**Coastal Protection and Restoration Authority**

**Response to House Appropriations Committee Questions**

**for December 6, 2016 Meeting**

- **During the 2016 sessions, what did the department testify would be the effects of the FY 17 budget on services, staffing, and contracts?**

  *CPRA did not provide verbal testimony regarding the effect of FY 17 budget. However, CPRA did provide written comments to the House Appropriation Committee's questions to all state agencies. The following text summarizes those comments relative to the FY 17 budget.*

  *CPRA's budget was not reduced as a result of imposed budget cuts. However, $6.5M was taken from the Coastal Protection and Restoration Fund as a result of the 5% statutory dedication reduction the Governor is allowed by law to take. The reduction was to the fund and not to the budget.*

  *It is important to understand that the fund balance in the Coastal Protection and Restoration Trust Fund is reserved/obligated for funding the 15% match of the cost share agreements we enter into with the federal government for CWPRRA (Coastal Wetlands Planning Protection and Restoration Act) coastal restoration projects that are underway – E&D, construction or OM&M. The expenditures occur over many years, therefore, funding must be reserved to meet the obligations.*

  *Further, the fund balance provides CPRA the ability to cash flow project expenditures. The majority of CPRA's project funding is from grant-type sources. Given the nature of the grant process, CPRA must spend first, then seek reimbursement from its cost share partners and grantors. This includes the federal CWPPRA program, as well as the DWH oil spill funding sources.*

  *In addition to the lost revenue from the 5% reduction, CPRA is experiencing a reduction in the revenue that is generated to the Fund from state mineral revenue, due to the low oil prices. We continuously analyze the effect of the revenue reductions to determine the impact on planned expenditures, and we make adjustments to expenditures accordingly. Due to the project implementation nature of CPRA's operations, expenditures occur over many years, so it is important to be able to plan for revenue availability before commitments are made. Reductions to the cash fund balance could lead to CPRA being unable to meet obligations.*

- **Compared to FY 16, what reductions, including services, staffing, and contracts, have been made in the department in FY 17?**

  *CPRA made reductions to various program expenditures funded with Trust Fund. These include Assistance to Levee Authorities, Restoration Partnerships, Project Support, Coastal Science Assistantships, Coastal Innovation Partnerships, Project Development and Implementation, Innovative Programs, Flood Protection Inspections/Analysis, and Monitoring Data Interpretations.*

- **What reductions would the department make if there are mid-year reductions to the FY 17 budget?**

  *Due to the recent mid year reductions, CPRA will make reductions to program areas such as Assistance to Levee Authorities, Restoration Partnerships, Project Support, Coastal Science Assistantships, and Coastal Innovation Partnerships. If another reduction to CPRA's revenue is made, delays in OM&M will be imposed.*

- **Provide a brief overview of the FY 18 budget request compared to FY 17 by budget unit. What increases are requested in FY 18 and why are the increases necessary, including any new or expanded programs or services to additional populations? Are there any reductions to the FY 18 budget requests, including those as a result of annualizing reductions made in FY 17?**

  *The FY 18 Budget Request was due before the mid year reductions were imposed. With the loss of the cash, CPRA is reducing areas such as Assistance to Levee Authorities, Restoration Partnerships, Project Support, Coastal Science Assistantships, and Coastal Innovation Partnerships, Assistance to Levee Authorities, Restoration Partnerships, Project Support, Coastal Science Assistantships, Coastal Innovation Partnerships, Vegetated Plantings, and Coastal Education. CPRA is also analyzing which projects or OM&M efforts funded with Trust Fund that can be delayed or cancelled.*

  *CPRA is statutorily required to submit an Annual Plan which includes a 3 year projection of expenditures, and we are in the development process now. The FY 18 Budget Request does show a significant overall reduction compared to FY 17. The reduction is in part a result of the reduced cash availability, but is primarily due to an effort to align the budget with proposed expenditures in the Annual Plan. Given the loss in revenue, CPRA is analyzing the impact and will reflect the required expenditure reductions in the FY 18 Annual Plan.*

- **Has the department added any positions, including classified, unclassified, and other charges positions, in FY 17? If so, how many and what positions? Did the department request additional positions in the FY 18 budget request? If so how many and what positions?**

    - *Yes. 10 positions were added to CPRA for FY 17.*
        - *8 accounting/budget positions for establishing a Fiscal Services function within CPRA rather than utilizing DNR to provide the services, which was effected through Act 430 of the 2016 Regular Session. These 8 positions were added through the 2017-2018 General Appropriation Bill, and 4 of them were transferred from DNR.*

        - *2 positions to establish a Human Resources function. These two positions were transferred to CPRA from DOA as part of the un-consolidation of the Human Resources function statewide. These positions were added via a BA-7.*

      *Note: there is no increase in cost to CPRA to fund these positions. CPRA used the funding previously sent to DNR and DOA for these services, and a cost savings is anticipated.*

    - *No. CPRA did not request any new positions for FY 18.*

- **Provide a summary of changes in salaries from FY 16 to FY 17, including performance adjustments, promotions, or any other changes in salaries. Provide a summary of requested changes in salaries from FY 17 to FY 18, including performance adjustments, promotions, or any other changes in salaries.**

  *Comparison of FY 16 to FY 17*
  *CPRA has not granted performance adjustments in FY 17.*
  *To date, CPRA has 3 permanent promotions, 2 temporary promotions, and 4 reallocations.*
  *Prospectively, CPRA anticipates 6 reallocations in the remainder of FY 17.*

  *Comparison of FY 17 to Requested FY 18*
  *CPRA included a request for the 4% performance adjustment for FY 18.*
  *CPRA included a request for 5 projected reallocations for FY 18.*

- **What budget adjustments have been made since the initial appropriation to your department? How much in each means of finance has been appropriated to each agency since the initial appropriation?**

  - *2 positions to establish a Human Resources function. These two positions were transferred to CPRA from DOA as part of the un-consolidation of the Human Resources function statewide. These positions were added via a BA-7. There was no funding increase, only a shift in expenditures from Interagency Transfers to Salaries.*

  - *$1,589,273 in budget authority was added via a BA-7 in order for CPRA to transfer funds to the Attorney General's Office for reimbursement of past DWH expenditures and future anticipated DWH related expenditures. The Means of Finance is as follows:*
    - *$800,000 Statutory Dedication (Natural Resources Restoration Trust Fund)*
    - *$789,273 Statutory Dedication (Oil Spill Contingency Fund)*

- **Do your spending and staffing levels match the priorities of your department?**

  *Regarding staffing levels, CPRA remains a lean agency given the amount of work that is performed and the level of project implementation scheduled. We attempt to balance workload between the appropriate use of permanent staff and of contracted staff/services. We continuously evaluate resource requirements, and with the significant increase of incoming funding from the DWH oil spill settlement, it is likely CPRA will request additional staff to adequately handle the associated increase in workload.*

- **Provide the top 5 performance measures that give the outcomes in your department. How do you rank nationally based on these priority measures?**

  *CPRA currently has two performance measures, Acres Directly Benefited from Projects Being Constructed and Miles of Levee Improved by Projects Being Constructed. We are not aware of another integrated restoration and protection agency or any agency with equivalent performance metrics.*

  *Our staff looked at other restoration-only and protection-only agencies to see how they measured performance. The most common performance measures found for restoration agencies were generally either environmental quality factors (e.g., salinity or water quality targets) or acres of land in conservation (very different for acres benefited). The most common performance measures found for protection agencies either involved monetary targets (e.g., amount of dollars expended) or risk-reduction levels (e.g., amount of land protected at the 100-year flood level).*

  *This was not a surprise to CPRA, however, it means that, at least with our current performance metrics, CPRA has no real baseline by which to compare itself against other similar agencies.*

- **Provide a list of all sources of revenue that are not appropriated. These funds could include restricted or off budget accounts. Also, please provide the amount anticipated to be used in FY 17, the amount in FY 18, and any balance or reserve amount for each source or revenue.**

  *CPRA does not have non-appropriated sources of revenue.*