

Oregon Parks and Recreation Commission

February 24, 2016

Agenda Item: 5a

Information

Topic: 2015-17 Budget/Forecast Update

Presented by: Lisa Sumption, Director

The March 2016 Lottery forecast was released February 10, 2016. It reflects an increase in Lottery Fund revenue for the Department of \$1,850,907. Since the close of session, the Lottery Fund revenue forecast has increased by \$4,149,214. The Department’s budget was built on a Lottery Fund revenue forecast of \$84.7 million and the March 2016 forecast is \$88.8 million. The table below reflects the change in the Lottery revenue forecast for the 2015-17 biennium and beyond.

Lottery Forecast History (2015-17 Biennium): OPRD's Share of PNRF						
	2015-17		2017-19		2019-21	
Forecast Date	Forecast	Change from Prior Forecast	Forecast	Change from Prior Forecast	Forecast	Change from Prior Forecast
June 2015 Forecast (released 5-14-2015)	\$84,694,230	NA	\$94,442,537	NA	\$100,703,564	NA
September 2015 Forecast (released 8-26-2015)	\$85,108,701	\$414,471	\$94,404,487	(\$38,050)	\$100,296,114	(\$407,450)
December 2015 Forecast (released 12-2-2015)	\$86,992,537	\$1,883,836	\$95,769,504	\$1,365,018	\$101,903,949	\$1,607,835
March 2016 Forecast (released 2-10-2016)	\$88,843,444	\$1,850,907	\$97,556,126	\$1,786,621	\$103,764,916	\$1,860,967
Total Cumulative Change		\$4,149,214		\$3,113,589		\$3,061,352

According to the Office of Economic Analysis the most recent upward revision is primarily due to better-than-expected sales. Over the past three months, actual sales have been above forecast. Approximately \$9 million in increased sales (not net proceeds) is due to the record setting Powerball jackpot of \$1.5 billion, which brought along with it record sales in the state. The remaining increase in the outlook is due to strong sales expectations moving forward.

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. A status update was provided in April, June and September 2015.

Action Requested: None.

Attachments: None.

Prepared by: Tanya Crane

Oregon Parks and Recreation Commission

February 24, 2016

Agenda Item: 5b

Information

Topic: 2017-19 Budget Update

Presented by: Lisa Sumption, Director

The Department is in the beginning stages of planning the development of the 2017-19 biennium budget. It will be necessary to review and forecast a number of items:

- Revenues
- Expenditures
- Beginning and Ending Balances
- Cash flow needs
- Policy Packages

In addition, the Department will need to review:

- Key Performance Measures (KPM)
- Budget and Accounting Structures

While official due dates have not yet been published, traditional budget development timeframes are listed below.

- Enter and Balance 2013-15 Actual revenues and expenditures –February 2016
- Review methodologies and create preliminary revenue forecast – December 2015 to March 2016
- Review phase in and phase out needs – February 2016
- Changes to KPMs – March 2016
- Exception request due to DAS – March 2016
- Create and initially price policy package wishes – January to April 2016
- Legislative Concepts – April 2016
- Project Expenditures:
 - PICS Freeze – mid April 2016
 - Allowable inflation – April 2016
- Review and Revise cash flow needs – March to May 2016
- Preliminary discussions with Commission – April 2016
- Final Commission Approval – June 2016

At the April 2016 Commission meeting, the Department will present its initial revenue and expenditure projections, any proposed changes to rates and fees, potential policy packages and initial ending balances including reserves. Input will be sought in order to bring a finalized budget to the Commission in June 2016.

There are deadlines that are known:

- Input Current Service Level (CSL) budget to ORBITS – June 30, 2016
- Input of position adjustments into PICS – June 30, 2016
- Input of Policy Packages to ORBITS – July 31, 2016
- Agency Request Budget binder with audited ORBITS and PICS reports to DAS – September 1, 2016

Future budget timeframes;

- Governor's Budget – completed by December 1, 2016 or February 1, 2017. Agency will need to support development usually in October and November.
- Legislatively Adopted Budget – completed during the 2017 session. Hearings usually start in March with follow up hearings and action in May.

Prior Action by Commission: A budget workshop on the process was provided at the November 2015 meeting.

Action Requested: None.

Attachments: None.

Prepared by: Tanya Crane