Habitat Conservation Plan for the upper Deschutes Basin.				



Continuation POPs Wildlife Areas

Type	Fund	Amount	Positions	FTE
POP 110 - Coquille Valley Wildlife Area				
Continuation	OF	369,000	0	0
Continue habitat restoration & enhancement and develop public access sites. Timber sale revenue from Eel Lake.				
POP 111 - Coquille Valley Tidegate Replacement				
Continuation	OF	1,025,000	0	0
Continuation of replacement of failing tidegates and infrastructure in the Beaver Slough Drainage District. Propose to use muted tidal regulators.				

Policy Option Package 104

Klamath Anadromous Fish Reintroduction Plan

- Establishes staff to develop an implementation plan for salmon/steelhead reintroduction in the Klamath
- 1.0 FTE
- \$200k Federal Fund



Policy Option Package 120

ODOT Fish Passage Project

- Mitigation pilot program with ODOT to fund high priority fish passage sites
- 1.0 FTE
- \$1.975M Other Fund



Policy Option Package 130

SageCon Mitigation Coordinator

- Establishes a limited duration Natural Resource Specialist 5 position within Wildlife Division
- Works with SageCon partners and private developers to mitigate negative impacts to sage grouse and their habitat
- Advances SageCon conservation objectives
- 1.0 FTE, 1 position
- \$350,000 General Fund



Policy Option Package 132

Pre and Post Wildfire Resilience

- Establishes a Natural Resource Specialist 3 field position
- Implement on-the-ground actions that improve resilience of sagebrush habitat to wildfire
- Reduce the risk of wildfire spreading to priority areas
- Promote the effective recovery of habitat post-fire
- Advance monitoring and research
- 1.0 FTE, 1 position
- \$1,350,000 General Fund



Policy Option Package 127

Willamette Falls Fish Passage Repairs

- Establishes limitation to repair Willamette Falls Fishway that provides critical passage for fish.
- 0 FTE
- \$1M Federal Fund



Policy Option Package 128

Lower Deschutes River Ranch Acquisition

- Acquisition of lands that will be incorporated into Lower Deschutes Wildlife Area
- Managed for fish and wildlife habitat and public access to hunt, fish, and view wildlife
- Property contains key habitats that will benefit sensitive species identified in the Oregon Conservation Strategy
- \$1,290,000 Federal Fund (USFWS)



Conclusion

