



Memorandum

Oregon Department of Fish and Wildlife

Date: December 6, 2013
To: Commissioners
From: Debbie Colbert, Deputy Director of Administration
Subject: Financial Report

Financial Report

The Commission Financial Report for the 2013-15 biennium as of August 31, 2013 is provided as an attachment. The department has until December 31, 2013 to complete invoicing and reconcile the ending balance from the 2011-13 budget. At that time, the beginning balance for the 2013-15 budget will be finalized.

Department wide, expenditures are within budgeted projections. As a reminder, the 2013-15 biennium is the final biennium under the six year fee increase that was effective January 2010. Fee adjustments follow a predictable pattern of front loaded "surplus" revenue that is overtaken by inflating expenditures during the life of the fee adjustment. Since this is the final biennium of the six year period, working capital will reach the lowest levels. Working capital will also be less than originally planned since the Legislature fund shifted a number of programs from General Fund to license revenues in 2009-2011 and 2011-13. The department took management actions to reduce expenditures in 2011-13 to offset some of this backfilling.

Generally half of the department's revenue each biennium comes from contracts or grants where the department conducts work under the contract or grant and is reimbursed. The department must have sufficient working capital to "float" these expenses until payment is received. Maintaining sufficient cash flow has always been challenging for the agency given its uneven distribution of its core license revenues (as shown in the graph).

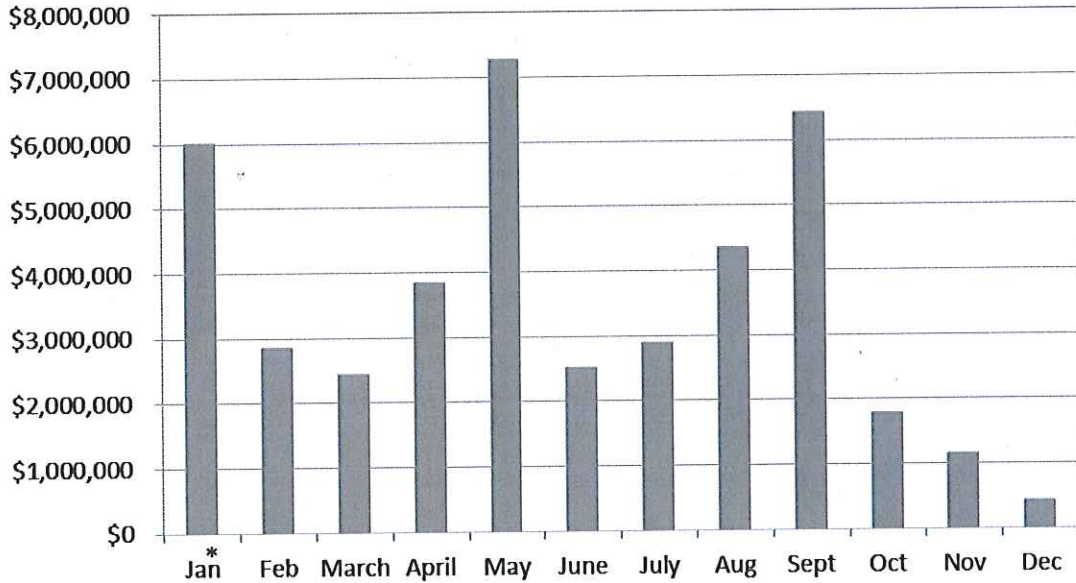
Cash flow can be further exacerbated by the often delayed award of contracts/grants and monthly payments by federal agencies. The department has taken a number of steps to ensure that grants, contracts, and invoices are submitted to funding agencies as quickly as possible, including development of a procurement management system and billing system in 2010 and 2013, respectively. It has also revisited the format and terms of its agreements with federal agencies to address late payments.

Office of the Director

4034 Fairview Industrial Drive SE, Salem, Oregon 97302, Tele: (503) 947-6000 FAX: (503) 947-6042

Even with these efforts, the department is facing significant cash flow constraints and must aggressively manage its expenditures this biennium. To that end, the department is implementing a number of management actions including hiring freezes, restrictions on travel and training and other nonessential expenditures. The department will also be meeting with state officials to identify options for addressing cash flow issues and will keep the Commission apprised.

2012 License Revenues (non-dedicated)



*Portions of January 2012 revenues were actually accrued in December 2011. December 2012 revenues shown are underestimated because they do not include revenues from early sales for license year 2013.

ODFW Financial Report for 2013-15 Biennium
December 6th Commission Meeting
as of October 31, 2013
(in millions)

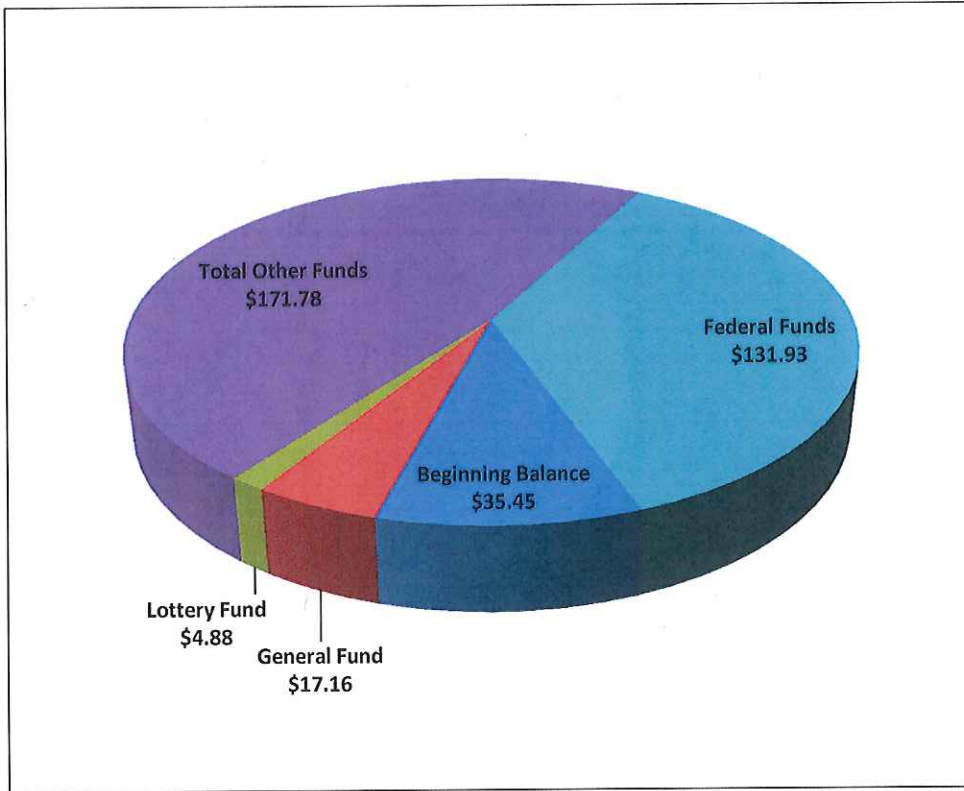
	Legislatively Adopted Budget	Adjustments & E-Boards	Legislatively Approved Budget	Actuals as of 10/31/2013	% of Total Biennium Budget 16.7%
REVENUE					
Beginning Balance	35.45	-	35.45	39.18	
General Fund	17.16	-	17.16	2.00	
Lottery Fund	4.88	-	4.88	0.25	
Other Funds					
Hunter/Angler	101.43	-	101.43	12.55	
Commercial Fisheries Fund	7.92	-	7.92	0.43	
Federal Grants - Indirect	62.42	-	62.42	7.80	
Total Other Funds	171.78	-	171.78	20.79	
Federal Funds	131.93	-	131.93	10.38	
Total Revenue	<u>361.20</u>	<u>-</u>	<u>361.20</u>	<u>72.60</u>	20.10%
EXPENDITURES					
Wildlife					
General Fund	1.05	-	1.05	0.10	
Lottery Fund	1.20	-	1.20	0.39	
Other Funds	42.37	-	42.37	5.41	
Federal Funds	29.90	-	29.90	3.28	
Total Wildlife Programs	74.52	-	74.52	9.19	12.34%
Fish					
General Fund	14.32	-	14.32	1.48	
Lottery Fund	3.57	-	3.57	0.63	
Other Funds	68.49	-	68.49	10.70	
Federal Funds	98.62	-	98.62	16.21	
Total Fish Programs	185.01	-	185.01	29.02	15.69%
Administration					
General Fund	1.29	-	1.29	0.35	
Other Funds	40.45	-	40.45	7.21	
Federal Funds	2.91	-	2.91	0.64	
Total Administration	44.65	-	44.65	8.20	18.35%
State Police					
Other Funds	23.40	-	23.40	1.95	
Total State Police	23.40	-	23.40	1.95	8.31%
Debt Service					
General Fund	0.35	-	0.35	0.07	
Other Funds	1.84	-	1.84	0.35	
Total Debt Service	2.19	-	2.19	0.42	19.19%
Capital Improvement					
General Fund	0.14	-	0.14	0.00	
Other Funds	4.69	-	4.69	1.03	
Federal Funds	0.50	-	0.50	0.33	
Total Capital Improvement	5.33	-	5.33	1.36	25.49%
Capital Construction					
Other Funds	1.00	-	1.00	0.10	
Total Capital Construction	1.00	-	1.00	0.10	10.13%
Agency-wide					
General Fund	17.16	-	17.16	2.00	11.65%
Lottery Fund	4.77	-	4.77	1.02	21.46%
Other Funds	182.25	-	182.25	26.75	14.68%
Federal Funds	131.93	-	131.93	20.46	15.51%
Total Expenditures	<u>336.11</u>	<u>-</u>	<u>336.11</u>	<u>50.24</u>	14.95%
ENDING BALANCE	25.10	-	25.10	22.36	

Notes

Notes

Summary	General Fund	Lottery Fund	Other Funds	Federal Funds	Total Funds
Legislatively Adopted	17.16	4.77	182.25	131.93	336.11
Total	17.16	4.77	182.25	131.93	336.11

**Oregon Department of Fish and Wildlife
2013-15 Legislatively Approved Budget - Revenue
as of October 31, 2013 \$ 361.20**



**Oregon Department of Fish and Wildlife
2013-15 Legislatively Approved Budget - Expenditures
as of October 31, 2013 \$ 336.11**

