

HB 5040 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Rep. Witt

Joint Committee On Ways and Means

Action Date: 06/21/17

Action: Do pass with amendments. (Printed A-Eng.)

House Vote

Yeas: 10 - Gomberg, Holvey, Huffman, Nathanson, Rayfield, Smith G, Smith Warner, Stark, Whisnant, Williamson

Nays: 1 - McLane

Senate Vote

Yeas: 12 - DeBoer, Devlin, Frederick, Girod, Hansell, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward, Thomsen, Winters

Prepared By: Cathleen Connolly, Department of Administrative Services

Reviewed By: Paul Siebert, Legislative Fiscal Office

Oregon Watershed Enhancement Board

2017-19

Budget Summary*

| | 2015-17 Legislatively Approved Budget ⁽¹⁾ | 2017-19 Current Service Level | 2017-19 Committee Recommendation | Committee Change from 2015-17 Leg. Approved | |
|-----------------------|--|----------------------------------|--|--|----------|
| | | | | \$ Change | % Change |
| Lottery Funds | \$ 6,938,246 | \$ 6,816,076 | \$ 7,026,241 | \$ 87,995 | 1.3% |
| Other Funds Limited | \$ 3,618,093 | \$ 1,609,486 | \$ 3,009,486 | \$ (608,607) | (16.8%) |
| Federal Funds Limited | \$ 37,274,113 | \$ 25,924,237 | \$ 41,672,517 | \$ 4,398,404 | 11.8% |
| Total | \$ 47,830,452 | \$ 34,349,799 | \$ 51,708,244 | \$ 3,877,792 | 8.1% |

Position Summary

| | | | | |
|--------------------------------------|-------|-------|-------|--------|
| Authorized Positions | 35 | 29 | 33 | (2) |
| Full-time Equivalent (FTE) positions | 34.25 | 28.99 | 33.00 | (1.25) |

⁽¹⁾ Includes adjustments through December 2016

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Oregon Watershed Enhancement Board (OWEB) is funded primarily with Measure 76 Lottery Funds and federal funds from the Pacific Coastal Salmon Recovery Fund (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 to protect the economic and social wellbeing of the state and its citizens. The Subcommittee approved a total funds budget of \$119,302,545 for the agency with \$51,708,244 total funds approved in House Bill 5040 and the remaining \$67,594,301 total funds approved in House Bill 5041. House Bill 5040 also provides 33.00 FTE for the board. House Bill 5040 provides the Operations Program with \$7,026,241 Lottery Funds, \$17,270 Other Funds expenditure limitation and \$2,349,709 Federal Funds expenditure limitation; and the Grants Program with \$2,992,216 Other Funds limitation and \$39,322,808 Federal Funds limitation.

Operations

This program includes planning, coordination, assessment, implementation activities, monitoring activities and education efforts. The Subcommittee approved a total funds budget of \$9,393,220 and 33.00 FTE. This includes \$7,026,241 in Measure 76 Lottery Funds allocation.

The Subcommittee approved Package 100, Program Continuity. This package continues four positions (4.01 FTE) approved in the 2015-17 biennium, as limited duration and recommends two of the positions be made permanent. The package continues a Conservation Outcome Coordinator and a Conservation Outcome Specialist as limited duration and continues two partnership coordinator positions as permanent. The package also includes \$12,000 Lottery Funds for office space for a regional program representative position previously filled by an employee who worked from home.

Grants

This program is also addressed in House Bill 5041, which provides six-year expenditure limitation for grants funded with Measure 76 Lottery Funds. In House Bill 5040, the Subcommittee approved a total funds budget of \$42,315,024 and no FTE.

The Subcommittee approved Package 210, Carryforward Grants. This package continues \$16,400,000 total funds for grant funding approved as part of the 2015-17 budget to allow the agency to complete grants begun in the current biennium. Carry forward Federal Funds expenditure limitation is provided for Pacific Coastal Salmon Recovery Fund grants (\$13.0 million) and U.S. Fish and Wildlife Service grants (\$2.0 million). Other Funds carry forward expenditure limitation for grants includes Salmon Plate grants (\$700,000), Forest Collaborative grants (\$500,000), Intensively Monitored Watersheds grants (\$100,000) and Rangeland Wildfire Threat Reduction grants (\$100,000). These increases are approved on a one-time basis.

Summary of Performance Measure Action

See attached Legislatively Adopted 2017-19 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

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 | | | |
| 2015-17 Legislatively Approved Budget at Dec 2016 * | \$ - | \$ 6,938,246 | \$ 3,618,093 | \$ - | \$ 37,274,113 | \$ - | \$ 47,830,452 | 35 | 34.25 |
| 2017-19 Current Service Level (CSL)* | \$ - | \$ 6,816,076 | \$ 1,609,486 | \$ - | \$ 25,924,237 | \$ - | \$ 34,349,799 | 29 | 28.99 |
| SUBCOMMITTEE ADJUSTMENTS (from CSL) | | | | | | | | | |
| SCR 010 - Operations | | | | | | | | | |
| Package 100: Program Continuity | | | | | | | | | |
| Personal Services | \$ - | \$ 168,615 | \$ - | \$ - | \$ 658,930 | \$ - | \$ 827,545 | 4 | 4.01 |
| Services and Supplies | \$ - | \$ 41,550 | \$ - | \$ - | \$ 89,350 | \$ - | \$ 130,900 | | |
| SCR 020 - Grants | | | | | | | | | |
| Package 210: Carryforward | | | | | | | | | |
| Special Payments | \$ - | \$ - | \$ 1,400,000 | \$ - | \$ 15,000,000 | \$ - | \$ 16,400,000 | | |
| TOTAL ADJUSTMENTS | \$ - | \$ 210,165 | \$ 1,400,000 | \$ - | \$ 15,748,280 | \$ - | \$ 17,358,445 | 4 | 4.01 |
| SUBCOMMITTEE RECOMMENDATION * | \$ - | \$ 7,026,241 | \$ 3,009,486 | \$ - | \$ 41,672,517 | \$ - | \$ 51,708,244 | 33 | 33.00 |
| | | | | | | | | | |
| % Change from 2015-17 Leg Approved Budget | 0.0% | 1.3% | (16.8%) | 0.0% | 11.8% | 0.0% | 8.1% | (5.7%) | (3.6%) |
| % Change from 2017-19 Current Service Level | 0.0% | 3.1% | 87.0% | 0.0% | 60.7% | 0.0% | 50.5% | 13.8% | 13.8% |

*Excludes Capital Construction Expenditures

Legislatively Approved 2017 - 2019 Key Performance Measures

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Agency: Watershed Enhancement Board

Mission Statement:

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

| Legislatively Approved KPMs | Metrics | Agency Request | Last Reported Result | Target 2018 | Target 2019 |
|---|-----------------------------|-----------------------|----------------------|-------------|-------------|
| 1. OPERATIONS - The percentage of total funding used in agency operations. | | Approved | 9.60 | 11 | 11 |
| 2. FUNDING FROM OTHER SOURCES - The percent of funds contributed from other sources on OWEB funded restoration projects. | | Approved | No Data | 40% | 40% |
| 3. GRANT-MAKING ACROSS OREGON - Percent of Oregon's 76 sub-basins (defined as 8-digit hydrologic unit code areas) within which Oregonians benefit from OWEB's grant programs. | | Approved | No Data | 90% | 90% |
| 4. TIMELINESS OF GRANT-MAKING - The percent of open solicitation grant agreements executed within one month after Board award. | | Approved | No Data | 95% | 95% |
| 5. FISH POPULATIONS - The percentage of monitored native fish species that exhibit increasing or stable levels of abundance. | | Approved | 71% | 75% | 75% |
| 6. WATERSHED COUNCIL GOVERNANCE - Percent of OWEB funded watershed councils that demonstrate effective organizational governance and management using OWEB merit criteria. | | Approved | No Data | 100% | 100% |
| 7. PAYMENTS - The percentage of complete grant payment requests paid within 24 days. | | Approved | 100% | 100% | 100% |
| 8. STREAMSIDE HABITAT - The number of riparian stream miles restored or enhanced as a result of OWEB funded grants. | | Approved | No Data | 233.70 | 233.70 |
| 9. UPLAND HABITAT - Acres of upland habitat restored or enhanced as a result of OWEB funded grants. | | Approved | No Data | 47,560 | 47,560 |
| 10. NATIVE SPECIES HABITAT AND WATER QUALITY - Percent of restoration, acquisition or technical assistance funding invested to address habitat for threatened, endangered or species of concern, or water-quality concerns identified on 303(d) listed streams. | | Approved | No Data | 90% | 90% |
| 11. NATIVE FISH HABITAT QUANTITY - Miles of fish habitat opened as a result of completed fish passage projects funded through OWEB grants. | | Approved | No Data | 138.80 | 138.80 |
| 12. 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 | 80.40% | 91% | 91% |
| | Timeliness | | 86.30% | 91% | 91% |
| | Helpfulness | | 98% | 91% | 91% |
| | Overall | | 90.20% | 91% | 91% |
| | Expertise | | 94% | 91% | 91% |
| | Accuracy | | 92.20% | 91% | 91% |
| 2. OUTSIDE FUNDING - The percentage of funding from other sources resulting from OWEB's grant awards. | | Legislatively Deleted | 166% | 150% | TBD |

| Legislatively Approved KPMS | Metrics | Agency Request | Last Reported Result | Target 2018 | Target 2019 |
|---|---------|-----------------------|----------------------|-------------|-------------|
| 3. RESTORATION - The percentage of OWEB watershed restoration investments that address established basin and watershed restoration priorities. | | Legislatively Deleted | No Data | 90% | TBD |
| 6. PLANT COMMUNITIES - The percentage of improved riparian stream miles of the total number of stream miles in Oregon. | | Legislatively Deleted | 0.27% | 1% | TBD |
| 7. WORK PLANS - The extent to which watershed councils funded by OWEB accomplish their work plans each biennium. | | Legislatively Deleted | 81% | 90% | TBD |
| 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. | | Legislatively Deleted | 62% | 45% | TBD |
| 9. SALMON HABITAT QUANTITY - The percentage of potential aquatic salmon habitat made available to salmon each year. | | Legislatively Deleted | 0.08% | 0.25% | TBD |

LFO Recommendation:

The Legislative Fiscal Office recommends approval of the proposed changes and targets for Key Performance Measures.

SubCommittee Action:

The Natural Resources Subcommittee approved the LFO recommendation.