

September 19-20, 2006 OWEB Board Meeting Executive Director Update #C3: Agency Request Budget Update

Background

Oregon agencies are budgeted on a biennial basis. Submissions are structured so that each agency's existing (or "base") budget is recalibrated and submitted without the need for specific policy description or justification. Additions to the base budget are identified separately with full policy narratives and justification of funds requested. The requested additions to an agency's base budget are called "Policy Packages." Last May, staff presented a list of Policy Packages to the Board for inclusion in OWEB's submission of its Agency Request Budget for 2007-2009. The Agency Request Budget contains an agency's base budget and desired additional budget needs to carry out its programs.

At the time of writing this report, OWEB's Agency Request Budget was being finalized for submission to the Governor and the Department of Administrative Services. As a next step, the Governor's Office develops the Governor's Recommended Budget for submission to the Legislature in December, just before the session begins. The Governor's Recommended Budget includes a selection of agency Policy Packages that reflect the Governor's priority programs and initiatives. It is the Governor's Recommended Budget, not the Agency Request Budget, which is the beginning point for legislative budget hearings. During the legislative session, agencies may advocate for their individual Policy Packages only to the extent that they are included in the Governor's Recommended Budget.

OWEB Policy Packages

Staff have grouped the proposed packages presented to the Board in May 2006 into nine policy packages. They are listed below in priority ranking. It's important to note that OWEB's budget has been built on the assumption that no new federal Pacific Coastal Salmon Recovery Fund (PSCRF) funds will be awarded to OWEB. A spreadsheet detailing OWEB's Agency Request Budget numbers is contained in Attachment A.

1. **Program Continuity** – Package 110, \$980,197, 5.00 FTE. This package requests the continuation of five limited duration positions from the 2005-2007 biennium and full funding for OWEB's current office space in Salem. The positions are:
 - Grant Program Manager (PEM E permanent)
 - Office Specialist 2 (limited duration)
 - Accountant 1 (limited duration)
 - PCSRF reporting specialist (NRS 2 limited duration)
 - Business Application Specialist (ISS7 limited duration)

2. **Carryforward for Committed Grants** – Package 115, \$1,000,000. In the 2005-2007 biennium OWEB approved non-capital grants funded from M66 Operations that expire in June 2007. This \$1,000,000 is an estimate of the balance of grants committed, but not yet spent, from this fund as of June 30, 2007.

3. **Program Reorganization** – Package 120, (\$8,195). This package would make permanent agency organizational changes made by the director earlier in the biennium.

4. **Watershed Council Support** – Package 130, \$1,941,121. In combination with existing base budget levels, this package brings the total funding for Watershed Council Support to \$6,000,000.
5. **Capital Grants** – Package 200, \$49,895,703. This package supports the agency’s restoration and acquisition grants.
6. **Non Capital Grants** – Package 140, \$8,401,950. This package requests funds to support technical assistance, monitoring, watershed assessment, and education grants that support and compliment capital fund restoration grants. When combined with base budget funds, this package brings the total non-capital grant funds to \$10,000,000.
7. **Program Enhancements** – Package 150, \$633,240, 4.00 FTE. This package requests four new positions to advance our mission and additional responsibilities. The positions are:
 - Oregon Plan Communications Coordinator (Public Affairs Specialist 2 limited duration)
 - Regional Program Representative (NRS4 permanent)
 - Technical Assistance Coordinator (NRS4 limited duration)
 - Data Analyst (NRS3 limited duration)
8. **Research Grants** – Package 300, \$7,449,188. OWEB is requesting expenditure authority to fund a research grant program for both operating and capital research funds.
9. **Independent Multidisciplinary Science Team** – Package 160, \$268,603. This brings the total funding for the IMST to \$902,256.

Staff Contact

Contact Tom Byler at tom.byler@state.or.us or 503-986-0180, or Cindy Kraai at cindy.kraai@state.or.us or 503-986-0188, with questions about the Agency Request Budget.

OWEB AGENCY REQUEST BUDGET**Grant Program:**

Capital Grants	49,895,703	
Watershed Council Support		
Essential Budget Level	4,058,879	
Policy Package 130	1,941,121	
	<u>6,000,000</u>	
Non-Capital Grants:		
Essential Budget Level	1,598,050	
Policy Package 140	8,401,950	
	<u>10,000,000</u>	
Research & Development		
Policy Package 300-Op's	2,141,327	
Policy Package 300-Cap	5,307,861	
	<u>7,449,188</u>	
Other Funded Grants		
Essential Budget Level	1,567,410	
Policy Package 070	(88,550)	
	<u>1,478,860</u>	
IMST:		
Essential Budget Level	633,653	
Policy Package 160	268,603	
	<u>902,256</u>	
LCREP Essential Budget Level	314,249	
Carryforward for Grants	16,700,000	
GRANT PROGRAM ARB	92,740,256	
Agency Operations:		FTE
Essential Budget Level	4,628,740	21.00
Program Continuity Pkg 110	980,197	5.00
Program Reorganization Pkg 120	(8,195)	
Program Enhancement Pkg 150	633,240	4.00
AGENCY OPERATIONS ARB	6,233,982	30.00
OWEB AGENCY REQUEST BUDGET	98,974,238	30.00