

Chapter 3

Financial Review

Chapter 3

Financial Review

The purpose of this monitoring item is to track funding levels necessary to achieve the outputs predicted in the Forest Plan. The following display compares expenditures proposed in the 1990 Forest Plan with actual expenditures for fiscal year 2003 (October 1, 2003 to September 30, 2004). All figures are rounded to the nearest thousand dollars.

The total budget predicted for full Forest Plan Implementation was \$65,275,000; actual funds expended in FY 2004 was \$19,400,000. Multiple combinations of funding methods have occurred during the last few years, which makes tracking specific program areas difficult. However, general trends in major resource areas are evident. Predicting long term sustainability in any one area is difficult, because budget allocations may vary considerably. The following table (Table 3-1) identifies the major expenditure groups and does not reflect total cost incurred on the forest.

Each year, Congressional budgets move the forest towards the many desired future conditions identified in the Forest Plan. The annual program of work is an incremental step toward implementation of the goals and objectives set forth in the Plan. Outputs and activities in individual years will vary due to changing conditions and Congressional budget appropriations.

Figures 3-1 and 3-2 show a significant change as related to the total forest budget and workforce (Full Time Equivalent = FTE) since 1990.

All resource areas are experiencing funding shortfalls from those projected in the Mt. Hood Forest Plan. Unit costs are being scrutinized annually to keep costs as low as practical and to provide flexibility for prioritizing and accomplishing as many projects as possible.

The heaviest programs impacted by budgetary shortfalls are timber and associated engineering programs. In those cases where budget is a barrier to meeting Forest Plan objectives, it is so noted in the narratives for the specific program.

Table 3-1. Budget Levels Predicted/Actual (Partial List)

Activities	*Forest Plan Predicted (thousands/yr) 1990		** Actual Expenditures (thousands)									
			FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04
Fire												
Brush Disposal	3,056	995	758	632	426	547	346	402	228	256	273	
Fire Fighting Fund	2,118	1,119	2,145	2,520	2,187	2,173	2,227	2,535	2,949	2,040	2,139	
Engineering												
Timber Roads	2,709	244	292	518	586	1,015	930					
Facilities Maintenance	478	271	222	230	264	375	357					
Recreation Roads	1,381	103	53	103	104							
General Purpose Roads	118	575	56	151	16							
Recreation Facilities	1,751	424	293	499	599	152	419					
Trail Construction	1,279	606	253	534	346	383	174	698	484	424	711	
Road Maintenance	4,079	1,874	1,030	1,139	965	943	747	2,270	1,795	2,613	1,729	
Rec & Eng. Facilities								1,042	1,201	1,828	1,117	
Timber												
<i>Salvage Sale Funds</i>												
KV Funds		5,918	6,647	4,696	2,501	2,950	4,346	3,827	1,268	553	477	
<i>Forestland Vegetation</i>												
Genetic Tree Improvement	9,602	4,362	4,566	4,126	2,925	2,890	1,820	1,241	709	756	570	
Reforestation												
Timber Stand Improvement	2,792	2,610	1,969	2,331	1,855	1,481	1,170					
Timber Sale Management	5,270	1,222	2,279	2,465	3,798	2,909	2,210	2,071	3,660	1,250	1,110	
Sale Administration												
Sale Preparation												
Silvicultural Exams												
<i>Administration</i>												
General Administration		3,318	2,114	489	1,276	1,479	1,095	898				
<i>Recreation/Lands</i>												
Land Acquisition	50	521	7	128	23	8	0					
Cultural Resources	459	70	55	78	90	83	59					
Land Line Location	10	0	0	0			0					
Recreation	5,924	2,036	2,045	1,692	2,021	1,640	1,983	1,865	2,111	1,508	1,282	
Fish/Wildlife/Range/Soil/Water												
Fish-Anadromous	986	768	644	491	557	584	667	1,412				
Fish-Inland	365	130	76	92	141	161	110					
Wildlife	809		202	224	256		302	237				
Threatened, Endangered Species	642	242	224	154		188	155					
Range Betterment	4	3	4	1		1		1	1			
Soil Inventory	112	152	60	30		128	69	120				
Range Vegetation Management	73	14	11	18	23	27	31					
Soil/Water Administration	1,726	534	266	289	296	271	108					
Ecosystem Management		1,671	1,806	999	888	439	846	1,242	1,077	746	1,053	
Fish/Wildlife/Soil/Water									1,657	1,381	1,049	

* Not adjusted for inflation.

** Additional costs are incurred in a variety of areas including Forest Health, Highway Administration, Quarters Maintenance, Agricultural Research, and more. Total expenditure was 19.4 million.

Recommendations

Continue to scrutinize unit costs, staffing levels and tracking methods given declining budgets since 1990.

Figure 3-1. Mt. Hood National Forest Budget Trends

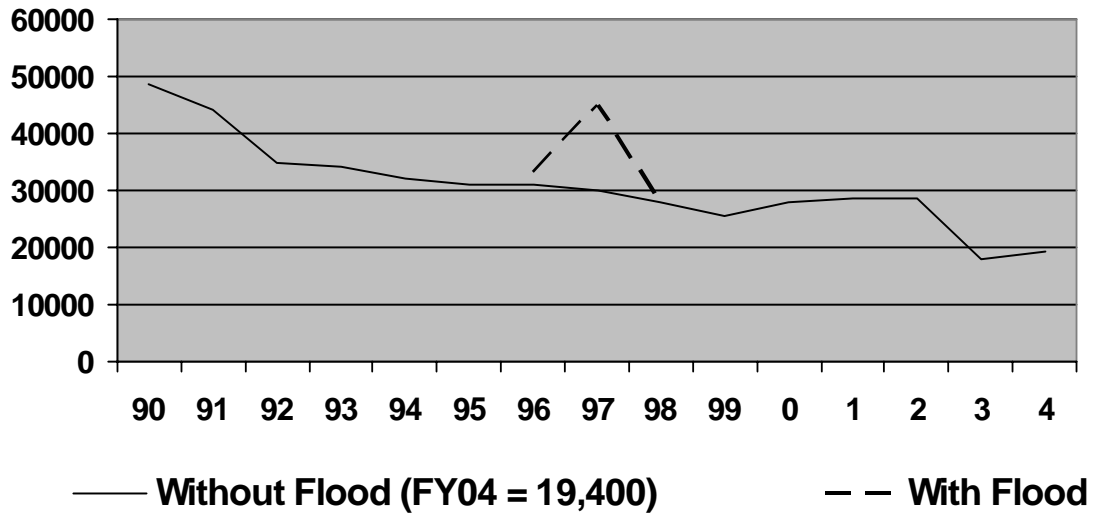
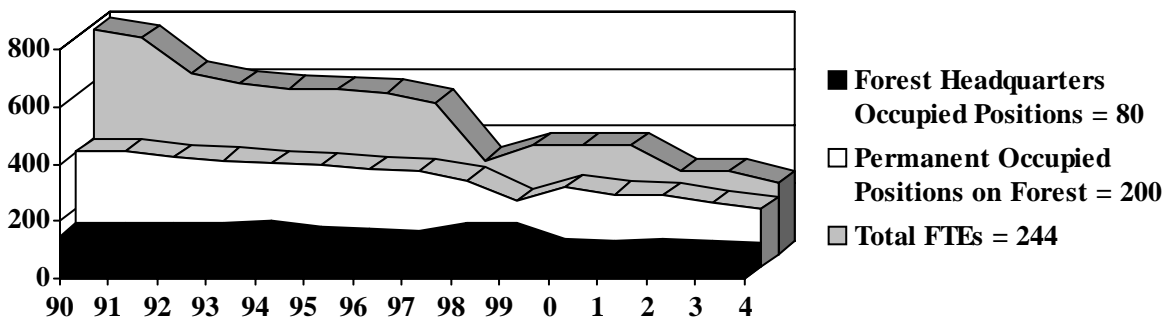


Figure 3-2. Mt. Hood National Forest FTE/Position Usage



This page intentionally left blank.