

Oregon Parks and Recreation Commission

November 19, 2014

Agenda Item: 8a

Information

Topic: 2013-15 Budget

Presented by: Tanya Crane

The December 2014 Lottery forecast is scheduled for release November 13, 2014. Information on the forecast will be provided at the meeting.

As mentioned at the September 2014 Commission meeting, the Department will be taking actions to adjust for the decline in the September Lottery Forecast.

Listed below are the planned actions:

1. Reduce Local Government Grant Program to 12% of the Lottery forecast \$183,375
2. Reduce Facilities Investment Program \$344,747

Should the forecast continue to decline, a reserve is being held in the Central Services budget.

The Legislative Emergency Board will meet December 8-10, 2014. OPRD does not anticipate having any items before the EBoard.

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 and September 2014 meetings.

Action Requested: None.

Attachments: None.

Prepared by: Tanya Crane

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Agenda Item: 8b

Information

Topic: 2015-17 Budget Update

Presented by: Tanya Crane

The next steps in budget development are the Analyst Recommended and the Governor's Budget. Both of these budget proposals are confidential until the Governor's Budget is released to the general public – December 1st for a sitting Governor or February 1st for a newly elected Governor.

The guaranteed adjustment to OPRD's budget is the need to balance to the December 2014 Lottery forecast. This forecast will be released publically November 13, 2014. At this time, the September 2014 forecast is down \$2,580,976; it is not anticipated that the December forecast will show improvement – in fact it could go down more. The Department will need to work with the Department of Administrative Services Budget and Management (BAM) to adjust the budget.

Below are the adjustments the Department will recommend:

Reductions to match decline from June to September 2014 of \$2,580,976

1. Reduce the Local Government Grant Program to 12% of the forecast \$309,717 Lottery
2. Reduce Acquisitions by \$900,000 Lottery
3. Remove standard inflation \$862,862 Lottery, \$522,330 Other

Reductions if the forecast drops up to an additional \$3,000,000

1. Reduce the Local Government Grant Program to 12% of the forecast \$360,000 Lottery
2. Reduce Services and Supplies, Capital Outlay and Special Payments across the board (excluding Acquisition, State Government Service Charges) \$1,076,064 Lottery, \$1,563,936 Other

Reductions if the forecast drops up to an additional \$2,000,000

1. Reduce the Local Government Grant Program to 12% of the forecast \$240,000 Lottery
2. Reduce Services and Supplies, Capital Outlay and Special Payments across the board (excluding Acquisition, State Government Service Charges) \$717,376 Lottery, \$1,042,624 Other

With the reduction to Other Funds spending limitation, the Department does not need to reduce as much Lottery Fund spending limitation. What the agency will do is shift the mix of funding that makes up the cash reserve. In the Agency Request Budget, the operating cash reserve was predominately Lottery (\$8.6M); each increment above lowers the Lottery amount and shifts to Other Funds.

The 2015 Legislative session will begin in February 2015. From the budget perspective, the Budget Unit will be actively involved in fiscal impacts on bills being considered by the Legislative Assembly, working with the Communication staff on development of presentation materials and updating revenue forecasts to determine if any adjustments need to be made.

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 meeting.

Action Requested: None.

Attachments: None.

Prepared by: Tanya Crane