

BUDGET REPORT AND MEASURE SUMMARY

Joint Committee On Ways and Means

Action:

Action Date:

Vote:

Prepared By: Cathleen Connolly, Department of Administrative Services

Reviewed By: Paul Siebert, Legislative Fiscal Office

Agency: Oregon Watershed Enhancement Board

Biennium: 2015-17

Budget Summary*

	2013-15 Legislatively Approved Budget ⁽¹⁾	2015-17 Current Service Level	2015-17 Committee Recommendation	Committee Change from 2013-15 Leg. Approved	
				\$ Change	% Change
Lottery Funds	\$ 6,336,409	\$ 6,755,388	\$ 6,880,873	\$ 544,464	8.6%
Other Funds Limited	\$ 1,852,224	\$ 1,552,060	\$ 3,545,968	\$ 1,693,744	91.4%
Federal Funds Limited	\$ 32,817,029	\$ 21,266,418	\$ 36,979,454	\$ 4,162,425	12.7%
Total	\$ 41,005,662	\$ 29,573,866	\$ 47,406,295	\$ 6,400,633	15.6%

Position Summary

Authorized Positions	32	29	35	3
Full-time Equivalent (FTE) positions	32.00	29.00	34.25	2.25

⁽¹⁾ Includes adjustments through December 2014

* Excludes Capital Construction expenditures

Revenue Summary

The Oregon Watershed Enhancement Board (OWEB) is funded primarily with Measure 76 Lottery Funds and federal Pacific Coastal Salmon Recovery Funds (PCSRF). The agency also receives revenues from the sales of salmon license plates.

Summary of Natural Resource Subcommittee Action

OWEB promotes and implements programs that restore, maintain, and enhance Oregon watersheds in order to protect the economic and social wellbeing of the state and its citizens. The Subcommittee approved a total funds budget of \$102,958,545 for the agency, with \$47,406,295 total funds approved in Senate Bill 5540 and the remaining \$55,552,250 total funds approved in Senate Bill 5541. Senate Bill 5540 also provides 34.25 FTE for the Board.

Senate Bill 5540 changes the expenditure limitation structure for the agency. Other Funds and Federal Funds now have separate subsections in the bill for the Operations Program and Grants Program. Senate Bill 5540 provides the Operations Program with \$50,562 Other Funds and \$2,089,714 Federal Funds; and the Grants Program with \$3,495,406 Other Funds and \$34,889,740 Federal Funds.

Operations

This program includes planning, coordination, assessment, implementation activities, monitoring activities, and education efforts. The Subcommittee approved a total funds budget of \$9,021,149 and 34.25 FTE. This includes \$6,880,873 Lottery Funds expenditure limitation.

The Subcommittee approved Package 100: Program Continuity. This package adds \$154,488 Lottery Funds allocation and \$666,831 Federal Funds expenditure limitation and three positions (3.00 FTE). The package continues a limited duration Natural Resource Specialist 4 (NRS 4) position (1.00 FTE) who will work as a Willamette Partnership Coordinator. This position is supported with \$124,533 Federal Funds (BPA) and \$124,533 Federal Funds (PCSRF). The package also adds \$140,488 Lottery Funds to establish a permanent Electronic Publishing Design Specialist 2 (1.00 FTE) to improve public information; the position was previously to be funded with Salmon Plate revenues. The package also continues a limited duration NRS 4 position (1.00 FTE) supported with \$217,765 Federal Funds (PCSRF) to work on existing and future Strategic Investment Partnerships. The package adds \$14,000 Lottery Funds for office rent in Bend, Oregon and adds \$200,000 Federal Funds (PCSRF) for Professional Services contracts.

Package 110: Program Enhancement was approved by the Subcommittee. This package in summary allocates \$130,761 Lottery Funds; increases Other Funds limitation by \$33,908, reduces Federal Funds limitation by \$53,795; and adds four new limited duration positions (3.25 FTE). The package includes a grant program analyst NRS 2 (1.00 FTE) supported with \$165,420 Lottery Funds; a conservation outcomes coordinator NRS 4 (1.00 FTE) supported with \$203,167 Lottery Funds; a conservation outcomes specialist NRS 3 (1.00 FTE) funded with \$183,813 Federal Funds (PCSRF); and a part-time forest health grants specialist NRS 2 (0.25 FTE) supported with \$33,908 Other Funds from the Department of Forestry through their Federal Forests Collaborative Program. This package also eliminates funding for the Independent Multidisciplinary Science Team reducing Lottery Funds by \$237,826, and reducing Federal Funds from PSCRF \$237,608.

The Subcommittee approved Package 801: LFO Analysts Adjustments. This package reduces Lottery Funds by \$310,434 and eliminates a Principle Executive Manager E position (1.00 FTE) as part of an agency reorganization. Lottery Funds saved here are used to move the small grants coordinator position off of Other Funds from Salmon Plate revenues and onto Lottery Funds in Package 802. This package also makes a revenue only adjustment by reducing the Lottery Funds transfer-in to OWEB by \$593,601, with direction to the agency that it is to spend down fund balances in place of new Lottery Funds revenues.

The Subcommittee approved Package 802: Salmon Plate Expenditures. This package removes all Other Funds limitation derived from Salmon Plate revenues and shifts the small grant coordinator onto Lottery Funds. All Salmon Plate Other Funds revenue and limitation is then moved to the Grants program area where the funds will be used exclusively for making grants. The Operations program Lottery Funds allocation is increased \$168,298 and Other Funds limitation is reduced \$271,879.

The Subcommittee approved Package 803: Position Reclassifications. This package makes changes to five positions based on classification studies conducted at the agency's request and reviewed by Department of Administrative Services Human Resources. The package reduces Lottery Funds by \$17,628, but makes no changes to the number of positions or FTE. Changes include moving an Accountant 1 to an Administrative Specialist 2, a Supervising Executive Assistant to an Executive Assistant, a NRS 3 to a NRS 4, and an Operations and Policy Analyst (OPA) 3 to an OPA 4. Savings come from the vacant OPA 3 position being reclassified to an OPA 4 position at step one.

Grants

This program is also addressed in Senate Bill 5541, which provides six-year limitation for grants funded with Measure 76 Lottery Funds. In House Bill 5540 the Subcommittee approved a total funds budget of \$38,385,146 and no FTE.

The Subcommittee approved Package 210: Carryforward Grants. This package adds \$12,900,000 total funds to allow the agency to complete grants begun in the 2013-15 biennium. The package adds one-time Federal Funds carryforward expenditure limitation for Pacific Coastal Salmon Recovery Fund (PCSRF) monies (\$10.0 million) and U.S. Fish and Wildlife Service monies (\$2.2 million) obligated during the 2013-15 biennium that will not be spent until the 2015-17 biennium. The package also adds one-time Other Funds limitation for Forest Health Grants (\$300,000), Salmon Plate grants (\$300,000) and miscellaneous grants (\$100,000).

The Subcommittee approved Package 215: ODFW-PCSRF. This package adds \$2,900,000, Federal Funds expenditure limitation for PCSRF monies sent to the Oregon Department of Fish and Wildlife (ODFW) to fund implementation of approved state and federal conservation and recovery plans for listed salmonids. The PCSRF grant funds are spent in the ODFW budget as Other Funds.

The Subcommittee approved Package 220: PCSRF and Forest Health Grants. This package adds \$1,260,000 in one-time Other Funds limitation. The funding is transferred from the Oregon Department of Forestry (ODF) for grants. It is originally contained in ODF's Federal Forest Restoration package as non-Measure 76 Lottery Funds and is spent by OWEB as Other Funds. The Other Funds limitation is to be phased-out during 2017-19 budget development.

The Subcommittee approved Package 802: Salmon Plate Expenditures. This package increases Other Funds limitation by \$271,879. The package shifts all salmon plate revenues from Operations, where it supported a grant position and some professional services contracts to the Grant program to be used exclusively for grants.

Summary of Performance Measure Action

See attached Legislatively Adopted 2015-17 Key Performance Measures form. During the 2015-17 biennium the agency will undertake a review of these KPMs and propose adjustments if necessary in their 2017-19 Agency Request Budget.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

SB 5540-A

**Oregon Watershed Enhancement Board
Cathleen Connolly -- 503-373-0083**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2013-15 Legislatively Approved Budget at Dec 2014 *	\$ -	\$ 6,336,409	\$ 1,852,224	\$ -	\$ 32,817,029	\$ -	\$ 41,005,662	32	32.00
2015-17 Current Service Level (CSL)*	\$ -	\$ 6,755,388	\$ 1,552,060	\$ -	\$ 21,266,418	\$ -	\$ 29,573,866	29	29.00
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
SCR 010 - Operations									
Package 100: Program Continuity									
Personal Services	\$ -	\$ 124,088	\$ -	\$ -	\$ 416,031	\$ -	\$ 540,119	3	3.00
Services and Supplies	\$ -	\$ 30,400	\$ -	\$ -	\$ 250,800	\$ -	\$ 281,200		
Package 110: Program Enhancement									
Personal Services	\$ -	\$ 311,287	\$ 26,958	\$ -	\$ 153,913	\$ -	\$ 492,158	4	3.25
Services and Supplies	\$ -	\$ 57,300	\$ 6,950	\$ -	\$ 29,900	\$ -	\$ 94,150		
Special Payments (Account 6085)	\$ -	\$ (237,826)	\$ -	\$ -	\$ (237,608)	\$ -	\$ (475,434)		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ (283,034)	\$ -	\$ -	\$ -	\$ -	\$ (283,034)	(1)	(1.00)
Services and Supplies	\$ -	\$ (27,400)	\$ -	\$ -	\$ -	\$ -	\$ (27,400)		
Package 802: Salmon Plate Expenditures									
Personal Services	\$ -	\$ 143,378	\$ (143,378)	\$ -	\$ -	\$ -	\$ -	0	0.00
Services and Supplies	\$ -	\$ 24,920	\$ (128,501)	\$ -	\$ -	\$ -	\$ (103,581)		
Package 803: Position Reclassification									
Personal Services	\$ -	\$ (17,628)	\$ -	\$ -	\$ -	\$ -	\$ (17,628)	0	0.00
SCR 020 - Grants									
Package 210: Carryforward									
Special Payments (Account 6085)	\$ -	\$ -	\$ 700,000	\$ -	\$ 12,200,000	\$ -	\$ 12,900,000		
Package 215: ODFW-PCSRF Request									
Special Payments (Account 6635)	\$ -	\$ -	\$ -	\$ -	\$ 2,900,000	\$ -	\$ 2,900,000		
Package 220: PCSRF and Forest Health Grant Funds									
Special Payments (Account 6035)	\$ -	\$ -	\$ 1,260,000	\$ -	\$ -	\$ -	\$ 1,260,000		
Package 802: Salmon Plate Expenditures									
Special Payments (Account 6085)	\$ -	\$ -	\$ 271,879	\$ -	\$ -	\$ -	\$ 271,879		
TOTAL ADJUSTMENTS	\$ -	\$ 125,485	\$ 1,993,908	\$ -	\$ 15,713,036	\$ -	\$ 17,832,429	6	5.25
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ 6,880,873	\$ 3,545,968	\$ -	\$ 36,979,454	\$ -	\$ 47,406,295	35	34.25
% Change from 2013-15 Leg Approved Budget	0.0%	8.6%	91.4%	0.0%	12.7%	0.0%	15.6%		
% Change from 2015-17 Current Service Level	0.0%	1.9%	128.5%	0.0%	73.9%	0.0%	60.3%		

*Excludes Capital Construction Expenditures

Legislatively Approved 2015-2017 Key Performance Measures

Agency: WATERSHED ENHANCEMENT BOARD

Mission: To help protect and restore healthy watersheds and natural habitats that support thriving communities and strong economies.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - OPERATIONS--The percentage of total funding used in agency operations.		Approved KPM	10.65	10.00	10.00
2 - OUTSIDE FUNDING--The percentage of funding from other sources resulting from OWEB's grant awards.		Approved KPM	127.00	150.00	150.00
3 - RESTORATION--The percentage of OWEB watershed restoration investments that address established basin and watershed restoration priorities.		Approved KPM		90.00	90.00
4 - PAYMENTS--The percentage of complete grant payment requests paid within 24 days.		Approved KPM	100.00	100.00	100.00
5 - FISH POPULATIONS--The percentage of monitored native fish species that exhibit increasing or stable levels of abundance.		Approved KPM	83.00	75.00	75.00
6 - PLANT COMMUNITIES--The percentage of improved riparian stream miles of the total number of stream miles in Oregon.		Approved KPM	0.26	1.00	1.00
7 - WORK PLANS--The extent to which watershed councils funded by OWEB accomplish their work plans each biennium.		Approved KPM	90.00	90.00	90.00
8 - FISH MONITORING--The percentage of native fish, where monitoring needs have been quantified, that were monitored to a level considered adequate under the Oregon Plan Monitoring Strategy and ODFW's Native Fish Status Review.		Approved KPM	61.00	70.00	70.00
9 - SALMON HABITAT QUANTITY--The percentage of potential aquatic salmon habitat made available to salmon each year.		Approved KPM	0.16	0.25	0.25
10 - CUSTOMER SERVICE--Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Accuracy	Approved KPM	81.00	91.00	91.00

Agency: WATERSHED ENHANCEMENT BOARD

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
10 - CUSTOMER SERVICE--Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Availability of Information	Approved KPM	73.50	91.00	91.00
10 - CUSTOMER SERVICE--Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Expertise	Approved KPM	81.60	91.00	91.00
10 - CUSTOMER SERVICE--Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Helpfulness	Approved KPM	83.20	91.00	91.00
10 - CUSTOMER SERVICE--Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Overall	Approved KPM	82.40	91.00	91.00
10 - CUSTOMER SERVICE--Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Timeliness	Approved KPM	75.80	91.00	91.00

LFO Recommendation:

Approve the Key Performance Measures with the understanding that the agency will undertake a review of these KPMs and propose adjustments if necessary in their 2017-19 Agency Request Budget.

Sub-Committee Action:

The Subcommittee approved the LFO recommendations