
MEMORANDUM

Legislative Fiscal Office
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To: Members of the Joint Ways and Means Subcommittee on
Transportation and Economic Development

From: Michelle Deister, Legislative Fiscal Office
(503) 986-1817

Date: April 2, 2015

Subject: Real Estate Agency – Senate Bill 5537
Work Session Recommendations

Oregon Real Estate Agency – Agency Totals

	2011-13 Actual	2013-15 Legislatively Approved	2015-17 Current Service Level	2015-17 LFO Recommended
Other Funds	6,198,690	7,277,657	7,628,558	7,056,190
Total Funds	6,198,690	7,277,657	7,628,558	7,056,190
Positions	31	30	30	29
FTE	30.25	29.75	29.75	29.00

Attached are the recommendations from the Legislative Fiscal Office for the Oregon Real Estate Agency. The recommendation includes an adjustment to bolster the agency's ending balance, and reflect the incorporation of electronic licensing on the agency's budget and operations, and as follows:

- Eliminating a vacant Information Services position;
- Reducing services and supplies expenditures; and
- Reclassifying an Office Specialist II position to an Administrative Specialist I to better reflect the increased technical assistance being provided to licensees through this position.

The adjustment:

- reduces personal services expenditures by a net of \$127,368;
- reduces services and supplies expenditures by \$445,000; and
- eliminates 1 position (0.75 FTE)

This action results in an ending balance equivalent to 1.9 months of operating expenditures (the ending balance at the Current Service Level was less than one week's worth of operating expenditures).

Adjustments to Current Service Level:

None.

Accept LFO Recommendation

Move the LFO recommendation to SB 5537

Performance Measures

See attached “Legislatively Proposed 2015-17 Key Performance Measures” form.

Accept LFO Recommendation

Move the LFO recommendation on Key Performance Measures

Recommended Changes to Appropriation Bill:

The Legislative Fiscal Office recommends a budget of \$7,056,190 Other Funds and 29 positions (29.0 FTE) and that Senate Bill 5537 be amended accordingly.

Move to amend SB 5537 with the -1 amendment (incorporates the following changes:)

Section 1

Line 5 – Delete [\$7,123,799] and insert \$7,056,190.

SB 5537 Final Subcommittee Action:

Final Motion:

If changed the bill requires changes

Move SB 5537 to the full committee with a “do pass” recommendation, as amended.

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2013-15 Agy. Leg. Adopted	-	-	7,053,979	-	-	-	7,053,979	30	30.00
2013-15 Ebds, SS & Admin Act	-	-	223,678	-	-	-	223,678	-	(0.25)
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	7,277,657	-	-	-	7,277,657	30	29.75
2013-15 Leg Approved Budget (Base)	-	-	7,277,657	-	-	-	7,277,657	30	29.75
Summary of Base Adjustments	-	-	152,578	-	-	-	152,578	-	-
2015-17 Base Budget	-	-	7,430,235	-	-	-	7,430,235	30	29.75
010: Non-PICS Pers Svc/Vacancy Factor	-	-	84,934	-	-	-	84,934	-	-
030: Inflation & Price List Adjustments	-	-	113,389	-	-	-	113,389	-	-
2015-17 Current Service Level	-	-	7,628,558	-	-	-	7,628,558	30	29.75
Adjusted 2015-17 Current Service Level	-	-	7,628,558	-	-	-	7,628,558	30	29.75
Total LFO Recommended Packages	-	-	(572,368)	-	-	-	(572,368)	(1)	(0.75)
2015-17 Legislative Actions	-	-	7,056,190	-	-	-	7,056,190	29	29.00
Net change from 2013-15 Leg Approved Budget	-	-	(221,467)	-	-	-	(221,467)	(1)	(0.75)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(3.0%)	0.0%	0.0%	0.0%	(3.0%)	(3.3%)	(2.5%)
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Package 801 LFO Analyst Adjustments

Package Description Package 801 - LFO Analyst Adjustments: This package eliminates a vacant Information Services 3 position and reduces services and supplies expenditures related to enhancements that the agency originally anticipated making to its licensing renewal system. The agency will forgo immediate enhancements to its online licensing renewal and continuing education system in favor of increasing the agency's ending balance. This adjustment will result in an ending balance for the Real Estate agency equivalent to 1.9 months of operating expenditures, and provides for the reclassification of an office specialist position, to accurately reflect the shift in duties from licensing renewal data entry -- now obviated by the online renewal system -- to technical assistance to licensees.

LFO Recommendation Approve.

LFO Recommended	-	-	(572,368)	-	-	-	(572,368)	(1)	(0.75)
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Legislatively Proposed 2015-2017 Key Performance Measures

Agency: REAL ESTATE AGENCY

Mission: To provide quality protection for Oregon consumers of real estate, escrow and land development services, balanced with a professional environment conducive to a healthy real estate market.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - Compliance Rate Achieved - Percent of property managers/principal brokers reviewed who meet compliance within 45 days of a mail-in compliance review.		Approved KPM	69.00	90.00	90.00
2 - Percent of investigations completed within 150 days of receipt of complaint.		Approved KPM	62.00	60.00	60.00
3 - Contested Case Actions resolved through settlement – percent of contested case actions that are resolved through informal settlement resolution and prior to a formal hearing before the Office of Administrative Hearings.		Approved KPM	95.00	95.00	95.00
4 - Percent of licensees who rate the board-administered exam as “good” or “excellent” as an effective screen for competent and ethical professionals.		Approved KPM	72.00	75.00	75.00
5 - 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.	Accuracy	Approved KPM	92.00	90.00	90.00
5 - 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.	Availability of Information	Approved KPM	91.00	85.00	85.00
5 - 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.	Expertise	Approved KPM	90.00	85.00	85.00
5 - 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.	Helpfulness	Approved KPM	90.00	85.00	85.00

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5 - 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.	Overall	Approved KPM	92.00	85.00	85.00
5 - 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.	Timeliness	Approved KPM	90.00	85.00	85.00

LFO Recommendation:

Approve the 2015-17 Agency Key Performance Measures and targets as proposed.

Sub-Committee Action:

SB 5537-1
(LC 9537)
3/31/15 (TR/ps)

**PROPOSED AMENDMENTS TO
SENATE BILL 5537**

1 In line 5 of the printed bill, delete "\$7,123,799" and insert "\$7,056,190".

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