

Oregon Parks and Recreation Commission

February 23, 2023

Agenda Item: 4a

Information

Public Comment Allowed: Yes

Topic: Budget Update

Presented by: Rebecca Jasso, Financial Services Director

The December 2022 Lottery forecast was released November 16, 2022 and reflects an increase in Lottery Fund revenue for the Department of \$541,107 for the current biennium. The Department’s 2021-23 Legislatively Adopted Budget (LAB) was built on a Lottery Fund M76 transfer revenue forecast of \$123,859,554, since then the forecast has increased by \$11,066,050 for the 2021-23 biennium, with the December 2022 forecast at \$134,925,604. The table below reflects the change in the Lottery Fund revenue forecast for the 2021-23 and 2023-25 biennia.

Forecast Date	2021-23		2023-25	
	Forecast	Change from Prior Forecast	Forecast	Change from Prior Forecast
COS 2021	\$ 123,859,554		\$ 131,901,148	
September 2021 Forecast (8-25-2021)	\$ 127,497,376	\$ 3,637,822	\$ 132,844,336	\$ 943,188
December 2021 Forecast (11-17-2021)	\$ 129,180,409	\$ 1,683,033	\$ 133,486,986	\$ 642,650
March 2022 Forecast (2-9-2022)	\$ 130,192,971	\$ 1,012,562	\$ 133,723,579	\$ 236,592
June 2022 Forecast (5-18-2022)	\$ 133,885,374	\$ 3,692,403	\$ 136,119,213	\$ 2,395,635
September 2022 Forecast (8-31-2022)	\$ 134,384,497	\$ 499,124	\$ 134,667,325	\$ (1,451,888)
December 2022 Forecast (11-16-2022)	\$ 134,925,604	\$ 541,107	\$ 133,412,109	\$ (1,255,216)
Total Cumulative Change (since 2021 COS)	\$ 11,066,050		\$ 1,510,961	

According to the Department of Administrative Services (DAS) Office of Economic Analysis, the forecast calls for Lottery sales to remain steady. Looking forward, the pending recession will impact Lottery sales and available resources. However, given the mild recession is expected to have relatively small impacts on jobs, income, and spending the downward adjustments to the Lottery forecast are minimal. Instead of large declines, the end result for Lottery is essentially a four-year period of flat sales.

The next Lottery forecast will be released February 22, 2023 and an update will be provided at the next meeting.

Cumulative Balances 12 Percent Measure 76 Requirement- AY23 Update				150% of TOTAL TRFs AY11	
				122,185,455.00	
Measure 76 says that when the Lottery amount exceeds 150% of the transfer in 2009-11, the Local Government Grant Program (LGGP) share goes from 12% to 25%. 2009-11 was \$81,456,970 so 150% is \$122,185,455					
AY:	2017	2019	2021	2023	Grand Total
Transfers Total:	-92,651,295	-109,217,293	-90,131,356	-102,120,058	-394,120,003
Variance (remaining to exceed 150%):	29,534,160	12,968,162	32,054,099	20,065,397	

Governor’s Budget:

The Department’s 2023-25 Governor’s Budget was issued January 31, 2023. The Department will present the Governor’s Budget to the Commission once finalized.

Prior Action by Commission: The 2023-25 Agency Request Budget was approved at the June 2022 meeting. An update on the budget was provided in November 2022.

Action Requested: None.

Attachments: None.

Prepared by: Cathy Blackwell, Sr. Fiscal Analyst
Rachael Hostetler, Revenue Fiscal Analyst