

BEDAB Budget Request Memo

To: Ben Hemson, Bend Business Advocate

Date: Original request, December 2, 2022, updated May 5, 2023

Re: EDCO request for funding for 2023/2024 and 2024/2025 Biennial budget

Economic Development for Central Oregon (EDCO) is a non-profit organization serving the tri-county region of Crook, Deschutes and Jefferson Counties, whose mission is to promote sustained job growth and prosperous communities. We work with businesses, cities and counties, financial institutions, and investors to generate new state and local revenues through job creation and taxable capital investment. To achieve these goals, EDCO spends considerable time developing programs, advocating for infrastructure, managing incentives, making connections to real estate transactions and industrial park development, championing strategic projects, developing workforce solutions with partners, and supporting existing resources, among other things.

To support the economic development goals and objectives of the Bend Economic Development Advisory Board (BEDAB) in Bend, Oregon over the next two fiscal years 2023/2024 and 2024/2025, EDCO requests the following budget to support overall program costs:

| BEDAB 23/24-24/25 Budget Request | | |
|----------------------------------|--------------------------------------|--|
| Cost | Item | Description |
| \$366,783 | Gross Personnel Expense | Salary, taxes, benefits, payroll processing costs |
| \$120,963 | Operations Cost | Materials and labor costs |
| \$487,745 | Total Payroll and Operations Expense | |
| | | |
| \$122,957 | Less Deschutes County Funding | Annual Director and VC program support from Deschutes County |
| \$364,789 | Total Request | |
| \$178,416 | Year 1 | 2023-2024 |
| \$186,372 | Year 2 | 2024-2025 |

Gross Personnel Expenses include market rate increases in 2022/2023 and 2023/2024 and a cost-of-living adjustment (COLA) in 2024/2025, estimated 17% increases to the cost of benefits (prorated), and account for 70% of the payroll costs attributed to the Venture Catalyst (VC) position for the apportionment of activity directly related to the City of Bend.

Operational Costs account for local office and administrative support of the program and expenses for materials like facilities and equipment, postage, marketing, office supplies, travel, etc. For the first year of the biennium, labor-related expenses are calculated at a 5.65% increase and materials-related expenses are calculated at 6% over the current 2022/2023 costs. These costs are estimated to go up by a flat 5% from 2023/2024 to 2024/2025. Again, only 70% of the operational costs associated with the VC position are accounted for in this request.

Deschutes County Funding accounts for annual contributions to support both the Venture Catalyst and the Bend Director positions and include a requested 6.4% increase during the 2023/2024 fiscal year (over the 2022/2023 budgeted amount) and an additional 3% increase from 2023-2024 to 2024-2025.