

**Agenda Item No. 6:** Emergency Fire Cost Committee Report

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**SUMMARY**

The purpose of this agenda item is to provide a report on critical initiatives undertaken by the Emergency Fire Cost Committee (EFCC) to maintain a healthy Oregon Forest Land Protection Fund (OFLPF) balance. Actions of the Committee have focused on improving revenue flow to the Fund, containing costs through investing in the fire protection system and reducing firefighting costs, and increasing the cost of access to the Fund. A current projected deficit of nearly \$6 million may necessitate the need for the EFCC to borrow monies from the State Treasurer, which would then result in an increase in OFLPF taxes and assessments to repay the loan.

**BACKGROUND AND ANALYSIS**

The balances of the OFLPF continue to decline due to rapidly escalating firefighting costs and active fire seasons. The EFCC has taken several aggressive steps, starting in 2006, to reverse this trend. They continue to work with ODF to identify opportunities to reduce future firefighting costs, and more equitably share the costs of fighting large fires in Oregon. These actions come at a point in time when the economy has softened, OFLPF revenues are declining from a reduction in harvest taxes, district protection budgets are increasing significantly, and forest and range landowners are reacting to increased fire protection costs. Nevertheless, the OFLPF will have a deficit of nearly \$6 million on June 30, 2008 – a deficit that the EFCC must address.

**RECOMMENDATION**

The Department recommends the Board accept the Emergency Fire Cost Committee Report and discuss the report and related fire suppression cost issues with the EFCC representatives present.

**ATTACHMENTS**

- (1) Emergency Fire Cost Committee Report to the Oregon Board of Forestry