

Lessard-Sams Outdoor Heritage Council

MEMO: Agenda Item #6
DATE: Sept 2, 2021
SUBJECT: Preliminary Allocation Target, ML 2022/FY 2023
PRESENTER: Mark Johnson, Executive Director

Suggested Action:

By consensus, or motion and vote, the Council should agree upon an initial benchmark figure for their ML2022/FY2023 allocation recommendations. This benchmark will serve to guide Members' allocation recommendations that are due for return to LSOHC staff by Monday, September 13, 2021.

Background:

Staff received the following guidance information from nonpartisan staff:

Sean Fahnhorst, Executive Budget Officer, MMB: *"Taking a look at our after-session fund balance, it looks like there is \$147,350,000 remaining in the Outdoor Heritage Fund before we set some aside for a reserve. Choosing that reserve amount this year is going to be tough. On the one hand, we all learned last year economic prospects can sour quickly. On the other hand, state tax revenues have been very strong since our economists last calculated tax receipts in February."*

Daniel Mueller, Senate Nonpartisan Fiscal: *"I think you can go to a 5% balance, or \$140,966,000. All indications are that the Nov forecast will show an increase revenue over the last forecast."*

Brad Hagemeyer, House Nonpartisan Fiscal: *"I think if you choose 5% or 6% it is probably fine at this point with the understanding that the final amount will likely need to be adjusted based on the November Forecast."*

Following are calculations regarding both a 5% reserve and a 6% reserve:

Available Balance for FY23	\$147,350
5% of Sales Tax for a Reserve	\$127,673 x .05 = \$6,384
Remainder Left to Appropriate	\$140,966

Available Balance for FY23	\$147,350
6% of Sales Tax for a Reserve	\$127,673 x .06 = \$7,660
Remainder Left to Appropriate	\$139,690