

**SB 5533 BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

**Prepared By:** Allison Daniel, Department of Administrative Services

**Reviewed By:** John Borden, Legislative Fiscal Office

---

**Oregon Military Department  
2025-27**

PRELIMINARY

## **Budget Summary\***

	2023-25 Legislatively Approved Budget <sup>(1)</sup>	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 29,436,861	\$ 31,755,053	\$ 33,819,569	\$ 4,382,708	14.9%
General Fund Debt Svc	\$ 12,862,750	\$ 12,942,139	\$ 12,942,139	\$ 79,389	0.6%
Other Funds Limited	\$ 21,556,675	\$ 22,731,160	\$ 24,309,185	\$ 2,752,510	12.8%
Other Funds Debt Svc	\$ 743,200	\$ -	\$ -	\$ (743,200)	(100.0%)
Federal Funds Cap Improvement	\$ 5,578,971	\$ 5,813,288	\$ 5,813,288	\$ 234,317	4.2%
Federal Funds Limited	\$ 144,741,627	\$ 155,985,620	\$ 169,700,491	\$ 24,958,864	17.2%
Total	\$ 214,920,084	\$ 229,227,260	\$ 246,584,672	\$ 31,664,588	14.7%

## **Position Summary**

Authorized Positions	495	495	507	12
Full-time Equivalent (FTE) positions	456.25	457.12	476.38	20.13

<sup>(1)</sup> Includes adjustments through January 2025

\* Excludes Capital Construction expenditures

## **Summary of Revenue Changes**

The Oregon Military Department is primarily supported by Federal Funds, which come from federal agreements with the state for youth programs and construction projects, as well as other cooperative agreements with the National Guard Bureau. For the 2025-27 biennium, Federal Funds revenues account for 71% of the Department's total available revenue. General Fund revenues account for 19% and Other Funds, which come from charges for service, facility rental fees, General Fund Obligation Bonds, interagency transfers, and other miscellaneous income sources, account for the remaining 10%.

## **Summary of Public Safety Subcommittee Action**

The Oregon Military Department (OMD) provides the State of Oregon and the United States with a ready force of citizen soldiers, airmen, and civilians trained and equipped to respond to any contingency, natural or manmade. The Department is responsible for the administration of the Oregon Army National Guard, Oregon Air National Guard, and Oregon Civil Defense Force. OMD has a dual mission: 1) provide combat-ready units and equipment to be deployed in support of national defense under the direction of the President, and 2) provide trained personnel and equipment to protect life and property in Oregon during natural disasters or civil unrest, under the direction of the Governor.

The Subcommittee recommended a budget of \$246,584,672 total funds consisting of \$46,761,708 General Fund, \$24,309,185 Other Funds expenditure limitation, \$175,513,779 Federal Funds expenditure limitation, and 507 positions (476.38 FTE). The total budget represents a 7.6% increase from the 2025-27 current service level, and a 14.7% increase from the 2023-25 legislatively approved budget.

### **Administration**

The Administration Program provides leadership and support for command, control, and administration of the Oregon National Guard, Oregon Air National Guard, and Oregon State Defense Force. The Program supports over 2,600 state and federal full-time OMD and Oregon National Guard employees, commands more than 6,700 soldiers and airmen, and provides oversight of facilities and equipment worth over \$4 billion. The Program consists of the Command Group, Financial Administration Division, State Personnel Office, Public Affairs Program, Emergency Financial Assistance Program, and the State Information Technology Program.

The Subcommittee recommended a budget of \$14,234,224 General Fund, \$4,031,798 Other Funds expenditure limitation, and 41 positions (41.00 FTE). The Subcommittee recommended the following packages:

Package 801: LFO Analyst Adjustments. This package increases Other Funds expenditure limitation by \$267,818 and authorizes the establishment of one permanent full-time Accounts Receivable Accountant 1 position (1.00 FTE) to record the payment of revenues generated from the rental of armories, payments by tenants, and other miscellaneous reimbursements. This position replaces a former limited duration position. No associated services and supplies are included. The funding to support the position comes from generated Other Funds revenues.

Package 802: Vacant Position Reductions. This package reduces Other Funds expenditure limitation by \$109,874 and eliminates one Public Affairs Specialist 1 position (0.50 FTE). The elimination of this position, reported by OMD as a long-term vacancy and no longer needed, will not impact agency operations. No reduction to associated services and supplies is included.

Package 804: Position Rebalance. This package appropriates \$1,444,848 General Fund, transfers four positions from Operations to the Administration program, and fund shifts the positions from Federal to General Fund. The Information Technology positions were determined by the federal government's U.S. Property and Fiscal Officer as no longer eligible for federal funding. The 2025 Legislature approved a similar action as a one-time adjustment (Senate Bill 5550, 2025) in the 2023-25 biennium. No associated services and supplies for the positions are included.

### **Operations**

The Operations Program is responsible for ongoing maintenance and support of the facilities utilized by the National Guard and provides the infrastructure to respond to natural or human-made disasters. The Program includes operation and maintenance of Army National Guard

facilities and operation of the Portland Air Base at the Portland International Airport, Kingsley Field in Klamath Falls, Rees Training Center in Umatilla, and the Camp Rilea Air Station in Warrenton. It also includes staff to oversee OMD's capital construction projects.

The Subcommittee recommended a budget of \$18,053,142 General Fund, \$8,102,057 Other Funds expenditure limitation, \$146,237,880 Federal Funds expenditure limitation, and 366 positions (335.38 FTE). The Subcommittee recommended the following packages:

Package 202: AGI New Accountant Position. This package increases Federal Funds expenditure limitation by \$236,973 and authorizes the establishment of one permanent full-time Accountant 2 position (1.00 FTE) to track revenues and reimbursements for state and federal programs. These programs include the Armory Rental Program, tenant payments and reimbursements, lease payments, and the Wildland Fire Program. This position replaces a former limited duration position. No associated services and supplies for the position are included.

The revenue to support the position comes from a federal cooperative agreement and is paid with 100% Federal Fund revenues. There is no state fund match requirement.

Package 203: KF Security LD to Permanent Positions. This package increases Federal Funds expenditure limitation by \$744,135 and authorizes the establishment of four permanent full-time positions (4.00 FTE) to replace four limited duration positions for the Security Guard Program at Kingsley Field Air National Guard base. No associated services and supplies for the positions are included.

The revenue to support the positions comes from a federal cooperative agreement and is paid with 100% Federal Fund revenue. There is no state fund match requirement.

Package 204: AGI Dining Facility OF Limitation. This package increases Other Funds expenditure limitation by \$1,000,000 for the payment of dining services. This package seeks to permanently address a state audit finding that dining services provided to federal entities are to be recorded as Other Funds rather than Federal Funds. Formerly, OMD accounted for federal entities utilizing dining services with Federal Funds. The audit found that funds associated with dining services from federal renters are not considered to be direct federal grants or a cooperative agreement and, therefore, must be recorded as Other Funds expenditures.

This action was previously approved by the 2023 Legislature during the 2021-23 biennium (House Bill 5031); however, due to the timing of the adjustment, the Other Funds expenditure limitation was not added to the Department's 2023-25 budget and, therefore, did not carry forward into the 2025-27 budget.

Package 205: KF, PANG Cooperative Agreement 1031. This package increases Federal Funds expenditure limitation by \$10,000,000 for the Sustainment, Restoration, and Modernization program, which funds facility and infrastructure repairs at both Kingsley Field Air National Guard

Base (\$5,000,000) and the Portland Air National Guard Base (\$5,000,000). Funding supports the deployment of new fighter aircraft missions at each airbase.

Package 801: LFO Analyst Adjustments. This package includes \$4,179,960 total funds for five different components and authorizes the establishment of eight permanent full-time positions (7.88 FTE). Total funds include \$618,000 General Fund, and \$168,169 Other Funds expenditure limitation, and \$3,393,791 Federal Funds expenditure limitation. The five funded components include:

- (1) A \$282,000 General Fund appropriation for non-matched payroll costs in excess of federal pay caps for select position classifications at the Portland Airbase. The 2025 Legislature approved a similar action as a one-time adjustment (Senate Bill 5550, 2025) for the 2023-25 biennium.
- (2) A \$336,000 General Fund appropriation and increase in Federal Funds expenditure limitation by \$1,344,000 due to an increase in Portland Water Bureau water, sewer, and stormwater charges at the Portland Airbase. The 2025 Legislature approved a similar action as a one-time adjustment (Senate Bill 5550, 2025) for the 2023-25 biennium.
- (3) An increase of \$1,516,229 Federal Funds expenditure limitation and the establishment of five permanent full-time positions (4.88 FTE) for the Portland Airbase Fire Program and manning authorization increases directed by the National Guard Bureau. No associated services and supplies for the positions are included. The revenue to support the positions comes from a federal cooperative agreement and is paid with 100% Federal Funds. There is no state fund match requirement.
- (4) A \$533,562 increase in Federal Funds expenditure limitation and the establishment of two permanent full-time Natural Resource Specialist 4 positions (2.00 FTE) for the Environmental Program. No associated services and supplies for the positions are included. The revenue to support the positions comes from a federal cooperative agreement and is paid with 100% Federal Funds. There is no state fund match requirement.
- (5) A \$168,169 increase in Other Funds expenditure limitation and the establishment of one permanent full-time Office Specialist 2 position (1.00 FTE) for administrative support. No associated services and supplies for the position are included. The revenue to support the position comes from a portion of generated Other Funds revenues.

Package 802: Vacant Position Reductions. This package reduces Other Funds expenditure limitation by \$182,480 associated with the abolishment of eight permanent part-time Military Lease Agents positions (1.12 FTE) and reduces Federal Funds expenditure limitation by \$273,759 associated with the abolishment of one permanent full-time firefighter position (1.00 FTE). The elimination of these positions, reported by OMD as long-term vacancies and are no longer needed, will not impact agency operations. No reduction to associated services and supplies is included.

Package 804: Position Rebalance. This package reduces Federal Funds expenditure limitation by \$1,435,396, transfers four positions (4.00 FTE) from Operations to the Administration program, and fund shifts the positions from Federal Funds to General Fund. The Information Technology positions were determined by the federal government's U.S. Property and Fiscal Officer to be no longer eligible for federal funding. The 2025 Legislature approved a similar action as a one-time adjustment (Senate Bill 5550, 2025). No associated services and supplies for the positions are included.

This package also appropriates General Fund of \$1,668 and increases Federal Funds expenditure limitation by \$9,452 for the reclassification of a Procurement and Contract Specialist 1 to a 2 to do higher-level contract procurements due to a new F35 fighter assignment at Kingsley Field Civil Engineering.

### **Community Support**

The Community Support program offers educational opportunities for youth in Oregon. These opportunities are provided by the Oregon Youth Challenge Program in Bend and the STARBASE program in Portland and Klamath Falls.

The Subcommittee recommended a budget of \$1,532,203 General Fund, \$12,175,330 Other Funds expenditure limitation, \$23,462,611 Federal Funds expenditure limitation, and 100 positions (100.00 FTE). The Subcommittee recommended the following packages:

Package 401: OYCP New and Reclassed Positions. This package increases Other Funds expenditure limitation by \$434,392 and the state match of Federal Funds expenditure limitation by \$1,303,169, establishes nine permanent full-time position (9.00 FTE), and funds the reclassification of one position due to new staffing requirements directed by the National Guard Bureau. No associated services and supplies for the positions are included. The revenue to support the state match requirement comes from a transfer from the Department of Education and the State School Fund.

Package 802: Vacant Position Reductions. This package reduces Federal Funds expenditure limitation by \$254,042 and abolishes one Business Operations Supervisor position (1.00 FTE). The elimination of this position, reported by OMD as a long-term vacancy and no longer needed, will not impact agency operations.

### **Capital Debt Service and Related Costs**

The Capital Debt Service and Related Costs Program provides funding to make payments on principal, interest, and financing costs for Certificate of Participation and Article XI-Q general obligation bond debt used to construct and upgrade agency facilities and for acquisition of land and facilities.

The Subcommittee recommended a budget of \$12,942,139 General Fund. No packages were recommended for this division.

### **Capital Improvements**

The Capital Improvements program provides for capital improvements to existing facilities. Capital improvement projects are those with a total cost of less than \$1,000,000. Program expenditures are used to address the Department's backlog of deferred maintenance.

The Subcommittee recommended a budget of \$5,813,288 Federal Funds expenditure limitation. No packages were recommended for this division.

### **Capital Construction**

The Capital Construction program addresses the Department's facility needs by extending the lifespan of facilities through alterations and additions, or by replacing facilities no longer capable of serving the needs of assigned units. This Division is responsible for the planning, design, and construction of all capital projects that cost \$1,000,000 or more.

There is no recommended budget for this division.

### **Summary of Performance Measure Action**

See attached Legislatively Adopted 2025-27 Key Performance Measures form.

PRELIMINARY

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

Oregon Military Department  
Allison Daniel -- 971-453-2488

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2023-25 Legislatively Approved Budget at Jan 2025 *	\$ 42,299,611		\$ 22,299,875		\$ 150,320,598		\$ 214,920,084	495	456.25
2025-27 Current Service Level (CSL)*	\$ 44,697,192		\$ 22,731,160		\$ 161,798,908		\$ 229,227,260	495	457.12
<b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>									
<b>SCR 001 - Administration</b>									
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ 267,818	\$ -	\$ -	\$ -	\$ 267,818	1	1.00
Package 802: Vacant Position Reductions									
Personal Services	\$ -	\$ -	\$ (109,874)	\$ -	\$ -	\$ -	\$ (109,874)	(1)	(0.50)
Package 804: Position Rebalance									
Personal Services	\$ 1,444,848	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,444,848	4	4.00
<b>SCR 002 - Operations</b>									
Package 202: AGI New Accountant Position									
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ 236,973	\$ -	\$ 236,973	1	1.00
Package 203: KF Security LD to Permanent Positions									
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ 744,135	\$ -	\$ 744,135	4	4.00
Package 204: AGI Dining Facility OF Limitation									
Services and Supplies	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000		
Package 205: KF, PANG Cooperative Agreement 1031									
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ 10,000,000	\$ -	\$ 10,000,000		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ 282,000	\$ -	\$ 168,169	\$ -	\$ 2,049,791	\$ -	\$ 2,499,960	8	7.88
Services and Supplies	\$ 336,000	\$ -	\$ -	\$ -	\$ 1,344,000	\$ -	\$ 1,680,000		
Package 802: Vacant Position Reductions									
Personal Services	\$ -	\$ -	\$ (182,480)	\$ -	\$ (273,759)	\$ -	\$ (456,239)	(9)	(2.12)
Package 804: Position Rebalance									
Personal Services	\$ 1,668	\$ -	\$ -	\$ -	\$ (1,435,396)	\$ -	\$ (1,433,728)	(4)	(4.00)
<b>SCR 004 - Community Support</b>									
Package 401: OYCP New and Reclassed Positions									
Personal Services	\$ -	\$ -	\$ 434,392	\$ -	\$ 1,303,169	\$ -	\$ 1,737,561	9	9.00
Package 802: Vacant Position Reductions									
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ (254,042)	\$ -	\$ (254,042)	(1)	(1.00)

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
TOTAL ADJUSTMENTS	\$ 2,064,516	\$ -	\$ 1,578,025	\$ -	\$ 13,714,871	\$ -	\$ 17,357,412	12	19.26
SUBCOMMITTEE RECOMMENDATION *	\$ 46,761,708	\$ -	\$ 24,309,185	\$ -	\$ 175,513,779	\$ -	\$ 246,584,672	507	476.38
% Change from 2023-25 Leg Approved Budget	10.5%	0.0%	9.0%	0.0%	16.8%	0.0%	14.7%	2.4%	4.4%
% Change from 2025-27 Current Service Level	4.6%	0.0%	6.9%	0.0%	8.5%	0.0%	7.6%	2.4%	4.2%

\*Excludes Capital Construction Expenditures

PRELIMINARY

# Legislatively Approved 2025 - 2027 Key Performance Measures

Published: 5/29/2025 6:47:20 AM

**Agency:** Oregon Military Department

**Mission Statement:**

The Oregon National Guard will provide the citizens of the State of Oregon and the United States with a ready force of citizens soldiers and airmen, equipped and trained to respond to any contingency, natural or manmade.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2026	Target 2027
1. RECRUITING - Percent of soldiers and airmen recruited vs. recruiting goal.		Approved	66.93%	85%	85%
2. ARMORY CONDITION - Percent of statewide armories in adequate or better condition.		Approved	54%	80%	80%
3. REVENUE GENERATION - Percent of available armory time rented.		Approved	38.04%	40%	40%
4. EQUIPMENT AVAILABILITY - Percent of equipment on hand in Oregon vs. equipment authorized.		Approved	120%	100%	100%
5. YOUTH CHALLENGE - Percent of youth who complete the academic phase of the program with a GED, high school diploma, or credit recovery at graduation		Approved	88%	90%	90%
6. REINTEGRATION - Percent of members successfully referred for reintegration services.		Approved	100%	100%	100%
9. CUSTOMER SATISFACTION - Percent of customers rating their satisfaction with Military Department customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	1) Expertise	Approved	91%	92%	92%
	2) Helpfulness		92%	95%	95%
	3) Timeliness		94%	95%	95%
	4) Availability of Information		90%	92%	92%
	5) Accuracy		93%	95%	95%
	6) Overall		93%	95%	95%

**LFO Recommendation:**

The Legislative Fiscal Office recommends approval of the proposed 2025-27 biennium Key Performance Measures and targets.

**SubCommittee Action:**

The Public Safety Subcommittee adopted the Legislative Fiscal Office recommendation on the Military Department's 2025-27 biennium Key Performance Measures and targets.