

Agenda Item No.: 2
 Work Plan: Administrative
 Topic: Ongoing Financial Status Check
 Presentation Title: Department of Forestry Fiscal Report
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 Contact Information: Satish Upadhyay, Administrative Services Division Chief
 (503) 945-7203 or satish.upadhyay@oregon.gov

SUMMARY

The purpose of this agenda item is to provide an update on the Department of Forestry’s current fiscal status.

CONTEXT

The Board has requested regular updates on the Department’s financial status. This report updates the information provided at the June 2015 meeting.

BACKGROUND

2013-15 Summary

The Department of Forestry’s 2013-15 Legislatively Approved Budget at fiscal year-end (June 2015) consisted of \$557.6 million total funds and 871.72 full-time equivalent positions. 72 percent of the budget was funded with Other Fund revenues, including the State’s share of timber sale proceeds, a variety of landowner assessments, and forest products harvest tax. 21 percent of the budget was funded with state General Fund dollars, 6 percent with federal revenues, and 1 percent with lottery funds.

	Revenues		Expenditures	
	2013-15 Legislatively Approved Revenues*	2013-15 Percent of Revenue Received	2013-15 Legislatively Approved Budget*	2013-15 Percent of Budget Spent
Fire Protection	\$370.1	133%	\$365.0	79%
State Forests	\$92.0	79%	\$91.3	81%
Private Forests	\$40.5	69%	\$36.4	71%
Agency Administration	\$31.5	97%	\$31.1	87%
Other Programs	\$35.8	105%	\$33.8	100%
*Amounts Shown in Millions				

2015-17 Report

The Department of Forestry’s 2015-17 Legislatively Adopted Budget consists of \$330.4 million total funds and 875.54 full-time equivalent positions. 68 percent of the budget is funded with Other Fund revenues, including the State’s share of timber sale proceeds, a variety of landowner assessments, and forest products harvest tax. 19 percent of the budget is funded with state General Fund dollars, 11 percent with federal revenues, and 2 percent with lottery funds.

Within the agency, the Fire Protection program has the largest budget with \$126.3 million total funds (38 percent of total budget) and 395.28 full-time equivalent positions. 52 percent of the budget is funded with revenues from a variety of landowner assessments, 35 percent is funded with state General Fund dollars, and 13 percent with federal revenues.

The State Forests program has the second largest budget with \$94.0 million total funds (28 percent of total budget) and 233.08 full-time equivalent positions. 96 percent of the budget is funded with dollars from the State's share of the revenue that is produced from timber sales, and the remaining 4 percent with federal revenues.

The Private Forests program budget is the third-largest, with \$40.1 million total funds (12 percent of total budget) and 112.43 full-time equivalent positions. 32 percent of the budget is funded with federal revenues, 41 percent with state General Fund dollars, and 27 percent with other revenues mostly from forest products harvest tax.

The Agency Administration program has a budget of \$37.5 million total funds (11 percent of total budget) and 105.02 full-time equivalent positions. 81 percent of the budget is funded with revenues mainly from intra-fund transfers from the operating programs, 5 percent with federal revenues, 13 percent with lottery fund dollars, and 1 percent with state General Fund dollars.

The remaining \$32.5 million total funds budget and 29.73 full-time equivalent positions is for the equipment pool, facilities maintenance, capital improvements and debt service.

Department staff continuously monitor the agency's revenues and expenditures for all programs. Staff also generate periodic projections for several major revenue sources. These projections include timber sale revenue (twice yearly), and forest products harvest tax revenue (quarterly). Agency expenditures are adjusted, if required, based on the revenue projections.

The attachments provide a financial "dashboard" with "gauges" that will update the Board on the Department's current fiscal situation.

RECOMMENDATION

This agenda item is for information only.

ATTACHMENTS:

- 1) 2013-15 Financial Dashboard
- 2) 2015-17 Financial Dashboard