

Oregon Parks and Recreation Commission

April 9, 2014

Agenda Item: 9a

Information

Topic: 2013-15 Budget Update

Presented by: Tanya Crane

The accounting records for the 2011-13 biennium are officially closed. Due to prudent spending during the biennium, the Department closed the biennium with more cash than anticipated. The table below shows the final cash balances and compares them to the budgeted balances.

2011-13 Biennium Ending Cash Balances			
	Budgeted Cash Balance	Actual Cash Balance	Difference
Lottery Funds:			
LGGP	3,569,620	3,680,076	110,456
All else	13,044,789	16,335,938	3,291,149
Total	16,614,409	20,016,014	3,401,605
Other Funds:			
Trust and Dedicated	4,627,230	6,089,058	1,461,828
OPMA	804,616	645,017	(159,599)
ATV	7,430,188	7,910,515	480,327
RV County Grants	665,553	775,030	109,477
State Fair	2,154,768	3,071,281	916,513
All else	14,929,731	14,755,810	(173,921)
Total	30,612,086	33,246,710	2,634,624
Federal Funds:			
NOAA Tsunami	-	250,000	250,000
Grand Total	47,226,495	53,512,724	6,286,229

The "All Else" category includes funds reserved for cash flow purposes, various project funding carried over to the new biennium and any other non-dedicated funds. A positive number in the "Difference" column indicates cash balance is higher than anticipated. The additional cash is available to help with new issues arising in the 2013-15 biennium or for needs in the 2015-17 budget development process.

The March 2014 Lottery forecast was released February 12, 2014. It reflects a decrease in Lottery Fund revenue for the Department of \$400,698. Since the close of session, the Lottery Fund revenue forecast has decreased by \$481,605. The Department's budget was built on a Lottery Fund revenue forecast of \$79.1 million and the February 2014 forecast is \$78.6 million. The table below reflects the change in the Lottery revenue forecast for the 2013-15 biennium.

Lottery Forecast History (2013-15 Biennium): OPRD's Share of PNRF		
	2013-15	
Forecast Date	Forecast	Change from Prior Forecast
May 2013 Forecast (released 5/16/2013)	\$79,093,735	
September 2013 Forecast (released 8/28/2013)	\$79,300,124	\$206,389
December 2013 Forecast (released 11/21/2013)	\$79,012,828	(\$287,296)
March 2014 Forecast (released 2/12/2014)	\$78,612,131	(\$400,698)
Total Cumulative Change		(\$481,605)

The February 2014 Legislative session came to an end on March 7, 2014. There were two bills that impacted OPRD's budget:

1. SB1514 changed the split of Recreational Vehicle registration funds between OPRD and the Counties. The reduction in Other Funds to the Department is estimated to be \$1,121,258. Lottery Funds cash carried over from the 2011-13 biennium allowed OPRD to fund shift the reduction and not need to make budget reductions.
2. HB5201 allocated funding to state agencies for negotiated changes in salaries and benefits for the 2013-15 biennium. OPRD was granted \$2,958,984 in additional limitation (\$1,229,004 LF, \$1,690,977 OF and \$39,003 FF). Funding for this increase is available in the ending balance.

Prior Action by Commission: Initial information on the Legislatively Adopted Budget (LAB) was provided at the July 2013 meeting. Details of the 2013-15 LAB were provided at the September 2013 meeting.

Action Requested: None.

Attachments: None.

Prepared by: Tanya Crane

Oregon Parks and Recreation Commission

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Agenda Item: 9b

Action

Topic: 2015-17 Budget Discussion

Presented by: Tanya Crane

Development of the 2015-17 biennium budget is underway. This multi-step process takes several months and will result in an Agency Request Budget.

Already completed steps:

1. Adjust the current biennium budget for actions taken during the February 2014 Legislative session (RV change, salary package distribution). This becomes the starting point for the new budget.
2. Review budget structure for changes (none).
3. Initial revenue forecast and narrative describing forecasting methodologies sent to DAS Budget and Management (BAM).
4. Preliminary exception requests sent to BAM (commercial rent, fuels and utilities, state government service charges).

Steps currently in process:

1. Review and finalize revenue projections
2. Review and finalize estimated beginning balances
3. Project needed ending cash balance reserves (cash flow, compensation changes)

Next steps:

1. PICS roll – scheduled for mid-April, this will estimate Personal Services costs for the biennium.
2. Calculate inflation increases based on budget instructions provided by DAS.
3. Determine actual need for exceptions and calculate the dollar amount to request.
4. Review the need for policy packages and reduction options.
5. Determine recommendations for revenue adjustments, packages and reductions to propose to the Commission.
6. Commission approval – June meeting.

10 Year Plan for Oregon and Program Funding Teams:

As the 2013-15 Agency Request Budget was developed, Governor Kitzhaber was developing a “10 Year Plan for Oregon”. Every state agency went through a process of presenting the agency’s programs to Program Funding Teams in six “Outcome Areas”. OPRD presented to two teams – Healthy Environment and Economy and Jobs.

For the 2015-17 Agency Request Budget, only agencies tied to six key initiatives will work with Program Funding Teams. Instead of the Program Funding Team members being from outside of government, this time the team members will be key staff from the Governor’s Office and state agencies. At this time, OPRD is not identified with any of the six key initiatives.

The key initiatives are identified as:

1. Early Learning,
2. Making Work Pay,
3. Making Government More Effective,
4. 21st Century Sustainable Transportation,
5. Preservation of Natural Resources and
6. Acceleration of Clean Energy Agenda.

The initiative “Preservation of Natural Resources” is targeted to a new business model for federal and state forest management and to develop a multi-purpose water resource program. Key agencies are identified as Forestry, Agriculture, Water Resources and Environmental Quality.

In addition, three more initiatives continue work already started: Health Care Reform, Public Safety Reform and Human Services.

Approval needed:

Key Performance Measures (KPM) – each biennium the agency has an opportunity to add, change or delete the Legislatively Approved KPMs. The Department is proposing to delete KPM #7 – Exposition Events. This measure is related to the Oregon State Fair and Exposition Center which should not be part of OPRD for the 2015-17 biennium.

Prior Action by Commission: None.

Action Requested: Approved the request to delete KPM #7 for the 2015-17 biennium.

Attachments: Attachment A 2013-15 KPM list.

Prepared by: Tanya Crane

Legislatively Approved 2013-2015 Key Performance Measures

Agency: PARKS and RECREATION DEPARTMENT

Mission: To provide and protect outstanding natural, scenic, cultural, historic and recreational sites for the enjoyment and education of present and future generations.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
1 - PARK VISITATION - Visitors per acre of Oregon Parks and Recreation Department property.		Approved KPM	410.00	450.00	450.00
2 - HERITAGE PROGRAM BENEFITS - Number of properties, sites, or districts that benefit from an OPRD-managed heritage program.		Approved KPM	1,965.00	2,087.00	2,087.00
3 - Grant Programs - Percent of Oregon communities that benefit from an OPRD-managed grant program.		Approved KPM	49.00	50.00	50.00
4 - PROPERTY ACQUISITION - Recreation lands index: Park lands and waters acquired by OPRD as a percentage of total goal. (Linked to Oregon Benchmark #91)		Approved KPM	80.00	75.00	75.00
5 - FACILITIES BACKLOG - Percent reduction in facilities backlog since 1999.		Approved KPM	79.00	80.00	82.00
6 - CUSTOMER SATISFACTION – Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent"; overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Accuracy	Approved KPM	96.00	92.00	92.00
6 - CUSTOMER SATISFACTION – Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent"; overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Availability of Information	Approved KPM	95.00	90.00	90.00
6 - CUSTOMER SATISFACTION – Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent"; overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Expertise	Approved KPM	96.00	92.00	92.00
6 - CUSTOMER SATISFACTION – Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent"; overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Helpfulness	Approved KPM	98.00	94.00	94.00

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
6 - CUSTOMER SATISFACTION – Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent"; overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Overall	Approved KPM	97.00	94.00	94.00
6 - CUSTOMER SATISFACTION – Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent"; overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Timeliness	Approved KPM	90.00	92.00	92.00
7 - EXPOSITION EVENTS - Percentage increase in annual Exposition Center gross revenue.		Approved KPM	4.80	5.00	5.00
8 - COMMISSION BEST PRACTICES - Percent of total best practices met by the State Parks and Recreation Commission.		Approved KPM	100.00	100.00	

LFO Recommendation:

Sub-Committee Action: