

Glenda Wiles

From: MACO <MACO@mtcounties.org>
Sent: Friday, December 8, 2017 8:29 AM
To: MACO
Subject: FY2017 Federal Mineral Royalty Sequestration Distribution
Attachments: image003.emz; FY2017 Mineral Royalties Sequestration distribution.docx; Final Seq FMR County Dist 120517.xlsx

From: Harold Blattie
Sent: Thursday, December 07, 2017 5:03 PM
To: MACO <MACO@mtcounties.org>; MACOleg <MACOleg@mtcounties.org>
Subject: FW: FY2017 Federal Mineral Royalty Sequestration Distribution

Commissioners and Treasurers,

In what can only be described as a bizarre way the feds do things, here is your distribution amounts for the **federally sequestered portion** of the federal mineral leasing payments (5.013%) of the total payment earned during the prior federal fiscal year ended Sept 30, 2017. This payment is in addition to the distribution made in August.

When the feds started doing the sequestration of federal mineral leasing funds, counties objected saying this money is a revenue sharing payment, not subject to appropriation - therefore are not subject to sequestration. Sequestration only applies to appropriations. Eventually the feds saw the light and agreed, however they continued to withhold the sequestration amount from the state payments during a federal fiscal year. Then after the close of the federal fiscal year, the sequestered amounts are distributed. I know it doesn't make a lick of sense, but that is the way it works. I have compared the percentage each county received in August to the percent of this payment and they are the same so we know each county is getting the correct portion from DOR. Link to the August payment amounts: <http://www.mtcounties.org/sites/default/files/forms-downloads/resources/federal/federal-mineral-royalty-payments.xlsx>

Enjoy a little unanticipated revenue!

Harold

Harold Blattie, Executive Director
Montana Association of Counties
2715 Skyway Drive
Helena MT 59602
406.449.4360 (W)
406.698.0939 (C)
406.442.5238 (F)
hblattie@mtcounties.org
www.mtcounties.org

DEPARTMENT OF ADMINISTRATION
DIRECTOR'S OFFICE



STEVE BULLOCK, GOVERNOR

OFFICE OF FINANCE AND BUDGET

STATE OF MONTANA

PHONE: (406) 444-3414
FAX: (406) 444-6194

MITCHELL I
125 N. ROBERTS
PO BOX 201
HELENA, MONTANA 59602

TO: County Treasurers
CC: Van Charlton, Department of Revenue
FROM: Lori Carroll, Budget Analyst
DATE: December 7, 2017
RE: Additional FY 2017 Mineral Impact Fund Distribution

Mineral Leasing Act (MLA, 30 U.S.C. 191) payments were sequestered under the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA) by the federal government for our state FY 2017. The federal government has made a determination that those FY 2017 monies should be returned to the State of Montana.

We have received those sequestered MLA monies and the funds have been deposited into the mineral impact account to be distributed to local governments according to MCA 17-3-240 and 17-3-241.

The distribution to eligible counties is based on the proportion of the total amount of revenue generated by the mineral extraction in an eligible county to the total money received by the state.

The total amount from the returned sequestered monies to be distributed to the counties for FY 2017 is \$289,713.59. A list of the distribution amounts is also attached.

If you have any questions regarding the determination of the reimbursement amounts, please contact Van Charlton with the Montana Department of Revenue at (406) 444-3584. Please direct any inquiries related to the actual payment process to Lori Carroll with the Department of Administration, Office of Finance and Budget at (406) 444-3821.

Lori Carroll
Budget Analyst
Office of Finance and Budget
Department of Administration
Phone: 406.444.3821

