

Agenda Item No:	F
Work Plan:	Administrative
Topic:	Financial Dashboard
Presentation Title:	Department Financial Report for September, October, November and December 2024
Date of Presentation:	January 8, 2025
Contact Information:	James Short, Department Chief Financial Officer (503) 302-8478, <a href="mailto:james.short@odf.oregon.gov">james.short@odf.oregon.gov</a>

### **SUMMARY AND CONTEXT**

An executive financial report and summary will be submitted monthly to ensure the Board of Forestry (Board) has up-to-date information for oversight of the Department's financial condition. This report will include the financial and budgetary status of the Department as well as other ancillary topics as appropriate.

### **BACKGROUND AND ANALYSIS**

This consent item is transparent publishing of the Department's transmittal of monthly financial reports to the Board of Forestry. While executive-level in nature, the financial report provides information on various topics that are either germane, or have direct impacts on the financial status of the agency, or other administrative functions of the organization during any given month.

This financial report will continue to evolve. As the Department's reporting ability matures and insights into its operational and administrative work improve, this financial report will reflect those improvements. These improvements could include operational or process improvements or introducing new systems and technologies that enhance the Department's administrative capabilities.

### **NEXT STEPS**

The Board will receive the Department's Financial Report the third week of every month, whether a Board meeting is occurring or not. This will allow the Department to report on the previous month while allowing for the fiscal month closing process to conclude.

### **ATTACHMENTS**

- 1) Department of Forestry Financial Report for September 2024
- 2) Department of Forestry Financial Report for October 2024
- 3) Department of Forestry Financial Report for November 2024
- 4) Department of Forestry Financial Report for December 2024 (*will be available in January*)



October 1, 2024

Sen. Kate Lieber, Co-Chair  
Rep. Tawna Sanchez, Co-Chair  
Joint Committee on Ways and Means  
900 Court St. NE, H-178  
Salem, OR 97301

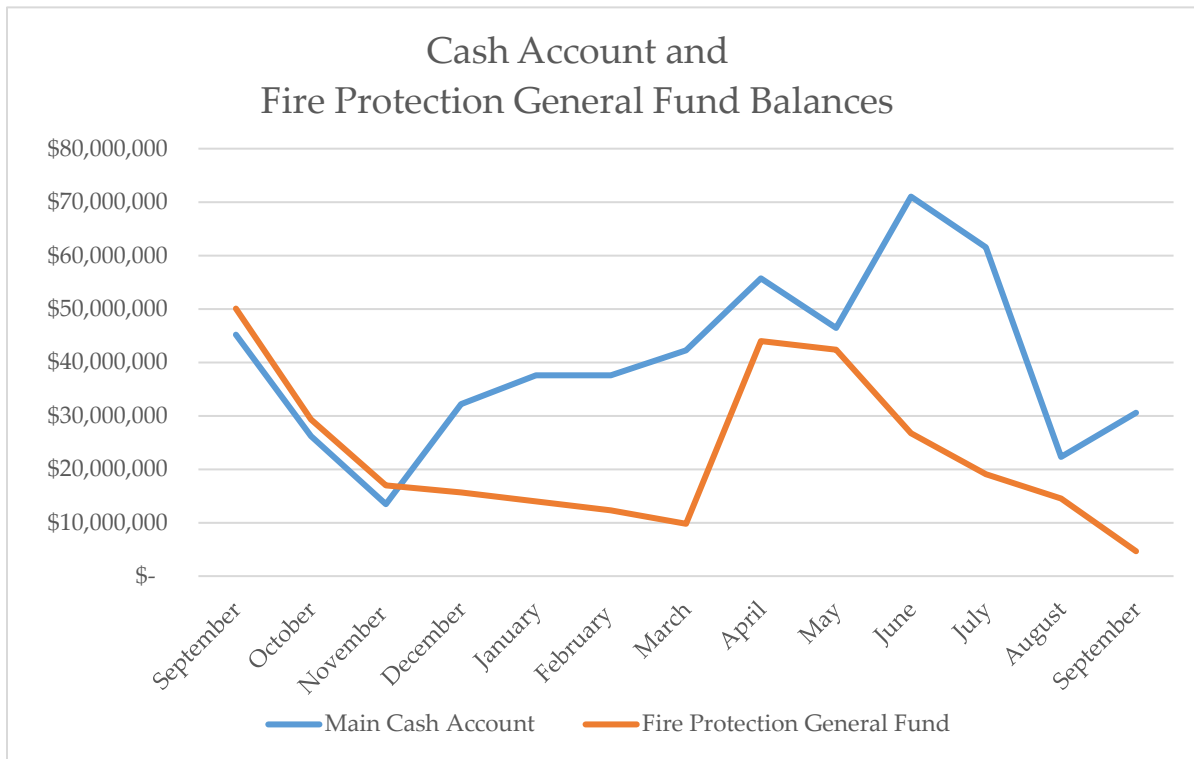
Re: Oregon Department of Forestry (ODF)—Monthly financial condition report

Dear Co-Chairs,

### Cash and General Fund Balances

As of September 27, ODF's principal cash account balance was \$30 million, and the 2023-25 Protection Division General Fund appropriation balance was \$5 million (Figure 1). Between August and September, there was an increase of \$8 million to the cash account balance, and the Protection Division General Fund balance had a net decrease of \$10 million.

Figure 1 - Cash Account and Fire Protection/Cash Flow General Fund Balances as of September 26, 2024.



## Financial Projections

As a result of fiscal year-end financial reporting activities, the budgetary months of July and August closed in the calendar month of September; thus, the corresponding projections compared to actuals are both included in the table below.

Over the next few months, the department will continue to have high expenditures associated with fire season 2024. Processing of vendor payments in the coming months will be aided by the receipt of the September Emergency Board funds in early October. Additionally, to manage cash flow, the agency is limiting discretionary spending and postponing some larger purchases, and DAS will be covering our payroll through the end of the year, much as they did in 2019. But the most important thing is that our people—which includes the vendors who fought alongside us all summer—will get paid. The agency will be going back to the E-Board in December with a request for the remainder of the fire season costs.

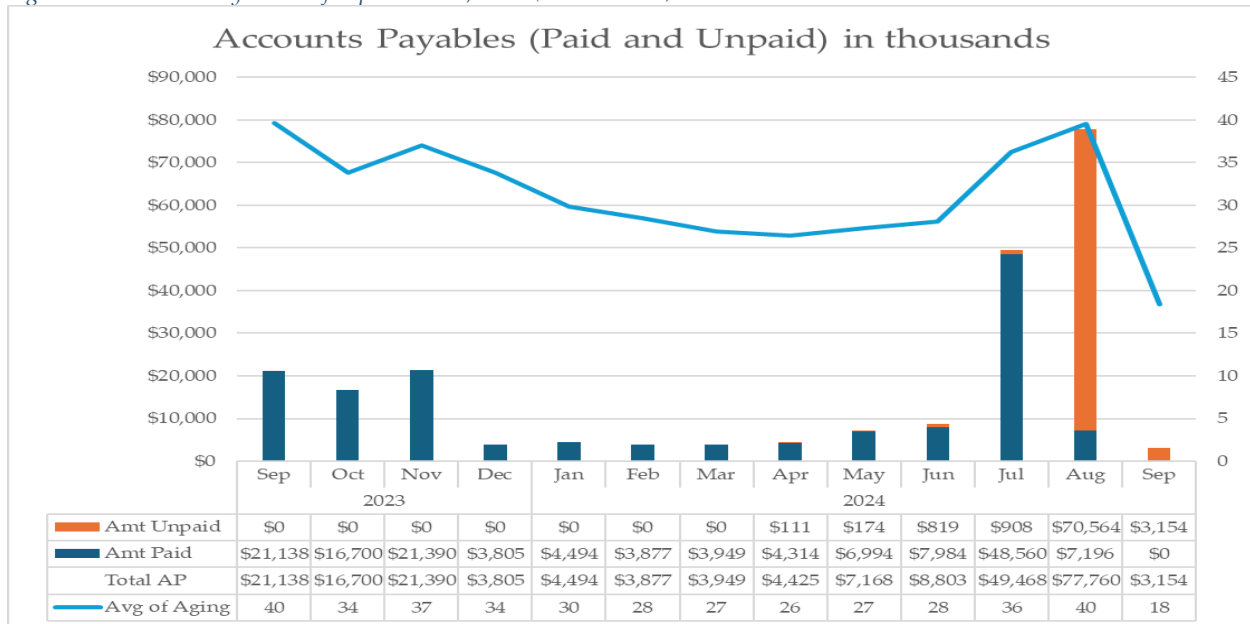
*Table 1 - Financial Projections through September 26, 2024 (in thousands)*

	24-Jul		24-Aug		24-Sep	24-Oct
	Projection	Actual	Projection	Actual	Projection	Projection
<b>Total Revenue</b>	\$27,854	\$51,377	\$27,847	\$31,911	\$29,373	\$63,002
<b>Total Expenditures</b>	(\$51,442)	(\$72,744)	(\$47,766)	(\$52,974)	(\$39,075)	(\$72,931)
<b>Net Total Exp/Rev</b>	(\$23,588)	(\$21,367)	(\$19,918)	(\$21,063)	(\$9,702)	(\$9,929)
<b>Beginning Cash Balance</b>	\$87,379	\$87,379	\$63,791	\$66,749	\$45,876	\$36,173
<b>End of Month Cash Balance*</b>	\$63,791	\$66,749	\$43,872	\$45,876	\$36,173	\$26,244
Less: Dedicated Funds	(\$25,000)	(\$25,058)	(\$25,000)	(\$25,618)	(\$15,777)	(\$15,000)
<b>End of Month Main Cash Balance</b>	\$38,791	\$41,691	\$18,872	\$20,258	\$20,396	\$11,244
<b>Available GF Appr</b>	N/A	\$59,606	N/A	\$37,239	\$27,239	\$23,239
<b>Available Resources</b>	\$101,334	\$101,297	\$73,065	\$57,497	\$47,635	\$34,483

## Accounts Payable

Department-wide expenditure has increased since the last reporting period (Figure 2), this is consistent with a high fire season. An increase in accounts payable balances will continue as the 2024 fire season evolves.

Figure 2 - Accounts Payable as of September 26, 2024 (in thousands)



### Accounts Receivable

Between August and September, there was a net increase of \$1.8 million in the total accounts receivable balance (Figure 3).

Accounts older than 120 days equate to \$16.0 million, or 60.8% of the total balances owed to ODF (Figure 4). Of these accounts, the majority are due from FEMA (\$3.3 million), other federal partners (\$12.8 million), and private parties for cost recovery (\$7.2 million).

Figure 3 - Accounts Receivable as of September 23, 2024

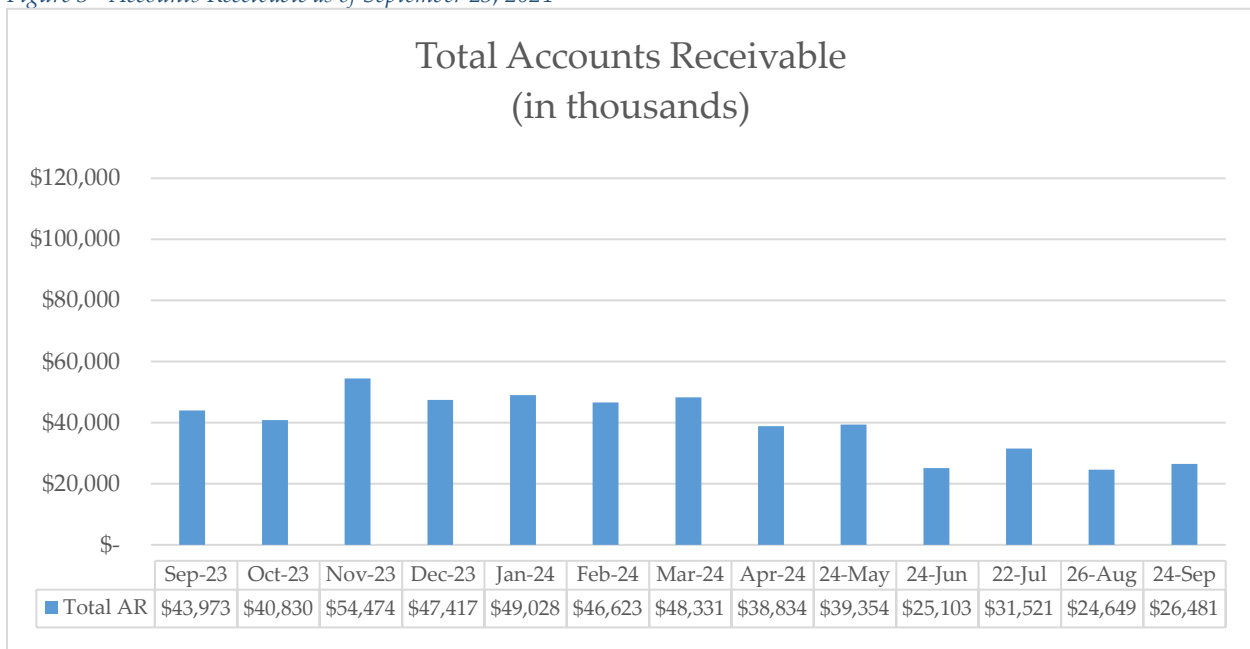
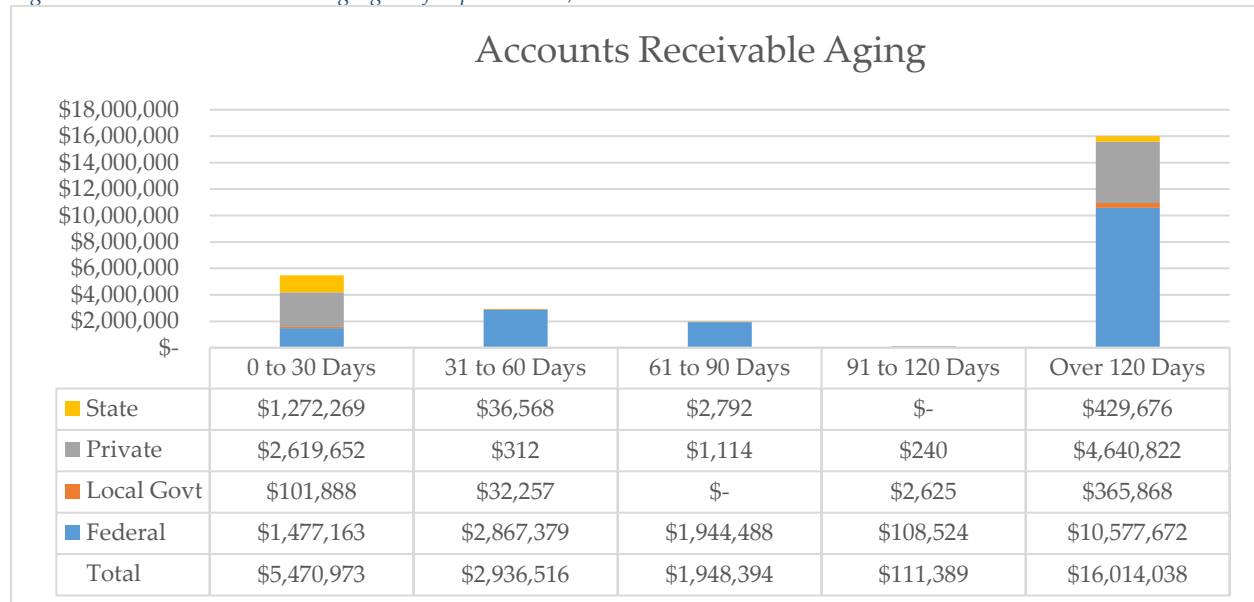


Figure 4 – Accounts Receivable Aging as of September 23, 2024



### Fire Costs

The department recovers some fire costs through two FEMA grant programs; however, not all fire costs are recovered through FEMA. Fire costs may also be collected via the fire funding framework, cost-share agreements, and cooperative agreements, which are all included in the numbers provided in Table 2.

Table 2 – Gross Fire Cost Summary (red indicates estimates – in millions) as of September 26, 2024

Fire Protection Fire Cost Summary							
Fire Season	2019	2020	2021	2022	2023	2024	Total
Fire Costs	33.66	139.85	149.18	53.49	93.86	293.11	763.15
Currently Invoiced	(0.18)	(5.54)	(2.10)	(3.77)	(4.02)	(10.31)	(25.92)
Outstanding to Invoice	(0.45)	(0.87)	(3.52)	(16.93)	(31.93)	(232.77)	(286.47)

FEMA-Public Assistance (PA) grants are awarded to the ODEM, who, in turn, passes the funds through to ODF. FEMA-Fire Management Assistance grants (FMAG) are awarded directly to ODF, and the department has immediate access to the funds once obligated.

#### *FEMA grant applications submitted.*

As of September 26, 2024, 12 grant applications totaling \$2.6 million have been submitted to FEMA, of which \$1.47 million are obligated grant applications pending ODEM audit/review and distribution to ODF.

#### *FEMA grant applications not yet submitted.*

An additional \$4.42 million in estimated FEMA-PA and FMAG grant applications (12) have yet to be submitted to FEMA. This includes estimated fire costs for the 2023 fire season. Nine

FEMA-FMAG applications associated with administrative costs (\$325,000) cannot be forwarded to FEMA until all ODF and subrecipient grants have been obligated by FEMA.

Three FEMA grant applications (\$4.09 million) are associated with estimated suppression costs. They will be submitted to FEMA after completing all cost-share and fire payment reconciliations.

Sincerely,



Cal Mukumoto  
Oregon State Forester

c:  
Legislative Fiscal Office  
Chief Financial Office  
Oregon State Treasury  
Board of Forestry  
Governor's Office



November 1, 2024

Sen. Kate Lieber, Co-Chair  
Rep. Tawna Sanchez, Co-Chair  
Joint Committee on Ways and Means  
900 Court St. NE, H-178  
Salem, OR 97301

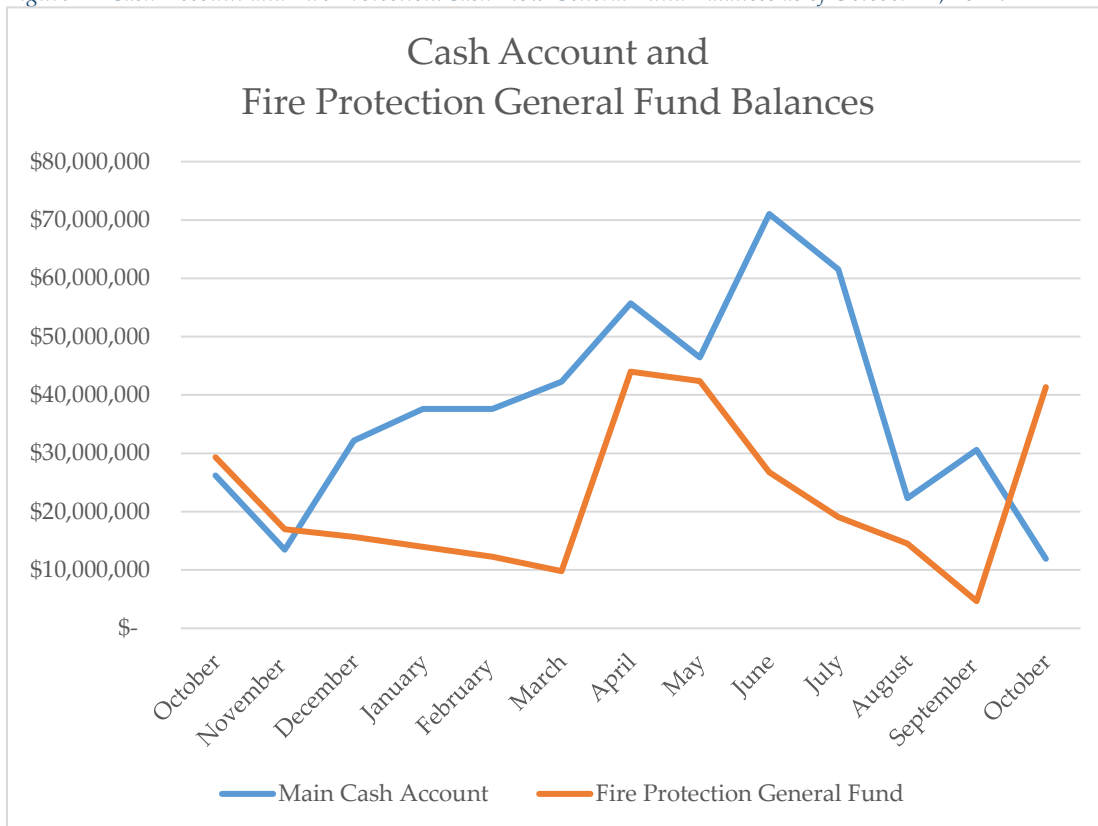
Re: Oregon Department of Forestry (ODF)—Monthly financial condition report

Dear Co-Chairs,

### Cash and General Fund Balances

As of October 24, ODF's principal cash account balance was \$11.9 million, and the 2023-25 Protection Division General Fund appropriation balance was \$41.3 million (Figure 1). Between September and October, there was a decrease of \$18.6 million to the cash account balance, and the Protection Division General Fund balance had a net increase of \$36.7 million.

Figure 1 - Cash Account and Fire Protection/Cash Flow General Fund Balances as of October 24, 2024.



### Financial Projections

Net financial activity for September 2024 resulted in a net increase of \$5.9M. In September, the department received \$13M for the Tye Ridge Complex cost share settlement (fire season 2023) contributing to the variance between projected and actual.

Over the next few months, the department will continue to have high expenditures associated with fire season 2024. Processing of vendor payments has been aided by the receipt of the September Emergency Board funds received in early October. The agency continues to limit discretionary spending and postpone larger purchases. DAS will be covering payroll through November and the agency will be going back to the Emergency Board in December.

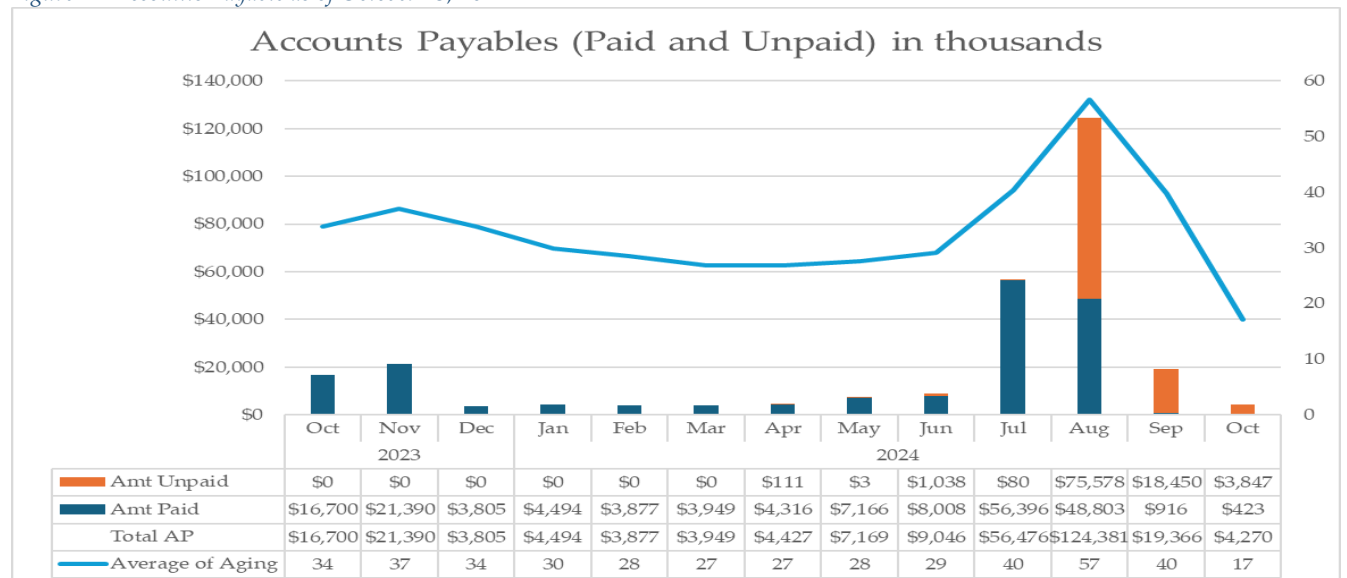
Table 1 - Financial Projections through October 25, 2024 (in thousands)

	24-Sep		24-Oct	24-Nov
	Projection	Actual	Projection	Projection
Total Revenue	\$29,373	\$47,096	\$51,002	\$72,826
Total Expenditures	(\$39,075)	(\$41,194)	(\$72,931)	(\$68,063)
Net Total Exp/Rev	(\$9,702)	\$5,902	(\$21,929)	\$4,764
Beginning Cash Balance	\$45,876	\$45,876	\$48,907	\$19,868
End of Month Cash Balance*	\$36,173	\$48,907	\$19,868	\$25,559
Less: Dedicated Funds	(\$15,777)	(\$15,752)	(\$16,127)	(\$19,727)
End of Month Main Cash Balance	\$20,396	\$33,156	\$3,741	\$5,832
Available GF Appr	\$27,239	\$25,896	\$37,896	\$12,896
Available Resources	\$47,635	\$59,052	\$41,637	\$18,728

\* Includes reconciliation for non-cash revenue and expenditure transactions.

**Accounts Payable** Department-wide expenditure has increased since the last reporting period (Figure 2), this is consistent with a high fire season. An increase in accounts payable balances will continue as the 2024 fire season is completed.

Figure 2 - Accounts Payable as of October 25, 2024





### Accounts Receivable

Between September and October, there was a net increase of \$8.3 million in the total accounts receivable balance (Figure 3).

Accounts older than 120 days equate to \$15 million, or 42.7% of the total balances owed to ODF (Figure 4). Of these accounts, the majority are due from FEMA (\$3.3 million), other federal partners (\$22.7 million), and private parties for cost recovery (\$8.2 million).

Figure 3 - Accounts Receivable as of October 21, 2024

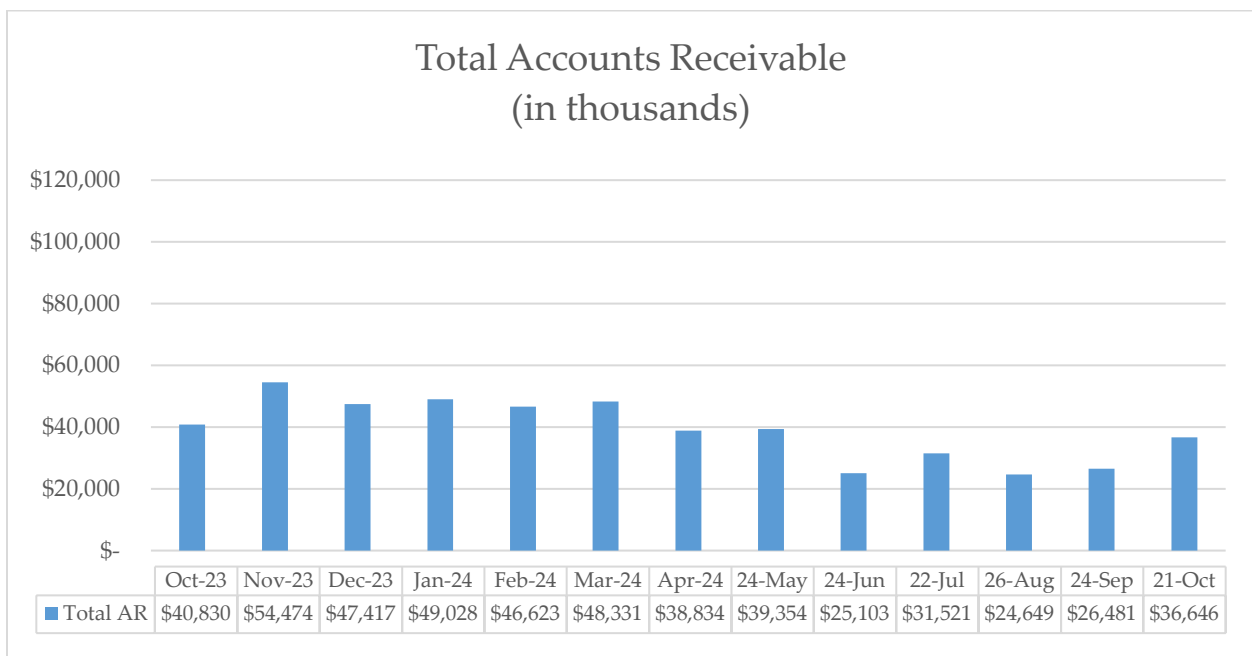
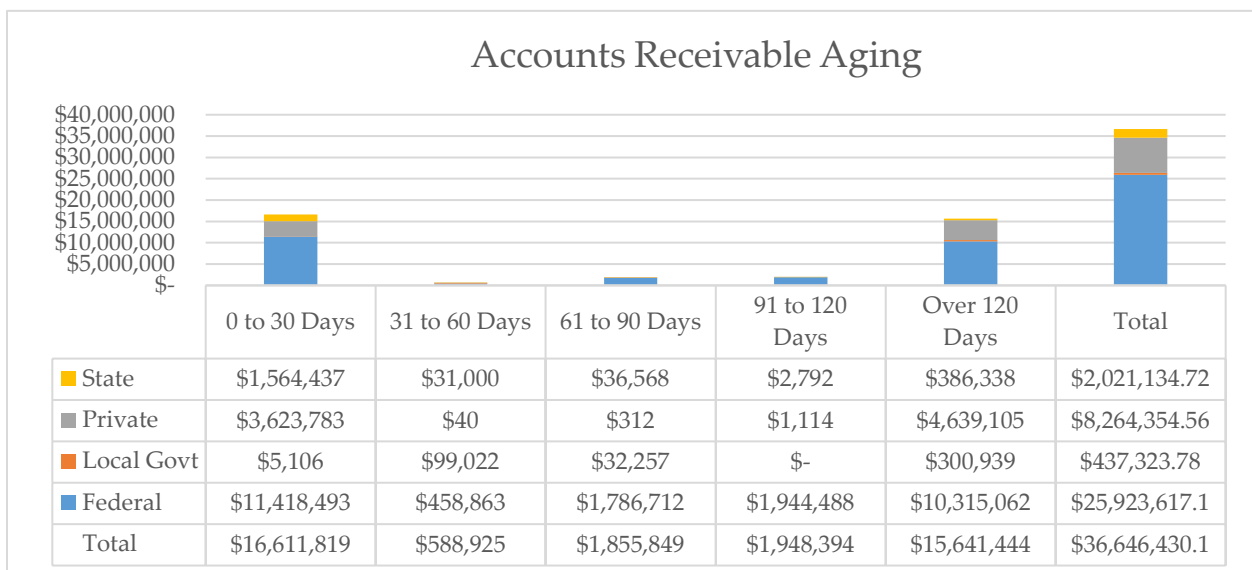


Figure 4 – Accounts Receivable Aging as of October 21, 2024



**Fire Costs**

The department recovers some fire costs through two FEMA grant programs; however, not all fire costs are recovered through FEMA. Fire costs may also be collected via the fire funding framework, cost-share agreements, and cooperative agreements (separate from large fire), which are all included in the numbers provided in Table 2.

*Table 2 – Gross Fire Cost Summary (red indicates estimates – in millions) as of October 27, 2024*

Fire Protection Fire Cost Summary							
Fire Season	2019	2020	2021	2022	2023	2024	Total
Fire Costs	33.66	139.85	149.18	53.49	93.86	324.99	795.03
Currently Invoiced	(0.18)	(5.54)	(2.10)	(2.65)	(4.15)	(10.22)	(24.84)
Outstanding to Invoice	(0.45)	(0.87)	(3.52)	(16.93)	(31.93)	(263.59)	(317.29)

FEMA-Public Assistance (PA) grants are awarded to the ODEM, who, in turn, passes the funds through to ODF. FEMA-Fire Management Assistance grants (FMAG) are awarded directly to ODF, and the department has immediate access to the funds once obligated.

***FEMA grant applications submitted.***

As of October 28, 2024, 11 grant applications totaling \$2.6 million have been submitted to FEMA, of which \$2 million are obligated grant applications pending ODEM audit/review and distribution to ODF.

***FEMA grant applications not yet submitted.***

An additional \$65.9 million in estimated FEMA-PA and FMAG grant applications (34) have yet to be submitted to FEMA. This includes estimated fire costs for the 2024 fire season. Nine FEMA-FMAG applications associated with administrative costs (\$325,000) cannot be forwarded to FEMA until all ODF and subrecipient grants have been obligated by FEMA.

Twenty-five FEMA grant applications totaling \$65.6 million are associated with estimated suppression costs. They will be submitted to FEMA after completing all cost-share and fire payment reconciliations.

Sincerely,



Cal Mukumoto  
 Oregon State Forester

c:  
 Legislative Fiscal Office  
 Chief Financial Office  
 Oregon State Treasury  
 Board of Forestry  
 Governor’s Office



December 2, 2024

Sen. Kate Lieber, Co-Chair  
Rep. Tawna Sanchez, Co-Chair  
Joint Committee on Ways and Means  
900 Court St. NE, H-178  
Salem, OR 97301

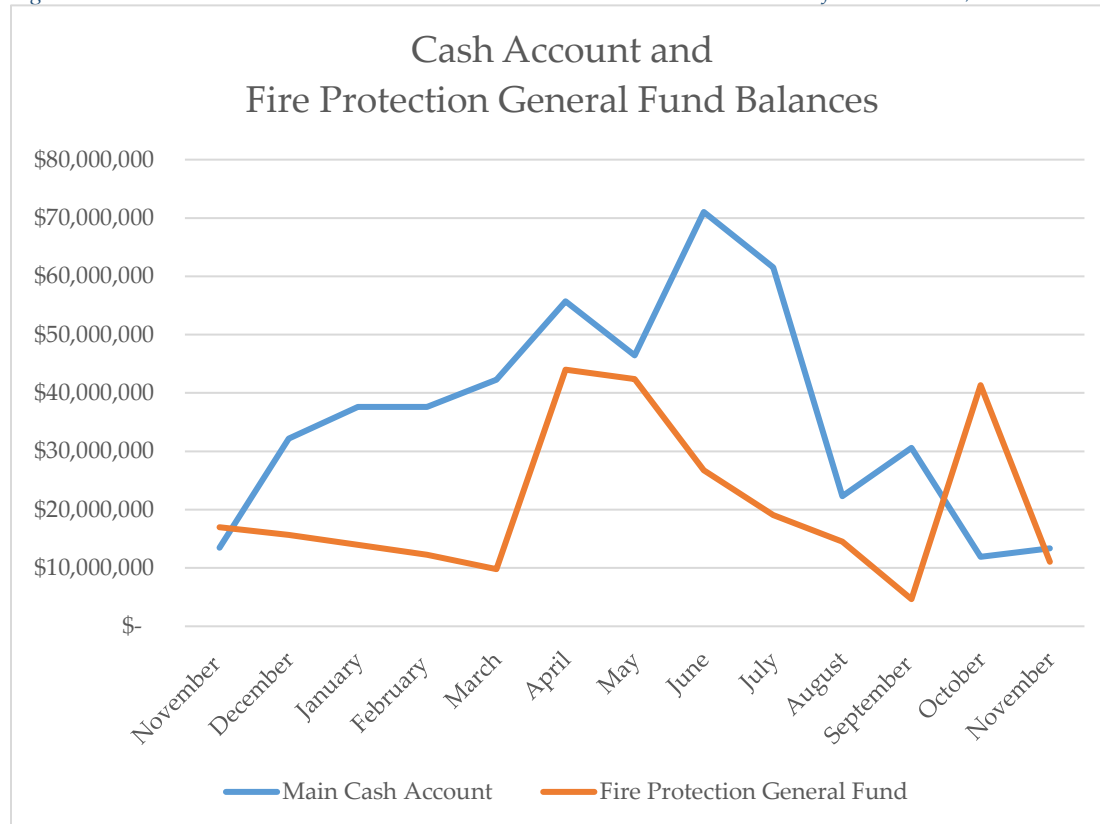
Re: Oregon Department of Forestry (ODF)—Monthly financial condition report

Dear Co-Chairs,

### Cash and General Fund Balances

As of November 2024, ODF's principal cash account balance was \$13.4 million, and the 2023-25 Protection Division General Fund appropriation balance was \$11.1 million (Figure 1). Between October and November, there was an increase of \$1,468,908 million to the cash account balance, and the Protection Division General Fund balance had a net decrease of \$30,259,963million.

Figure 1 - Cash Account and Fire Protection/Cash Flow General Fund Balances as of November 25, 2024.



## Financial Projections

Net financial activity for September 2024 resulted in a net increase of \$5.9M. In September, the department received \$13M for the Tye Ridge Complex cost share settlement (fire season 2023) contributing to the variance between projected and actual.

Over the next few months, the department will continue to have high expenditures associated with fire season 2024. Processing of vendor payments has been aided by the receipt of the September Emergency Board funds received in early October. The agency continues to limit discretionary spending and postpone larger purchases. DAS will be covering payroll through November and the agency will return to the Emergency Board in December.

Table 1 - Financial Projections through October 25, 2024 (in thousands)

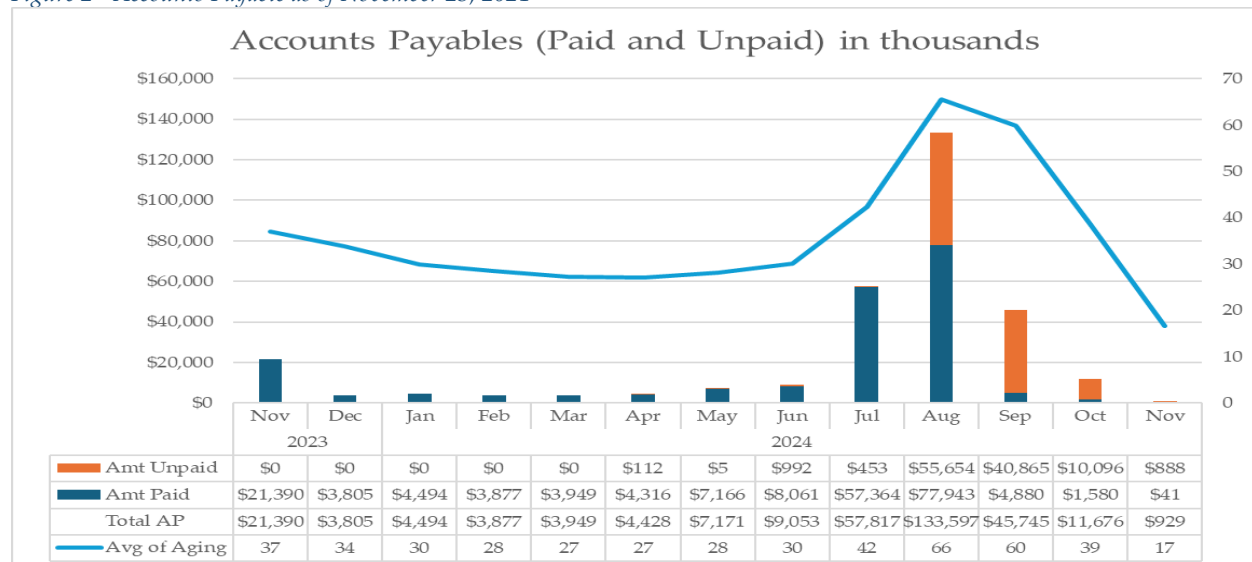
	24-Sep		24-Oct	24-Nov
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<b>Beginning Cash Balance</b>	\$45,876	\$45,876	\$48,907	\$19,868
<b>End of Month Cash Balance*</b>	\$36,173	\$48,907	\$19,868	\$25,559
Less: Dedicated Funds	(\$15,777)	(\$15,752)	(\$16,127)	(\$19,727)
<b>End of Month Main Cash Balance</b>	\$20,396	\$33,156	\$3,741	\$5,832
<b>Available GF Appr</b>	\$27,239	\$25,896	\$37,896	\$12,896
<b>Available Resources</b>	\$47,635	\$59,052	\$41,637	\$18,728

\* Includes reconciliation for non-cash revenue and expenditure transactions.

## Accounts Payable

Department-wide expenditure has decreased since the last reporting period (Figure 2), this is consistent with after-fire season operations. Expenditures for the 2024 fires season will continue to be added as fires are audited.

Figure 2 - Accounts Payable as of November 25, 2024



### Accounts Receivable

Between October and November, there was a net increase of \$29.3 million in the total accounts receivable balance (Figure 3).

Accounts older than 120 days equate to \$17 million, or 32.7% of the total balances owed to ODF (Figure 4). Of these accounts, the majority are due from FEMA (\$3.3 million), other federal partners (\$9 million), and private parties for cost recovery (\$4.5 million).

Figure 3 - Accounts Receivable as of November 25, 2024

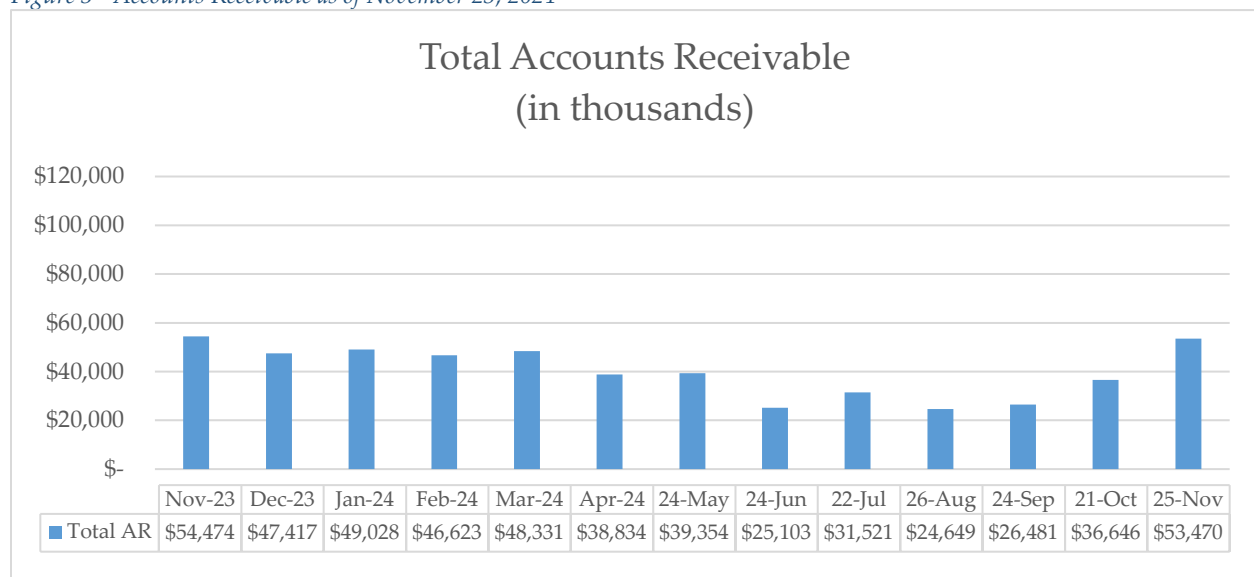
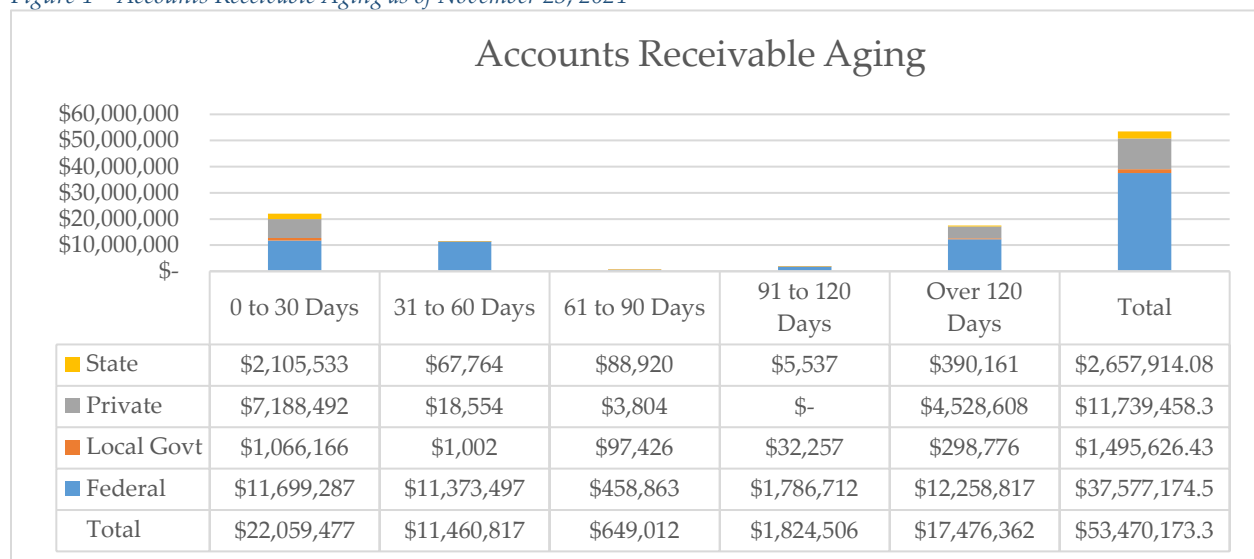


Figure 4 – Accounts Receivable Aging as of November 25, 2024



**Fire Costs**

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FEMA-Public Assistance (PA) grants are awarded to the ODEM, who, in turn, passes the funds through to ODF. FEMA-Fire Management Assistance grants (FMAG) are awarded directly to ODF, and the department has immediate access to the funds once obligated.

***FEMA grant applications submitted.***

As of November 8, 2024, 13 grant applications totaling \$5.3 million have been submitted to FEMA, of which \$2 million are obligated grant applications pending ODEM audit/review and distribution to ODF.

***FEMA grant applications not yet submitted.***

An additional \$63.1 million in estimated FEMA-PA and FMAG grant applications (34) have yet to be submitted to FEMA. This includes estimated fire costs for the 2024 fire season. Nine FEMA-FMAG applications associated with administrative costs (\$325,000) cannot be forwarded to FEMA until all ODF and subrecipient grants have been obligated by FEMA.

Twenty-five FEMA grant applications totaling \$62.8 million are associated with estimated suppression costs. They will be submitted to FEMA after completing all cost-share and fire payment reconciliations.

Sincerely,



Cal Mukumoto  
 Oregon State Forester

c:  
 Legislative Fiscal Office  
 Chief Financial Office  
 Oregon State Treasury  
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