

**Legislative
Fiscal Office**

Oregon State Capitol
900 Court Street NE, H-178
Salem, OR 97301
503-986-1828

Ken Rocco, Legislative Fiscal Officer
Paul Siebert, Deputy Fiscal Officer



**Joint Committee on
Ways and Means**

Sen. Richard Devlin, Senate Co-Chair
Rep. Nancy Nathanson, House Co-Chair

Sen. Betsy Johnson, Senate Co-Vice Chair
Sen. Jackie Winters, Senate Co-Vice Chair
Rep. Dan Rayfield, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Transportation and Economic Development Subcommittee

From: Steve Bender, Legislative Fiscal Office

Date: June 21, 2017

Subject: HB 5025 – Oregon Business Development Department
Work Session Recommendations

Business Development Department (OBDD) – Agency Totals

	2013-15 Actual	2015-17 Legislatively Approved	2017-19 Current Service Level	2017-19 LFO Recommended
General Fund	8,247,488	15,796,523	48,336,099	47,948,791
Lottery Funds	111,766,523	110,444,853	117,298,708	117,634,016
Other Funds	34,855,259	301,349,232	225,742,435	227,242,814
Other Funds NL	121,639,577	233,101,465	207,886,281	207,886,281
Federal Funds	29,226,631	40,523,014	40,730,835	40,730,835
Total Funds	\$305,735,478	\$701,215,087	\$639,994,358	\$641,442,737
Positions	134	140	138	136
FTE	130.88	136.32	136.00	134.50

Attached are the recommendations from the Legislative Fiscal Office for the Oregon Business Development Department (OBDD) budget. The recommendations do not address agency bond requests. The Joint Committee on Ways and Means Capital Construction Subcommittee is reviewing bond requests, and will include any budget adjustments related to bond-supported programs in bond authorization bills and in the end-of-session Emergency Board bill (HB 5006).

The principal recommendations include:

- Eliminate five positions (4.50 FTE) to help balance the statewide General Fund/Lottery Funds budget.

- Reduce General Fund/Lottery Funds support for the following programs, in the following amounts, to help balance the statewide General Fund/Lottery Funds budget:
 - Strategic Reserve Fund - \$2,839,630. The reduction is partially offset by an \$800,000 increase in Other Funds, to reduce the net impact to \$2,039,630.
 - Oregon Innovation Council (Oregon InC) - \$400,000.
 - Arts Commission Grants - \$524,869.
- Increase General Fund/Lottery Funds support for the following high-priority programs:
 - Oregon Manufacturing Innovation Center (OMIC) - \$2,000,000.
 - Oregon Small Business Development Center Network (SBDC) - \$1,600,000.
 - Rural Opportunities Initiative - \$750,000.
 - Regional Accelerator and Innovation Network (RAIN) - \$500,000.
- Continue the position supporting the new Solar Incentivization Program established by the Legislature in the 2016 session - \$219,995 General Fund.
- Expand staffing at the Certification Office of Business Inclusion & Diversity (COBID) for administration of new responsibilities - \$441,097 Other Funds.

Adjustments to Current Service Level

See attached “Work Session Presentation Report.”

Note: Statewide adjustments and six-year capital construction expenditures are not included in these recommendations. Any needed adjustments will be made in end of session bills.

Accept LFO Recommendation:

MOTION: I move the LFO recommendation to HB 5025. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation to HB 5025, with modifications. (VOTE)

Performance Measures

See attached “Legislatively Proposed 2017-19 Key Performance Measures.”

Accept LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures. (VOTE)

OR

Change LFO Recommendation:

MOTION: I move the LFO recommendation on Key Performance Measures, with modifications. (VOTE)

Recommended Changes

LFO recommends a total budget of \$47,948,791 General Fund, \$117,634,016 Lottery Funds, \$227,242,814 Other Funds, \$40,730,835 Federal Funds, \$207,886,281 Other Funds Nonlimited, and 136 positions (134.50 FTE), which is reflected in the -1 amendment.

MOTION: I move adoption of the -1 amendment to HB 5025. (VOTE)

Final Subcommittee Action

LFO recommends that HB 5025, as amended by the -1 amendment, to be moved to the Ways and Means Full Committee.

MOTION: I move HB 5025, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____

LFO102 - Work Session Presentation Report
2017-19 BienniumVersion: L - 01 - LFO Analyst Recommended
Cross Reference: 12300-000-00-00-00000
Oregon Business Development Department

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	16,845,486	111,789,423	293,644,535	39,967,883	225,972,465	-	688,219,792	137	134.74
2015-17 Ebds, SS & Admin Act	(326,463)	1,518,307	4,841,820	555,131	7,129,000	-	13,717,795	3	1.58
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	16,519,023	113,307,730	298,486,355	40,523,014	233,101,465	-	701,937,587	140	136.32
2015-17 Leg Approved Budget (Base)	16,517,351	113,289,994	295,973,578	40,101,139	231,792,465	-	697,674,527	140	136.32
Summary of Base Adjustments	29,197,467	7,324,820	(1,024,162)	104,456	1,093,816	-	36,696,397	(2)	(0.32)
2017-19 Base Budget	45,714,818	120,614,814	294,949,416	40,205,595	232,886,281	-	734,370,924	138	136.00
010: Non-PICS Pers Svc/Vacancy Factor	4,346	11,065	(24,819)	(21,006)	-	-	(30,414)	-	-
020: Phase In / Out Pgm & One-time Cost	2,465,100	(5,001,715)	(69,910,811)	(731,242)	(25,000,000)	-	(98,178,668)	-	-
030: Inflation & Price List Adjustments	151,835	1,674,544	592,644	1,413,493	-	-	3,832,516	-	-
050: Fundshifts and Revenue Reductions	-	-	136,005	(136,005)	-	-	-	-	-
2017-19 Current Service Level	48,336,099	117,298,708	225,742,435	40,730,835	207,886,281	-	639,994,358	138	136.00
Adjusted 2017-19 Current Service Level	48,336,099	117,298,708	225,742,435	40,730,835	207,886,281	-	639,994,358	138	136.00
Total LFO Recommended Packages	(387,308)	335,308	1,500,379	-	-	-	1,448,379	(2)	(1.50)
2017-19 Legislative Actions	47,948,791	117,634,016	227,242,814	40,730,835	207,886,281	-	641,442,737	136	134.50
Net change from 2015-17 Leg Approved Budget	31,429,768	4,326,286	(71,243,541)	207,821	(25,215,184)	-	(60,494,850)	(4)	(1.82)
Percent change from 2015-17 Leg Approved Budget	190.3%	3.8%	(23.9%)	0.5%	(10.8%)	0.0%	(8.6%)	(2.9%)	(1.3%)
Net change from 2017-19 Adj Current Service Level	(387,308)	335,308	1,500,379	-	-	-	1,448,379	(2)	(1.50)
Percent change from 2017-19 Adj Current Service Level	(0.8%)	0.3%	0.7%	0.0%	0.0%	0.0%	0.2%	(1.5%)	(1.1%)

LFO102 - Work Session Presentation Report
2017-19 BienniumVersion: L - 01 - LFO Analyst Recommended
Cross Reference: 12300-110-00-00-00000
Operations

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	7,037,404	1,757,369	197,214	-	-	8,991,987	33	33.00
2015-17 Ebds, SS & Admin Act	-	193,749	75,395	4,703	-	-	273,847	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	7,231,153	1,832,764	201,917	-	-	9,265,834	33	33.00
2015-17 Leg Approved Budget (Base)	-	7,223,270	1,832,764	201,917	-	-	9,257,951	33	33.00
Summary of Base Adjustments	-	135,266	69,493	4,078	-	-	208,837	(1)	(1.00)
2017-19 Base Budget	-	7,358,536	1,902,257	205,995	-	-	9,466,788	32	32.00
010: Non-PICS Pers Svc/Vacancy Factor	-	(41,998)	(7,207)	(6,670)	-	-	(55,875)	-	-
030: Inflation & Price List Adjustments	-	67,933	17,035	295	-	-	85,263	-	-
2017-19 Current Service Level	-	7,384,471	1,912,085	199,620	-	-	9,496,176	32	32.00
Adjusted 2017-19 Current Service Level	-	7,384,471	1,912,085	199,620	-	-	9,496,176	32	32.00
Total LFO Recommended Packages	-	(81,570)	-	-	-	-	(81,570)	-	-
2017-19 Legislative Actions	-	7,302,901	1,912,085	199,620	-	-	9,414,606	32	32.00
Net change from 2015-17 Leg Approved Budget	-	71,748	79,321	(2,297)	-	-	148,772	(1)	(1.00)
Percent change from 2015-17 Leg Approved Budget	0.0%	1.0%	4.3%	(1.1%)	0.0%	0.0%	1.6%	(3.0%)	(3.0%)
Net change from 2017-19 Adj Current Service Level	-	(81,570)	-	-	-	-	(81,570)	-	-
Percent change from 2017-19 Adj Current Service Level	0.0%	(1.1%)	0.0%	0.0%	0.0%	0.0%	(0.9%)	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)
--	--------------	---------------	-------------	---------------	------------------------	--------------------------	-------------	-----------	----------------------------

Package 801 LFO Analyst Adjustments

Package Description Package 801 includes Lottery Funds reductions to balance the statewide General Fund/Lottery Funds budget within the level of available resources. The package reduces Lottery Funds by \$81,570, and reclassifies one Principal Executive/Manager D position (#0070116) to an Info Systems Specialist 6. The package also reduces a portion of contingency services & and supplies funding.

LFO Recommendation Approve the package.

Budget Instructions Lottery Funds allocation [1107/4400] - (\$81,570)

Personal Services (LF) [3995/4400] - (\$38,884)

Services & Supplies (LF) [4995/4400] - (\$42,686)

LFO Recommended

Revenues	-	(81,570)	-	-	-	-	(81,570)		
Expenditures	-	(81,570)	-	-	-	-	(81,570)	-	-

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

Package 802 Technical and Revenue Adjustments

Package Description Package 802 adjusts Lottery Funds revenues, to account for updated projections of Lottery Funds beginning balances, and to account for the reversion of uncommitted 2015-17 biennium ending fund balances to the Administrative Services Economic Development Fund.

The package also updates the forecast Other Funds beginning balance.

LFO Recommendation Increase Lottery Funds beginning balance by \$208,921 and establish a \$179,511 Lottery Funds reversion to the DAS Economic Development Fund.

Reduce Other Funds beginning balance by \$217,551.

Budget Instructions Lottery Funds Beginning Balance [0030/4400] - +\$208,921
Other Funds Beginning Balance [0030/3400] - (\$217,921)
Lottery Reversion [2107/4400] - (\$179,511)

LFO Recommended

Revenues	-	(179,511)	-	-	-	-	(179,511)		
Expenditures	-	-	-	-	-	-	-	-	-

LFO102 - Work Session Presentation Report
2017-19 BienniumVersion: L - 01 - LFO Analyst Recommended
Cross Reference: 12300-210-00-00-00000
Business, Innovation, Trade

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	55,448,172	11,231,898	5,430,920	12,483,982	-	84,594,972	57	54.74
2015-17 Ebds, SS & Admin Act	951,561	543,606	3,106,951	498,505	-	-	5,100,623	1	0.58
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	951,561	55,991,778	14,338,849	5,929,425	12,483,982	-	89,695,595	58	55.32
2015-17 Leg Approved Budget (Base)	951,561	55,982,881	11,834,672	5,507,550	12,483,982	-	86,760,646	58	55.32
Summary of Base Adjustments	(111,126)	791,635	278,937	59,078	(884)	-	1,017,640	(1)	(0.32)
2017-19 Base Budget	840,435	56,774,516	12,113,609	5,566,628	12,483,098	-	87,778,286	57	55.00
010: Non-PICS Pers Svc/Vacancy Factor	(452)	33,501	8,262	(11,191)	-	-	30,120	-	-
020: Phase In / Out Pgm & One-time Cost	2,465,100	(2,656,915)	(1,804,869)	(731,242)	-	-	(2,727,926)	-	-
030: Inflation & Price List Adjustments	31,551	1,520,248	217,061	173,463	-	-	1,942,323	-	-
050: Fundshifts and Revenue Reductions	-	-	136,005	(136,005)	-	-	-	-	-
2017-19 Current Service Level	3,336,634	55,671,350	10,670,068	4,861,653	12,483,098	-	87,022,803	57	55.00
Adjusted 2017-19 Current Service Level	3,336,634	55,671,350	10,670,068	4,861,653	12,483,098	-	87,022,803	57	55.00
Total LFO Recommended Packages	219,995	676,892	1,241,097	-	-	-	2,137,984	(1)	-
2017-19 Legislative Actions	3,556,629	56,348,242	11,911,165	4,861,653	12,483,098	-	89,160,787	56	55.00
Net change from 2015-17 Leg Approved Budget	2,605,068	356,464	(2,427,684)	(1,067,772)	(884)	-	(534,808)	(2)	(0.32)
Percent change from 2015-17 Leg Approved Budget	273.8%	0.6%	(16.9%)	(18.0%)	(0.0%)	0.0%	(0.6%)	(3.5%)	(0.6%)
Net change from 2017-19 Adj Current Service Level	219,995	676,892	1,241,097	-	-	-	2,137,984	(1)	-
Percent change from 2017-19 Adj Current Service Level	6.6%	1.2%	11.6%	0.0%	0.0%	0.0%	2.5%	(1.8%)	0.0%

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

Package 101 BIT REDI

Package Description This package provides \$750,000 in Lottery Funds for the Rural Opportunities Initiative, a program for rural communities to improve access to training and technical assistance resources for entrepreneurs. This funding would be used to establish a grant program that will provide 2- to 4-year funding for rural centers for entrepreneurship, after which the centers will become self-sufficient. This strategy was piloted in 2015-17 and there is demand for the additional work in this area.

LFO Recommendation Approve the request.

Budget Instructions Lottery Allocation [1107/4400] - +\$750,000

Payments to Non-Gov Units [6030/4400] - +\$750,000

LFO Recommended

Revenues	-	750,000	-	-	-	-	750,000		
Expenditures	-	750,000	-	-	-	-	750,000	-	-

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

Package 104 BIT COBID

Package Description This package requests \$441,097 in Other Funds and two permanent full-time positions, so that COBID can respond to legislative mandates and the recommendations of a legislatively established task force. These positions will focus on reducing opportunities for fraud and on implementing the Service-Disabled Veteran Certification program. The additional revenues for this program were budgeted in the agency's Base Budget as a transfer in from the Oregon Department of Transportation.

LFO Recommendation Approve the request.

LFO Recommended

Revenues	-	-	-	-	-	-	-	-	-
Expenditures	-	-	441,097	-	-	-	441,097	2	2.00

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

Package 108 BIT Solar Incentivization

Package Description This package requests \$219,995 General Fund and one permanent, full-time position to administer the Solar Incentivization Program established in the 2016 Legislative Session. The position was approved as limited-duration but the work associated with this program will continue through the end of the program in 2023, as the position will be tracking enrollment in the program, power generated, and administering payments.

LFO Recommendation Approve the request.

LFO Recommended

Revenues	219,995	-	-	-	-	-	219,995		
Expenditures	219,995	-	-	-	-	-	219,995	1	1.00

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

Package 801 LFO Analyst Adjustments

Package Description Package 801 includes Lottery Funds reductions to balance the statewide General Fund/Lottery Funds budget within the level of available resources. Lottery Funds support for two agency programs is reduced by a total of \$3,239,630. One half-time Program Analyst 3 position (#3006001) is eliminated, and Lottery Funds support for Services & Supplies is reduced by \$93,797.

The package's program funding reductions include:

- \$2,839,630 Lottery Funds to the Strategic Reserve Fund (SRF). SRF awards are financed from a combination of Lottery Funds and Other Funds (primarily loan repayments and interest earnings). The package offsets a portion of the Lottery Funds reduction with an \$800,000 increase in Other Funds expenditure limitation, to reduce the net amount of the SRF funding reduction to \$2,039,630. Support in the budget for new SRF awards totals approximately \$10 million, a 16.9% reduction from the current service level.
- \$400,000 Lottery Funds to the Oregon Innovation Council (Oregon InC). Total support in the budget for Oregon InC is approximately \$18.2 million, a 2.2% reduction from current service level.

The package also reduces Lottery Funds by \$229,219 associated with the elimination of one half-time (0.50 FTE) Program Analyst 3 position (#3006001) and a reduction in Services & Supplies.

LFO Recommendation Approve the package.

Budget Instructions Lottery Allocation [1107/4400] - (\$3,468,849)

- Special Payments to Non-Gov Units (LF) [6030/4400] - (\$2,839,630)
- Special Payments to Non-Gov Units (OF) [6030/3400] - +\$800,000
- Special Payments to Non-Profit Organizations (LF) [6050/4400] - (\$400,000)
- Personal Services (LF) [3995/4400] - (\$135,422)
- Services and Supplies (LF) [4995/4400] - (\$93,797)

Positions - (1)
FTE - (0.50)

LFO Recommended

Revenues	-	(3,468,849)	-	-	-	-	(3,468,849)
----------	---	-------------	---	---	---	---	-------------

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
Expenditures	-	(3,468,849)	800,000	-	-	-	(2,668,849)	(1)	(0.50)

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

Package 802 Technical and Revenue Adjustments

Package Description Package 802 adjusts Lottery Funds revenues, to account for updated projections of Lottery Funds beginning balances, and to account for the reversion of uncommitted 2015-17 biennium ending fund balances to the Administrative Services Economic Development Fund.

The package also updates the forecasts of Other Funds, Other Funds Nonlimited and Federal Funds beginning balances. Finally, the package updates Other Funds revenues from Charges for Services and Rents and Royalties.

LFO Recommendation Increase Lottery Funds beginning balance by \$6,422,170 and establish a \$3,230,382 Lottery Funds reversion to the DAS Economic Development Fund.

Increase Other Funds beginning balance by \$1,263,333 and reduce Other Funds Nonlimited beginning balance by \$7,360,902. Reduce Federal Funds beginning balance by \$4,894,304.

Reduces Charges for Services by \$550,000 and Rents and Royalties revenues by \$400,000.

Budget Instructions Revenue Adjustments:

- Charges for Services (OF) - [0410/3400] - (\$400,000)
- Charges for Services (OFNL) - [0410/3200] - (\$150,000)
- Rents and Royalties (OFNL) - [0510/3200] - (\$400,000)

LFO Recommended

Revenues	-	(3,230,382)	(400,000)	-	(550,000)	-	(4,180,382)		
Expenditures	-	-	-	-	-	-	-	-	-

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

Package 803 Program Enhancements

Package Description Package 803 provides \$4.1 million of Lottery Funds support for three programs funded through the OBDD budget. Lottery Funds in the package are designated for the following programs in the following amounts:

- \$2 million for additional operating support for the Oregon Manufacturing Innovation Center (OMIC), a collaboration between business, academic and government partners in Columbia County to enhance innovation and competitiveness in the metals manufacturing and advanced manufacturing sectors. The funding provided in this package increases total Lottery Funds support for OMIC operating expenses in the OBDD budget to \$3.6 million.
- \$1.6 million for additional support for the Oregon Small Business Development Center (SBDC) Network. The funding provided in this package increases total Lottery Funds support for SBDC's to \$4.26 million.
- \$500,000 for support of the Regional Accelerator and Innovation Network (RAIN), which supports entrepreneurship and development of start-up businesses in the South Willamette Valley and Mid-Coast regions.

LFO Recommendation Approve the package.

Budget Instructions Lottery Allocation [1107/4400] - +\$4,100,000

Special Payments [6995/4400] - +\$4,100,000

LFO Recommended

Revenues	-	4,100,000	-	-	-	-	4,100,000		
Expenditures	-	4,100,000	-	-	-	-	4,100,000	-	-

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

Package 812 Vacant Position Elimination

Package Description Package 812 eliminates vacant positions, to help reduce ongoing costs in the statewide General Fund/Lottery Funds budget.

LFO Recommendation Reduce Lottery Funds by \$704,259, and eliminate three positions (2.50 FTE).

Eliminate one full-time vacant Program Analyst 3 position (#0010315), one full-time vacant Program Analyst 4 (#0030101); and one half-time vacant position (#3013021) and related Services & Supplies associated with administration of the Farmer Loan program. The agency will be able to continue operating this program after elimination of the position.

Budget Instructions Lottery Funds allocation - [1107/4400] - (\$704,259)

Personal Services (LF) [3995/4400] - (\$663,059)
Services & Supplies (LF) [4995/4400] - (\$41,200)

Positions - (3)
FTE - (2.50)

LFO Recommended

Revenues	-	(704,259)	-	-	-	-	(704,259)		
Expenditures	-	(704,259)	-	-	-	-	(704,259)	(3)	(2.50)

LFO102 - Work Session Presentation Report
2017-19 BienniumVersion: L - 01 - LFO Analyst Recommended
Cross Reference: 12300-300-00-00-00000

Infrastructure

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	3,025,181	267,126,521	32,448,431	213,488,483	-	516,088,616	36	36.00
2015-17 Ebds, SS & Admin Act	-	780,952	265,903	51,923	7,129,000	-	8,227,778	2	1.00
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	3,806,133	267,392,424	32,500,354	220,617,483	-	524,316,394	38	37.00
2015-17 Leg Approved Budget (Base)	-	3,805,177	267,384,780	32,500,354	219,308,483	-	522,998,794	38	37.00
Summary of Base Adjustments	-	340,260	321,099	41,300	1,094,700	-	1,797,359	-	1.00
2017-19 Base Budget	-	4,145,437	267,705,879	32,541,654	220,403,183	-	524,796,153	38	38.00
010: Non-PICS Pers Svc/Vacancy Factor	-	19,562	(28,519)	(3,145)	-	-	(12,102)	-	-
020: Phase In / Out Pgm & One-time Cost	-	(2,344,800)	(64,788,158)	-	(25,000,000)	-	(92,132,958)	-	-
030: Inflation & Price List Adjustments	-	43,278	111,918	1,169,693	-	-	1,324,889	-	-
2017-19 Current Service Level	-	1,863,477	203,001,120	33,708,202	195,403,183	-	433,975,982	38	38.00
Adjusted 2017-19 Current Service Level	-	1,863,477	203,001,120	33,708,202	195,403,183	-	433,975,982	38	38.00
Total LFO Recommended Packages	-	(260,014)	-	-	-	-	(260,014)	(1)	(1.00)
2017-19 Legislative Actions	-	1,603,463	203,001,120	33,708,202	195,403,183	-	433,715,968	37	37.00
Net change from 2015-17 Leg Approved Budget	-	(2,202,670)	(64,391,304)	1,207,848	(25,214,300)	-	(90,600,426)	(1)	-
Percent change from 2015-17 Leg Approved Budget	0.0%	(57.9%)	(24.1%)	3.7%	(11.4%)	0.0%	(17.3%)	(2.6%)	0.0%
Net change from 2017-19 Adj Current Service Level	-	(260,014)	-	-	-	-	(260,014)	(1)	(1.00)
Percent change from 2017-19 Adj Current Service Level	0.0%	(14.0%)	0.0%	0.0%	0.0%	0.0%	(0.1%)	(2.6%)	(2.6%)

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

Package 801 LFO Analyst Adjustments

Package Description Package 801 includes Lottery Funds reductions to balance the statewide General Fund/Lottery Funds budget within the level of available resources. The package reduces Lottery Funds by \$260,014, and eliminates one full-time Operations & Policy Analyst 4 position (#3013020) in the Industrial Lands program, and funding for position-associated services & supplies.

LFO Recommendation Approve the package.

Budget Instructions Lottery Funds allocation [1107/4400] - (\$260,014)

Personal Services (LF) [3995/4400] - (\$251,614)

Services & Supplies (LF) [4995/4400] - (\$8,400)

Positions - (1)

FTE - (1.00)

LFO Recommended

Revenues	-	(260,014)	-	-	-	-	(260,014)		
Expenditures	-	(260,014)	-	-	-	-	(260,014)	(1)	(1.00)

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

Package 802 Technical and Revenue Adjustments

Package Description Package 802 updates the forecasts of Other Funds and Other Funds Nonlimited beginning balances. The package also updates Other Funds revenues from Interest Income and Other Revenues.

LFO Recommendation Increase Other Funds beginning balance by \$526,471 and increase Other Funds Nonlimited beginning balance by \$3,201,331.

Reduce Interest Income by \$271,276 and reduce Other Revenues by \$21,489.

Budget Instructions Revenue Adjustments:

Interest Income (OF) - [0506/3400] - +\$24,685
 Interest Income (OFNL) - [0506/3200] - (\$295,961)
 Other Revenues (OF) - [0975/3400] - (\$21,489)

LFO Recommended

Revenues	-	-	3,196	-	(295,961)	-	(292,765)		
Expenditures	-	-	-	-	-	-	-	-	-

LFO102 - Work Session Presentation Report
2017-19 Biennium

Version: L - 01 - LFO Analyst Recommended

Cross Reference: 12300-500-00-00-00000

Film and Video

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	-	1,164,460	-	-	-	-	1,164,460	-	-
2015-17 Ebds, SS & Admin Act	-	-	-	-	-	-	-	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	-	1,164,460	-	-	-	-	1,164,460	-	-
2015-17 Leg Approved Budget (Base)	-	1,164,460	-	-	-	-	1,164,460	-	-
Summary of Base Adjustments	-	-	-	-	-	-	-	-	-
2017-19 Base Budget	-	1,164,460	-	-	-	-	1,164,460	-	-
030: Inflation & Price List Adjustments	-	43,085	-	-	-	-	43,085	-	-
2017-19 Current Service Level	-	1,207,545	-	-	-	-	1,207,545	-	-
Adjusted 2017-19 Current Service Level	-	1,207,545	-	-	-	-	1,207,545	-	-
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2017-19 Legislative Actions	-	1,207,545	-	-	-	-	1,207,545	-	-
Net change from 2015-17 Leg Approved Budget	-	43,085	-	-	-	-	43,085	-	-
Percent change from 2015-17 Leg Approved Budget	0.0%	3.7%	0.0%	0.0%	0.0%	0.0%	3.7%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

LFO102 - Work Session Presentation Report
2017-19 BienniumVersion: L - 01 - LFO Analyst Recommended
Cross Reference: 12300-600-00-00-00000

Arts

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	4,104,679	-	13,128,747	1,891,318	-	-	19,124,744	11	11.00
2015-17 Ebds, SS & Admin Act	50,383	-	63,071	-	-	-	113,454	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	4,155,062	-	13,191,818	1,891,318	-	-	19,238,198	11	11.00
2015-17 Leg Approved Budget (Base)	4,153,390	-	13,190,862	1,891,318	-	-	19,235,570	11	11.00
Summary of Base Adjustments	95,433	-	36,809	-	-	-	132,242	-	-
2017-19 Base Budget	4,248,823	-	13,227,671	1,891,318	-	-	19,367,812	11	11.00
010: Non-PICS Pers Svc/Vacancy Factor	4,798	-	2,645	-	-	-	7,443	-	-
020: Phase In / Out Pgm & One-time Cost	-	-	(3,317,784)	-	-	-	(3,317,784)	-	-
030: Inflation & Price List Adjustments	120,284	-	246,630	70,042	-	-	436,956	-	-
2017-19 Current Service Level	4,373,905	-	10,159,162	1,961,360	-	-	16,494,427	11	11.00
Adjusted 2017-19 Current Service Level	4,373,905	-	10,159,162	1,961,360	-	-	16,494,427	11	11.00
Total LFO Recommended Packages	(607,303)	-	259,282	-	-	-	(348,021)	-	(0.50)
2017-19 Legislative Actions	3,766,602	-	10,418,444	1,961,360	-	-	16,146,406	11	10.50
Net change from 2015-17 Leg Approved Budget	(388,460)	-	(2,773,374)	70,042	-	-	(3,091,792)	-	(0.50)
Percent change from 2015-17 Leg Approved Budget	(9.4%)	0.0%	(21.0%)	3.7%	0.0%	0.0%	(16.1%)	0.0%	(4.6%)
Net change from 2017-19 Adj Current Service Level	(607,303)	-	259,282	-	-	-	(348,021)	-	(0.50)
Percent change from 2017-19 Adj Current Service Level	(13.9%)	0.0%	2.6%	0.0%	0.0%	0.0%	(2.1%)	0.0%	(4.6%)

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

Package 801 LFO Analyst Adjustments

Package Description Package 801 includes General Fund reductions to balance the statewide General Fund budget within the level of available resources.

The package includes the following components:

- Reduce General Fund support for grants by \$524,869. This represents a 10% reduction in total funding for Arts Commission grants, and a 19% reduction in General Fund support for grants.
- Shift funding of the Arts Division Director and Assistant Director positions (Positions #1900001 and #1900003) from 100% General Fund to 50% General Fund/50% Other Funds, to reflect administrative responsibilities for both the Arts Commission and Cultural Trust programs. This action reduces the General Fund appropriation, and increases Other Funds expenditure limitation, by \$259,282 each.
- Reduce General Fund appropriation by \$82,434 and reduce Executive Assistant position (#1900002) from full-time to half-time (-0.50 FTE).
- Increase General Fund appropriation for Services and Supplies by \$259,282. This increase, combined with the General Fund reductions in Package 801, both reduce total support to help balance the statewide GF budget and adjust budget expenditure categories to better reflect spending patterns.

LFO Recommendation Reduced General Fund \$607,303, increase Other Funds \$259,282, and reduce FTE employment by 0.50 FTE.

Budget Instructions General Fund appropriation [0050/8000] - (\$607,303)

Personal Services (GF) [3995/8000] - (\$341,716)
 Personal Services (OF) [3995/3400] - +\$259,282
 Service & Supplies (GF) [4995/8000] - +\$259,282
 Special Payments (GF) [6995/8000] - (\$524,689)

FTE [8295] - (0.50)

LFO Recommended

Revenues	(607,303)	-	-	-	-	-	(607,303)		
Expenditures	(607,303)	-	259,282	-	-	-	(348,021)	-	(0.50)

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

Package 802 Technical and Revenue Adjustments

Package Description Package 802 updates the forecast of the Other Funds beginning balance.

LFO Recommendation Increase the Other Funds beginning balance by \$304,254.

Budget Instructions Beginning Balance Adjustment [0030/3400] - +\$304,254

LFO Recommended

Revenues	-	-	-	-	-	-	-	-	-
Expenditures	-	-	-	-	-	-	-	-	-

LFO102 - Work Session Presentation Report
2017-19 BienniumVersion: L - 01 - LFO Analyst Recommended
Cross Reference: 12300-900-00-00-00000
Lottery & General Obligation Bond Debt Svc

	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	Total Funds	Positions	Full-Time Equivalent (FTE)
2015-17 Agy. Leg. Adopted	12,740,807	45,114,206	400,000	-	-	-	58,255,013	-	-
2015-17 Ebds, SS & Admin Act	(1,328,407)	-	1,330,500	-	-	-	2,093	-	-
Ways & Means Actions	-	-	-	-	-	-	-	-	-
2015-17 Leg Approved Budget	11,412,400	45,114,206	1,730,500	-	-	-	58,257,106	-	-
2015-17 Leg Approved Budget (Base)	11,412,400	45,114,206	1,730,500	-	-	-	58,257,106	-	-
Summary of Base Adjustments	29,213,160	6,057,659	(1,730,500)	-	-	-	33,540,319	-	-
2017-19 Base Budget	40,625,560	51,171,865	-	-	-	-	91,797,425	-	-
2017-19 Current Service Level	40,625,560	51,171,865	-	-	-	-	91,797,425	-	-
Adjusted 2017-19 Current Service Level	40,625,560	51,171,865	-	-	-	-	91,797,425	-	-
Total LFO Recommended Packages	-	-	-	-	-	-	-	-	-
2017-19 Legislative Actions	40,625,560	51,171,865	-	-	-	-	91,797,425	-	-
Net change from 2015-17 Leg Approved Budget	29,213,160	6,057,659	(1,730,500)	-	-	-	33,540,319	-	-
Percent change from 2015-17 Leg Approved Budget	256.0%	13.4%	(100.0%)	0.0%	0.0%	0.0%	57.6%	0.0%	0.0%
Net change from 2017-19 Adj Current Service Level	-	-	-	-	-	-	-	-	-
Percent change from 2017-19 Adj Current Service Level	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Legislatively Proposed 2017 - 2019 Key Performance Measures

Published: 6/23/2017 9:28:16 AM

Agency: Business Oregon

Mission Statement:

Business Oregon works to create, retain, expand and attract businesses that provide sustainable, living-wage jobs for Oregonians through public-private partnerships, leveraged funding and support of economic opportunities for Oregon companies and entrepreneurs.

Legislatively Proposed KPMs	Metrics	Agency Request	Last Reported Result	Target 2018	Target 2019
1. Number of jobs created		Approved	1,482	1,900	1,900
2. Number of jobs retained		Approved	6,016	5,600	5,600
3. Personal income tax generated by the Department's investment in jobs		Approved	\$25,800,000.00	\$20,300,000.00	\$23,000,000.00
4. New export sales of assisted clients		Approved	\$47,125,000.00	\$47,800,000.00	\$47,800,000.00
5. b. Number of federal contracts awarded to Oregon businesses receiving Government Contract Assistance Program assistance.		Approved	325	200	200
5. a. Total dollar amount of federal contracts awarded to Oregon Businesses receiving Government Contract Assistance Program assistance.		Approved	\$76,035,795.00	\$76,000,000.00	\$76,000,000.00
6. Number of new industrial sites/acres certified "project ready."		Approved	1	1	1
7. Number of community capital projects assisted for planning (infrastructure, community and organizational).		Approved	41	37	37
8. Number of community capital construction financing projects that address public health and safety issues.		Approved	41	40	40
9. Number of community capital construction financing projects that assist with future economic and community development.		Approved	15	25	25
10. Customer Service - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information.	Helpfulness	Approved	84%	90%	90%
	Expertise		89%	90%	90%
	Overall		81%	90%	90%
	Accuracy		87%	90%	90%
	Timeliness		82%	90%	90%
	Availability of Information		76%	90%	90%

LFO Recommendation:

Approve the Key Performance Measures, and the Key Performance Measure targets, identified in the above table.

SubCommittee Action: