

Ravalli County Commissioners Office

From: MACO <MACO@mtcounties.org>
Sent: Wednesday, February 11, 2015 8:05 AM
To: MACO
Subject: Forest Payment
Attachments: Feb 2015 25% Forest Reserve Payments.xlsx; LTR to Counties on Payments 2014-FY15.doc

Importance: High

Commissioners, Clerks and Treasurers,

The Department of Administration issued the Forest Reserve Payments yesterday so the following amounts should have hit your county's bank account last night.

Because Congress has not re-authorized SRS, the payments reverted back to 25% Revenue Sharing where counties receive 25% of the actual revenue generate within a proclaimed unit of the USFS, apportioned to the counties having acreage in that proclaimed unit on a proportional basis, based on the relative acres in each county.

Last summer during budgeting, I advised you that you could not anticipate SRS revenue amounts due to SRS not being reauthorized and provided an estimate using the most current data available, which did not contain the data for the most recent fiscal year because the USFS had not posted it yet. The 25% payment is calculated using an average of the most-recent seven years of actual payment receipts.

Turns out I missed a bit because the actual revenues in the most recent year were slightly lower overall but did have some increases in some counties due to higher revenues being generated.

Additionally OMB has determined that this payment is subject to Sequestration of 7.3% which was reduced from your payment, thus the final amount is less. Working with the National Coalition of Forest Counties and NACo we are challenging this offset. I have already contacted Attorney General Fox's staff about this and will contact the Governor's office today in order to enlist assistance in challenging OMB's determination. Both offices were a great help when this happened with Federal Mineral Leasing funds were originally sequestered. This payment IS NOT an appropriation but rather is a revenue share which should not be subject to sequestration. We had exactly the same fight with BLM over sequestered Federal Mineral Leasing Act payments, but they finally saw the light and made a subsequent payment of those amounts. We are hopeful that will be the case with the USFS.

Attached is a spreadsheet showing the estimate I provided last summer, the full 25% amount, the sequestered amount and the actual payment.

This payment is to be handled exactly the same as the Title I payment, which is apportioned to your county road fund and the county-wide education levies. Two-thirds of the payment goes to the road fund. The remaining one-third is apportioned to the 22 High School Levy, 33 mill Elementary Levy,

County Transportation, Elementary Retirement and High School Retirement levies in proportion to the number of mills levied in each fund this year.

The spreadsheet has a second tab labeled "Fund Distribution Worksheet" which will do those calculations for you.

Enter the payment amount you received in cell D 35 and the spreadsheet will do the 2/3 - 1/3 split. Then enter the mills levied this year for the education levies in cells D43, D44 and D45 to calculate the rest of the allocations.

Also attached is a copy of the letter the state sent to county treasurers about the payment with a request that a copy of your A101 receipt be sent back to the state for reporting purposes.

We believe there will still be a re-authorization of SRS so do not give up hope!

I apologize for any typos and such. As most of you know our Midwinter Conference is going on so I am doing this rather hurriedly this morning because I wanted to the the information about the payment and its allocation to you as soon as I could.

Harold

Harold Blattie, Executive Director
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COUNTY	Projected Payment Reduction August 2014	25% 7 yr Rolling Avg	Sequester at 7.3%	February 10 2014 Payment
Beaverhead	\$43,446	\$58,205	\$4,249	\$53,956
Broadwater	\$13,293	\$23,783	\$1,736	\$22,047
Carbon	\$29,628	\$28,977	\$2,115	\$26,862
Carter	\$7,878.19	\$7,619	\$556	\$7,063
Cascade	\$8,278.91	\$8,848	\$646	\$8,202
Chouteau	\$1,425	\$1,523	\$111	\$1,411
Deer Lodge	\$18,722	\$19,924	\$1,454	\$18,470
Fergus	\$4,405	\$4,699	\$343	\$4,356
Flathead	\$437,746	\$366,748	\$26,773	\$339,975
Gallatin	\$71,956	\$76,805	\$5,607	\$71,198
Glacier	\$1,331	\$1,426	\$104	\$1,322
Golden Valley	\$1,099	\$1,176	\$86	\$1,090
Granite	\$92,288	\$89,667	\$6,546	\$83,121
Jefferson	\$60,356	\$66,157	\$4,829	\$61,327
Judith Basin	\$13,796	\$14,768	\$1,078	\$13,690
Lake	\$40,378	\$34,408	\$2,512	\$31,896
Lewis&Clark	\$71,577	\$96,590	\$7,051	\$89,539
Lincoln	\$501,257	\$471,261	\$34,402	\$436,859
Madison	\$43,939	\$51,304	\$3,745	\$47,559
Meagher	\$25,061	\$29,887	\$2,182	\$27,705
Mineral	\$78,728	\$70,272	\$5,130	\$65,142
Missoula	\$113,738	\$103,416	\$7,549	\$95,866
Park	\$93,874	\$98,596	\$7,198	\$91,399
Pondera	\$4,946	\$5,299	\$387	\$4,912
Powder River	\$29,975	\$28,892	\$2,109	\$26,783
Powell	\$104,677	\$101,251	\$7,391	\$93,859
Ravalli	\$28,021	\$25,206	\$1,840	\$23,366
Rosebud	\$8,428	\$8,123	\$593	\$7,530
Sanders	\$270,623	\$241,492	\$17,629	\$223,863
Silver Bow	\$23,376	\$23,887	\$1,744	\$22,144
Stillwater	\$26,168	\$24,355	\$1,778	\$22,577
Sweet Grass	\$30,015	\$30,740	\$2,244	\$28,496
Teton	\$10,900	\$11,648	\$850	\$10,798
Wheatland	\$3,011	\$3,221	\$235	\$2,986
Total	\$2,314,339	\$2,230,173	\$162,803	\$2,067,371

DEPARTMENT OF ADMINISTRATION
DIRECTOR'S OFFICE



STEVE BULLOCK, GOVERNOR

OFFICE OF FINANCE AND BUDGET

STATE OF MONTANA

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PO BOX 200107
HELENA, MONTANA 59620-0107

TO: County Treasurers

FROM: Tami Gunlock, Department of Administration

DATE: February 10, 2015

SUBJECT: Federal Forest Reserve Payment

CC: Ralph Franklin, Nick Brown, Ryan Evans, Harold Blattie, Mark Bruno, Paige Utecht, Regina Knapp

Our office is distributing Federal Forest Reserve funds to the counties today, according to the attached schedule accompanying this memo.

Please submit a copy of your A101 form by March 13, 2015 to the Director's Office of Finance & Budget. Electronically to tgunlock@mt.gov is preferred, however, if you do not have the capability to send PDF files you can still mail them in to the address listed above, attention Tami Gunlock (contact information: (406) 444-7354.

Please note: In order to comply with the Single Audit Act regarding monitoring of subrecipients of federal grants, the Department of Administration may be requesting additional documentation throughout the year from some counties regarding the use of the Federal Forest Reserve funds distributed. If your county is selected for review, you will be notified and additional instructions will be given at that time.

Thank you.