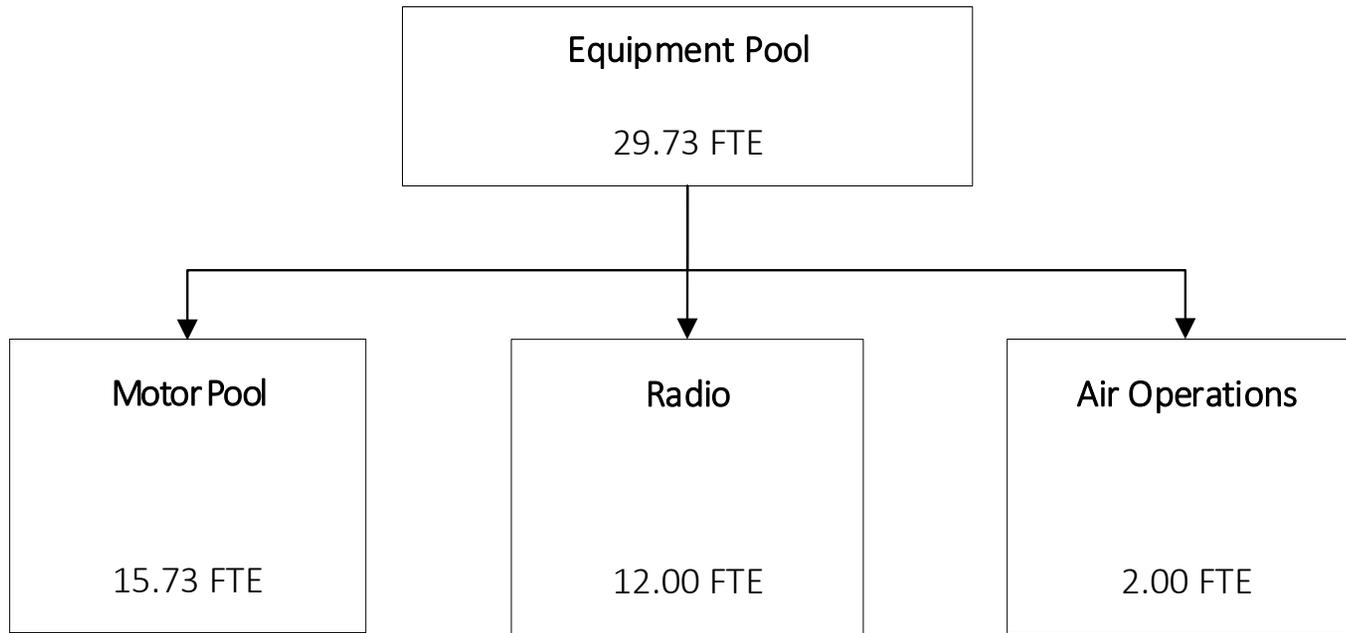
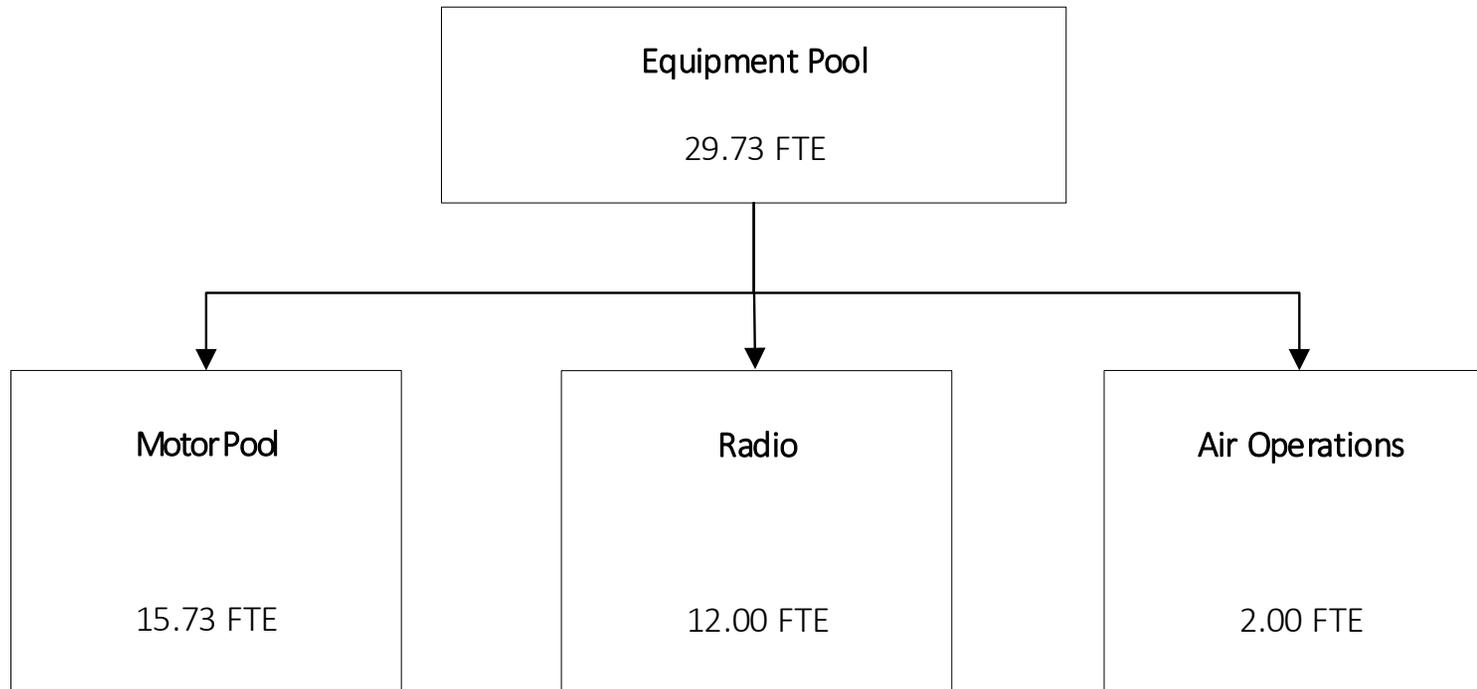


Equipment Pool Program Narrative

Organization Charts



Proposed 2019-21 Structure



Current 2017-19 Structure

Executive Summary

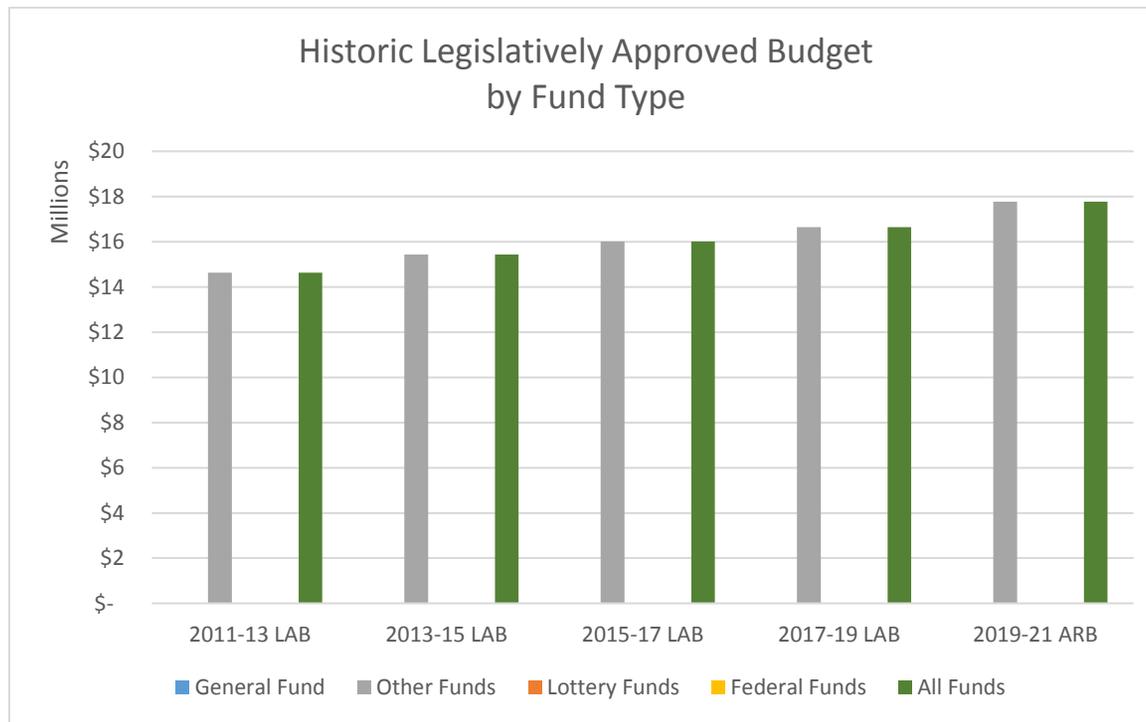
Long-Term Focus Areas:

Primary Focus Area: Excellence in State Government
Secondary Focus Area: Safer, Healthier Communities

Primary Program Contact:

Eulus Newton, 503-945-7312; Doug Grafe 503-945-7204

Program Total Funds Budget:



Program Overview:

The Equipment Pool consists of two major programs. These programs support the Department's mission by providing a diversity of core foundational functions and services that are vital to the programs and areas of operation and their ability to successfully carry out their strategic objectives and long term focus areas of the Board of Forestry and State Forester.

Program Funding Request:

For 2019-21, the Equipment Pool received \$17,769,354 Other Funds. The estimated cost for 2021-23 is \$18,830,534 and for 2023-25 is \$19,964,084.

Program Description:

The Equipment Pool reports directly to the Fire Protection Division and is responsible for a \$17 million biennial budget limitation and two internal service funds in support of the Department's statewide Wireless Radio Communications (WRC) and Central Motor Pool (CMP) programs. The Equipment Pool provides leadership, direction, support services and essential equipment to Salem programs and Area field operations that are actually responsible for carrying out the vision and mission of the Department. Both programs are self-supporting through three primary stakeholder assessments: 1) administration, 2) operations, and 3) system and equipment replacement. The Equipment Pool also administers an enterprise of asset and business management systems and comprehensive business standards to ensure quality controls, fiscal and equipment data integrity, and fund equity for sustaining equipment operations and future replacement needs.

The CMP program is accountable for a fleet operation that consists of six fleet types with approximately 900 pieces of equipment decentralized across Salem programs and Area field operations, whom are responsible for carrying out the overall vision and mission of the Department. Field operations and shops are managed and supervised locally. Primary functions include business management, fleet and asset management, shop operations, statewide consultation and incident management team support.

The WRC is accountable for the integration of a network of systems that transport digitized voice and streaming data over a network of systems and numerous mountain top sites with an equipment load of over 5,600 pieces of equipment. The network of systems consists of fixed-base stations and repeaters, multicast and simulcast systems, fire-detection camera systems and auto vehicle location (AVL) systems. The program also provides services to cooperative fire protection association (FPA) partners (Coos FPA, Douglas FPA and Walker Range FPA) and maintains interagency agreements with the Oregon Parks and Recreation Department and the Oregon Department of Fish & Wildlife.

Program Justification and Link to Long-Term Outcome:

The Equipment Pool programs provide support services that are specific and unique to the needs of the Department's core foundation and mission, which provide for safer and healthier communities - "The equipment pool operated by the forester and the State Board of Forestry, which furnishes

transportation and equipment for the various activities and programs of the board, is for the acquisition, operation, storage, maintenance and replacement of equipment – *ORS 526.144*".

Program Performance:

The Equipment Pool programs manage and track equipment assets, utilization, work orders and internal service fund business functions through an enterprise network of systems. The data outcomes are used to analyze and compare a variety of performances, which provide programs and districts the results needed to make effective strategic and budgeting decisions based on core foundation of outcomes, trends and/or anomalies.

Enabling Legislation/Program Authorization:

ORS 526.142 – 526.152 defines the Department's Equipment Pool's explicit and/or subsidiary authority

Funding Streams Supporting the Program:

The Equipment Pool programs are self-supporting and funded through user assessments that are allocated from the diverse funding streams within each of the Department's programs and areas of operations. The funds are managed within two internal service funds with multiple accounts. The funds are maintained within the State Treasury.

Funding Proposal Comparison:

The funding for the Equipment Pool program for the 2019-21 biennium is an increase in All Funds of 7 percent over the 2015-17 Legislatively Approved Budget. The increase is due to, a) statewide inflation for goods and services, and b) approved exception for above-inflation items such as Professional Services and IT Professional Services. The program is not proposing any enhancement packages for the 2017-19 biennium.

Program Unit Narrative

Activities, Programs and Issues:

The Equipment Pool will continue to engage in a major business transformation process that is based on a variety of approved outcomes from 1) internal evaluation of the business organization and resources; 2) statewide Central Motor Pool Fleet review and 3) the statewide Wireless Radio Communications review.

Important Background for Decision Makers:

In 1965, the Oregon Legislature granted to the Department of Forestry management of its own Equipment Pool due to the unique nature of its fire protection business (ORS 526.144). Department of Administrative Services (DAS) policies are followed to ensure compliance with state vehicle and equipment guidelines, but all daily management of equipment is handled through the Equipment Pool.

Future potential impacts affecting the Equipment Pool's resources and budgets include:

- 1) Continued DAS interpretation of ODF's equipment pool policies and authorization
- 2) Compliance with federal and state mandates regarding fleet alternative fuels and low emissions
- 3) DAS and State Interoperability Executive Council (SIEC) decisions on statewide intern operability
- 4) Governor, DAS and SIEC direction with the federal FirstNet system
- 5) Potential budget constraints, reductions and impacts to the Department's programs and/or areas of operations, which impact equipment assets, services and resources.
- 6) Outcome of Communication System Analyst (CSA) classification review
- 7) Unforeseen outcomes from rule and/or policy changes that would affect core foundational business methodologies

Revenue Sources and Proposed Revenue Changes:

The programs within the Equipment Pool are self-supporting and assess the users of the equipment (identified above – Program Description section). Assessments pay the costs to administer the programs, actual operational costs, and replacement to sustain future needs. The fund source behind the assessments is defined by the users of the equipment.

Proposed New Laws:

None.

Base Budget & Essential Packages

Package 010 - Non-PICS Personal Services Adjustments

This package includes standard inflation of 3.8 percent on non-PICS items such as temporaries, overtime, shift differential, all other differentials and unemployment compensation, including the OPE associated with them. There was no change to Position Counts or FTE.

NOTE: Due to 2017-19 Package 810 (HB 5006), reductions for the mandated “Hiring Slowdown” were booked in Vacancy Savings rather than Undistributed Personal Services. This caused the Base Vacancy Savings amounts to be unusually large, and therefore the Package 010 entries are unusually large as well to compensate.

Package 031 – Standard Inflation

The Cost of Goods and Services increased based on the standard 3.8 percent inflation factor for Services & Supplies and Capital Outlay items, except for State Government Service Charges and Attorney General Charges, which are based on the 2019- 2021 Price List of Goods and Services.

NOTE: In all programs except Agency Administration, SGSC are Risk Charges only.

Program Enhancement Packages

None.

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Forestry, Dept of
Pkg: 010 - Non-PICS Psnl Svc / Vacancy Factor

Cross Reference Name: Equipment Pool
Cross Reference Number: 62900-020-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Personal Services							
Temporary Appointments	-	-	31	-	-	-	31
Overtime Payments	-	-	144	-	-	-	144
All Other Differential	-	-	29	-	-	-	29
Public Employees' Retire Cont	-	-	32	-	-	-	32
Pension Obligation Bond	-	-	24,885	-	-	-	24,885
Social Security Taxes	-	-	15	-	-	-	15
Unemployment Assessments	-	-	53	-	-	-	53
Mass Transit Tax	-	-	2,820	-	-	-	2,820
Vacancy Savings	-	-	109,434	-	-	-	109,434
Total Personal Services	-	-	\$137,443	-	-	-	\$137,443
Total Expenditures							
Total Expenditures	-	-	137,443	-	-	-	137,443
Total Expenditures	-	-	\$137,443	-	-	-	\$137,443
Ending Balance							
Ending Balance	-	-	(137,443)	-	-	-	(137,443)
Total Ending Balance	-	-	(\$137,443)	-	-	-	(\$137,443)

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Forestry, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Equipment Pool
Cross Reference Number: 62900-020-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Services & Supplies							
Instate Travel	-	-	7,340	-	-	-	7,340
Out of State Travel	-	-	66	-	-	-	66
Employee Training	-	-	1,393	-	-	-	1,393
Office Expenses	-	-	10,407	-	-	-	10,407
Telecommunications	-	-	11,117	-	-	-	11,117
State Gov. Service Charges	-	-	58,067	-	-	-	58,067
Data Processing	-	-	100	-	-	-	100
Publicity and Publications	-	-	145	-	-	-	145
Professional Services	-	-	5,204	-	-	-	5,204
Attorney General	-	-	4,824	-	-	-	4,824
Employee Recruitment and Develop	-	-	83	-	-	-	83
Dues and Subscriptions	-	-	677	-	-	-	677
Fuels and Utilities	-	-	31,912	-	-	-	31,912
Food and Kitchen Supplies	-	-	56	-	-	-	56
Agency Program Related S and S	-	-	155,909	-	-	-	155,909
Other Services and Supplies	-	-	6,242	-	-	-	6,242
Expendable Prop 250 - 5000	-	-	50	-	-	-	50
IT Expendable Property	-	-	22,665	-	-	-	22,665
Total Services & Supplies	-	-	\$316,257	-	-	-	\$316,257

Capital Outlay

Telecommunications Equipment	-	-	11,545	-	-	-	11,545
Industrial and Heavy Equipment	-	-	22,495	-	-	-	22,495

ESSENTIAL AND POLICY PACKAGE FISCAL IMPACT SUMMARY

Forestry, Dept of
Pkg: 031 - Standard Inflation

Cross Reference Name: Equipment Pool
Cross Reference Number: 62900-020-00-00-00000

<i>Description</i>	General Fund	Lottery Funds	Other Funds	Federal Funds	Nonlimited Other Funds	Nonlimited Federal Funds	All Funds
Capital Outlay							
Automotive and Aircraft	-	-	125,015	-	-	-	125,015
Total Capital Outlay	-	-	\$159,055	-	-	-	\$159,055
Total Expenditures							
Total Expenditures	-	-	475,312	-	-	-	475,312
Total Expenditures	-	-	\$475,312	-	-	-	\$475,312
Ending Balance							
Ending Balance	-	-	(475,312)	-	-	-	(475,312)
Total Ending Balance	-	-	(\$475,312)	-	-	-	(\$475,312)

DETAIL OF LOTTERY FUNDS, OTHER FUNDS, AND FEDERAL FUNDS REVENUE

Forestry, Dept of
2019-21 Biennium

Agency Number: 62900

Cross Reference Number: 62900-020-00-00-00000

<i>Source</i>	2015-17 Actuals	2017-19 Leg Adopted Budget	2017-19 Leg Approved Budget	2019-21 Agency Request Audit	2019-21 Governor's Budget	2019-21 Leg. Adopted Audit
Other Funds						
Charges for Services	3,473,549	5,526,685	5,711,938	6,041,565	-	-
Admin and Service Charges	1,771,711	-	-	-	-	-
Rents and Royalties	9,169,937	11,850,641	11,850,641	11,850,641	-	-
Sales Income	528,411	-	-	-	-	-
Other Revenues	458,938	2,384,983	2,384,983	2,384,983	-	-
Transfer In - Intrafund	1,125,062	-	-	-	-	-
Transfer from General Fund	40,752	-	-	-	-	-
Transfer Out - Intrafund	(2,831,689)	(3,281,819)	(3,302,369)	(2,051,490)	-	-
Total Other Funds	\$13,736,671	\$16,480,490	\$16,645,193	\$18,225,699	-	-