

Implementation Priorities Excerpt

Implementation Priorities

Funding levels for plan implementation vary with cyclical economic trends. FMP implementation is primarily funded through timber harvest revenues. Over the long term, it is likely that revenues will support the management activities necessary to meet the Greatest Permanent Value mandate and FMP goals. However, there may be periods where revenues limit funding. Annual budget instructions for developing fiscal budgets reflect the Forest Development Fund (FDF) balance and the projected FDF balance. The highest level of implementation and investment occurs when the FDF balance exceeds the prudent balance established in Division policy (see *Fund Balance Policy*) and the balance is forecasted to be relatively steady or increasing. While the lowest level occurs when the FDF balance is less than the prudent balance established by the Division and the balance is forecasted to decrease (Table 1). For this reason, the following priorities are established for conducting activities:

Table 1. Forest management investment levels based on the revenue forecast and Forest Development Fund balance. Level 1 is the lowest level of investment, while level 4 is the highest.

Forest Development Fund	Decreasing 3-year Revenue Forecast	Increasing 3-year Revenue Forecast
Less than prudent balance	<u>Level 1</u> : Maintenance to achieve core business and meet legal obligations, no new investments and scale back existing services	<u>Level 2</u> : Begin reinvesting in deferred maintenance, young stand management, highest priority research and monitoring
Prudent balance	<u>Level 2</u> : Continue reinvesting in deferred maintenance and consider small set of new strategic investments	<u>Level 3</u> : Modest funding for new strategic investments
Greater than prudent balance	<u>Level 3</u> : Maintain or expand existing investments and explore additional strategic investments	<u>Level 4</u> : Expand existing investments and fund new strategic investments

Descriptions are provided for management activities and the amount of investment for each level in the following list. The intent of the descriptions is to provide examples and a general sense for the priorities for the activities of the Division given the state of the Forest Development Fund. However, not every activity listed below will be undertaken in every case. For example, while land purchases and exchanges are listed under Level 4, these activities won't be undertaken if there are not parcels the Division is seeking to dispose or acquire.

- Level 1: Core business
 - *Management Focus*: Meet contractual and legal obligations. Examples may include: focus on high-revenue low-cost sales, reduce investments in policy initiatives, maintain REI services and infrastructure at existing level or scale back, ensure funding and resources needed for litigation, and highest priority young stand management activities.

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- *Investments*: Examples may include: maintain forest inventory program, minimum performance measure monitoring and reporting, T&E surveys, and road infrastructure.
- Level 2: Maintenance and Deferred Maintenance
 - *Management Focus*: Same as Level 1
 - *Investments*: Begin cautious reinvestment in deferred maintenance. Examples may include: young-stand management, forest inventory, research and monitoring, REI, and policy revisions and development.
- Level 3: Reinvestment
 - *Management Focus*: Manage to create a range of stand ages, increase pre-commercial and commercial thinning, with a modest amount of forest restoration activities.
 - *Investments*: Examples may include: complete deferred maintenance, begin funding strategic investments, and pursuing high priority land exchanges or acquisitions.
- Level 4: Full Implementation
 - *Management Focus*: Full implementation. Examples may include: maintain or create a range of stand ages and complex habitat, conduct forest restoration.

Investments: New strategic Investments. Examples may include: forest, habitat, and stream restoration; robust research and monitoring; expand REI; and land purchases and exchanges.

Planning Components and Adaptive Management Overview

