EMERGENCY FIRE COST COMMITTEE

June 2, 2026

In accordance with the provisions of ORS 477.455, a meeting of the Emergency Fire Cost Committee (EFCC) was held in the Tillamook Room of the Oregon Department of Forestry (ODF) Headquarters and virtually via TEAMS video conferencing on Tuesday, June 2, 2026.

Committee Members Present
Brennan Garrelts
Kathryn VanNatta
Bobby Corey
John Davis (via TEAMS)
Heath Curtiss, non-voting BOF representative

Committee Members Excused
Eric Kranzush

Others Present (in person)
Nancy Hirsch, EFCC Administrator
Lorna Hobbs, EFCC Finance Coordinator
Jenn Kroon, Administrative Specialist, ODF
Kacey KC, State Forester, ODF
Kyle Williams, Deputy Director of Fire Operations, ODF
James Short, CFO, ODF
Jenna Nelson, State Initiatives Grant Coordinator, ODF
Kiel Nairns, Cost Recovery Specialist, ODF

Others Present (via TEAMS)
TzA (Teresa Alcock), Fire Program Analyst, ODF
Shelby Berry, Administrative Support, ODF
Tracy Wrolson, Protection Finance Unit Manager, ODF
Jamie Paul, Sr. Policy Analyst, ODF
Brian Pew, Area Director (EOA), ODF
Gina Miner, Assistant to the Area Director (EOA), ODF
Tyler Ramos, Assistant to the Area Director (SOA), ODF
Rob Pentzer, District Forester (COD), ODF
Justin Lauer, District Forester (NEO), ODF
Pat Skrip, District Manager, DFPA
Jerilee Johnson, Area Accountant, ODF
Kelsey Ramos, Direct Bill Coordinator, ODF
Deanna Drinkwater, Incident Business Advisor, ODF
Renae Meyer, District Business Manager (SCAS), ODF
April McDonald, Legislative Fiscal Office
Hillary Blackstone, Oregon Higher Education Coordinating Commission (HECC)
Mike Cafferata

ITEM 1: Call to Order

Chair Garrelts called the meeting to order at 10:00 a.m. Chair Garrelts verified that all committee members were present and all attendees identified. Committee members received meeting materials in advance and are available on the Department of Forestry's website. He added that any additional documents provided at the meeting will be posted to the website as soon as possible following the meeting.

ITEM 2: Approval of the Minutes of March 3, 2026, Meeting

Chair Garrelts asked for a motion to approve the minutes of the March 3, 2026, EFCC meeting. Committee member Bobby Corey made a motion to approve the minutes of the March 3, 2026, EFCC meeting. Committee member Kathryn VanNatta seconded the motion. The minutes were approved unanimously.

ITEM 3: Financial Status of the Oregon Forestland Protection Fund (OFLPF)

Lorna Hobbs, EFCC Finance Coordinator, provided a report on the status of the OFLPF for fiscal year 2026 (FY26), including actual revenues and expenditures through April 30, 2026, and projected revenues and expenditures through the end of the fiscal year. The report included:

The ***beginning balance*** on July 1, 2025, was $9,749,577.

Revenues include:

- Estimated assessment revenue is $13,632,512 and actual revenue received as of April 30th is $13,160,604.
- Harvest tax revenue is estimated at $2,328,079 with $1,316,204 received as of April 30th. This includes three of the four quarterly payments for the fiscal year. The 4th payment of the year was received in May but is not accounted for in this report that only goes through April 30th. The fourth payment is over $800,000 under the new rate.
- Interest: the first column of the report shows $36,737 in interest for fiscal year 25, which was received after July 1, 2025. Total revenue from interest on the account for FY26 is estimated at $735,958 with $536,536 received as of April 30th. The interest rate has remained at 4.0%.

Total estimated revenues for FY26 are $16,696,549 dollars with $15,013,344 dollars received as of April 30th. Total actual revenues received, including the interest from fiscal year 2025 (FY25) equals $15,050,081.

Expenditures include:

- The transfer of $165,000 for FY25 payroll and operating expenses that was processed after the start of the fiscal year. An additional $2,000+ still needs to be moved for FY25.

- Estimated payroll and operating costs were adjusted from $185,000 from the last report down to $175,000 to reflect a more accurate number.

- Minimum and improved lot assessment revenue of $13,632,512 is available for transfer for FY27 district budgets that was approved by the committee at its January 6th meeting.

- Harvest tax revenue in the amount of $1,164,015 available for transfer for fiscal year 27 district budgets. This is $332,968 remaining from the $13.5 million cap from FY25, plus $831,047 for quarters three and four of calendar year 2025.

- Total assessment revenue and harvest tax revenue available for transfer for FY27 district budgets equals $14,796,527.

- Total expenditures for FY26 are estimated at $14,971,527. Actual expenditures as of April 30th, including the transfer for fiscal year 25 operating expenses, total $165,000. The current fund balance as of April 30th, 2026, was $24,634,657 with an estimated ending balance of $11,309,598.

Committee member Heath Curtiss asked who pays the 4% on the interest income. Ms. Hobbs said the interest revenue is received from the Treasury Department which sets the rate for state treasury accounts. Chief Financial Officer (CFO) James Short clarified that the agency's main treasury account does not receive interest, but all other ODF accounts with Treasury do earn interest.

Committee member Kathryn VanNatta asked how many staff are paid through the OFLPF. Committee Administrator Nancy Hirsch replied that there are two (2) positions authorized in the biennial budget, one being her position, committee administrator and the other is the finance coordinator position held by Lorna Hobbs.

ITEM 4: Weather Update

Teresa Alcock (TzA), Fire Program Analyst, provided an update on current and projected weather conditions for the region that included:

- Record high temperatures over winter, record low snowpack, below normal precipitation, drought conditions forecasted to worsen

- El Niño forecasted, potentially strong, correlated with warmer conditions in PNW
- SW U.S. monsoonal influence and thunderstorms may bring some residual moisture north, but also bring wind and lightning
- Pete Parsons' forecast mostly average June, July, warmer and drier in August
- Jon Bonk's outlook indicating above normal starting east side in June, earlier start and potentially longer season like 2015, large fire growth continued into August in 2015 and 2018
- Special fire environment statement: early onset of elevated fire potential in the west
- NOAA forecasting above normal temperatures and below average precipitation through October and beyond – all long-range forecasts will change

ITEM 5: Executive Report

Chair Garrelts welcomed newly appointed State Forester Kacey KC. He thanked her for taking the time to attend the EFCC meeting and provided a brief overview of the committee's long-standing partnership with ODF and the committee's new role shifting from supporting large fire costs to supporting fire preparedness at the district level. He turned the floor over to State Forester KC for her comments.

State Forester KC said she looked forward to working with the committee and provided some background on her previous experience with the State of Nevada's Division of Forestry, including eight (8) years as state forester. She noted that she has been in the Oregon State Forester position for three (3) months.

State Forester KC discussed items ODF is working on including the Agency Strategic Plan, budget preparation, and the 20-year landscape resiliency strategy. She also said the agency is working with federal partners as they transition to the new U.S. Wildland Fire Service and the possible integration with the Department of Agriculture's U.S. Forest Service in the future. She said ODF is monitoring how mitigation will work under the new organization now that natural resource management has been decoupled from firefighting. She noted that both the Secretary of Agriculture and Secretary of Interior sent out directives for early aggressive initial attack, which aligns with ODF's policies and strategies and she is confident they are ready for fire season. She also mentioned that representatives from the Forest Service will be in Salem to consider locating their offices at ODF headquarters.

State Forester closed saying the agency is staffed, trained and ready for fire season and is in the process of getting all contractors on board.

ITEM 6: Administrative Branch Report

James Short, ODF's Chief Financial Officer, provided a financial update for the agency that included:

Main cash account: $45.2 million
Oregon Forestland Protection Fund (OFLPF): $25.6 million
Fire Protection Program: $46.7 million
Forest Resources: $36.4 million

He noted that at the end of June, the $14+ million from the OFLPF will be transferred to ODF for fiscal budgets which will increase the agency cash account. The agency will have about $90 million in available cash to pay vendors going through fire season. He explained that historically, the agency had less funds going into a fire season during the last year of the biennium.

Mr. Short added that the agency recently received $8.2 million from the U.S. Forest Service (USFS) for the Elk Fire in the Klamath-Lake District. He said the money was received within five (5) business days of submission and that there has also been a quick turnaround from the USFS and the Bureau of Land Management (BLM), an average of under 30 days for grant reimbursements.

Mr. Short reported that the agency currently has about $367,000 in pending payments and staff are currently averaging a 14-day turnaround for getting payments out. He added that financial services is fully staffed and prepared for fire season and, additionally, some staff are rostered on incident management teams to support the agency during fire season.

Committee member Kathryn VanNatta summarized Mr. Short's comments stating that, because of the change in the law and the federal government turning payments around quicker, the agency has greater cash reserves going into the second year of the biennium and fire season than years prior.

Mr. Short also noted that with the passage of HB 3940, the agency has the authority to obtain loans from State Treasury, if needed.

Protection Division Chief Michael Curran noted that even though the agency is in a better position with cashflow going into fire season, there are still issues that need to be addressed to provide stable funding for fires.

Mr. Short discussed the agency's 2027-2029 Agency Request Budget. He said the agency recently heard back from the Governor's Office on policy option packages ODF can include in the budget request. He said further details will be out soon.

Tracy Wrolson, Protection Finance Unit Manager, provided the following status reports:

Severity – There is $1.8 million carryover from last fire season's biennial allocation and $12 million for the coming fiscal years. ODF will also receive additional funds of around $500,000 from the Oregon State Fire Marshal.

FEMA – The federal shutdown halted FEMA claims for a time but progress is now being made with the shutdown over. 2020-2023 claims are primarily claims for administrative costs. For the 2024 fire season, there is about $26 million dollars in FEMA claims remaining to be submitted. This includes Fire Management Assistance Grants (FMAG) through ODF and public assistance grants through the Office of Emergency Management. The reconciliation of cost shares and the federal shutdown were factors in the delay in getting these claims submitted. It takes two (2) to three (3) years to receive reimbursement once a claim is submitted. The goal for 2025 fire season claims is to get audits completed and claims submitted by October/November. The total outstanding amount for all pending FEMA claims is estimated at $92 million.

Chair Garrelts asked if FEMA has indicated a cultural shift similar to the previously noted changes in the Forest Service's response time for reimbursements. Mr. Wrolson said he hasn't seen any change in either direction and that he is satisfied with the status quo. He added the reimbursement rate for FEMA claims remains at seventy-five (75) percent.

Strategic Investments – Of the $1.5 million allocated for strategic investments in 2020, $1.34 million has been spent and $176,000 remains to be spent. It has been stressed with the field offices to get any remaining projects completed as soon as possible.

Committee member Kathryn VanNatta asked if any of the mobile resources purchased with strategic investment dollars are available for use statewide or only for use by the district that purchased them. Chief Curran responded that current projects are district specific, however, future requests for strategic investment dollars could be for a statewide asset.

ITEM 7: Status of Large Fire Cost Collection Efforts

Kiel Nairns, Cost Recovery Specialist, provided a report on ODF's large fire cost collection efforts. He noted that his report is different from previous reports and is a snapshot of current cost collection efforts. He also noted that limited information can be shared about the fires within the report as they are, or may be, involved in litigation. The report included:

<u>Claims Under Active Cost Collection:</u>
Fires included in these totals have been demanded and are progressing through the cost collection process.

- Total outstanding demands - $30,119,687.41
- 2020 – $29,865,776.68
- 2024 - $80,634.65
- 2025 - $173,276.08

Mr. Nairns said they have to wait for cost share reconciliations to occur before they can bill out for those fires, which can take up to 2 years.

Claims Under Long Term Collection Action:
Fires listed in this section are either under a payment plan, ordered for restitution through the court, or have been sent to the Department of Revenue for collection.

- Total - $9,654,081.81
- Two large fires make up $8,177,340.73 of the total
- The remaining $1,476,741.08 spans the last 10 years

Yearly Collection Amounts
Total collections during the calendar year
- 2024 - $2,148,093.37
- 2025 - $2,432,237.87
- 2026 YTD - $562,282.24

ITEM 8: Mitigation Planning and Implementation

Jenna Nelson, State Initiatives Grant Coordinator, gave a presentation on mitigation planning and implementation. She discussed the Landscape Resiliency Program (LRP) and how it ties to the recent funding received through the legislature. HB 5006 provided $7 million in one-time funding in support of the program and HB 3940 provided ongoing funding from two (2) funding streams. The Landscape Resiliency Fund (LRF) receives one-third of revenue received from a tax imposed on nicotine products and 6.7 percent of the calculated General Fund interest attributable to the Oregon Rainy Day Fund. To date, the LRF has received a one-time payment of about $500,000 from the nicotine tax and has been receiving about $500,000 monthly from the Rainy Day Fund interest since September or October of last year.

Ms. Nelson said the program has shifted somewhat this past year and the agency has established the LRP Implementation Group to provide direction, scope and leadership necessary to implement and integrate the agency's 20-year landscape resiliency strategy. The group has been charged with deliberating key elements of the LRP program, developing related recommendations and identifying potential actions to operationalize those recommendations. The group is also taking on the responsibility of how to integrate and align all the different grant programs available in the agency to help create a larger impact on the landscapes.

A request for proposals was sent out to the three (3) ODF areas who were able to submit up to three (3) proposals each and an additional request was sent out for one (1) rangeland proposal. Collaboration and partnership at the local level were emphasized in the solicitation for applications.

Submitted proposals were scored by third parties including Association of Oregon Loggers, Natural Resources Conservation Service, Oregon Forest Industries Council, Ashland Fire and Rescue, Sustainable Northwest, Higher Education Coordinating Commission, The Nature Conservancy, U.S. Forest Service, Oregon State Fire Marshal and Wallowa Resources. An after-action review was held with field staff and the third-party scorers to gather feedback for improvement going forward.

A total of $9.6 million was allocated for 3 projects: $1.3 million for Little River in Josephine and Jackson Counties, $4.8 million for Hotshot RX Connect in Douglas County and $3.5 million for John Day in Grant County.

Ms. Nelson said the Landscape Resiliency Accomplishment and Financial Tracker (LRAFT) has been created that will bring in data from different programs to provide a comprehensive view of the work that has been done and where there are gaps. She said the program is also working on nine (9) landscape scale plans that will include many data sets related to monitoring, maintenance and science and will and will inform more efficient use of funding and identify appropriate maintenance and monitoring in the future.

Ms. Nelson noted that the LRP is a connector for the other twelve (12) ODF programs and has the flexibility and autonomy to fill in gaps where needed.

Committee member Heath Curtiss asked how the Good Neighbor Authority (GNA) program tied into the LRP.

Ms Nelson said they are separate programs but have ties with each other and the GNA is one of the programs listed in the 20-year strategy. They are working to better align the two (2) programs and the LRP solicitation asked how applicants were utilizing other ODF programs, including GNA.

Committee member Heath Curtiss suggested that a presentation on the LRAFT implementation be provided to the Board of Forestry showing the comprehensive vision of the program. He asked what the acres shown on the presentation for the funded projects indicated.

Ms. Nelson stated that they are footprint acres and within that footprint are activity acres that indicate how many activities were performed within the footprint.

Committee member Kathryn VanNatta asked if having a federal partner for a project is one of the scoring requirements for applicants.

Ms. Nelson said it is not a requirement but is one of the many factors in scoring.

Committee member Kathryn VanNatta commented that urban areas aren't currently covered by any of the projects and asked how these areas will be addressed.

Chief Curran said there are other ODF programs that cover those areas. In addition, conversations are taking place for pilot projects with the Oregon State Fire Marshal and how to best leverage them to support urban and surrounding areas.

Committee member Kathryn VanNatta said she sees the LRP, with its solid funding source from the General Fund, as a key performance indicator.

ITEM 9: Status Reports on EFCC Work Groups

Chair Garrelts asked committee members to provide updates on their progress drafting rules for the full committee to consider for formal rulemaking.

Chair Garrelts reported that the OFLPF Disbursements Workgroup has held several meetings and are waiting for the resolution of an issue tied to the harvest tax allocation and then will have a proposal ready for the committee's consideration.

Committee member Bobby Corey reported that the Unencumbered Fund Balance Workgroup had no updates since the last EFCC meeting.

Committee member John Davis reported that the Reviewing District Budgets Workgroup had no updates and that he and Committee member Eric Kranzush needed to meet to begin drafting rule concepts.

Committee member Kathryn VanNatta reported that the Reviewing Large Fire Costs Workgroup held their first meeting and were provided information regarding large fire costs. Committee members on the workgroup, herself and Bobby Corey, requested some metrics to start their analysis. A second meeting is scheduled for June 16th.

Chair Garrelts reported that the OFLPF Administration Workgroup has their first meeting scheduled and was scheduled last intentionally to act as a catch-all for anything that may have been missed by the other workgroups. He and Committee member Kathryn VanNatta are in this workgroup.

Chair Garrelts said the workgroups are making good progress and he is hopeful the full committee will be able to consider proposed rules to move forward for rulemaking this fall.

ITEM 10: Protection Division Report

Protection Division Chief Michael Curran discussed the following topics:

2026 Spring Fires – to date, there were 132 fires and 432 acres burned on ODF-protected land. There were 308 fires and 5,500 acres burned statewide on all jurisdiction-owned land. He discussed a few fires highlighting the quick response from district staff and partner agencies such as the Loveless Fire in Klamath-Lake District in partnership with the Forest Service and a fire in Southwest Oregon District working with CalFire.

Severity Resource Plan – Chief Curran mentioned that he provided maps in the meeting materials showing ODF's severity asset locations and aircraft 30-minute response areas. He noted that there is a gap in Northwest Oregon and the Division has plans in place to transition severity resources to Northwest Oregon when needed. Chief Curran said the Division decided a few years ago to reduce fixed-wing detection platforms to help keep pace with helicopter and air tanker costs and to have crews available. There is one detection platform remaining on contract. Chief Curran discussed the agency's new multi-mission aircraft (MMA) that just arrived. He said they are getting all the finishing touches put in place and some aerial observer training is still needed. The aircraft will be pre-positioned in Prineville, and the goal is to have it operational by the 4th of July weekend. Chief Curran cautioned that costs are going up dramatically, well above standard inflation, and the agency may need to cut severity resources in the future without continued investments in the program.

Committee member Kathryn VanNatta expressed concern about the gap in Northwest Oregon. Chief Curran noted that adding a type one (1) helicopter in Creswell and having scoopers in The Dalles has provided some relief for Northwest Oregon.

Chair Garrelts thanked Chief Curran for his report and said the committee is committed to supporting ODF in its continued conversations with the legislature around funding for the severity program.

Committee member Bobby Corey added that the eastside of the state "lives and dies" by severity resources and landowners would be very concerned about the uncertainty for funding.

BLM Western Oregon Operating Plan (WOOP) – Chief Curran explained that a modification to the WOOP is in progress to align it with ODF's new large fire policy related to eligibility requirements for reimbursement. He also noted that the WOOP will be transitioning to the new U.S. Wildland Fire Service and no longer under the BLM. He said the current agreement is set to expire on June 30th but has the option to extend it annually for up to five (5) years. A one-year extension is currently out for signatures.

Forestland Classification – Chief Curran provided a status report on forestland classification. He noted that the agency was directed to pause the effort to work through possible impacts to ODF or rural fire departments. With the passage of HB 3940 the pause was lifted, and the department has started working with counties to get these updated. Chief Curran explained that the process is a two to three-year staggered process and they are currently working with five (5) counties – Washington, Grant, Curry, Umatilla and Marion – to get the process going. Other counties will begin in 2027 and into the future until all are updated. Once updated, counties will review classifications every five years.

Committee member Kathryn VanNatta stated that it would be helpful for ODF Salem staff to be available when needed to support this effort when talking with county commissioners and others.

Chief Curran said there is full support from Salem when needed.

Strategic Investment Proposal – Northeast Oregon (NEO) District Forester, Justin Lauer discussed strategic investment dollars in the amount of $150,000 that NEO was awarded for two camera sites in Northeast Oregon – Eden and Weston Mountain. He said these are both currently online. However, those sites came in substantially lower than the amounts that were awarded to the district and the district has, in the past, used unspent funds for other camera sites. So far, those funds have funded Eden, Weston Mountain, Bridge Creek and Mount Harris sites. The district is now proposing to utilize the remaining funds, roughly $35,000, to fund a fifth site, Glass Hill in Union County, within Northeast Oregon.

Chair Garrelts explained that the committee needs to decide on whether to approve the use of the funds for the proposed site, bring the funds back into the OFLPF or defer the decision for another time. He commended the district for using the funds wisely.

Committee member Heath Curtiss commented that there are other demands for the funds, and the request was presented in a vacuum.

Committee member Bobby Corey said that he was in favor of the proposal because the district was already awarded the funds and was able to come in under what was budgeted.

Committee member John Davis said he also approved of the proposal. The district used the dollars for their intended purpose and saved some money. He added that others may want to look at how the district was able to do this.

Chair Garrelts said he did agree that the district did a great job with using the funds prudently. However, he feels the committee needs to look at the big picture statewide and should understand how this proposal fits into that before supporting it.

Committee member John Davis asked when a decision needed to be made and if there were other locations that need detection cameras.

Chair Garrelts mentioned that the Disbursements Workgroup will be bringing a proposal to the committee to utilize the interest from the OFLPF for strategic investments. A solicitation for proposed projects could happen as early as late 2026 or 2027, which the committee might want to consider before deciding on the proposed Glass Hill camera.

Chief Curran noted that staff have gone through planning efforts both internally, and externally with partner agencies, to determine areas where cameras are needed.

Mr. Lauer responded to the timing question noting that the site agreements are in place for Glass Hill with the plan to have it operational this summer, if the funding is approved.

Senior Policy Analyst Jamie Paul provided additional background information on the project. She said Glass Hill is essentially a bonus camera that was cobbled together through several funding sources – Senate Bill 762, funds from a federal grant that funded four cameras in Southern Oregon and the remaining strategic investment funds from NEO. She noted that the remaining strategic investment funds would not fund a new camera site on its own but would be beneficial to complete the Glass Hill site, which has been in the works for months.

Committee member John Davis made a motion to approve the use of the remaining strategic investment funds for the Glass Hill camera site. Committee member Bobby Corey seconded the motion. The motion was approved unanimously. Chair Garrelts added that he will need more information on future decisions showing how proposals fit in with the statewide picture.

Chief Curran noted that procedures and expectations can be built into the rules and policies the committee is currently working on to provide better alignment between ODF and the committee and transparency for the use of landowner dollars.

ITEM 11: Administrator Report

Committee Administrator Nancy Hirsch provided information on the following topics:

Fiscal Year 2025 (FY25) Audit Report – Administrator Hirsch explained that there was an error on the first page of the FY25 audit report that was presented to and approved by the committee in March. She said the table at the bottom of the first page was updated, however, the numbers in the narrative paragraph above were not and, when she provided her report to the committee, she used the numbers from the narrative rather than the table. She said the correct totals are $310,933,504 under Extra Costs and $134,759,308 under Net Claim. She asked the committee to approve the corrected FY25 audit report.

Committee member Kathryn VanNatta made a motion to approve the OFLPF FY25 audit report as corrected. Committee member Bobby Corey seconded the motion. The item was approved unanimously.

Fiscal Year 2017 (FY17) Close Out – Administrator Hirsch reported that staff is currently working with ODF Business Services staff to close out the books for FY17. A meeting is scheduled for later in the week and she feels optimistic that this effort is moving along.

Retirement – Administrator Hirsch said she has communicated with Chair Garrelts and Chief Curran regarding her transition to full retirement effective November 1st.

Committee member Kathryn VanNatta recommended that there be overlap with Administrator Hirsch's replacement to allow time for training.

Chair Garrelts said the plan is to hire prior to November 1st to allow time for training.

ITEM: 12 Public Comment / Good of the Order

There was no public comment provided at the meeting. Chair Garrelts adjourned the meeting at 12:12 p.m.

Minutes drafted by: Lorna Hobbs
Minutes reviewed by: Nancy Hirsch