

## STAFF REPORT

Agenda Item No.:	4
Work Plan:	Fire Protection
Topic:	Annual Topic: Approval of Forest Protection District Budgets and Rates
Presentation Title:	Approval of the Forest Protection District 2024 Fiscal Budgets and Rates
Date of Presentation:	June 7 <sup>th</sup> , 2023
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### SUMMARY

ORS 477.265 requires the State Board of Forestry shall annually review the forest protection district budgets, make any changes in the budgets that are proper and consistent with law, and pass final approval on all district budgets and the prorated acreage rates therein.

### CONTEXT

Oregon’s wildfire protection system has historically provided an effective and efficient method of addressing the state’s fire protection responsibilities – both in initial attack and large fire management needs. The system uses a “complete and coordinated” methodology and is funded through a complex mix of landowner and state general fund dollars. The system provides policy, prevention, and suppression activities at the national, statewide and district levels. The delivery of these services is reviewed annually and predominately funded through the development of fiscal protection budgets in which the costs are proportioned on a legislative determined statutory ratio of landowner and general fund dollars.

#### Budget Development Process:

Consistent with statutory direction<sup>1</sup>, each year in January, the state office and districts begin developing a fire protection budget to fund activities for the upcoming fiscal year (July 1<sup>st</sup> – June 30<sup>th</sup>). During the development process, district budget committees<sup>2</sup> analyze and review the draft budget prior to making recommendations to the District Forester. The budget committee then carries the final recommended budget to the Board of Directors of the Forest Protective Association for consideration at the annual spring association meeting. Additionally, each district holds a public budget meeting<sup>3</sup> for any landowners affected by the budget to provide an opportunity for any additional public comments on the budget.

The last step in the district fiscal protection budget process is submittal to the State Forester and then official approval by the Board of Forestry in June. Attachment 1 provides a summary of the fiscal year 2024 recommended budgets.

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<sup>1</sup> ORS 477.235 Forester to prepare tentative budget estimates for districts.

<sup>2</sup> ORS 477.240 Advisory and guidance committees

<sup>3</sup> ORS 477.255 Holding of budget meeting; revision and submission for final approval.

## **BACKGROUND / ANALYSIS**

Throughout the development of the fiscal year 2024 budgets and spring association meetings, landowners have expressed appreciation for the level of protection and service they receive from the Associations and the Department. Association meetings have been very collaborative and productive with excellent dialog focusing on important fire protection related topics. Attachments 2 and 3, annual letters to the State Forester and public budget hearing comments, highlight some of the topics discussed at the district budget committee, fire protection association, and public budget meetings. The conversations largely consisted of the decision of the Governor's Recommended Budget not including the \$15 million of general funds to support the additional firefighting capacity provided by SB 762 and the increasing costs of policy, prevention, and suppression activities. Clackamas-Marion Forest Protective Association, Eastern Oregon Forest Protective Association, Klamath Forest Protective Association, and the Rogue Forest Protective Association chose to not support their respective fiscal budgets, while Eastern Lane Forest Protective Association had split support. All other associations supported and recommended approval of the fiscal budgets.

Per OAR 629-041-0035, four landowners (Attachment 4) are appealing the fiscal budget with a remedy sought of using any available general funds to offset the additional firefighting capacity provided by SB 762. One of the landowners is requesting a hearing before the Board.

Upon review of the letters from the landowners, additional testimony during the Board meeting, and the facts described and presented in the proposed final order (Attachment 5), the Board may:

1. Remand the matter to Department staff for further review on such issues as the Board specifies and to prepare a revised proposed order as appropriate;
2. Reject the proposed order and direct the Department to prepare a different final order; or
3. Adopt the proposed order as the Board's final order.

## **RECOMMENDATIONS**

1. The Department recommends the Board approve all Fiscal Year 2024 forest protection district budgets and prorated acreage rates as presented in Attachment 1.
2. The Department recommends that in the event the Department's legislatively approved budget contains general fund revenue for a funding offset in support of the additional firefighting capacity provided by SB 762, that the Board directs the Department to adjust the approved prorated acreage rates to integrate such revenues prior to sending the certified rates to each County Assessor's Office.
3. The Department recommends that the Board adopt the proposed final order as written for Theresa Cliff, EFM Advisory & Investments Inc., Ian Fladoos, and Picnic Creek Ranch, LLC.

## **ATTACHMENT**

- (1) FY 2024 Protection Budget Summary, by District, and Area (available before meeting)
- (2) Letters to the State Forester from Forest Protective Associations
- (3) Public Budget Hearing Minutes
- (4) Budget Appeals
- (5) Proposed final orders

**Board of Forestry ODF Protection Budget & Assessment Summary**  
 Fiscal Year **2024** General Fund Split **50.00%**

	Protected Acres				Budgeted Dollars			Public Rates*					Private Rates**					Revenue****		
	Class Type	FY2023	FY2024	Y/Y Change	FY2023	FY2024	Y/Y Change	FY2023	FY2024	Y/Y Change	Agency Admin	OFLPF***	FINAL FY2024	FY2023	FY2024	Y/Y Change	(WPA)****	OFLPF***	FINAL FY2024	FY2024 PROJECTION
<b>NORTHWEST OREGON</b>																				
Northwest Oregon	Timber	1,760,808.09	<b>1,761,784.85</b>	0.06%	\$5,427,649	<b>\$6,348,594</b>	16.97%	\$2.9703	\$3.2607	9.78%	\$0.7450	\$0.0500	<b>\$4.0557</b>	\$1.4852	\$1.6303	9.78%	\$0.0000	\$0.0500	<b>\$1.6803</b>	<b>\$4,865,673</b>
West Oregon	Timber	1,083,878.94	<b>1,070,116.64</b>	-1.27%	\$3,384,590	<b>\$3,811,877</b>	12.62%	\$2.5021	\$3.1636	26.44%	\$0.7450	\$0.0500	<b>\$3.9586</b>	\$1.2511	\$1.5818	26.44%	\$0.0000	\$0.0500	<b>\$1.6318</b>	<b>\$2,861,942</b>
North Cascade	Timber	651,724.59	<b>658,097.77</b>	0.98%	\$2,704,014	<b>\$2,972,250</b>	9.92%	\$3.0371	\$4.1693	37.28%	\$0.7450	\$0.0500	<b>\$4.9643</b>	\$1.5186	\$2.0846	37.28%	\$0.0000	\$0.0500	<b>\$2.1346</b>	<b>\$2,085,012</b>
<b>NOA TOTALS &amp; AVERAGES</b>	<b>Timber</b>	<b>3,496,411.62</b>	<b>3,489,999.26</b>	<b>-0.18%</b>	<b>\$11,516,253</b>	<b>\$13,132,721</b>	<b>14.04%</b>	<b>\$2.8376</b>	<b>\$3.4022</b>	<b>19.90%</b>	<b>\$0.7450</b>	<b>\$0.0500</b>	<b>\$4.1972</b>	<b>\$1.4188</b>	<b>\$1.7011</b>	<b>19.90%</b>	<b>\$0.0000</b>	<b>\$0.0500</b>	<b>\$1.7511</b>	<b>\$9,812,627</b>

<b>SOUTHERN OREGON</b>																				
Southwest Oregon	Timber	1,685,816.14	<b>1,745,061.03</b>	3.51%	\$9,842,259	<b>\$11,203,825</b>	13.83%	\$5.8856	\$7.7405	31.52%	\$0.7450	\$0.0500	<b>\$8.5355</b>	\$2.9428	\$3.8703	31.52%	\$0.0000	\$0.0500	<b>\$3.9203</b>	<b>\$9,833,671</b>
	Grazing	194,951.10	<b>126,345.41</b>	-35.19%	\$635,759	<b>\$559,740</b>	-11.96%	\$0.9505	\$2.6047	174.03%	\$0.7450	\$0.0750	<b>\$3.4247</b>	\$0.4753	\$1.3024	174.03%	\$0.0000	\$0.0750	<b>\$1.3774</b>	
Coos FPA	Timber	1,501,135.94	<b>1,507,326.42</b>	0.41%	\$6,850,828	<b>\$8,083,926</b>	18.00%	\$3.6087	\$5.0141	38.94%	\$0.7450	\$0.0500	<b>\$5.8091</b>	\$1.8044	\$2.5071	38.94%	\$0.0000	\$0.0500	<b>\$2.5571</b>	<b>\$6,680,054</b>
	Grazing	60,873.97	<b>68,737.37</b>	12.92%	\$209,484	<b>\$247,221</b>	18.01%	\$2.6540	\$3.7512	41.34%	\$0.7450	\$0.0750	<b>\$4.5712</b>	\$1.3270	\$1.8756	41.34%	\$0.0000	\$0.0750	<b>\$1.9506</b>	
Douglas FPA	Timber	1,403,769.17	<b>1,403,921.04</b>	0.01%	\$6,882,275	<b>\$8,391,376</b>	21.93%	\$4.8629	\$6.0430	24.27%	\$0.7450	\$0.0500	<b>\$6.8380</b>	\$2.4315	\$3.0215	24.27%	\$0.0000	\$0.0500	<b>\$3.0715</b>	<b>\$7,455,094</b>
	Grazing	270,388.75	<b>272,360.81</b>	0.73%	\$684,979	<b>\$834,419</b>	21.82%	\$1.3760	\$2.8700	108.58%	\$0.7450	\$0.0750	<b>\$3.6900</b>	\$0.6880	\$1.4350	108.58%	\$0.0000	\$0.0750	<b>\$1.5100</b>	
South Cascade	Timber	1,133,982.11	<b>1,133,361.11</b>	-0.05%	\$4,960,326	<b>\$5,200,029</b>	4.83%	\$3.0402	\$4.4751	47.20%	\$0.7450	\$0.0500	<b>\$5.2701</b>	\$1.5201	\$2.2376	47.20%	\$0.0000	\$0.0500	<b>\$2.2876</b>	<b>\$3,943,529</b>
Western Lane	Timber	786,058.06	<b>781,285.28</b>	-0.61%	\$2,960,742	<b>\$3,234,455</b>	9.24%	\$3.0780	\$3.8138	23.91%	\$0.7450	\$0.0500	<b>\$4.6088</b>	\$1.5390	\$1.9069	23.91%	\$0.0000	\$0.0500	<b>\$1.9569</b>	<b>\$2,234,996</b>
<b>SOA TOTALS &amp; AVERAGES</b>	<b>Timber</b>	<b>6,510,761.42</b>	<b>6,570,954.88</b>	<b>0.92%</b>	<b>\$31,496,430</b>	<b>\$36,113,611</b>	<b>14.66%</b>	<b>\$4.3056</b>	<b>\$5.7223</b>	<b>32.90%</b>	<b>\$0.7450</b>	<b>\$0.0500</b>	<b>\$6.5173</b>	<b>\$2.1528</b>	<b>\$2.8612</b>	<b>32.90%</b>	<b>\$0.0000</b>	<b>\$0.0500</b>	<b>\$2.9112</b>	<b>\$30,147,344</b>
	<b>Grazing</b>	<b>526,213.82</b>	<b>467,443.59</b>	<b>-11.17%</b>	<b>\$1,530,222</b>	<b>\$1,641,380</b>	<b>7.26%</b>	<b>\$1.3662</b>	<b>\$2.9279</b>	<b>114.31%</b>	<b>\$0.7450</b>	<b>\$0.0750</b>	<b>\$3.7479</b>	<b>\$0.6831</b>	<b>\$1.4639</b>	<b>114.31%</b>	<b>\$0.0000</b>	<b>\$0.0750</b>	<b>\$1.5389</b>	

<b>EASTERN OREGON</b>																				
Central Oregon	Timber	1,016,030.60	<b>1,024,660.20</b>	0.85%	\$6,765,163	<b>\$7,211,339</b>	6.60%	\$4.8697	\$6.5100	33.68%	\$0.7450	\$0.0750	<b>\$7.3300</b>	\$2.4349	\$3.2550	33.68%	-\$0.2349	\$0.0750	<b>\$3.0951</b>	<b>\$8,248,465</b>
	Grazing	1,046,424.55	<b>1,047,211.84</b>	0.08%	\$2,402,880	<b>\$3,312,093</b>	37.84%	\$1.9176	\$3.2128	67.54%	\$0.7450	\$0.0750	<b>\$4.0328</b>	\$0.9588	\$1.6064	67.54%	-\$0.2349	\$0.0750	<b>\$1.4465</b>	
Northeast Oregon	Timber	848,552.31	<b>846,311.34</b>	-0.26%	\$4,757,304	<b>\$5,039,154</b>	5.92%	\$3.8919	\$5.0664	30.18%	\$0.7450	\$0.0750	<b>\$5.8864</b>	\$1.9460	\$2.5332	30.18%	-\$0.2349	\$0.0750	<b>\$2.3733</b>	<b>\$5,319,325</b>
	Grazing	1,092,014.90	<b>1,089,878.27</b>	-0.20%	\$1,887,678	<b>\$2,187,454</b>	15.88%	\$1.3582	\$1.9344	42.42%	\$0.7450	\$0.0750	<b>\$2.7544</b>	\$0.6791	\$0.9672	42.42%	-\$0.2349	\$0.0750	<b>\$0.8073</b>	
Klamath Lake	Timber	1,015,275.44	<b>1,011,741.33</b>	-0.35%	\$4,894,385	<b>\$5,427,414</b>	10.89%	\$4.0077	\$5.2163	30.16%	\$0.7450	\$0.0750	<b>\$6.0363</b>	\$2.0039	\$2.6082	30.16%	-\$0.2349	\$0.0750	<b>\$2.4483</b>	<b>\$5,214,114</b>
	Grazing	488,490.35	<b>480,165.79</b>	-1.70%	\$936,160	<b>\$852,123</b>	-8.98%	\$1.2600	\$1.6761	33.02%	\$0.7450	\$0.0750	<b>\$2.4961</b>	\$0.6300	\$0.8381	33.02%	-\$0.2349	\$0.0750	<b>\$0.6782</b>	
Walker Range FPA	Timber	183,525.19	<b>183,422.38</b>	-0.06%	\$974,610	<b>\$1,075,960</b>	10.40%	\$4.4340	\$4.6486	4.84%	\$0.7450	\$0.0750	<b>\$5.4686</b>	\$2.2170	\$2.3243	4.84%	-\$0.2349	\$0.0750	<b>\$2.1644</b>	<b>\$642,340</b>
	Grazing	2,545.27	<b>2,569.59</b>	0.96%	\$2,492	<b>\$2,716</b>	9.00%	\$0.4858	\$1.0377	113.60%	\$0.7450	\$0.0750	<b>\$1.8577</b>	\$0.2429	\$0.5188	113.60%	-\$0.2349	\$0.0750	<b>\$0.3589</b>	
<b>EOA TOTALS &amp; AVERAGES</b>	<b>Timber</b>	<b>3,063,383.54</b>	<b>3,066,135.25</b>	<b>0.09%</b>	<b>\$17,391,462</b>	<b>\$18,753,867</b>	<b>7.83%</b>	<b>\$4.2871</b>	<b>\$5.5733</b>	<b>30.00%</b>	<b>\$0.7450</b>	<b>\$0.0750</b>	<b>\$6.3933</b>	<b>\$2.1435</b>	<b>\$2.7867</b>	<b>30.00%</b>	<b>-\$0.2349</b>	<b>\$0.0750</b>	<b>\$2.6268</b>	<b>\$19,424,244</b>
	<b>Grazing</b>	<b>2,629,475.07</b>	<b>2,619,825.49</b>	<b>-0.37%</b>	<b>\$5,229,210</b>	<b>\$6,354,386</b>	<b>21.52%</b>	<b>\$1.5617</b>	<b>\$2.3972</b>	<b>53.50%</b>	<b>\$0.7450</b>	<b>\$0.0750</b>	<b>\$3.2172</b>	<b>\$0.7809</b>	<b>\$1.1986</b>	<b>53.50%</b>	<b>-\$0.2349</b>	<b>\$0.0750</b>	<b>\$1.0387</b>	

<b>STATEWIDE TOTALS &amp; AVERAGES</b>																				
By Land Class Type	Timber	<b>13,070,556.58</b>	<b>13,127,089.39</b>	<b>0.43%</b>	<b>\$60,404,145</b>	<b>\$68,000,199</b>	<b>12.58%</b>	<b>\$3.9086</b>	<b>\$5.0707</b>	<b>29.73%</b>	<b>\$0.7450</b>	<b>\$0.0583</b>	<b>\$5.8740</b>	<b>\$1.9543</b>	<b>\$2.5353</b>	<b>29.73%</b>	<b>-\$0.2349</b>	<b>\$0.0583</b>	<b>\$2.3588</b>	<b>\$59,384,215</b>
	Grazing	<b>3,155,688.89</b>	<b>3,087,269.08</b>	<b>-2.17%</b>	<b>\$6,759,432</b>	<b>\$7,995,766</b>	<b>18.29%</b>	<b>\$1.5291</b>	<b>\$2.4775</b>	<b>62.02%</b>	<b>\$0.7450</b>	<b>\$0.0750</b>	<b>\$3.2975</b>	<b>\$0.7646</b>	<b>\$1.2388</b>	<b>62.02%</b>	<b>-\$0.2349</b>	<b>\$0.0750</b>	<b>\$1.0789</b>	
<b>Combined Total</b>		<b>16,226,245.47</b>	<b>16,214,358.47</b>	<b>-0.07%</b>	<b>\$67,163,576</b>	<b>\$75,995,965</b>	<b>13.15%</b>	<b>\$3.4458</b>	<b>\$4.5769</b>	<b>32.83%</b>	<b>\$0.7450</b>	<b>\$0.0650</b>	<b>\$5.3869</b>	<b>\$1.7229</b>	<b>\$2.2885</b>	<b>32.83%</b>	<b>-\$0.2349</b>	<b>\$0.0650</b>	<b>\$2.1186</b>	

<b>AREA &amp; SALEM BUDGET UNITS*****</b>																				
Salem Protection Division	Total Acres	16,226,245.47	16,178,035.02	-0.30%	\$6,714,980	<b>\$7,468,155</b>	11.22%													<b>\$7,712,689</b>
Northwest Oregon Area	Total Acres	3,496,411.62	3,489,999.26	-0.18%	\$238,536	<b>\$297,332</b>	24.65%													<b>\$160,335</b>
Southern Oregon Area	Total Acres	7,036,975.24	7,002,075.02	-0.50%	\$440,366	<b>\$473,724</b>	7.58%													<b>\$422,284</b>
Eastern Oregon Area	Total Acres	5,692,858.61	5,685,960.74	-0.12%	\$623,036	<b>\$619,127</b>	-0.63%													<b>\$663,995</b>

**NOTES**  
 \* Agency Admin rate assessed to public landowners, per SB5522 and HB5024A.  
 \*\* Lands not owned by public entities may not be assessed in excess of 50% of the pro rata cost per acre, per ORS 477.230.  
 \*\*\* Oregon Forest Land Protection Fund additional per private and public acre assessment, per ORS 477.880.  
 \*\*\*\* Wildfire Protection Act (WPA) passed in 2013, in accordance with ORS 477.777, includes Eastside Rate Relief for private landowners only.  
 \*\*\*\*\* Projected Revenue includes all Private, Public, Agreement, and General Fund (WPA included). Dollar amount may be lower or higher than budgeted dollars due to landowner Actual Cost Computation (ACC) carryover debit/credit to collection rates, per ORS 477.232.  
 \*\*\*\*\* Area and Salem data is only for reference. Areas and Salem do not show their own rates as their budgeted rates are included in each of the district rates. Area and Salem budgets and revenues are also only for reference, as budget and revenue numbers are part of each district's budget and revenue.

# Coos Forest Protective Association

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April 4, 2023

Cal Mukumoto  
Oregon State Forester  
2600 State Street  
Salem, OR 97310

Dear Mr. Mukumoto,

Coos Forest Protective Association and its Board of Directors have been reviewing and providing oversight on the Fiscal Year 2024 Protection Budget for the district. As with most ODF districts, CFPA is seeing historical increases in both Timber (70 cents) and Grazing Rates (54 cents). In reviewing the budget and working toward an adequate level of protection, several key items are contributing to this large increase. They are as follows:

1. SB762 added capacity to our district in a one-time general fund offset. Districts have been instructed to maintain this capacity in our draft budget as our Current Service Level (CSL). This contributes a \$446,500 increase.
2. Inflation is a factor in our increases. CPI for 2022 is 6.5% combined with 2021 CPI of 7%. Budget impact for inflation - \$460,000
3. Transfer from Salem Fire and Area Fire. Salem Protection Division increased \$440,000 (108%) and Area Fire increased \$29,269 (36%).

The first two above are part of the district standards for protection (adequate level of protection) and are discussed by our Board of Directors to assure that every item is a logical part of the needed level of protection. Item three is a pass-through that is not controlled by the landowners, although Salem and Area protection costs enjoy the current pro-rate of 50/50 (landowner/General Fund) for Timber and Grazing land within the district (477.230). These pass-through costs have no oversight from district Board of Directors, falls outside their influence and are outside the intent of the 477.230 (a),(b).

Our Forest Law ORS 477 codifies Standards of Protection and district budgets and gives ODF and the Associations a clear pathway in discussions with our landowners. To understand these laws is to understand the intent of the law. 477.062 declares inadequately protected lands a nuisance, and being a public nuisance, implies that landowners must adequately protect their lands. Today that is done through assessment in a protection district or Association.

### **Intent of 477.210 and 477.230**

District budgets are discussed in 477.210, which speaks to the Standards of Protection established by the landowners in a district budget, approved by the Board of Forestry. Then the protection rate in 477.230 establishes a pro-rate for both district Timber and district Grazing. The pro-rate is established by Legislators and currently is 50/50 (landowner/General Fund). At some point, in years past, Salem Protection Division and Area costs have been combined into this conversation of Standards of Protection and being part of the pro-rate under 477.230.

### **Action Needed:**

A plan of action is needed to solve this funding model situation. A small group of subject matter experts and ODF leadership need to be formed by you to address the issue and provide recommendations back to you. This group should address and have recommendations for the following:

- District adequate level of protection and the pro-rate percent that landowners pay
- Salem Protection Cost – pro-rate percent that is paid by district landowners
- Large fire funding – minimum lots and surcharge and how much landowners should contribute
- Public Landowner Admin Pro-rate charge
- Public landowner revenue streams to develop a pro-rate percent (currently 100% paid by public landowners)

### **Guidance for the group:**

We need to clearly state the landowners' responsibility to provide an adequate level of protection in establishing district budgets. This is truly the intent of 477.210 and 477.230. Explore options that would be applied to the pro-rate on eastside and westside district lands. The pro-rate could potentially be different for districts in the Eastern Oregon Area.

Adding Salem and Area cost to the district budgets and using the current pro-rate is not meeting the intent of 477.210 and 477.230. These two laws addressing pro-rate were intended for timber and grazing in protection districts. Salem and Area costs need to establish a pro-rate for their cost that can be included in the district budgets. An example could be 15 to 20% of Salem and Area fiscal budget amounts, this percentage would support the protection districts, yet Oregon demands that ODF have capacity to serve all Oregonians. This cost needs to be borne by all Oregonians not just amongst the district budgets. Thus, the reasoning is to have the districts bear 15-20% of their budgets and Oregon General Fund picking up the remainder of the cost.

A possible funding stream for our public landowners might be a carbon credit that could relieve them of the current 100% rate they currently pay for fire protection. This new pro-rate along with removing the Administrative Pro-rate would stabilize our public landowners and they could continue to support the ODF Fire Program for Oregon.

Lastly, to ensure that landowners continue to have dollars committed to the Oregon Forestland Protection Fund (Large Fire Fund for Oregon), the group should consider raising the minimum lot charge (currently \$18.75) and the surcharge for an improvement (currently \$47.50).

Once the group reviews and makes recommendations it will be placed back in the hands of ODF Leadership. Legislative support would be needed to get these recommendations enacted so a stable funding source could be used in the future for fire protection of all Oregonians.

**In conclusion:**

The CFPA Board is willing to support the draft FY24 protection budget and respectfully requests that ODF take aggressive action to adjust a pro-rate for assessment that enters the district budgets. It is our concern that if this funding model is not changed, landowners will not be able to support an adequate level of protection budget and may pursue other options to protect their lands. By finding a funding solution, it will help the CFPA landowners be successful at supporting an adequate level of protection and shifts Oregon protection cost to other funding sources to maintain the complete and coordinated fire protection system for Oregon. CFPA Leadership and Board of Directors are committed to helping with this matter and please contact us for any assistance you may need.

Respectfully submitted,



Chris Sexton  
Coos Forest Protective Association  
Board President

cc: Oregon Board of Forestry  
Jim Kelly  
Liz Agpaoa  
Ben Deumling  
Karla Chambers  
Chandra Ferrari  
Joe Justice  
Brenda McComb  
CFPA Board of Directors

Chris Sexton, Lone Rock Timber Management Group



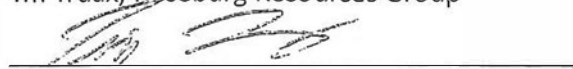


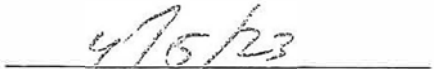
Jim Carr, Mason, Bruce & Girard Inc. Group





Tim Truax, Roseburg Resources Group






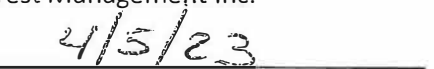
Jeff Miller, Moore Mill & Lumber Company






Darin McMichael, Manulife Investment Management Forest Management Inc.






Mark Olson, Rayonier, Inc.





Charlie Waterman, Waterman Trust (Grazing Industry):







# *Douglas Forest Protective Association*



April 18, 2023

State Forester Cal Mukumoto  
Chair Kelly and Members of the Oregon State Board of Forestry  
2600 State Street  
Salem, OR

For 111 years, the Douglas Forest Protective Association (DFPA) has provided initial wildfire suppression efforts on 1.6 million acres of timber and grazing land in Douglas County. DFPA is an operating association and is governed by an 11-member Board of landowners representing a variety of types and sizes of land. These lands support a wide variety of values important to our rural community – economic, recreation, environmental and others.

The Board and leaders within the association have spent considerable time this year preparing and empirically analyzing an updated Protection Study for the District. From this study the Board and staff developed a budget for an adequate level of protection to meet our statutory requirements, and protect the lands, communities and our citizens within our District from wildfires.

As a Board, we were frustrated and dismayed by four areas of heightened cost increase unrelated to our determined adequate level of protection that pose a significant challenge to our District. These are: amplified insurance costs, SB 762 costs, inflation, and State and Area Fire Management costs. In many instances within our District's fiscal budget costs have increased by over 100% from the previous year. For the purpose of this letter, we want to focus on SB 762 costs and State and Area fire management costs.

### *SB 762 Cost shift*

The passage of SB 762 highlighted a bipartisan recognition that wildfires impact more than just the landowners directly affected by fires and the subsequent costs of fire recovery efforts. Legislators wisely recognized that all of Oregon was impacted as smoke invaded urban areas, evacuations were widespread and long term, tourism was impacted and numerous rural and urban citizens and economies suffer. For this reason, SB 762 funding was provided by the general fund and added to the local capacity that was already funded by the District landowners. The legislative language of SB 762, Section 30a (ORS 477.155) strongly implies that additional capacity would continue to be wholly supported state-wide by the general fund.

Under the current budget proposal, however, responsibility for providing these SB 762 funds has shifted back to the historical model where private landowners are assessed one-half of the pro rata cost per acre of the forest patrol assessments. This unwelcome mandate was not expected from SB 762 and removes the DFPA Board from its appropriate role in determining the amount of funding necessary to meet the districts adequate level of protection developed in our recent Protection Study.

### *Fire Management Salem and Area Costs Increases*

We were shocked by the huge increase in costs from Salem Headquarters – an increase to DFPA of \$462,000 (a 106% increase) of State Fire Management Salem costs, and \$30,000 (a 37% increase) of Area Fire Management costs. DFPA is a boots-on-the-ground organization and is already struggling with general inflation and challenging labor shortages. Our existence is predicated on the sole purpose of preparing for- and aggressively suppressing-wildfires. Our local landowners are some of the state's most active and supportive members of Oregon's Complete and Coordinated System; providing not only funds (assessments), but highly skilled personnel, equipment and supplies to help DFPA control fires when they start. All of which is done at the landowners' sole expense. This is done to add capacity and lower the overall costs to all those assessed in the district.

# Douglas Forest Protective Association



All of Oregon has long benefited from the Complete and Coordinated Fire Protection System that relies on a public/private partnership between the Oregon Department of Forestry and local landowners. This partnership can only survive and thrive if there is a fair allocation of costs between the parties and beneficiaries of the system. Salem and Area costs now account for roughly \$1,000,000 of DFPA's \$8,000,000 budget.

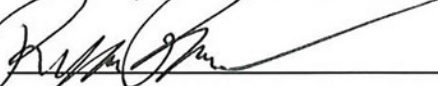
In conclusion, the cost increases we are experiencing are beginning to beg the question of continued survival of rural landowners and their ability to endure the reality of all of the other mounting costs associated with ownership and management of rural lands. Therefore, we are asking for your help to reduce the financial burden being imposed on District landowners as we face a future of rapidly rising costs. Work with us to secure the once-promised funding for SB 762 and encourage your team to take a hard look at the activities and cost structures for wildfire protection within Oregon's districts. Recognize Oregon's history of fire cost sharing with landowners directly supporting efforts to catch their wildfires by paying for boots on the ground, including the costs borne by the local district which appropriately supports district-level prevention, preparedness and suppression. Separately identify those activities and costs that are state wide and should be funded as such.

Our Board has much angst approving our budget with these handed-down cost increases that are outside of our control. That said, to not sign it and risk financial solvency and wildfire capacity would be irresponsible for our communities, citizens and landowners. We also want to be on record highlighting our grave concern regarding the cost increases outlined above. They are not sustainable and will have a negative impact on landowners, both large and small. This will affect Oregon's rural communities and the long-term values that all Oregonians embrace.


As a final note, while we are concerned with the impact of these new cost shifts, we greatly value the productive working relationships that exists with the ODF and look forward to adding value to the conversation of sustainable fire protection for all Oregonians.

Sincerely,

  
\_\_\_\_\_  
Ken Canon, President of Board of Directors

  
\_\_\_\_\_  
Ryan Bronson, Vice-President

  
\_\_\_\_\_  
Dave Archambault, Director

  
\_\_\_\_\_  
Rick Barnes, Director

  
\_\_\_\_\_  
Dan Dawson, Director

  
\_\_\_\_\_  
Brennan Garrelts, Director

  
\_\_\_\_\_  
Dana Kjos, Director

  
\_\_\_\_\_  
Jason Richardson, Director

  
\_\_\_\_\_  
Quinton Quisenberry, Director

  
\_\_\_\_\_  
Tim Vrendenburg, Director

  
\_\_\_\_\_  
Paul Zolezzi, Director



# EASTERN LANE FOREST PROTECTIVE ASSOCIATION

3150 MAIN STREET  
SPRINGFIELD, OR 97478

(Incorporated)

President:

**Chase Kinion**

Franklin Clarkson Timber Co.

Vice President:

**Ted Reiss**

Giustina Land & Timber Co.

Secretary:

**Mark Willhite**

Sierra Pacific Industries

Treasurer:

**Dylan Johnson**

Weyerhaeuser Company

Directors:

**Susan Fricke**

Eugene Water & Electric Board

**Will Hansen**

RDK Land & Timber, LLC

**Kenny Rose**

Giustina Resources

Advisory Directors:

ODF Area Manager:

**Dave Larson**

ODF District Forester:

**Chris Cline**

ODF Unit Forester:

**John Flannigan**

NW Oregon Interagency  
Fire Management:

Or. Forest & Ind. Council:

**Kyle Williams**

Keep Oregon Green Assn:

**Kristin Babbs**

Army Corp. of Engineers:

**Wendy Jones**

April 17, 2023

*Oregon State BOF*

*Board Support Office*

*2600 State Street*

*Salem, OR 97310*

*Chair Kelly and BOF members,*

*On behalf of the Eastern Lane Forest Protection Association, a representation of all forestland owners both industrial and small private, I am writing to express my deepest concerns regarding the current funding model for the protection of forestland.*

*Over the past weeks, our Board of Directors have met on several occasions to discuss the FY24 protection budget. All of those conversations were highlighted by unanimous angst over the drastic increases landowners face in the wake of SB762 and the loss of General Fund offsets. Since 1975 when the ELFPA chose to join ODF in daily protection operations, there has typically been immense support of protection budgets. This year, however, deliberations went on for quite some time regarding the large increases as well as how the association would realize its investments in Salem and Area costs. The ensuing vote on the adoption of the presented budget was a split decision, which are unprecedented results by the Board of Directors.*

*As I'm sure you are aware, SB762 was intended to address wildfire on a statewide level, and as such, should maintain a synonymous funding structure. Through increased staffing at the local levels, and increased Salem and Area staffing, local districts are being hit with anywhere from 10-40% increases in rates. This largely stems from the absence of GF offset for positions directly tied to the legislation.*

*Over the last several years, our local district has put an incredible amount of emphasis on the partnership between ODF, public, and private forestland owners. This has resulted in a tremendous amount of trust and a highly engaged group of landowners and operators that make up this complete and coordinated system.*

*Private landowners and operators have invested in resources and training, and have made an incredible amount of in-kind contributions towards the protection of forestland from fire.*

*These massive rate increases, coupled with historically high inflation, are placing undue stress on landowners across the district. In many cases, the cost of protection has already made it difficult for some landowners to make their acres pay for themselves, and the latest increase (largely in part to a 108% cost increase in Salem Fire Management and a 39% cost increase in Area Fire Management) will likely force many landowners to reevaluate their land use choices. Such decisions will ultimately fracture the complete and coordinated system of fire*

*protection.*

*Our appreciation for ODF at all levels goes beyond words, and the ELFPA Board of Directors has full trust and confidence in District Forester Cline's decisions to maintain an adequate level of service, so this letter is in no way a reflection of Mr. Cline, his staff, or the South Cascades district. Rather, our contention lies within the legislature. The "bait and switch" methodology of SB762, and the current Governor's Recommended Budget which fails to continue the GF match for SB762 positions, further reduces the ability of the Association Board of Directors to maintain an equitable level of oversight during the budgeting process. This is not only in direct conflict with the intent of ORS 477, but teeters on the verge of being in violation of the ELFPA protection agreement, leaving all of us frustrated and concerned for the trajectory of protection budgets.*

*We ask that you hear our concerns, and work to provide any assistance you can in securing SB762 offset funding without compromise, as well as work to pave the way to a more affordable and efficient system of fire protection.*

*Respectfully,  
Chase Kinion  
President - Eastern Lane Forest Protection Association*



EAST OREGON FOREST PROTECTION ASSOCIATION  
1919 JACKSON AVE  
LA GRANDE, OR 97850

Cal Mukumoto, State Forester  
Oregon Department of Forestry  
2600 State Street  
Salem, OR 97310

May 5, 2023

State Forester Mukumoto,

The EOFPA had their annual budget review meeting on April 25<sup>th</sup>. During that meeting the association considered the ODF wildfire budgets for the Northeast Oregon and Central Oregon districts. As a result of those considerations, the EOFPA could not approve the budgets and it was a unanimous decision.

This decision did not come easy. The EOFPA and the local ODF districts have a long-standing working relationship and have collaborated over the years to define and provide an adequate level of protection for landowners within the district. The association does not want to damage that relationship by not approving the budgets but ultimately could not overcome the exorbitant cost increase for fire protection as presented. A 34% timber and 58% grazing rate increase is unacceptable.

There are several budget items that are very hard for the landowners to accept.

- The loss of the landowner offset from SB 762 That funding was granted by the legislature to add additional capacity to fight wildfire for all Oregonians. The landowner offset was provided by the legislature so this added capacity would not be a burden but now the landowners are expected fund those increases.
- The pass-through costs have increased for the Area budget to \$450,896 and the Salem budget to \$2,175,378. This is an increase of over 21% and 108% respectively. The landowners pay half of these costs yet have no input on those budgets or no collaboration on the level of services provided.

These cost increases have become untenable for the landowners in Eastern Oregon. As these cost increases outpace the ability of the lands to generate revenue, these lands are shifting to non-traditional uses and are being developed to pay for the increases in protection. Working forests and ranches in Eastern Oregon are disappearing.

A funding solution needs to be found so that eastside landowners can support the protection budgets or they may be forced to look at alternative protection options. We urge you to work with the Governor and the Legislature to bring forth our concerns. Oregon needs to change how wildfire protection is funded. Wildfires are a problem for all Oregonians.

Regards,



Jered Schwabauer  
President EOFPA

# Klamath Forest Protective Association

PRINCIPAL PLACE OF BUSINESS

KLAMATH FALLS, OREGON

ORGANIZED TO PROMOTE COOPERATIVE FOREST PROTECTION

4\17\2023

**RE: The undersigned members of Klamath Forest Protective Association support the decision that the fiscal year 2024 Klamath Lake Fire Protection Budget should not be approved.**

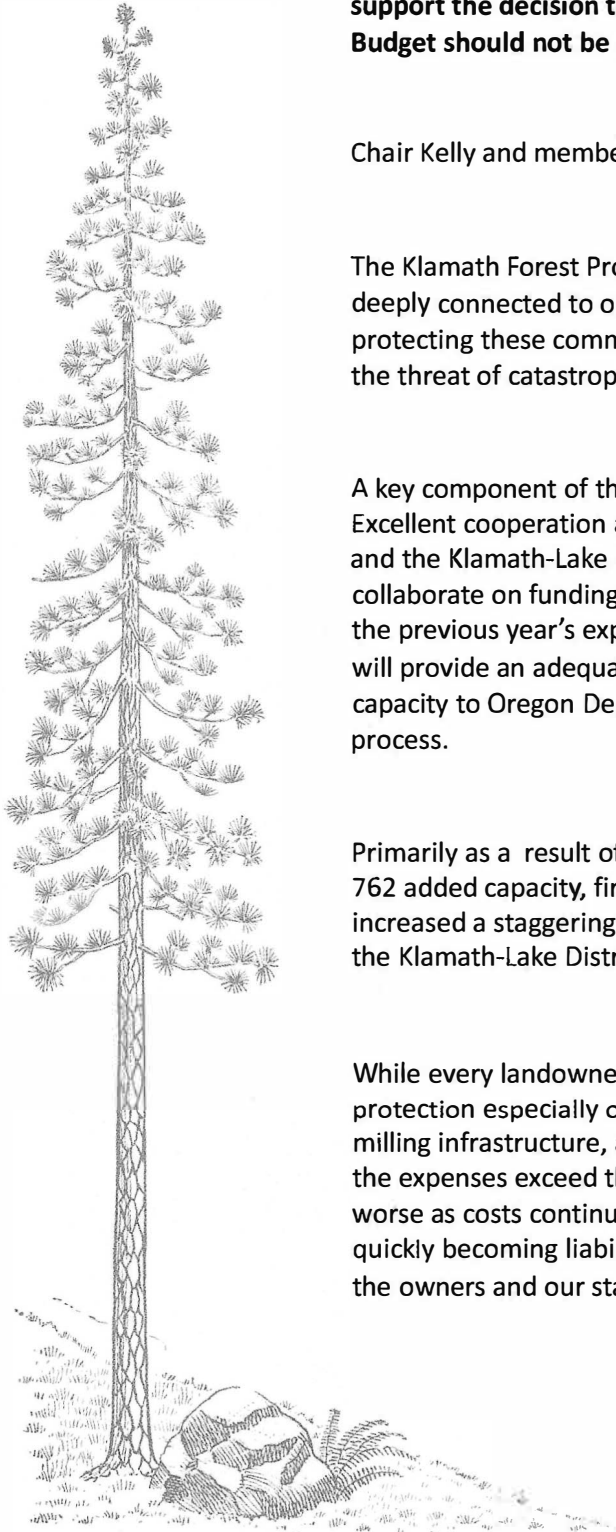
Chair Kelly and members of the Oregon State Board of Forestry:

The Klamath Forest Protective Association is a diverse group of stakeholders deeply connected to our communities. We are also deeply committed to protecting these communities and the working lands that surround them from the threat of catastrophic wildfire.

A key component of this commitment is keeping fire protection affordable. Excellent cooperation and understanding between the Protective Association and the Klamath-Lake District has been the hallmark of discussions as we collaborate on funding this unique fire protection system. Each year we review the previous year's expenses and develop a budget for the next fiscal year that will provide an adequate level of protection. As you know, SB 762 added capacity to Oregon Department of Forestry outside of the normal budgeting process.

Primarily as a result of the discontinuation of the General Fund offset for the SB 762 added capacity, fire protection rates for timberland owner rates have increased a staggering 33% and 45% for grazing land within the boundaries of the Klamath-Lake District.

While every landowner's situation is different, in most cases the cost of fire protection especially on the eastside with low productivity, limited logging and milling infrastructure, and high wildfire potential has created conditions where the expenses exceed the revenues. Looking ahead, this trajectory becomes worse as costs continue to mount. Our timberland and grazing assets are quickly becoming liabilities rather than the assets they could and should be for the owners and our state as a whole. If the policy of the State is to keep forests

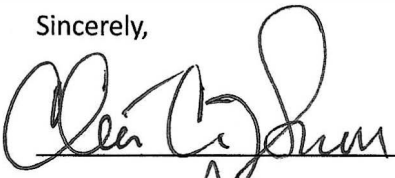
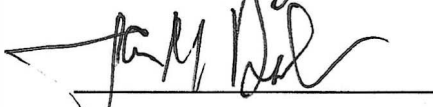

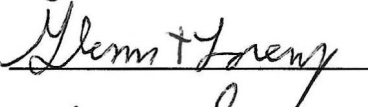
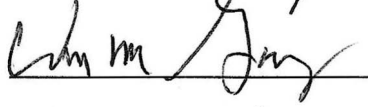
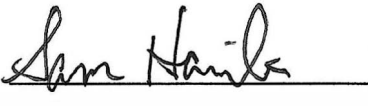






as forests and grazing lands as pasture, then there must be recognition that additional funding be made available now and on a permanent basis.

The Klamath-Lake District and the Protective Association have made tough choices this budget cycle in deciding to not fund needed maintenance projects and our motor pool. We are keenly aware that delaying maintenance will only cost us more down the road and that our motor pool dollars will buy less in the future. These options in budgeting are the few we have control over. The main budget drivers are out of our control.

To be crystal clear; our rejection of the FY 2024 fire protection budget does not in any way diminish our profound appreciation, respect and thanks for the outstanding work that Klamath-Lake District provides each and every year.

Sincerely,

	Executive Director Timber Operations	Shanda
	President	Klamath Forest Protective Association
	President	Whiskey Creek Timber Co.
	Secretary Treasurer	Klamath Forest Protective Association
	BOARD MEMBER	KFPA
	FORESTRY MANAGER	GREEN DIAMOND RESOURCE Co.
	Board Member	BAR G L Inc
	Board member	KFPA
	Operating Manager	GTB, Inc & Bucke Camp Ranch LLC
	Member	KFPA
_____	_____	_____
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4690 Highway 20  
Sweet Home, Oregon 97386  
541-367-6108

4/25/2023

**President:**

**Eric Kranzush**

*Giustina Land & Timber Co*

**Vice President:**

**Caleb Brown**

*Frank timber Resources, Inc*

**Treasurer/Secretary:**

**Jill Bell**

*Weyerhaeuser Co*

**Directors:**

**Milt Moran**

*Cascade Timber Consulting, Inc.*

**Jeremy Norby**

*Giustina Resources*

**Scott Melcher**

*Melcher Family LLC*

**Christy Tye**

*Small Woodlands*

**Meghan Thornton**

*Campbell Global  
Franklin Clarkson Timber*

**Stacey Whaley**

*Linn County Parks*

**Randy Hereford**

*Starker Forests, Inc*

**Marty Suing**

**Marty and Tamara Suing**

**Advisory Directors:**

*ODF Area Director (SOA):*

**Dave Larson**

*Bureau of Land Mgt:*

**Dan Eddy (Salem)**

*US Forest Service:*

**Edward Hiatt**

*Army Corp of Engineers:*

**Wendy Jones**

*Oregon Forest*

*Industries Council:*

**Kyle Williams**

*Keep Oregon Green Association:*

**Kristin Babbs**

**ODF:**

*District Forester:*

**Chris Cline**

Chair Kelly and members of the Oregon State Board of Forestry,

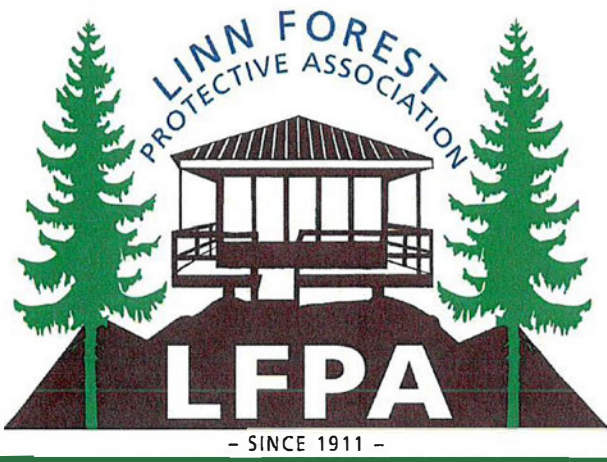
In 2009, I signed a (reverse) agreement between the State Forester and the Linn Forest Protective Association (LFPA). The parties desired to enter into this cooperative agreement to enable the Association to provide adequate protection for its Membership Lands; to engage the Forester to furnish that adequate level of protection for Membership Lands as a function of the Agreement rather than by default pursuant to ORS 477.210(4) and to establish a collaborative decision-making process for matters that concern protection of the District from Fire.

In 2015, LFPA cooperated with South Cascade District leadership to complete a robust protection study to better define our adequate level of protection. As recommended in this external review, both parties mutually agreed to increase investment in personnel, services and supplies (S&S) and make enhancements to LFPA's motor pool to support additional personnel. I adamantly believe those additional investments in service level provided our members with an adequate level of protection, given South Cascade Districts historic successes in achieving 98% of fires equaling 10-acres or less (a department Key Performance Indicator). LFPA will continue to advocate for an adequate level of local protection that provides for the continued success of our professional firefighting staff, district leadership and support personnel (who contained 34 stat fires to 4.37 acres burned last season).

Unfortunately, recent legislative directives and department reorganization (MGO study) have further codified top-down budget mandates and forced acceptance of new budgeting processes. For example, 2023-2025 Agency Request Biennial Budget Policy Enhancement Package 111 sought \$14 million dollars in general fund for the purpose of offsetting potential increases in landowner forest patrol assessment under ORS 477.270 due to implementation of section 30a of SB762 (as previously supported in 2021-2023 Legislative Approved Budget POP 101). As you are aware, the Governor's Recommended Budget was developed without general fund offsets for SB762 expenses. If the Legislatively Approved Budget does not include General Fund offsets for SB762 expenses, our district will incur a massive budget transfer (rate increase), removing LFPA Board of Directors from their collaborative decision-making role in matters concerning protection of member lands from fire.

AGENDA ITEM 4  
Attachment 2  
Page 12 of 20





4690 Highway 20  
 Sweet Home, Oregon 97386  
 541-367-6108

**President:**

**Eric Kranzush**  
 Giustina Land & Timber Co

**Vice President:**

**Caleb Brown**  
 Frank timber Resources, Inc

**Treasurer/Secretary:**

**Jill Bell**  
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**Meghan Thornton**  
 Campbell Global  
 Franklin Clarkson Timber

**Stacey Whaley**  
 Linn County Parks

**Randy Hereford**  
 Starker Forests, Inc

**Marty Suing**  
 Marty and Tamara Suing

**Advisory Directors:**  
 ODF Area Director (SOA):  
**Dave Larson**

Bureau of Land Mgt:  
**Dan Eddy (Salem)**

US Forest Service:  
**Edward Hiatt**

Army Corp of Engineers:  
**Wendy Jones**

Oregon Forest  
 Industries Council:  
**Kyle Williams**

Keep Oregon Green Association:  
**Kristin Babbs**

**ODF:**  
 District Forester:  
**Chris Cline**

LFPA requests Board support in demanding the department reevaluate its budgetary process in areas beyond SB762 expenses, as well. Specifically, Area Director budget transfers (\$0.0672/acre) are a black box, not properly vetted or ever presented for review. The new statewide budgeting requirements for (5) daily deductibles does not reflect the historical fire regime or firefighting capacity of our district. Deficit spending in the Salem headquarter services budget for Governor mandated employee COVID relief including modifications to support a remote Salem workforce should not be included in our protection budget as they are administratively mandated expenses covered by the general fund in other state agencies. Again, these forced budget costs circumvent local decision-making capacity and challenge the spirit of our cooperative agreement.

LFPA Directors and local department staff have forged a strong relationship since we signed our reverse agreement in 2009. Through in-depth analysis of our level of protection we have modified our local firefighting capacity with changes in the environment, resulting in a local district achieving key agency protection goals. Our Board of Directors did vote to support our district base budget, but this vote only reflects our commitment to the excellent protection provided by our local professional firefighters and leadership. We remain deeply concerned about the trajectory of rate increases from Salem and Area budget transfers (outside of our control) and want to be clear that this is not equitable nor sustainable.

Respectfully,

Eric Kranzush  
 President, Linn Forest Protective Association

**cc: Cal Mukumoto, State Forester**

April 19, 2023

Cal Mukumoto  
Oregon State Forester  
2600 State St.  
Salem, OR 97310

RE: FY 24 fire protection costs

Dear Mr. Mukumoto,

The North Cascades ODF District has the full support of landowners in the Clackamas-Marion Forest Protective Association (CMFPA). Their expertise and professionalism in the face of the ever-increasing wildfire threat is deeply appreciated, as is their dedication to continuing to provide this service in the most cost-effective manner possible.

However, I am also writing to you to express our deep concerns about the unsustainable level and trajectory of costs of maintaining fire protection through ODF. Private landowner fire protection rates in the CMFPA are increasing an incredible 36% in FY 24, leading the CMFPA Budget Committee to disapprove the FY 24 fire protection budget.

Of particular concern is the loss of \$15 million in the General Fund to continue additional fire-fighting capacity at ODF. These positions were created to help solve a problem that affects all Oregonians and it was intended, through SB 762, that all Oregonians would invest in this effort. The failure to continue to fund these positions as originally intended places these costs squarely on the shoulders of landowners who did not choose to fund these positions through the normal District process of engaging local input.

The Budget Committee noted additional concerns when reviewing the North Cascades budget. For example, the loss of the Santiam Compound during the Labor Day fires of 2020 has led ODF to rent office space at a rate of \$10,000 per month. This significant cost is being passed on to landowners for 5-8 years while ODF conducts scoping for a new facility. Also, similar to the increase in the per acre protection rate, motor pool costs through Department of Administrative Services have increased more than 36% year over year. It is frustrating that landowners have not been given a voice in these costs and yet are forced to incur them.

The CMFPA represents landowners ranging in size from a few acres to hundreds of thousands of acres. The spiraling cost of fire protection may cause some landowners, large and small, to come to the difficult conclusion that this budgetary impact is unaffordable. The current complete and coordinated fire protection system is at risk of fracture if strained landowners pull out. This would certainly lead to a cascading effect in which per acre costs increase yet again and additional landowners find alternative methods of controlling wildfire.

We would like to reiterate our sincere appreciation, support, and respect for the work that the North Cascades District does on the ground in controlling wildfire and keeping fires small. Our close relationship is an incredible strength across the District. However, we can no longer approve of the cost of the base level of fire protection. We urge your attention to a fair and equitable level of fire protection at a sustainable cost that allows working lands to be kept as working lands.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jim Crawford', is written over a light blue horizontal line.

Jim Crawford  
President, Clackamas-Marion Forest Protective Association

# ROGUE FOREST PROTECTIVE ASSOCIATION

5286 Table Rock Road Central Point OR, 97502  
(541) 664-3328 FAX (541) 664-4340

<p><u>Officers:</u></p> <p><u>President:</u> Mikaela Gosney</p> <p><u>Vice President:</u> Darin McMichael</p> <p><u>Sec.-Treas.:</u> Mike Meredith</p> <p><u>Directors:</u> Mike Backen Ed Fallon Mikaela Gosney Todd Marthoski Greg Tyler Susan Kendle Justin Kostick Whitney Henneman Mike Meredith Dave Streeter Tom Young Mike Riley</p> <p><u>Advisory Directors:</u> Kristin Babbs Dan Quinones Dave Larson David Schott Chris Glode Kyle Williams</p> <p><u>District Forester</u> Tyler McCarty</p> <p><u>Members:</u> Bureau of Land Mgt. Chinook Forest Mgt. FWS Forestry Green Diamond Manulife Investment Mgt. Josephine Co. Forestry Lone Rock Timber Co. Miller Ranch Murphy Timber Invest. Silver Butte Timber Co. Siskiyou Cascade Group Snowy Butte Timberlands Stanley Ranch</p> <p><u>Members of:</u> Keep Oregon Green OFIC Protection Committee</p>	<p>May 12, 2023</p> <p>Cal Mukumoto State Forester Oregon Department of Forestry 2600 State Street Salem, OR 97310</p> <p>Dear Mr. Mukumoto,</p> <p>The Rogue Forest Protective Association (RFPA) Board of Directors has met to review the 2024 Protection Budget for the Oregon Department of Forestry Southwest Oregon District, serving Jackson and Josephine counties. While the board is appreciative of the district's protection standards and service to southern Oregon, we regretfully cannot approve the budget, given the historical increase of 93 cents for timber and 81 cents for grazing. While the district consistently provides an adequate level of protection, we believe the funding mechanism itself is outdated, flawed, and requires a statewide review.</p> <p>The fiscal year 2024 budget for the Southwest Oregon District presents numerous challenges that originated outside the district's purview, including <b>necessary added capacity</b>. Senate Bill 762 added capacity to the district in a one-time general fund offset that now contributes to our Current Service Level (CSL). This is a \$408,545.00 increase. The <b>Salem and Area Fire Management</b> costs are another huge additional adjustment. Salem Protection Division increased by \$525,185 (up 107%) and Area Fire increased by \$34,664.00 (up 38%). Lastly, <b>inflation</b> and the Consumer Price Index (CPI) is causing another substantial increase. The average CPI for 2022 was 6.5%, and in 2021, the average CPI was 7%. Not including inflation, these adjustments total <b>\$968,394.00</b> that the landowners of Jackson and Josephine Counties are being asked to pick up.</p> <p>The ODF Southwest Oregon District carries approximately one-third of all ODF fires across the state of Oregon. As detailed in ORS Chapter 477, the Oregon Department of Forestry is charged with providing an adequate level of fire protection to private lands. Therefore, covering the SB762 offset non-negotiable; this one-time funding allowed the district to add positions that brought it closer to the staffing levels it has needed for decades now. To maintain the district's adequate level of protection, it's clear the added positions are necessary, however, the RFPA Board of Directors largely feel that funding should have been continued, rather than placed on the landowners. Southern Oregon is extremely fire-prone, and going backwards on fire protection and personnel is out of the question.</p> <p>The RFPA Board of Directors cannot dictate or decline the costs of Salem and Area protection. With the current pro-rate of a 50/50 landowner/General Fund split for Timber and Grazing land within the district (477.230), the Board of Directors find that these costs do not meet the intent of ORS 477.230 (a),(b). Finally, while inflation costs are to be expected, the additional flux on top of the historic increases during these economic times is tremendous.</p> <p>The RFPA Board of Directors urges you to address the funding model of ODF and fire protection across the state and consider a more equitable solution. This rate of increase is unsustainable for the landowners of southern Oregon. The ODF Southwest Oregon District</p>
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serves its communities well, and while the RFPA Board of Directors support their efforts, we regretfully cannot support these added costs, especially the large portion that does not support this district and the landowners it serves.

Respectfully submitted,

*Mikaela Gosney*

Mikaela Gosney, President  
Rogue Forest Protective Association

Keith Little  
President

Theresa Cliff  
Vice President

Chris Johnson  
Treasurer

R.D. Buehl  
Secretary  
District Manager

## Walker Range Forest Protective Association

### BOARD OF DIRECTORS

Darren Frank - Member at Large  
RFM Investments - Mary Jo Hedrick  
Dennis Lee - ODF Klamath  
Bill Scally - Member at large  
Kerry Lackey - Member at large  
Steve Tallman - Gilchrist Forest Products



### HEADQUARTERS

Physical Address  
135393 Highway 97 N  
Crescent, Oregon 97733

Mail  
P.O. Box 665  
Gilchrist, Oregon 97737  
O: 541.433.2451  
F: 541.433.2215  
walkerrange.org

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April 28, 2023

Cal Mukumoto  
State Forester  
Oregon Department of Forestry

Cal:

Walker Range Forest Protective Association Board of Directors approves FY2024 budget with reservation. We the Board approve and support the budget increases towards Walker Range's adequate levels of protection. The Walker Range Board will approve the Fiscal Year 2024 protection budget but respectively request that our State Forester take aggressive action to adjust the pro-rated assessment within the budget for ODF costs.

It is a concern that if this funding model is not adjusted, we fear landowners will not be able to support any adequate levels of protection, statewide.

Thank you for your consideration,

A handwritten signature in black ink that reads "Keith Little".

Keith Little, President

Walker Range Forest Protective Association



## **WESTERN LANE FOREST PROTECTIVE ASS'N.**

87950 TERRITORIAL ROAD

VENETA, OREGON 97487-0157

April 26, 2023

State Forester Cal Mukumoto  
Chair Kelly and Members of the Oregon State Board of Forestry  
2600 State Street  
Salem, OR 97310

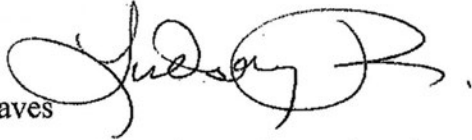
For over 48 years the Western Lane Forest Protection Association has worked in collaboration with the Western Lane Oregon Department of Forestry to provide fire protection on 781,000 acres. Our association is made up of various sizes of land ownership, from small woodlands to large industrial. These forests provide key economic, environmental, and recreational values to surrounding communities. Our local ODF district has provided an exceptional level of fire protection for years and continues to cultivate a highly valued partnership with our association. The 2023/2024 increased budget rate spike has raised concerns within our board and various landowner entities. Much of the conversation focused on the question: How do forest landowners who are managing for timber sustainably continue to do business with such increasing costs? Also voiced at the budget meeting was frustration of how to truly provide input from the district budget to Salem regarding how the budget is decided. Recently our association voted 6-3 on approval of the 2023/2024 district budget after years of unanimous approval, with many of the 'yes' votes coming with contention.

Our association would like to voice our concern with the rate hikes pertaining to additional Salem and Senate Bill 762 ongoing costs. Small woodland representatives are greatly concerned that the cost of doing business and providing an 'adequate level of protection' is potentially becoming unaffordable. Larger landowners share the same sentiment. Additionally, Western Lane association has been strategically planning for a much needed compound update (many of the buildings are unusable). The board is concerned that we will have to look at cutting back or delaying much needed improvements and also potentially delaying future engine builds. These investments are needed to maintain quick response times and an adequate level of fire protection as required in ORS 477. It is our association's understanding that Senate Bill 762 was a bipartisan agreement to help bolster state fire protection through the state-wide general fund, recognizing that fire impacts Oregon and its communities as a whole. Passing on these additional costs to landowners without input from the general fund is beginning to strain many landowners.

Another point of angst within our association is the increased limitation of our ability to provide budget input. It seems Salem has begun to shift from budget recommendations to requirements. This limits our association's ability to manage our carryover and invest in needed improvements as discussed above. It also strains the collaborative nature of protection agreements. At the local level, we have successfully budgeted for years without overspending. We ask that Salem move back towards recommendations on certain expenditures, such as planned fire deductibles, so we can continue to use our local knowledge and ODF professionals for responsible budgeting.

We value our working relationship with Salem and the level of service we receive from Western Lane ODF. Our Western Lane association will continue to work in collaboration with ODF to provide an adequate level of protection for our timberlands and communities. We ask the chair and board to explore any and all available options for relieving the financial burden on our landowners and to maintain an open budgeting dialogue.

Thank you for your time consideration,

A handwritten signature in black ink, appearing to read "Lindsay Reaves". The signature is fluid and cursive, with a large, prominent loop at the end.

Lindsay Reaves

President- Western Lane Forest Protection Association

CC: Ole Buch, Western Lane District Forester

14 April 2023

Mr. Jim Kelly, Chair  
Oregon Board of Forestry  
2600 State Street  
Salem, OR 97310

Chair Kelly and Members of the Board of Forestry,

The Board of Directors of the West Oregon Forest Protective Association would like to share with you several concerns as we submit our approved budget for fire protection on the West Oregon District for FY 2024. Our budget was approved in a non-unanimous vote as we wrestled with the amount and nature of the increases in the budget. The whole board, whether voting to approve the budget or not, shares a common set of concerns this year that we want to summarize.

As you are aware, moving from FY 2023 to FY 2024, forest landowners across the state are experiencing the largest ever year-over-year rate increases for fire protection. As we look at sources of the increase, we have three main concerns:

1. The loss of local control in setting protection budgets, primarily in increases driven by the additional capacity of Senate Bill 762 and the loss of the general fund offset for landowners. Forest landowners were not consulted on all the types and costs of additional protection in SB 762 and now bear the burden of the increases with the removal of the offset. Another example is forcing associations to budget a formula-driven number of per-fire per-day deductibles even when the formula does not match the historical trend in deductibles expended.
2. The singling-out of forest landowners to bear extra financial burden from the additional capacity; no other constituency was tapped this way. SB 762 correctly recognized that wildfire is a problem for all Oregonians and added capacity to 9 state agencies, all of which are entirely funded by the general fund, except the Department of Forestry's increases, which forest landowners now share in.
3. The drastic rate increases threaten the sustainability of family and working timberland ownerships, especially when coupled with the increased costs associated with implementing the Private Forest Accord. To keep these forests thriving and well-managed, they must also be kept financially viable.

Despite these concerns, we want to affirm and highlight our working relationship with the staff of ODF in the West Oregon District, led by Michael Curran, and the level of protection they provide. WOD staff are dedicated to providing excellent service, communication, and responsiveness and truly understand the nature of Oregon's Complete and Coordinated System.

We also see opportunity for you, the board to advocate for landowners in discussions concerning sustainable funding for Oregon's wildland fire fighting system and ask you to help in any way possible. Thank you for taking time to consider our concerns.

Respectfully,

The Board of Directors of the West Oregon Forest Protective Association



April 27, 2023

Oregon Department of Forestry  
3501 NE Third Street  
Prineville, Oregon 97754

ATTN: State Forester

Enough is enough! This system is broken.

The cost of fire protection paid by producers/landowners 50 years ago has expanded far beyond what landowners can afford today.

The general public's expectations for increased capacity should be paid by the general public.

Thank you.



Leonard P. (Archie) Osburn  
42018 Deer Creek Road  
Monument, Oregon 97864  
*LPOsburn@gmail.com*

**May 2, 2023**

**RE: Oregon Department of Forestry, Central Oregon District-Fiscal Year 2024 Proposed Budget**

**Rob Pentzer, District Forester, Chair Kelly and Members of the Oregon State Board of Forestry**

My wife and I own 213 acres (a mix for Timber and Grazing Assessments) near Dufur. Oregon protected by the Central Oregon District- ODF.

As you well know, the Governor's Recommended Budget (GRB), for the Oregon Department of Forestry (ODF), does not continue the 15 million dollars of General Fund contributions allocated to ODF as a result of SB-762 to offset landowner rate increases for the implementation of SB-762. As a result the GRB shifts the 15 million dollars and other SB-762 costs to private landowners such as ourselves.

The net effect of this shift is an increase of \$898,669 to COD Budget for FY2024. This shift to landowners in Central Oregon District (COD), results in a 34% cost increase for Timber acres and a 87% cost increase for Grazing acres as compared to FY 2023.

A sad irony of this SB-762 increase (some \$629,221), is the pass down from Salem ODF and Eastern Oregon Area ODF which in my view do not contribute to day to day COD boots on the ground wildland fire prevention or suppression. In other words no direct increase in landowner services, just a higher increase in assessment to cover the SB-762 gap created by the GRB. Speaking for landowners such as ourselves, this "Bait and Switch" is unacceptable.

SB-762 had ambitious and needed goals for Oregon, ODF and other Agencies after the fires of 2020. General Funding made sense, since all Oregonians are impacted by wildfires. Immediate rectification of this funding situation is necessary.

Landowner rates have risen nearly 90% in Central Oregon District since FY2015. ODF fire protection is critical but fast becoming impractical from a cost perspective.

Not only immediate rectification of the 15 million dollar shift is necessary, but also a total revamping of ODFs fire protection funding and budgeting mechanisms for the future is necessary. No other state in the country places such a financial burden directly on landowners. We need to pay our fair share of the direct services provided, but not suffer from the political funding "hot potato" created by SB-762, etc.

Many landowners are unaware of this 15 million dollar shift and will only realize the impacts when taxes are due this Fall. Owning forestland in eastern Oregon is becoming an Albatross from a financial perspective, despite the habitat, clean air, watershed resources and social-environmental-economic resources the lands provide.

ODF-Central Oregon District is critical should a wildland fire occur on/or near our Ranch... like so many other landowners we can't pencil out this increase and direct shift. Again, the effects are unacceptable.

Thank for considering this input and I look forward to your resolution of this issue.



**Bill Hunt**

**Bella Valley Ranch  
80560 S. Valley Rd.  
Dufur, Oregon 97021**

State Forester  
3501 NE 3<sup>rd</sup> Street  
Prineville, OR 97754

April 19, 2023

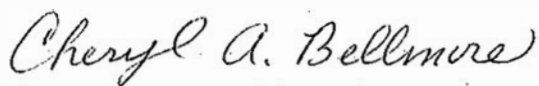
Dear Sir:

Recently I received information that reveals a proposed budget plan to raise rates for fire protection by ODF beginning in 2024. We own 72 acres outside of Mount Vernon, Oregon. We are classified as "timber" and our rates would increase from \$2.21 to \$3.03. I want you to know that I am **OPPOSED TO THIS RATE INCREASE FOR LANDOWNERS** and urge you to **VOTE NO** on this budget item at the Board meeting on May 2.

Every year we have seen increases in our insurance rates, taxes, and our cost of living in a small, fairly remote small town. As seniors these cost increases can be difficult. We have spent thousands of dollars and hundreds of hours thinning trees and clearing debris to make our land and home less susceptible to fire. As resident leader for our Upper Laycock Creek Road Firewise community, we work closely with ODF and the Malheur National Forest employees to promote the idea of creating and maintaining defensible space. Several of our Firewise members have taken advantage of the grants available through ODF for this purpose. We are the best stewards of the land. With all of the rising costs of owning and maintaining large properties, I am very concerned about the future. It would be a shame to see folks having to sell or sub-divide because they cannot afford their land.

As the saying goes "fire knows no boundaries". If there is a fire, we are all at risk. A major fire in our area would not only affect landowners, but also the national forest to which we are adjacent. The loss of timber assets will affect the local economy. I feel that as a private landowner, I should not have to bear the increased cost of fire protection, as it affects everyone. Please **VOTE NO** on the proposed budget increase!

Sincerely,



Cheryl A. Bellmore  
24516 Laycock Creek Road/P O Box 607  
Mount Vernon, OR 97865

May 8, 2023

Rob Pentzer  
District Forester  
Prineville, OR

RE: Oregon Department of Forestry Central Oregon District proposed budget for 2024

After reviewing the information presented at the budget meetings this Spring I would like to provide comments regarding the proposed 2024 fire protection budget for the Central Oregon District (COD) and the Oregon Department of Forestry. As proposed, the forest landowners in the Central Oregon District will bear a significant increase in the assessed fire protection rate which is substantially higher due increased fire administration expenditures created by SB-762. While the State provided state general fund support prior to this year for the SB-762 measures current administration feels it is unnecessary for the general fund to continue that support.

For the Central Oregon District the increases passed down with the Governor's Recommended Budget is nearly \$900,000. The worst part of this is the increases will not support actual personnel and equipment like dozers on the ground but focuses more on overhead and support resources. To cause such a substantial increase in cost with no real meaningful effect on ground resources has no benefit to Hood River County and the 34,500 acre forest they manage.

While SB-762 had Oregon's public in mind after the fires of 2020, it is completely unfair that landowners and Hood River County bear this level of the public's burden when it comes to wildfire protection. In Hood River County's case, the County actively manages the County Forest through the sale of timber to help fund the public services the County provides. In addition, the County Forest provides some of the best recreational opportunities in the state with the popular trail system while also providing quality fish and wildlife habitat, all values the Oregon Public support. Due to our management and increased access, fire suppression ability by the state is greatly enhanced. Yet, in contrast, Hood River County is saddled with an antiquated fire protection billing system which makes public forest landowners pay double the rate private landowners pay. This needs to be corrected and changed.

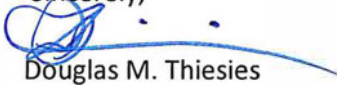
Oregon has placed the burden of providing many social-economic and natural resource benefits on forest landowners while charging extreme rates for fire protection, even double for Hood River County. It is time to rework the system for all the public to share in provision of the benefits so often demanded by the public, not just having forest landowners pay for fire protection in Oregon.

In closing, if the COD proposed budget is passed as presented for 2024, Hood River County will be absorbing a whopping 62% estimated increase in fire protection in only 5 years! This ignores the

disparity that public landowners including Hood River County also pay double what private landowners pay, despite providing an immense public benefit through the intensive public use of County Forestland.

I urge the Oregon Department of Forestry and State leadership to provide short term and long term funding assistance while finding an equitable solution for effective fire protection in Oregon. This is something all Oregonians will support.

Sincerely,



Douglas M. Thiesies  
Forestry Director  
Hood River County  
541-387-6888

EAST OREGON FOREST PROTECTION ASSOCIATION  
1919 JACKSON AVE  
LA GRANDE, OR 97850

Cal Mukumoto, State Forester  
Oregon Department of Forestry  
2600 State Street  
Salem, OR 97310

May 5, 2023

State Forester Mukumoto,

The EOFPA had their annual budget review meeting on April 25<sup>th</sup>. During that meeting the association considered the ODF wildfire budgets for the Northeast Oregon and Central Oregon districts. As a result of those considerations, the EOFPA could not approve the budgets and it was a unanimous decision.

This decision did not come easy. The EOFPA and the local ODF districts have a long-standing working relationship and have collaborated over the years to define and provide an adequate level of protection for landowners within the district. The association does not want to damage that relationship by not approving the budgets but ultimately could not overcome the exorbitant cost increase for fire protection as presented. A 34% timber and 58% grazing rate increase is unacceptable.

There are several budget items that are very hard for the landowners to accept.

- The loss of the landowner offset from SB 762 That funding was granted by the legislature to add additional capacity to fight wildfire for all Oregonians. The landowner offset was provided by the legislature so this added capacity would not be a burden but now the landowners are expected fund those increases.
- The pass-through costs have increased for the Area budget to \$450,896 and the Salem budget to \$2,175,378. This is an increase of over 21% and 108% respectively. The landowners pay half of these costs yet have no input on those budgets or no collaboration on the level of services provided.

These cost increases have become untenable for the landowners in Eastern Oregon. As these cost increases outpace the ability of the lands to generate revenue, these lands are shifting to non-traditional uses and are being developed to pay for the increases in protection. Working forests and ranches in Eastern Oregon are disappearing.

A funding solution needs to be found so that eastside landowners can support the protection budgets or they may be forced to look at alternative protection options. We urge you to work with the Governor and the Legislature to bring forth our concerns. Oregon needs to change how wildfire protection is funded. Wildfires are a problem for all Oregonians.

Regards,



Jered Schwabauer  
President EOFPA



92 Office Road, Suite B  
Underwood, WA 98651

## 2023-24 COD Fire Budget

Dear Kristin,

Green Diamond manages timberland for Twin Creeks Timber in The Dalles Unit. We are very concerned with the recent ODF fire budget that was presented this spring. In particular, the 'timber' rate going up \$.82/acre (from \$2.21 /acre to \$3.03/acre) leads to an approximate \$37,000 increase in our forest management fees in The Dalles Unit. This amount would be enough for Green Diamond to keep our own Type 6 Engine staffed with 2 firefighters from June to October. As a voting member of the Central Oregon District, I chose to vote 'No' to the proposed budget this spring. This was my first No vote in 6-plus years. I strongly support the Mission and People of ODF. However, the political and financial realities of this situation is backing many Private landowners into a corner. As you are aware, Eastern Oregon has limited timber markets (especially for Ponderosa Pine) and the forest productivity rates are much lower than the West side of the Cascades.

We understand that the current increase is largely due to SB 762. This bill was originally funded through the Oregon General Fund, but now half the added capacity it created will be paid for by Private landowners. SB 762 mandates 17 new 'management' type positions be created in Salem.

My primary concerns and questions regarding the proposed budget are as follows:

- Will these new Management positions lead to a truly more effective fire fighting regiment? In my opinion, the answer is clearly no.
- Will the new SB 762 positions lead to long-term, sustainable forest management that actually reduces wildfire risk in the next 5 years? Only time will tell. The land scape-scale impacts of small forest landowner fuels reduction, as opposed to large Public land projects or large swaths of Industrial lands makes the resource allocation calculation difficult to justify.
- ODF fire fighters respond to wildland fires on all lands – State, Federal, Large Industrial, and Small Private. The "good catches", or fires that are kept small before they become large conflagrations are rarely talked about in the media. However, I know first hand that most wild land fires are caught when they are small and that the ODF has an extremely efficient & effective team of responders and apparatus. These 'good catches' benefit ALL OREGONIANS, not just those who pay into the Fire Protection Associations (FPAs). Therefore I believe that ALL OREGONIANS should help shoulder the added cost burden of SB 762.
- We deserve a better long term solution. Governor Brown's 'Wild land fire task Force' had a team devoted to creating a more permanent, equitable wildland fire funding model. Unfortunately the team's preferred solution was not implemented before Governor Kotek was elected. The TIME IS NOW for strong leadership toward a permanent fire funding fix for Oregon forests. The lands that have helped sustain the current FPA model contribute clean air, clean water, wildlife habitat, forest products, and recreation opportunities for ALL OREGONIANS. There are many other successful models of fire funding across the western US and Canada to consider. We need a permanent fix. In the meantime, it simply is not fair to force Private land managers to pay for SB 762.
- The proposed fee increase will force some landowners to consider selling their working ranch and timber lands. Forest productivity rates in Eastern Oregon are low. The annual rainfall is low and soils tend to be poor for timber production. In many remote locations the price of Ponderosa Pine sawlogs cannot overcome the combined cost of Logging and Hauling forest products to the nearest saw mill, which may be hundreds of miles away. If you look at historic trends of both Pine





92 Office Road, Suite B  
Underwood, WA 98651

log prices and beef, it's a fact that these commodity prices have gone down over time in 'real' terms (accounting for inflation and fuel prices). Therefore, many private landowners feel pressured to sell their working forest or ranch land to the highest bidder. Often this means an absentee 'Recreational' owner, who will not allow Public access and will not manage lands to produce forest products. This trend is already happening quickly in places like Montana. Generally, recreational land managers do not manage forests towards lower tree density and healthy stands of timber. As conversion occurs across western US landscapes, the increased built environment (houses, roads, and outbuildings) contributes to a higher fire ignition rate and more complex fire fighting operations.

Do we want to facilitate that type of land management conversion in Eastern Oregon? I believe most Oregonians would answer a resounding 'No'.

Our EOFPA votes are simply an indication of where we stand on a position related to the proposed budget. It is a symbolic vote only. Green Diamond supports the ODF. However, the time has come for change and a new way to fund the mandate that came with SB 762. That is why I chose to vote No to this year's proposed budget. Thank you for considering these comments.

Jeremy Grose

Senior Forester, Green Diamond Management Co

08 May 2023

Re: ODF Budget Comment

Thank you for the opportunity to offer comment regarding the 2024 ODF/COD budget.

We own a very small amount of timber property. However, it is ours, and we use it for many purposes, none of which brings in any money but is productive, maintains the health of the timber, and is of good use for the land.

We have lived in this district for 40 years, are now retired and on a fixed income.

I am certain there are others in our situation. It would seem ODF wants to assess us right out of land ownership. In the last four years, our assessment taxes have increased by 17% with the assessments increasing from \$1.96 to \$2.29 per acre. At first glance, it seems trivial. It isn't. Not when you look further into what these taxes fund.

Yes, to those of you dealing in the millions of dollars, this seems a paltry amount. We see it as a pattern. A pattern that some day may mean we have to sell land that has been in our family for four generations, and for what purpose? While larger timber property owners may have hundreds of thousands of dollars at stake, our small amount is just as important to us.

Please do what the rest of us have had to do. Tighten your belts, make do, and think outside the box. We do not have the solutions, but we know, with great thought and purpose of mind, you will find them.

Mike & Hester Keys  
38633 Richmond Road  
Spray, OR 97874



Ian Fladoos  
35400 SE Buena Vista Street  
Sandy, OR 97055  
May 4<sup>th</sup>, 2023

To Whom It May Concern:

My name is Ian Fladoos and I am a proud, born and raised Oregonian who enjoys everything this State has to offer. My family enjoys everything from a nice dinner and riverwalk in downtown Portland to foraging for mushrooms, hiking, biking, and all indoor/outdoor activities. My family and I are proud of this State and hope through open dialog and transparent communication, we can help all members of our communities.

The topic I am addressing today has to do with the global problem of the increasing occurrences of wildfires and the way we handle funding to protect our forests, wildlife, people, and communities.

**Scope of the Problem:**

- Wildfires negatively impact **ALL** Oregonians. From the quality of the air that has health implications, like lung disease, dizziness, headaches, and allergies to school closures, sports closures, and overall deterioration of our quality of life during peak fire season including clean water, erosion, visibility, landslides and much more.
- Global warming is a problem that everyone must collaborate on and address together.
- All Oregonians enjoy our wilderness, parks, and outdoor activities. Forcing only Farmers and Ranchers to pay 50% of the costs associated with firefighting is an unfair business practice and tax.
- All Oregon residents should help contribute to the cause and we should not be singling out one group over another.
- The increased taxes on private landowners are unsustainable. There is a proposed 209% increase from FY22 to FY24 just for the Oregon Department of Forestry fees on private grazing land.
  - o This is not acceptable by anyone's terms.
    - Example: If you own a \$500,000 home and the State came to your family and said your property tax is being increased from 1.5% to 3.14% (an increase of \$8,200). How would this make you feel? This is exactly what is taking place today relative to the increased taxes to private ranchers and farmers for the Oregon Department of Forestry.
- The new Senate Bill 762 was established for all Oregonians, but 50% is being paid for by a small group of Farmers and Ranchers as there were no general funds set aside for this year or subsequent years.

Today, I will focus on two bills that must change. We must discuss how they are being funded and implemented as well as who is responsible to help pay for and protect our health, communities, environment, personal property, generational farming, and local jobs.

**The Oregon Forest Land Protection Fund (OFLPF):**

- Unfortunately, this is an antiquated agreement that was established long ago. OFLPF is now being used to weaponize the increased fire associated costs to private landowners that the ODF is incurring due to new regulations set forth by Senate Bill 762.

- Oregon is an outlier compared to all other States in the USA.
- No other State forces Farmers and Ranchers to cover 50% of the firefighting and fire prevention costs.
- The Oregon Department of Forestry has proposed a 209% increase in taxes/fees to landowners between FY22 and FY24.
- The original intent of OFLPF has been forgotten and is now being used to cover increasing costs that instead should be subsidized by our State and general funds or through some other means.
- In Oregon, most fires are caused by lightning strikes on Federal lands, yet private landowners are being forced through excessive taxation to cover a substantial deficit in ODF funds because of SB 762.
- Private landowners and ODF cannot (any longer) fund 100% of the annual costs to fight or try and prevent fires.

**Senate Bill 762 (SB 762):**

- The intent of this bill was great. All Oregonians want clean air, healthy forests, and abundant wildlife. This means all Oregonians should help subsidize the costs associated with SB 762
- However, this newly introduced bill is now unintentionally increasing taxes and forcing farmers and ranchers to cover the lack of funding necessary to achieve the goals and original intent of SB 762.
- SB 762 was intended to be State funded and last year the general fund offset a debt of \$15 million. Going forward, this debt is being directly extended to Farmers and Ranchers who are not the only people who benefit from the positivity coming from SB 762. Others need to pay their fair share, or this bill needs to find other ways to be subsidized.
- Where is the funding coming from for the subsequent years? Without this offset being approved in FY24 (and beyond), landowners will not be able to sustain their livelihood and may lose generations of history and family farms/ranches.
- How is it fair to revert and force Ranchers and Farmers to cover 50% of the costs that State Bill 762 forced on ODF?
- ODF is left with no way to pay for the increased costs from SB 762.
- Due to SB 762, ODF has resorted to extending their over budget operations to an archaic, unprecedented agreement (OFLPF) established in the 1970's.

**Personal Implications to the excessive taxes from ODF, OFLPF and the Salem Protection Admin Rate:**

- I own 2,478.24 acres near Mt Vernon Oregon.
- My land is mainly grazing acres.
- I currently pay 78% of my total property taxes to the Oregon Department of Forestry (ODF) for fire services. 78% of my total property tax is an excessive expense for fire services.
- The proposed ODF tax increase for grazing acres of 209% from FY22 to FY24 is an unfair tax and burden to put on anyone, let alone Farmers and Ranchers for services that all Oregonians benefit from (SB 762).
- This 209% rate increase over 2 years does not include:
  - o \$.075 OFLPF rate hike.
  - o \$0.745 Salem Protection Admin rate hike.
- All these unwarranted tax increases equate to nearly \$10,000 of personal tax increases over a short two-year period.

I urge all of us to find a solution to these staggering numbers that will debilitate Oregon Ranchers and Farmers. There is no end in sight to these unfair tax increases and it seems that people think it is ok to allow ODF to abruptly pass these expenses to landowners.

**Near Term Request:**

- Please immediately reinstate the \$15 million landowner offset from the General Fund to prevent these excessive taxes. Many families are living paycheck to paycheck, nobody should have their taxes raised by 209% over a two-year period let alone a lifetime.

**Long Term Solutions:**

- Remove or revise the Oregon Forest Land Protection Fund (OFLPF).
  - o The is an antiquated approach to managing our Federal, State, and Private lands for fire protection.
    - Research bordering States and develop a new plan that is fair for private Farmers and Ranchers and develop an approach to contribute to fire protection may be reasonable.
    - A small price per acre fee may be reasonable.
- Revise State Bill 762 and establish a new funding approach.
  - o SB 762 was established for all Oregonians to benefit from. It helps protect our forests, wildlife, people, and communities.
    - All Oregonians (not just Farmers and Ranchers) should contribute to the expenses in protecting our Forests. A minimal tax on all wage earners may be reasonable.
    - Establishing a permanent solution to apply General Funds to pay for the parameters and requirements contained in SB 762 is reasonable.
    - Lean on our state representatives, Governor, Senator for lobbying our federal government to help subsidize our fire protection services contained in SB 762 is reasonable.

**Sincerely,**

**Ian Fladoos**

State Forester  
3501 NE 3<sup>rd</sup> Street  
Prineville, OR 97754  
April 19, 2023

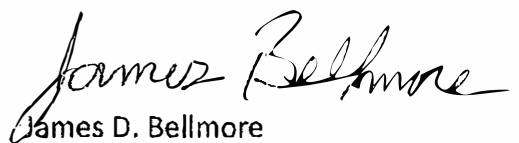
Dear Sir:

It has come to my attention that a rate increase for private landowners for fire protection is being considered by the ODF budget Board. As the owner of 72 acres outside of Mount Vernón, Oregon, we are classified as "timber" and our rates would increase from \$2.21 to \$3.03. I am **OPPOSED TO THIS RATE INCREASE FOR LANDOWNERS** and urge you to **VOTE NO** on this budget item at the Board meeting on May 2.

Private landowners should not be penalized for owning land under ODF protection. The Legislature should find a way to fund any additional cost in "increase in overall wildfire response capacity" mandated by Senate Bill 762. A fire in our area affects everyone and in turn the local economy, as we saw in 2015 with the Canyon Creek Complex fire destroying **110,262** acres caused by lightning. No lives were lost, but the Canyon Creek fire destroyed more private property than any Oregon wildfire in the past 80 years. It tore through 43 homes plus nearly 100 barns, workshops and other structures. We were on evacuation alerts for months and the smoke was so bad we were warned to stay inside our homes. For months events were cancelled and any activities in large parts of the Forest were prohibited due to active fire, fire damage, and smoke. This drastically affected the tourism income on which this county relies heavily. With the significant timber loss, logging and related businesses were also adversely affected, hurting the local economy. Again, fire affects everyone, and everyone should share the cost.

Please **VOTE NO** on the proposed budget increase for private landowners!

Sincerely,

  
James D. Bellmore

24516 Laycock Creek Road/P O Box 607  
Mount Vernon, OR 97865

**To: Oregon Department of Forestry**

**RE: Board of Forestry Testimony in response to Central Oregon District Department of Forestry Budget.**

I am John Breese, my wife Lynne and I ranch out of Prineville in Crook County. I am a member of the East Oregon Forest Protection Association. We recognize that the Unit and District foresters have a strong ethic to protect our timber and range. They are dedicated and strive to do their best for the public they serve. As good stewards of grazing and timber, we also recognize the need to pay our fair share of the costs to protect our private lands.

The first proposed ODF agency request budget included a policy option package for a forest landowner offset, to help pay for additional ODF positions related to Senate Bill 762. Unfortunately, it's been left out of the current proposed budget package. East Oregon landowners believe this is a mistake.

SB 762 directed investment to nine agencies for the purposes of implementing a statewide comprehensive strategy to promote wildfire risk reduction, response and recovery. Wildfire was recognized as a statewide problem, that dictated a statewide funding solution. This included funding for the Department of Forestry to increase overall wildfire response capacity.

Wildfire response at the local level is shared between the state and landowners at a 50/50 split. The statewide need for additional capacity was covered by an additional \$15,000,000 of General Fund. This was provided intentionally for the purpose of covering landowner assessment rates that would have gone up due to the increased wildfire response capacity.

Unfortunately, this current budget removes that general fund offset money. This means more money will have to come from the landowners in protection districts and associations.

SB 762 was a conversation and recognition that the entire state had a need for increased capacity and investment. No other rate payer's costs were increased as a result of the 762 investments.

In the East Oregon Forest Protective Association that I represent, our costs per acre will go up, at minimum, between 15-30% depending on the district. That's the floor, final rates this year are very likely to be higher. Statewide, landowners protected by ODF will face the same ratio rate increases. The ability of these lands to pay for themselves continues to diminish in light of inflation, increasing business taxes, cost



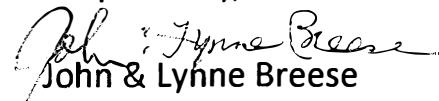
of goods, transportation, loss of local mills and many other factors that make keeping forestlands as forestlands a losing proposition.

Crook County is in a four-year drought. Many ranchers like us, may reduce cattle numbers, but grazing assessment will likely go up 27%. Timber management is even worse. On our 2000 acre timbered ground, trees are dying from heat and moisture stress. Logging costs are higher than mills are willing to pay for pine. We have few management options. Yet we are faced with almost 20% increase in timber assessment. This is not sustainable for us as a family ranch. For the last ten years our forest's annual basal area growth per acre has been less than the increased annual per acre ODF fire assessment rate. This is before the SB 672 offset may be added to our assessment. Many Central and Eastern Oregon small woodland forests owners occupy lower class timber ground, and therefore don't have the potential to grow productive timber to compensate the steady increase in assessment rate. The assessment rate is going up faster than we can grow trees. We have gotten to where it is no longer profitable to produce timber on these lands in Central and Eastern Oregon. If we can't raise forest land sustainably under these current conditions, how can the state expect there to be timber available for future generations?

Forest Protective districts recognize and support a need for increased fire capacity statewide. That was predicated on the idea, landowners wouldn't be asked to shoulder the extra financial burden. Without the general fund offset it is very unlikely the ODF district budgets will be approved by local forest protective associations. This will be almost unprecedented that all associations East of the Cascades will disapprove the proposed district budgets.

We ask for the continued recognition that wildfire is a statewide problem, addressed by a statewide funding solution.

Respectively,

  
John & Lynne Breese  
3315 SE Paulina Hwy  
Dixie Meadow Company  
Prineville, OR 97754

OREGON DEPARTMENT OF FORESTRY 2023 BUDGET

Mike and Cindy Kilpatrick

We own about 4,000 acres North of Mt Vernon Oregon. Last year our tax bill was about \$6500.00. Less than \$1500 of that was for Grant County. The rest went to ODF. Three quarters of taxes for ODF.

At least  $\frac{3}{4}$  of our place is cheatgrass and junipers – not forest. ODF DOES NOT PROTECT STRUCTURES.

The grazing is worth about \$5,000.00 per year. The structures are far more valuable than one year of lost grazing if there is a fire.

ODF has ignored its own budget committee's vote and recommendation and adopted the budget it wants.

We object to the budget, to having non forest land subjected to taxation by ODF and the procedure that allows ODF to assess and collect their budget the same as real property taxes that subject our land to foreclosure and sale for nonpayment of ODFs wish budget. This is in addition to 16% interest rate for late payments.

Wake up and serve the citizens.

Mike and Cindy Kilpatrick

PO Box 627

Mt Vernon OR 97865

# Holliday Land & Livestock, Inc.

62394 Hwy 26  
John Day, Oregon 97845  
541 575-1716

April 24, 2023

TO: The Oregon Board of Forestry

RE: Central Oregon District 2024 Proposed Per-Acre Rate Increase

We own and operate a generational family-owned cow/calf cattle ranch located in Grant County, Oregon. Our business has been involved in production agriculture for the past 66 years. Our ranch encompasses 11,579 deeded acres. 1,800 of these acres are irrigated meadows where we produce the hay needed to winter our cattle. The remaining acreage is timber and rangeland where our cattle are rotated throughout the grazing season.

We are very concerned the negative impact the Central Oregon District 2024 proposed per-acre rate increase will have on our business. We certainly understand the increased cost of personnel, equipment and supplies. We deal with these issues on a daily basis as we struggle to match our "fixed price" income with ever increasing expenses.

Currently 21% of our property tax bill is paid to Oregon Department Forestry. Our business simply cannot afford the 2024 proposed timber increase of 37% from \$2.21 to \$3.03 and the grazing increase of 86% from \$0.74 to \$1.38.

Unfortunately, production agriculture has very few financial options when expenses increase, such as the Central Oregon District per-acre assessment, and income does not. Often many producers are forced to sell parcels of land. This not only has a devastating effect on the agricultural industry but negatively affects winter habitat provided for deer and elk.

In conclusion, we urge the Department of Forestry to not increase the per-acre rates for the Central Oregon District. It is our firm belief that the increase will negatively affect the majority of the landowners who will be responsible to pay the assessment.

If needed we would be happy to provide additional information on the affects an increase in the assessment rate will have on production agriculture. Our e-mail address is [kpholliday@ortelco.net](mailto:kpholliday@ortelco.net).

Sincerely,



Ken & Pat Holliday  
Holliday Land & Livestock, Inc.

Ross Ryno  
37949 Richmond Road  
Spray, Oregon 97874  
March 21, 2023

To Whom It May Concern:

Hello, my name is Ross Ryno. My family and I raise cattle and have significant timber land in Wheeler County, Oregon. I am writing to address this year's proposed Oregon Department of Forestry "ODF" budget as it is beyond reason and needs serious modifications.

Recently, I was asked to sit on ODF's Central Oregon District "COD" budget committee along with ten others throughout our district. This is not the first committee I have been on like this as I have been on our local school board for over a decade and also sit on the SWCD (Soil & Water Conservation District) board here as well. On February 27<sup>th</sup>, we met in John Day for a preliminary budget meeting with the John Day unit. At this meeting, Rob Pentzer, District Forester, presented our FY-24 proposed budget. This proposal came in at \$10,916,073 up from last year's \$9,168,042.

There are serious long term repercussions for landowners if this continues so please let me explain why I have a number of concerns with this dollar amount. State law states that every owner of forest land shall provide adequate protection against starting and or spread of fire thereon protection shall meet the approval of the state fire board. In short, landowners must pay their fire assessment which this year is proposed at \$3.03 per acre plus \$.075 per acre OFLPF "Oregon Forest Land Protection Fund" plus the \$.745 per acre Salem Protection Admin rate bringing this closer to \$3.10 per acre.

This rate has grown drastically since fiscal year 2015. At that time, the per acre rate was \$1.62 per acre. Compare that to FY 2024 at \$3.10 per acre—**this is a 91% increase in 9 years.**

What does this mean for families like mine? We currently have just over 40,000 acres of timber land. **This is an assessment bill for us personally of over \$124,000 just to ODF (not including all the other taxes and fees paid elsewhere).** This is taking place inside of an incredibly depressed timber market in eastern Oregon with little options for avenues to market. The dollar amount is higher than the annual growth on a forest—a forest with little to no market by the way. This is too much to bear for anyone and is certainly not sustainable. We continue to see families here forced to sell to large corporations looking for a tax write-off. These corporations often do nothing with the land and do not establish roots in our community, provide jobs, or manage the land appropriately for wildlife or fire.

Now to examine why the cost has gone up so high! As it has been explained to me, factors such as the motor pool, payroll costs, fuel, and equipment costs have gone up outside of our control (same on the landowner side in many ways). However, **thanks to Senate bills like SB 762 our district has been charged with increasing personnel positions for an increase of \$998,000!** Without last year's SB 762 legislatively funded budget offset, we have to add 2.02 million for Salem area fire management, local fire management and increased motor pool costs. I understand that Senate bills are passed with the good of the whole state in mind, that the general public doesn't want smoke in the air, and they appreciate healthy forests. However, private forest landowners cannot afford to pay for this.

Last year was a below average fire season at 133 days. **There were 85 fires on ODF protection totaling 242 acres in COD yet FY 2023 had a budget of \$9,168,042 local dollars.**

I truly appreciate the people who work at ODF in our area and believe they want to do the best to put out our fires. However, at this price tag, private family-owned timberlands will be a thing of the

March 21, 2023

Page 2

past at a serious detriment to wildlife, jobs, the food supply, and more.

What can be done?

To the best of my understanding, Oregon is the only state where 50% of the fire budget comes from timberland owners with the other half coming from the general fund. If the intention of the state is to protect air quality, water quality, and forest health then these costs should be shared in some other way.

Other western states have state fire departments yet none of them ask this much of their struggling timberland owners. **For instance, Idaho uses a system based on the ability of the land to produce an annual income.** The forest landowner will pay taxes on 1% of the productivity value.

It is anticipated that when the budget committee meets to vote in Prineville on April 10<sup>th</sup> that the budget will not pass. There have been instances when the local committee doesn't pass the budget but Salem still pushes it through and assesses the new rate. If the April 10<sup>th</sup> meeting results in a NO vote, then I hope it sends a strong message to Salem that something needs to change.

In conclusion, I would like to thank you for your time. I am asking that **the state looks to immediately reinstate what is known as the landowner offset of \$15 million for fiscal year 2024.** I believe it is time for the state to rethink the current funding source which is financially breaking private landowners. The effects this hefty tax has on our family's operation are real! This is a large portion of our annual income at \$124,000 and is money we could use to make a payment, hire another employee, update our aging infrastructure/equipment, maintain our personal fire prevention equipment etc. However instead of these options, we are funding ODF at an unfair rate. Another consideration is that this amount of money could be used to thin and help strengthen our property's forest health and fire resilience.

Senate bill 762 addressed the fact that all people in Oregon want fire protection as we all benefit from fewer fires. However, it is unsustainable to force the private land owners who are struggling as it is to carry this weight. With your efforts, hopefully the state can rewrite this system as these costs are becoming a major deterrent to private land ownership and moreover a disincentive to owning lands within the state of Oregon.

Thank you for your time and consideration,

Ross Ryno  
Double Bar Land

Roy M. Beyer  
Wine Down Ranch, LLC  
6500 NE McKay Creek Rd  
Prineville, Oregon 97754

May 1, 2023

To Whom It May Concern:

My name is Roy Beyer and my wife and I own Wine Down Ranch north of Prineville in Crook County. I have been a member of the Central Oregon District, Oregon Department of Forestry (ODF) budget committee for 9 years. The ranch has 2000 acres of either forest or grazing classified acres for the state of Oregon (ODF) fire patrol assessment. We have managed the forested acres by thinning and juniper cutting to reduce the wildfire hazard potential. We also have a herd of cattle and graze the property to reduce the grasses and fine fire fuel levels.

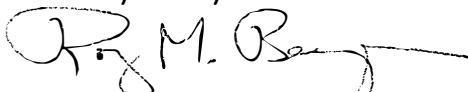
For the last eight (8) years, the assessment rates have been relatively stable with some slight increases and decreases based on the level of fire activity from the previous year. With the passage of "SB762", the additional staffing hires and budget transfers to the Salem ODF office has resulted in an increased annual budget requirement for the Central Oregon District of almost 1.4 million dollars. For the fiscal year 2023, "SB762" came with some general fund dollars to cover the extra expenses required by the act. For the FY 2024 budget year, there is no proposed state budget funding to cover these extra "SB762" budget dollars. This increase in funding is being passed to the private forest and grazing landowners. **This is not right and/ or equitable.**

Private forest landowners like myself cannot afford a 37 percent increase in fire patrol costs. Our private forests in central Oregon have almost no monetary stumpage value due to low delivered log prices for ponderosa pine and the high transportation costs because of no local log processing mills in central Oregon. The benefits that come from keeping these forests "green" come as carbon sequestration, fish and wildlife habitat, clean air and water, aesthetics and keeping working lands working and not in new home sub-divisions. These are basically public values and benefit all Oregonians.

The "SB762" required funding should be continued to be funded by all Oregonians and the legislature needs to identify a new and equitable way to provide the funding resources to protect these public values. If they do not, then private forest ownership in central Oregon will be reduced to small acres and a lot more new homes in the forested areas.

As a budget committee member of the Central Oregon District of ODF and a dues paying member of the East Oregon Forest Protection Association, I voted "no" twice to the approval of the "Central Oregon District Fire Protection Fiscal Year 2024 Budget". The "SB762" fundings is an Oregon problem that is being passed onto the forest and grazing landowners. An all Oregon funding solution needs to be proposed and passed to cover this Oregon problem.

Thank you for your time and consideration.

  
Roy M. Beyer

Objection in raising rates and passing it onto the land owners 37% increase.

Unaffordable- Where the pine is not even a merchantable product and availability of grass for grazing is minimal.

With the rising costs of water, electricity and equipment it makes it difficult to not be in a negative cash flow situation with existing numbers.

If the general fund of the state feels it is such a great assessment, maybe the expense of it should be split 80 (Public) / 20 (Land owners) instead of 50/50. I hope the local district can see the negative impact this assessment would have on us as individual land owners.

Shelley Santucci  
541-633-6519  
960 NE Dry Creek Rd.  
Prineville, OR 97754

[santucciranchturf@gmail.com](mailto:santucciranchturf@gmail.com)

To Whom It May Concern,

My name is Clay Woodward and I am writing in response to Oregon Department of Forestry's proposed budget and fire patrol tax increase.

My family has been involved in Oregon's timber industry for six generations. We currently own timberland in Crook, Wheeler, Jefferson and Grant counties. We have always maintained a good relationship with ODF and appreciate the efforts of the local ODF employees. We have managed our lands for sustainable yields with the intention of leaving a healthy forest that will be productive for future generations. This management strategy worked well for many years but has become very difficult over the past 25 years.

I could talk at length about the reasons and issues that have caused the problems with the timber industry in Central and Eastern Oregon and why it has become difficult manage private timberland but that is not why I'm writing today.

I'm writing today to voice concerns and opposition to the proposed increases in the ODF budget and fire patrol tax.

The percentage increases in fire assessment tax over the last decade have far exceeded both the inflation rate and the annual growth rate for timber in Central and Eastern Oregon. While at the same time the potential income from harvesting timber has declined. One can argue that the timber land has appreciated by a number that would justify such an increase in the fire assessment tax rate but it would be a weak argument as that gain in value can only be realized by selling the land. (Which is happening at an alarming rate.)

These proposed increases are coming at a time when much of the timber in Central and Eastern Oregon is becoming more of a liability than an asset. The cost of harvesting and transporting timber to a sawmill is higher, in many cases, than the price being paid for the timber. So adding more costs to timberland ownership is not reasonable.

I would challenge the State to reevaluate these proposed increases, go back to the drawing board and figure out a way to get more efficient with the budget and resources that they have in place.

In closing I would like to say that these increases will be very hard for private timberland owners to absorb. They are adding more costs to an already struggling industry and will continue to cause landowners difficulties in maintaining and managing their properties.

Clay Woodward  
Woodward Land and Timber LLC  
Big Summit Prairie Inc.  
W5 Ranches LLC

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Clay Woodward



**MINUTES OF PUBLIC BUDGET HEARING**

Covering Period: July 1, 2023 to June 30, 2024

**Klamath-Lake District**

In accordance with ORD 477.255, the Public Budget Meeting for the above-named fire district was held on April 27, 2023, at 0900 at the Klamath Office, 3200 Delap Rd, Klamath Falls, OR 97601.

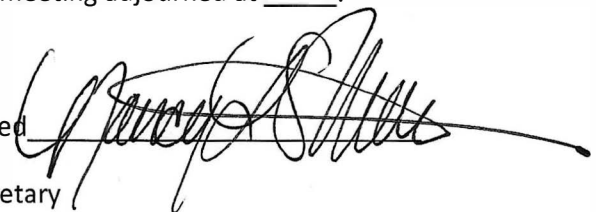
Dennis Lee acted as Chair and Nancy Sherin acted as Secretary.

The following persons were in attendance:

<u>Jim Dahm</u>	<u>Intent to provide written testimony.</u>
<u>Justin Kostik</u>	<u>Intent to provide written testimony.</u>
<u>Glen Lorenz</u>	<u>Intent to provide written testimony.</u>
<u>Glen Lorenz</u>	<u>Persons to present.</u>

The meeting was called to order by the Chair at 0900, with an explanation of the purpose of the meeting. The Chair invited comments/discussion relative to budget or protection matters from those present.

The meeting adjourned at 1000.

Signed   
Secretary

# OREGON DEPARTMENT OF FORESTRY



## APPROVAL OF NORTHEAST OREGON DISTRICT FIRE PROTECTION FISCAL BUDGET

FISCAL YEAR  
2024

TOTAL BUDGET AMOUNT  
\$7,226,608

	Date	Amount
Assoc. Budget Meeting _____		\$7,226,608
District Forester _____		\$7,226,608
Public Budget Hearing _____		\$7,226,608
State Forester's Office _____		\$7,226,608
Board Of Forestry _____		\$7,226,608

**OREGON DEPARTMENT OF FORESTRY  
HEARING OFFICER'S REPORT  
NEO FY24 FISCAL BUDGET**

**Date:** April 17, 2023  
**To:** Oregon Department of Forestry  
**From:** Kay Rinker  
**Subject:** Hearing Officer's Report on FY 24 NEO District Fiscal Budget

Hearing Date: April 17, 2023

Hearing Location: Northeast Oregon District office  
Virtual through Zoom

Public hearings to receive comments on rulemaking for the FY 24 NEO District Fiscal Budget were convened in-person and via zoom on April 17, 2023. Written testimony was received until April 24<sup>th</sup>, 2023 at 5:00 pm.

Serving as hearing officer was Oregon Department of Forestry NEO District Forester Matt Howard. People attending the hearing provided suggestions, advice, objections or remonstrance's to the proposed budget for the forest protection district.

Before receiving oral comments, the hearing officers briefly summarized the purpose for the hearings, described the role and limitations of the Hearing Officer, and outlined requirements of the Department when making recommendations to the Board of Forestry. Attendees were also notified that the proceedings of the public hearings were being recorded. Written comments were accepted through April 24, 2023.

**Summary of Oral Comments**

1 member of the public was in attendance. Summary of oral comments is attached.

None of the persons attending the public hearing specifically requested a copy of the Hearing Officer's Report.

**Summary of Written Comments**

Written comments are attached.

Hearing Officer  
Matt Howard

MINUTES OF PUBLIC BUDGET HEARING

Covering Period

July 1, 2023 to June 30, 2024

Protection Unit Northeast Oregon District, in accordance with ORS 477.255, the Public Budget Meeting for the above-named fire district was held on April 17<sup>th</sup>, 2023 at 10:00 AM. Northeast Oregon District Office conference room.

Matt Howard acted as Chairperson, and Kay Rinker acted as Secretary.

The following persons attended:

Chris Heffernan

The Chairperson called the hearing to order at 10:02 am with an explanation of the purpose of the hearing.

The Chairperson invited any comments or discussion relative to the budget or protection matters from those present.

The meeting was adjourned at 12:00.

*Kay Rinker*

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Kay Rinker - Secretary

## Chris Heffernan – oral testimony transcription

Background noise.

**Chris Heffernan:** Whenever you guys are ready.

**Voice:** Okay, Chris, go ahead.

**Heffernan:** My name is Chris Heffernan. I own the North Slope Ranches and Resources. We are currently running 2,200 acres up at Pilcher Creek Reservoir. 1,100 acres timber, the rest of it is range, sagebrush, bitterbrush, with 200 acres of irrigated alfalfa center pivoted in the middle of it. We also have the Clover Creek farm, it's 2,400 acres out there, it's 1,500 acres is irrigated center pivots and the rest of it is sagebrush grazeland. So anyway, it's myself, my wife, and two sons, 39 and 36. So I'm representing myself and my family today. You guys have heard all this or a lot of it. As a, you know, citizen landowner paying taxes, you know, this rate increase that we are hearing about is just not going to fly. We just can't afford it. The farmers and ranchers of this whole region, there is just too little room for more and more taxes on this timber and rangeland and we have been through this a year ago and even before that, but I know we are still trying to find a permanent fix. You know, the landowner community, we are on a personal basis with you guys, state forestry, you know you guys can call me and I can call you and when stuff starts happening, we are all a band of brothers and sisters and it's pretty cool, it's a great a partnership. But I think that what's happening with the, you know, I don't want to say overregulation, but over taxation, with the westside particularly is stressing that relationship. Not you folks personally in our communities, but definitely as a department. You guys can only do what we you can do and that frustrates the hell out of us, too. We realize you are in a really tough spot and we support you immensely and we have said that 100 times over. It is really stressful for all of us to have to be in the situation we are in again, this isn't the first time. The relationship you guys have with us and the resources you guys have for us, it makes a great, we all have resources and we all have abilities and we know how to activate the system and it's pretty cool, it's way cool. But we need each other bad, but right now this is really straining the relationship. I'm going to kind of blow through these. We are real frustrated because, you know, it's a bunch of farmers and ranchers and we are pretty proud, not arrogant, but we're proud. We are really frustrated that we don't get recognition of all the contributions that we do just by being landowners and good stewards of the land, that the whole state reaps the benefit of, that's from clean air to clean water to soil conservation to carbon storage, all which comes with no compensation, no explanation why our rates keep going higher and we keep providing more and more and more. Not only for the state, but especially for our small communities, our rural communities that are suffering. Like I said, we are all proud people in all these communities but it's straining on everybody. We are all spending time trying to find a solution. It's pretty tough. When a fire call comes out, we are all hands on deck, we all get together. I've been on these fires with you guys, forest service, too, but mostly you guys. When you pull up to a fire, you got ODOT, you got the sheriff's department, law enforcement, state police, whatever, and they are all looking for leadership coming from you guys. No pressure, huh? But truly, you guys are the

white hats, you are the calvary. It shows in every department, like I said, from law enforcement to traffic control to the people in the news media. You guys are our heroes out there and we can't afford to lose you and that pretty much goes unsaid and I've seen that for years and years and years. I don't know if I said, but we have been a landowner down there in south Union County but in the Powder Valley, Baker Valley if you want to call it, we prefer Powder, but we have been there 31 years and we have been a neighbor to state property, ODF&W, which borders the Wallowa-Whitman, so we have a huge amount of risk, even though **east face has helped out**. We are not safe because all the east face on the ODF&W has been up against the national forest and that's the first place you need to start I realize. But a lot could happen. We've got 5,000 acres next to our timber and a lot can happen between where the east face quit and we start. So you know, it's all good but we need a lot more to be done. What else? I think that's pretty much all of it. I guess it goes back to the west is changing, changing bad in some places and some it's, there are very fortunate people to have the money to go and buy out ranchettes and they've earned it and they deserve it. But it's also fragmenting the state and it's causing more issues, you know, the WUII, the urban growth boundary and it seems like that all adds up to the issues the state is facing. It was that way 20 years ago when I was on the board. I can't imagine what it's like today. I remember when I took those tours, Deschutes County and Coos Bay and everywhere else. So I can only imagine what you guys are up against. So I really understand how state government works and sometimes it damn sure doesn't work. We are just trying to find a solution that is going to last. Something that is fair and equitable to the landowner community, you know, to understand who we are and what we stand for and the contribution we make not only to our communities through timber dollars or agricultural dollars or employment or equipment sales and all the different things that keep these little towns going and the not so little ones and we are a big part of that and we are just trying to figure out a way that it can be fair and equitable to, like I said, the landowner community. I'm speaking for basically the timber and rangeland but our farms are intermixed with all of it at the same time. I guess that's about it. I just wanted to get that down on the record and if you have any questions I'd sure answer them or any clarity.

**Voice:** No, that's great Chris, thank you.

**Heffernan:** Glad to try and be part of the solution.

Mr. Heffernan came back in with a part he forgot to mention...

**Chris Heffernan:** It's real critical land. You know. It's where the nesting, strutting, you now, the nurturing of all the baby animals, the rutting, it's a lot of that **edge** country. It's more than that, too. It's hands up **the top of Jarbo** down to the valley floor, but it's real critical wildlife country, huge. I mean, when you think about winter survival, spring, you know, fall, preparing the animals for the winter. And that's game and non-game species. The whole state benefits from that. That is something we don't get any credit whatsoever from. You know, it's a contribution that we give willingly, it's part of what we do. But it would be nice to, you know, when all this stuff keeps piling on us, how about getting credit for what we do do? Other places of the state aren't that either privileged or they are just not in that resource arena, but I just want to put

that out there, the people you guys protect, the lands you protect, including state lands, the industry is huge. It's got a huge value to society. Not just the hunting community. Not just, you know, Audubon or whoever. It's used for everybody. We are proud of that. We're honored to be, you know, those landowners. But it comes time when we feel like the burden of that is getting too great, and like I say the fragmentation on the left happens, because of these kinds of issues, economics and pretty soon everyone wants a little piece of the rock or a big piece of it and pretty soon people, and that's not a threat at all from me or my boys, but pretty soon people are tired of fighting it. They are like, you know what, we are going to cut out a chunk. Or we are going to do something. We are going to start fee hunting. We are going to start, instead of doing the hunt of a lifetime or the kids hunts, the youth hunts and different things, they say, you know what, we are going to start fee hunting. I'm not against fee hunting, but we have just found a better way to give back to God and country rather than just monetarily. We have donated hunts for 31 years on that place. It's very fulfilling as a landowner. But all that is part of who we are as landowners and our contribution to the state of Oregon and the general public. And so I just want to kind-of throw that out there. We're not trying to be nitpicking and we're not looking for a handout, but we want to definitely be able to help people understand who we are, what we stand for, why we do what we do and why the relationship between the state and the private landowners, how it affects all Oregonians and the environment be it water or wildlife or whatever. That was it. I had forgotten that part and anyway, I just wanted to throw that out there.

**Voice:** Thanks, background noise.

April 17, 2023

Cal Mukumoto  
State Forester  
611 20<sup>th</sup> Street  
La Grande, OR 97850

Re: Northeast Oregon District FY 2024 Protection Budget

Dear State Forester Mukumoto:

Please accept the following as suggestions, advice and objections to the proposed Northeast Oregon District (NEO) Protection Budget. As a longstanding member of NEO Budget Committee I have carefully reviewed the proposed budget and find it unacceptable as presented to the committee on April 10, 2023. For the first time in 30+ years of service on this committee, I voted NOT to approve the budget.

District Forester Howard was directed by Mike Shaw, Chief of the Fire Protection Division, to prepare FY24 budgets implementing 17 precise points for inclusion. This is meant to be an adequate level of protection budget for the "average worst" fire season". (Attached).

Forester Howard prepared the NEO budget as directed and presented it to the budget committee for approval as usual. The budget committee members, after much discussion and careful consideration, voted unanimously to NOT to approve the budget, due to excessively large rate increases.

Although the NEO budget provides a high level of protection, possibly much more than adequate, it is simply too expensive for private landowners to afford. The FY24 private land timber rate is \$2.31 per acre, a 34.1% increase and for grazing it is \$.723 per acre, a 58.4% increase. These rates dramatically exceed the amount that private landowners are able to pay for fire protection.

When analyzing the budget and determining the cause of these dramatic rate increases, it is not the total budget amount increase but rather how the assessment is made that determines the landowner rates. For FY2021-2023, one of Governor's and legislatures' top priorities was to reduce wildfires in the state. With that in mind, they included a landowner offset of \$15 million to help fund SB 762 section 30a and the 2021-2023 LAB POP 101 positions in the biennium. For FY24 the requested \$14 million in offset funds, POP 111, were not included in the governor's budget, although the continued costs are included in the budget as presented. Now the private landowners are left to makeup the \$14- \$15 million with virtually no ability to control costs. If the \$14 million additional costs are necessary for an adequate level of protection, then those funds should be included in the State Forester's base budget, not as a Program Option Package. Otherwise, the SB 762 section 30a and the 2021-2023 LAB POP 101 expenditures appear to be optional.

If wildfire control is a statewide issue, and I believe it is, as did the former governor and previous legislature, then all the citizens in the state should help to bear the costs of the legislatively mandated increases in wildfire protection. Without the landowner offset as it is poorly named, the costs of the



increases in service are born only by the private landowners. This unfunded mandate is unfair to landowners and just plain wrong! There needs to be a permanent general fund solution developed. ODF FY 2024-2025 POP111 requested a one-time funding of \$14 million to allow for continued stakeholder (*private landowner*) and legislative conversation on the full extent of the SB762 investments. This “conversation” needs to happen before the FY24 budgets are finally approved. The \$14-15 million needs to be made a permanent funding investment if the SB762 personnel and equipment investments are continued to be permanently.

If the SB762 landowner offset is not included in the budget by the Ways and Means Committee, the budgets need to be reevaluated and the Policy Option Package (POP) 101 and 762 obligations need to be omitted from the NEO FY24 protection budget. There will still be an adequate level of protection for the district without those resources, albeit not “optimum” adequate.

Please keep me advised as this process goes forward to the Board of Forestry. This is a critical juncture for wildland fire protection on private lands. We have a complete and coordinated fire protection system in NEO and I would hate to see it fall apart due to landowners not being able to afford the ODF fire fighting services.

Sincerely,

Robert Messinger

67876 Hunter Road  
Summerville, OR 97876

Copy:

Senator Hansell  
Senator Findley  
Representative Levy  
Representative Owens  
Representative Smith

Attachments:  
ODF budget instructions  
ODF POP111

**From:** [Bobby Corey](#)  
**To:** [RINKER Kay \\* ODF](#)  
**Subject:** SB 762  
**Date:** Monday, April 24, 2023 3:42:11 PM

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Dear State Forester Mukumoto,

I am submitting written testimony regarding funding issues related to SB 762. SB 762 provided funding for positions within NEO and the other areas of the state that were needed and added to our adequate level of protection. However, funding for these positions needs to continue to be funded by the Governors budget not by the landowners. Landowners rates will skyrocket and get to the point where some landowners can no longer afford to pay for protection. That scenario not only hurts ODF, neighboring landowners, our federal partners, and all Oregonians. Please continue to push for the landowner offset of \$15 million to be picked up in the Governors Budget.

Thank you,

Bobby Corey  
Cunningham Sheep Company  
Sent from my iPhone

**From:** [Chris Cunningham](#)  
**To:** [RINKER Kay \\* ODF](#)  
**Subject:** Landowner offset  
**Date:** Monday, April 24, 2023 3:32:56 PM

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As a landowner and agricultural producer in NE Oregon I employ the powers at be to restore the 15 million dollar landowner offset. These funds are essential to keep family farms healthy and prospering.

To burden these grass and timberland owners with these huge tax increases at a time when net farm income is shrinking is unconsiabile.

Financially stable family farms provide abundant clean air, a home for many species of wildlife and perhaps most importantly provide landscapes that capture carbon.

Chris Cuningham  
Enterprise, Oregon

**From:** [Henderson Logging](#)  
**To:** [RINKER Kay \\* ODF](#)  
**Subject:** Letter to State Forester Mukumoto  
**Date:** Monday, April 17, 2023 1:40:11 PM

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April 17, 2023

Cal Mukumoto, State Forester  
Oregon Department of Forestry  
2600 State Street  
Salem OR 97310

State Forester Mukumoto

As a private timber land owner/pasture land owner I am concerned about the drastic rate increase on our protected lands. With respect to next year's budget (4y 24) senate bill 762 with out State General Fund offset puts private land owners at risk of being able to pay.

Northeast Oregon ODF has my full support for their excellent services. They do a great job in suppressing fires while they are small. The problem we face is the ever-growing large U.S.F.S fires burning on to private lands thus increasing our private costs. SB 762 has provided help but we feel it is an Oregonian benefit, not private land owners, such as smoke, loss of wildlife habitat, water issues, carbon issues and soil erosion. I feel that the general public needs to continue to pay for SB 762. When our Salem costs have went up 55% for additional efforts. It put a huge burden on private land owners.

We appreciate what ODF has done for us and we hope to have future support from them if we can afford their help.

Thank you for your consideration on this matter.

Elwayne Henderson  
Land Owner

Henderson Logging, Inc.  
Controller  
75241 Upper Diamond Lane  
Wallowa, OR 97885  
541-886-3141

**From:** [Joseph P. McElligott](#)  
**To:** [RINKER Kay \\* ODF](#)  
**Subject:** SB 762  
**Date:** Sunday, April 16, 2023 8:23:54 AM

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I am in favor of restoring landowner offset funding for Oregon Dept. of Forestry of \$15 million dollars. The current rates are punitive to private landowners and near the breaking point for businesses trying to make a living of this property. It is only fair that residents of Oregon help out with offset funding as all residents of Oregon benefit from fire control provided by ODF.

Joe McElligott  
Ione, Oregon

April 22, 2023

Cal Mukumoto  
Oregon State Forester  
2600 State Street  
Salem, OR 97310

The Northeast Oregon District Budget Committee, on April 10, 2023, unanimously agreed to NOT approve the proposed FY24 fire budget. Last year we reached out to you with our concerns about the base level of costs of fire protection and made it very clear and transparent about our position at that time. (See attached letter) The rate increase in the FY24 proposed budget is now beyond the ability for many eastern Oregon landowners to afford.

The fire concerns that we are having in our region are actually statewide issues that affect all Oregonians, fueled by severe droughts, limited management of neighboring federal lands, and the historical wildfire behavior that occurs during the peak of fire season. The vast majority of private non-industrial and industrial lands in the state of Oregon are sustainably managed and have an elevated level of resiliency to catastrophic fire events. These managed lands, which are spread across the entire state, come with highly valuable attributes including clean air and water, soil conservation, outdoor recreation, carbon sequestration, and habitat for game and non-game species. These landowners receive little to no recognition or compensation for these attributes.

We encourage you to assist in making the landowner offset in SB762 permanent, as we need to develop a solution that is fair and equitable. This is critical for a successful long-term relationship between private forest and rangeland owners, and the citizens and state of Oregon. The private landowners in Northeast Oregon simply cannot afford the "Adequate Level of Protection" budget that was presented to our committee. Without an adequate level of protection, all federal and private forest and rangelands in the northeast Oregon district will be seriously threatened with uncontrolled wildfire and the resultant loss of resources and values.

Sincerely,



Chris Heffernan

Chairman, Northeast Oregon District Budget Committee

Attachment: NEO Budget Committee 4-25-22 letter

April 25, 2022

Cal Mukumoto  
Oregon State Forester  
2600 State Street  
Salem, OR 97310

Our local Northeast Oregon ODF District has our full support as they continue to provide an exceptional level of service. The NEO District is very successful at catching fires during initial attack and extended attack and strives to balance the ever-increasing demands with the need to minimize costs as best as possible.

The Northeast Oregon District Budget Committee is writing to you to express our sincere and deep concerns about the current and future costs of the base level of fire protection. The costs incurred by landowners who own forest and grazing lands in northeast Oregon are becoming increasingly unaffordable, and short of immediate action will likely soon be truly unaffordable. This same concern was previously raised and addressed in part by passage of the Wildfire Protection Act (WPA) of 2013, but since that time, the costs of paying for an “adequate level of protection” at the local District level have outpaced the relief provided by the WPA.

The rates (costs) incurred by landowners for the current fiscal year (2023) increased to the point that some members of our Budget Committee struggled to approve the proposed budget. Our Budget Committee consists of nine landowners from the four main counties that are represented in the Northeast Oregon District, half who predominately own grazing lands and half who predominately own forest lands. While the budget did ultimately pass as presented, it wasn't without serious deliberations and a cautionary note for the next years FY24 budget.

With respect to next year's FY24 budget, the Budget Committee is aligned around the fact that additional increases in the rate will be very difficult to accommodate. Additionally, without the continuation of the General Fund (GF) “offset” of the increased SB762 capacity, the Budget Committee will almost certainly not approve the FY24 budget because of an extraordinary and unaffordable increased and unreasonable cost to the landowners in the NEO District.

We ask that you strongly consider our position on this matter and work to make the SB762 credit a permanent fixture in District base level budgets. Without this credit, we believe that private landowners with working forest and range lands in northeast Oregon will be unable to afford the costs of fire protection. Unfortunately, to afford such costs some landowners will likely seek uses other than grazing and forest harvesting, such as development, to pay for protection. In some cases, this may also lead to landowners seeking a less costly alternative to fire protection than that provided by ODF.

Even making the general fund credit a permanent fixture in the NEO District's base budget doesn't solve the challenge of the ever-increasing costs of fire protection, which are outpacing our ability to pay for those costs. We continue to be frustrated by a system where we incur 50% of the base level costs yet have no voice in, such as the recent cost of living increases, area support, state office support, pandemic pay and other payroll expenses. These unfunded mandates are going to continue to raise the rates with little to no landowner input at this point.

We would like to stress again that we are very grateful for the level of service and protection we are receiving from the Northeast Oregon District. We have a very good relationship, and we believe they have our best interests at heart. However, our ability to financially support this District is becoming cost-prohibitive and we want to stress to you that a fair and equitable level of protection must be achieved to maintain working forests and grazing lands in northeast Oregon.

Thank you for your consideration,



Chris Heffernan

Chairman, Northeast Oregon District Budget Committee

Oregon Department of Forestry  
BUDGET 2024 PUBLIC HEARING

April 28, 2023 9:00 am

- Meeting attended by:
  - Chris Cline - District Forester, South Cascade ODF
  - John Flannigan - Unit Forester, South Cascade Eastern Lane ODF
  - Renae Meyer – District Business Manager, South Cascade ODF
  - Kenny Rose - private landowner
  
- Meeting called to order at 9:00 am by District Forester (Chairperson) Chris Cline at ODF South Cascade District Office – 3150 Main Street, Springfield, OR 97478
  
- District Forester described procedures and purpose of hearing as set forth in ORS 477.245, 477.255 and 477.260.
  
- District Forester asked if visiting landowner would like to provide any written and/or oral testimony regarding the hearing?
  - Private landowner had no written or verbal comments to make and simply wanted to show up to witness the process and see who else may attend to make comments. (Of Note: Mr. Rose is an active Board Member of the Eastern Lane Forest Protective Association and also a small woodland owner paying fire patrol assessment to the South Cascade District)
  
- No other parties showed up for the budget hearing.
  
- Meeting was adjourned at 9:30am, April 28, 2023.

Respectfully submitted by Renae Meyer 4/28/2023



**MINUTES OF PUBLIC BUDGET HEARING**

Covering Period: July 1, 2023, to June 30, 2024

Protection unit Walker Range Patrol Association

In accordance with ORD 477.255, the Public Budget Meeting for the above

named fire district was held on April 28, 2023, at 3:30 pm,

At Walker Range Conference Room, in Gilchrist Oregon.

Mr. Keith Little acted as Chair.

Mr. RD Buell acted as Secretary.

**The following persons were in attendance:**

<u>Keith Little</u>	_____
<u>R.D. Buell</u>	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

The meeting was called to order by the Chair at 2:30 PM with an explanation of the purpose of the meeting. The Chair invited comments/discussion relative to budget or protection matters from those present.

The meeting adjourned at 2:45 PM

Signed Keith Little

Secretary R.D. Buell

Attachment #

FY 2024 Public meeting  
minutes April 28, 2023

CALL HEARING to order by Keith Little  
BOARD President at 1:30 PM at Walker  
Range office, NO attendance, but  
WALKER RANGE HAS TWO appeal letter  
TO THE FY 2024 presented to Walker  
Range PRIOR TO Public meeting AND  
one letter FROM THE BOARD OF WALKER  
Range signed by the ASSC. President  
meeting adjourned @ 2:45 PM

SECRETARY  
M. Brall

4-28-2023

Chair Kelly and members of the Oregon State Board of Forestry:

RE: Appeal of Fiscal Year 2024 Budget

EFM Advisory & Investments Inc., a member of Walker Range Fire Protective Association supports the FY 2024 Walker Range Fire Protection Budget at an adequate level of protection.

I represent EFM Advisory & Investments Inc (EFM) as a board member of the Walker Range Fire Protective Association (WRFPA). EFM is invested in protecting our communities and working lands from the threat of wildfire. A key component of this commitment is keeping fire protection affordable. Excellent cooperation and understanding between WRFPA and the Klamath-Lake District has been the hallmark of discussions as we collaborate on funding this unique fire protection system.

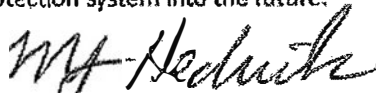
The Governor's Recommended Budget (GRB) for the Oregon Department of Forestry (ODF) does not continue the \$15 million of General Fund contributions allocated to ODF in Senate Bill 762 (SB762) to offset landowner rate increases for additional firefighting capacity to address statewide needs. Instead, the GRB budget shifts those costs on to private landowners. This is in direct conflict with the spirit of SB762, which was a recognition that wildfire is an all-Oregonian problem deserving of statewide policy and investment solution.

As a result of not continuing the General Fund offset for SB762 capacity EFM's landowner rate is seeing a historical increase of 4.5 percent for the WRFPA. While every landowner's situation is different, in most cases the cost of fire protection especially on the eastside with low productivity, limited logging and milling infrastructure, and high wildfire potential has created conditions where the expenses exceed the revenues. Our timberland is quickly becoming a liability rather than an asset. If the policy of the State is to keep forests as forests, then there must be recognition that additional funding be made available now and on a permanent basis.

The WRFPA Board had to make tough choices this budget cycle in deciding to not fund needed maintenance projects and the motor pool. These options in budgeting are the few the Board has control over with the main budget drivers out of their control.

To be clear; EFM's concerns of the FY2024 fire protection budget does not in any way diminish our profound appreciation, respect, and thanks for the outstanding work the Klamath-Lake District provides every year.

EFM asks for whatever assistance you can provide to help secure SB762 offset funding without compromising other elements of the system, and ultimately provide an affordable, efficient, and durable protection system into the future.



Mary Jo Hedrick  
WRFPA Board Member  
EFM Fort Rock Property Manager

April 28, 2023

To: Governor Kotek  
Board of Forestry  
Cal Mukumoto, State Forester

Appeal of Fiscal Year 2024 Budget

As a rancher and landowner within the Walker Range Forest Protective Association jurisdiction, an increase of the ODF protection budget from Salem is unacceptable and an added burden on honest, hardworking taxpayers.

I am a board member at Walker Range. We approved and support the budget increases towards Walker Range's adequate levels of protection. The Walker Range Board will approve the Fiscal Year 2024 protection budget but respectfully request that our State Forester take aggressive action to adjust the pro-rated assessment within the budget for ODF costs.

It is a concern that if this funding model is not adjusted, we fear landowners will not be able to support any adequate levels of protection, statewide.

It is my understanding that the additional offset was supposed to be funded by Senate Bill 762. Please reconsider and reinstate this funding as it was intended.

Sincerely,



Theresa Cliff  
Bell A Land and Cattle Company  
P.O. Box 97  
LaPine, Oregon 97739

**From:** [FORESTRY Boardof \\* ODF](#)  
**To:** [HOPKINS Levi A \\* ODF](#); [HOLSCHBACH Tim J \\* ODF](#)  
**Subject:** Fw: Oregon Department of Forestry Appeal Letter and Request for in Person Appeal  
**Date:** Thursday, May 11, 2023 11:59:59 AM  
**Attachments:** [ODF Letter.pdf](#)

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**From:** Ian Fladoos <ianfladoos@hotmail.com>  
**Sent:** Friday, May 5, 2023 1:12 AM  
**To:** FORESTRY Boardof \* ODF <boardofforestry@oregon.gov>  
**Cc:** NAIRNS Kiel R \* ODF <kiel.r.nairns@odf.oregon.gov>  
**Subject:** Oregon Department of Forestry Appeal Letter and Request for in Person Appeal

Hi,

I am a private land owner and have attached a letter for your consideration in appealing the tax increases proposed by ODF.

I am also requesting an in-person appeal meeting during the June Board of Forestry meeting. I am only available on June 7th. How can I get confirmation for this meeting?

Please see attached letter.

Thank you,

Ian Fladoos  
(971) 200-0437

Ian Fladoos  
35400 SE Buena Vista Street  
Sandy, OR 97055  
May 4<sup>th</sup>, 2023

To Whom It May Concern:

My name is Ian Fladoos and I am a proud, born and raised Oregonian who enjoys everything this State has to offer. My family enjoys everything from a nice dinner and riverwalk in downtown Portland to foraging for mushrooms, hiking, biking, and all indoor/outdoor activities. My family and I are proud of this State and hope through open dialog and transparent communication, we can help all members of our communities.

The topic I am addressing today has to do with the global problem of the increasing occurrences of wildfires and the way we handle funding to protect our forests, wildlife, people, and communities.

**Scope of the Problem:**

- Wildfires negatively impact **ALL** Oregonians. From the quality of the air that has health implications, like lung disease, dizziness, headaches, and allergies to school closures, sports closures, and overall deterioration of our quality of life during peak fire season including clean water, erosion, visibility, landslides and much more.
- Global warming is a problem that everyone must collaborate on and address together.
- All Oregonians enjoy our wilderness, parks, and outdoor activities. Forcing only Farmers and Ranchers to pay 50% of the costs associated with firefighting is an unfair business practice and tax.
- All Oregon residents should help contribute to the cause and we should not be singling out one group over another.
- The increased taxes on private landowners are unsustainable. There is a proposed 209% increase from FY22 to FY24 just for the Oregon Department of Forestry fees on private grazing land.
  - o This is not acceptable by anyone's terms.
    - Example: If you own a \$500,000 home and the State came to your family and said your property tax is being increased from 1.5% to 3.14% (an increase of \$8,200). How would this make you feel? This is exactly what is taking place today relative to the increased taxes to private ranchers and farmers for the Oregon Department of Forestry.
- The new Senate Bill 762 was established for all Oregonians, but 50% is being paid for by a small group of Farmers and Ranchers as there were no general funds set aside for this year or subsequent years.

Today, I will focus on two bills that must change. We must discuss how they are being funded and implemented as well as who is responsible to help pay for and protect our health, communities, environment, personal property, generational farming, and local jobs.

**The Oregon Forest Land Protection Fund (OFLPF):**

- Unfortunately, this is an antiquated agreement that was established long ago. OFLPF is now being used to weaponize the increased fire associated costs to private landowners that the ODF is incurring due to new regulations set forth by Senate Bill 762.

- Oregon is an outlier compared to all other States in the USA.
- No other State forces Farmers and Ranchers to cover 50% of the firefighting and fire prevention costs.
- The Oregon Department of Forestry has proposed a 209% increase in taxes/fees to landowners between FY22 and FY24.
- The original intent of OFLPF has been forgotten and is now being used to cover increasing costs that instead should be subsidized by our State and general funds or through some other means.
- In Oregon, most fires are caused by lightning strikes on Federal lands, yet private landowners are being forced through excessive taxation to cover a substantial deficit in ODF funds because of SB 762.
- Private landowners and ODF cannot (any longer) fund 100% of the annual costs to fight or try and prevent fires.

**Senate Bill 762 (SB 762):**

- The intent of this bill was great. All Oregonians want clean air, healthy forests, and abundant wildlife. This means all Oregonians should help subsidize the costs associated with SB 762
- However, this newly introduced bill is now unintentionally increasing taxes and forcing farmers and ranchers to cover the lack of funding necessary to achieve the goals and original intent of SB 762.
- SB 762 was intended to be State funded and last year the general fund offset a debt of \$15 million. Going forward, this debt is being directly extended to Farmers and Ranchers who are not the only people who benefit from the positivity coming from SB 762. Others need to pay their fair share, or this bill needs to find other ways to be subsidized.
- Where is the funding coming from for the subsequent years? Without this offset being approved in FY24 (and beyond), landowners will not be able to sustain their livelihood and may lose generations of history and family farms/ranches.
- How is it fair to revert and force Ranchers and Farmers to cover 50% of the costs that State Bill 762 forced on ODF?
- ODF is left with no way to pay for the increased costs from SB 762.
- Due to SB 762, ODF has resorted to extending their over budget operations to an archaic, unprecedented agreement (OFLPF) established in the 1970's.

**Personal Implications to the excessive taxes from ODF, OFLPF and the Salem Protection Admin Rate:**

- I own 2,478.24 acres near Mt Vernon Oregon.
- My land is mainly grazing acres.
- I currently pay 78% of my total property taxes to the Oregon Department of Forestry (ODF) for fire services. 78% of my total property tax is an excessive expense for fire services.
- The proposed ODF tax increase for grazing acres of 209% from FY22 to FY24 is an unfair tax and burden to put on anyone, let alone Farmers and Ranchers for services that all Oregonians benefit from (SB 762).
- This 209% rate increase over 2 years does not include:
  - o \$.075 OFLPF rate hike.
  - o \$0.745 Salem Protection Admin rate hike.
- All these unwarranted tax increases equate to nearly \$10,000 of personal tax increases over a short two-year period.

I urge all of us to find a solution to these staggering numbers that will debilitate Oregon Ranchers and Farmers. There is no end in sight to these unfair tax increases and it seems that people think it is ok to allow ODF to abruptly pass these expenses to landowners.

**Near Term Request:**

- Please immediately reinstate the \$15 million landowner offset from the General Fund to prevent these excessive taxes. Many families are living paycheck to paycheck, nobody should have their taxes raised by 209% over a two-year period let alone a lifetime.

**Long Term Solutions:**

- Remove or revise the Oregon Forest Land Protection Fund (OFLPF).
  - o The is an antiquated approach to managing our Federal, State, and Private lands for fire protection.
    - Research bordering States and develop a new plan that is fair for private Farmers and Ranchers and develop an approach to contribute to fire protection may be reasonable.
    - A small price per acre fee may be reasonable.
- Revise State Bill 762 and establish a new funding approach.
  - o SB 762 was established for all Oregonians to benefit from. It helps protect our forests, wildlife, people, and communities.
    - All Oregonians (not just Farmers and Ranchers) should contribute to the expenses in protecting our Forests. A minimal tax on all wage earners may be reasonable.
    - Establishing a permanent solution to apply General Funds to pay for the parameters and requirements contained in SB 762 is reasonable.
    - Lean on our state representatives, Governor, Senator for lobbying our federal government to help subsidize our fire protection services contained in SB 762 is reasonable.

**Sincerely,**

**Ian Fladoos**





May 31, 2023

Cal Mukumoto, State Forester  
Oregon Department of Forestry

VIA EMAIL ONLY TO: [kiel.r.nairns@odf.oregon.gov](mailto:kiel.r.nairns@odf.oregon.gov)

RE: FOREST PROTECTION DISTRICT BUDGET APPEAL

**NO HEARING REQUESTED**

Dear Mr. Mukumoto:

Picnic Creek Ranch, LLC (PCR) by and through member Shaun W Robertson, herewith files this appeal of the Oregon Department of Forestry (ODF), Central Oregon District's (COD) proposed fiscal year 2024 budget as per ORS 477.260 and OAR 629-041-0035. This appeal is timely since it was filed within 30 days of the COD's public budget meeting held on May 2, 2023 in the ODF district office in Prineville. Appellant has standing to file this appeal since Picnic Creek Ranch LLC owns lands in Grant County that are assessed Fire Patrol Taxes.

Appellant seeks a remedy that: 1) reclassifies certain of its lands; 2) removes certain of its lands from classification entirely; and 3) returns their individual fire patrol assessment on the revised classifications to pre-Senate Bill 762 levels (FY21).

**Preface & General Remarks:**

Today's woke institutional culture seems to demand that anyone judging popular public policy or the service of public servants must apologize beforehand or risk being "cancelled". I don't feel that compulsion. Support for local ODF staff, particularly the fire crews, and criticism of the budget that funds their services are not mutually exclusive and disapproval of the collective system is not synonymous with disparaging individuals. The common refrain among politicians that "landowners don't want to pay for fire prevention until they need it" is specious. Protesting exponentially escalating costs, particularly those that fund functions with little to no relationship to actual fire suppression, is not commensurate with "not wanting to pay anything". In fact, landowners pay plenty, including personally funding an unceasing stream of, often schizophrenic, demands from Oregon officials—elected or otherwise.

In addition to our ongoing land stewardship obligations that allow us to produce goods and services in demand by the general public for sale in the private marketplace—in a state that highly disincentivizes the free market—we are required to shoulder the many burdens of landscape conservation, provisioning the highest quality aquatic and terrestrial habitats, restoring vegetation, increasing carbon sequestration, improving water and air quality, securing endangered species habitats, providing public recreation, contributing to generous employee

programs, and etc. *ad infinitum*. Our “reward”? More regulation, new taxes and assessments (even for complying with mandates such as recovering vegetation), and constant criticism from people who not only can’t do what we do but are incapable of ever defining what is “good enough”, but who are totally certain that they know exactly what is wrong with our honest efforts.

Fundamentally, it's a broken system and Oregon’s tax and spend, fire prevention and suppression scheme is great example of the old adage that you can’t expect different results from doing the same things over and over.

### Issues:

- Oregon’s stated forest policy (ORS 477.005) is the “preservation of the forests and the conservation of the forest resources through the prevention and suppression of forest fires”. To accomplish the purpose of this policy, the State has declared that the primary mission of the ODF’s “complete and coordinated forest protection system” is, in order of priority, “saving lives” and “protecting forest resources”. Structural protection is only an “indirect” benefit of meeting the mission priorities and “shall not inhibit protection of forest resources”.

Yet, at least viewing ODF from outside the agency, it seems that each year ODF moves further from its core statutory mission not only by emphasizing suppression at the expense of prevention programs<sup>1</sup>, introducing certain personnel management measures that are unrelated to saving lives and protecting forests, growing its “leadership and administrative” and “business” services, and by adopting facilities and equipment standards that are far beyond what is minimally acceptable and reasonable to accomplish a basic and reasonable level of fire protection services<sup>2</sup>. At a recent meeting to discuss rural fire programs, an individual closely associated with one of ODF’s fire programs remarked that ODF ‘can’t get rid of barely used equipment fast enough so that they can purchase all new stuff’. Just a common rural myth? Perhaps. Although popular enough to maybe hold some truth—especially in the era of COVID and “inflation reduction” spending amounting to trillions in new public debt.

Regardless, as the chair of the NE Oregon District Budget Committee Chris Heffernan stated in his excellent protest letter of April 25, 2022 “[w]e continue to be frustrated by a system where we incur 50% of the base level costs yet have no voice in, such as the recent cost of living increases, area support, state office support, pandemic pay and other payroll expense”. Those are costs passed by a predominantly Democrat legislature and have nothing to do with the statutory base level of fire protection.

If the Legislature desires ODF to have the nicest offices, latest equipment, salaries that exceed the private wages paid in the rural communities where they work, expanded employee

<sup>1</sup> Such as administrative support for controlled burning efforts on private land.

<sup>2</sup> These issues and more are identified each budget cycle by landowners, the general public and ODF themselves (e.g., “Issues to the Base Budget” [FY2013-15 Fire Protection Program budget narrative] which highlighted conflicts created by inequitable and disproportionate funding in eastside forests to mission creep as a result of changing policies) without resolution.

benefits<sup>3</sup>, cost of living allowances that exceed inflationary rates being paid for goods and services by landowners, service provisioning beyond core mission<sup>4</sup>, and a new focus on the urban-wildlands interface, then the Legislature should come up with funding from the general public since those benefits have little to nothing to do with the actual costs of annual fire prevention and suppression and are not widely demanded by landowners.

- Central to ODF's fire patrol assessment scheme is its Forestland Classification, which requires a "periodic investig[ation]" and study of all lands within the boundaries of the county to determine which of the land is "forestland". Furthermore, this determination is to consider such facts as climate, rainfall, fire hazards, and economic and social factors relating to the land, among others (ORS 526.320). In addition to a required hearing, affected landowners have the right to appeal final classifications.

The forestland classifications for Grant County have not been updated since the 1960's (pers. comm. with ODF staff in Salem and John Day). Even a superficial search immediately turns up relevant studies, reports and other documents prepared by the State, including ODF's prior budget narratives, replete with declaratory evidence that climate, fire hazards, and other forestland classification determining factors have all changed dramatically over the last decade.

Since ODF, through the counties, assesses costs to landowners based on the forestland classification and since the forestland classification is outdated and may no longer be relevant or valid, ODF's assessment may contain serious flaws that impact individual landowners as well as how costs are spread across the private landscape.

Regarding PCR's property specifically: 1) ODF has classified and is assessing land that is presently farmed and irrigated (see attachment 1) such that the land does not meet the definition of "forestland" (OAR 629-045-0035(6)); 2) land that is classified and assessed as Class 2 has been cleared for agricultural uses other than farming and is being managed to support vegetation that does not include tree species native to the locale and, therefore, should be reclassified to Class 3 and assessed at a lower rate (OAR 629-045-0030(4)(b)); 3) stocking levels and yield capability of certain lands classed as Class 2 appear to have substantially less incremental growth than potential site productivity as described by the literature<sup>5</sup>; 4) some classified lands enclose areas of less than 40 acres in size (OAR 629-045-0040 (1)(b); attachment 2).

<sup>3</sup> For example, Oregon ranks tenth out of all fifty states in providing government employee pension benefits, thirteenth in average employee benefits in dollar terms, and thirteenth in average annual compensation for government employees with compensation rates 26.3% higher than compensation for comparable jobs in the private sector. Biggs, Andrew G. PhD. 2022. State employee compensation in the fifty states with a special focus on Connecticut. Rpt prepared for Nutmeg Research.

<sup>4</sup> E.G. "climate change", "social equity and environmental justice", and etc., which are State initiatives

<sup>5</sup> Which has substantially different criteria than that established by the ODF for all forestlands. See Powell, David C. 1999. Suggested stocking levels for forest stands in northeastern Oregon and southeastern Washington: an implementation guide for the Umatilla National Forest. USDA For Serv PNW Reg. F14-SO-TP-03-99. And Powell, David C. Site productivity estimates for upland forest plant associations of Blue and Ochoco mountains. USDA FS PNW Reg. F14-SO-WP-SILV-5.

- A portion of PCR’s property zoned both Class 2 and 3, has a divided timber estate (attachment 3). Under Oregon statute, severable interests owned separate from the realty are not subject to taxation or assessment (ORS 308.115). PCR previously attempted to resolve this issue with ODF staff directly (attachment 4) but were informed that a separate assessment would require permission of the severed estate owner. That opinion is not consistent with the applicable statute.
- Oregon is one of only two western states that uses an outmoded model of landowner assessments for fire suppression<sup>6</sup> while other states either use landowner assessments for fire prevention programs or do not assess landowners directly at all. Oregon’s static forestland classification system treats landowners similarly, regardless of management, with no crediting system for positive stewardship that lessens fire risk or increases individual fire suppression capacity<sup>7</sup>. Furthermore, this seriously flawed funding model focuses on treating symptoms, not causes. On average 13,300 acres of ODF protected lands burned from 2003 to 2012 but from 2013 to 2022, that rate increased 800% to 119,864 acres burning each year<sup>8</sup> and ODF’s budget for suppression exploded accordingly<sup>9</sup>. These serious failures, combined with constantly expanding unfunded missions (for agency staff) and mandates (for landowners), inherent disincentives for cost controls, and enlargement of-and attention to-the wildland urban interface (attachment 5) creates a highly inequitable system that disadvantages forestland owners<sup>10</sup>.
- ODF is laying blame for its significant increase in private assessments largely to the unfunded mandate from the 2021 Oregon Legislature who “...required an ‘increase in overall wildfire response capacity’ through Senate Bill 762”. However, ODF is overlooking--unintentionally or otherwise--the proviso of section 30a that exempts increasing capacity when financing is not provided:

- *Wildfire Response Capacity*

Section 30a. The State Forestry Department:

....

*(2) Shall increase the department's wildfire readiness and response capacity, including increases to fire suppression response personnel, aviation assets and necessary*

<sup>6</sup> Cook, Philip S. and Dennis R. Becker, Ph.D. 2017. State funding for wildfire suppression in the western U.S. Univ. of Idaho, Coll of Nat Res. PAG Rpt No 7. Moscow, ID.

<sup>7</sup> As ODF pointed out in its FY2013-15 budget narrative “[a] A key piece to the complete and coordinated fire protection system **that doesn’t show in budgets or get collected as revenues** is the “in-kind” support from landowners. Each year, landowners spend millions of dollars to maintain readiness of their own qualified personnel, as well as equipment, gates, road maintenance, pump chances etc., so that they can assist in the protection of their lands and their neighbors’ lands. [emphasis added]

<sup>8</sup> 1993-2022 ODF Protected Acres Burned – Past 3 Decades. <https://www.oregon.gov/odf/fire/documents/odf-protected-acres-burned-by-decade-chart.pdf>

<sup>9</sup> ODF’s COD suppression cost per acre rate in 2022 was \$31,177 (COD FY24 Budget Narrative), over 22-times the average cost of regional fuel reduction projects.

<sup>10</sup> Although landowners in the WUI pay a modest increase in fees, it doesn’t appear to be sufficient to address the disparity between landowners and funding systems. Cook and Becker (2017) discussed issues of inequity, incentives, and cost controls.

*administrative support personnel, to the extent the department receives funding for the increase.* [emphasis added]

There is nothing in the legislative history of SB762 that suggests it was the intent of the legislature to force landowners to shoulder the burden of their unfunded mandates.

**Conclusion:**

After nearly 37 years of public policy work, I've come to the immutable conclusion that public meetings and hearings with government agencies are mostly *pro forma* affairs intended to check procedural boxes and facilitate whatever decision the agency favors originally (that is unless you are supporting what the agency intended to do anyway, in which case you then become a "valued stakeholder"). ODF will either treat the rejections and appeals it received from the four forest protective associations and landowners seriously or it won't; my participating in an appeal hearing is not likely to change anything. However, regardless of ODF's decision, I will still support the local firefighters who, along with landowners, serve as the first line of defense for local fire suppression at the same time that I'll continue to advocate for the fair and equitable forest protection system promised to landowners decades ago and which the State moves further away from each biennium.

Sincerely,

/s/ Shaun W Robertson, Member  
Picnic Creek Ranch, LLC  
Mount Vernon & Fox, Oregon



Class 3

# Attachment 1: Irrigated & Farmed Lands Classified as Forestland Picnic Creek Ranch

Class 3

Class 2

**Legend**

**Forestland Classification**

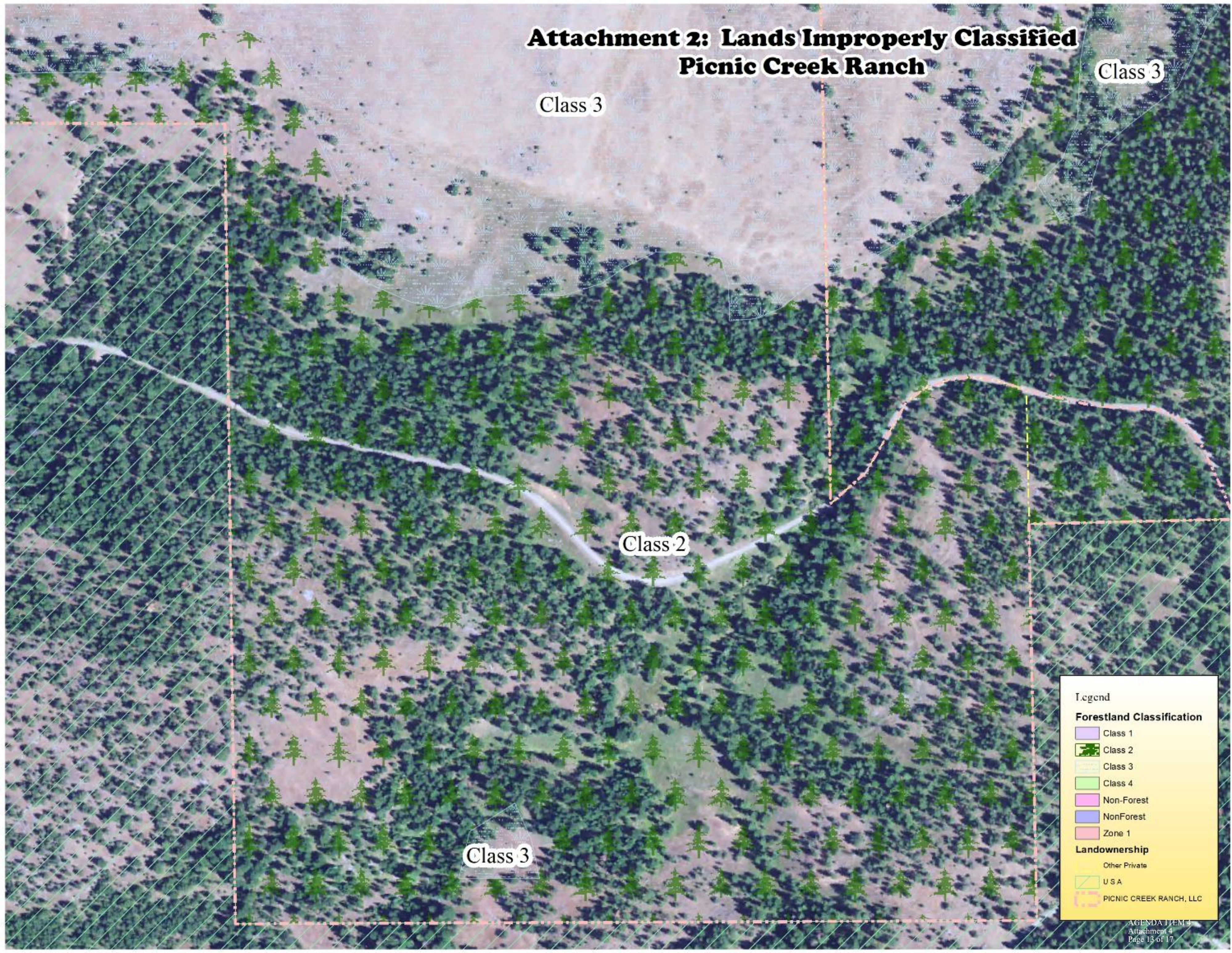
- Class 1
- Class 2
- Class 3
- Class 4
- Non-Forest
- NonForest
- Zone 1

**Landownership**

- Other Private
- U S A
- PICNIC CREEK RANCH, LLC



# Attachment 2: Lands Improperly Classified Picnic Creek Ranch



Class 3

Class 3

Class 2

Class 3

**Legend**

**Forestland Classification**

- Class 1
- Class 2
- Class 3
- Class 4
- Non-Forest
- NonForest
- Zone 1

**Landownership**

- Other Private
- U S A
- PICNIC CREEK RANCH, LLC



# 16,321

BOOK 38 PAGE 3

KNOW ALL MEN BY THESE PRESENTS, That -BLUE MOUNTAIN LAND CO.-

a corporation duly organized and existing under the laws of the State of -Oregon- in consideration of -EIGHT HUNDRED EIGHTY-FIVE and No/100- Dollars,

to it paid by -HARLAND WILLIAMS of Mt. Vernon, Oregon-

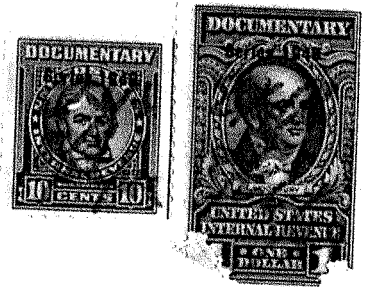
does hereby grant, bargain, sell and convey to said -Harland Williams, grantee, his

heirs and assigns forever, the following real property, with the tenements, hereditaments and appurtenances thereunto belonging, or in anywise appertaining; and also all the estate, right, title and interest, at law and equity, therein and thereto, situated in the County of -Grant-, and State of Oregon, bounded and described as follows, to-wit:

NE 1/4 of Section 31 and the SW 1/4 SE 1/4 of Section 30, all in Twp. 11 South, R. 29 E., W. M., containing 200 acres according the public survey, excepting and reserving therefrom, however, a strip of land 30 feet in width being 15 feet on each side of the center line of that certain roadway as now constructed by the grantor and established and located at this time upon and across the said 200 acre tract above described.

In connection with such reservation the grantor hereby agrees to construct and maintain adequate cattle guards wherever said 30-foot right-of-way shall intersect any fences now constructed along the exterior boundaries of said said 200 acre tract.

Also excepting and reserving from the lands hereby conveyed all the timber in perpetuity now standing or at any time hereafter to be grown in the future together with rights of ingress and egress for the purpose of logging and removing said timber.



TO HAVE AND TO HOLD the same to the said -Harland Williams, a single man- -his- heirs and assigns forever. And the said -Blue Mountain Land Co., the grantor above named- does covenant with the said -Harland Williams, the above named grantee- and -his- legal representatives forever, that it is lawfully seized in fee simple of the above described and granted premises, and has a valid right to convey same; that the said real property is free from all encumbrances, except as above set forth

and that it will, and its successors shall WARRANT AND DEFEND the same to the said grantee, -his- heirs and assigns forever, against the lawful claims and demands of all persons whomsoever.

IN WITNESS WHEREOF, BLUE MOUNTAIN LAND CO., pursuant to a resolution of its Board of Directors, duly and legally adopted, has caused these presents to be signed by its President and Secretary, and its corporate seal to be hereunto affixed this 25th day of August A. D. 1949.

In the presence of

Handwritten signatures of witnesses, including one that appears to be 'H. C. ...' and another '...'

BLUE MOUNTAIN LAND CO.

By [Signature] President

BLUE MOUNTAIN LAND CO.

By [Signature] Secretary



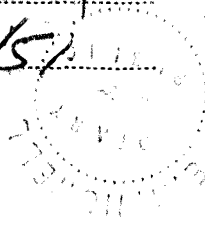
STATE OF OREGON,

County of Grant } ss.

On this 26th day of August, 1949, before me appeared J. D. Welch, Jr. and Harry C. Welch both to me personally known, who being duly sworn, did say that he, the said J. D. Welch, Jr. is the President, and he, the said Harry C. Welch is the Secretary of BLUE MOUNTAIN LAND CO. the within named Corporation, and that the seal affixed to said instrument is the corporate seal of said Corporation, and that the said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors, and J. D. Welch, Jr. and Harry C. Welch acknowledged said instrument to be the free act and deed of said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal, this the day and year first in this, my certificate, written.

S. H. Howell
Notary Public for Oregon.
My commission expires 4/6/51



#16.321

CORPORATION
WARRANTY DEED

BLUE MOUNTAIN LAND CO.

TO

HARLAND WILLIAMS

STATE OF OREGON, } ss.

County of Grant
I certify that the within instrument was received for record on the 27th day of August A. D. 1949, at 12:45 o'clock P. M., and recorded in book 58 on page 5-6, Record of Deeds of said County.

WITNESS my hand and seal of County affixed.

John D. Lusk
County Clerk
Recorder of Conveyances.
By Cecilia Conley
Deputy.

STEVENS-NESS LAW PUB. CO., PORTLAND 03148

HOWELL & WILSON
Attorneys at Law
John Day, Oregon

INDEXED

**Subject:** RE: Fire Assessment

**From:** HUGHES Hailey \* ODF <Hailey.HUGHES@odf.oregon.gov>

**Date:** 2/25/2022, 11:50 AM

**To:** "PCRanch@ortelco.net" <PCRanch@ortelco.net>

**CC:** BLAIR Allison \* ODF <Allison.BLAIR@odf.oregon.gov>, COOK Chris D \* ODF <Chris.D.COOK@odf.oregon.gov>

Shaun – I read through the deed you provided and reached out to my respective ODF contacts regarding your question/situation. I have also included in this email my supervisor Allison Blair/ John Day Unit Forester, and Chris Cook/ John Day Wildland Fire Supervisor for Oregon Department of Forestry's John Day Unit. They additionally are resources and contacts that are available to you if you have questions.

Oregon Department of Forestry does recognize there are cases where timber ownership is separate from the actual land sale or exchange of property. ODF is willing to accommodate a separation in the timbered assessment if it is identified specifically within the sale or contract of sale by both parties and or documentation can be provided if this is an agreed upon separation of assessment. Based upon the relationship you described with Mr. Woodward you may still have opportunity to make this change with new documentation.

Additionally, I wanted to provide the statute for your information that may better describe the responsibility Oregon Department of Forestry has regarding its roles and obligation for assessment and protection, **ORS 477.210 Duty of owner to protect forestland; forester's duty to provide protection upon noncompliance.**

Please let us know if this provides the answers you needed or if you have additional questions.

---

**From:** Shaun & Colleen Robertson <PCRanch@ortelco.net>

**Sent:** Friday, February 11, 2022 7:30 AM

**To:** HUGHES Hailey \* ODF <Hailey.HUGHES@odf.oregon.gov>

**Subject:** Fire Assessment

Hailey,

This is the deed for the property we purchased in Fox that has the severed timber estate. Since we do not own the timber on this parcel, we do not want to pay the fire assessment. Jim Woodward from Mitchell is the owner of the timber. I've spoken to him and his wife and they are great people and we don't want to cause them any problems, we just don't want to pay for services that benefit someone else.

Please let me know what you can do to help.

Thanks,  
Shaun



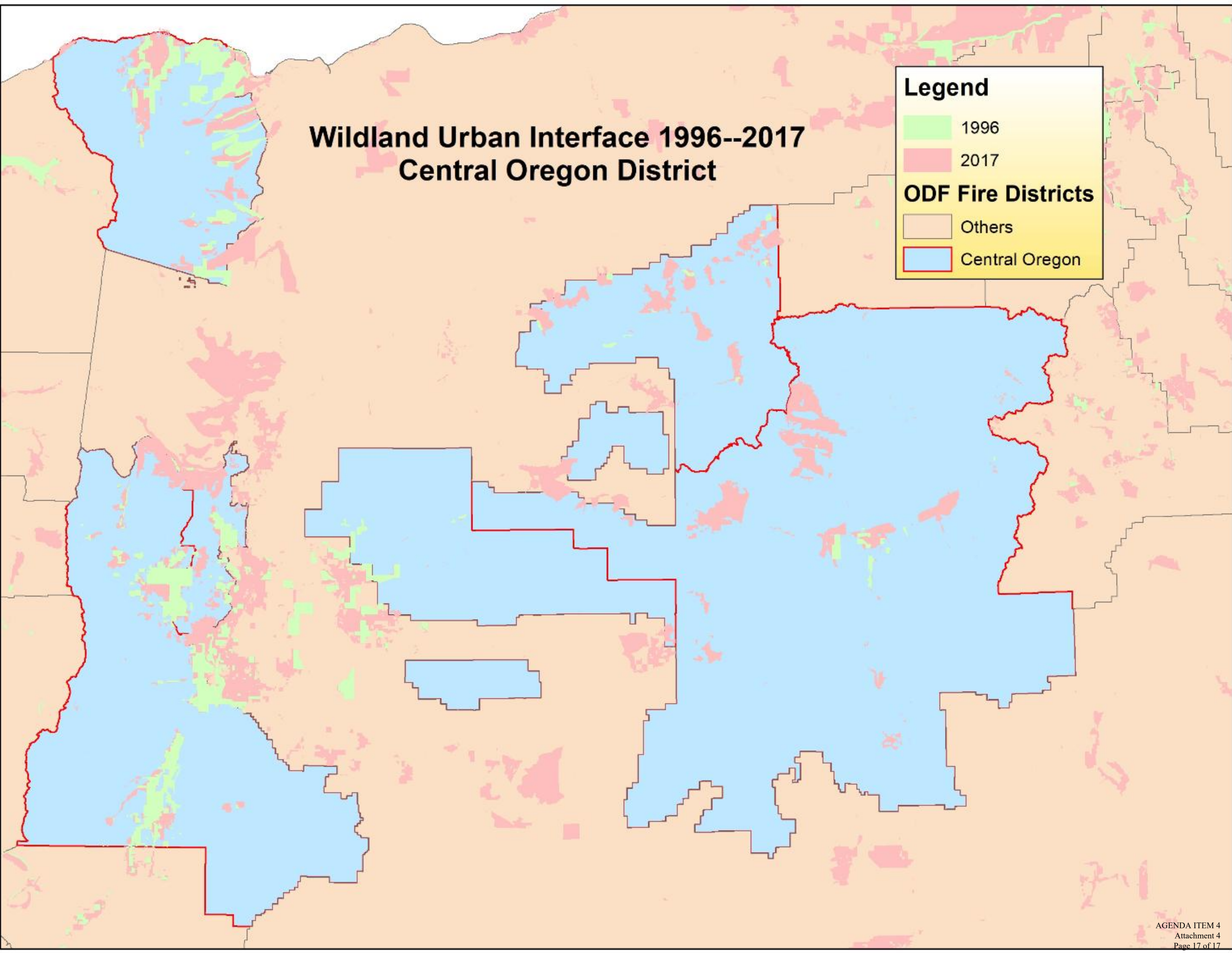
# Wildland Urban Interface 1996--2017 Central Oregon District

**Legend**

- 1996
- 2017

**ODF Fire Districts**

- Others
- Central Oregon



**BEFORE THE OREGON BOARD OF FORESTRY**

**In the Matter of:**

**Walker Range Forest Protection District Budget  
Appellant Theresa Cliff**

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**FINAL ORDER**

Introduction

On April 28, 2023, Ms. Theresa Cliff submitted an appeal of the fiscal year 2024 Walker Range Forest Protection District budget, in accordance with ORS 477.260. Ms. Cliff’s appeal letter was submitted in writing and was received by the Department of Forestry within 30 days of the public budget meeting, satisfying the requirements of ORS 477.260(1) and OAR 629-041-0035(1).

*This is the Board of Forestry’s final order in this matter.*

In her letter, Ms. Cliff expressed the following points, in summary:

1. ODF Protection budget from Salem is unacceptable.
2. She approves and supports the budget increases towards Walker Range’s adequate level of protection.
3. Requests that the State Forester take aggressive action to adjust the pro-rated assessment with the budget for ODF costs.
4. Reinstate the offset funding.

Statutory Authority

Consistent with the statutory direction of ORS 477.235, each year in January, staff at the Department of Forestry in Salem and staff at each forest protection district begin developing a fire protection budget to fund activities for the upcoming fiscal year (July 1st – June 30th). During the development process, district budget committees, established under ORS 477.240, analyze, and review the draft budget prior to making recommendations to the District Forester. The budget committee then carries the final recommended budget to the Board of Directors of the Forest Protective Association for consideration at the annual spring association meeting. Additionally, each district holds a public budget meeting in accordance with ORS 477.255 for any landowners affected by the budget to provide an opportunity for any additional public comments on the budget.

The district then submits its protection budget to the State Forester for official approval by the Board of Forestry in June, as provided in ORS 477.265. The Board of Forestry does not have the authority to use or obligate funds beyond the authority granted through the biennial budgeting process by the Oregon Legislative Assembly.

## Findings of Fact

The State Board of Forestry finds:

1. Theresa Cliff is an owner of forestland within the Walker Range Protection District.
2. On April 28, 2023, the Walker Range Protective Association Board of Directors approved the fiscal year 2024 Walker Range Protection District budget as meeting an adequate level of protection.
3. On April 28, 2023, the Walker Range Protection District conducted a public budget meeting in accordance with ORS 477.255.
4. On April 28, 2023, Ms. Theresa Cliff submitted a request, in writing, to appeal the recommended budget in accordance with ORS 477.260 and OAR 629-041-0035(1).
5. Ms. Cliff specifically stated the issues with the proposed Walker Range Forest Protection District budget and the remedy sought.
6. Senate Bill 762, passed during the 2021 Legislative Session, provided funds to serve as an offset to the increase of landowner costs due to the capacity increases directed by the bill.
7. The Board of Forestry approved Policy Option Package 111, Landowner Rate Offset Continuation, as part of the Department's fiscal year 2023-2025 Agency Request budget, requesting continuation of the funds provided in 2021 pursuant to SB 762.
8. Policy Option Package 111 was not included in the Governor's Recommended Budget for the Department.

---

## Conclusions of Law

The State Board of Forestry is obligated to annually review the forest protection district budgets, make any changes in the budgets that are proper and consistent with law, and pass final approval on all district budgets and the prorated acreage rates therein, pursuant to ORS 477.265.

## Ultimate Conclusion

***The Board of Forestry affirms the Walker Range Protection District budget represents an adequate level of protection as required by ORS 477.265.***

### Appeal Rights

You have the right to seek judicial review of this Order by filing a petition in Circuit Court pursuant to ORS 183.484. To seek judicial review, you must file a petition with the Marion County Circuit Court, or the circuit court for the county in which you reside or have a principal business office, within 60 days from the day this Order was served on you. If this Order was personally delivered to you, the date of service is the day you received the Order. If this Order was mailed to you, the date of service is the day it was *mailed*, not the day you received it. The petition shall state the nature of your interests, the facts showing how you are adversely affected or aggrieved by the agency order and the ground or grounds upon which you contend the order should be reversed or remanded. If you do not file a petition for judicial review within the 60-day time period, you will lose your right to appeal.

Dated this 7<sup>th</sup> day of June, 2023,

Jim Kelly, Chair

Oregon Department of Forestry



**BEFORE THE OREGON BOARD OF FORESTRY**

**In the Matter of:**

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**FINAL ORDER**

**Walker Range Forest Protection District  
Appellant EFM Advisory & Investments Inc.**

Introduction

On April 28, 2023, EFM Advisory & Investments Inc. (“EFM”) submitted an appeal of the fiscal year 2024 Walker Range Forest Protection District budget, in accordance with ORS 477.260. The appeal was submitted by Mary Jo Hedrick in writing and was received by the Department of Forestry within 30 days of the public budget meeting, satisfying the requirements of ORS 477.260(1) and OAR 629-041-0035(1).

*This is the Board of Forestry’s final order in this matter.*

In its letter, EFM expressed the following points, in summary:

1. EFM approves and supports the budget increases towards Walker Range’s adequate level of protection.
2. The Governor’s Recommended Budget fails to include the \$15 million in General Fund contributions allocated to ODF in SB 762 and shifts new capacity costs to private landowners.
3. EFM asks for assistance to reinstate the offset funding.

Statutory Authority

Consistent with the statutory direction of ORS 477.235, each year in January, staff at the Department of Forestry in Salem and staff at each forest protection district begin developing a fire protection budget to fund activities for the upcoming fiscal year (July 1st – June 30th). During the development process, district budget committees, established under ORS 477.240, analyze, and review the draft budget prior to making recommendations to the District Forester. The budget committee then carries the final recommended budget to the Board of Directors of the forest Protective Association for consideration at the annual spring association meeting. Additionally, each district holds a public budget meeting in accordance with ORS 477.255 for any landowners affected by the budget to provide an opportunity for any additional public comments on the budget.

The district then submits its protection budget to the State Forester for official approval by the Board of Forestry in June, as provided in ORS 477.265. The Board of Forestry does not have the authority to use or obligate funds beyond the authority granted through the biennial budgeting process by the Oregon Legislative Assembly.

## Findings of Fact

The State Board of Forestry finds:

1. EFM Advisory & Investments Inc. is an owner of forestland within the Walker Range Protection District.
2. On April 28, 2023, the Walker Range Protective Association Board of Directors approved the fiscal year 2024 Walker Range Protection District budget as meeting an adequate level of protection.
3. On April 28, 2023, the Walker Range Protection District conducted a public budget meeting in accordance with ORS 477.255.
4. On April 28, 2023, EFM Advisory & Investments Inc. submitted a request, in writing, to appeal the recommended budget in accordance with ORS 477.260 and OAR 629-041-0035(1).
5. EFM Advisory & Investments Inc. specifically stated the issues with the proposed Walker Range Forest Protection District budget and the remedy sought.
6. Senate Bill 762, passed during the 2021 Legislative Session, provided funds to serve as an offset to the increase of landowner costs due to the capacity increases directed by the bill.
7. The Board of Forestry approved Policy Option Package 111, Landowner Rate Offset Continuation, as part of the Department's fiscal year 2023-2025 Agency Request budget, requesting continuation of the funds provided in 2021 pursuant to SB 762.
8. Policy Option Package 111 was not included in the Governor's Recommended Budget for the Department.

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## Conclusions of Law

The State Board of Forestry is obligated to annually review the forest protection district budgets, make any changes in the budgets that are proper and consistent with law, and pass final approval on all district budgets and the prorated acreage rates therein, pursuant to ORS 477.265.

## Ultimate Conclusion

***The Board of Forestry affirms the Walker Range Protection District budget represents an adequate level of protection as required by ORS 477.265.***



### Appeal Rights

You have the right to seek judicial review of this Order by filing a petition in Circuit Court pursuant to ORS 183.484. To seek judicial review, you must file a petition with the Marion County Circuit Court, or the circuit court for the county in which you reside or have a principal business office, within 60 days from the day this Order was served on you. If this Order was personally delivered to you, the date of service is the day you received the Order. If this Order was mailed to you, the date of service is the day it was *mailed*, not the day you received it. The petition shall state the nature of your interests, the facts showing how you are adversely affected or aggrieved by the agency order and the ground or grounds upon which you contend the order should be reversed or remanded. If you do not file a petition for judicial review within the 60-day time period, you will lose your right to appeal.

Dated this 7<sup>th</sup> day of June, 2023,

Jim Kelly, Chair

Oregon Department of Forestry

**BEFORE THE OREGON BOARD OF FORESTRY**

<b>In the Matter of:</b>	)	
	)	
	)	<b>FINAL ORDER</b>
<b>Central Oregon Forest Protection District Budget</b>	)	
<b>Appellant Ian Fladoos</b>	)	
	)	
	)	
	)	

Introduction

On May 5, 2023, Mr. Ian Fladoos submitted an appeal of the fiscal year 2024 Central Oregon Forest Protection District budget, in accordance with ORS 477.260. Mr. Fladoos’s appeal letter was submitted in writing and was received by the Department of Forestry within 30 days of the public budget meeting, satisfying the requirements of ORS 477.260(1) and OAR 629-041-0035(1).

*This is the Board of Forestry’s final order in this matter.*

In his letter, Mr. Fladoos expressed the following points, in summary:

1. Wildfires negatively impact all Oregonians.
2. All Oregon residents should help contribute to wildfire protection.
3. The increased taxes on private landowners are unsustainable.
4. Senate Bill 762 was established for all Oregonians.

Statutory Authority

Consistent with the statutory direction of ORS 477.235, each year in January, staff at the Department of Forestry in Salem and staff at each forest protection district begin developing a fire protection budget to fund activities for the upcoming fiscal year (July 1st – June 30th). During the development process, district budget committees, established under ORS 477.240, analyze, and review the draft budget prior to making recommendations to the District Forester. The budget committee then carries the final recommended budget to the Board of Directors of the forest Protective Association for consideration at the annual spring association meeting. Additionally, each district holds a public budget meeting in accordance with ORS 477.255 for any landowners affected by the budget to provide an opportunity for any additional public comments on the budget.

The district then submits its protection budget to the State Forester for official approval by the Board of Forestry in June, as provided in ORS 477.265. The Board of Forestry does not have the authority to use or obligate funds beyond the authority granted through the biennial budgeting process by the Oregon Legislative Assembly.

Findings of Fact

The State Board of Forestry finds:

1. Ian Fladoos is an owner of forestland within the Central Oregon Protection District.

2. On April 25, 2023, the East Oregon Forest Protection Association Budget committee declined to approve the fiscal year 2024 Central Oregon Protection District budget due to the cost increases.
3. On May 4, 2023, the Central Oregon Protection District conducted a public budget meeting in accordance with ORS 477.255.
4. On May 4, 2023, Mr. Ian Fladoos submitted a request, in writing, to appeal the recommended budget in accordance with ORS 477.260 and OAR 629-041-0035(1).
5. Mr. Fladoos specifically stated the issues with the proposed Central Oregon Protection District budget and the remedy sought.
6. Senate Bill 762, passed during the 2021 Legislative Session, provided funds to serve as an offset to the increase of landowner costs due to the capacity increases directed by the bill.
7. The Board of Forestry approved Policy Option Package 111, Landowner Rate Offset Continuation, as part of the Department's fiscal year 2023-2025 Agency Request budget, requesting continuation of the funds provided in 2021 pursuant to SB 762.
8. Policy Option Package 111 was not included in the Governor's Recommended Budget for the Department.

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### Conclusions of Law

The State Board of Forestry is obligated to annually review the forest protection district budgets, make any changes in the budgets that are proper and consistent with law, and pass final approval on all district budgets and the prorated acreage rates therein, pursuant to ORS 477.265.

### Ultimate Conclusion

***The Board of Forestry affirms the Central Oregon Forest Protection District budget represents an adequate level of protection as required by ORS 477.265.***

### Appeal Rights

You have the right to seek judicial review of this Order by filing a petition in Circuit Court pursuant to ORS 183.484. To seek judicial review, you must file a petition with the Marion County Circuit Court, or the circuit court for the county in which you reside or have a principal business office, within 60 days from the day this Order was served on you. If this Order was personally delivered to you, the date of service is the day you received the Order. If this Order was mailed to you, the date of service is the day it was *mailed*, not the day you received it. The petition shall state the nature of your interests, the facts showing how you are adversely affected or aggrieved by the agency order and the ground or grounds upon which you contend the order should be reversed or remanded. If you do not file a petition for judicial review within the 60-day time period, you will lose your right to appeal.

Dated this 7<sup>th</sup> day of June, 2023,

Jim Kelly, Chair

Oregon Department of Forestry

**BEFORE THE OREGON BOARD OF FORESTRY**

**In the Matter of:** )  
 )  
 )  
**Central Oregon Forest Protection District Budget** )  
**Appellant Picnic Creek Ranch, LLC** )  
 )  
 )  
 )

**FINAL ORDER**

Introduction

On May 31, 2023, Picnic Creek Ranch, LLC, through member Shaun W. Robertson, submitted an appeal of the fiscal year 2024 Central Oregon Forest Protection District budget, in accordance with ORS 477.260. Mr. Robertson’s appeal letter was submitted in writing and was received by the Department of Forestry within 30 days of the public budget meeting, satisfying the requirements of ORS 477.260(1) and OAR 629-041-0035(1).

*This is the Board of Forestry’s final order in this matter.*

In his letter, Mr. Robertson expressed the following points, in summary:

1. The Oregon Department of Forestry is moving further from its statutory mission.
2. The classification of forestland in Grant County is outdated.
3. The divided timber estate is not properly applied regarding the forest patrol assessment.
4. Oregon’s fire suppression funding model is outdated.
5. That legislative intent was to only increase wildfire response capacity to the extent the department receives funding for the increase.

Statutory Authority

Consistent with the statutory direction of ORS 477.235, each year in January, staff at the Department of Forestry in Salem and staff at each forest protection district begin developing a fire protection budget to fund activities for the upcoming fiscal year (July 1st – June 30th). During the development process, district budget committees, established under ORS 477.240, analyze, and review the draft budget prior to making recommendations to the District Forester. The budget committee then carries the final recommended budget to the Board of Directors of the forest Protective Association for consideration at the annual spring association meeting. Additionally, each district holds a public budget meeting in accordance with ORS 477.255 for any landowners affected by the budget to provide an opportunity for any additional public comments on the budget.

The district then submits its protection budget to the State Forester for official approval by the Board of Forestry in June, as provided in ORS 477.265. The Board of Forestry does not have the authority to use or obligate funds beyond the authority granted through the biennial budgeting process by the Oregon Legislative Assembly. No authority is granted to the State Forester or the Board by the Legislature to override the determinations of a forestland classification committee.

Findings of Fact

The State Board of Forestry finds:

1. Shaun Robertson is a member of Picnic Creek Ranch, LLC, classified as forestland within the Central Oregon Protection District.
2. On April 25, 2023, the East Oregon Forest Protection Association Budget committee declined to approve the fiscal year 2024 Central Oregon Protection District budget due to the cost increases.
3. On May 4, 2023, the Central Oregon Protection District conducted a public budget meeting in accordance with ORS 477.255.
4. On May 31, 2023, Mr. Robertson submitted a request, in writing, to appeal the recommended budget in accordance with ORS 477.260 and OAR 629-041-0035(1).
5. Mr. Robertson specifically stated the issues with the proposed Central Oregon Protection District budget and the remedy sought.
6. Senate Bill 762, passed during the 2021 Legislative Session, provided funds to serve as an offset to the increase of landowner costs due to the capacity increases directed by the bill.
7. The Board of Forestry approved Policy Option Package 111, Landowner Rate Offset Continuation, as part of the Department's fiscal year 2023-2025 Agency Request budget, requesting continuation of the funds provided in 2021 pursuant to SB 762.
8. Policy Option Package 111 was not included in the Governor's Recommended Budget for the Department.

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#### Conclusions of Law

The State Board of Forestry is obligated to annually review the forest protection district budgets, make any changes in the budgets that are proper and consistent with law, and pass final approval on all district budgets and the prorated acreage rates therein, pursuant to ORS 477.265.

#### Ultimate Conclusion

***The Board of Forestry affirms the Central Oregon Forest Protection District budget represents an adequate level of protection as required by ORS 477.265.***

#### Appeal Rights

You have the right to seek judicial review of this Order by filing a petition in Circuit Court pursuant to ORS 183.484. To seek judicial review, you must file a petition with the Marion County Circuit Court, or the circuit court for the county in which you reside or have a principal business office, within 60 days from the day this Order was served on you. If this Order was personally delivered to you, the date of service is the day you received the Order. If this Order was mailed to you, the date of service is the day it was *mailed*,

not the day you received it. The petition shall state the nature of your interests, the facts showing how you are adversely affected or aggrieved by the agency order and the ground or grounds upon which you contend the order should be reversed or remanded. If you do not file a petition for judicial review within the 60-day time period, you will lose your right to appeal.

Dated this 7<sup>th</sup> day of June, 2023,

Jim Kelly, Chair

Oregon Department of Forestry