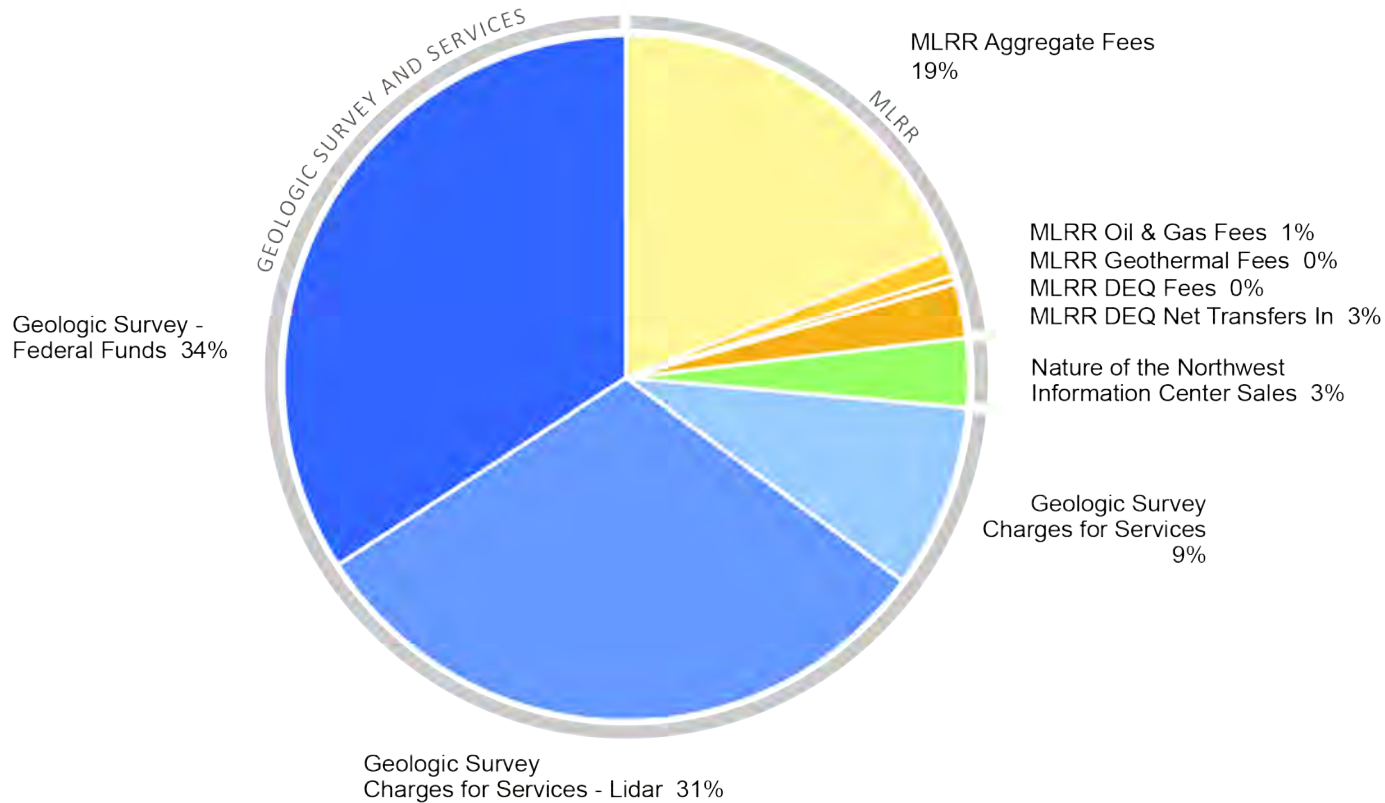


BUDGET NARRATIVE

REVENUES

1.) Revenue Forecast

1a.) Revenue Forecast Graphic



2011-13 Agency Wide Funds by Source (excluding General Funds and Lottery Funds)

Agency Request

Governor's Balanced

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BUDGET NARRATIVE

1b.) Revenue Forecast Narrative

Agency revenue is a diverse mix of Federal and Other funding as a result of partnerships and targeted customer requests for information or data and regulatory responsibilities. The Geologic Survey and Services Program is science based, and revenues other than General Fund are primarily project based from Federal and Other Fund partners. The Mineral Land Regulation and Reclamation Program Other Fund revenue is generated by fees to the operators. The fees are infrequently statutorily adjusted to amounts necessary to afford the program expenditures. All revenues discussed here are non-discretionary and limited to expenditures directly related to the project or program.

In terms of actual funds to the Agency and priority projects, our final revenue calculations are guided by these assumptions:

- That workload demands will increase, given the needs of an expanding population with expanding economic and environmental requirements;
- That in some cases we have specific knowledge of new and proposed projects including legislatively mandated projects and programs;
- That ongoing priority projects satisfy Agency Performance Measures and are of statewide importance;
- That Agency matching capability for programs funded through federal and other grants and contracts will be maintained; and
- That the Agency will continue to have success in capturing Federal and Other Funds for certain program areas including coastal hazards, earthquake and landslide hazard mapping, flood mapping, and geologic mapping.

For the GS&S Program, geologic mapping, geohazards, and coastal hazards/erosion programs will continue to be critical, and we will focus on acquiring Federal Fund and Other Fund partners for the revenue

stream. Because revenue is being received on a project-by-project basis from different sources, priorities have shifted from a state-based focus to projects based on the funding source. These and other non-General Fund estimates are provided on the following tables.

For regulation expenses in the MLRR Program, Other Fund fee revenues support the specific mineral extraction or energy program being regulated and expected to be equitable. Revenue fees for Aggregate Regulation are based on permit application and renewal fees for operating permits and a production fee of \$0.0075/tons reported. The revenues projection is based on estimates from past biennia. Fee revenue for oil and gas drilling is based on applications and renewals of permits. Geothermal drilling regulation is also charged a fee for drilling applications and a renewal fee.

With both programs, the Agency uses standardized overhead rates negotiated with federal agencies and contract-specific agreements negotiated with the funding sources.

The Oregon Lidar Consortium received \$0.5 million of Lottery Funds through OWEB in the 2009-2011 biennium. These funds do not carry forth; however, we are requesting continued State of Oregon support for the program via Lottery Funds in Package 101.

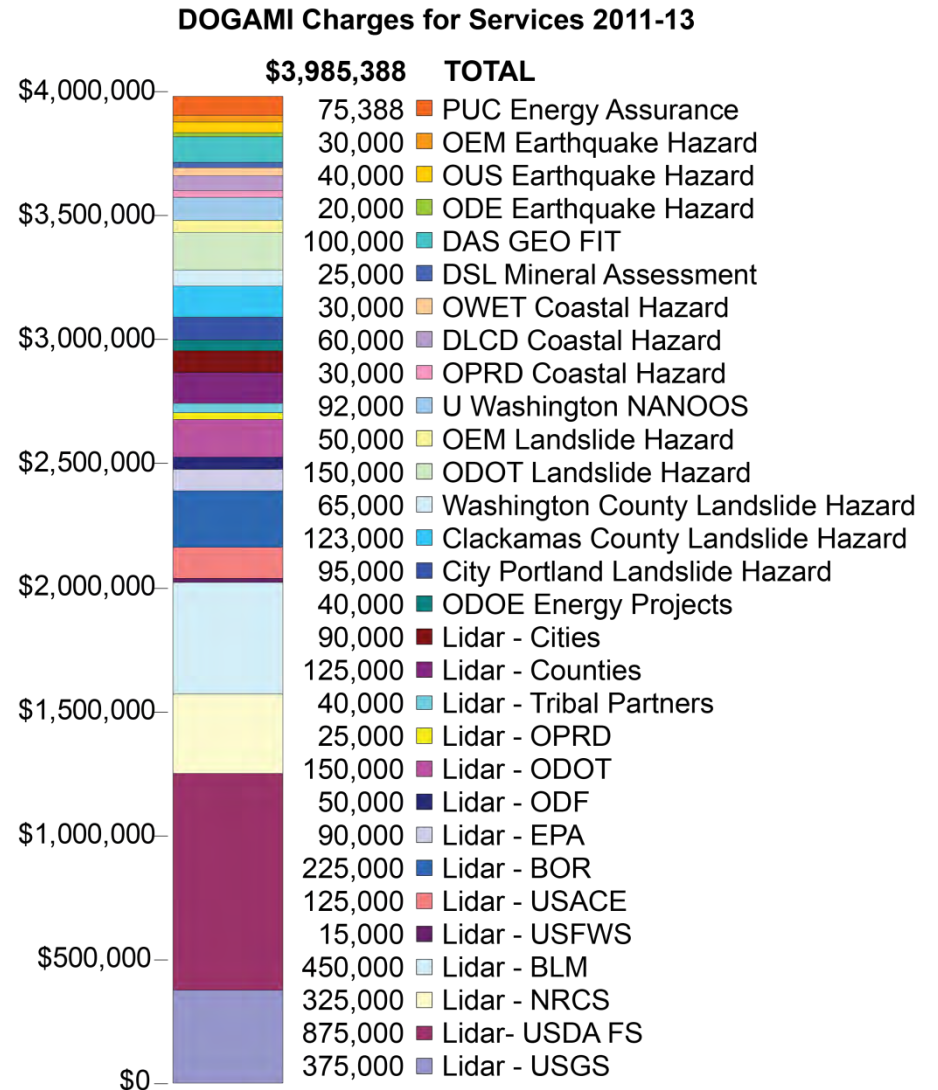
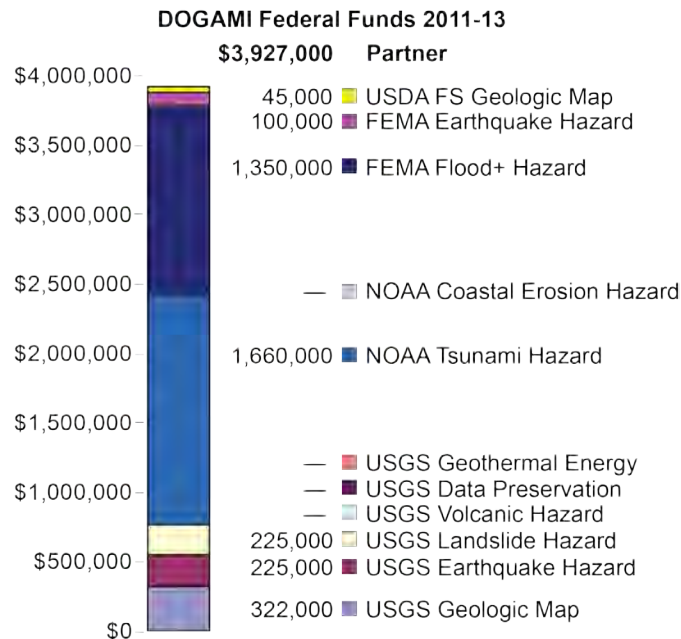
From the standpoint of revenue, several key elements are notable at this time:

- First, revenue forecasts for Federal and Other Funds for GS&S project priorities are frequently based on funding streams that are not confirmed yet have historically been available to the Agency.
- Second, lead agencies in the state direct sources of Federal Funds of high importance to our activities. Included are hazard funds in Coastal Zone Management Program and Pre-Disaster Mitigation

BUDGET NARRATIVE

Funds originating in the Federal Emergency Management Agency. The Agency works diligently to partner with other state natural resource agencies to provide services and data necessary to manage those federal programs. However, no mandate directs agencies to work with us.

- Third, beginning with the budget revisions for the 2001-2003 State Budget through the recession of 2009-2011, the Agency was allowed to fund-shift several professional positions from General Fund to Other or Federal Funds. This has severely hampered the Agency's ability to address discretionary general public issues and to be eligible for further Federal Funds. If Federal Fund sources lose appropriations, the Agency will not be in a position to continue ongoing, mandated programs and projects.



BUDGET NARRATIVE

2.) ORBITS Detail of Lottery Funds, Other Funds, and Federal Funds Revenue (ORBITS BPR012 and 107BF07)

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Geology & Mineral Industries, Dept of 2011-13 Biennium	Agency Number: 63200 Cross Reference Number: 63200-000-00-00-00000					
Source	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
Lottery Funds						
Transfer In Lottery Proceeds	-	-	-	500,000	-	-
Tsfr From Watershed Enhance Bd	1,500,000	499,223	499,223	-	-	-
Total Lottery Funds	\$1,500,000	\$499,223	\$499,223	\$500,000	-	-
Other Funds						
Non-business Lic. and Fees	1,979,267	1,980,178	1,980,178	2,081,400	1,948,281	-
Charges for Services	2,701,815	3,921,912	3,921,912	3,910,000	3,923,281	-
Sales Income	459,653	420,000	420,000	330,000	330,000	-
Other Revenues	244,256	-	-	-	-	-
Transfer In - Intrafund	128,301	272,455	272,455	445,835	445,835	-
Transfer In - Indirect Cost	493,399	158,684	158,684	423,396	423,396	-
Tsfr From Military Dept, Or	1,838,908	-	-	-	-	-
Tsfr From Energy, Dept of	-	21,706	21,706	22,227	22,227	-
Tsfr From Environmental Quality	182,684	235,259	235,259	259,000	259,000	-
Tsfr From Public Utility Comm	-	-	126,824	75,388	75,388	-
Transfer Out - Intrafund	(128,301)	(272,455)	(272,455)	(445,835)	(445,835)	-
Transfer Out - Indirect Cost	(255,320)	-	-	-	-	-
Tsfr To Environmental Quality	(1,674)	(3,813)	(3,813)	(7,500)	(7,500)	-
Tsfr To Higher Education, Dept of	(1,694,551)	-	-	-	-	-
Total Other Funds	\$5,948,437	\$6,733,926	\$6,860,750	\$7,093,911	\$6,974,073	-
Federal Funds						
Federal Funds	1,977,577	2,554,856	2,554,856	3,450,500	3,925,749	-
Transfer Out - Indirect Cost	(238,079)	(158,684)	(158,684)	(423,396)	(423,396)	-
Transfer to Cities	(42,542)	-	-	-	-	-
Total Federal Funds	\$1,696,956	\$2,396,172	\$2,396,172	\$3,027,104	\$3,502,353	-

____Agency Request

 X Governor's Balanced

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DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Source	Fund	ORBITS Revenue Acct	2007-2009 Actual	2009-11 Legislatively Adopted	2009-11 Estimated	2011-13		
						Agency Request	Governor's Balanced	Legislatively Adopted
Aggregate and Oil & Gas and Geothermal Fees	Other	0210	1,979,267	1,980,178	1,974,513	2,081,400	1,948,281	
Lottery Funds	Lottery	1040	1,500,000	500,000	500,000	500,000	0	
Sales Income	Other	0705	459,653	420,000	329,862	330,000	330,000	
Charges for Services	Other	0410	2,701,815	3,921,912	4,259,432	3,910,000	3,923,281	
Net Transfers In	Other		282,825	253,152	246,206	349,115	349,115	
Federal Funds	Fed	0995	1,977,577	2,554,856	3,938,457	3,450,500	3,925,749	

___ Agency Request

X Governor's Balanced

___ Legislatively Adopted

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BUDGET NARRATIVE

3.) Agency-wide Revenues and Disbursements Summary (ORBITS BPR011)

Geology & Mineral Industries, Dept of

Agency Number: 63200

Agencywide Revenues and Disbursements Summary
2011-13 Biennium

Version: Y-01-Governor's Rec. Budget

Description	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
BEGINNING BALANCE						
0025 Beginning Balance						
Lottery Funds	-	-	776	(1)	(1)	-
Other Funds	314,669	387,346	681,526	673,982	673,982	-
Federal Funds	-	-	6,490	6,490	6,490	-
All Funds	314,669	387,346	688,792	680,471	680,471	-
0030 Beginning Balance Adjustment						
Lottery Funds	-	777	-	1	1	-
Other Funds	-	233,115	-	28,589	28,589	-
Federal Funds	-	-	-	(6,490)	(6,490)	-
All Funds	-	233,892	-	22,100	22,100	-
TOTAL BEGINNING BALANCE						
Lottery Funds	-	777	776	-	-	-
Other Funds	314,669	620,461	681,526	702,571	702,571	-
Federal Funds	-	-	6,490	-	-	-
TOTAL BEGINNING BALANCE	\$314,669	\$621,238	\$688,792	\$702,571	\$702,571	-
REVENUE CATEGORIES						
GENERAL FUND APPROPRIATION						
0050 General Fund Appropriation						
General Fund	3,289,957	2,896,740	2,896,740	3,168,020	2,597,776	-
LICENSES AND FEES						

___ Agency Request

X Governor's Balanced

___ Legislatively Adopted

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BUDGET NARRATIVE

Geology & Mineral Industries, Dept of

Agency Number: 63200

**Agencywide Revenues and Disbursements Summary
2011-13 Biennium**

Version: Y-01-Governor's Rec. Budget

<i>Description</i>	<i>2007-09 Actuals</i>	<i>2009-11 Leg Adopted Budget</i>	<i>2009-11 Leg Approved Budget</i>	<i>2011-13 Agency Request Budget</i>	<i>2011-13 Governor's Rec. Budget</i>	<i>2011-13 Leg Adopted Budget</i>
0210 Non-business Lic. and Fees						
Other Funds	1,979,267	1,980,178	1,980,178	2,081,400	1,948,281	-
CHARGES FOR SERVICES						
0410 Charges for Services						
Other Funds	2,701,815	3,921,912	3,921,912	3,910,000	3,923,281	-
SALES INCOME						
0705 Sales Income						
Other Funds	459,653	420,000	420,000	330,000	330,000	-
OTHER						
0975 Other Revenues						
Other Funds	244,256	-	-	-	-	-
FEDERAL FUNDS REVENUE						
0995 Federal Funds						
Federal Funds	1,977,577	2,554,856	2,554,856	3,450,500	3,925,749	-
TRANSFERS IN						
1010 Transfer In - Intrafund						
Other Funds	128,301	272,455	272,455	445,835	445,835	-
1020 Transfer In - Indirect Cost						
Other Funds	493,399	158,684	158,684	423,396	423,396	-
1040 Transfer In Lottery Proceeds						
Lottery Funds	-	-	-	500,000	-	-

___ Agency Request

X Governor's Balanced

___ Legislatively Adopted

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BUDGET NARRATIVE

Geology & Mineral Industries, Dept of

Agency Number: 63200

**Agencywide Revenues and Disbursements Summary
2011-13 Biennium**

Version: Y-01-Governor's Rec. Budget

Description	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
1248 Tsfr From Military Dept, Or						
Other Funds	1,838,908	-	-	-	-	-
1330 Tsfr From Energy, Dept of						
Other Funds	-	21,706	21,706	22,227	22,227	-
1340 Tsfr From Environmental Quality						
Other Funds	182,684	235,259	235,259	259,000	259,000	-
1691 Tsfr From Watershed Enhance Bd						
Lottery Funds	1,500,000	499,223	499,223	-	-	-
1860 Tsfr From Public Utility Comm						
Other Funds	-	-	126,824	75,388	75,388	-
TOTAL TRANSFERS IN						
Lottery Funds	1,500,000	499,223	499,223	500,000	-	-
Other Funds	2,643,292	688,104	814,928	1,225,846	1,225,846	-
TOTAL TRANSFERS IN	\$4,143,292	\$1,187,327	\$1,314,151	\$1,725,846	\$1,225,846	-
TOTAL REVENUES						
General Fund	3,289,957	2,896,740	2,896,740	3,168,020	2,597,776	-
Lottery Funds	1,500,000	499,223	499,223	500,000	-	-
Other Funds	8,028,283	7,010,194	7,137,018	7,547,246	7,427,408	-
Federal Funds	1,977,577	2,554,856	2,554,856	3,450,500	3,925,749	-
TOTAL REVENUES	\$14,795,817	\$12,961,013	\$13,087,837	\$14,665,766	\$13,950,933	-
TRANSFERS OUT						

___ Agency Request

X Governor's Balanced

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BUDGET NARRATIVE

Geology & Mineral Industries, Dept of

Agency Number: 63200

**Agencywide Revenues and Disbursements Summary
2011-13 Biennium**

Version: Y-01-Governor's Rec. Budget

Description	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
2010 Transfer Out - Intrafund						
Other Funds	(128,301)	(272,455)	(272,455)	(445,835)	(445,835)	-
2020 Transfer Out - Indirect Cost						
Other Funds	(255,320)	-	-	-	-	-
Federal Funds	(238,079)	(158,684)	(158,684)	(423,396)	(423,396)	-
All Funds	(493,399)	(158,684)	(158,684)	(423,396)	(423,396)	-
2070 Transfer to Cities						
Federal Funds	(42,542)	-	-	-	-	-
2340 Tsfr To Environmental Quality						
Other Funds	(1,674)	(3,813)	(3,813)	(7,500)	(7,500)	-
2580 Tsfr To Higher Education, Dept of						
Other Funds	(1,694,551)	-	-	-	-	-
TOTAL TRANSFERS OUT						
Other Funds	(2,079,846)	(276,268)	(276,268)	(453,335)	(453,335)	-
Federal Funds	(280,621)	(158,684)	(158,684)	(423,396)	(423,396)	-
TOTAL TRANSFERS OUT	(\$2,360,467)	(\$434,952)	(\$434,952)	(\$876,731)	(\$876,731)	-
AVAILABLE REVENUES						
General Fund	3,289,957	2,896,740	2,896,740	3,168,020	2,597,776	-
Lottery Funds	1,500,000	500,000	499,999	500,000	-	-
Other Funds	6,263,106	7,354,387	7,542,276	7,796,482	7,676,644	-
Federal Funds	1,696,956	2,396,172	2,402,662	3,027,104	3,502,353	-

____Agency Request

 X Governor's Balanced

____Legislatively Adopted

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BUDGET NARRATIVE

Geology & Mineral Industries, Dept of

Agency Number: 63200

**Agencywide Revenues and Disbursements Summary
2011-13 Biennium**

Version: Y-01-Governor's Rec. Budget

Description	2007-09 Actuals	2009-11 Leg Adopted Budget	2009-11 Leg Approved Budget	2011-13 Agency Request Budget	2011-13 Governor's Rec. Budget	2011-13 Leg Adopted Budget
TOTAL AVAILABLE REVENUES	\$12,750,019	\$13,147,299	\$13,341,677	\$14,491,606	\$13,776,773	-
EXPENDITURES						
General Fund	3,289,957	2,896,740	2,896,740	3,168,020	2,597,776	-
Lottery Funds	1,499,224	500,000	500,000	500,000	-	-
Other Funds	5,581,580	6,868,294	6,868,294	7,330,904	7,211,066	-
Federal Funds	1,690,466	2,396,172	2,396,172	3,027,104	3,502,353	-
TOTAL EXPENDITURES	\$12,061,227	\$12,661,206	\$12,661,206	\$14,026,028	\$13,311,195	-
ENDING BALANCE						
Lottery Funds	776	-	(1)	-	-	-
Other Funds	681,526	486,093	673,982	465,578	465,578	-
Federal Funds	6,490	-	6,490	-	-	-
TOTAL ENDING BALANCE	\$688,792	\$486,093	\$680,471	\$465,578	\$465,578	-

___ Agency Request

X Governor's Balanced

___ Legislatively Adopted

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