

MEMORANDUM

Legislative Fiscal Office
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To: Transportation and Economic Development Subcommittee
From: Michelle Deister, Legislative Fiscal Office
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Date: June 16, 2015
Subject: Housing and Community Services SB 5513
Work Session Recommendations

Housing and Community Services Department				
	2011-13 Actuals	2013-15 Legislatively Approved*	2015-17 Current Service Level	2015-17 LFO Recommended
General Fund	16,374,753	20,060,547	13,238,551	15,631,311
Lottery Funds	10,464,680	9,428,966	11,937,489	11,676,469
Other Funds	131,786,323	138,522,567	136,988,473	139,010,187
Other Funds Non-Limited	634,042,969	929,119,105	938,043,926	783,429,303
Federal Funds	155,310,950	117,493,813	121,110,888	119,987,312
Federal Funds Non-Limited	107,148,727	108,000,000	112,320,000	112,320,000
Total Funds	\$ 1,055,128,402	\$ 1,322,624,998	\$ 1,333,639,327	\$ 1,182,054,582
Positions	209	169	127	130
FTE	191.97	150.33	124.34	126.17

Attached are the recommendations from the Legislative Fiscal Office for the Housing and Community Services Department. The recommendation contains the following:

- Package 070 – Reductions in spending in the Central Services division to accommodate revenue projections the 2015-17 biennium.
- Package 101 – Continuation of limited duration positions associated with the Oregon Homeownership Stabilization initiative;
- Package 102 - Funding for a program support position dedicated to the Court Appointed Special Advocates program and additional special payments to local CASA programs;
- Package 104 – Transfer of Food Assistance Programs to the Department of Human Services;
- Package 105 – Funding for foreclosure mediation counseling and legal assistance, through approximately February of 2016;
- Package 801 – LFO adjustments that include the following: correcting budget entry errors related to debt service; accommodating a federal grant award related to the project rental assistance program; and maintaining 2013-15 Legislatively approved

budget funding levels for the Emergency Housing Account and State Homeless Assistance Program.

- Package 802 – One time administrative support for Oregon Volunteers! (the Oregon Commission on Voluntary Action and Service); and
- Package 811 – Debt service savings associated with the timing of bond issuances.

A determination regarding the proposal for bonds for affordable housing will be made as part of the state's capital construction budgeting process. Attendant expenditure limitation for the Housing and Community Services Department can be added to the end-of-session budget reconciliation bill, if applicable.

Adjustments to Current Service Level:

See attached "Work Session Presentation Report" dated June 3, 2015

Accept the LFO recommendation: Move the LFO recommendations to SB 5513

OR

Change the LFO recommendation: Move the LFO recommendations to SB 5513, with modifications.

Performance Measures

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

Accept the LFO recommendation: Move the LFO recommendation on Key Performance Measures

OR

Change the LFO recommendation: Move the LFO recommendation on Key Performance Measures with modifications.

Budget Note

The following budget note is recommended for inclusion in the SB 5513 budget report:

The Housing and Community Services Department and the Board of the Oregon Commission on Voluntary Action and Service shall report to the Legislature during the 2016 session on the status of Oregon Volunteers and the future of the commission. The report should include:

- *An analysis of the current financial state of the Commission, its ongoing and predictable revenue and expenditures, and a plan to ensure the fiscal sustainability of the commission without reliance on Housing and Community Services Department Resources by the 2017-19 biennium and beyond;*
- *Comparison of Oregon's volunteer oversight and coordinating entity to similar entities in other states; and*

- *Recommendations on whether the Commission shall: remain as an entity within the Housing and Community Services Department; become incorporated into another state agency; be incorporated into an existing not-for-profit agency or institution of higher education; or become an independent agency or not-for-profit entity.*

Accept the LFO recommendation: Move the recommended budget note

OR

Change the LFO recommendation: Move the budget note with modifications.

Recommended Changes to Appropriation Bill:

The Legislative Fiscal Office recommends a budget of \$1,182,054,582 and 130 positions (126.17 FTE) and that Senate Bill 5513 be amended accordingly.

Section 1, Line 6: Delete [\$15,738,955] and insert **\$15,631,311**;

Section 2, Line 8: Delete [\$155,659,404] and insert **\$139,010,187**;

Section 3, Line 15: Delete [\$11,931,835] and insert **\$11,676,469**;

Section 4, Line 20: Delete [\$118,933,006] and insert **\$119,987,312**;

Motion: Move adoption of the -2 amendment to SB 5513.

Final HB 5513 Subcommittee Action:

The measure, as amended by the –2, is recommended to be moved to the full committee on Joint Ways and Means.

Motion: Move SB 5513, as amended, to the Full Committee with a “do pass as amended” recommendation.

Carriers:

Full Committee Carrier: _____

Second Chamber Carrier: _____

	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	8,593,855	9,428,966	73,939,411	77,993,813	454,533,001	54,000,000	678,489,046	169	77.59
2013-15 Ebds, SS & Admin Act	11,466,692	-	64,583,156	39,500,000	474,586,104	54,000,000	644,135,952	-	72.74
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	20,060,547	9,428,966	138,522,567	117,493,813	929,119,105	108,000,000	1,322,624,998	169	150.33
2013-15 Leg Approved Budget (Base)	19,401,247	9,428,966	138,522,567	117,493,813	927,328,360	108,000,000	1,320,174,953	169	150.33
Summary of Base Adjustments	(34,919)	2,508,523	(2,311,773)	1,351,643	10,656,078	4,320,000	16,489,552	(42)	(25.95)
2015-17 Base Budget	19,366,328	11,937,489	136,210,794	118,845,456	937,984,438	112,320,000	1,336,664,505	127	124.38
010: Non-PICS Pers Svc/Vacancy Factor	1,197	-	357,908	124,168	-	-	483,273	-	-
020: Phase In / Out Pgm & One-time Cost	(6,510,863)	-	(4,737,613)	(200,000)	-	-	(11,448,476)	-	-
030: Inflation & Price List Adjustments	381,889	-	4,125,510	3,432,626	-	-	7,940,025	-	-
050: Fundshifts and Revenue Reductions	-	-	1,090,462	(1,090,462)	-	-	-	-	-
060: Technical Adjustments	-	-	(58,588)	(900)	59,488	-	-	-	-
2015-17 Current Service Level	13,238,551	11,937,489	136,988,473	121,110,888	938,043,926	112,320,000	1,333,639,327	127	124.38
070: Revenue Reductions/Shortfall	-	-	(944,188)	(296,673)	-	-	(1,240,861)	(9)	(6.88)
Adjusted 2015-17 Current Service Level	13,238,551	11,937,489	136,044,285	120,814,215	938,043,926	112,320,000	1,332,398,466	118	117.50
Total LFO Recommended Packages	2,392,760	(261,020)	2,965,902	(826,903)	(154,614,623)	-	(150,343,884)	12	8.67
2015-17 Legislative Actions	15,631,311	11,676,469	139,010,187	119,987,312	783,429,303	112,320,000	1,182,054,582	130	126.17
Net change from 2013-15 Leg Approved Budget	(4,429,236)	2,247,503	487,620	2,493,499	(145,689,802)	4,320,000	(140,570,416)	(39)	(24.16)
Percent change from 2013-15 Leg Approved Budget	(22.1%)	23.8%	0.4%	2.1%	(15.7%)	4.0%	(10.6%)	(23.1%)	(16.1%)
Net change from 2015-17 Current Service Level	2,392,760	(261,020)	2,965,902	(826,903)	(154,614,623)	-	(150,343,884)	12	8.67
Percent change from 2015-17 Current Service Level	18.1%	(2.2%)	2.2%	(0.7%)	(16.5%)	0.0%	(11.3%)	10.2%	7.4%

	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	5,284,193	-	4,693,246	10,449,442	-	-	20,426,881	9	4.50
2013-15 Ebds, SS & Admin Act	7,497,758	-	5,645,910	8,497,863	-	-	21,641,531	-	4.50
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	12,781,951	-	10,339,156	18,947,305	-	-	42,068,412	9	9.00
2013-15 Leg Approved Budget (Base)	12,781,951	-	10,339,156	18,947,305	-	-	42,068,412	9	9.00
Summary of Base Adjustments	145,290	-	(125,286)	57,807	-	-	77,811	-	-
2015-17 Base Budget	12,927,241	-	10,213,870	19,005,112	-	-	42,146,223	9	9.00
010: Non-PICS Pers Svc/Vacancy Factor	1,594	-	575	23,421	-	-	25,590	-	-
020: Phase In / Out Pgm & One-time Cost	(2,296,914)	-	(1,152,581)	-	-	-	(3,449,495)	-	-
030: Inflation & Price List Adjustments	317,650	-	242,160	544,023	-	-	1,103,833	-	-
050: Fundshifts and Revenue Reductions	-	-	330,337	(330,337)	-	-	-	-	-
060: Technical Adjustments	-	-	51,848	96,724	-	-	148,572	-	-
2015-17 Current Service Level	10,949,571	-	9,686,209	19,338,943	-	-	39,974,723	9	9.00
Adjusted 2015-17 Current Service Level	10,949,571	-	9,686,209	19,338,943	-	-	39,974,723	9	9.00
Total LFO Recommended Packages	227,422	-	1,373,175	(1,835,777)	-	-	(235,180)	(1)	(1.00)
2015-17 Legislative Actions	11,176,993	-	11,059,384	17,503,166	-	-	39,739,543	8	8.00
Net change from 2013-15 Leg Approved Budget	(1,604,958)	-	720,228	(1,444,139)	-	-	(2,328,869)	(1)	(1.00)
Percent change from 2013-15 Leg Approved Budget	(12.6%)	0.0%	7.0%	(7.6%)	0.0%	0.0%	(5.5%)	(11.1%)	(11.1%)
Net change from 2015-17 Current Service Level	227,422	-	1,373,175	(1,835,777)	-	-	(235,180)	(1)	(1.00)
Percent change from 2015-17 Current Service Level	2.1%	0.0%	14.2%	(9.5%)	0.0%	0.0%	(0.6%)	(11.1%)	(11.1%)

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 104 Transfer Food Assistance Programs to DHS

Package Description This package transfers the administration of the Oregon Hunger Response Fund ('nee General Fund Food program), the federal Emergency Food Assistance Program (TEFAP), and the federal Commodity Supplemental Food Program to the Department of Human Services. The administration of the Food Distribution on Indian Reservations program is transferred to the Confederated Tribes of the Umatilla Indian Reservation, which will work in partnership with the local Community Action Program of East Central Oregon to deliver commodities directly to eligible households.

The transfer of these food programs aligns with other aspects of statewide food and nutrition systems, and allows Housing and Community Services to focus its strategy on housing.

LFO Recommendation Approve.

LFO Recommended	(1,772,578)	-	(126,825)	(1,835,777)	-	-	(3,735,180)	(1)	(1.00)
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Safety Net Programs

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description EHA and SHAP increase - This package increases General Fund support to the Emergency Housing Account by \$1.5 million, and to the State Homeless Assistance Program by \$500,000. This amount maintains funding for the programs at the level included in the 2013-15 Legislatively approved budget, and is intended to be an ongoing level of support in future biennia. Program funds are distributed through local Community Action Agencies to prevent homelessness (EHA - examples of uses include motel vouchers, 1st and last month's rent assistance, or emergency rental assistance), and to support shelter services in local communities (State Homeless Assistance Program).

LFO Recommendation The Legislative Fiscal Office recommends approval.

LFO Analyst Notes Emergency Housing Account funds are augmented by distributions from the document recording fee. The General Fund amount is transferred to an Other Funds account and spent as "Other Funds" (hence, the \$1,500,000 Other Funds expenditure amount in this package).

LFO Recommended	2,000,000	-	1,500,000	-	-	-	3,500,000	-	-
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	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	-	-	28,117,551	51,852,815	-	-	79,970,366	6	3.00
2013-15 Ebds, SS & Admin Act	-	-	23,117,422	21,999,102	-	-	45,116,524	-	3.50
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	51,234,973	73,851,917	-	-	125,086,890	6	6.50
2013-15 Leg Approved Budget (Base)	-	-	51,234,973	73,851,917	-	-	125,086,890	6	6.50
Summary of Base Adjustments	-	-	261,157	142,360	-	-	403,517	2	1.50
2015-17 Base Budget	-	-	51,496,130	73,994,277	-	-	125,490,407	8	8.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	26,741	5,961	-	-	32,702	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(5,000,000)	-	-	-	(5,000,000)	-	-
030: Inflation & Price List Adjustments	-	-	1,362,963	2,205,823	-	-	3,568,786	-	-
060: Technical Adjustments	-	-	15,113	107,213	-	-	122,326	-	-
2015-17 Current Service Level	-	-	47,900,947	76,313,274	-	-	124,214,221	8	8.00
Adjusted 2015-17 Current Service Level	-	-	47,900,947	76,313,274	-	-	124,214,221	8	8.00
2015-17 Legislative Actions	-	-	47,900,947	76,313,274	-	-	124,214,221	8	8.00
Net change from 2013-15 Leg Approved Budget	-	-	(3,334,026)	2,461,357	-	-	(872,669)	2	1.50
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(6.5%)	3.3%	0.0%	0.0%	(0.7%)	33.3%	23.1%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

	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	-	-	25,998,225	8,759,839	502,500	54,000,000	89,260,564	29	14.50
2013-15 Ebds, SS & Admin Act	-	-	23,421,298	4,997,752	502,500	54,000,000	82,921,550	-	13.00
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	49,419,523	13,757,591	1,005,000	108,000,000	172,182,114	29	27.50
2013-15 Leg Approved Budget (Base)	-	-	49,419,523	13,757,591	1,005,000	108,000,000	172,182,114	29	27.50
Summary of Base Adjustments	-	-	(801,114)	202,946	-	4,320,000	3,721,832	(4)	(2.50)
2015-17 Base Budget	-	-	48,618,409	13,960,537	1,005,000	112,320,000	175,903,946	25	25.00
010: Non-PICS Pers Svc/Vacancy Factor	-	-	23,456	10,803	-	-	34,259	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	1,476,933	-	-	-	1,476,933	-	-
030: Inflation & Price List Adjustments	-	-	1,344,620	386,963	-	-	1,731,583	-	-
050: Fundshifts and Revenue Reductions	-	-	736,857	(736,857)	-	-	-	-	-
060: Technical Adjustments	-	-	127,822	-	-	-	127,822	-	-
2015-17 Current Service Level	-	-	52,328,097	13,621,446	1,005,000	112,320,000	179,274,543	25	25.00
Adjusted 2015-17 Current Service Level	-	-	52,328,097	13,621,446	1,005,000	112,320,000	179,274,543	25	25.00
Total LFO Recommended Packages	-	-	-	1,008,874	-	-	1,008,874	2	0.75
2015-17 Legislative Actions	-	-	52,328,097	14,630,320	1,005,000	112,320,000	180,283,417	27	25.75
Net change from 2013-15 Leg Approved Budget	-	-	2,908,574	872,729	-	4,320,000	8,101,303	(2)	(1.75)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	5.9%	6.3%	0.0%	4.0%	4.7%	(6.9%)	(6.4%)
Net change from 2015-17 Current Service Level	-	-	-	1,008,874	-	-	1,008,874	2	0.75
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	7.4%	0.0%	0.0%	0.6%	8.0%	3.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This package makes adjustments to provide for updated 2015-17 Federal Funds projections for the HUD 811 Project Rental Assistance Program. The agency is anticipating \$1 million in Federal grant awards, which should be allocated to program administration and special payments for the program.

LFO Recommendation Approve.

LFO Analyst Notes The two positions are recommended as limited duration.

LFO Recommended	-	-	-	1,008,874	-	-	1,008,874	2	0.75
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	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	2,118,187	-	2,203,821	1,800,233	-	-	6,122,241	9	4.19
2013-15 Ebds, SS & Admin Act	2,777,459	-	1,699,827	1,000,000	-	-	5,477,286	-	3.69
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	4,895,646	-	3,903,648	2,800,233	-	-	11,599,527	9	7.88
2013-15 Leg Approved Budget (Base)	4,236,346	-	3,903,648	2,800,233	-	-	10,940,227	9	7.88
Summary of Base Adjustments	(180,209)	-	11,323	(101,031)	-	-	(269,917)	(2)	(1.38)
2015-17 Base Budget	4,056,137	-	3,914,971	2,699,202	-	-	10,670,310	7	6.50
010: Non-PICS Pers Svc/Vacancy Factor	(397)	-	4,909	-	-	-	4,512	-	-
020: Phase In / Out Pgm & One-time Cost	(4,055,740)	-	272,067	(200,000)	-	-	(3,983,673)	-	-
030: Inflation & Price List Adjustments	-	-	84,486	74,976	-	-	159,462	-	-
060: Technical Adjustments	-	-	36,023	-	-	-	36,023	-	-
2015-17 Current Service Level	-	-	4,312,456	2,574,178	-	-	6,886,634	7	6.50
Adjusted 2015-17 Current Service Level	-	-	4,312,456	2,574,178	-	-	6,886,634	7	6.50
Total LFO Recommended Packages	1,440,000	-	-	-	-	-	1,440,000	-	-
2015-17 Legislative Actions	1,440,000	-	4,312,456	2,574,178	-	-	8,326,634	7	6.50
Net change from 2013-15 Leg Approved Budget	(3,455,646)	-	408,808	(226,055)	-	-	(3,272,893)	(2)	(1.38)
Percent change from 2013-15 Leg Approved Budget	(70.6%)	0.0%	10.5%	(8.1%)	0.0%	0.0%	(28.2%)	(22.2%)	(17.5%)
Net change from 2015-17 Current Service Level	1,440,000	-	-	-	-	-	1,440,000	-	-
Percent change from 2015-17 Current Service Level	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	20.9%	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 105 Foreclosure Counseling Program

Package Description This package, as modified, provides funding for contracted counseling and legal aid services to assist Oregonians faced with foreclosure. The Oregon Foreclosure Avoidance Program was established in 2012 and refined in 2013, providing an avenue through which Oregonians who've received notice of foreclosure can request a mediation conference with their lender after meeting with a housing counselor. Those with particularly complicated circumstances may be referred to an attorney, funding for which is also included in the program.

LFO Recommendation The Legislative Fiscal Office recommends a total of \$1,440,000, which -- based on the last three calendar quarters of available data -- is estimated to be sufficient to provide funding for counseling services and legal aid expenditures through February, 2016. The Legislative Fiscal Office recommends that Housing and Community Services report back to the February, 2016 legislative session regarding program utilization, foreclosure rates, and actual monthly expenditures.

LFO Analyst Notes The Department of Justice provides the expenditure limitation for a fee-for-service mediation program. The Housing and Community Services portion of the program helps prepare an individual for the actual mediation, by reimbursing (on a fee basis) not for profit entities that provide counseling services under contract for this program.

LFO Recommended	1,440,000	-	-	-	-	-	1,440,000	-	-
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	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	-	-	2,551,051	-	-	-	2,551,051	37	12.33
2013-15 Ebds, SS & Admin Act	-	-	1,299,583	-	-	-	1,299,583	-	11.60
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	3,850,634	-	-	-	3,850,634	37	23.93
2013-15 Leg Approved Budget (Base)	-	-	3,850,634	-	-	-	3,850,634	37	23.93
Summary of Base Adjustments	-	-	(3,149,888)	-	-	-	(3,149,888)	(37)	(23.93)
2015-17 Base Budget	-	-	700,746	-	-	-	700,746	-	-
010: Non-PICS Pers Svc/Vacancy Factor	-	-	(6,176)	-	-	-	(6,176)	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(335,095)	-	-	-	(335,095)	-	-
030: Inflation & Price List Adjustments	-	-	12,022	-	-	-	12,022	-	-
2015-17 Current Service Level	-	-	371,497	-	-	-	371,497	-	-
Adjusted 2015-17 Current Service Level	-	-	371,497	-	-	-	371,497	-	-
Total LFO Recommended Packages	-	-	1,382,727	-	-	-	1,382,727	10	7.92
2015-17 Legislative Actions	-	-	1,754,224	-	-	-	1,754,224	10	7.92
Net change from 2013-15 Leg Approved Budget	-	-	(2,096,410)	-	-	-	(2,096,410)	(27)	(16.01)
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	(54.4%)	0.0%	0.0%	0.0%	(54.4%)	(73.0%)	(66.9%)
Net change from 2015-17 Current Service Level	-	-	1,382,727	-	-	-	1,382,727	10	7.92
Percent change from 2015-17 Current Service Level	0.0%	0.0%	372.2%	0.0%	0.0%	0.0%	372.2%	100.0%	100.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 101 Restore OHSI Positions

Package Description This package continues positions for the foreclosure prevention programs that began in the 2009-11 biennium. The positions are funded through dollars that were initially provided to the Department from a grant through the Troubled Asset Relief Program through the U.S. Treasury during the height of the latest economic recession. The positions are limited duration and funding is anticipated to be expended by December 2017.

LFO Recommendation

LFO Analyst Notes The Oregon Homeownership Stabilization Initiative includes distributions to qualifying individuals to help them get and keep current on their mortgages in an effort to avoid foreclosure, and to provide refinancing and short sale opportunities to homeowners who owe more than their home is currently worth.

LFO Recommended	-	-	1,382,727	-	-	-	1,382,727	10	7.92
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	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	1,191,475	-	9,023,797	5,131,484	-	-	15,346,756	79	39.07
2013-15 Ebds, SS & Admin Act	1,191,475	-	7,992,370	3,005,283	-	-	12,189,128	-	36.45
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	2,382,950	-	17,016,167	8,136,767	-	-	27,535,884	79	75.52
2013-15 Leg Approved Budget (Base)	2,382,950	-	17,016,167	8,136,767	-	-	27,535,884	79	75.52
Summary of Base Adjustments	-	-	1,492,035	1,049,561	-	-	2,541,596	(1)	0.36
2015-17 Base Budget	2,382,950	-	18,508,202	9,186,328	-	-	30,077,480	78	75.88
010: Non-PICS Pers Svc/Vacancy Factor	-	-	308,403	83,983	-	-	392,386	-	-
020: Phase In / Out Pgm & One-time Cost	(158,209)	-	1,063	-	-	-	(157,146)	-	-
030: Inflation & Price List Adjustments	64,239	-	700,780	220,841	-	-	985,860	-	-
050: Fundshifts and Revenue Reductions	-	-	23,268	(23,268)	-	-	-	-	-
060: Technical Adjustments	-	-	(289,394)	(204,837)	-	-	(494,231)	-	-
2015-17 Current Service Level	2,288,980	-	19,252,322	9,263,047	-	-	30,804,349	78	75.88
070: Revenue Reductions/Shortfall	-	-	(944,188)	(296,673)	-	-	(1,240,861)	(9)	(6.88)
Adjusted 2015-17 Current Service Level	2,288,980	-	18,308,134	8,966,374	-	-	29,563,488	69	69.00
Total LFO Recommended Packages	725,338	-	210,000	-	-	-	935,338	1	1.00
2015-17 Legislative Actions	3,014,318	-	18,518,134	8,966,374	-	-	30,498,826	70	70.00
Net change from 2013-15 Leg Approved Budget	631,368	-	1,501,967	829,607	-	-	2,962,942	(9)	(5.52)
Percent change from 2013-15 Leg Approved Budget	26.5%	0.0%	8.8%	10.2%	0.0%	0.0%	10.8%	(11.4%)	(7.3%)
Net change from 2015-17 Current Service Level	725,338	-	210,000	-	-	-	935,338	1	1.00
Percent change from 2015-17 Current Service Level	31.7%	0.0%	1.2%	0.0%	0.0%	0.0%	3.2%	1.5%	1.5%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 070 Revenue Shortfalls

Package Description This package eliminates a total of nine positions in the Central Services division, reflecting the agency's internal evaluation efforts to streamline staffing and service delivery. Positions that are eliminated are anticipated to be vacant by the start of the 2015-17 biennium.

LFO Recommendation The Legislative Fiscal Office recommends approval.

LFO Analyst Notes Positions eliminated include one position in the Director's Office; two positions in the Community Engagement section; two positions in the Information Technology section; and four positions in finance.

LFO Recommended	-	-	(944,188)	(296,673)	-	-	(1,240,861)	(9)	(6.88)
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 102 Restore CASA Position

Package Description This package restores and makes permanent a program support position and attendant services and supplies dedicated to the Court Appointed Special Advocates program housed in the agency's Central Services Division. In addition, the package increases special payments to local CASA's by an additional \$210,000, bringing the total amount of CASA grants to \$2,498,980.

LFO Recommendation The Legislative Fiscal Office recommends approval.

LFO Recommended	475,338	-	210,000	-	-	-	685,338	1	1.00
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 802 Oregon Volunteers Support

Package Description This package provides one-time administrative support for Oregon Volunteers! The Oregon Commission on Voluntary Action and Service which is housed in the Housing and Community Services Department. The Department has been subsidizing a portion of the operating expenditures of the Commission since its transfer to the agency and is at a point where agency resources should be focused on the core mission of providing stable, affordable housing.

LFO Recommendation The Legislative Fiscal Office recommends approval, along with the following proposed budget note:

Budget Notes The Housing and Community Services Department and the Board of the Oregon Commission on Voluntary Action and Service shall report to the Legislature during the 2016 session on the status of Oregon Volunteers and the future of the commission. The report should include:
 -An analysis of the current financial state of the Commission, its ongoing and predictable revenue and expenditures, and a plan to ensure the fiscal sustainability of the commission without reliance on Housing and Community Services Department Resources by the 2017-19 biennium and beyond;
 -Comparison of Oregon's volunteer oversight and coordinating entity to similar entities in other states; and
 -Recommendations on whether the Commission shall: remain as an entity within the Housing and Community Services Department; become incorporated into another state agency; be incorporated into an existing not-for-profit agency or institution of higher education; or become an independent agency or not-for-profit entity.

LFO Recommended	250,000	-	-	-	-	-	250,000	-	-
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Bond Related Activities

	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	-	-	1,351,720	-	122,292,859	-	123,644,579	-	-
2013-15 Ebds, SS & Admin Act	-	-	1,406,746	-	122,300,063	-	123,706,809	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	-	2,758,466	-	244,592,922	-	247,351,388	-	-
2013-15 Leg Approved Budget (Base)	-	-	2,758,466	-	244,585,718	-	247,344,184	-	-
Summary of Base Adjustments	-	-	-	-	(13,669,683)	-	(13,669,683)	-	-
2015-17 Base Budget	-	-	2,758,466	-	230,916,035	-	233,674,501	-	-
030: Inflation & Price List Adjustments	-	-	378,479	-	-	-	378,479	-	-
060: Technical Adjustments	-	-	-	-	59,488	-	59,488	-	-
2015-17 Current Service Level	-	-	3,136,945	-	230,975,523	-	234,112,468	-	-
Adjusted 2015-17 Current Service Level	-	-	3,136,945	-	230,975,523	-	234,112,468	-	-
2015-17 Legislative Actions	-	-	3,136,945	-	230,975,523	-	234,112,468	-	-
Net change from 2013-15 Leg Approved Budget	-	-	378,479	-	(13,617,399)	-	(13,238,920)	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	0.0%	13.7%	0.0%	(5.6%)	0.0%	(5.4%)	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2015-17 Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Bond Related Activities

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This package is a technical adjustment to correct for entry errors related to agency debt service needs.

LFO Recommendation The Legislative Fiscal Office recommends approval.

LFO Recommended - - - - -

	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	-	9,428,966	-	-	331,737,642	-	341,166,608	-	-
2013-15 Ebds, SS & Admin Act	-	-	-	-	351,783,541	-	351,783,541	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2013-15 Leg Approved Budget	-	9,428,966	-	-	683,521,183	-	692,950,149	-	-
2013-15 Leg Approved Budget (Base)	-	9,428,966	-	-	681,737,642	-	691,166,608	-	-
Summary of Base Adjustments	-	2,508,523	-	-	24,325,761	-	26,834,284	-	-
2015-17 Base Budget	-	11,937,489	-	-	706,063,403	-	718,000,892	-	-
2015-17 Current Service Level	-	11,937,489	-	-	706,063,403	-	718,000,892	-	-
Adjusted 2015-17 Current Service Level	-	11,937,489	-	-	706,063,403	-	718,000,892	-	-
Total LFO Recommended Packages	-	(261,020)	-	-	(154,614,623)	-	(154,875,643)	-	-
2015-17 Legislative Actions	-	11,676,469	-	-	551,448,780	-	563,125,249	-	-
Net change from 2013-15 Leg Approved Budget	-	2,247,503	-	-	(132,072,403)	-	(129,824,900)	-	-
Percent change from 2013-15 Leg Approved Budget	0.0%	23.8%	0.0%	0.0%	(19.3%)	0.0%	(18.7%)	0.0%	0.0%
Net change from 2015-17 Current Service Level	-	(261,020)	-	-	(154,614,623)	-	(154,875,643)	-	-
Percent change from 2015-17 Current Service Level	0.0%	(2.2%)	0.0%	0.0%	(21.9%)	0.0%	(21.6%)	0.0%	0.0%

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 801 LFO Analyst Adjustments

Package Description This package is a technical adjustment to correct for entry errors related to agency debt service needs.

LFO Recommendation The Legislative Fiscal Office recommends approval.

LFO Recommended	-	-	-	-	(154,614,623)	-	(154,614,623)	-	-
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	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
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Package 811 Updated Base Debt Service Adjustment

Package Description This package adjusts debt service expenditures to reflect expected savings over what was initially budgeted for the 2015-17 biennium.

LFO Recommendation Approve.

LFO Recommended	-	(261,020)	-	-	-	-	(261,020)	-	-
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Legislatively Proposed 2015-2017 Key Performance Measures

Agency: HOUSING and COMMUNITY SERVICES, OREGON

Mission: Provide leadership that enables Oregonians to gain housing, become self-sufficient, and achieve prosperity.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
1 - Affordable Home Ownership Percent of households at or below the state's median income served by our single family programs matches or exceeds Oregon's households at or below median income.		Approved KPM	1.40	1.00	1.00
2 - Affordable Rental Housing through Bonds, Grants, and Tax Credits – Percent of housing units funded with grants, tax credits, and bonds, excluding market rate housing units, will be affordable to households earning less than 60% of the area median income.		Approved KPM	82.40	85.00	85.00
3 - Increasing Housing for Special Needs Individuals – Percent of affordable rental housing units developed that provide rental opportunities for the low-income elderly or individuals with special needs compared to the percent of the state's population that are low-income elderly or individuals with special needs.		Approved KPM	29.00	45.00	45.00
4 - Reducing Homelessness – Percent of homeless persons entering permanent housing with stays of six months or longer. .		Approved KPM	56.00	80.00	80.00
5 - Construction Costs – Cost per square foot for housing units developed through Grant and Tax Credit programs.		Approved KPM	237.09	181.67	
6 - Increasing Energy Savings – For all funds invested, the percent of energy savings generated from the Department’s Energy Conservation Helping Oregonians (ECHO) weatherization program.		Approved KPM	107.00	100.00	100.00
7 - Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	Accuracy	Approved KPM	43.00	80.00	80.00
7 - Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	Availability of Information	Approved KPM	39.00	80.00	80.00

Agency: HOUSING and COMMUNITY SERVICES, OREGON

Mission: Provide leadership that enables Oregonians to gain housing, become self-sufficient, and achieve prosperity.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2016	Target 2017
7 - Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	Expertise	Approved KPM	45.00	80.00	80.00
7 - Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	Helpfulness	Approved KPM	49.00	80.00	80.00
7 - Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	Overall	Approved KPM	40.00	80.00	80.00
7 - Agency Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: timeliness, accuracy, helpfulness, expertise, availability of information, overall.	Timeliness	Approved KPM	37.00	80.00	80.00
8 - General Fund Food Program - Percent of pounds in donated food distributed through Oregon Food Bank that are processed or repackaged bulk food purchased through the General Fund Food Program.		Approved KPM	10.90		

LFO Recommendation:

The Legislative Fiscal Office proposes deletion of KPM 8 related to the Oregon Hunger Response Fund, as the budget recommendation assumes transfer of the program to DHS. In 2013, Housing and Community Services was directed to develop new KPMs in conjunction with remaining programs after 2013-14 evaluation of alternate service delivery models, and report to the 2014 legislature regarding. The agency received an extension for that reporting requirement, but did not propose new KPMs as part 15-17 budget. The Legislative Fiscal Office recommends that Housing and Community Services work on new KPMs and report to the 2016 Legislative Assembly with a progress report for review and feedback.

Sub-Committee Action: