

Lessard-Sams Outdoor Heritage Council

MEMO: Agenda Item #4

DATE: August 23, 2016

SUBJECT: Preliminary Allocation Target, ML 2017/FY 2018

PRESENTER: Mark Johnson, Executive Director

Discussion:

Either by consensus or by motion and vote, the council should agree upon a target figure for allocation for FY 2018. This figure will be used by members in their allocation recommendations, due to LSOHC staff by Friday, September 9, 2016.

Background:

Attached is an estimate dated August 18, 2016 from Minnesota Management and Budget (MMB) indicating the anticipated available Outdoor Heritage Fund (OHF) funds for ML2017/FY2018 allocation.

Within the estimate two scenarios are provided:

Scenario #1 provides for retaining a 5% reserve in the OHF with the anticipated allocation availability of \$110,326,000.

Scenario #2 provides for retaining a 10% reserve in the OHF with the anticipated allocation availability of \$104,847,000.

Each year, MMB has recommended the council retain at least a 5% reserve and preferably a 10% reserve. Past councils have generally sought to retain at least a 5% reserve based upon the November forecast. November's forecast will most likely differ from the February MMB forecast as sales tax receipts and projections are recalculated.

Attachments:

MMB Estimate

Outdoor Heritage Fund

Minnesota Management and Budget

Draft 8-16-16

For informational purposes only

(in thousands)	End of Session 2016		Amount Available to Appropriate*	
	FY16	FY17	Scenario 1: 5% Reserve	Scenario 2: 10% Reserve
	FY16	FY17	FY18	FY18
Carry Forward from Prior Year	8,351	11,033	5,274	5,274
Sales Tax Receipts	98,907	103,738	109,578	109,578
Investment Income	973	973	973	973
<i>Total Resources</i>	<i>108,231</i>	<i>115,744</i>	<i>115,825</i>	<i>115,825</i>
ML15, 1st Special Session, Chapter 2	97,198	607	-	-
ML16 Chapter 172 (Legacy Omnibus)	-	109,847		
ML16 Chapter 189 (Supplemental)		(17)	(20)	(20)
End of Session Balance	<u>11,033</u>	<u>5,274</u>	<u>115,805</u>	<u>115,805</u>
% of Revenues	11.2%	5.1%		
	Amount Available to Appropriate*		FY18	FY18
			110,326	104,847
			Balance	10,978
			% of Revenues	5%
				10%

*Note: This assumes sales tax receipts are collected at the rate estimated in the February 2016 forecast. Actual sales tax receipts may be higher or lower than these estimates. Estimated availability illustrates an unobligated balance of 5% or 10%.