

## Ravalli County Commissioners Office

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**From:** MACOleg <MACOleg@mtcounties.org>  
**Sent:** Thursday, August 14, 2014 8:39 AM  
**To:** MACOleg  
**Subject:** SRS and PILT Budget Information  
**Attachments:** Forest Payment 25% estimate.xls

**Importance:** High

County Officials,

As you are working on your FY-15 budgets, you need to estimate FY-15 SRS and PILT Payment amounts. Below is information about the current status of both.

### SRS

Counties receiving USFS SRS payments need to determine their anticipated revenue for FY-15. As it currently stands, absent Congressional action, the authority for SRS has lapsed so Forest payments will revert back to the 25% payment formula.

Both NACo and the National Coalition of Forest Counties and Schools are working tirelessly to find a "vehicle" or bill to attach a re-authorization to. With elections on the horizon, it is challenging to determine what congress will do as far as enacting continuing resolutions to avoid a government shut down on Oct 1st., or legislation that may be addressed in a post-election, lame-duck session.

**While we remain optimistic that there will be an extension of SRS, I cannot in any good conscience suggest you anticipate revenues based on prior years and recommend you anticipate revenue for budgeting purposes on what you may receive if congress fails to act.**

Under the 25% payment formula, each county will receive an amount equivalent to 25% of a rolling seven year average of the actual USFS receipts for each proclaimed forest unit - apportioned to each county based upon the relative acres of each forest in each county.

There are some additional factors involved in the calculations and the Federal Fiscal Year 13 information will not be released by the USFS until after you set your budgets so all we have to work with is data up through FFY-12.

If this "worst case scenario" were to happen, an estimate of the amount you will receive is below as well as in an attached Excel spreadsheet (red tab). **These dollars are treated entirely as Title I with no designation for Title II or Title III.** Therefore, 2/3 of the total will go to your county Road Fund. The remaining 1/3 is distributed to your county-wide education levies, based upon the relative proportion of each levy. In the attached worksheet is a second tab (green tab) "Fund Distribution Worksheet". The top part of the form is an EXAMPLE. Do not use the example but scroll down to the second part and enter the estimated 25% Payment amount for your county into the green highlighted cell. Then enter the number of mills levied for County-Wide Transportation (BARS

Fund 7820) and Retirement Funds (BARS Funds 7840 and 7830). You will need to use last year's levies at this point in time because next year's has not yet been set. When you have determined those levies for FY-15, you can recalculate this right before final budget adoption on the first Thursday after the first Tuesday in September or 30 days after receiving your Certified Taxable values from DOR (7-6-4036 MCA)

COUNTY	25% Payment equivalent 7-year rolling average
Beaverhead	\$43,446
Broadwater	\$13,293
Carbon	\$29,628
Carter	\$7,878
Cascade	\$8,279
Chouteau	\$1,425
Deer Lodge	\$18,722
Fergus	\$4,405
Flathead	\$437,746
Gallatin	\$71,956
Glacier	\$1,331
Golden Valley	\$1,099
Granite	\$92,288
Jefferson	\$60,356
Judith Basin	\$13,796
Lake	\$40,378
Lewis&Clark	\$71,577
Lincoln	\$501,257
Madison	\$43,939
Meagher	\$25,061
Mineral	\$78,728
Missoula	\$113,738
Park	\$93,874
Pondera	\$4,946
Powder River	\$29,975
Powell	\$104,677
Ravalli	\$28,021
Rosebud	\$8,428
Sanders	\$270,623
Silver Bow	\$23,376
Stillwater	\$26,168
Sweet Grass	\$30,015
Teton	\$10,900
Wheatland	\$3,011
	<b>\$2,314,339</b>

## PILT

This is actually worse than SRS because all PILT appropriation authority has lapsed so BLM has no authority to issue PILT payments next June, absent congressional action.

While I really hate to be the harbinger of bad news, I again cannot in any good conscience suggest you anticipate revenues based on anything other than current law and current law is that there is no appropriation authority for PILT so you cannot anticipate any PILT revenue for FY-15.

**Do I think this will actually happen?** No, I do not. I believe that both PILT and SRS will be authorized at some level but conservative budgeting dictates using what is known at the time you set

budgets. Assuming congress does enact re-authorization legislation, you would then amend your FY-15 budget in order to have spending authority for the unanticipated revenue.

NACo is organizing a PILT Fly-in for September and plans to bring approximately 20 commissioners from PILT counties across the US into DC for two days to lobby congressional members for PILT and SRS. Below is an excerpt from an e-mail from NACo Legislative Director Deborah Cox.

*Strategy*

*NACo is working on some exciting new tools to help with our PILT advocacy efforts (and the fly-in). Specifically, we are working with our research team to develop county profiles that show the impact that the program has on PILT counties—and to articulate what these funds are used for. These profiles would be similar to the transportation profiles we've developed recently. (You can view examples of these [here](#) and [here](#))*

*We would also like to develop a PILT information hub (similar to the information [hub we've developed for Waters of the U.S.](#)) that provides resources that counties can use to help their advocacy efforts. We'd include the county profiles, draft letters to Congress, draft op-eds, social media, etc.) We would also like to do a briefing on Capitol Hill and a "call to action" webinar.*

Montana will likely be able to send 2-3 commissioners to the fly-in. **It would be very helpful to be able to tell congressional members exactly how you use your SRS and PILT revenues and what programs and services will have to be cut if congress fails to act.** Please send me any information you have and I will compile it.

Thanks,

Harold

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