

Oregon Parks and Recreation Commission

April 15, 2015

Agenda Item: 9a Information
Topic: 2013-15 Budget Update
Presented by: Tanya Crane

The March 2015 Lottery forecast was released February 19, 2015. It reflects an increase in Lottery Fund revenue for the Department of \$985,314. Since the close of session, the Lottery Fund revenue forecast has increased by \$173,243. The Department's budget was built on a Lottery Fund revenue forecast of \$79.1 million and the March 2015 forecast is \$79.3 million. The table below reflects the change in the Lottery revenue forecast for the 2013-15 and 2015-17 bienniums.

Lottery Forecast History: OPRD's Share of PNRF

Table with 5 columns: Forecast Date, 2013-15 Forecast, Change from Prior Forecast, 2015-17 Forecast, Change from Prior Forecast. Rows include forecasts from May 2013 to March 2015, and a Total Cumulative Change row.

For the 2013-15 biennium, all of the divisions/sections were asked to reduce expenditures between December 2014 and the end of the biennium (June 30, 2015). Department-wide, excluding the Oregon Exposition Center, the reduction target was \$1,615,145 in total funds. Based on this forecast, the Department plans to restore some reductions in Direct Services; in addition, the increase of \$985,314 is going to be carried over to the 2015-17 biennium budget.

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. Updates have been provided at the February, April, June, September, November 2014 and February 2015 meetings.

Action Requested: None.
Attachments: None.
Prepared by: Tanya Crane

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Agenda Item: 9b

Information

Topic: 2015-17 Budget Update

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The Department presented information about the agency and gave an overview of the Governor's budget to the Natural Resources subcommittee of Ways and Means over 3 days – March 2-4, 2015. A work session on the Department's budget bill has been tentatively scheduled for April 29th.

The Governor's budget was built based on the December 2014 Lottery Forecast. The agency's budget bill will be based on the March 2015 forecast of \$81,674,850; this amount is the basis for the Legislatively Adopted Budget. The March 2015 Lottery forecast increased \$467,738 from the December 2014 forecast; adjustments to add this funding back into the budget will be proposed. Any necessary adjustments based on the May 2015 forecast will be incorporated into the agency's budget through the close of session bill.

The Department has reviewed revenue projections and will not be requesting any adjustments based on the forecast; a list of needed technical adjustments has been compiled and shared with OPRD's DAS Chief Finance Officer (CFO) and Legislative Fiscal Office (LFO) analysts. Budget staff will work with the agency's LFO Analyst to make any adjustments approved for inclusion in the Legislatively Adopted Budget.

Listed below is a summary of the adjustments to the budget proposed:

1. *Update for Lottery Forecast:* Adjust the budget for the increase in the 2015-17 biennium forecast and carry forward the increase in the 2013-15 forecast; increase limitation to offset previous reductions.
 - Local Government Grant program \$79,572
 - Acquisition \$81,898
 - Facilities Construction/Maintenance \$329,712
 - Across the Board \$985,314
2. *Trust and Dedicated accounts:* Increase limitation for new or increased funding.
 - Dorothy Collier Foundation \$15,000 Other Funds
 - Cape Foulweather Gift Shop \$228,000 Other Funds
3. *Salmonberry Project:* Include expenditure limitation and a limited duration position in the budget to work on the Salmonberry Trail project. Funding is from Parks, Forestry, Tillamook County, Washington County Visitor Association and Cycle Oregon. \$230,000 Other Funds

4. *Grant funds*: Increase limitation to carryover grant funding already received and not yet spent; increase limitation for expected grant awards.
 - Japanese Tsunami \$179,000 Federal Funds
 - US Fish and Wildlife Grants (Beltz, Beaver Creek) \$970,000 and \$980,000 Federal Funds
 - Marine Board Grant \$405,000 Other Funds

5. *Technical fixes*: Adjust limitation and revenues for technical errors or oversights in the Governor's budget.
 - Attorney General rates: reduction taken in the wrong SCR; moves adjustment to correct SCR. \$3,039 Lottery \$4,725 Other Funds
 - Heritage grants: reduction taken in the wrong revenue source; corrects the revenue reduction. \$6,660 Other Funds
 - Move limitation for Services/Supplies from one SCR to another to adjust for positions moved previously. \$47,111 Lottery, \$73,255 Other Funds

Prior Action by Commission: A budget workshop on the process was provided at the February 2014 meeting. A budget development preview and update was provided at the April 2014 meeting. Key Performance Measure changes were approved at the April 2014 meeting. The 2015-17 Agency Request Budget was approved at the June 2014 meeting. Updated information was provided at the September 2014 and November 2014 meetings. The Governor's Budget was summarized and provided at the February 2015 meeting.

Action Requested: None.

Attachments: None.

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