



# Oregon

Kate Brown, Governor

Department of Land Conservation and Development

Administrative Services Division

635 Capitol Street NE, Suite 150

Salem, Oregon 97301-2540

Phone: 503-373-0050

Fax: 503-378-5518

[www.oregon.gov/LCD](http://www.oregon.gov/LCD)

AGENDA ITEM 9  
MARCH 18-19, 2021-LCDC MEETING  
ATTACHMENT A

March 4, 2021

TO: Land Conservation and Development Commission  
Budget and Management Subcommittee

FROM: Carol Bovett, DLCD Administrative Services Division Manager  
Richelle Corbo, DLCD Budget Officer



SUBJECT: LCDC Budget and Management Subcommittee (LCDC BAM)

## **BUDGET AND MANAGEMENT SUBCOMMITTEE REPORT**

The DLCD management team continues to review financial reports and spending plans on a monthly basis. This subcommittee report is informed by that review and the data collected during these meetings.

### **Financials Review**

DLCD continues to refine the budget projections for the current biennium, and is focusing on preservation of state General Fund dollars following the interim cuts to our current biennial budget. This report is based on the financials as of the January 31<sup>st</sup>, 2021 monthly financial close.

During the month of January, the Department saw significant savings in the operating fund, which currently reflects a projected *savings* of \$119,003 as of January month-end. These savings were driven primarily by the following:

- ✓ Updated projections for revenue – Since the previous financial reporting period, the Department has updated our revenue assumptions for the project we are collaborating on with the Oregon Department of Energy. This additional revenue will help relieve some of the burden that is currently on our core operating fund.
- ✓ Updates to staff costs – The Department is administering two projects focused on Housing (HB 2001 and HB 2003 from the 2019 session). Because these projects have required time from core staff, some of those core expenses have been shifted to the Housing funds provided for that purpose. This has further relieved the burden on core operating funds.

DLCD's Administrative Services Team is also fully engaged in processing reimbursement requests to the Department's funding partners at the Office of Emergency Management (OEM). Much of the work done in the Planning Services

Division (PSD) is supported by FEMA grants administered by OEM. However, increased hazard mitigation work done by PSD along with a backlog of pending reimbursement requests has created the problems with DLCD's Other Funds cash flow. As of the writing of this report, the Department has worked through some of the more problematic funding opportunities, and anticipates no major issues will be experienced in closing the agency books for the 2019-21 biennium.

### **2021-23 Budget Development**

Despite some scheduling challenges posed by the recent ice storm, DLCD completed the biennial agency budget presentation on February 22<sup>nd</sup>, 2021. The presentation to the Joint Ways and Means Natural Resources subcommittee was accomplished in two separate days and generated helpful discussions amongst DLCD's most critical stakeholders.

Further budget development activities will be focused on the current legislative session, and negotiations around SB 5530 (the DLCD Budget Bill for 2021-23). Negotiations for the 2021-23 budget cycle won't be finalized until after the May 2021 revenue forecast released from the Office of Economic Analysis. This final revenue forecast of the long legislative session will inform how much in state general funds will be available for agency biennial budgets.