

**Oregon Parks and Recreation Commission**

**November 2022**

Agenda Item: 4a

Information

Topic: Budget Update

Presented by: Rebecca Jasso, Financial Services Director

The September 2022 Lottery forecast was released August 31, 2022 and reflects an increase in Lottery Fund revenue for the Department of \$499,124 for the current biennium. The Department’s 2021-23 Legislatively Adopted Budget (LAB) was built on a Lottery Fund M76 (Measure 76, meaning constitutionally-dedicated funds) transfer revenue forecast of \$123,859,554, since then the forecast has increased by \$10,524,923 for the 2021-23 biennium, with the September 2022 forecast at \$134,384,497. 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)
<b>Total Cumulative Change (since 2021 COS)</b>	<b>\$ 10,524,943</b>		<b>\$ 2,766,178</b>	

According to the Department of Administrative Services (DAS) Office of Economic Analysis, the forecast calls for Lottery sales to hold steady, with some growth expected in personal income and spending moving forward; overall Lottery resources in the 2023-25 biennium are expected to be relatively stable.

The December 2022 Lottery forecast will be released November 2022 and an update will be provided at the next meeting.

The tables on the next page show revenue and expenditures for the first fiscal year of the 2021-23 biennium (through June 30, 2022).

The “percent” column represents the percentage of the budget that has been collected or spent.

For this reporting period, the Department is halfway through the 2021-23 biennium; however, as the seasonality of OPRD’s business continues to expand, it should not be assumed that revenues and expenses will be 50% of LAB. Revenues and expenditures are monitored monthly with

revenues forecast quarterly. As necessary to support OPRD’s mission and vision, internal adjustments are made to stay within revenue projections and expenditure limitation.

<b>Revenues to Date</b>	<b>Budget</b>	<b>Actuals</b>	<b>Percent</b>
Lottery Funds	127,975,946	85,757,691	67.01%
Federal Funds	22,802,629	4,317,287	18.93%
General Fund	-	-	
Other Funds			
ATV	13,424,320	8,344,561	62.16%
Park User Fees	58,366,283	30,836,011	52.83%
RV Registrations	21,431,697	10,090,724	47.08%
Trust/Dedicated	8,350,221	4,303,583	51.54%
Bond Proceeds	60,964,553	30,107,434	49.39%
Misc. Other Fund	15,920,834	4,916,369	30.88%
<b>Total Revenue</b>	<b>329,236,483</b>	<b>178,673,661</b>	<b>54.27%</b>
<b>Expenditures to Date</b>	<b>Budget</b>	<b>Actuals</b>	<b>Percent</b>
Director's Office/Commission	2,814,205	881,002	31.31%
Central Services	45,261,776	20,236,440	44.71%
Park Development	23,088,020	3,492,136	15.13%
Direct Services	136,091,109	55,881,385	41.06%
Community Support/Grants	67,202,395	12,961,506	19.29%
Capital Construction	50,000,000	10,535	0.02%
<b>Total Expenses</b>	<b>324,457,505</b>	<b>93,463,005</b>	<b>28.81%</b>

Notes:

1. Lottery Funds: With the forecast now at \$134,384,497, the Department has collected 63.71% of the current projected M76 revenue transfer.
2. Federal Revenues: These funds come to the Department on a reimbursement basis. Funds, primarily grants, must be spent before the funds are received.
3. ATV: The largest revenue source is the annual fuels tax transfer from the Oregon Department of Transportation (ODOT); with the increase in the gas tax and stabilization of high valid permits, the annual transfer was higher than originally projected.
4. Park User Fees: Overnight and day-use revenues continue to be higher than projected in LAB, reaching record revenues in fiscal year 2022.
5. Trust/Dedicated: This includes preventive maintenance, business accounts and other stewardship accounts.
6. Bond Proceeds: This includes the General Obligation (GO) Bond and Main Street Bond.
7. Miscellaneous Other Fund: This includes “small grant” limitation and is based on assumptions about various grants coming into the parks.

Development of the Department’s 2023-25 Governor’s Budget is currently in process. OPRD will meet with the DAS Budget and Management Office about OPRD’s Analyst Recommended Budget. Final adjustments to OPRD’s 2023-25 Governor’s Budget will be made once DAS has the December 2022 Lottery forecast – expected mid-November. The Department will present the Governor’s Budget to the Commission once finalized.

**Prior Action by Commission:** A budget workshop on the process was provided at the November 2021 meeting; a workshop on revenues was presented at the February 2022 meeting; a workshop on expenditures was presented at the April 2022 meeting; the 2023-25 Agency Request Budget was approved at the June 2022 meeting. An update on the budget was provided in September 2022.

**Action Requested:** None.

**Attachments:** None.

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