

# Lessard-Sams Outdoor Heritage Council

**MEMO:** Agenda Item #4  
**DATE:** August 28, 2024  
**SUBJECT:** Preliminary Allocation Target, ML2025/FY2026  
**PRESENTER:** LSOHC Staff

**Suggested Action:**

By consensus, or motion and vote, the Council should agree upon an initial benchmark figure for their ML2025/FY2026 allocation recommendations. This benchmark will serve to guide Members’ allocation recommendations that are due for return to LSOHC staff by Monday, September 16, 2024.

**Background & Information:**

MS97a.056, subd. 24, “In any fiscal year, at least five percent of that year’s projected tax receipts determined by the most recent forecast for the outdoor heritage fund must not be appropriated.”

MMB will provide an updated forecast for the Council’s December 10, 2024 meeting as final fiscal guidance for recommendations within the ML25 OHF bill language. The Council’s total allocation recommendation is required to fall within the “most recent” forecast (February 2025) with at least the statutorily mandated 5% reserve. Generally, the Council has utilized a conservative 5-6% reserve target to accommodate potential downward forecast fluctuation. Recent years’ November and February forecasts have provided significant additional monies for allocation. As a result, staff recommends the Council start this year’s recommendations using a 5% reserve figure.

The following calculation guidance has been provided by Ryan Mertz, Executive Budget Officer, MMB:

**Outdoor Heritage Fund**  
 Minnesota Management and Budget  
 8/9/2024

*(\$ thousands)*

Unobligated Carry Forward from Prior Year  
 Sales Tax Receipts  
 Investment Income & Other Revenue  
*Total Resources*  
*Total Uses*  
 Budgetary Balance

**Estimated Remaining Amount Available to Appropriate**

Estimate of Amount Available to Appropriate	
2024 End-of-Session Forecast	
FY26	
	7,790
	158,601
	2,153
	168,544
	-
	168,544
<b>5% Reserve</b>	
	7,930
	160,614

## **Lessard-Sams Outdoor Heritage Council Allocation Process Guidelines**

- 1)** Members fill out allocation spreadsheets and submit to staff by September 18, 2023. Allocations should not be made under the cutoff for direct funding (\$500,000 – Proposals under \$500k are eligible for CPL funding). Allocations should be zero or above \$500,000 and should not exceed the request amount. The only exceptions to the \$500,000 minimum are administrative allocations such as Contracts Management and Restoration Evaluations.
- 2)** Staff collects and prepares the information showing both individual and collective funding recommendations. The collective information shows both the individual member allocations, the average member allocation amounts and the number of members recommending funding.
- 3)** The collective funding recommendations information is distributed to members no later than 3 days before the meeting at which the Council will determine the initial allocations. The information will simultaneously be made available to the public via the Lessard-Sams Outdoor Heritage Council (LSOHC) website.
- 4)** The Chairs' Proposal is distributed to members indicating the average allocation to programs with 9 or more members recommending funding as an initial start to discussion. The average member recommendation for all proposals should be presented along with the mode of allocations for each proposal.
- 5)** The Council will then discuss the projects. The discussion could include the need to fully fund, limit funding to a lower level than the average, restrict funding to a specific part of any request, etc.
- 6)** Once that discussion is concluded, the Council will open discussion on other projects. These discussions would be to better understand different perspectives of councilmembers.
- 7)** Allocations will then proceed as determined by the Council at that time.