

Department: OSU KBREC  
(Experiment Station)

FY 2012 Proposed Budget

**Department Mission:**

The Mission of the Agricultural Experiment Station is to conduct research in the agricultural, biological, social, and environmental sciences for the economic, social and environmental benefit of Oregon.

**Mandated Services:**

Non Mandated Partnership with Federal, State, and Local Funds.

- Morrill Act 1862, 1890, Land Grant University System
- Hatch Act 1887 Agricultural Experiment Stations
- Klamath Research Station 1937
- KBREC 2006, Vandenberg, Washburn Sites Combined
- Partnership Federal, State, County, Grants

OSU Agricultural Experiment Station Goal is to have 25% of Station Cost coming from Local Sources.

This budget supports activities at the OSU Klamath Experiment Station Located on Washburn Way. Klamath County owns this 86 acre site and leases the site to OSU for agricultural research purposes. This budget is also tied to the Field Research Account (FRA) budget which is a pass through account that does not receive general fund dollars.

**Department Overview:**

Provide Research Based Education to the Citizens of Klamath County in relationship to Healthy People, Healthy Environment, Healthy Communities. Research and Education is driven by community needs and meets national directives as established by USDA NIFA (National Institute of Food and Agriculture). Appendix A.

County funding is utilized to provide supplies and service to eight (8) State employees in:

- Agriculture
  - Livestock
  - Economics
  - Forages
  - Potatoes
  - Grains
  - Alternative Crops
  - Master Gardeners
  - Production Garden
    - Rotary First Harvest

**Current Research Trials**

Expanding Grazing Season, Brassicas, Legume Interseeding  
TSum Fertilizer Trials  
Tri State Potato Development Trials, 2010 24,000 single hill varieties, 2011 +- 50,000 Varieties  
Potato Seed Increase moved from Powell Butte Station  
Alternative Crops, Camelina, Euphorbia, Russian Dandelion, Teff, Canola, Reduced Irrigation  
Cost of Production  
Community Economic Impacts  
Deficit Irrigation  
Management Alternatives  
Pesticides (new products alternative rates)  
Fertilizer (alternative rates)  
Irrigation  
Rotation  
Cover Crops  
Malt Barley Trials  
Western Wheat Variety Trials

**Successes and Challenges:**

This research station has provided research addressing local concerns since 1937. The activities at the research station are supported by Federal, State, County, Grant, and Fee based experiments and production trials. The data gathered from these research activities are shared with local, regional, national, and international entities through site visits, field days, class room presentations, seminars, and one on one teaching events. Research conducted at this site supports the \$227 million dollar agricultural business sector in Klamath County, (OAIN data 2010p).

Challenges facing the station relate to increasing negative budget pressures at the Federal, State, and County level. Over the past four years faculty positions have been combined between research and extension in order to maintain a footprint within the county. This endeavor has allowed local demands to be met, albeit at a smaller level.

Over the last four years there has been a reduction of 1.5 county funded FTE's relating to this department. In order to get the work completed, the department is utilizing part-time employees and in 2011 will utilize college student labor. In addition the county funded positions are also receiving some support funding tied to grants. All costs associated with the department have been cut to the bare minimum. We are utilizing the Federal Surplus Property program as a source for equipment and vehicles.

In FY2011 the FRA account was not fully utilized due to lack of water. Funds in this account are used for research and farming purposes at the Washburn Site. This allowed for this account to have a carry over which will be utilized this budget period. The revenue that is generated in

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this budget is derived from the sale of agricultural commodities from the land per OSU/Klamath County Lease Agreement revenues are held at the County Level for use at this site to offset costs.

Impacts

- Research \$1 spent yields \$10 to society (USDA Economic Brief #10, September 2007)
- An recent economic analysis of the public investment in the PNW breeding and variety development program estimated that for every dollar invested in research, the PNW potato industry will benefit by \$38.97.

In FY 2011 the station did not receive a full allocation of water. As such research projects were moved off site or not conducted. Qualifying land was enrolled in the Land Idling Program. As a result of less research and the lack of water, one FTE approved for farm manager was not filled. This savings allowed the department to meet budget cuts and FY 2012 target budgets.

Note Appendix C developed by OSU College of Agricultural Sciences.

**Budget Overview:**

This proposed budget is in the amount of \$99,048, with \$93,748 coming from the county (in some years this was funded via general funds and in others via economic development funds) and \$5,300 from the Field Research Account. The majority of this budget is allocated to two employees at a 1.75 FTE level, in the amount of \$72,330. This will allow for a Farm Manager and a farm labor position to attend to the duties at the site and assist with research projects. Major duties will be conducting farming operations related to equipment maintenance and repair, irrigation and water distribution and application, care and maintenance of the facility, assist with implementation of research projects from plot establishment to harvest to data collection.

Material and Services account for \$9,565 and are allocated for telephone, postage, and irrigation taxes. The remaining \$17,153 is allocated back to the county for Administrative services. Note budget and line items. Appendix B.

For the FRA revenue is derived from the sale of agricultural commodities, research grants, rental fees, sales and donations and interest investments. Revenue is \$37,464. This account is required to maintain a carryover from year to year in order to maintain enough funds to offset any expenses incurred prior to the budget year's crop sales. Carry over is \$10,387. Other expenses include some part time summer employment, travel, supplies, equipment maintenance and repair, and contract services totaling \$12,000. A transfer of \$5,300 is sent to the County Experiment Budget. All other expenses incurred at the Experiment Station are paid by grants and fees charged to users.

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**Significant Changes:**

In FY 2011 we did not produce bulk crops or fully utilize the station. Limited research was conducted due to the availability of water.

In FY 2012 a new major research project will be moved to the Washburn Site. Research historically conducted at Powell Butte Experiment Station in relation to Seed Potato increase will be moved to Washburn. This endeavor is strongly supported and funded in part by the Oregon Potato Commission. This project will have positive production and fiscal impacts to the growers within the county. Given this opportunity the Department will need to allocate resources to achieve successful results.

**Key issues:**

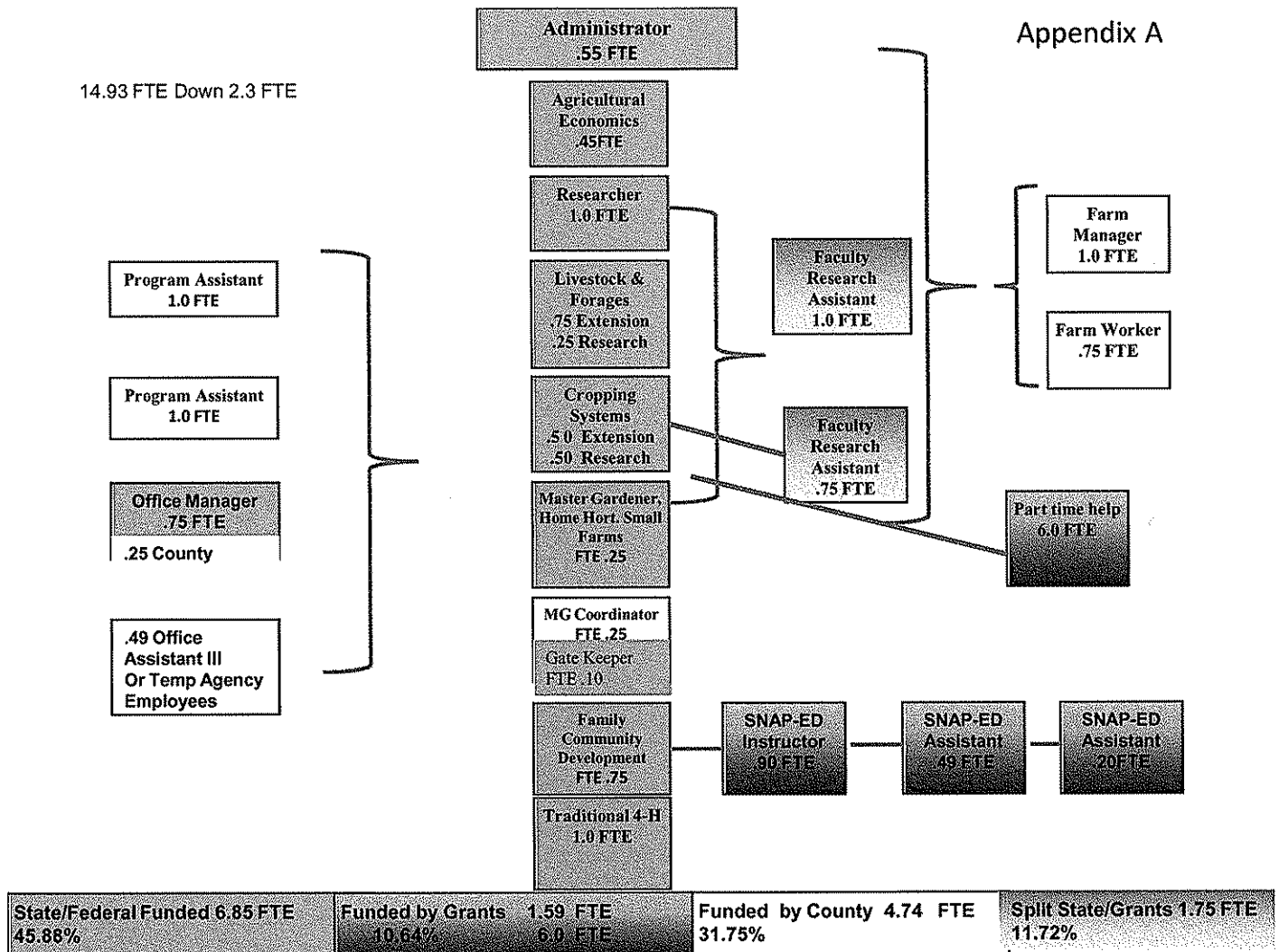
This department relies on funding from Federal, State, County, and Granting sources. Each entity has been restructuring budgets which impacts the unit as a whole. The department is continually searching for short term funding sources on an annual basis in order to maintain productivity and relevance. In January of 2011 this department moved offices to the Vandenberg site to evaluate if fiscal saving could be achieved. At current FTE levels there are not enough support FTE's to maintain a public presence at both locations. All public contacts will be made via the Vandenberg Site with the Washburn Site serving as a research and lab facility without public access.

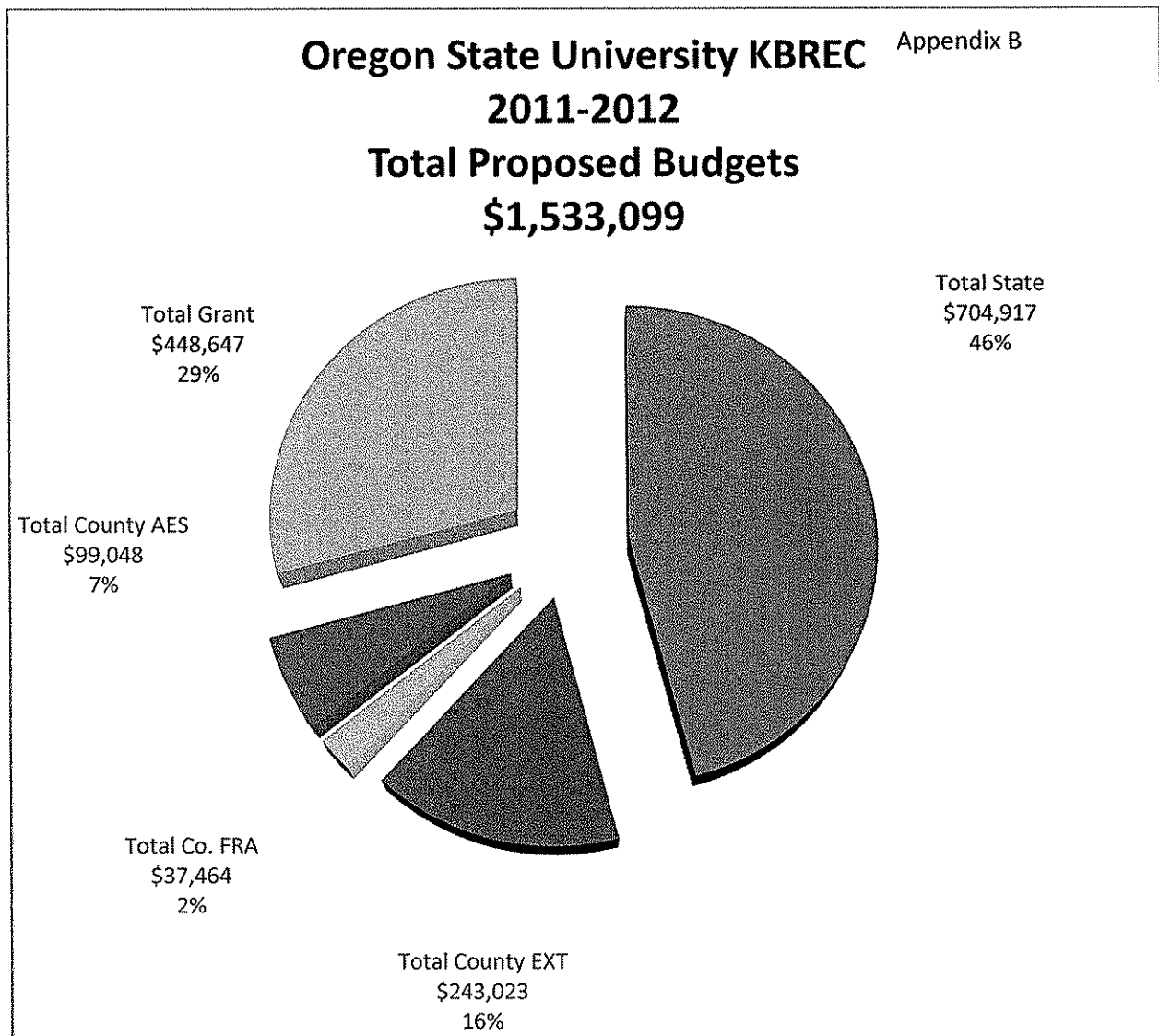
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Appendix A

14.93 FTE Down 2.3 FTE





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FY 2012 Proposed Budget

Appendix C

Branch Station Dynamics

Klamath Basin Research and Extension Center

Base Agricultural Experiment Station Budget

\$375,961

Number of jobs: 8

Sponsored Research Expenditures: \$37,497

Key Commodities and Oregon Value (2009 in Millions)

Beef cattle	\$ 420,628
Potatoes	\$ 162,023

Estimated Annual Economic Effects of the Klamath Basin Research and Extension Center Expenditures

\$959,223

Estimated Present Value of Economic Benefits arising from Klamath Basin Research and Extension Center's FY10 R&E Expenditures

\$4,134,580

Klamath County, Oregon  
2011-2012 Budget Financial Presentation  
592 Experiment Station

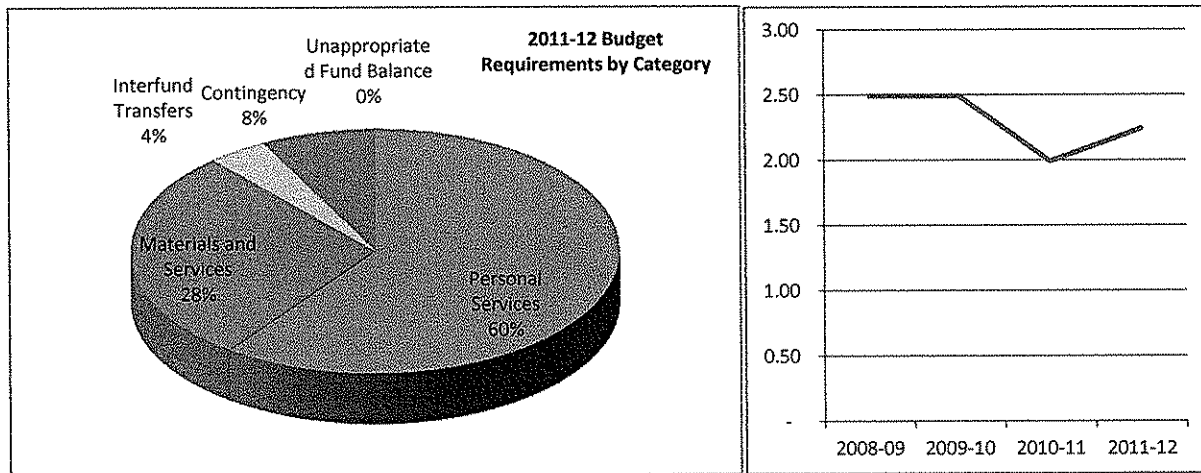
	2008-09 Actual	2009-10 Actual	2010-11 Budget	2011-12 Budget
<b>Requirements by Budgetary Category</b>				
Personal Services	-	93,021	71,631	82,106
Materials and Services	-	32,596	55,333	38,718
Interfund Transfers	-	10,053	246	5,300
<b>Subtotal Current Expenditures</b>	<b>-</b>	<b>135,670</b>	<b>127,210</b>	<b>126,124</b>
Contingency	-	-	13,040	10,388
Unappropriated Fund Balance	-	20,474	-	-
<b>Subtotal Noncurrent Expenditures</b>	<b>-</b>	<b>20,474</b>	<b>13,040</b>	<b>10,388</b>
<b>Total Requirements by Budgetary Category</b>	<b>-</b>	<b>156,144</b>	<b>140,250</b>	<b>136,512</b>

<b>Requirements by Fund</b>				
General Fund (101)	-	119,234	95,975	99,048
Experiment Station (602)	-	36,910	44,275	37,464
<b>Total Requirements by Fund</b>	<b>-</b>	<b>156,144</b>	<b>140,250</b>	<b>136,512</b>

<b>Resources by Budgetary Category</b>				
Intergovernmental	-	-	3,600	5,000
Charges for Services	-	13,631	21,725	2,700
Investment Earnings	-	318	700	350
Interfund Transfers	-	119,234	95,975	99,048
Beginning Fund Balance	-	22,961	18,250	29,414
<b>Total Resources by Budgetary Category</b>	<b>-</b>	<b>156,144</b>	<b>140,250</b>	<b>136,512</b>

<b>Full-Time Employee Equivalents</b>	2.49	2.49	1.99	2.24
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<b>Mandate</b>	<b>Total Cost</b>	<b>Personal Services</b>	<b>FTE</b>
Experiment Station	136,512	82,106	2.24
<b>Total Mandates</b>	<b>136,512</b>	<b>82,106</b>	<b>2.24</b>





# Budget Worksheet Report

Account Number	Description	2009 Actual Amount	2010 Actual Amount	2011 Amended Budget	2012 Proposed
Fund: 100 - General Fund					
Revenue					
Department: 592 - Experiment Station					
Account Classification: TI - Interfund Transfers					
36020	Trans - Field Research	\$0.00	\$9,807.00	\$0.00	\$5,300.00
36330	Trans - General Non Dept	\$0.00	\$0.00	\$0.00	\$93,748.00
Account Classification Total: Interfund Transfers		\$0.00	\$9,807.00	\$0.00	\$99,048.00
Department Total: Experiment Station		\$0.00	\$9,807.00	\$0.00	\$99,048.00
Revenue Totals					
Expenses		\$0.00	\$9,807.00	\$0.00	\$99,048.00
Department: 592 - Experiment Station					
Account Classification: PS - Personal Services					
60190	Farm Manager	\$0.00	\$0.00	\$0.00	\$30,890.00
63080	Fac Maint Lead Worker	\$0.00	\$46,306.28	\$22,550.00	\$0.00
63560	Laborer	\$0.00	\$23,140.32	\$18,044.00	\$18,067.00
63900	Overtime	\$0.00	\$0.00	\$0.00	\$0.00
63920	Temporary Help	\$0.00	\$0.00	\$0.00	\$0.00
63930	FICA	\$0.00	\$5,022.36	\$3,105.00	\$3,745.00
63940	Workmans Compensation Tax	\$0.00	\$0.00	\$0.00	\$51.00
63941	Workmans Compensation	\$0.00	\$0.00	\$0.00	\$0.00
63949	Oregon Premium Tax	\$0.00	\$78.80	\$0.00	\$0.00
63950	Medical Insurance	\$0.00	\$10,826.98	\$11,430.00	\$13,465.00
63951	Life Insurance	\$0.00	\$45.10	\$37.00	\$49.00

# Budget Worksheet Report

Account Number	Description	2009 Actual Amount	2010 Actual Amount	2011 Amended Budget	2012 Proposed
63952	Short Term Disability	\$0.00	\$37.40	\$37.00	\$41.00
63960	Retirement - General	\$0.00	\$5,836.23	\$4,059.00	\$4,896.00
63980	Unemployment Compensation	\$0.00	\$1,497.00	\$934.00	\$1,126.00
63990	Cell Phone Allowance	\$0.00	\$0.00	\$0.00	\$0.00
Account Classification Total: Personal Services		\$0.00	\$92,790.47	\$60,196.00	\$72,330.00
Account Classification: MS - Material and Services					
44640	Telephone	\$0.00	\$5,729.50	\$6,000.00	\$5,565.00
44700	Postage	\$0.00	\$256.61	\$300.00	\$200.00
44900	Irrigation Taxes	\$0.00	\$0.00	\$3,800.00	\$3,800.00
45020	Contract Services	\$0.00	\$3,059.06	\$8,280.00	\$0.00
99760	Insurance/Liability	\$0.00	\$4,687.00	\$4,687.00	\$4,687.00
99765	Insurance/Workmans Compensation	\$0.00	\$2,599.00	\$2,599.00	\$2,599.00
99770	Administrative Services	\$0.00	\$9,867.00	\$9,867.00	\$9,867.00
Account Classification Total: Material and Services		\$0.00	\$26,198.17	\$35,533.00	\$26,718.00
Account Classification: IF - Interfund Transfers					
99460	Trans - Equip Rent & Revolving	\$0.00	\$246.00	\$246.00	\$0.00
99783	Trans - Phones	\$0.00	\$0.00	\$0.00	\$0.00
Account Classification Total: Interfund Transfers		\$0.00	\$246.00	\$246.00	\$0.00
Department Total: Experiment Station		\$0.00	\$119,234.64	\$95,975.00	\$99,048.00
Revenue Totals:		\$0.00	\$9,807.00	\$0.00	\$99,048.00
Expense Totals		\$0.00	\$119,234.64	\$95,975.00	\$99,048.00
<b>Fund Total: General Fund</b>		\$0.00	(\$109,427.64)	(\$95,975.00)	\$0.00

# Budget Worksheet Report

Account Number	Description	2009 Actual Amount	2010 Actual Amount	2011 Amended Budget	2012 Proposed Budget
Fund: 602 . Experiment Station					
Revenue					
Department: 592 . Experiment Station					
Sub Department: 391 . Research					
Account Classification: IG . Intergovernmental					
33620	Grants - State Research	\$0.00	\$0.00	\$3,600.00	\$5,000.00
Account Classification Total: Intergovernmental					
		\$0.00	\$0.00	\$3,600.00	\$5,000.00
Account Classification: CS . Charges for Service					
36602	Reim - Services	\$0.00	\$0.00	\$2,425.00	\$0.00
36750	Sales & Donations	\$0.00	\$13,630.77	\$19,300.00	\$2,700.00
Account Classification Total: Charges for Service					
		\$0.00	\$13,630.77	\$21,725.00	\$2,700.00
Account Classification: IN . Interest					
39150	Investments - Interest On	\$0.00	\$318.08	\$700.00	\$350.00
Account Classification Total: Interest					
		\$0.00	\$318.08	\$700.00	\$350.00
Account Classification: FB . Fund Balances					
31001	Beginning Fund Balance	\$0.00	\$22,961.07	\$18,250.00	\$29,414.00
Account Classification Total: Fund Balances					
		\$0.00	\$22,961.07	\$18,250.00	\$29,414.00
Sub Department Total: Research					
		\$0.00	\$36,909.92	\$44,275.00	\$37,464.00
Department Total: Experiment Station					
		\$0.00	\$36,909.92	\$44,275.00	\$37,464.00
Revenue Totals					
		\$0.00	\$36,909.92	\$44,275.00	\$37,464.00

# Budget Worksheet Report

Account Number Description 2009 Actual Amount 2010 Actual Amount 2011 Amended Budget 2012 Proposed Budget

Expenses

Department: 592 . Experiment Station

Sub Department: 391 . Research

Account Classification: PS . Personal Services

61670	Research Technician	\$0.00	\$0.00	\$0.00	\$0.00
63560	Laborer	\$0.00	\$0.00	\$0.00	\$0.00
63920	Temporary Help	\$0.00	\$0.00	\$10,400.00	\$8,879.00
63930	FICA	\$0.00	\$0.00	\$796.00	\$679.00
63940	Workmans Compensation Tax	\$0.00	\$0.00	\$0.00	\$14.00
63941	Workmans Compensation	\$0.00	\$0.00	\$0.00	\$0.00
63951	Life Insurance	\$0.00	\$0.00	\$0.00	\$0.00
63952	Short Term Disability	\$0.00	\$0.00	\$0.00	\$0.00
63960	Retirement - General	\$0.00	\$0.00	\$0.00	\$0.00
63980	Unemployment Compensation	\$0.00	\$231.00	\$239.00	\$204.00
63990	Cell Phone Allowance	\$0.00	\$0.00	\$0.00	\$0.00

Account Classification Total: Personal Services

Account Classification: MS . Material and Services

44000	Travel	\$0.00	\$0.00	\$1,000.00	\$1,000.00
44110	Supplies - Other	\$0.00	\$0.00	\$2,000.00	\$4,500.00
44300	Equip Maintenance & Repair	\$0.00	\$244.56	\$6,800.00	\$4,500.00
44320	Grounds Maintenance & Repair	\$0.00	\$0.00	\$0.00	\$2,000.00
44640	Telephone	\$0.00	\$0.00	\$0.00	\$0.00
44700	Postage	\$0.00	\$0.00	\$0.00	\$0.00

# Budget Worksheet Report

Account Number	Description	2009 Actual Amount	2010 Actual Amount	2011 Amended Budget	2012 Proposed Budget
44900	Irrigation Taxes	\$0.00	\$3,758.84	\$0.00	\$0.00
45020	Contract Services	\$0.00	\$2,395.07	\$10,000.00	\$0.00
99765	Insurance/Workmans Compensation	\$0.00	\$0.00	\$0.00	\$0.00
	Account Classification Total: Material and Services	\$0.00	\$6,398.47	\$19,800.00	\$12,000.00
	Account Classification: IF - Interfund Transfers				
99040	Trans - General Fund	\$0.00	\$9,807.00	\$0.00	\$5,300.00
	Account Classification Total: Interfund Transfers	\$0.00	\$9,807.00	\$0.00	\$5,300.00
	Account Classification: CR - Contingencies and Reserves				
99750	Operating Contingency	\$0.00	\$0.00	\$13,040.00	\$10,388.00
	Account Classification Total: Contingencies and Reserves	\$0.00	\$0.00	\$13,040.00	\$10,388.00
	Sub Department Total: Research	\$0.00	\$16,436.47	\$44,275.00	\$37,464.00
	Department Total: Experiment Station	\$0.00	\$16,436.47	\$44,275.00	\$37,464.00
	Revenue Totals:	\$0.00	\$36,909.92	\$44,275.00	\$37,464.00
	Expense Totals	\$0.00	\$16,436.47	\$44,275.00	\$37,464.00
	<b>Fund Total: Experiment Station</b>	\$0.00	\$20,473.45	\$0.00	\$0.00

# Budget Worksheet Report

Revenue Grand Totals:	\$0.00	\$46,716.92	\$44,275.00	\$136,512.00
Expense Grand Totals:	\$0.00	\$135,671.11	\$140,250.00	\$136,512.00
Net Grand Totals:	\$0.00	(\$88,954.19)	(\$95,975.00)	\$0.00