

Capital Budgeting Program

Debt Service Sub-Program

Financial Agreements and COPs

The purpose of the Debt Service Sub-Program is to repay those long-term financial obligations (both principal and interest) acquired through the issuance of bonds or certificates of participation (COPs) to fund the Department of Forestry's capital construction projects and business system improvement initiatives. The summary construction information on each phase is included in the "History and Purpose" section.

This is the continuation of a program structure created pursuant to Policy Package #094 (2003 Session Legislative Fiscal Office initiative package). Prior to the 2003 Legislative Session, all material related to debt service was included in Agency Administration. The Department of Forestry currently has long-term financial obligations for its Salem Headquarters facilities, Business Systems Improvement Initiative, and John Day and Sisters facility replacement projects.

<u>COP</u>	<u>Working Title</u>	<u>Final Payment</u>
2012 Series A	Gilchrist Land Purchases	April 1, 2032
2015 Series E	Partial Refunding, 2009 Series D	April 1, 2029
2015 Series F	Gilchrist Land Purchases	May 1, 2035
2017 Series C	Partial Refunding, 2012 Series A	April 1, 2032
2018 Series A	Toledo Construction	May 1, 2038
2019 Series A	COP Elliott	May 1, 2039
2019 Series K	Toledo Facility Replacement	May 1, 2023

Base Budget & Essential Packages

Package 000 - Current Service Level Exception Request - Base Budget Change

The debt service base budget was adjusted to equal the exact amount of known debt payments the department is committed to make in the 2021-23 biennium.

Program Enhancement Packages

Summary of All Division Enhancement Packages - Debt Service

<u>Package</u>	<u>Component Title</u>	<u>All Funds</u>	<u>Positions / FTEs</u>
810	Statewide Adjustments	\$1	0/0.00
811	Budget Reconciliation Adjustments	\$767,719	0 / 0.00
Total Packages:		\$767,720	0 / 0.00

Package 810-Statewide Adjustment

Purpose: This is a fund shift from General Fund to Other Funds, due to applying interest earned on the cash account to payments of the interest on the bonds.

Staffing Impact: None.

Revenue Source:

	<u>Agency Request Budget</u>	<u>Governor's Budget</u>	<u>Legislatively Adopted Budget</u>
General Fund	\$0	\$0	(\$2,059)
Other Funds	\$0	\$0	\$2,060
Federal Funds	\$0	\$0	\$0
All Funds	\$0	\$0	\$1
Position/FTE:	0/0.00	0/0.00	0/0.00

Package 811 – Budget Reconciliation Adjustments

Purpose: A General Funds appropriation of \$260,395 and Other Funds expenditure limitation of \$255,807 for the payment of debt service related to the bonds issued in the 21-23 biennium to address maintenance needs of facilities owned by the department. Also included is a General Fund increase of \$105,260 and Other Funds expenditure limitation increased by \$146,257 for debt service, for bonds issued for the replacement of the agency's facility in Toledo, Oregon.

Staffing Impact: None.

Revenue Source:

	<u>Agency Request Budget</u>	<u>Governor's Budget</u>	<u>Legislatively Adopted Budget</u>
General Fund	\$0	\$0	\$365,655
Other Funds	\$0	\$0	\$402,064
Federal Funds	\$0	\$0	\$0
All Funds	\$0	\$0	\$767,719
Position/FTE:	0/0.00	0/0.00	0/0.00

Capital Budgeting Program

Acquisition, Construction or Improvement of Real Property, Equipment or IT Systems							
Description of Property/Equipment/System Project	Owned or Operated by the State (if operated, who owns?)	Estimated Useful Life of Capital Asset	Total Estimated Cost of Project	Amount Requested to be Financed in 2021-23	XI-Q Bonds or Lease Financing	Date Financing Needed (list separate rows for different dates ¹)	Debt Service Funding Source
Deferred Maintenance & Capital Improvement of Real Property	State Owned	50 years	\$4,820,771	\$4,820,771	XI-Q Bonds	October 2021	100% GF
Toledo Facility Replacement - Phase 2	State Owned	50 years	\$1,632,842	\$1,632,842	XI-Q Bonds	October 2021	41.85% GF / 58.15% OF
Santiam Facility Replacement	State Owned	50 years	\$2,500,000	\$2,500,000	XI-Q Bonds	October 2021	100% GF
Totals			\$8,953,613	\$8,953,613			

1. Sale dates for Article XI-Q Bonds are for budgeting purposes only, and are subject to change.

Capital Improvement Sub-Program

Program Overview

The Capital Improvement Program supports the Department of Forestry through the improved functionality and extended life of its facilities assets to meet current and future business needs.

Statutory Authority

ORS 276.227(5)

ORS 276.229

ORS 291.216(8)(D)

Purpose, Customers, and Source of Funding

The purpose of the Capital Improvement Program is to maintain the department's investment in its capital assets, improve the function of its buildings, and to renew obsolete facilities and system components. Capital improvement projects are those capital projects that are capitalized, have a cost of less than \$1 million, increase the value and extend the useful life or adapt a capital asset to a different use.

The primary funding resources are state General Fund appropriations, assessments from forest landowners, net proceeds from state forest operations, and Department of Forestry operating programs.

To maximize the effectiveness of limited funding resources, the focus of the Capital Improvement Program is on the following categories of needs that emphasize improved safety and function of the department's facilities:

- Code and Life Safety—Improvements to older facilities to meet modern building code and life-safety requirements.
- Service Life—Renewal projects to offset the wear and decline of operational facilities due to intensive, long-term use.
- Programmatic Changes—Revisions to meet changing program needs to maintain staff productivity and work capacity.
- Functional Obsolescence—Renovations to facilities to remove functional obstacles and to install technological improvements.

Capital improvement projects are identified through a collaborative budget development process with stakeholders each fiscal year.

Capital Budgeting Program

Detail of Revenue 107BF07

Capital Improvement:

Source	Fund	ORBITS Revenue Acct	2017-2019 Actual	2019-21 Legislatively Adopted	2019-21 Estimated	2021-23		
						Agency Request	Governor's	Legislatively Adopted
Transfer In - Intrafund	3010	1010	\$989,105	\$4,783,787	\$731,010	\$9,810,260	\$9,810,260	\$4,989,489
Bond Sales	3010	0555	\$0	\$0	\$0	\$0	\$0	\$4,820,772

Facilities:

Source	Fund	ORBITS Revenue Acct	2017-2019 Actual	2019-21 Legislatively Adopted	2019-21 Estimated	2021-23		
						Agency Request	Governor's	Legislatively Adopted
Transfer In - Intrafund	3400	1010	\$1,719,419	\$5,642,619	\$1,449,788	\$5,888,809	\$5,888,809	\$5,887,024

Debt Service:

Source	Fund	ORBITS Revenue Acct	2017-2019 Actual	2019-21 Legislatively Adopted	2019-21 Estimated	2021-23		
						Agency Request	Governor's	Legislatively Adopted
Transfer In - Intrafund	3400	1010	\$615,893	\$0	\$0	\$106,387	\$106,387	\$0
Transfer In - Intrafund	3430	1010	\$727,874	\$668,774	\$668,774	\$412,618	\$412,618	\$636,664
Bond Sales	3400	0555	\$0	\$0	\$0	\$0	\$47,158	\$0
Transfer From Admin. Svcs.	4430	1107	\$2,600,999	\$2,543,451	\$2,543,210	\$2,564,210	\$2,564,210	\$2,560,320

Capital Construction:

Source	Fund	ORBITS Revenue Acct	2017-2019 Actual	2019-21 Legislatively Adopted	2019-21 Estimated	2021-23		
						Agency Request	Governor's	Legislatively Adopted
GF Obligation Bonds	3020	0555	\$3,832,965	\$0	\$0	\$1,632,842	\$1,632,842	\$1,632,842
Other Funds	3020	0975	\$0	\$0	\$0	\$0	\$2,500,000	\$2,500,000

Base Budget & Essential Packages

Package 031 - Standard Inflation

The cost of goods and services is based on the standard 3.8% inflation factor for services and supplies and capital outlay items, except for State Government

Service Charges and Attorney General charges, which are based on the 2021- 23 Price List of Goods and Services.

Capital Budgeting Program

Program Enhancement Packages

Summary of All Division Enhancement Packages Capital Improvement

Package	Component Title	All Funds	Positions / FTEs
811	Budget Reconciliation Adjustments	\$4,820,772	0 / 0.00
Total Packages:		\$4,820,772	0 / 0.00

Package 811 – Budget Reconciliation Adjustments

Purpose: General Obligation bonds that are authorized to be issued in the 2021-23 biennium are anticipated to produce \$4,820,772 in net proceeds to address maintenance needs of facilities owned by the department. This amount represents 2% of the replacement value of these facilities.

Staffing Impact: None.

Revenue Source:

	<u>Agency Request Budget</u>	<u>Governor's Budget</u>	<u>Legislatively Adopted Budget</u>
General Fund	\$0	\$0	\$0
Other Funds	\$0	\$0	\$4,820,772
Federal Funds	\$0	\$0	\$0
All Funds	\$0	\$0	\$4,820,772
Position/FTE:	0/0.00	0/0.00	0/0.00

Capital Construction Sub-Program

Program Overview

The Capital Construction Program supports the department through the renewal, acquisition and construction of the highest priority major construction/acquisition projects to meet current and future business needs.

Statutory Authority

ORS 291.224

ORS 291.216(8)(C)

Purpose, Customers and Source of Funding

The purpose of the Capital Construction Program is to maintain and develop functional capital assets through the renewal, acquisition and construction of major construction/acquisition projects to meet programmatic changes and to replace obsolete facilities. Major construction/ acquisition projects are those projects that are capitalized, have a cost of more than \$1 million, and are used to build, acquire, adapt, replace or change the function of a facility.

The department proposes to use XI-Q bond financing. The debt service for the XI-Q bond financing will be a combination of General Fund and Other Funds resources comprised of program prorate and rent-back funds, direct assessments from forest landowners, and where appropriate, net proceeds from state forest operations.

To maximize the effectiveness of limited revenue sources, the focus of Capital Construction Program is on the following categories of needs that emphasize improved safety and function of the department's facilities:

- Code and Life Safety—Improvements to our older facilities to meet modern building code and life-safety requirements.
- Service Life—Renewal and replacement projects to offset the wear and decline of our facilities due to intensive, long-term use.
- Programmatic Changes—Revisions to meet changing program needs and to maintain staff productivity and work capacity.
- Functional Obsolescence—Renovation and replacement projects to eliminate functional limitations.

Capital Budgeting Program

Facility Plan - Major Construction/ Acquisition Project Narrative

Facility Plan - Major Construction/ Acquisition Project Narrative 107BF11 2021-23 Biennium

Note: Complete a separate form for each project

Agency	Oregon Department of Forestry			Schedule	
Project Name	None	Cost Estimate	Cost Est. Date	Start Date	Est. Completion
Address /Location	N/A	GSF	# Stories	Land Use/Zoning Satisfied	
		N/A	N/A	N/A	N/A
	Funding Source/s: Show the distribution of dollars by funding source for the full	General Funds	Lottery	Other	Federal
		N/A	N/A	N/A	N/A

Description of Agency Business/Master Plan and Project Purpose/Problem to be Corrected
N/A

Project Scope and Alternates Considered
N/A

Project Budget Estimate - Escalate to the mid-point of construction. Use 4.5% Annual Escalation.

DIRECT CONSTRUCTION COSTS	\$	% Project Cost	\$/GSF
1 Building Cost Estimate			
2 Site Cost Estimate (20 Ft beyond building footprint)			
3 TOTAL DIRECT CONSTRUCTION COSTS	=		

INDIRECT CONSTRUCTION COSTS	\$	% Project Cost	\$/GSF
4 Owner Equipment / Furnishings / Special Systems			
5 Construction Related Permits & Fees Other Indirect Construction Costs Including 1% Art, 1.5% Renewable			
6 Energy and other state requirements			
7 Architectural, Engineering Consultants			
8 Other Design and PM Costs			
9 Relocation/Swing Space Costs			
10 TOTAL SOFT COSTS			
11 OWNER'S PROJECT CONTINGENCY			

TOTAL PROJECT COST	\$	% Project Cost	\$/GSF

Cost Estimate Source (EG Agency, Cost Estimator, A/E, etc.)

Capital Budgeting Program

Facility Plan - 10-Year Space Needs Summary Report

Facility Plan - 10 Year Space Needs Summary Report
2021-23 Biennium

Agency

Note: List each project/lease or disposal separately.

Proposed New Construction or Acquisition - Complete for 5 Biennia

Biennium	Agency Priority	Concept/Project Name	Description	GSF	Position Count ¹	General Fund	Other Funds	Lottery Funds	Federal Funds	Estimated Cost/Total Funds
2021-23		None Anticipated	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2023-25										
2025-27										
2027-29										
2029-31										

Proposed Lease Changes over 10,000 RSF - Complete for 3 Biennia

Biennium	Location	Description/Use	Term in Years	Total RSF ² +/- (added or eliminated)	USF ³	Position Count ¹	Biennial \$ Rent/RSF ²	Biennial \$ O&M ⁴ /RSF ² not included in base rent payment	Total Cost/Biennium
				A	B	C	D	E	(D+E) * A
2021-23	None Anticipated	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2023-25	None Anticipated	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2025-27	None Anticipated	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Planned Disposal of Owned Facility

Biennium	Facility Name	Description
2021-23		
2023-25	Toledo Unit Office	The existing facility will be moved to a new location. ODF received authorization during the 2017 Legislative Session (SB 5506) to acquire, plan, construct, and furnish equipment for land and improvements for the Toledo Unit Office Replacement Project.
2025-27	None Anticipated	N/A

Capital Budgeting Program

Capital Financing Six-Year Forecast Summary

Capital Financing Six-Year Forecast Summary 2021-23				
AGENCY: Oregon Department of Forestry Agency #: 62900	Provide amounts in the table below, by expected use and repayment source, of agency financing needs for the 2021-23 biennium. Include proposed project amounts only (do not include debt service either from previously issued debt or from new issue).			
Use of Bond Proceeds	Bond Type		Totals by Repayment Source	
	General Obligation Bonds	Revenue Bonds		
Major Construction/Acquisition Projects	\$	\$	\$	48.24% GF
Subtotal for General Fund Repayment:	\$ 3,112,197	\$	\$	LF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	51.76% OF
Subtotal for Other Funds Repayment:	\$ 3,339,784	\$	\$	FF
Subtotal for Federal Funds Repayment:	\$	\$	\$	
Total for Major Construction	\$6,451,981	\$	\$	
Equipment/Technology Projects over \$500,000	\$	\$	\$	GF
Subtotal for General Fund Repayment:	\$	\$	\$	LF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	OF
Subtotal for Other Funds Repayment:	\$	\$	\$	FF
Subtotal for Federal Funds Repayment:	\$	\$	\$	
Total for Equipment/Technology	\$	\$	\$	
Debt Issuance for Loans and Grants	\$	\$	\$	GF
Subtotal for General Fund Repayment:	\$	\$	\$	LF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	OF
Subtotal for Other Funds Repayment:	\$	\$	\$	FF
Subtotal for Federal Funds Repayment:	\$	\$	\$	
Total for Loans and Grants:	\$	\$	\$	
Total All Debt Issuance	\$	\$	\$	47.63% GF
Subtotal for General Fund Repayment:	\$ 365,655	\$	\$	LF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	52.37% OF
Subtotal for Other Funds Repayment:	\$ 402,064	\$	\$	FF
Subtotal for Federal Funds Repayment:	\$	\$	\$	FF
GRAND TOTAL 2021-23	\$ 7,219,700	\$	\$	

Capital Budgeting Program

Capital Financing Six-Year Forecast Summary 2023-25				
AGENCY: Oregon Department of Forestry Agency #: 62900	Provide amounts in the table below, by expected use and repayment source, of agency financing needs for the 2021-23 biennium. Include proposed project amounts only (do not include debt service either from previously issued debt or from new issue).			
Use of Bond Proceeds	Bond Type			Totals by Repayment Source
	General Obligation Bonds	Revenue Bonds	Revenue Bonds	
Major Construction/Acquisition Projects	\$	\$	\$	GF
Subtotal for General Fund Repayment:	\$	\$	\$	LF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	OF
Subtotal for Other Funds Repayment:	\$	\$	\$	FF
Subtotal for Federal Funds Repayment:	\$	\$	\$	
Total for Major Construction				
Equipment/Technology Projects over \$500,000	\$	\$	\$	GF
Subtotal for General Fund Repayment:	\$	\$	\$	LF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	OF
Subtotal for Other Funds Repayment:	\$	\$	\$	FF
Subtotal for Federal Funds Repayment:	\$	\$	\$	
Total for Equipment/Technology				
Debt Issuance for Loans and Grants	\$	\$	\$	GF
Subtotal for General Fund Repayment:	\$	\$	\$	LF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	OF
Subtotal for Other Funds Repayment:	\$	\$	\$	FF
Subtotal for Federal Funds Repayment:	\$	\$	\$	
Total for Loans and Grants:	\$	\$	\$	
Total All Debt Issuance			\$	47.76% GF
Subtotal for General Fund Repayment:	\$	\$589,181	\$	LF
Subtotal for Lottery Funds Repayment:	\$		\$	52.24% OF
Subtotal for Other Funds Repayment:	\$	\$644,328	\$	FF
Subtotal for Federal Funds Repayment:	\$		\$	FF
GRAND TOTAL 2023-25	\$	\$1,233,509	\$	\$
Capital Financing Six-Year Forecast Summary 2025-27				
AGENCY: Oregon Department of Forestry Agency #: 62900	Provide amounts in the table below, by expected use and repayment source, of agency financing needs for the 2021-23 biennium. Include proposed project amounts only (do not include debt service either from previously issued debt or from new issue).			

Capital Budgeting Program

Use of Bond Proceeds	Bond Type		Totals by Repayment Source	
	General Obligation Bonds	Revenue Bonds		
Major Construction/Acquisition Projects	\$	\$	\$	GF
Subtotal for General Fund Repayment:	\$	\$	\$	LF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	OF
Subtotal for Other Funds Repayment:	\$	\$	\$	FF
Subtotal for Federal Funds Repayment:	\$	\$	\$	
Total for Major Construction				
Equipment/Technology Projects over \$500,000	\$	\$	\$	GF
Subtotal for General Fund Repayment:	\$	\$	\$	LF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	OF
Subtotal for Other Funds Repayment:	\$	\$	\$	FF
Subtotal for Federal Funds Repayment:	\$	\$	\$	
Total for Equipment/Technology				
Debt Issuance for Loans and Grants	\$	\$	\$	GF
Subtotal for General Fund Repayment:	\$	\$	\$	LF
Subtotal for Lottery Funds Repayment:	\$	\$	\$	OF
Subtotal for Other Funds Repayment:	\$	\$	\$	FF
Subtotal for Federal Funds Repayment:	\$	\$	\$	
Total for Loans and Grants:	\$	\$	\$	
Total All Debt Issuance		\$	\$	GF
Subtotal for General Fund Repayment:	\$	\$588,696	\$	47.75% LF
Subtotal for Lottery Funds Repayment:	\$		\$	OF
Subtotal for Other Funds Repayment:	\$	\$644,145	\$	FF
Subtotal for Federal Funds Repayment:	\$		\$	52.25% FF
GRAND TOTAL 2025-27	\$	\$1,232,841	\$	

Capital Budgeting Program

Program Enhancement Packages

Summary of All Division Enhancement Packages Capital Construction

Package	Component Title	All Funds	Positions / FTEs
175	Toledo Facility Replacement Expansion	\$1,632,842	0/0.00
816	Capital Construction	\$2,500,000	0/0.00
Total Budget Packages:		\$4,132,842	0 / 0.00

Package 816-Capital Construction

Purpose: Santiam District Office replacement \$2,500,000 Other Funds (insurance proceeds) is approved to design and construct a new Santiam District Office to replace the facility that was destroyed by wildfire in 2020.

Staffing Impact: None.

Revenue Source:

	<u>Agency Request Budget</u>	<u>Governor's Budget</u>	<u>Legislatively Adopted Budget</u>
General Fund	\$0	\$0	\$0
Other Funds	\$0	\$0	\$2,500,000
Federal Funds	\$0	\$0	\$0
All Funds	\$0	\$0	\$2,500,000
Position/FTE:	0 / 0.00	0/0.00	0/0.00

Package 175 – Toledo Facility Replacement Expansion

Purpose: This concept proposes additional funding to replace the aging ODF unit office facilities compound located in Toledo. This project was initially evaluated to be part of a larger co-location project with the Oregon Department of Transportation (ODOT). The original policy package was approved in the 2017-19 biennium. Due to budgetary constraints, ODOT has decided to remain at its Ona Beach facility and is currently scoping further improvements of its existing site to meet its current and future programming needs. ODF will not be able to co-locate with ODOT at the Ona Beach facility due to strategic/geographical programming needs. The additional funding request accounts for four years of construction cost escalation since the conceptual cost estimate was completed in 2016.

Staffing Impact: None.

Revenue Source:

	<u>Agency Request Budget</u>	<u>Governor's Budget</u>	<u>Legislatively Adopted Budget</u>
General Fund	\$0	\$0	\$0
Other Funds	\$1,632,842	\$1,632,842	\$1,632,842
Federal Funds	\$0	\$0	\$0
All Funds	\$1,632,842	\$1,632,842	\$1,632,842
Position/FTE:	0 / 0.00	0/0.00	0/0.00

Facilities Maintenance & Management Narrative

Executive Summary

Long-Term Focus Areas

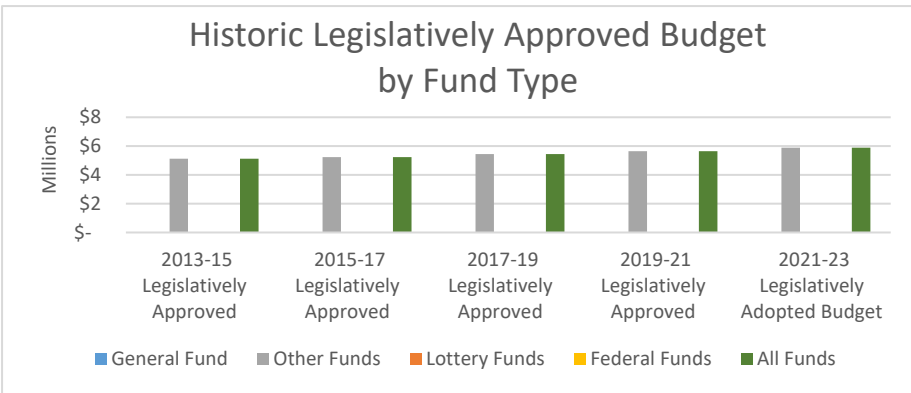
Primary Outcome Area:

- Excellence in State Government
- Effective facilities management
- Good stewardship of agency assets
- Effective long-range capital planning

Primary Contact

D. Chris Stewart, P.E., Facilities Program Manager, 503-945-7375,
david.c.stewart@odf.oregon.gov

Total Funds



Program Overview

The Facilities Maintenance and Management Program supports the Department of Forestry's missions through an integrated facilities management plan that protects the health and safety of the public and personnel, protects and preserves the department's capabilities and capital investments, and minimizes life-cycle facilities costs. The objective of the Facilities Maintenance and Management Program is to ensure that sufficient funds are available for the department's routine maintenance program, the reduction of deferred maintenance, and the implementation of prioritized capital construction and improvement projects.

Program Funding

For the 2021-23 biennium, the Facilities Management and Development program received \$5,887,024 all Other Funds.

Program Description

Since its establishment in 1911, the department and the state's forest protection landowner associations have constructed and acquired facilities to support the department's major program areas. The department's current building inventory includes 389 buildings with a current replacement value of approximately \$241 million. Outside of the Salem headquarters buildings, which house the department's centralized operational and business functions, the balance of the buildings are within 12 fire protection districts and five state forests throughout the state. The Facilities Maintenance and Management Program manages the lifecycle of the Department of Forestry's facilities assets. The department regularly repairs or replaces those facilities and components that have served their useful life.

The department's facilities support a wide range of activities, including administrative functions, firefighter support and dispatch, fire engine and equipment storage, vehicle repair and fabrication, reforestation activities, radio communication sites, and forest fire lookouts. The acquisition of these facilities spans decades of building design, construction and workplace technologies. Operations, maintenance and capital renewal budgets are established throughout the department on a fiscal year basis through a collaborative budget development process with stakeholders.

Facilities are the physical foundation of the department's service delivery and contribute to the socioeconomic fabric of their communities. These facilities must be safe, energy efficient and provide the appropriate functional environment to meet the needs of the department's operational divisions. The program's customers include employees, as well as stakeholders who visit department facilities for services.

Enabling Legislation/Program Authorization

ORS 276.227(5)

ORS 276.229

ORS 276.285

ORS 291.215

ORS 291.216(8)(C)

ORS 291.216(8)(D)

ORS 291.224

Facilities Maintenance & Management Narrative

Funding Streams Supporting the Program

Revenue for the program comes from a revenue transfer of Other Funds from the department's operating divisions (Fire Protection, State Forests and Private Forests).

Program Narrative

The major activity of the Facilities Maintenance and Management Program during the 2019-21 biennium is the development of a long-range capital renewal plan that addresses all facility needs, including major maintenance, deferred maintenance reduction, capital improvement and major construction.

The central point of the department's capital plan is that it is strategically and analytically driven with a long-term view of how funding and debt service may be accomplished. The capital planning process is focused on:

- Linkage of the capital plan with department strategic priorities.
- Centralized leadership of facilities capital planning with stakeholder involvement.
- Comprehensive needs assessments addressing all capital needs.
- Credibility of information, project prioritization and capital investment decisions.
- Development of a consistent funding framework.

Department leadership is currently developing a strategic planning context that identifies key planning issues, opportunities and priorities.

Completion is nearing on acquisition of a facilities asset management system to provide a foundation for informed decision-making through improved capacity to quantify, track and analyze facilities needs and costs.

Revenue

Revenue for the Facilities Maintenance and Management program comes from a revenue transfer of Other Funds from the department's operating divisions (Fire Protection, State Forests and Private Forests). No new revenue streams are proposed for the 2021-23 biennium.

Base Budget & Essential Packages

Package 031-Standard Inflation and State Government Service Charge

The purpose of this package is to include a set of standardized inflation rates for all agencies, increasing their budgets above their final base amounts for all non-

personal-services expenditure accounts. These rates are 4.3% for standard or "generic" accounts, and then larger rates for "Price List Accounts," specifically 5.7% for Professional Services and 19.43% for Attorney General charges. There is no change to position counts or FTE.

Program Enhancement Packages

Summary of All Division Enhancement Packages Facilities Maintenance & Management

Package	Component Title	All Funds	Positions / FTEs
810	Statewide Adjustments	(\$1,785)	0/0.00
Total Budget Packages:		(\$1,785)	0 / 0.00

Package Narrative

Package 810-Statewide Adjustments

Purpose: This is an analyst package to adjust agency budgets statewide as a result of changes to centralized State services, such as administrative charges for DAS and the Attorney General. These reductions are partially in State Government Service Charges, which are paid by Agency Administration and funded through the Admin Prorate from operating programs with General Fund.

In the Facilities Maintenance program these reductions are for estimated charges such as SDC, EGS, Parks Assessment, and Procurement.

Staffing Impact: None.

Funding:

	<u>Agency Request Budget</u>	<u>Governor's Budget</u>	<u>Legislatively Adopted Budget</u>
General Fund	\$0	\$0	\$0
Other Funds	\$0	\$0	(\$1,785)
Federal Funds	\$0	\$0	\$0
All Funds	\$0	\$0	(\$1,785)
Position/FTE:	0/0.00	0/0.00	0/0.00

Facilities Maintenance & Management Narrative

Maintenance Summary Report

Facility Plan - Facility Summary Report 107BF16a
2021-23 Biennium

Agency Name

Table A: Owned Assets Over \$1M CRV		FY 2020 DATA			
Total Number of Facilities Over \$1M		43			
Current Replacement Value \$ (CRV)	1	\$157,155,247	Source	4	<input type="text" value="FCA"/> Risk or FCA
Total Gross Square Feet (GSF)		318,799			
Office/Administrative Usable Square Feet (USF)	2	108,392	<i>Estimate/Actual</i>	5	<input type="text" value="34%"/> % USF/GSF
Occupants Position Count (PC)	3	606	Office/Admin USF/PC	6	<input type="text" value="179"/>
			or Agency Measure	7	<input type="text" value="N/A"/>

Table B: Owned facilities under \$1M CRV		
Number of Facilities Under \$1M		387
CRV	1	\$83,883,337
Total Gross Square Feet (GSF)		530,066

Table C: Leased Facilities			
Total Rentable SF	8	0	
Total 2021-2023 Biennial Lease Cost		\$0	
Additional 2019-2021 Costs for Lease Properties (O&M)	9	0	
Office/Administrative Usable Square Feet (USF)	2	0	<i>Estimate/Actual</i>
Occupants Position Count (PC)	3	0	Office/Admin USF/PC
			5
			6
			<input type="text" value="N/A"/> % USF/GSF
			<input type="text" value="N/A"/>

Facilities Maintenance & Management Narrative

Operations and Maintenance Report

Facility Plan - Facility O&M/DM Report 107B16b
2021-23 Biennium

Agency Name Oregon Department of Forestry

**Facilities Operations and Maintenance (O&M) Budget excluding
Capital Improvements and Deferred Maintenance**

1	2017-19 Actual	2019-21 LAB	2021-23 Budgeted	2023-25 Projected
Personal Services (PS) Operations and Maintenance	\$ -	\$ -	\$ -	\$ -
Services and Supplies (S&S) Operations and Maintenance	\$ 2,146,124	\$ 1,089,401	\$ 3,389,247	\$ 3,528,206
Utilities not included in PS and S&S above	\$ 2,840,300	\$ 2,028,147	\$ 3,574,205	\$ 3,720,747
Total O&M	\$ 4,986,424	\$ 3,117,548	\$ 6,963,452	\$ 7,248,954
O&M \$/SF	5.87	3.67	8.20	8.54

Total O&M SF 848,865 Include only the SF for which your agency provides O&M funding.

2	General Fund	Lottery Fund	Other Funds	Federal Funds
O&M Estimated Fund Split Percentage %	0.00%	0.00%	99.96%	0.04%

Deferred Maintenance Funding In Current Budget Model

3	2021-23 Biennium	Ongoing Budgeted (non POP)	Ongoing Budgeted (non POP)
4,5,6	Current Costs 2020	2021-23 Budgeted SB 1067 (2% CRV min.)	2023-25 Projected SB 1067 (2% CRV min.)
Total Short and Long Term Deferred Maintenance Plan for Facilities	\$28,123,181	\$45,371,716	\$1,302,345
Priorities 1-3 - Currently, Potentially and Not Yet Critical	\$908,427	\$1,534,462	
DM/Life Safety (Priority 1)	\$19,810,632	\$21,051,759	
Capital Renewal (Priority 2)	\$7,404,123	\$22,785,495	
Capital Renewal (Priority 3)			
Site Systems			
Priority 4 - Seismic & Natural Hazard	\$0	\$0	
Priority 5 - Modernization			
Total Priority Need	\$28,123,181	\$45,371,716	\$1,302,345
Facility Condition Index (Priority 1-3 Needs/CRV)	11.668%	18.823%	11.127%

Assets CRV \$241,038,584 Current Replacement Value Reported to Risk or Calculated Replacement Value Reported from Facility Conditions Assessment (FCA)