Item #62: Deviation In Annual Funding Levels

Purpose: This monitoring item was established to evaluate the effect of variations in annual budgets on the forest's ability to achieve projected management objectives, and on the Present Net Value of forest resources.

Methods: Data sources identified in the Forest Plan included annual budget allocations, Forest Plan budget projections, and the Resources Planning Act reports.

Results: Total budget allocations to the forest have declined in the 1999-2007 period, and continued to decline through 2000. Since 2000 allocations have been nearly stable, slightly loosing ground to inflation and loosing buying power because of increased costs of doing business. Special projects and fire rehab funding have provided large pulses in annual allocations, but those are primarily earmarks for capital investments or specific designated work such as the construction of recent ranger station offices and watershed restoration after large fires. This type of allocation is reflected in the budget, but is primarily "pass-through" funding that may provide some significant improvement in the forest, but doesn't affect forest operation and maintenance targets and outputs.

Nationally, collections from timber sales have reduced significantly, nearly drying up the fund pools in FY 2003. Historically, the Washington Office would "borrow" these funds to support fire fighting efforts in extreme fire years. Without these large pools, they now have had to "borrow" from our allocated funds late in the fiscal year, often requiring the delay or termination of many planned projects. With large fire years occurring more frequently now, fire borrowing has become a significant impact to our regular programs.

Recreation user fees, impact fees for special uses, resource advisory council (RAC) dollars and stewardship projects all have affected the outputs of our budgets in very different ways. User fees minimally cover the cost of the user. RAC and Stewardship funds produce outputs, but require appropriated funds to prepare and administer projects.

Assignments of national cost pools and installation of national and regional service centers for computers, purchasing, contracting, and payments have all also changed the impacts and outputs of our budgets by removing this funding from the forest and directing to those service centers.

Additionally, in this period, the budget process has changed, and modifying the "primary purpose" means of funding multi-line items. Target accomplishments have become attributable to different budget line items (BLI) and many are able to be counted differently as "contributed" targets from other sources. For example, mechanical fuel treatment may yield timber volume targets.

Through all of these changes, some BLI, (construction and maintenance for roads for example) have assessed their true needs to operate and maintain their programs. After an extensive condition survey of the road system, it was revealed that current budget levels provide less than 20% of the current needs. This perpetual "under-funding" is taking a toll on the road system, and similar resources of the National Forests. Meanwhile, public use is generally increasing in the "front country" of the forest, putting additional pressure on roads, trails, and other recreation facilities.

Evaluation: It is apparent that most areas continue to experience a shortfall of budget needs. It is also fair to say that "swings" created by fire borrowing negatively affect all programs outputs. Because of the multi-facets of changes since adoption of the forest plan, meaningful evaluation of the correlation of these impacts is not practical. It is valuable, however, to continue to demonstrate how these program changes, swings, and other factors do affect the budget and the outputs as they happen from year to year.

Recommended Actions: Retain this monitoring item as a "descriptor" of how ongoing and new programs, processes, or budget swings generally affect the forest's outputs.