

November 2011 General Fund Reduction Exercise

Part of state government's ongoing response to economic difficulties

- The Legislative Fiscal Office (LFO) has asked ODF and other agencies with General Fund (GF) to develop options for a 10.5 percent GF reduction, in increments of 3.5 percent, in the current biennium. These were due on Monday, November 14.
- The 2011 legislature withheld 3.5 percent of agency budgets at the outset of the biennium. The current scenario provides specific means of achieving those savings, in addition to outlining two additional 3.5 percent increments.
- This is an exercise – a means of providing options for the Legislature's consideration during the 2012 session to address budget challenges.
- This exercise is independent of other cost reduction measures that have been applied statewide, including an across-the-board reduction in services and supplies.
- Beyond the options submitted Monday, agencies are looking across state government to identify potential further efficiencies and savings.

ODF's strategic approach

- In the Department, GF available for reduction occurs in two programs: Fire Protection and Private Forests, which both include a portion of funding for Agency Administration.
- In crafting the new scenario, ODF has used the same strategy as in past reductions: In order to minimize impacts to fire protection capacity, we have looked first to savings in Private Forests and Agency Administration.
- The 2011 Legislature provided resources to restore much of the capacity that Private Forests had lost during the 2009-2011 biennium, with direction that we modernize the program and increase the efficiency of administration of the Oregon Forest Practices Act.
- The first portion of savings in the 10.5 percent reduction scenario is achieved by delaying or suspending parts of this rebuilding work.
- The scenario does not propose reduction of capacity that has already been added back in Private Forests, principally the reinstatement of 12 field foresters lost during the 2009-2011 biennium.
- To realize the full 10.5 percent requirement, ODF would also need to make some reductions in the fire program. With the accompanying reductions in matching funds, the overall effect for the program would be a 15 percent reduction, a significant decrease in initial attack capacity.