Lands, Department of State

Annual Performance Progress Report

Reporting Year 2017

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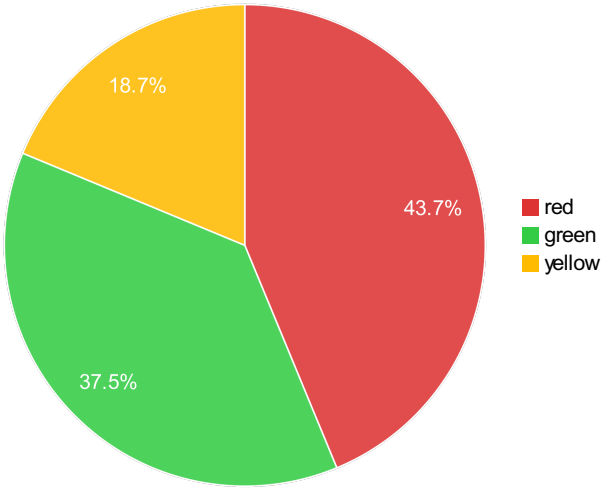
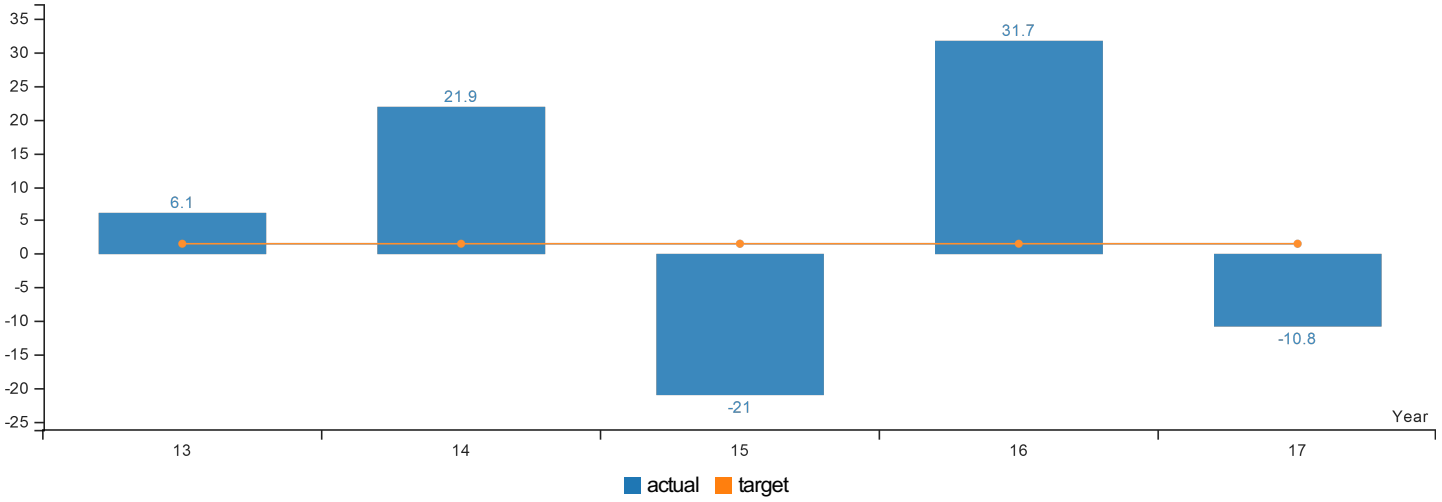
KPM #	Approved Key Performance Measures (KPMs)
1	Increase in Deposits to the Common School Fund - Percent annual increase in amount of cash generated by agency activities deposited to the Common School Fund.
2	Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for forest and non-forest lands.
3	Increase in Revenues from Land Management Activities - Amount increase in revenues generated by all Land Management activities, exclusive of timber harvest receipts.
4	Complete Management Plans or Policies - Percent of DSL lands and waterways with completed area management plans or policies.
5	No Net Loss of Wetlands - Change in wetland acreage due to permit actions.
6	Number of Days for a Permit Decision - Average number of days for an agency permit decision after receipt of a complete application.
7	Annual Resolution of Removal-Fill Permit Non-Compliance - Percent of removal-fill permit non-compliance conditions that have a final resolution in place within 12 months from date non-compliance is determined.
8	Annual Resolution of Removal - Fill Violations Related to Unauthorized Activities-Percent of removal-fill violations that have a final resolution in place within 12 months of receipt of a complaint generating determination of a violation.
9	Agency Response Time to Wetland Delineation Reports - Average number of days for the agency initial review and response to a complete wetland delineation report.
10	Agency Response Time for Wetland Land Use Notices - Average number of days for an agency response to wetland land use notices.
11	Use of Payment to Provide Moneys - Percent payment-to-provide money received in Mitigation Bank Fund obligated and committed within one year.
12	Unclaimed Property Disbursements - Percentage of total unclaimed property returned to owners and/or heirs compared to the total amount received.
13	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.
15	South Slough National Estuarine Research Reserve Operation Costs Leveraged. - Percent of SSNERR operations funded from sources other than CSF, including leverage from grants, fees, program revenues and gifts.
16	South Slough National Estuarine Research Reserve Education Actions - Percentage of SSNERR education programs that use a structured assessment process surveys to provide information and decision support services responsive to audience needs.
17	Best Practices - Percent of total best practices met by the Land Board.



Performance Summary	Green	Yellow	Red
	= Target to -5%	= Target -5% to -15%	= Target > -15%
Summary Stats:	37.50%	18.75%	43.75%

KPM #1	Increase in Deposits to the Common School Fund - Percent annual increase in amount of cash generated by agency activities deposited to the Common School Fund.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2013	2014	2015	2016	2017
Annual amount of cash generated by agency activities deposited to the Common School Fund					
Actual	6.10%	21.90%	-21%	31.70%	-10.80%
Target	1.50%	1.50%	1.50%	1.50%	1.50%

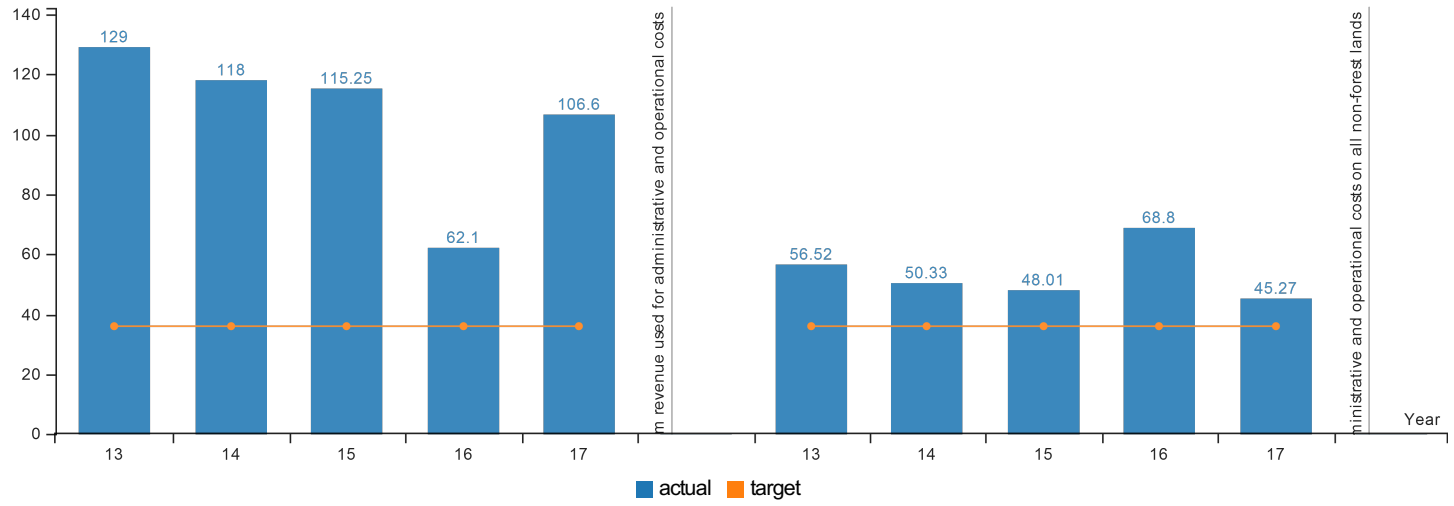
How Are We Doing

This is the sixth year for this measure. Data for earlier years is included to provide historical context. Deposits to the fund decreased by 10.8% in FY17. The decrease can be attributed to a decrease in unclaimed property receipts. The Department anticipates the revenues and receipts to be at or above the target during the next 2-3 years.

Factors Affecting Results

Timber revenues, once the largest cash flow into the CSFP, are now minimal and are not expected to improve. Unclaimed property receipts vary significantly year over year, however the general trend over the past five years is a slow and steady increase. The variances in unclaimed property receipts can be attributed to changes in dormancy periods, timing of securities sales, and increased compliance for different property types.

KPM #2	Administrative and Operational Costs - Percent of program revenue streams used to cover administrative and operational costs of programs for forest and non-forest lands.
	Data Collection Period: Jul 01 - Jun 30



Report Year	2013	2014	2015	2016	2017
Percentage of forest lands program revenue used for administrative and operational costs					
Actual	129%	118%	115.25%	62.10%	106.60%
Target	36%	36%	36%	36%	36%
Percentage of program revenue used for administrative and operational costs on all non-forest lands					
Actual	56.52%	50.33%	48.01%	68.80%	45.27%
Target	36%	36%	36%	36%	36%

How Are We Doing

Common School Fund forest lands have not been profitable in recent years due to the environmental encumbrances which have greatly reduced the amount of revenue potentially generated by the Elliott State Forest, The Elliott has historically been the greatest source of timber revenue for Common School Fund forest lands. Revenue on the other forestlands excluding the Elliott State Forest will continue to be within historic levels. Once the Elliott State Forest is decoupled from the Common School Fund, the KPM target will be more attainable.

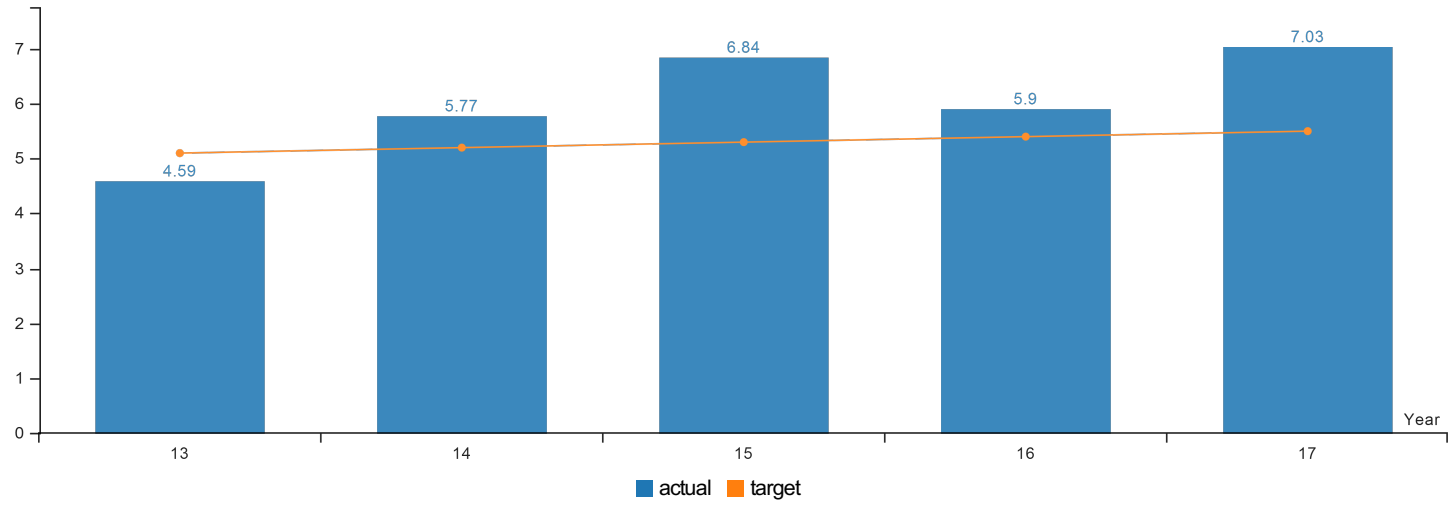
The non-forest lands have become more profitable relative to the previous year because of receiving higher rents. For example the Helvetia property in Washington County achieved 100% occupancy and agricultural conversion projects in Malheur County have resulted in increased rent rates.

Factors Affecting Results

This measure is impacted by the timing and ability to decouple the Elliott State Forest from the Common School Fund.

KPM #3	Increase in Revenues from Land Management Activities - Amount increase in revenues generated by all Land Management activities, exclusive of timber harvest receipts.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2013	2014	2015	2016	2017
Annual Revenue from Real Estate Assets					
Actual	$4.59	$5.77	$6.84	$5.90	$7.03
Target	$5.10	$5.20	$5.30	$5.40	$5.50

How Are We Doing

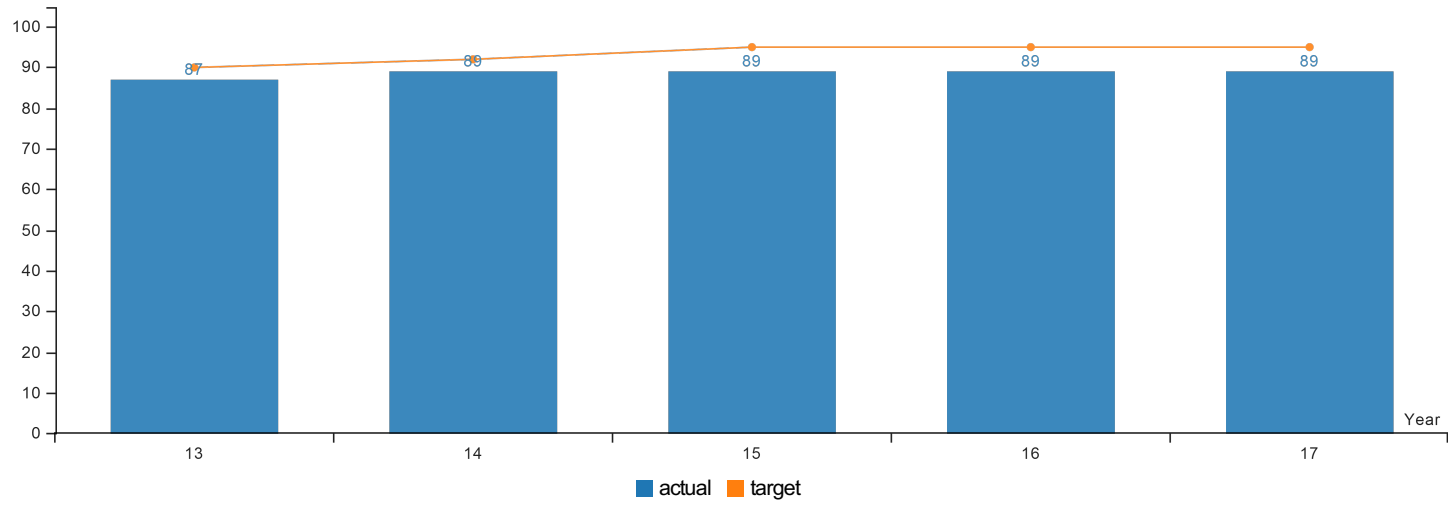
As discussed in the narrative for KMP #2 the non-forest lands have become more profitable relative to the previous year because of receiving higher rents. Revenue from current industrial property, agriculture lands, and waterway leasing is expected to increase gradually. (data reported as millions)

Factors Affecting Results

Retaining tenant leases on industrial, commercial and residential properties and DSL's ability to continue converting rangelands to agriculture lands.

KPM #4	Complete Management Plans or Policies - Percent of DSL lands and waterways with completed area management plans or policies.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2013	2014	2015	2016	2017
Percent of Completed Area Mgmt Plans or Policies					
Actual	87%	89%	89%	89%	89%
Target	90%	92%	95%	95%	95%

How Are We Doing

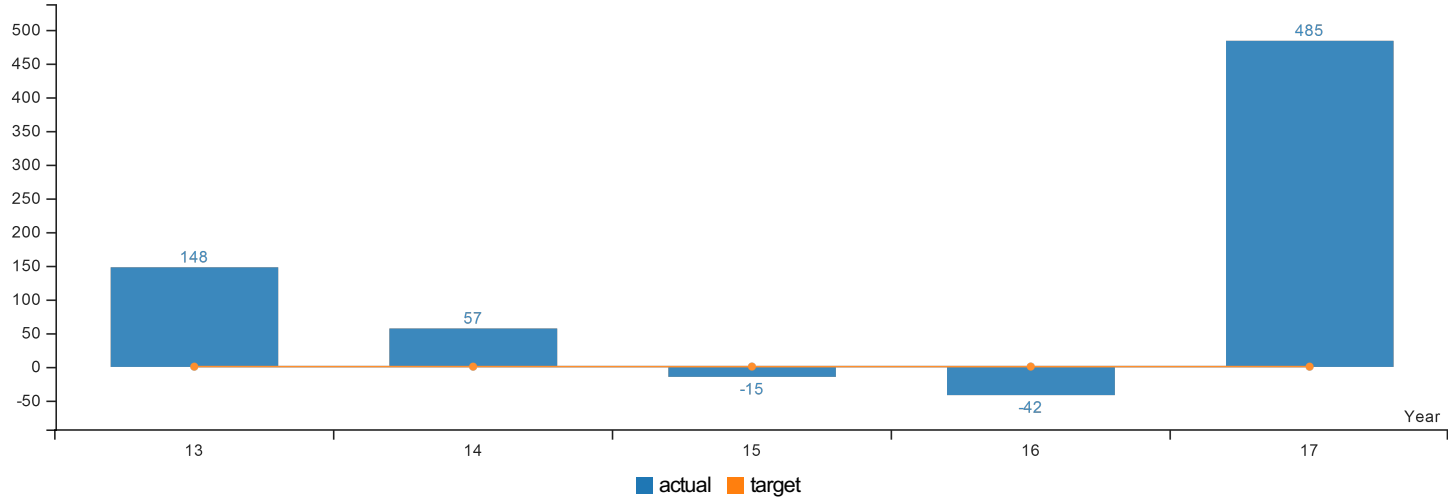
In FY17 there was no change in this measure.

Factors Affecting Results

Agency work priorities and available staffing are both factors affecting the pace of work relative to this measure.

KPM #5	No Net Loss of Wetlands - Change in wetland acreage due to permit actions.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2013	2014	2015	2016	2017
Gain or Loss of Wetlands (In Acres)					
Actual	148	57	-15	-42	485
Target	0	0	0	0	0

How Are We Doing

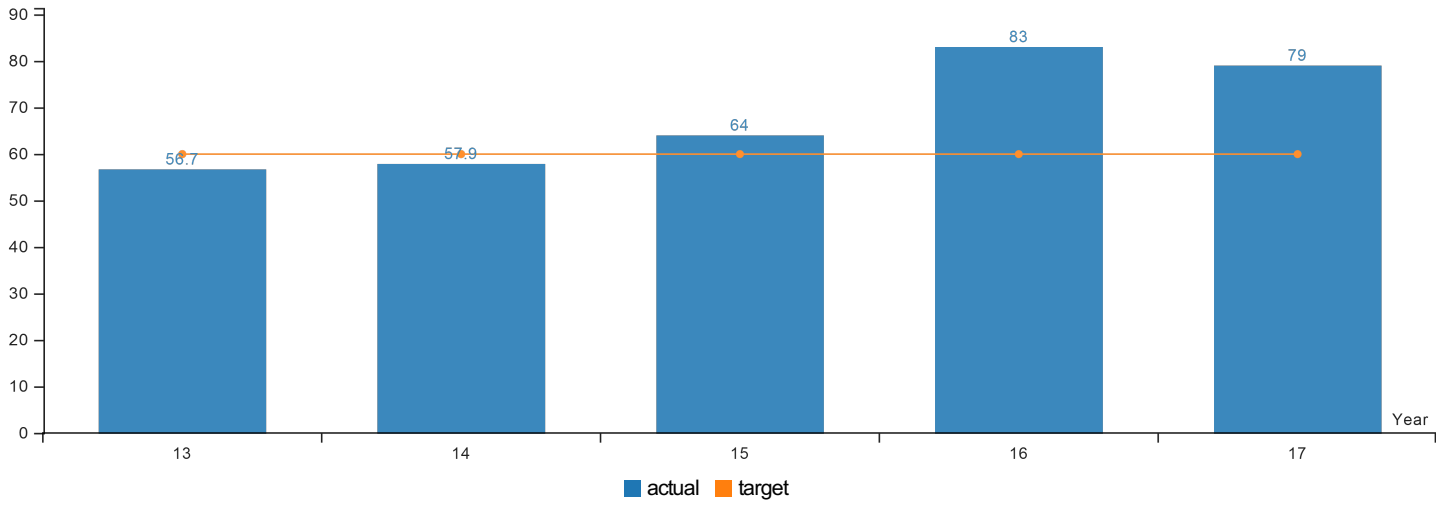
During the period shown in the graph, DSL has typically met and exceeded this performance measure showing a net gain of wetland. There was a net gain of 485 acres of wetlands due to permitted activities in FY17. The large gain of wetland acres is the result of several very large restoration projects.

Factors Affecting Results

As noted above there were several large restoration projects permitted in FY17. Three voluntary wetland projects cumulatively totaled 507 acres of wetland gains. Additionally, the agency has been diligent in applying mitigation requirements based upon its regulatory authorities and responsibilities.

KPM #6	Number of Days for a Permit Decision - Average number of days for an agency permit decision after receipt of a complete application.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = negative result*



Report Year	2013	2014	2015	2016	2017
Average number of days for an agency permit decision					
Actual	56.70	57.90	64	83	79
Target	60	60	60	60	60

How Are We Doing

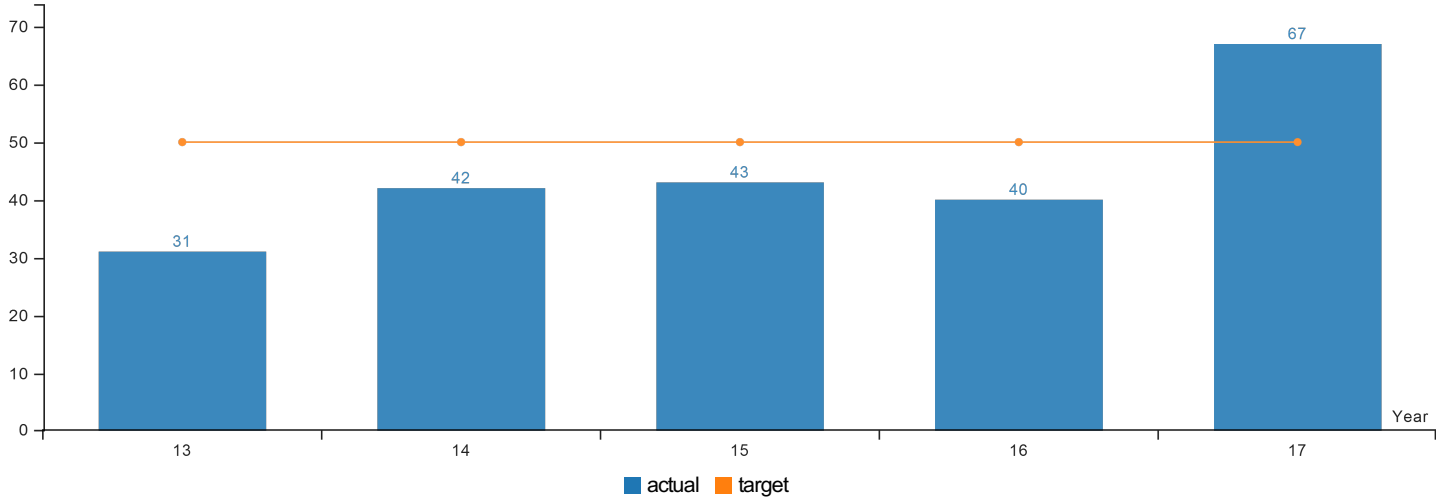
The agency averaged 79 days to make a permit decision in FY17. This does not meet the agency target of 60 days or less.

Factors Affecting Results

This measure is for Individual Permits, which are often related to large projects with significant impacts. The applications often require a high level of technical information and agency review. Factors that affect the results are the number of permit applications, the level of staff resources, and the number of very complex projects such as transmission lines and LNG projects. During this time period the Department received 339 Individual Permit applications, compared to 365 received the previous reporting period. This 7% decrease in permits corresponded with a 5% decrease in average permitting time. Note that the average is still well within the 120-day timeframe required by statute.

KPM #7	Annual Resolution of Removal-Fill Permit Non-Compliance - Percent of removal-fill permit non-compliance conditions that have a final resolution in place within 12 months from date non-compliance is determined.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2013	2014	2015	2016	2017
Annual Resolution of Non-Compliance Conditions					
Actual	31%	42%	43%	40%	67%
Target	50%	50%	50%	50%	50%

How Are We Doing

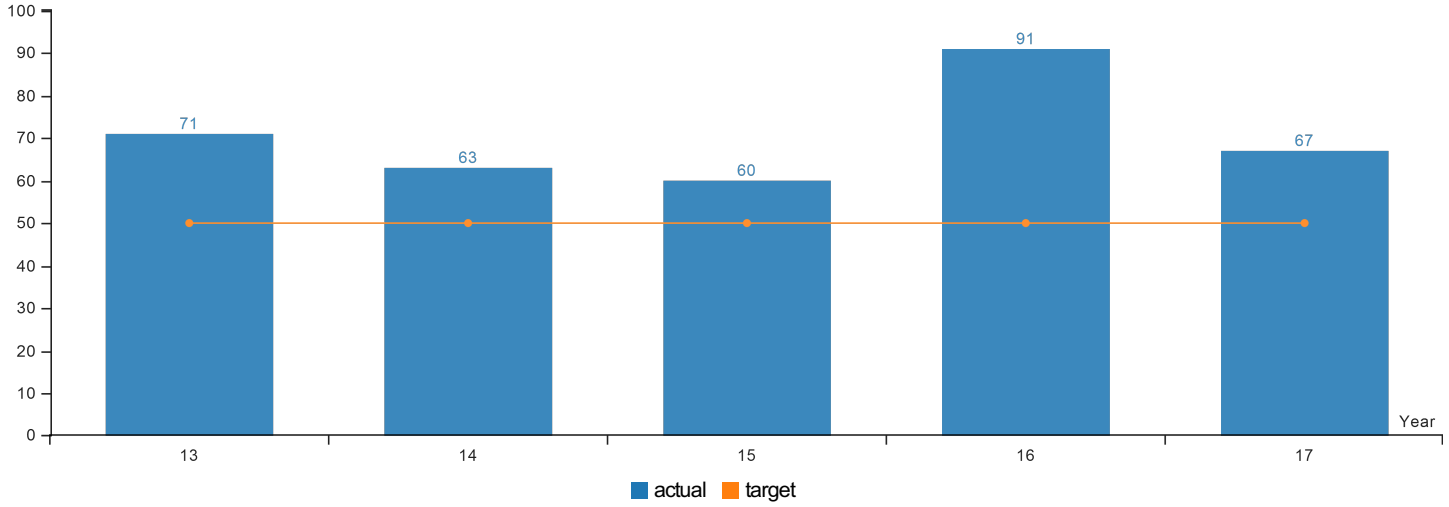
The Department met the target of having a resolution in place within 12 months for 50% of the permit non-compliance instances in FY17. The Department recorded a total of 6 permit non-compliance cases resolved in FY17, 4 (67%) of which were resolved within 12 months from the date non-compliance was determined. Two of the cases involved non-compliance with mitigation-related conditions. Fifty percent of the non-compliant permits were handled informally, with only three involving formal enforcement action. The number of permit-related non-compliance issues was less than 2016, when there were 35 cases. The resolution rate increased from an average of 35% in FY16 to 67% in FY17.

Factors Affecting Results

The amount of time it takes to pursue and resolve permit non-compliance can depend on many factors, including the number of pending agency actions, land owner cooperation, and the specifics of each violation. The Department had less permit related enforcements than in the prior year.

KPM #8	Annual Resolution of Removal - Fill Violations Related to Unauthorized Activities-Percent of removal-fill violations that have a final resolution in place within 12 months of receipt of a complaint generating determination of a violation.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2013	2014	2015	2016	2017
Percent of Removal-Fill Violations					
Actual	71%	63%	60%	91%	67%
Target	50%	50%	50%	50%	50%

How Are We Doing

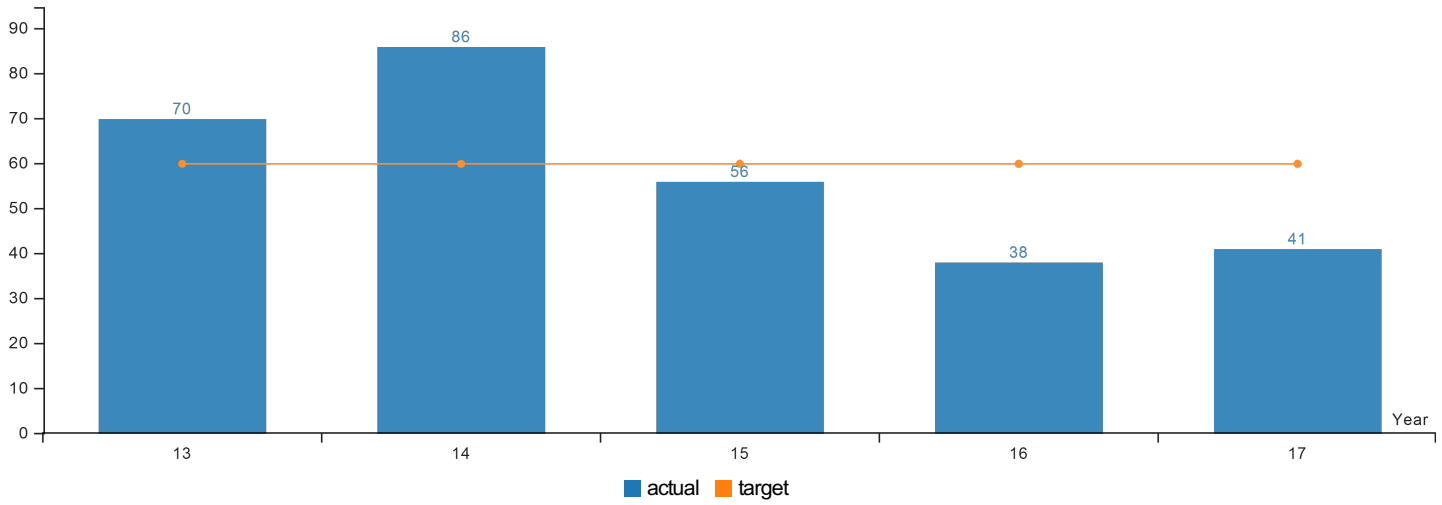
The Department exceeded the target of having a resolution in place within 12 months for 50% of the violations for unauthorized activity. The Department closed 75 enforcements for unauthorized activities during the reporting period. Of the 75 violations, 50 (67%) were resolved within 12 months. The percentage of violations resolved during the 12-month period was 24% lower than the previous year. The resolution rate was exceptionally high last year. The percent resolved with 12 months is lower than last year, but consistent with previous years.

Factors Affecting Results

The amount of time it takes to pursue and resolve permit non-compliance can depend on many factors, including the number of pending agency actions, cooperation, and the specifics of each violation.

KPM #9	Agency Response Time to Wetland Delineation Reports - Average number of days for the agency initial review and response to a complete wetland delineation report.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = negative result*



Report Year	2013	2014	2015	2016	2017
Agency Response Time to Wetland Delineation Reports Within 120 Days					
Actual	70	86	56	38	41
Target	60	60	60	60	60

How Are We Doing

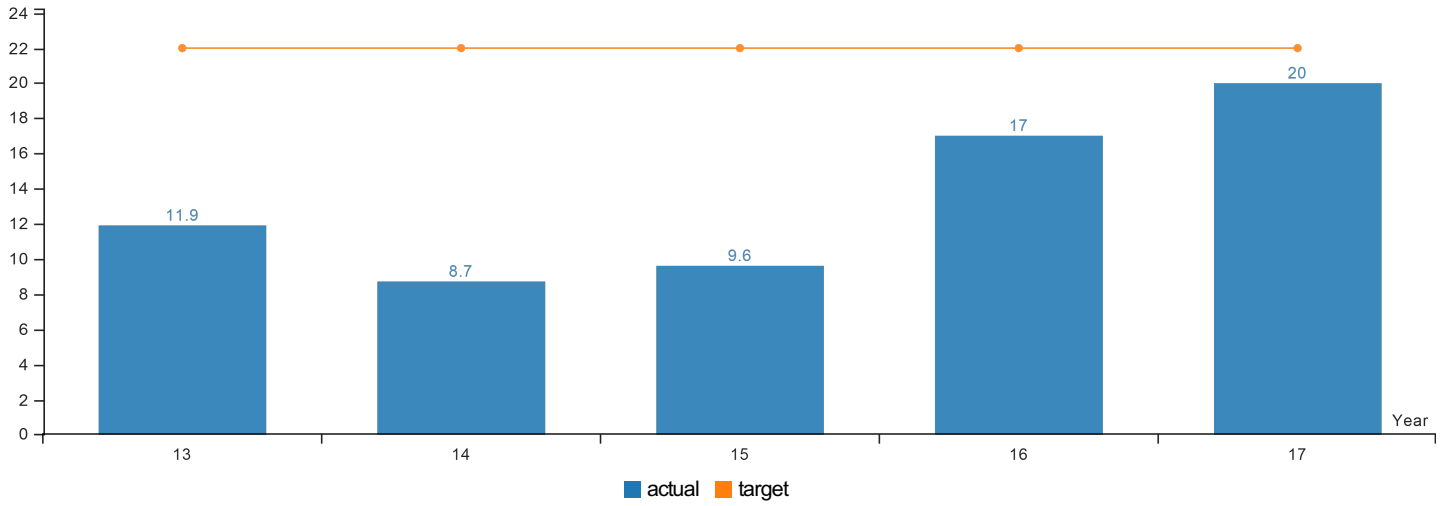
The Department began tracking initial review timelines when the 120-day statutory requirement took effect on January 1, 2008. The average agency response time for FY17 is 41 days, which is lower than our 60-day target. Although 3 days higher than FY16, the review time is lower than the four previous years. The Department has met the statutory requirement of 120 days for initial review since FY09.

Factors Affecting Results

The number of delineation reports submitted for review significantly affects the average review time and the number of reports submitted is heavily influenced by the economy. The number of delineation reports steadily increased through FY15 (307 reports reviewed) but took a slight decline in FY16 and FY17 (279 and 270 reports reviewed). The department had a temporary wetland staff shortage during FY17 but still achieved the 60-day target.

KPM #10	Agency Response Time for Wetland Land Use Notices - Average number of days for an agency response to wetland land use notices.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = negative result*



Report Year	2013	2014	2015	2016	2017
Agency Response Time for Wetland Land Use Notices Within 30 Days					
Actual	11.90	8.70	9.60	17	20
Target	22	22	22	22	22

How Are We Doing

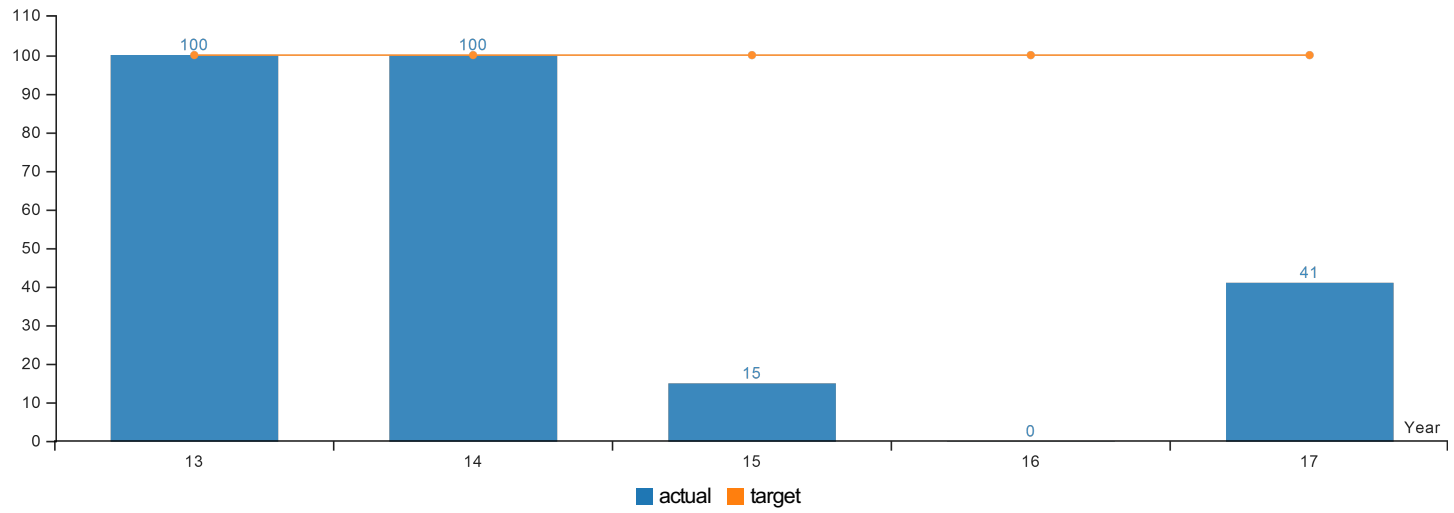
During FY17, the average agency response time was 20 days, which is 2 days faster than the 22-day target. This review time is 3 days more than the previous fiscal year but still well within the 22-day target.

Factors Affecting Results

The number of land use notices submitted during FY17 was 601; 158 more than received in FY16. In addition, the Department had a temporary wetland staff shortage during this timeframe. The number of wetland use notices submitted for review appears to be heavily influenced by the economy and, to a lesser degree, by the availability of wetland information (i.e.: new local wetland inventories) and DSL outreach efforts to local governments regarding the requirement. Since the 2008 recession, the number of notices steadily dropped to a low of 173 in FY11 but has increased again as the economy has improved.

KPM #11	Use of Payment to Provide Moneys - Percent payment-to-provide money received in Mitigation Bank Fund obligated and committed within one year.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2013	2014	2015	2016	2017
Payments into and out of revolving fund					
Actual	100%	100%	15%	0%	41%
Target	100%	100%	100%	100%	100%

How Are We Doing

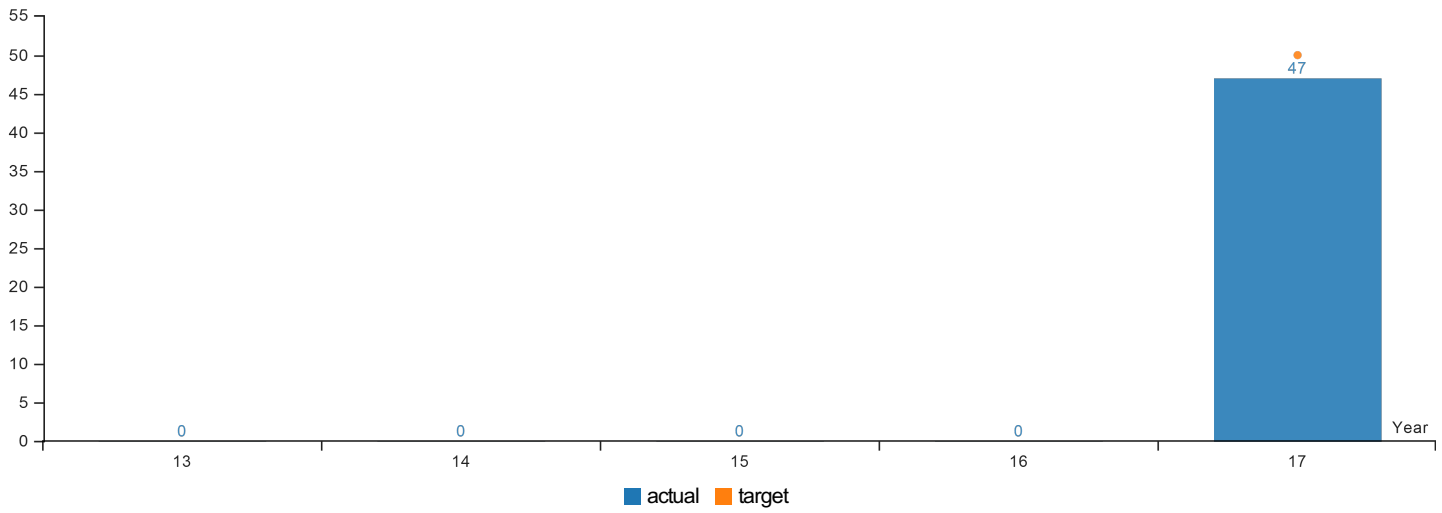
The agency has not met the target in FY17. Deposits into the fund in FY16 totaled $301,902. Of this amount, $215,297 was associated with mitigation credit sales from projects that were implemented in prior years. Gains from these projects were counted in the fiscal year the project was approved by DSL. The remaining deposits totaled $86,604, and represents funds that should be committed to projects within one year. The agency committed $35,284, or 41%, to projects in FY17.

Factors Affecting Results

Deposits to the Oregon Removal-Fill Fund in 2016 were consistent with the previous year. While credit sales from DSL's in-lieu fee program in the Douglas County area were suspended in June 2016, credit sales from other areas, as well as deposits through the payment in-lieu program, increased. Credit sales in Douglas County were suspended in light of not being able to identify a viable mitigation project. Under DSL's approved program with the U.S. Army Corps of Engineers, DSL has three growing seasons to implement a project from the time a credit is sold. DSL voluntarily suspended credit sales after two years passed without a viable project option.

KPM #12	Unclaimed Property Disbursements - Percentage of total unclaimed property returned to owners and/or heirs compared to the total amount received.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2013	2014	2015	2016	2017
Unclaimed Property Disbursements					
Actual	No Data	No Data	No Data	No Data	47%
Target	TBD	TBD	TBD	TBD	50%

How Are We Doing

We continue to improve our owner location efforts to return more funds to Oregonians. Skip-tracing tools are used to obtain improved addresses and letters are sent to all living owner accounts at $250 or more. We currently perform a manual owner location attempt on any account with stock valued at $1,000 or more before any sales. As time allows, staff also conduct a 2nd attempt on larger accounts including those where the apparent owner is deceased per external research.

We are seeking a paperless claim solution where our online claim application would permit certain claims to be approved based on immediate ID and verification techniques. Other states using this technology report that as much as 30% of the claims received can be automatically reviewed and approved without the claimant submitting paper documentation to support their claim.

We are also looking at a series of projects. First, an improved data management product that will allow us to streamline and automate our owner notification processes. This will free up staff time to more aggressively seek out owners. Second, branding strategies that will help us improve citizen awareness of our service. This would also reduce confusion because people often think real estate when they see Department of State Lands/Unclaimed Property.

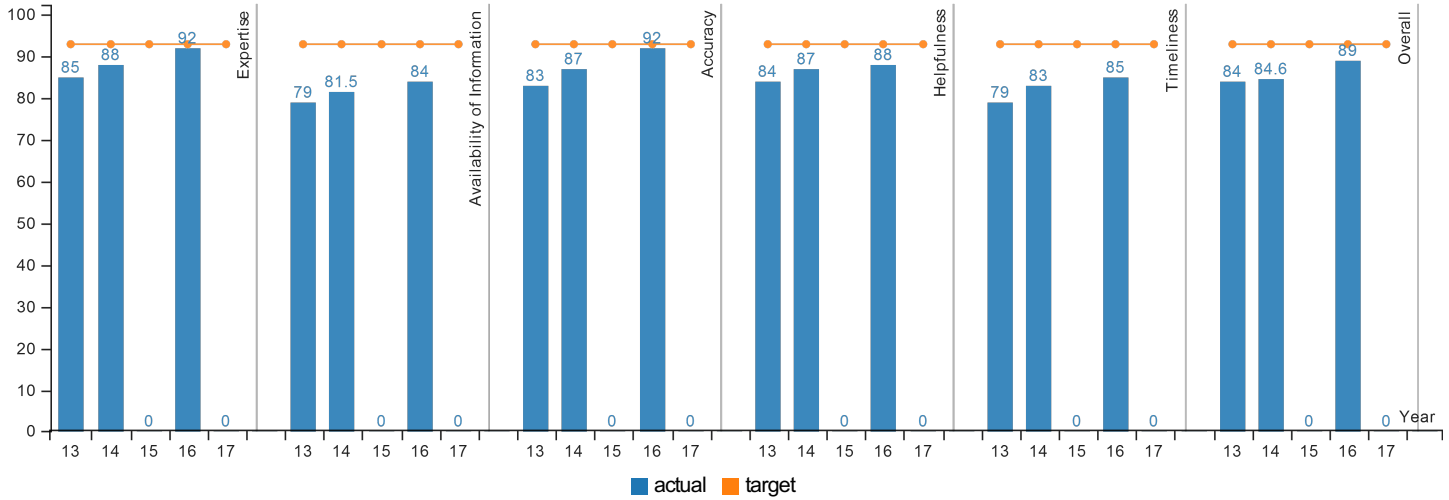
Factors Affecting Results

Claims staff must process claims and arrange time to conduct owner location activities. We have limited capacity to handle incoming claims and press releases or media interest often increase claims workload well beyond our capacities. It is desirable to have a reasonable response time to claims and we have an implicit deadline to review claims within 120 days. (ORS 98.402(2))

We are also directing attention to reporting non-compliance and having increasing success in receiving more unclaimed property each year. While our total claim refunds have been agency

records in the last two years, our receipts have also broken records during the same period.

KPM #13	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.
	Data Collection Period: Jul 01 - Jun 30



Report Year	2013	2014	2015	2016	2017
Expertise					
Actual	85%	88%	No Data	92%	No Data
Target	93%	93%	93%	93%	93%
Availability of Information					
Actual	79%	81.50%	No Data	84%	No Data
Target	93%	93%	93%	93%	93%
Accuracy					
Actual	83%	87%	No Data	92%	No Data
Target	93%	93%	93%	93%	93%
Helpfulness					
Actual	84%	87%	No Data	88%	No Data
Target	93%	93%	93%	93%	93%
Timeliness					
Actual	79%	83%	No Data	85%	No Data
Target	93%	93%	93%	93%	93%
Overall					
Actual	84%	84.60%	No Data	89%	No Data
Target	93%	93%	93%	93%	93%

How Are We Doing

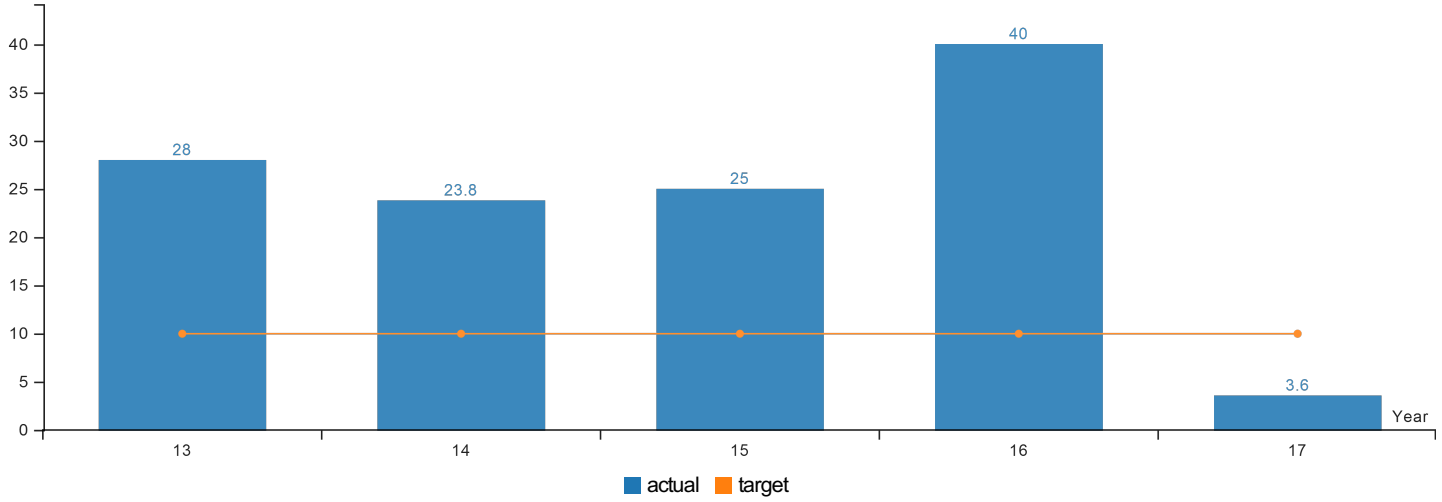
Biennial Survey-no data to report

Factors Affecting Results

Bienniel Survey-no data to report.

KPM #15	South Slough National Estuarine Research Reserve Operation Costs Leveraged. - Percent of SSNERR operations funded from sources other than CSF, including leverage from grants, fees, program revenues and gifts.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2013	2014	2015	2016	2017
Percent of Operations Funded from Non-CSF Sources					
Actual	28%	23.80%	25%	40%	3.60%
Target	10%	10%	10%	10%	10%

How Are We Doing

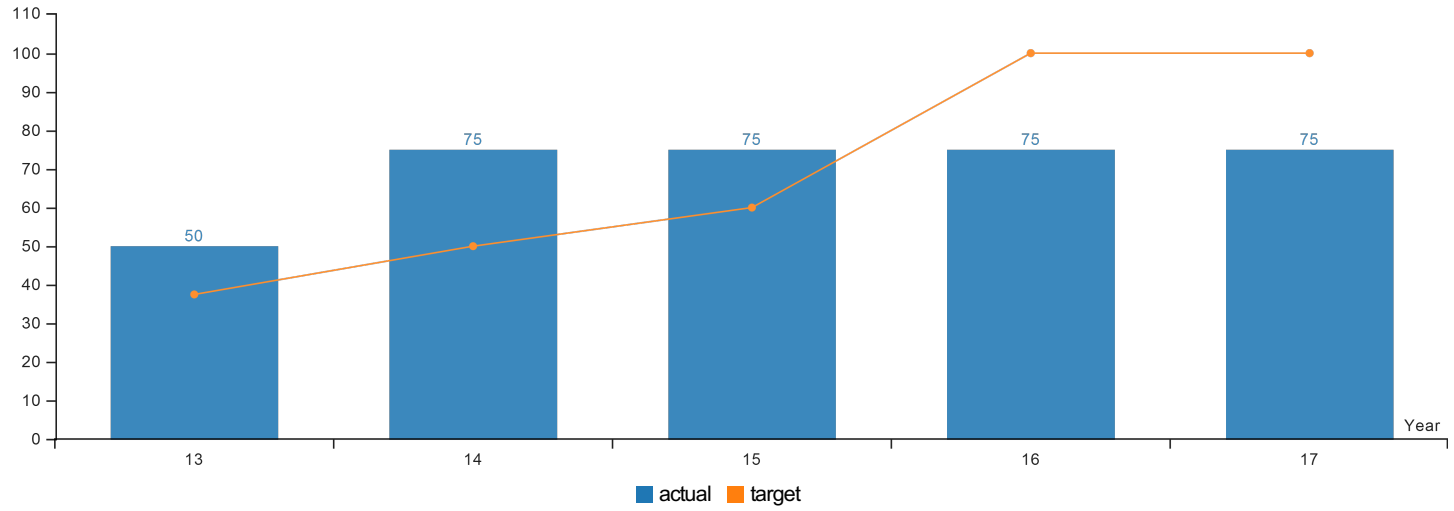
Staff are continually seeking grants and other funding opportunities to support Reserve operations and projects. Opportunities over the past year and successful applications for grants and awards allowed the Reserve to leverage funding using state budget funds as match. The fee rule adopted in 2008 has provided the Reserve with the opportunity to charge fees for building use. Change in data from prior year due to the reporting of other funds spent instead of total grant awards received during report period.

Factors Affecting Results

Grant and award opportunities are highly unpredictable. The Reserve was fortunate to maintain level funding within its Federal Fund operations budget vs. receiving a budget cut. That award will continue through the next reporting period. The amount of fees to be collected is also difficult to predict, and local organizations will generally use space that is available for no fee. Additionally, the Reserve's public space is located a distance from the communities that typically use gathering places for events and meetings. When individuals or organizations do choose to use the Reserve's resources, availability is dependent upon prioritizing the needs of the Reserve to support its programs. Gifts, donations and bequests are another source of funding and resources that cannot be planned upon.

KPM #16	South Slough National Estuarine Research Reserve Education Actions - Percentage of SSNERR education programs that use a structured assessment process surveys to provide information and decision support services responsive to audience needs.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2013	2014	2015	2016	2017
Percentage of SSNERR Programs using a structured assessment process					
Actual	50%	75%	75%	75%	75%
Target	37.50%	50%	60%	100%	100%

How Are We Doing

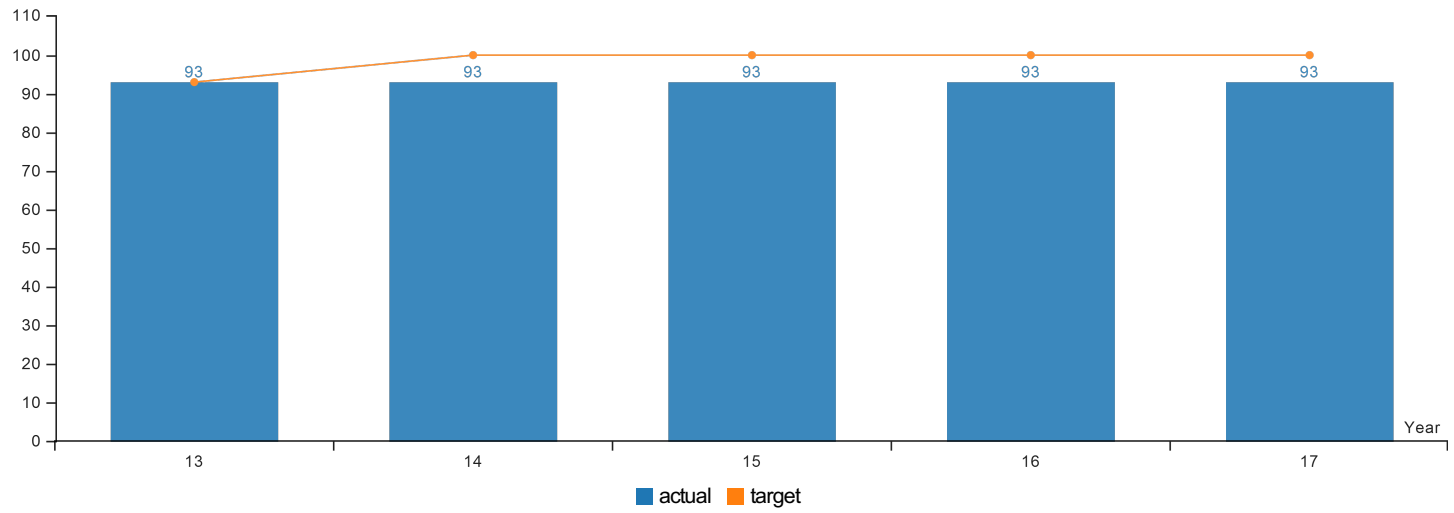
The process of conducting a formal market analysis has occurred within the K-12 education and CTP program areas. Six of the eight identified program areas currently use some form of needs assessment to identify audience-driven program development, information and services.

Factors Affecting Results

Grant funding for projects is competitive and unpredictable, although Reserve staff continually seek grant opportunities. Evaluation techniques are incorporated in project and grant application development, though adequate resources for surveying are not always received. Without specifically identified recourses, existing staff are tasked with collecting necessary data and this occurs in the most efficient way feasible to assess and address audience needs.

KPM #17	Best Practices - Percent of total best practices met by the Land Board.
	Data Collection Period: Jul 01 - Jun 30

** Upward Trend = positive result*



Report Year	2013	2014	2015	2016	2017
Percent of Criteria Being Met					
Actual	93%	93%	93%	93%	93%
Target	93%	100%	100%	100%	100%

How Are We Doing

No data to report

Factors Affecting Results

No data to report