



OREGON DEPARTMENT OF FISH AND WILDLIFE

Preparing for the 2017-19 Biennium

**External Budget
Advisory Committee
March 29, 2016**





Meeting Agenda

- Welcome & Introductions
- Role of EBAC
- Division Updates
- Budget Orientation
- Looking Back – 2015-17
- Current Budget
- Looking Forward – 2017-19
- Next Steps & Homework





External Budget Advisory Committee Roles & Responsibilities

- Provide valuable input on agency's budget development
- Represent wide range of interests & perspectives
- Goals:
 - Review, comment, recommend
 - Provide support and assent



Department Update

- Commission
- Financials
- Strategic Planning
 - 6 year window
 - Administration Results-Driven Management Framework





Mission:
To protect and enhance Oregon's fish and wildlife and their habitats for use and enjoyment by present and future generations.

Vision:
ODFW is the recognized steward of Oregon's fish & wildlife resources with diversified funding that supports our mission

Agency Goals



Eliminate the need for a fee increase in 2021 and to be in a position to reduce fees by 2019



Wildlife Division Update

- Mule Deer Initiative
- Review of deer and elk management objectives
- Elk population management/landowner damage conflicts
- Wolf management
- Sage-Grouse Plan implementation and mitigation
- California bighorn sheep success and challenges





Wildlife Division Update

- Black-tailed deer research
- Wolf/cougar/ungulate interaction research
- Disabled Hunter Program review
- New hunting season process implementation
- Premium big game hunts





Wildlife Division Update



- Cougar & Wolf Plan revisions
- Fisher management
- Condor management
- Oregon Conservation Strategy implementation
 - Sierra red fox
 - kit fox
 - bats
 - Oak and Aspen woodlands



Fish Division Update

Inland Fisheries

- Implement highest priority actions in Conservation Plans
- Simplify angling regulations
- Lead ESA delisting
- Make fishing better
- Implement highest priority fish passage projects
- Implement OHRC research
- Address water/energy development
- Provide leadership on climate change





Fish Division Update

Columbia River and Marine

- Implement CR fishery reform
- Reduce avian/pinniped predation
- Improve FCRPS operations
- Provide leadership on climate change, ocean acidification
- Improve marine stock assessments
- Assess sturgeon conservation
- Secure new US v OR agreement
- Secure new Chinook provisions in PST





Oregon State Police Fish and Wildlife Division Update

- Professional law enforcement complementing ODFW mission
- Staffing - Filling vacancies
- Trooper knowledge and training
- Use of technology
- Emphasis on illegal harvest and angler/hunter contacts
- Big game protection on winter ranges



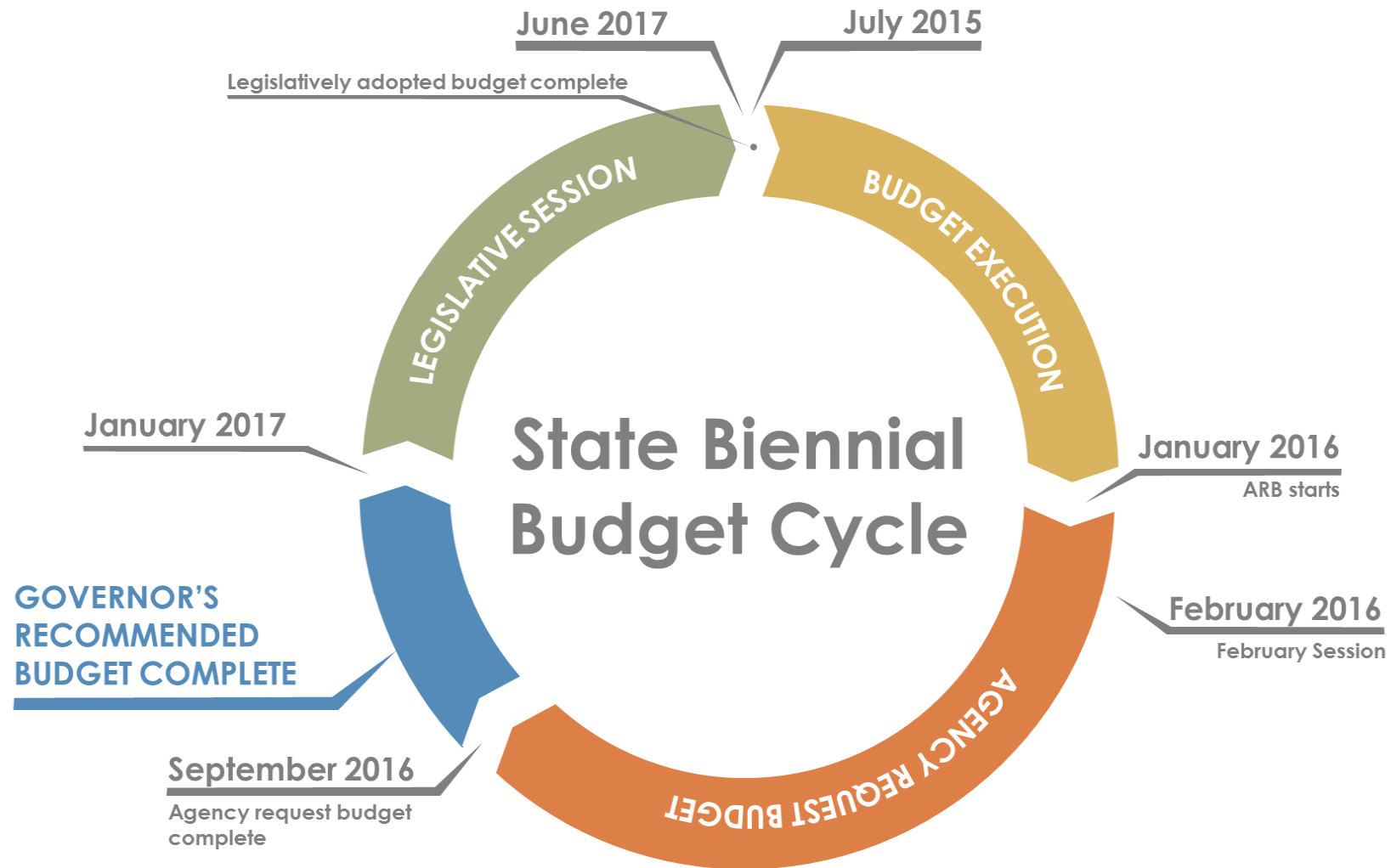


Administration Update

- Focus on operational efficiencies
 - Operational Excellence effort
 - Continued system modernization
 - Asset, Billing, Procurement, Recruitment
 - IT modernization
- Point of Sale System
- ODFW website & Customer Relation Management system
- Recruitment, Retention, & Reactivation efforts
 - Social Media, how-to videos, & outreach campaigns
- Investment in staff
 - Training, succession planning



Oregon's Budget Process





Our Principles for Developing a Budget

- Develop a sustainable budget
- Ensure we have the resources to meet our mission
- Be sensitive to the cost to our customers
- Actively track revenues
- Seek General Fund for programs with broad public benefit
- Transparency while we develop our budget



Budget Orientation

Revenues

- General Fund
 - Appropriated from the State General Fund
 - Comprised of general tax revenues
- Lottery Funds
 - Allotted through OWEB as revenue transfer
- Federal Funds
 - Received as a result of federal laws or agreements
 - Includes Wildlife and Sportfish Restoration funds



Budget Orientation

Revenues

- Other Funds - License
 - Used for core fish and wildlife programs
 - Critical for working capital
 - Fungible
- Other Funds - Dedicated
 - Established by statute
 - E.g.: Restoration & Enhancement, Commercial Fish Fund, Rec. Shellfish
- Other Funds - Obligated
 - Set aside by rules or agreements
 - E.g.: Carcass and Egg Fund, Aquatic Invasive Species Fund, Hydro Fund



Looking Back

- Significant gap was forecasted between revenues and expenditures
 - \$32 million in 15-17
- Strategies were utilized to address the gap
 - Program Reductions
 - Fund Shifting
 - Fee Adjustment
 - Efficiencies
 - Revenue Transfers



Looking Back

2015 Legislative Session

- SB 247 – Fee adjustment
- HB 3315 – Recovering costs for assistance
- HB 2402 – Sustainable/Alternate Fund Task Force
- Additional General Fund



HB3315 & OTTIS

The screenshot displays the FENNEC web application interface. At the top, a navigation bar includes links for Home, Add A Work Request, Your Work Requests, Add A Task, and Timesheet. The user is logged in as 'FENNEC - ODFW/herberb'.

Three overlapping windows are shown:

- Task/Time Sheet for Bill Herber:** Shows a calendar for 'Oct 25th - Oct 31' with a list of tasks: [17] Conservation Biology, [16] Hunt Management, and [2] Land Use Planning. An 'Add Task' button is visible at the bottom.
- Task/Time Sheet for Bill Herber (Detailed View):** Shows a calendar for 'Wednesday' with a time slot for 'Sun 0:00'. An 'Add Task' dropdown menu is open, listing various task categories such as 'Filter', 'Common Name', 'Fill Removal Permit', 'Goering LUB', 'Grant review/supp', and 'letter'.
- Add A Task Form:** The main form is titled 'Add A Task' and contains the following fields:
 - Task Name: Coordination with the Crooked River WS Council
 - Task Type: coordination
 - Agency: Crooked River Watershed Council
 - External Agency Number: (empty)
 - Start Date: 10/26/2015
 - End Date: (empty)
 - Opened by: Brett Hodgson
 - Assigned to: Deschutes
 - Description: Internal staff meeting to discuss how to coordinate with Council
 - Attachments: Fund Balance Briefing - 2016-11-13.pdf, 1200CNPermit.pdf
 - Uploads: No Files have been selected/dropped yet...

At the bottom right of the 'Add A Task' form, there are 'Add Task' and 'Cancel' buttons.



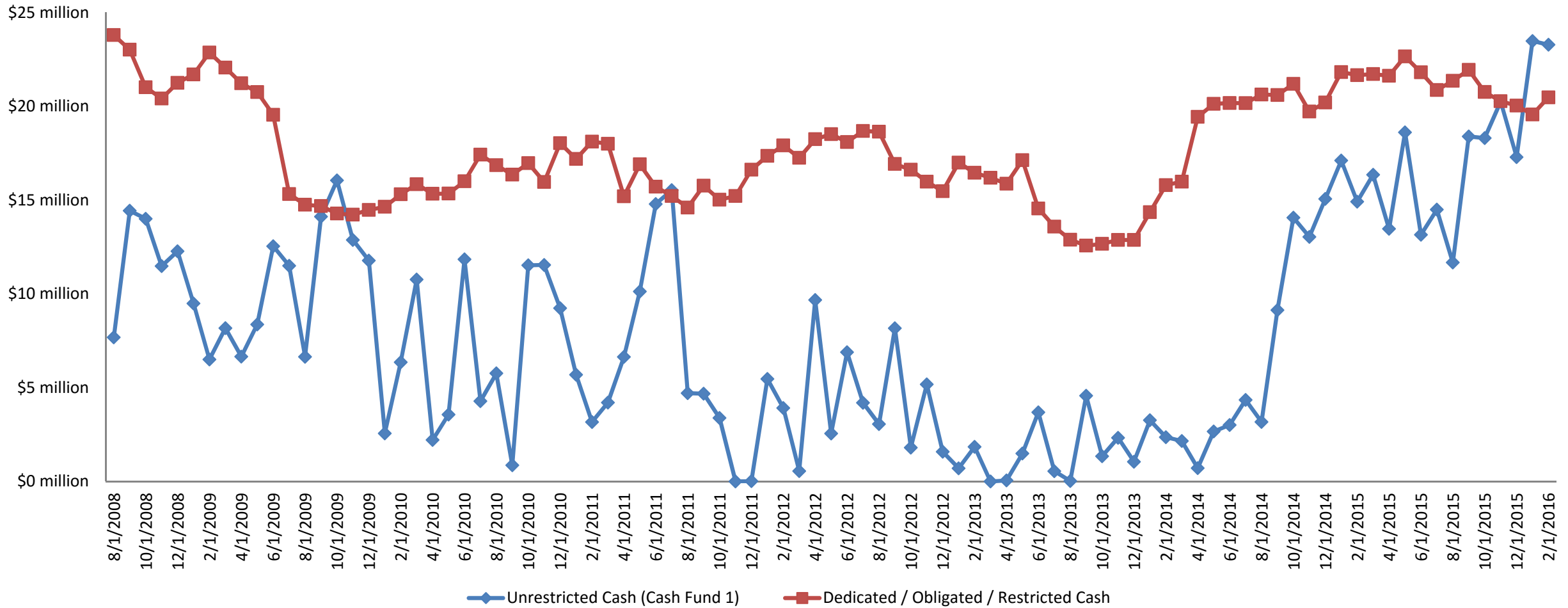
2013-15 Ending Fund Balance

- Cash balances higher than projected
 - Revenues were higher than projected
 - Expenditures were lower than targeted
 - Timing of projects overlapped biennia
- Challenges of budget development timelines, available data & biennial close
- Continue to improve tools and approaches for managing fund balances, revenues, & receivables

	LAB Projections	Actuals
Beginning Balance	\$19.4	\$20.9
Revenues	\$87.1	\$90.1
Expenditures	\$99.3	\$94.8
Ending Balance	\$7.2	\$16.2



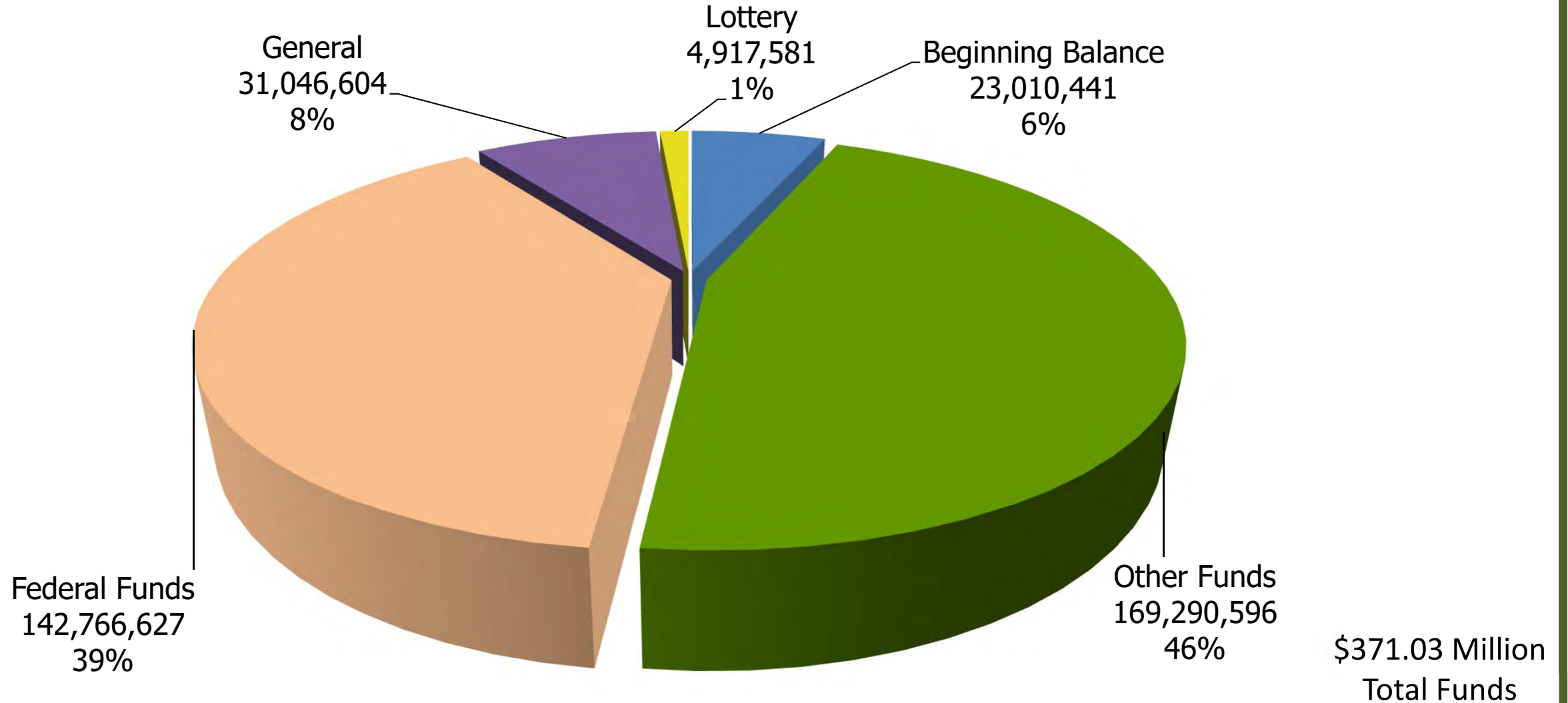
Cash Balance By Month As of January 31, 2016





2015-17 Projected Revenues by Fund Type

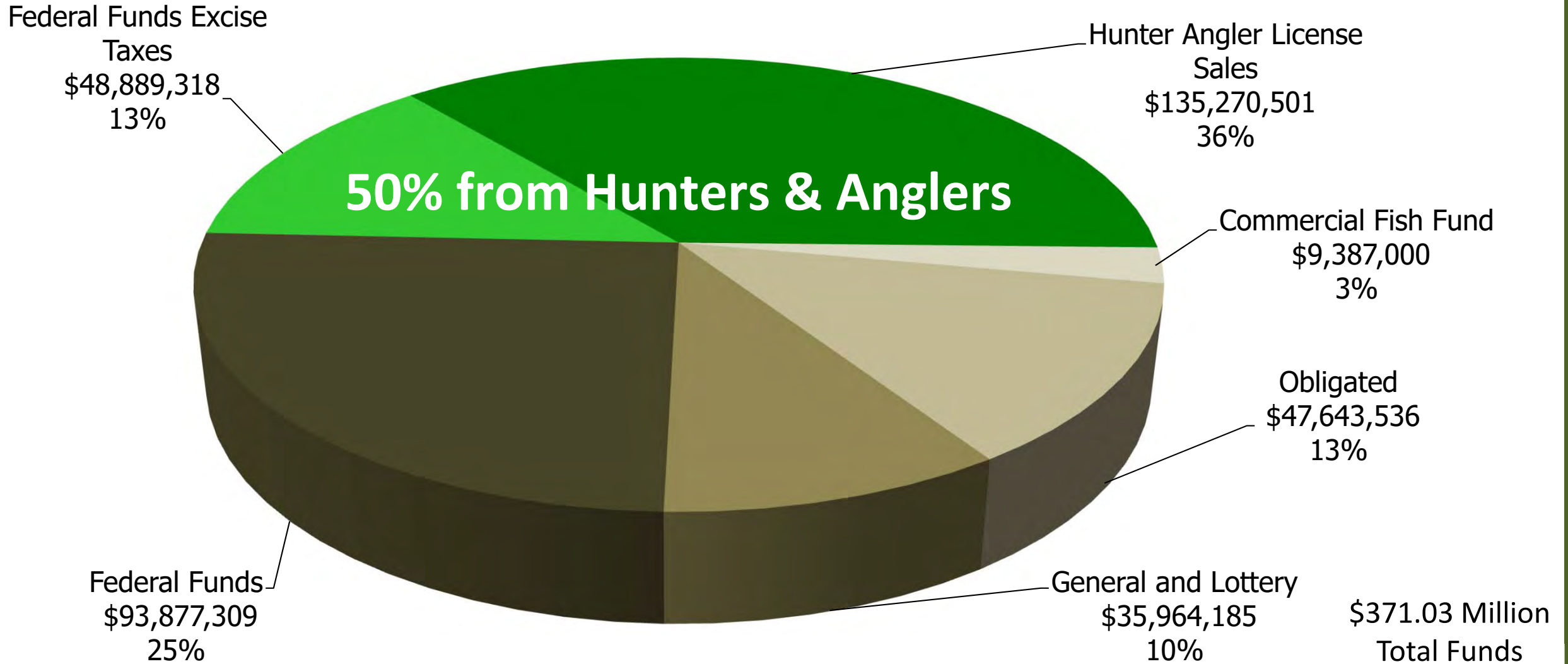
Legislatively Approved Budget





2015-17 Projected Revenues by Source

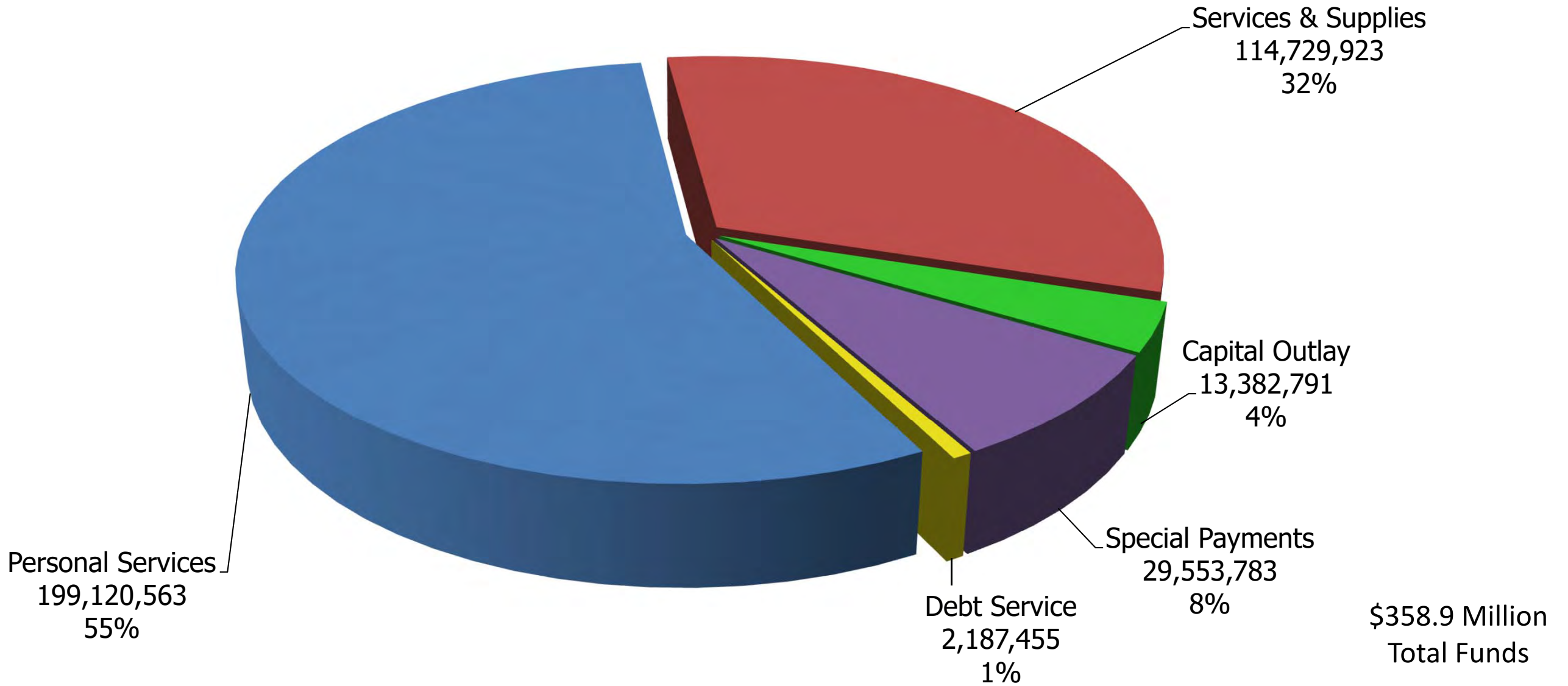
Legislatively Approved Budget





2015-17 Expenditures by Category

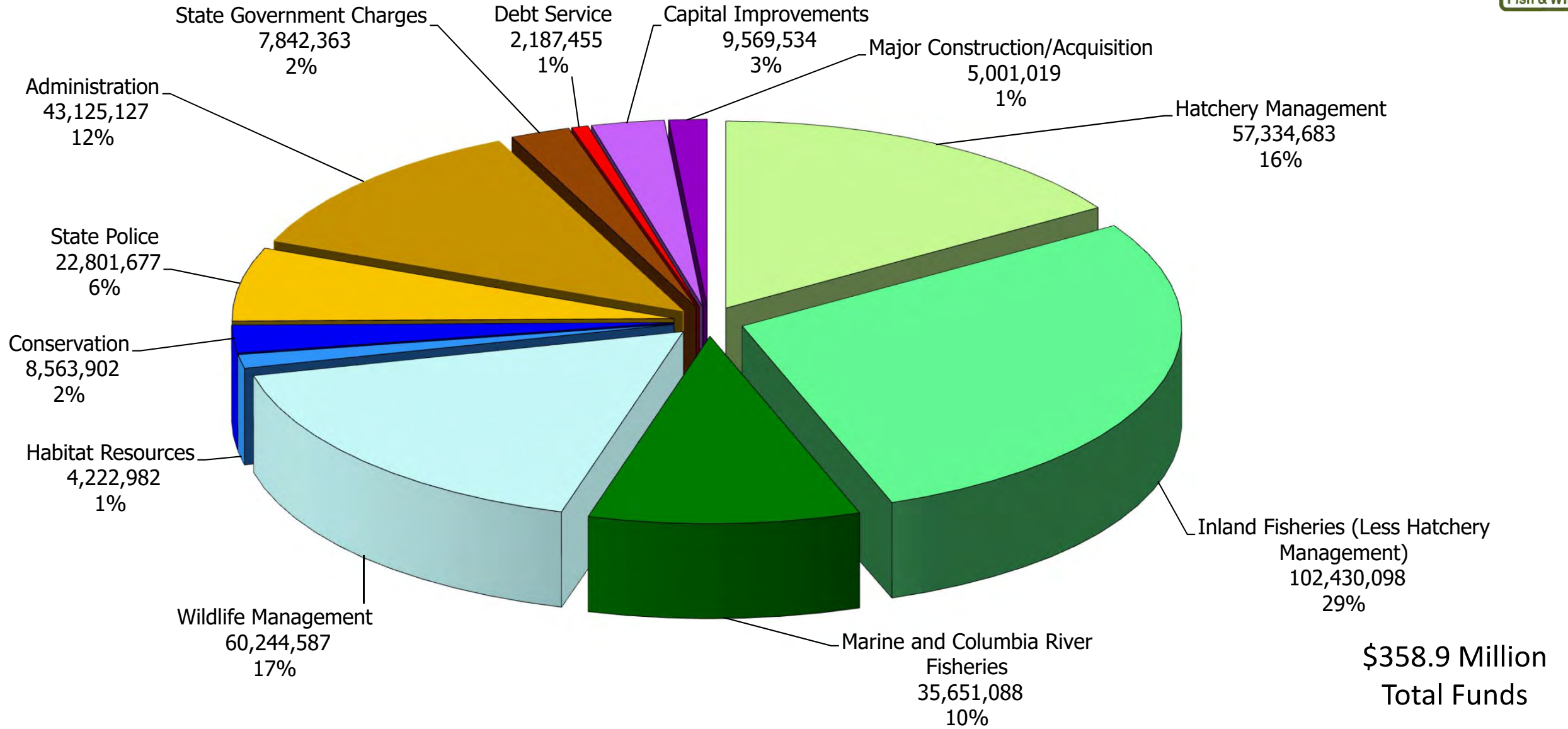
Legislatively Approved Budget





2015-17 Expenditures by Program

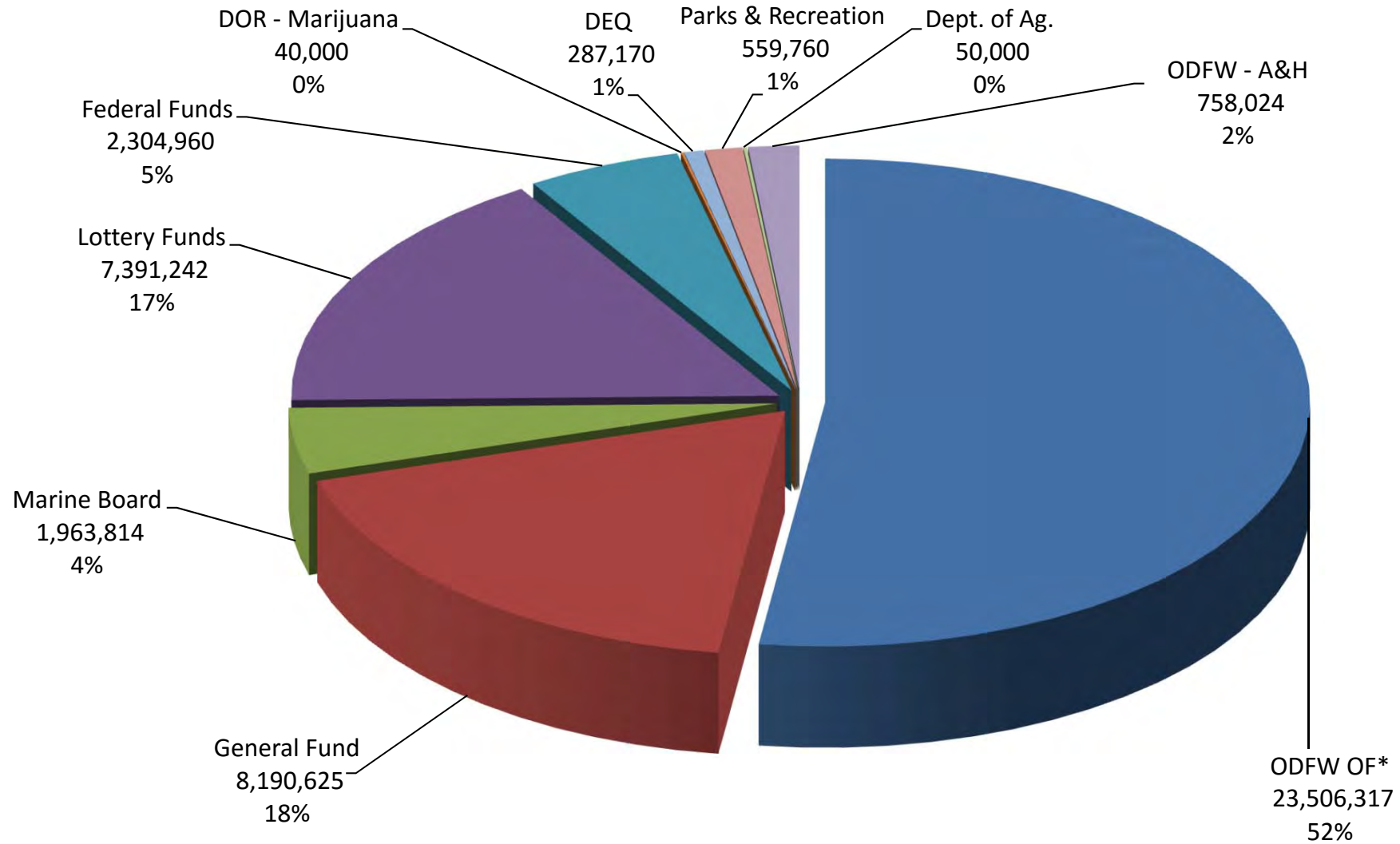
Legislatively Approved Budget





OSP - Fish and Wildlife Division

2015-17 LAB



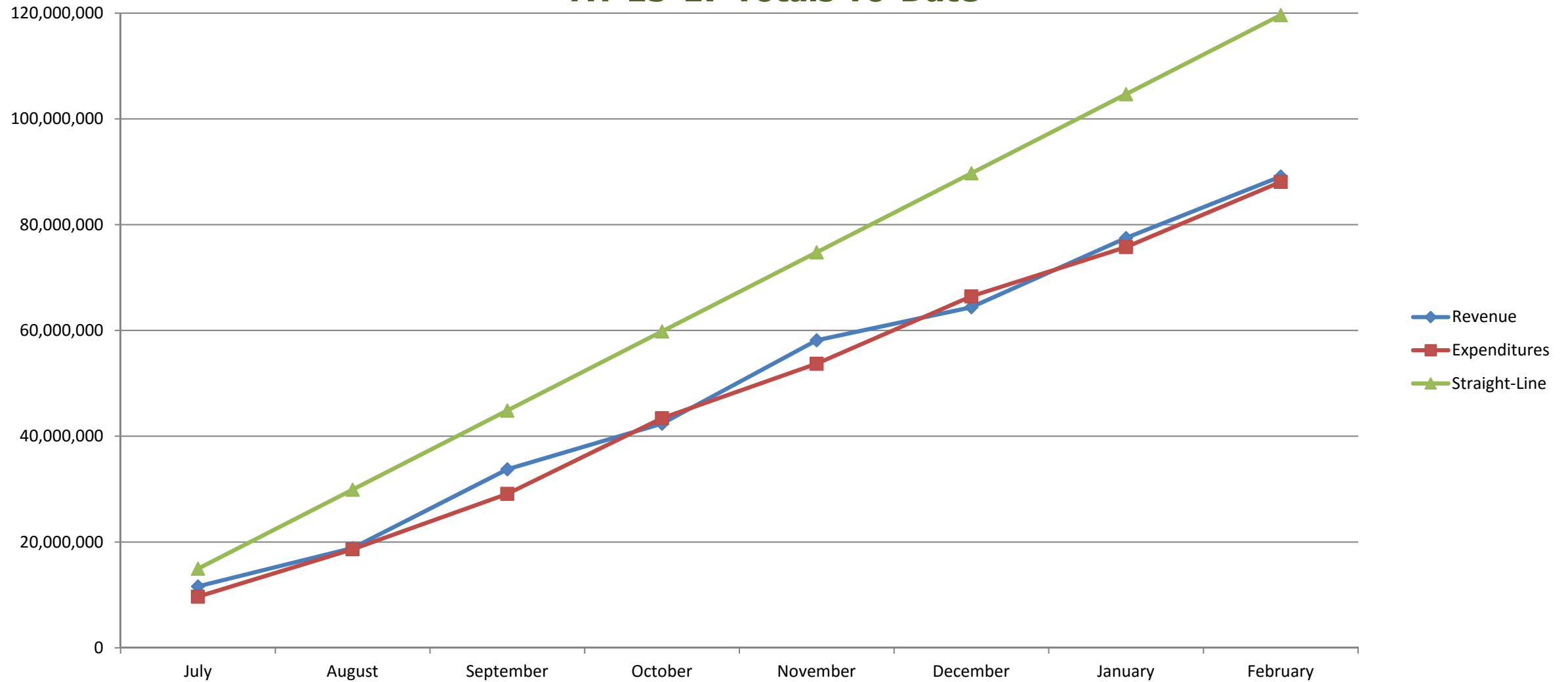
* Includes Recreational Shellfish Transfer and Marine Reserves.

\$45.1 million
Total Funds



How Are We Doing?

AY 15-17 Totals To-Date





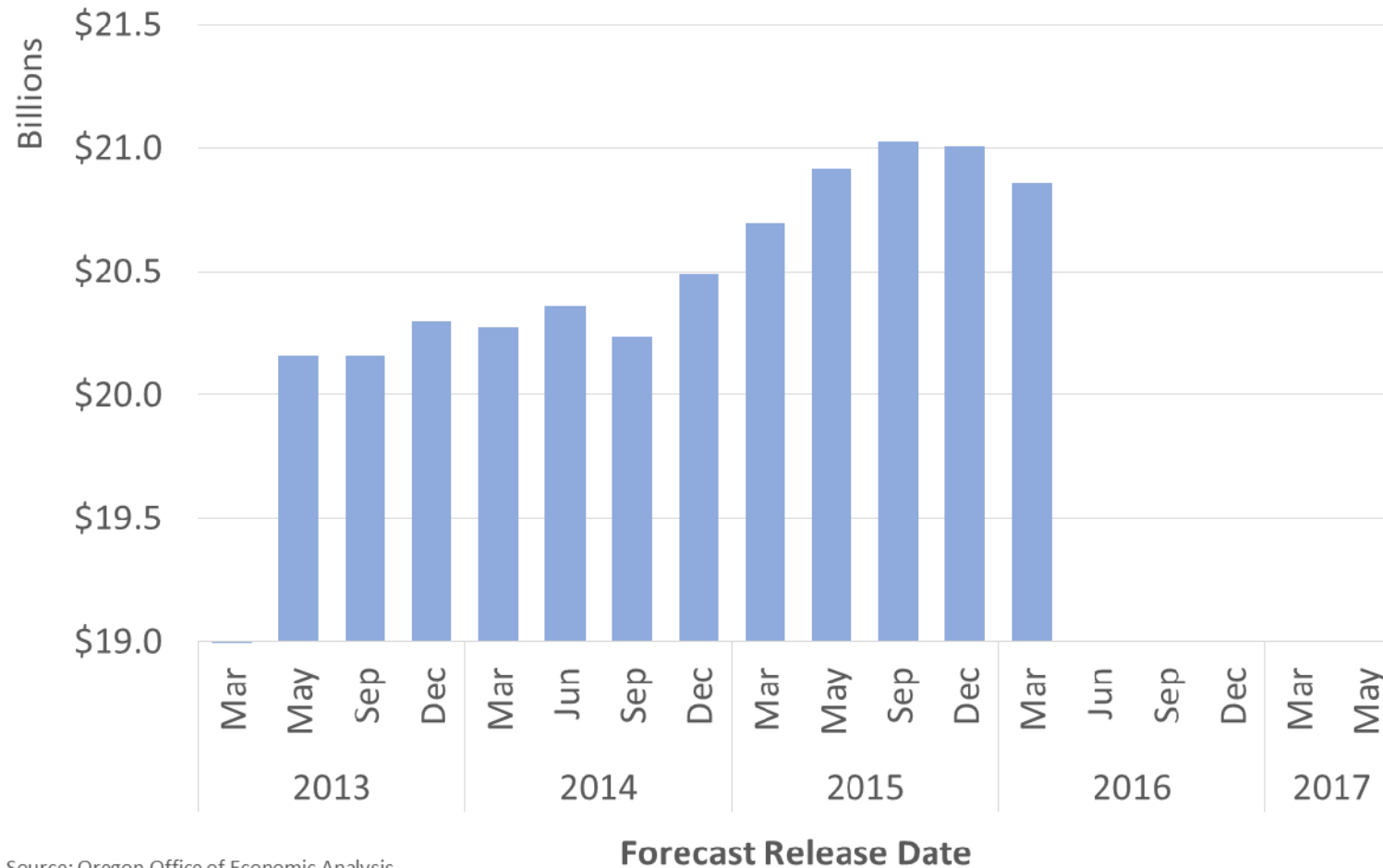
Looking Forward Revenues

- Statewide General Fund forecast
 - Statewide projections are below CSL
- License trends
 - Changes in sales due to higher fees
 - New license concepts
- Tools
 - Modeling
 - Cash flow monitoring



2017-19 State Revenue Outlook

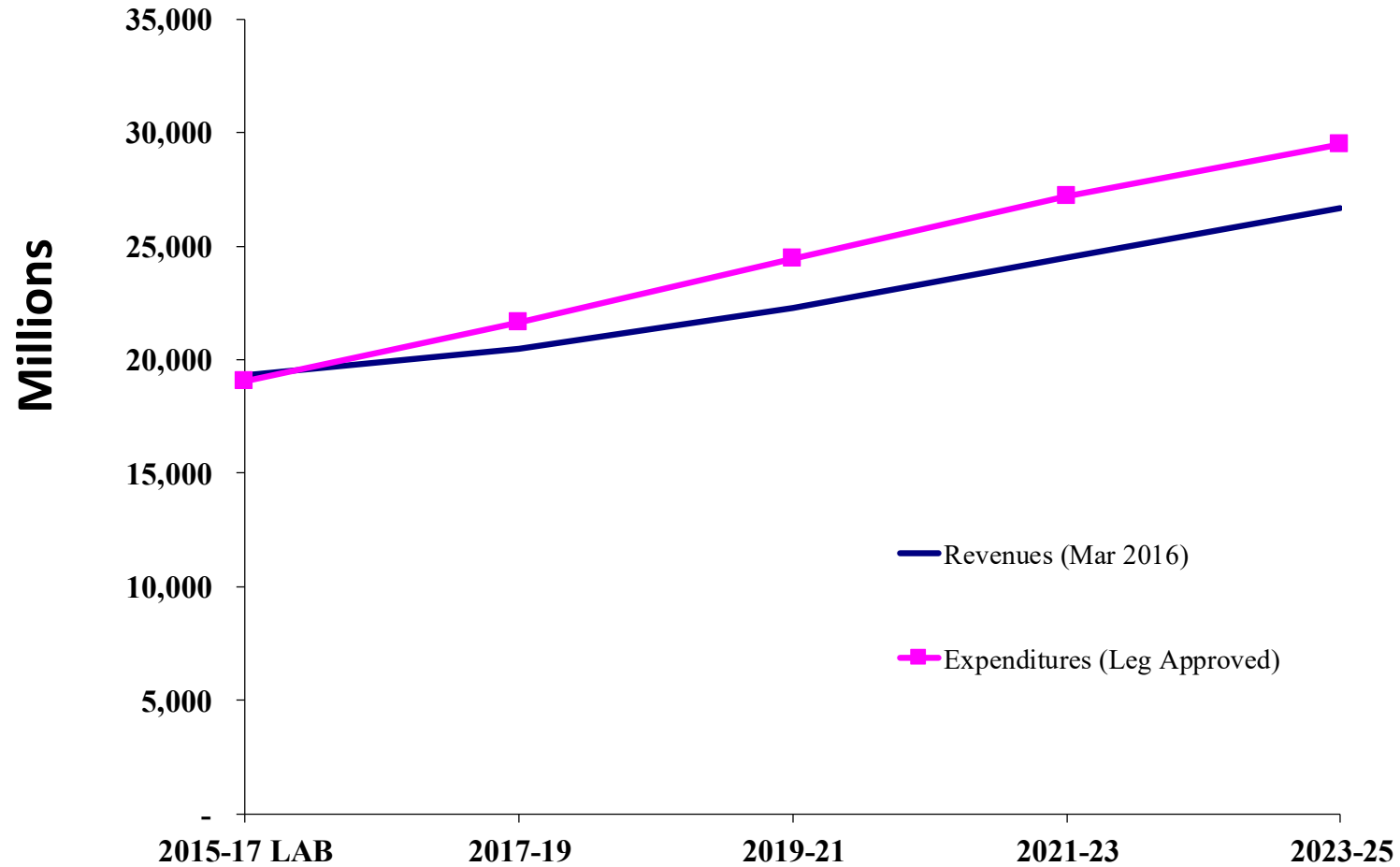
General and Lottery Fund Revenues 2017-19



Source: Oregon Office of Economic Analysis

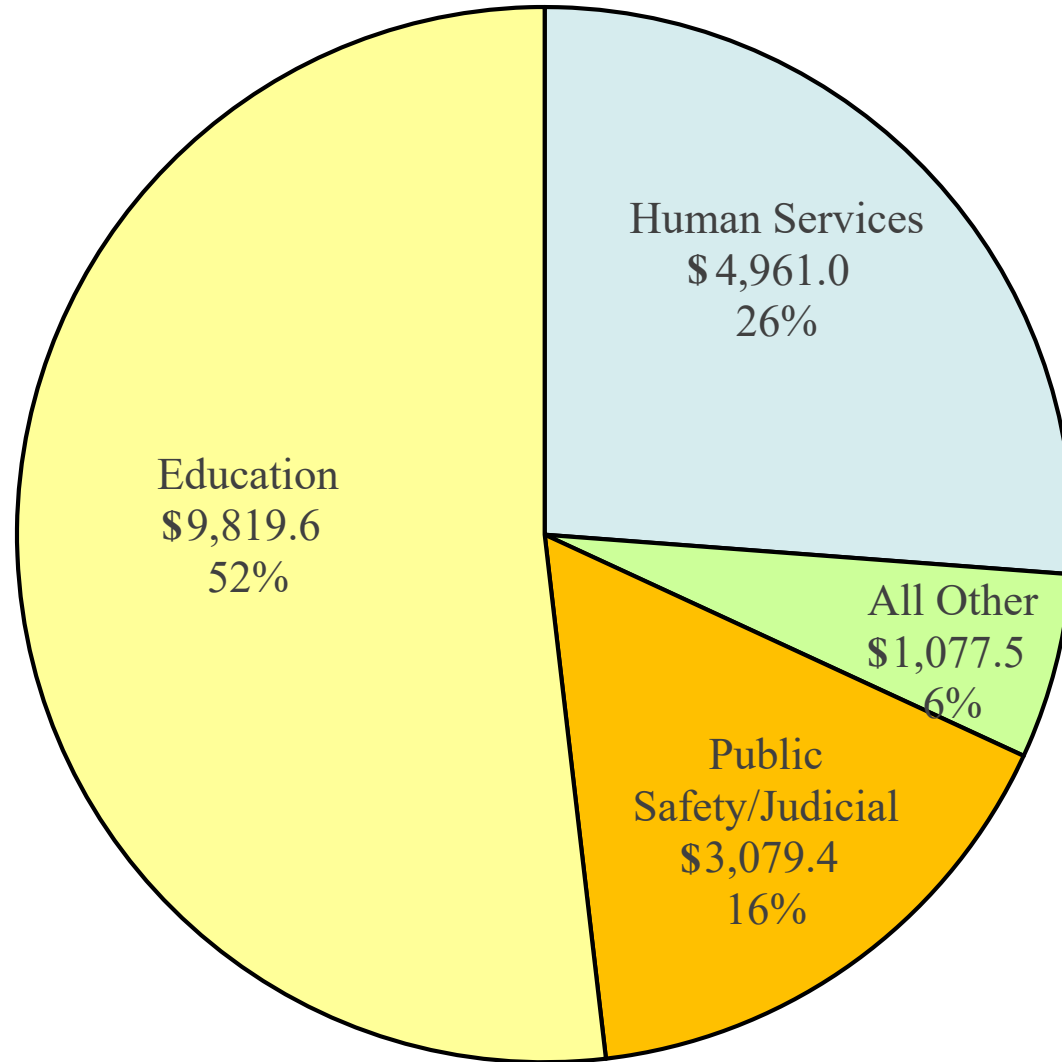


Long Term State Projections





2015-17 Legislatively Approved Budget General Fund/Lottery Funds* (Millions)



*Excluding:

Emergency Fund

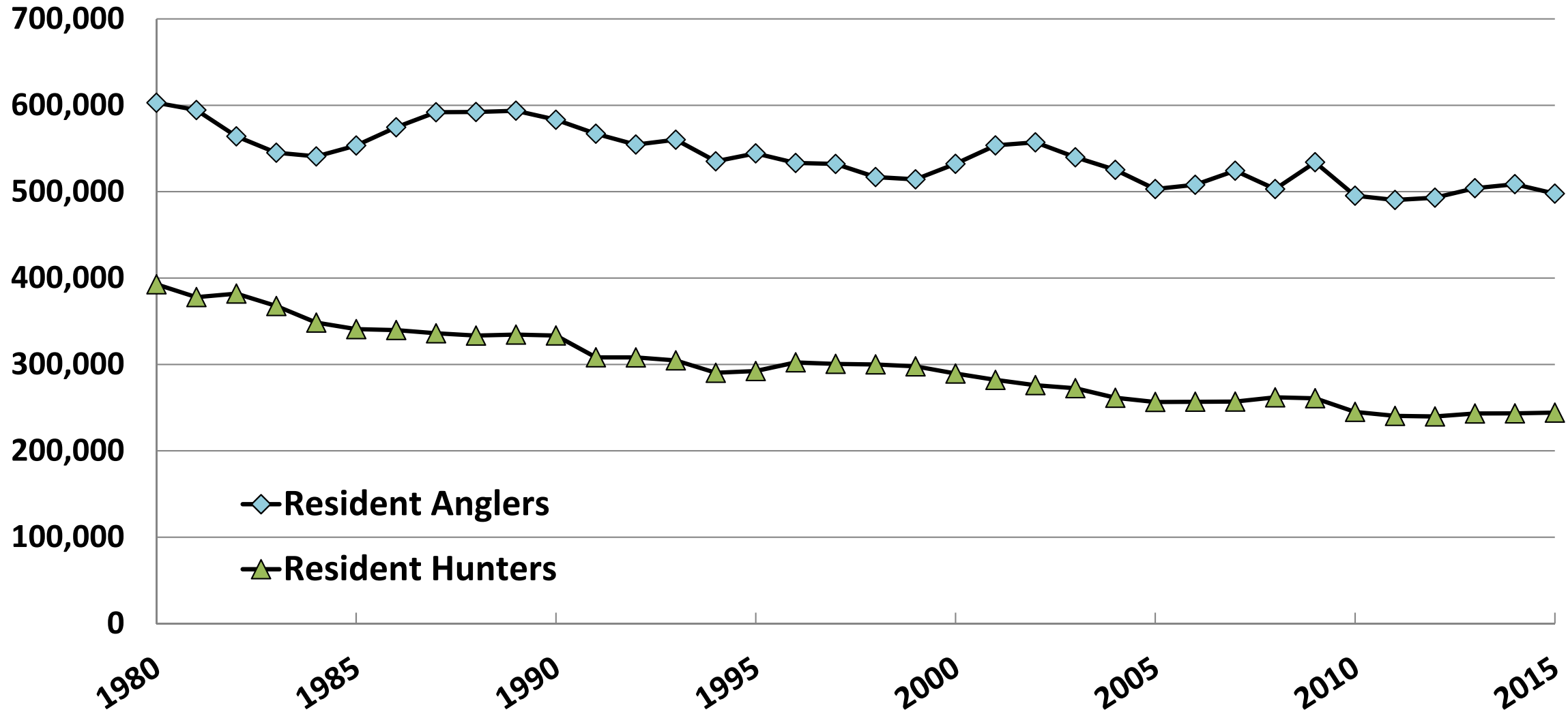
Rainy Day Fund

Education Stabilities

Special Purpose Appropriations

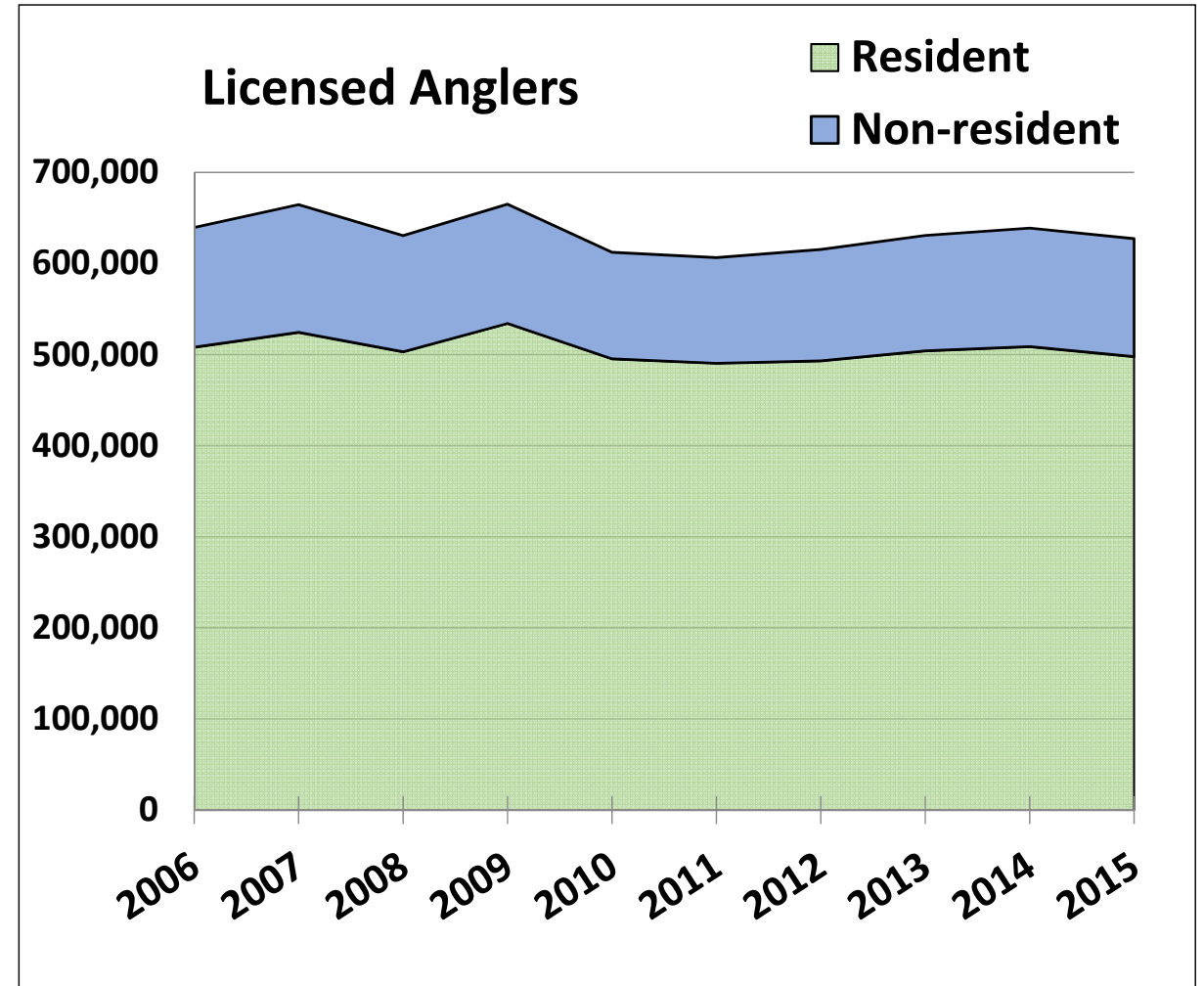
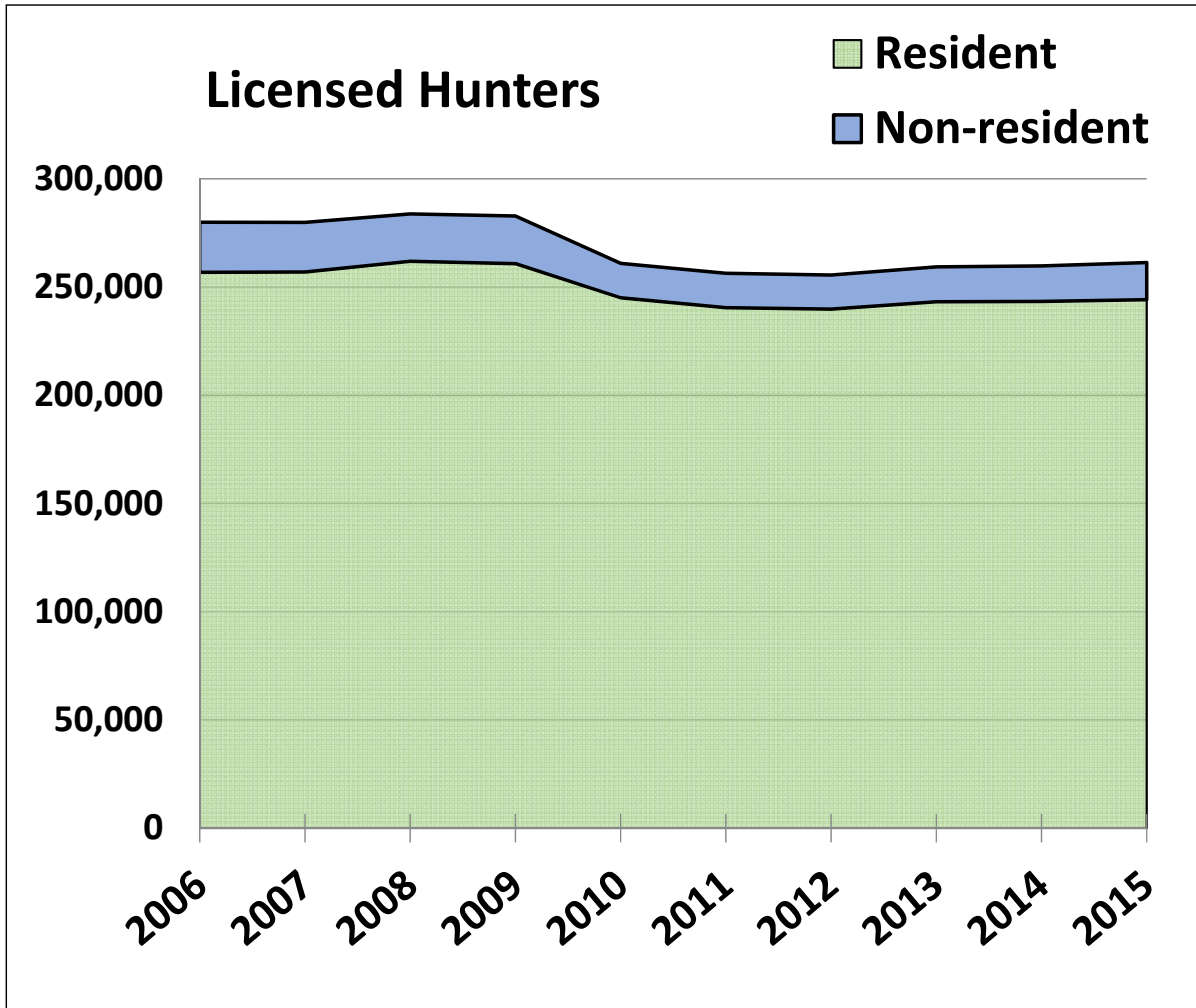


Licensed Resident Hunter & Angler Trends: 1980-2015



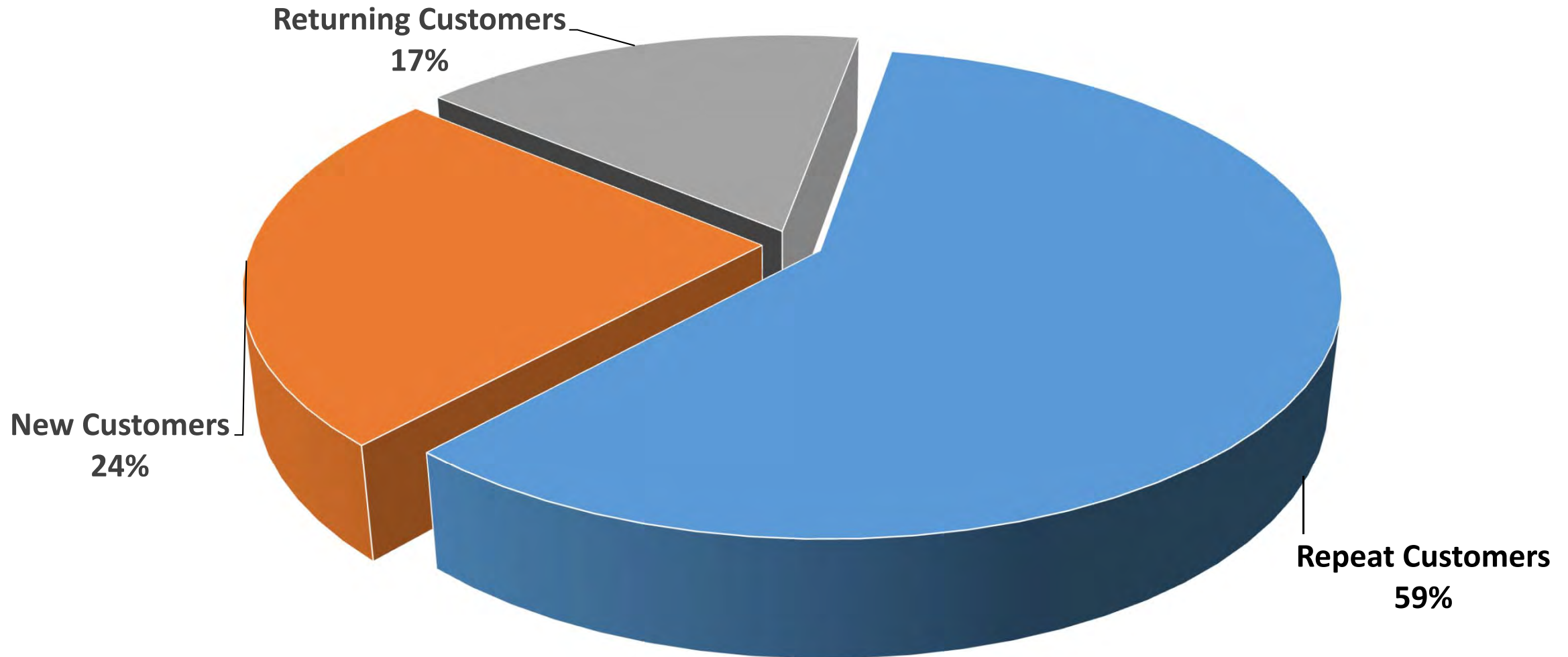


Licensed Hunter & Angler Trends: 2006-2015





Oregon Fishing License Sales 2014



Source: Southwick & Associates



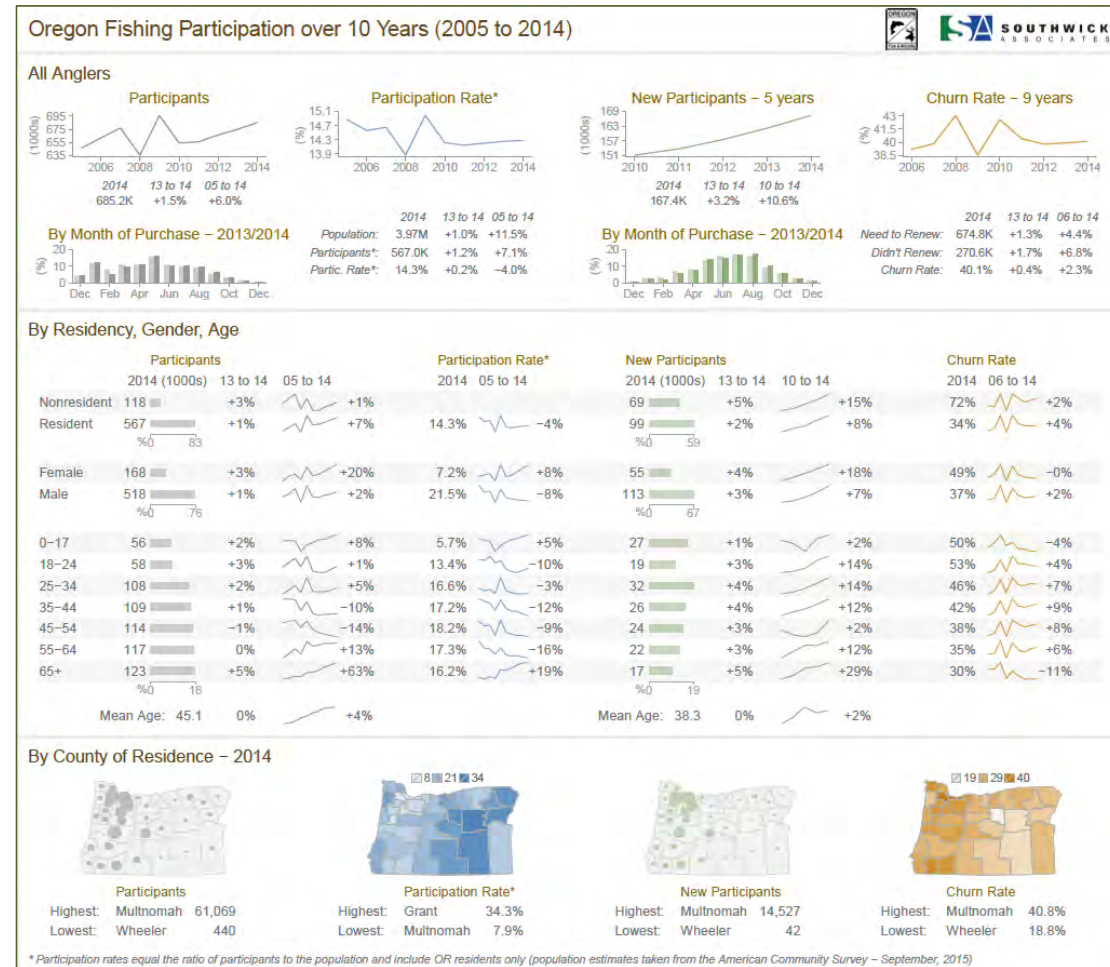
License Data Analytics

- Customer Relationship Management

- Linked to replicated license sales database from POS
- Allows for more detailed reporting
 - Scorecards on weekly, monthly, quarterly basis
 - Specific cities or counties
 - By any demographic combination

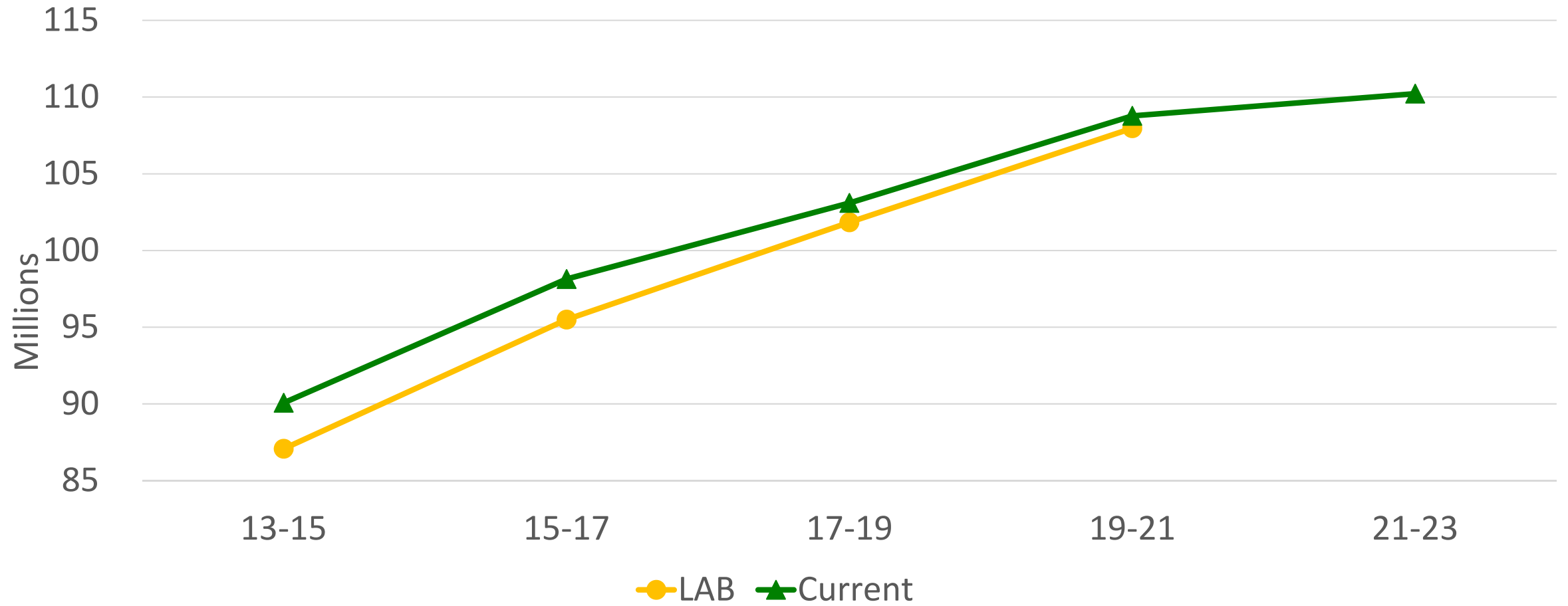
- Will have 5 years of data

- License analytics allow for better customer engagement





Looking Forward License Revenues



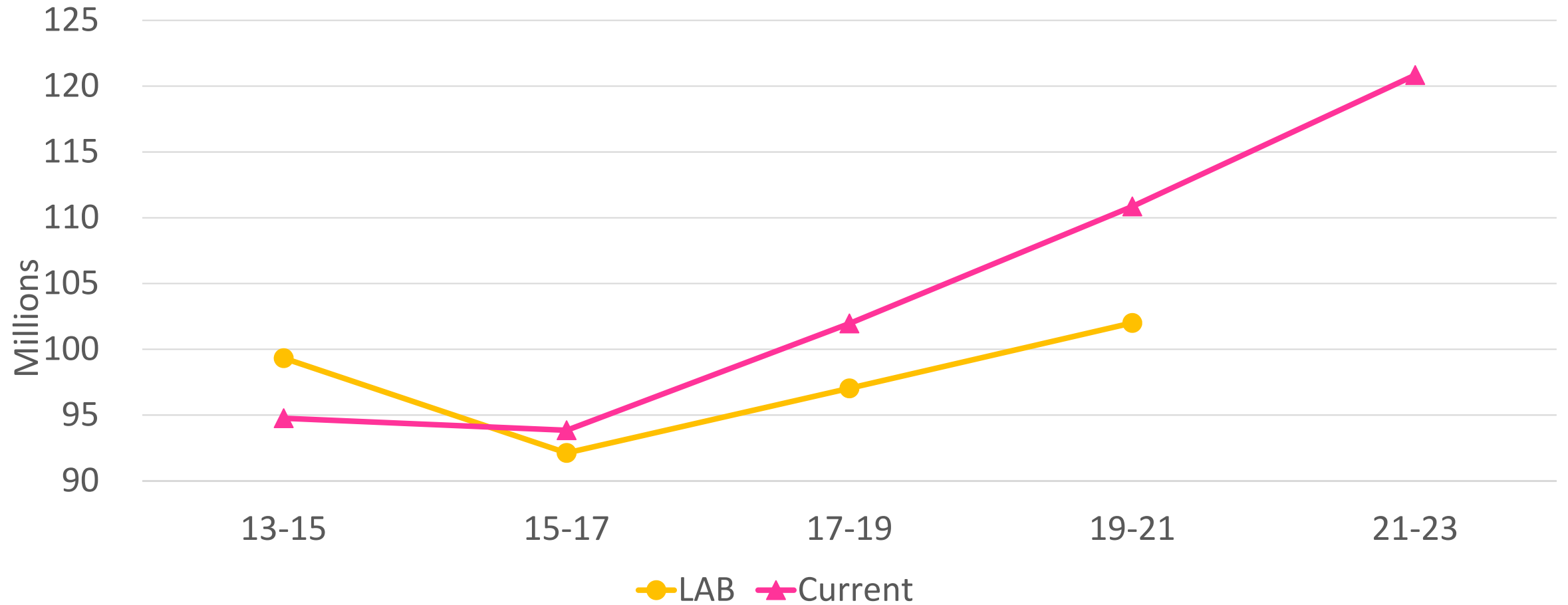


Looking Forward Expenditures

- Payroll Expenditures Increases
 - Salary and wage
 - PERS costs
 - Medical costs
- General Inflation
 - Higher than in the past few biennia

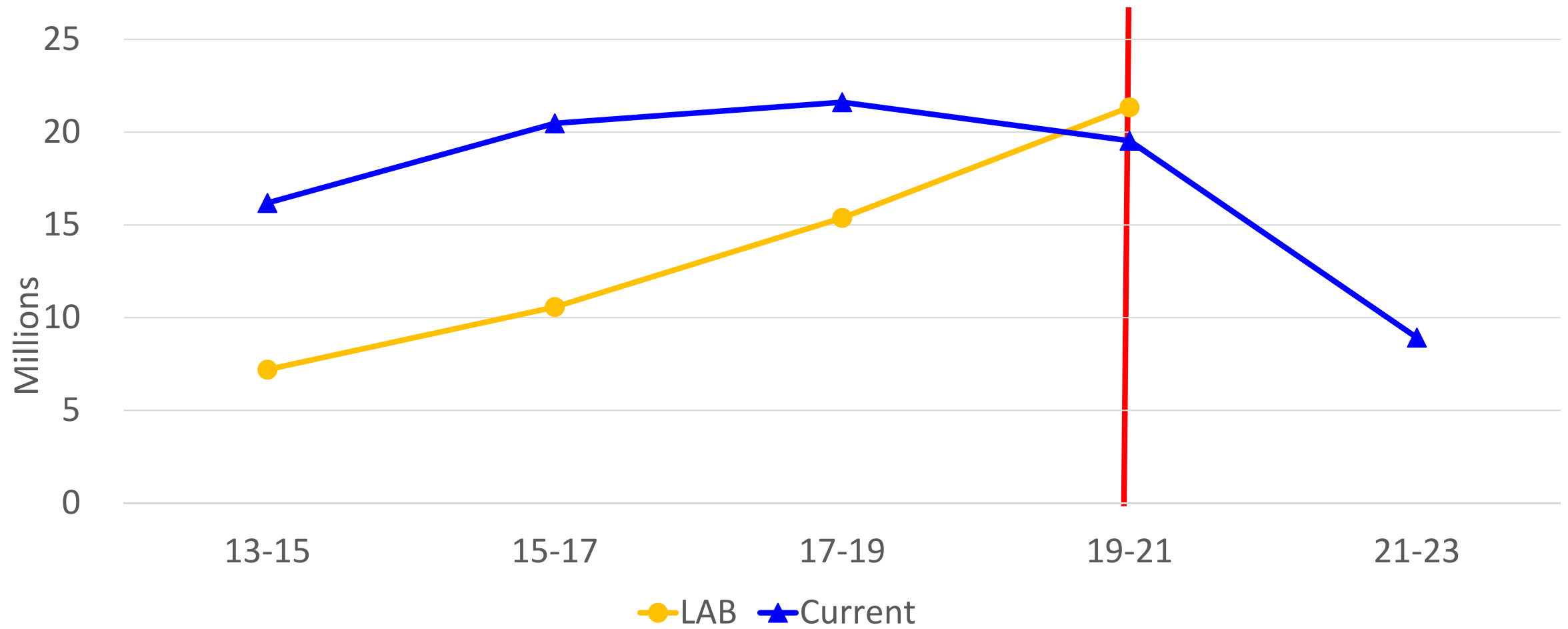


Looking Forward License Expenditures





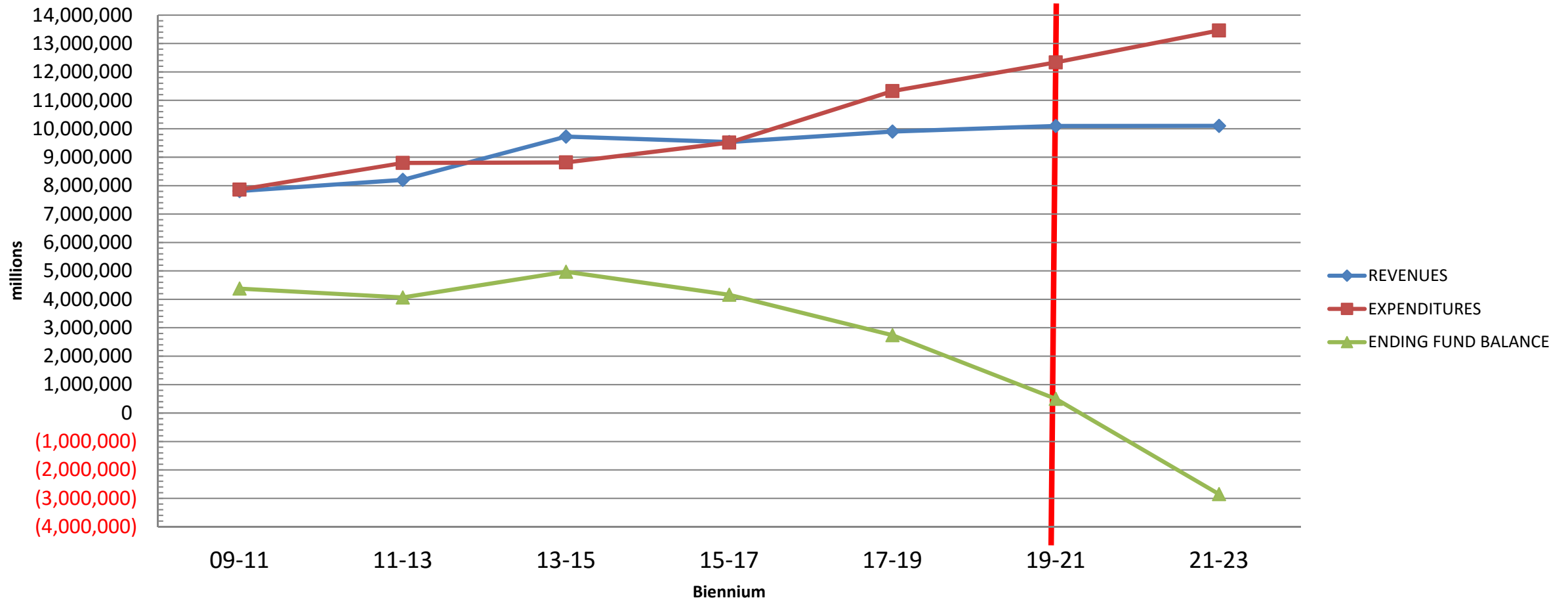
Looking Forward License Ending Fund Balances





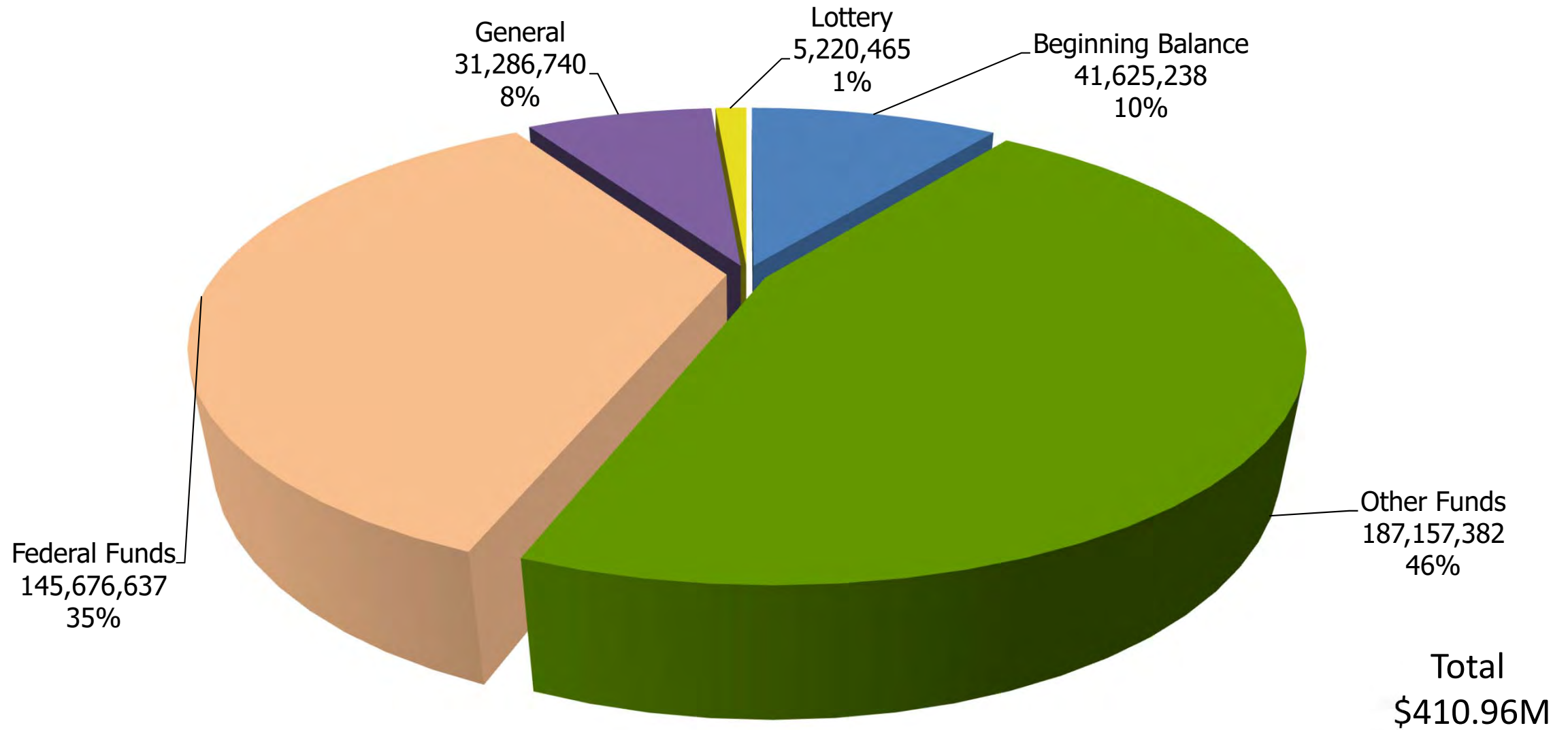
Looking Forward

Commercial Fish Fund Ending Fund Balance



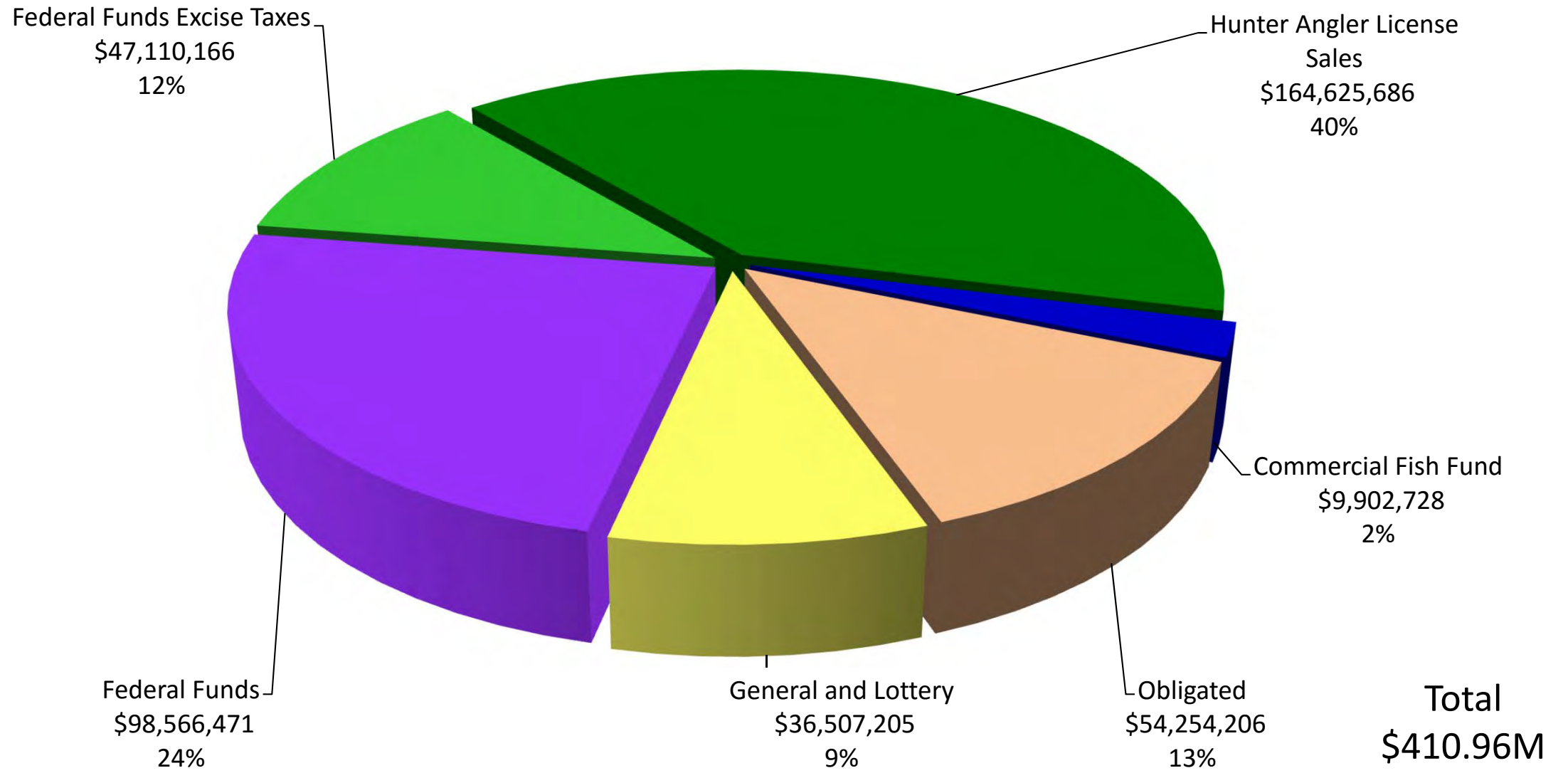


2017-19 Projections Revenues by Fund Type



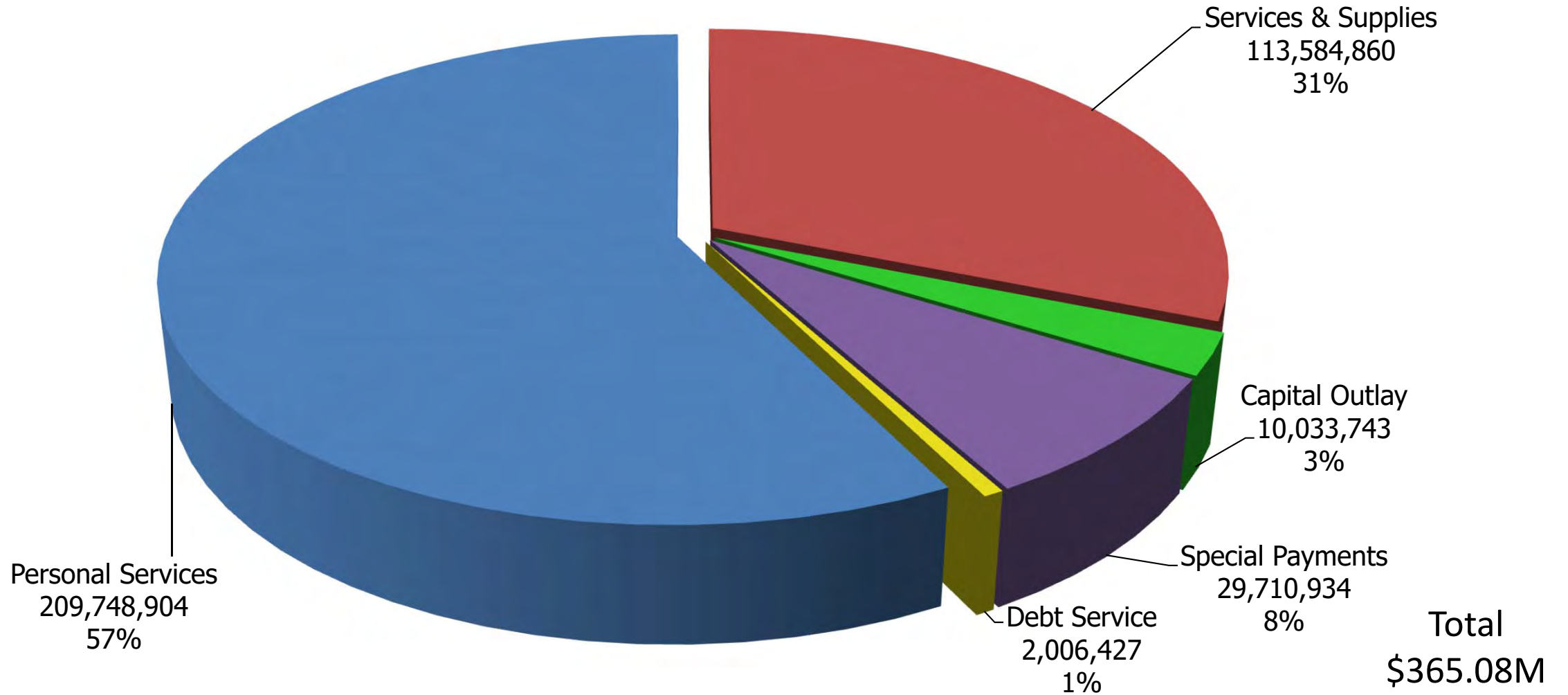


2017-19 Projections Revenues by Source



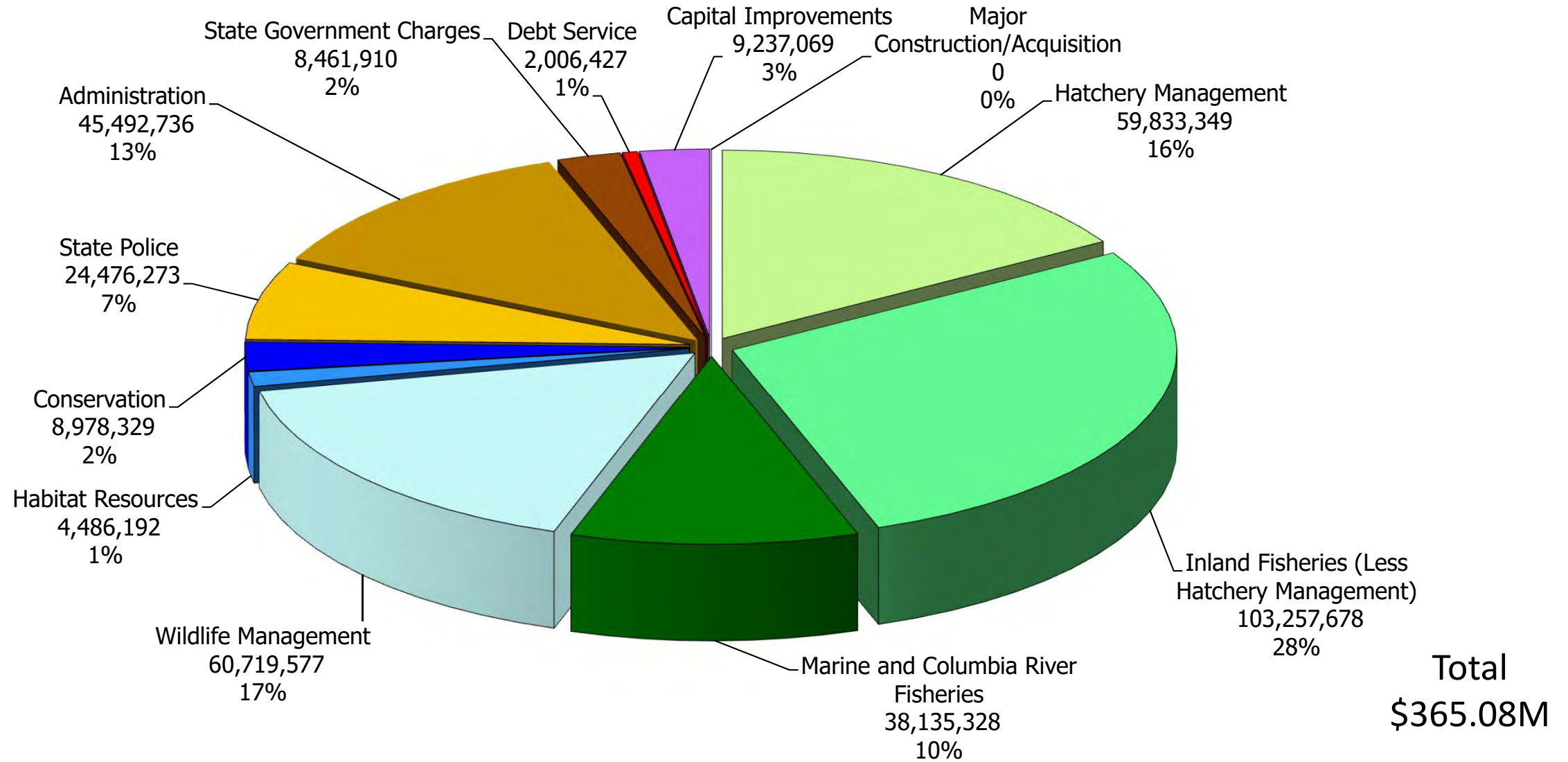


2017-19 Projections Expenditures by Category



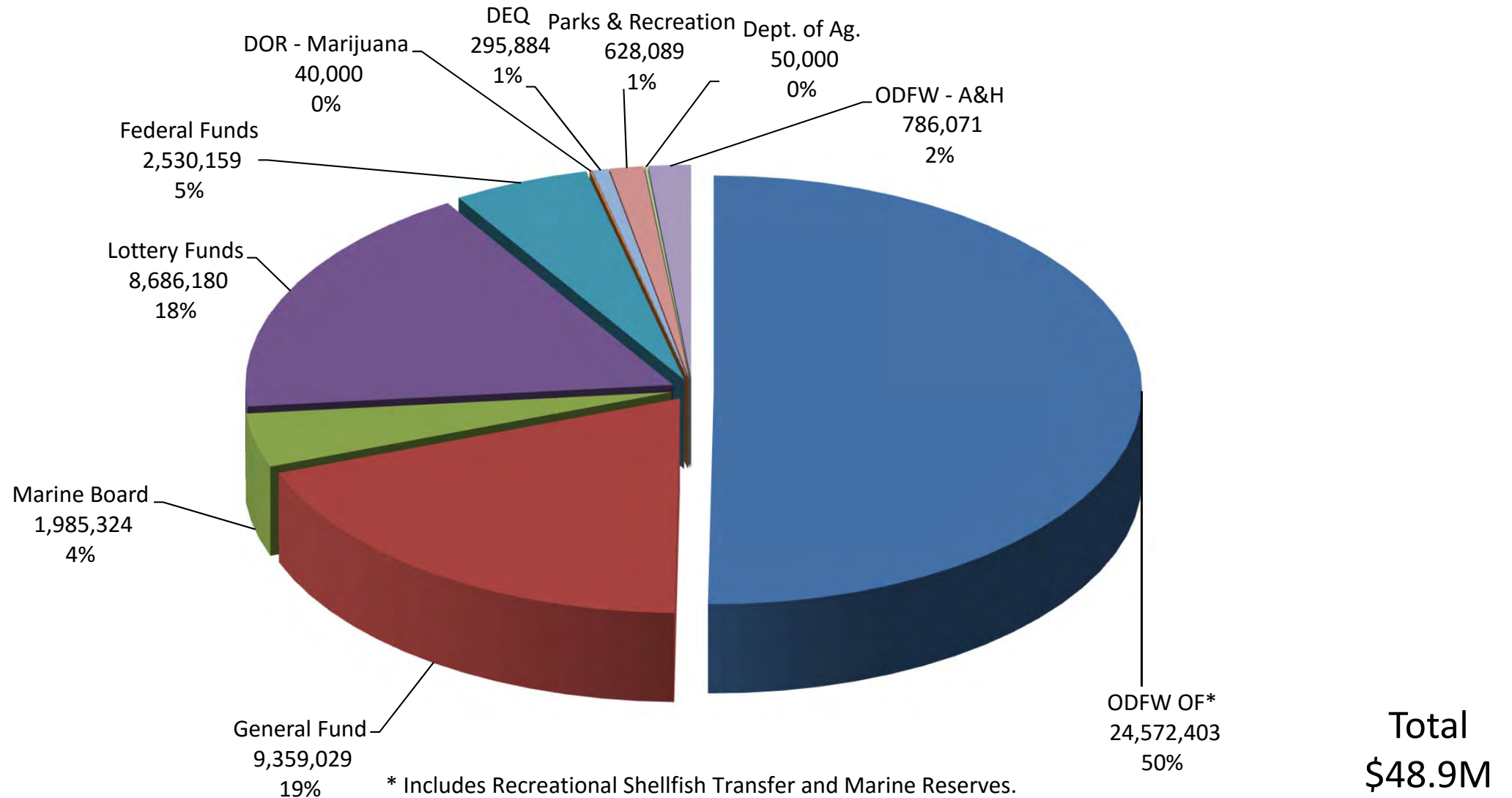


2017-19 Projections Expenditures by Program





2017-19 Projections OSP - Fish and Wildlife Division





Looking Forward

Policy Option Packages

- Program changes that affect budget
 - New programs
 - Partnerships
 - Spend revenue from new sources
 - Increase limitation
- Positions: establish new or continue LD
- Request General Fund above CSL
- Capital Construction



Governor's Focus Areas

- A Seamless System of Education
- A Thriving Oregon Economy
- Excellence in State Government
- Safer, Healthier Communities
- Responsible Environmental Stewardship



Initial Policy Option Package 2017-19 Concepts

Category	Continuation	New	Total
Wildlife Management	8	4	12
Wildlife Conservation	0	5	5
Fish Conservation	2	1	3
Marine Resource Mgmt	0	3	3
Energy Development	1	0	1
Water Conservation	1	0	1
Hunter Recruitment	0	1	1
Administrative	1	2	3
Capital Construction	0	2	2
	13	18	31



Policy Option Package Concepts

Wildlife Division

- Continuation
 - Coquille Wildlife Management Area & tide gate
 - Sage Grouse Initiative/mitigation/fire resilience
 - Federal Funding for research and conservation
 - Willamette Wildlife Mitigation Fund
- New
 - Wolf management
 - Oregon Conservation Strategy implementation and species management
 - Deer and elk monitoring and research & Winter Range enforcement
 - Invasive species control and management



Policy Option Package Concepts

Fish Division

- Continuation
 - Upper Deschutes HCP
 - ODOT Culvert agreement implementation
 - Ocean energy coordination
- New
 - Marine Resources monitoring programs
 - Ocean acidification
 - Harmful algae blooms
 - Nearshore fishery research
 - New Marine Resources Program facility partnership



Policy Option Package Concepts

Administrative

- Continuation
 - Fiscal Analyst
- New
 - Transparency and Citizen Advocate
 - OregonBuys eProcurement system
 - Deferred maintenance



Reductions

- State-wide projections only account for 93% of CSL
- In order to meet state-wide GF gap, all agencies would need to take a 6.5% cut in GF
 - Roughly \$2M for ODFW
- Statutorily obligated to create a 10% reduction list
- What do these GF reductions mean for ODFW?



HB 2402 Alternative Funding Task Force





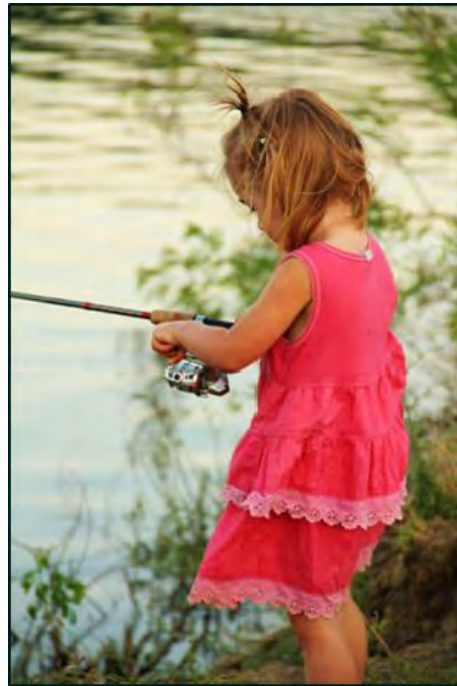
HB 2402 Alternative Funding Task Force

- Healthy fish, wildlife and habitat are important to all Oregonians.
- New tools, strategies and funding needed to ensure sustainable fish, wildlife and habitat.
- Diversified, stable funding for fish and wildlife management and conservation.





HB 2402 Alternative Funding Task Force



- Recommendations due September 2016
- Legislative action in 2017
- Next meeting – March 30, 2016
- Encourage public testimony and ideas
- <https://olis.leg.state.or.us/liz/2015I1/Committees/JTFFFW/Overview>



Upcoming Events

- Commission Update – April 22
- Town Hall Meetings
 - 8 locations across the state
 - April 27 through May 12
- 2nd EBAC Meeting – May 25
 - ODFW Headquarters
- Commission Approval – June 9



Your Thoughts?

- POPs
- Ideas for the Task Force
- Comments on Division Updates