



Oregon

Oregon's Other Funds House Revenue Committee

March 1, 2013

Josh Lehner
Office of Economic Analysis



Outline

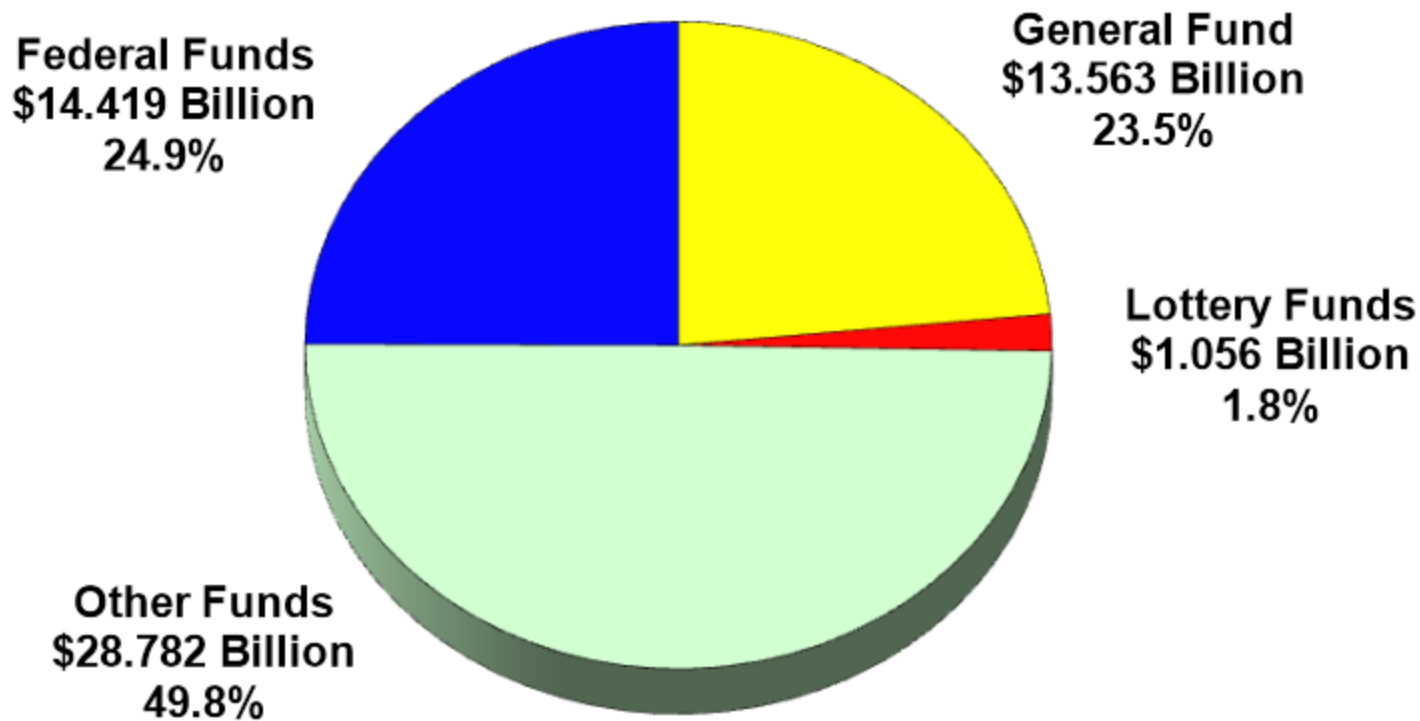
- Overview of Revenues
- Other Funds Report
 - Revenue Sources
 - Report Coverage
- Agency Presentations
- Q & A





Big Picture Revenue Overview

2011-13 Legislatively Adopted Budget Totals \$57.820 Billion
7.1% Decrease from 2009-11 Legislatively Approved





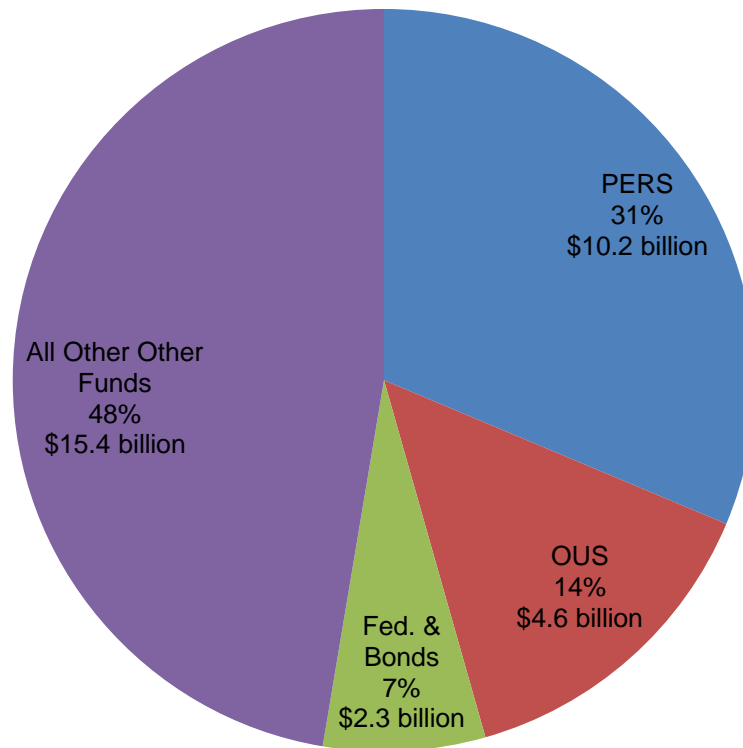
Other Funds Report

- Other funds are large revenue sources for agencies
 - Can impact the General Fund
- Biannual report DAS sends to Legislature
 - June and December
- OEA provides quarterly updates to General and Lottery Fund outlooks
 - Other Funds update relies upon agencies to report their revenues
- In cooperation with BAM, LRO and individual agencies, OEA is working to increase coverage



Other Funds Overview

2011-13 Other Funds LAB \$32.58 billion



Report Coverage

	2011-13 LAB	Reported Amount
Public Employees Retirement System, Oregon	\$10,206,737,628	
Oregon Health Authority	\$4,719,852,641	\$1,393,462,756
Higher Education, Dept. of	\$4,649,131,170	
Transportation, Oregon Dept of	\$4,082,096,548	\$2,296,234,299
Employment Dept	\$2,228,292,520	\$2,068,278,646
Revenue, Dept of	\$1,138,009,516	
Administrative Svcs, Dept of	\$1,101,384,343	
Housing & Community Svcs Dept	\$704,407,741	
Consumer and Business Svcs, Dept of	\$494,088,807	\$446,181,753
Human Services, Dept. of	\$337,907,044	\$103,361,063
Oregon Liquor Control Comm	\$301,854,901	
Forestry, Dept of	\$294,369,059	
Energy, Dept of	\$272,306,691	
Veterans' Affairs, Oregon Dept of	\$264,855,842	
Environmental Quality, Dept of	\$251,938,092	
Justice, Dept of	\$204,265,141	
Judicial Dept	\$183,940,966	
Lands, Dept of State	\$155,264,978	
Business Development Department	\$152,649,529	
Fish & Wildlife, Oregon Dept of	\$149,007,065	\$99,357,164
Public Utility Commission	\$105,452,998	
Oregon Health and Science University	\$69,307,022	
Parks & Recreation Dept	\$67,277,182	\$39,417,448
Education, Dept of	\$48,750,765	
Agriculture, Oregon Dept of	\$44,581,711	
All Other Agencies Total	\$356,387,961	

- \$6.45 billion in 2011-13 is covered in the report
- 20% of All Other Funds
- 42% coverage when excluding major, non-reporting entities





Individual Other Funds Reported

Dept of Fish and Wildlife

Hunter and Angler Licenses

Oregon Health Authority

Provider Taxes

WIC Rebate

Fees and Charges for Services

Recoveries/Reimbursements

Drug Rebates

OMIP Assessment

Member Paid Insurance Premiums

Pharmacy Revenue

Parks and Recreation Department

Park User Fees

Employment Department

Employment Taxes

Dept of Consumer & Business Services

Workers' Comp. Insurance Taxes

Other Employer-Employee Taxes

Health Insurance Taxes

Business Licenses and Fees

Fire Marshal Fees

Department of Transportation

Motor Fuel Taxes

Weight-Mile Taxes

Vehicle License Fees

Driver's License Fees

Other Transp. License & Fees

Department of Human Services

Provider Taxes

Recoveries/Reimbursements

Marriage License Tax





Agency Presentations

- Oregon Health Authority
- Employment Dept.
 - Josh Lehner presenting on behalf of Agencies
- DCBS
 - Patrick Allen
 - Director
- DHS
 - Eric Moore
 - CFO
- Parks & Recreation
 - Lisa VanLaanen
 - Asst Director
- Fish & Wildlife
 - Debbie Colbert
 - Deputy Director
- ODOT
 - Dave Kavanaugh
 - State Transportation Economist





Oregon Health Authority

(Dec '12 Other Funds Report)

	2011-13 Estimate	Note
Provider Taxes	\$813.6 m	hospital, managed cared (Sunset FY15)
WIC Rebate	\$34.7 m	infant formula
Fees for Services	\$59.5 m	public health sum including medicinal marijuana
Recoveries/Reimb	\$5.1 m	vaccines, client costs, indigent funeral for PH and Seniors and People with Disabilities
Drug Rebates	\$79.2 m	state Medicaid program purchases
OMIP Assessment	\$171.4 m	Oregon medical insurance pool – high risk health insurance pool for those unable to obtain it because of health conditions (Sunset January 2014)
Member Paid Ins Prem	\$176.7 m	sunset January 2014
Pharmacy Revenue	\$52.3 m	
PEBB/OEBB	\$3.4 billion	
DSHP	\$230 m	Health Care Transformation





Employment Department

State Unemployment Tax Act Revenues

– Source:

- Employers pay payroll tax on covered employees
- Rates modified each year on law based on UI Trust fund reserves and employer experience rating

– Use:

- UI benefits paid out of UI Trust fund

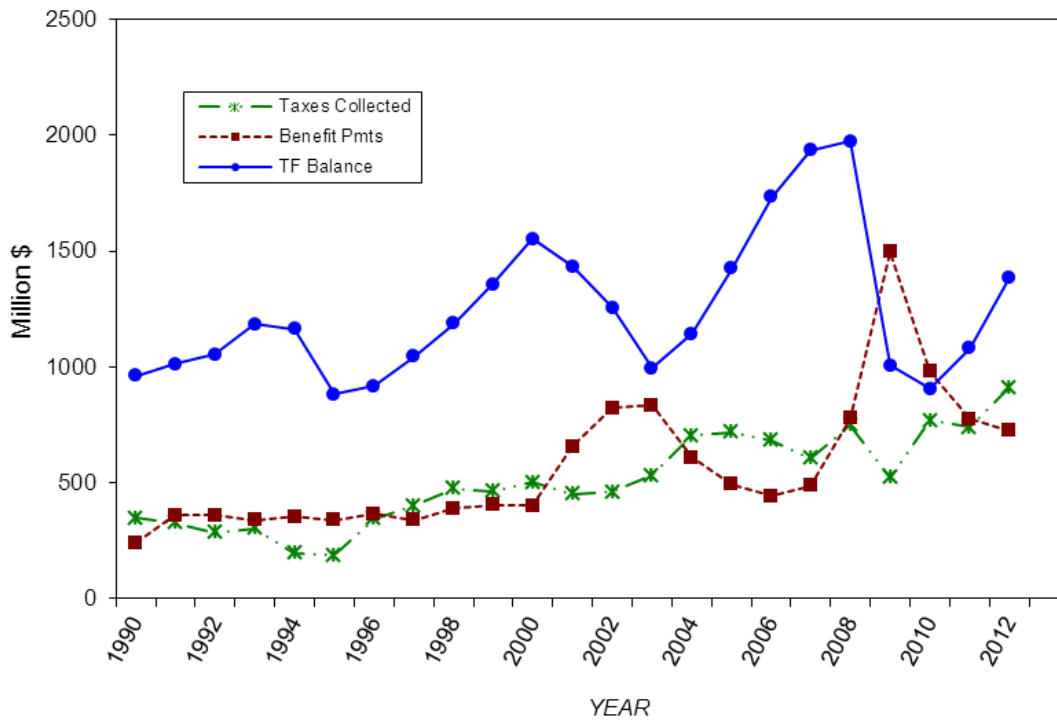
– Great Recession depleted the fund

- Increased claims, reduced wages and lower employment
- Rates increased to rebuild the fund, will automatically adjust lower as the fund is replenished
- Oregon's fund remained solvent, unlike many states (36)



Employment Taxes

UI Trust Fund Balance, Taxes Collected and Benefits Paid



	Dec '12 Forecast
11-13 BN	\$2.068 billion
13-15 BN	\$2.176 billion
15-17 BN	\$2.180 billion



Department of Consumer and Business Services

Other Funds Revenue Presentation

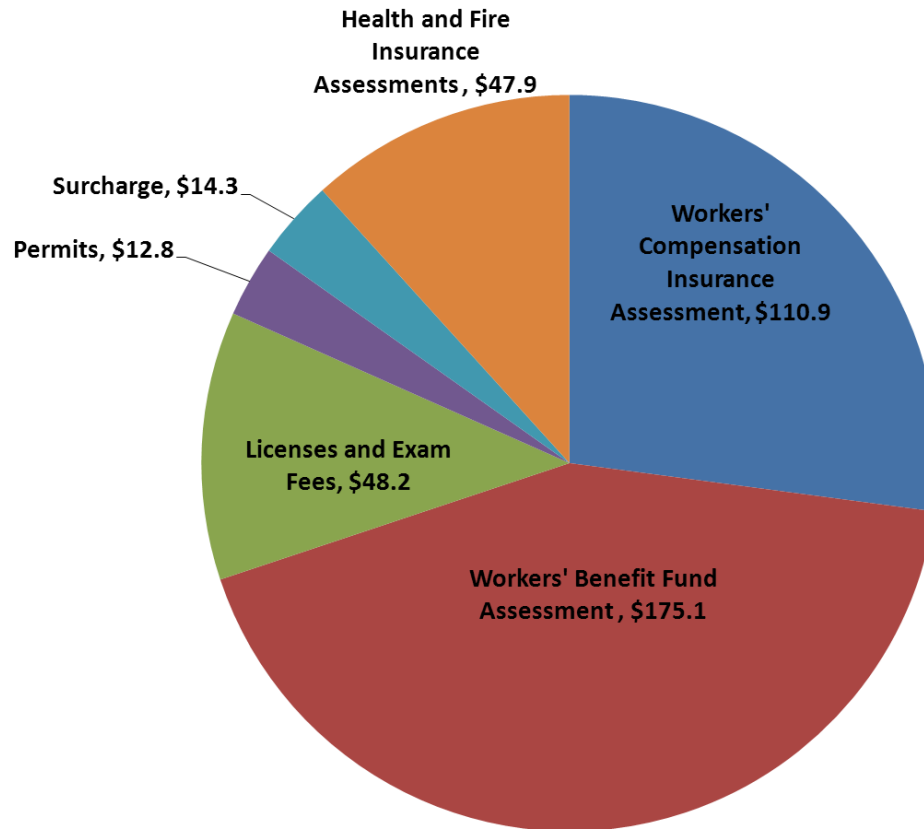
House Committee on Revenue

Presented by: Patrick M. Allen, DCBS Director

March 1, 2013

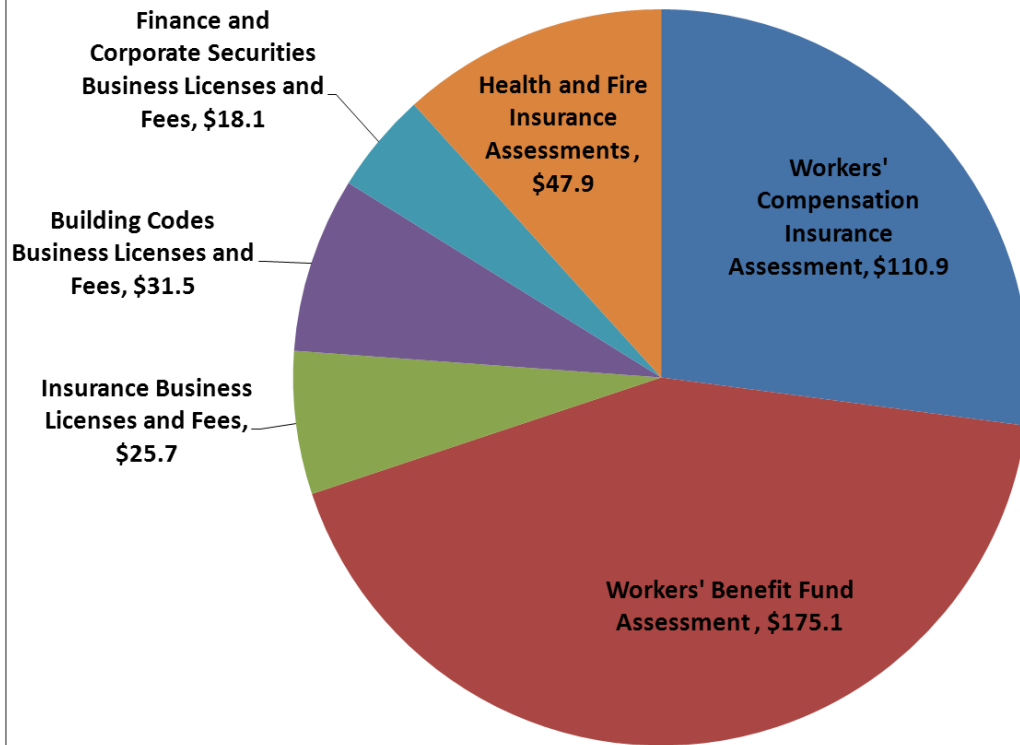
DCBS Other Funds Revenue

2013-15 Biennium Major DCBS Revenue Categories (\$ Millions)



DCBS Other Funds Revenue

2013-15 Biennium DCBS Industry Revenue Types (\$ Millions)



DCBS Other Funds Revenue

DCBS Revenue

One-year ahead forecast performance

Workers' Comp. Insurance Assessment (Workers' Comp. Insurance Taxes) (\$ millions)

	Actual	Forecast	Pct. Difference
FY 2000	\$42.29	\$44.04	-4.0%
FY 2001	\$42.86	\$42.40	1.1%
FY 2002	\$48.74	\$43.25	12.7%
FY 2003	\$58.24	\$51.67	12.7%
FY 2004	\$58.51	\$57.44	1.9%
FY 2005	\$55.24	\$55.72	-0.9%
FY 2006	\$59.12	\$58.82	0.5%
FY 2007	\$54.84	\$48.76	12.5%
FY 2008	\$47.54	\$45.77	3.9%
FY 2009	\$41.94	\$48.56	-13.6%
FY 2010	\$34.71	\$41.16	-15.7%
FY 2011	\$36.97	\$39.73	-6.9%
FY 2012	\$51.77	\$48.09	7.6%
Cumulative			1.2%

Workers' Benefit Fund Assessment (Other Employer-Employee Taxes) (\$ millions)

	Actual	Forecast	Pct. Difference
FY 2000	\$104.21	\$104.71	-0.5%
FY 2001	\$98.13	\$98.86	-0.7%
FY 2002	\$90.23	\$91.62	-1.5%
FY 2003	\$88.82	\$89.96	-1.3%
FY 2004	\$87.60	\$88.14	-0.6%
FY 2005	\$86.40	\$86.11	0.3%
FY 2006	\$87.07	\$85.02	2.4%
FY 2007	\$79.76	\$78.87	1.1%
FY 2008	\$75.59	\$75.45	0.2%
FY 2009	\$72.67	\$75.57	-3.8%
FY 2010	\$68.44	\$70.47	-2.9%
FY 2011	\$69.29	\$69.36	-0.1%
FY 2012	\$71.36	\$71.17	0.3%
Cumulative			-0.5%

Business Licenses and Fees (\$ millions)

	Actual	Forecast	Pct. Difference
FY 2010	\$33.31	\$34.25	-2.7%
FY 2011	\$38.33	\$35.23	8.8%
FY 2012	\$35.30	\$34.93	1.1%
Cumulative			2.4%

Health Insurance Taxes (\$ millions)

	Actual	Forecast	Pct. Difference
FY 2010	\$25.75	\$29.35	-12.3%
FY 2011	\$50.31	\$54.51	-7.7%
FY 2012	\$56.64	\$57.04	-0.7%
Cumulative			-5.8%

Fire Marshal Fees (\$ millions)

	Actual	Forecast	Pct. Difference
FY 2010	\$8.31	\$7.56	9.9%
FY 2011	\$8.50	\$8.66	-1.8%
FY 2012	\$9.36	\$8.80	6.4%
Cumulative			4.6%

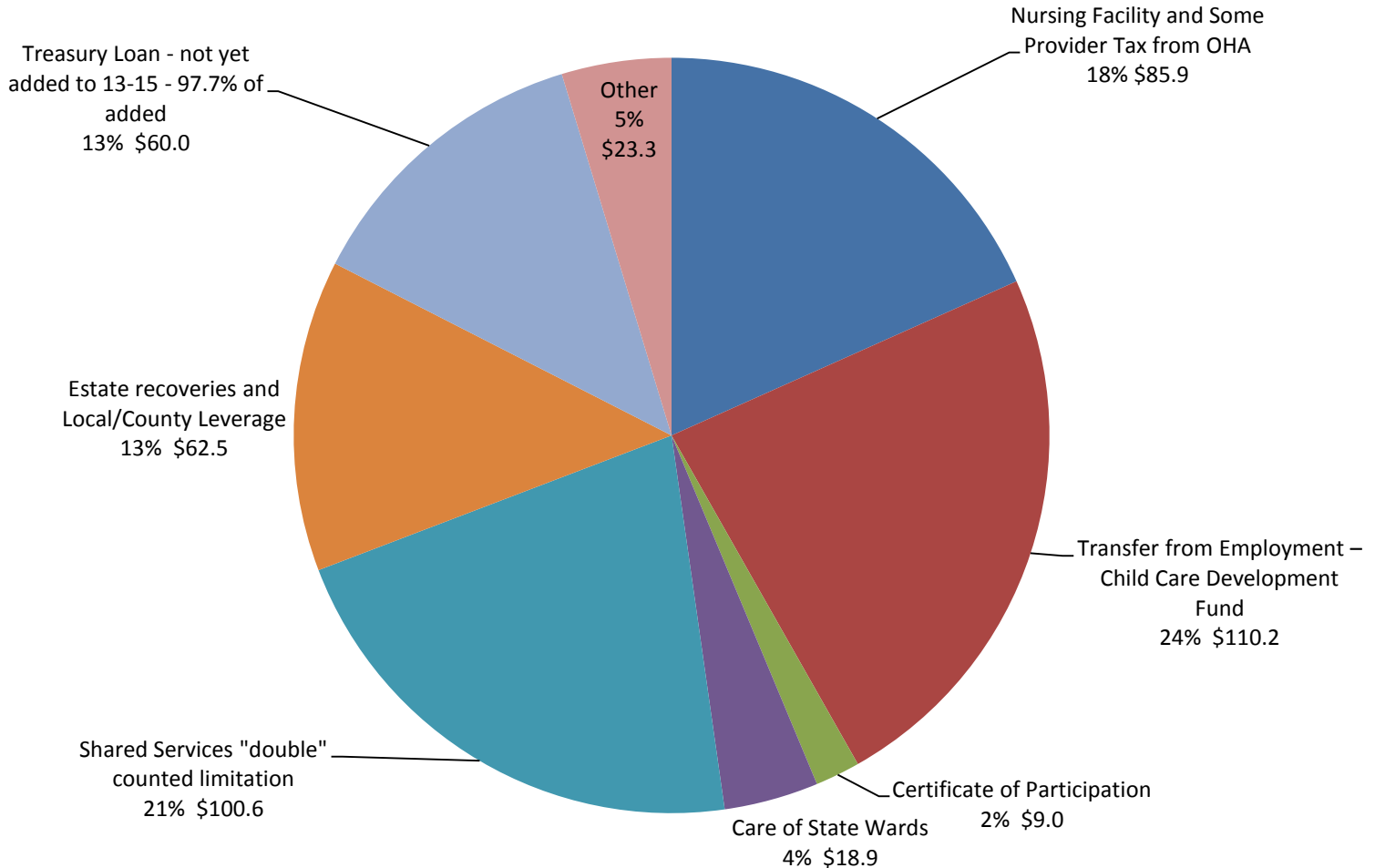
Department of Human Services

2013 House Committee on Revenue DHS Other Funds Overview

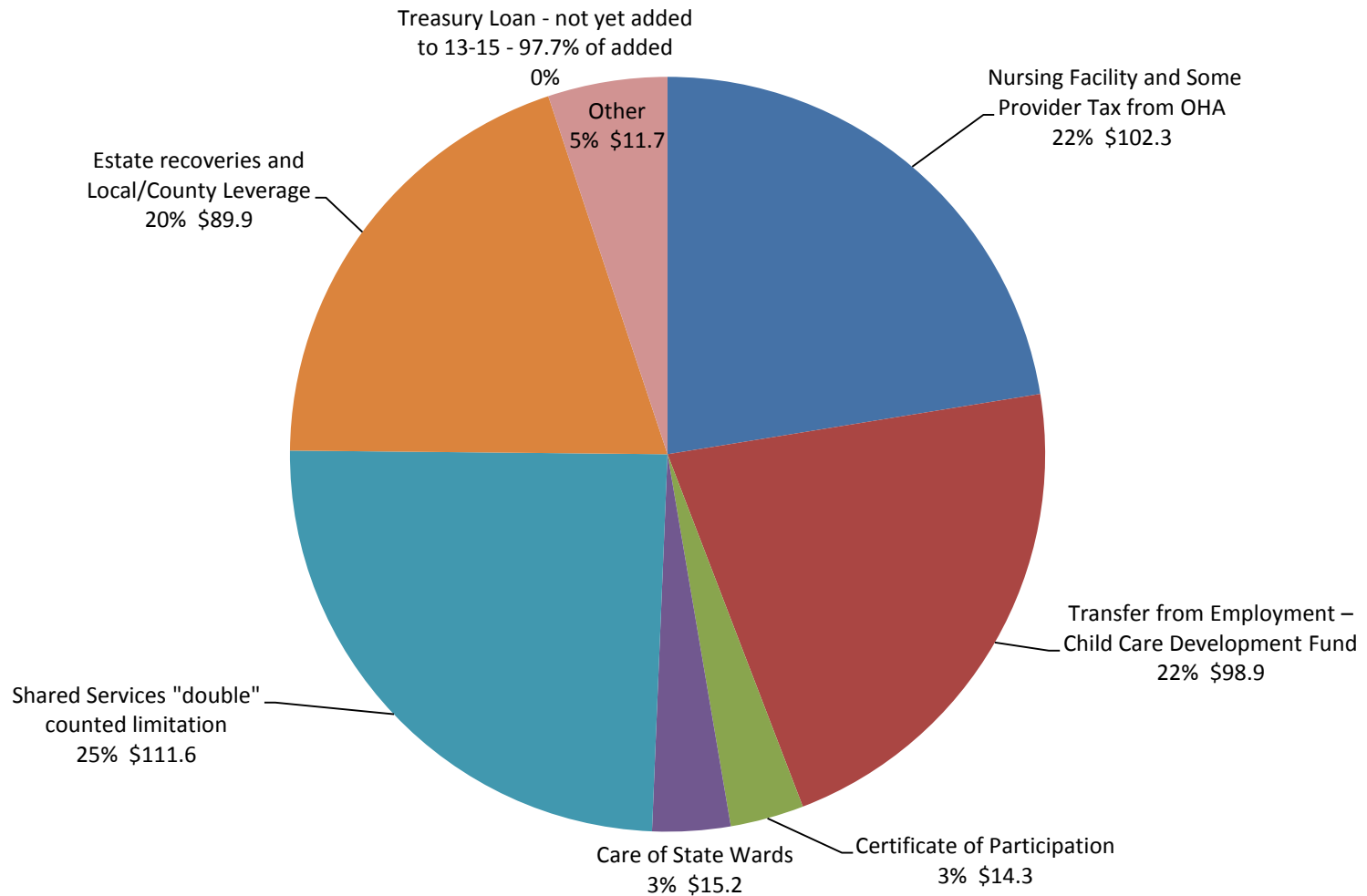
Eric Luther Moore, CFO
March 1, 2013



BI 11-13 Total Other Funds \$469.1 (\$368.5 without Shared Services) all dollars in millions.



BI 13-15 Total Other Funds \$443.9 (\$332.4 without shared services) all dollars in millions





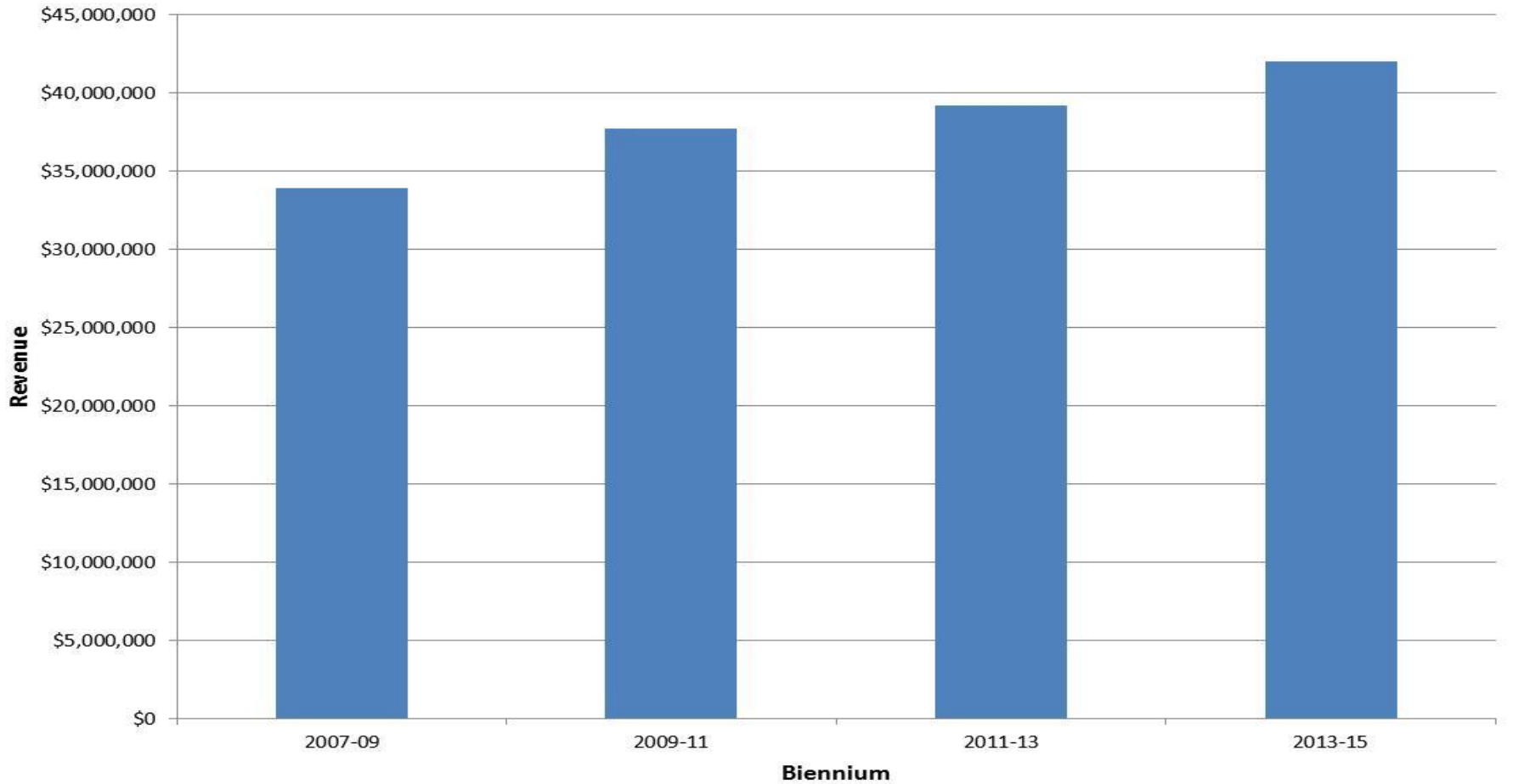
Oregon Parks and Recreation Department (OPRD)

**Other Funds
Revenue Presentation
March 1, 2013**



OPRD Revenue Presentation

**Oregon Parks and Recreation Department
Park User Fees**





OPRD Revenue Presentation

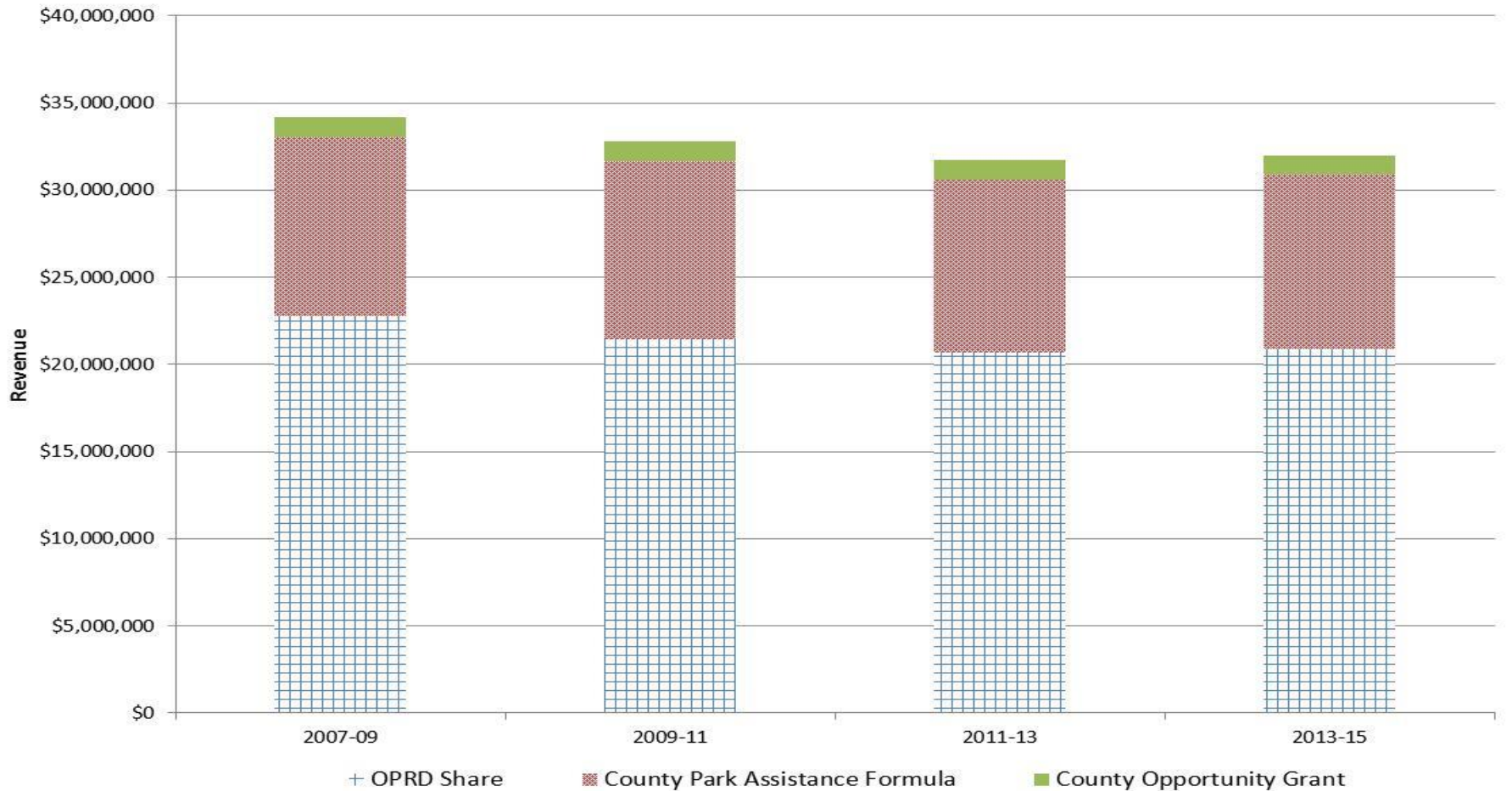
Park User Fees

- Includes Day Use, Overnight Camping and Reservation Fees - \$42 million, 21% of the Department's revenue
- Forecasted revenues include a rate adjustment that raises and additional \$1.6 million for Park Operations
- Rates were last adjusted in May 2010



OPRD Revenue Presentation

**Oregon Parks and Recreation Department
Recreational Vehicle (RV) Revenue**





OPRD Revenue Presentation

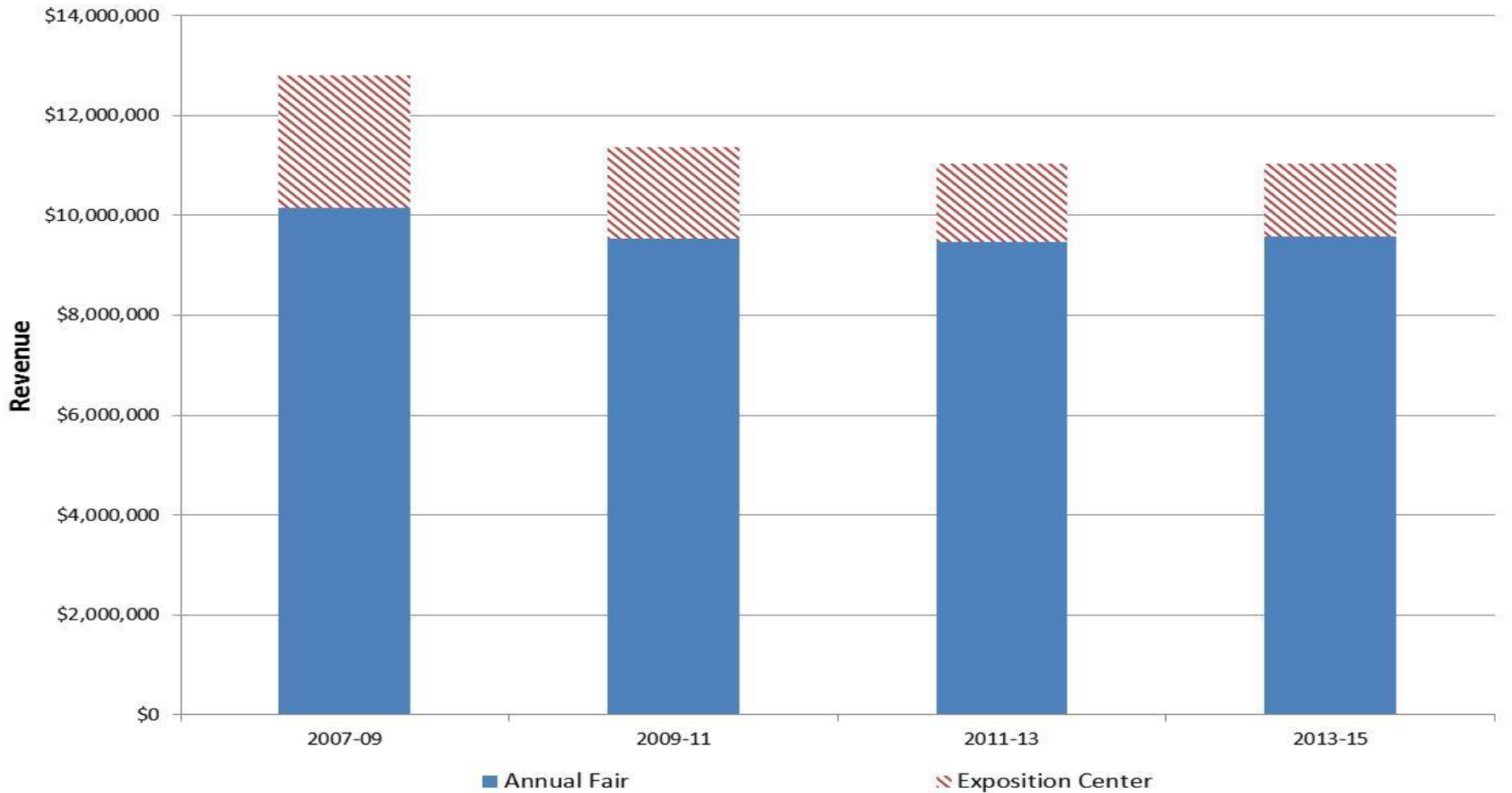
Recreational Vehicle (RV) Registration Fees

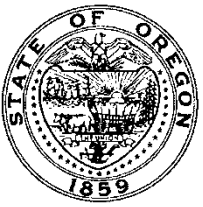
- Registrations declining, temporary or “trip permits” up
- Fee increase in January 2004 masks a long term downward trend
- Split with counties 65% OPRD, 35% Counties
 - SB 331 makes the split 50/50 causing a \$4.8 million loss in revenue to OPRD



OPRD Revenue Presentation

Oregon Parks and Recreation Department
Oregon State Fair and Exposition Center Revenue





OPRD Revenue Presentation

Oregon State Fair and Exposition Center

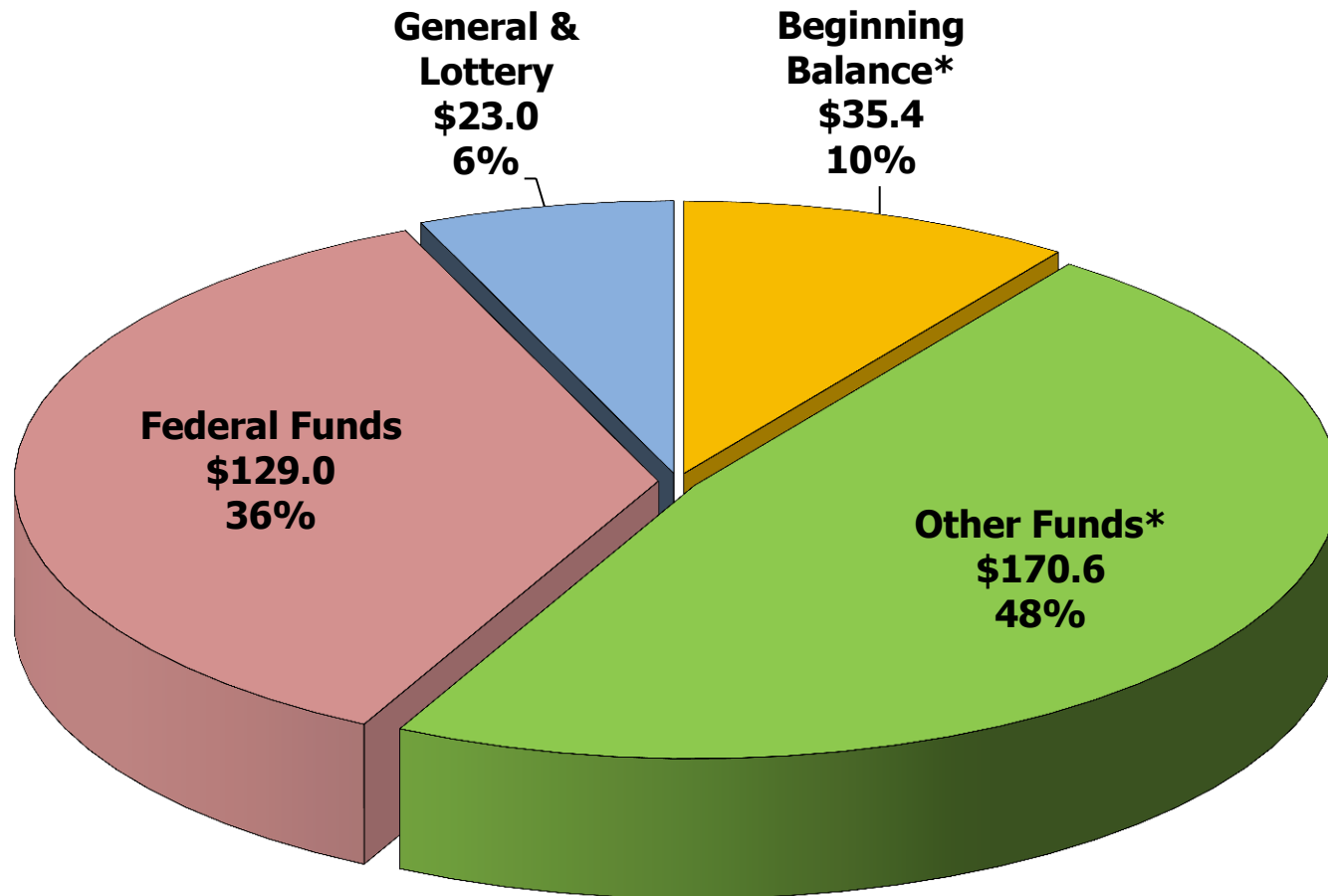
- Annual State Fair - \$4.8 million per fair, \$9.6 million biennially
- Exposition Center - \$700 thousand per year, \$1.4 million biennially
- Seeking to change the Business Model



Oregon Dept of Fish & Wildlife



Oregon Dept of Fish & Wildlife: 2013-15 Biennium Revenues



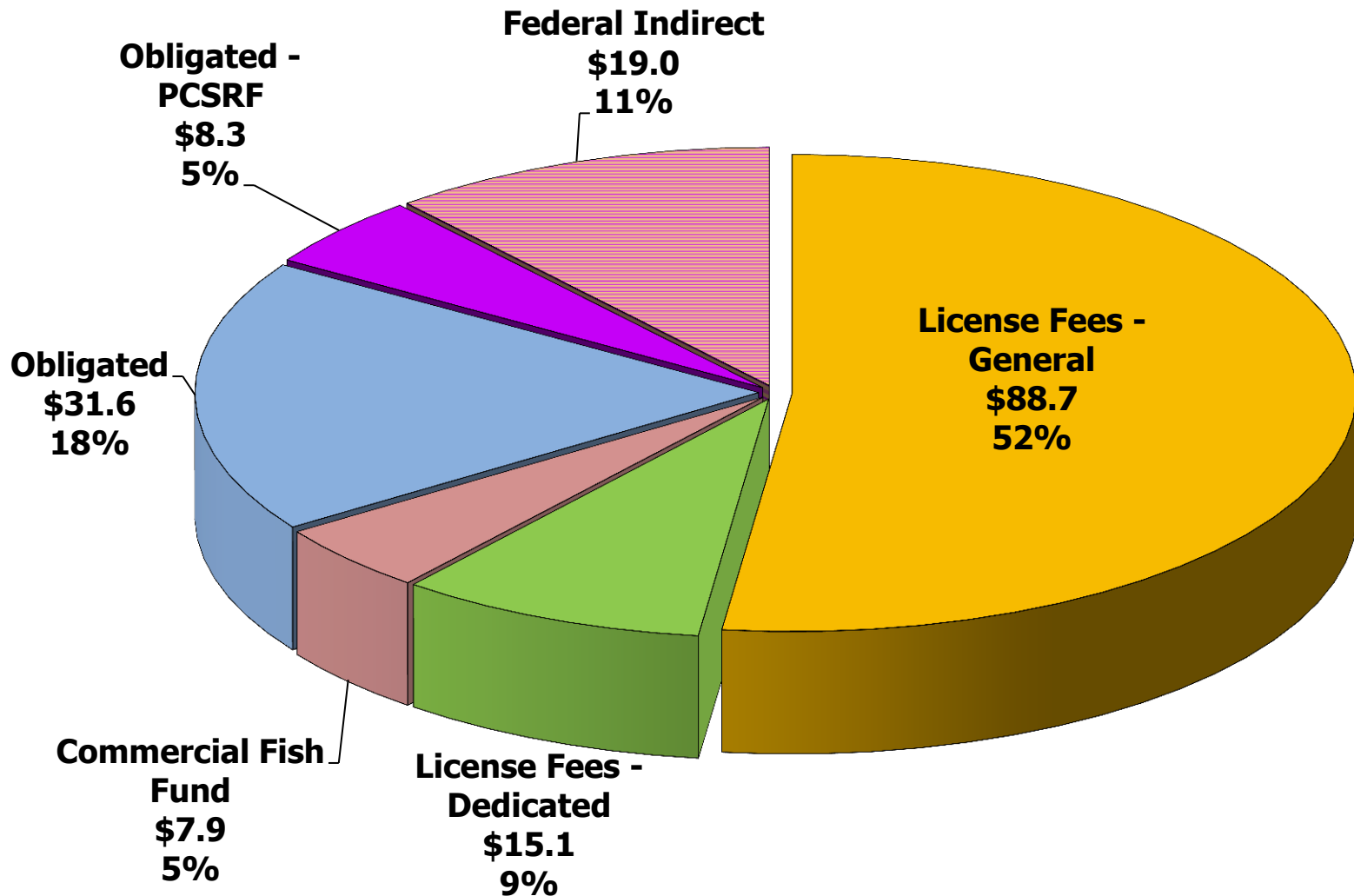
*majority linked to Federal diversion statute

Total = \$358 M

ODFW Other Funds

	Source	Who Pays	Use
License Fees – General	Recreational License & Tag sales	Anglers & Hunters	<ul style="list-style-type: none"> • Core fish & wildlife programs • OSP enforcement • Working capital
License Fees – Dedicated	Recreational License & Tag sales	Anglers & Hunters	<ul style="list-style-type: none"> • e.g., Access & Habitat • e.g., Restoration & Enhancement
Commercial Fish Fund	Commercial Licenses & Landing Surcharges	Commercial Fishers & Dealers	<ul style="list-style-type: none"> • Marine fisheries management
Obligated	Contracts	Various partners	<ul style="list-style-type: none"> • e.g., habitat • e.g., monitoring • e.g., engineering
Obligated – PCSRF	NOAA pass-through via OWEB	Federal	<ul style="list-style-type: none"> • Research & monitoring • On-the-ground projects
Federal Indirect	Federal Grants	Federal	<ul style="list-style-type: none"> • Admin

ODFW 2013-15 Biennium Other Funds Revenues



ODFW Other Funds Outlook

- Short-term
 - Tracking according to expectations
- Longer-term
 - Concerns about trends in hunting & fishing participation
 - Continued uncertainty around federal funding



Oregon Dept of Transportation





Other Funds Revenue Forecast State Transportation Revenues

House Committee on Revenue

March 01, 2013

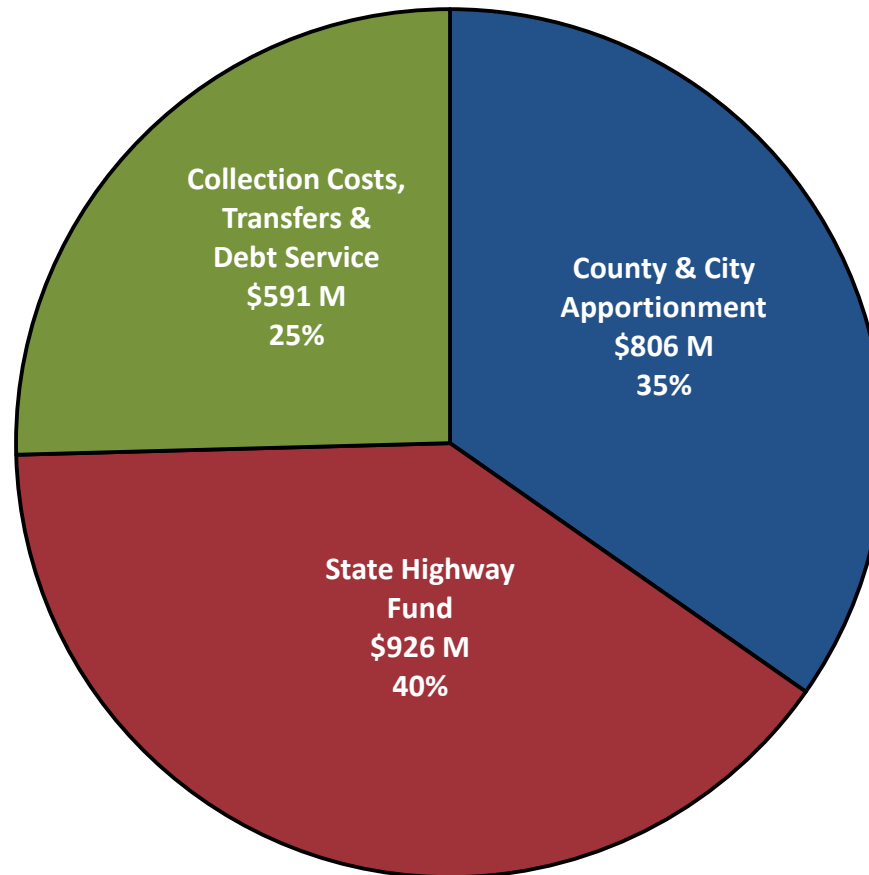
David Kavanaugh, Ph.D.
State Transportation Economist,
Transportation Development Division

Other Funds Transportation Revenues

Gross State Highway Revenues by Allocation

2013-15 Biennium Forecast

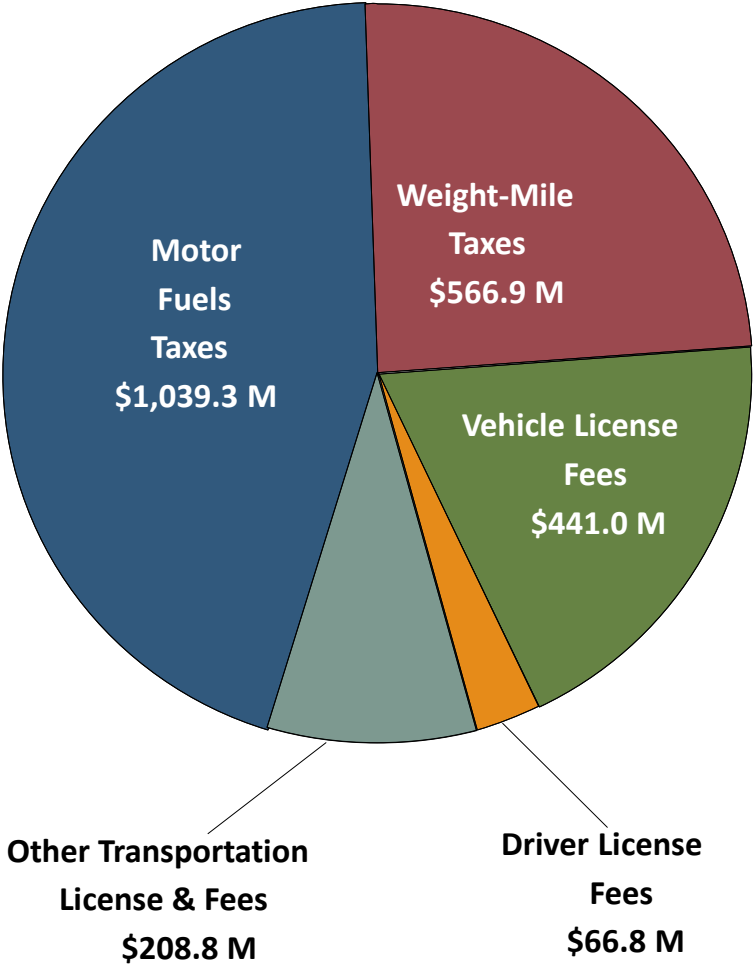
\$2.3 Billion



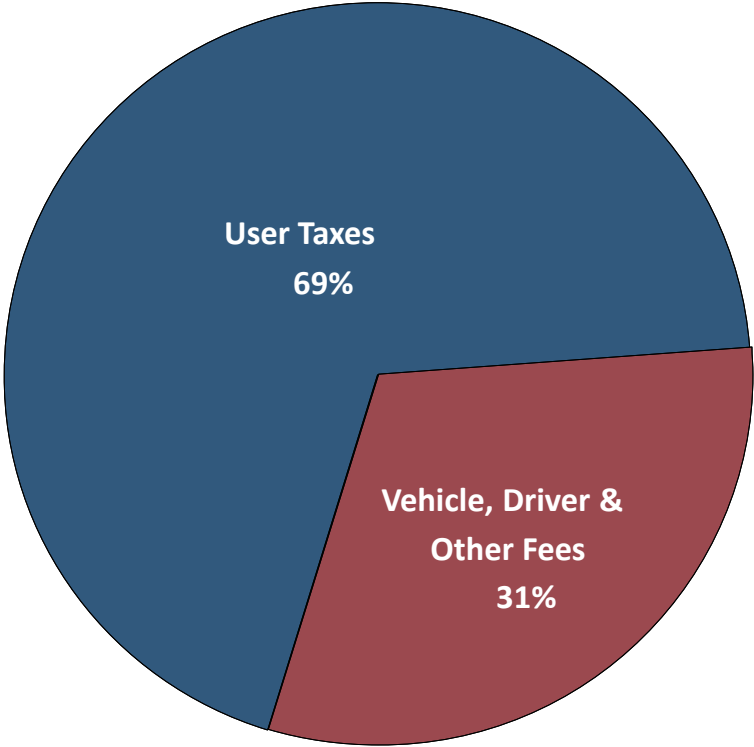
Gross State Highway Revenues by Source & Type

2013-15 Biennium Forecast

Revenue by Source
\$2.3 Billion



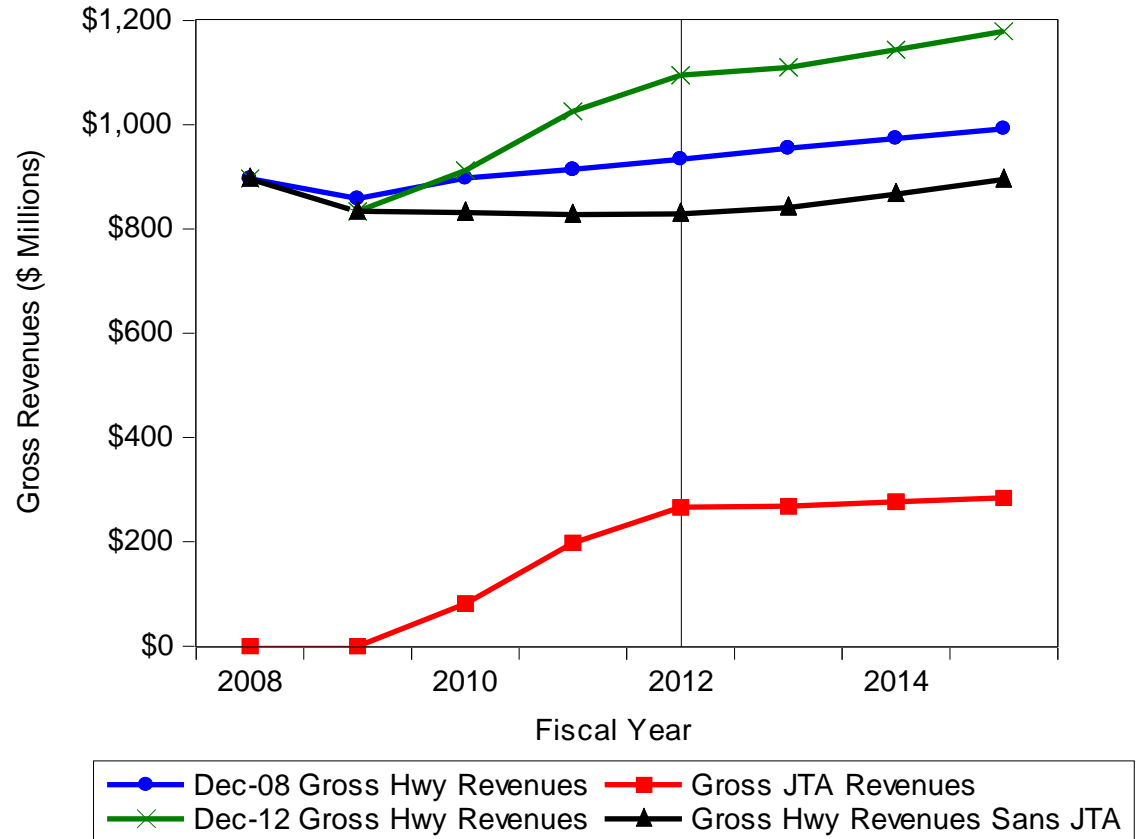
Revenue by Type
100%



Forecast Summary

- Economic contraction had a material impact on use taxes and fee revenues
- Impacts of JTA are very pronounced in our revenue outlook
- Modest growth in revenues going forward in the forecast
- Adjusted for construction and maintenance inflation: revenues are flat

Gross Revenue Forecast Comparison





Questions?

- Other Funds Report
 - June and December each year





For More Information

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