Item # 7B

City of Carson City
Agenda Report

Date Submitted: 10/28/08

Agenda Date Requested: 11/06/08
Time Requested: 10 minutes

To: Mayor and Supervisors

From: Larry Werner, City Manager

Subject Title: Action to adopt a resolution electing to receive a share of the State of Nevada's Secure Rural Schools (SRS) revenues pursuant to Sections 102(a)(1)(B) and 103 of the Secure Rural Schools and Community Self-Determination Act of 2000, which has been amended and re-authorized for FFY2008-2011 ("SRS2008"), referred to as the "full county payment amount".

Staff Summary: Title I of SRS2008 gives each eligible county the right to elect to receive either its traditional share of revenues from the National Forest lands pursuant to the Act of May 23, 1908 and Section 13 of the Act of March 1, 1911 (the "25-percent payments"), or instead to receive a guaranteed minimum share of the State payment pursuant to Sections 102 (a)(1)(B) and 103 (the "full county payment amount"). Carson City expects to net $4,792 from the "full county payment amount" vs $630 from the "25-percent payments" method.

Type of Action Requested: (check one)

(xxx) Resolution
(____) Formal Action/Motion
(____) Ordinance
(____) Other (Specify)

Does this action require a Business Impact Statement: ( ) Yes (xx) No

Recommended Board Action: I move to adopt Resolution # ______________, a resolution electing to receive a share of the State of Nevada's Secure Rural Schools (SRS) revenues pursuant to Sections 102(a)(1)(B) and 103 of the Secure Rural Schools and Community Self-Determination Act of 2000, which has been amended and re-authorized for FFY2008-2011 ("SRS2008"), referred to as the "full county payment amount".

Explanation for Recommended Board Action: This action changes the way Carson City receives revenues derived from National Forest lands from the "25-percent payments" method to the "full county payment" method. We expect to receive an additional $4,162 from the change of methods. This election must be made by November 14, 2008 and each county must notify the State Treasurer of their election.

Applicable Statute, Code, Policy, Rule or Regulation: Have been listed throughout the resolution.

Fiscal Impact: Additional revenues of $4,162

Explanation of Impact: Additional revenues of $4,162

Funding Source: n/a

Alternatives: Elect to use the "25-percent payments" method to receive SRS revenues.

Supporting Material: Resolution

Prepared By: Nick Providenti

Reviewed By: ______________________ Date: ______________
(Department Head)

______________________ Date: 10/30/08
(City Manager)

: ______________________ Date: 10/29/08
(District Attorney)

: ______________________ Date: 10/29/08
(Finance Director)

Board Action Taken:

Motion: ______________________ 1) ______________ Aye/Nay
2) ______________

____
(Vote Recorded By)

RESOLUTION NO. ________________

A RESOLUTION ELECTING TO RECEIVE A SHARE OF THE STATE OF NEVADA'S SECURE RURAL SCHOOLS (SRS) REVENUES PURSUANT TO SECTIONS 102(A)(1)(B) AND 103 OF THE SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT OF 2000, WHICH HAS BEEN AMENDED AND RE-AUTHORIZED FOR FFY2008-2011 ("SRS2008"), REFERRED TO AS THE "FULL COUNTY PAYMENT AMOUNT"

WHEREAS, Congress enacted in 1908 and subsequently amended a law that requires that 25 percent of the revenues derived from National Forest lands be paid to states for use by the counties in which the lands are situated for the benefit of public schools and roads; and

WHEREAS, the principal source of revenues from National Forest lands is from the sale and removal of timber, which has been curtailed in recent years with a corresponding decline in revenues shared with counties; and

WHEREAS, the United States Congress recognized a need to stabilize education and road maintenance funding through predictable payments to the affected counties, and to achieve that goal enacted the Secure Rural Schools and Community Self-Determination Act of 2000, which has been amended and re-authorized for FFY 2008 - 2011 ("SRS2008"); and

WHEREAS, Title I of SRS2008 gives each eligible county the right to elect to receive either its traditional share of revenues from the National Forest lands pursuant to the Act of May 23, 1908 and Section 13 of the Act of March 1, 1911 (the "25-percent payments"), or instead to receive a guaranteed minimum share of the State payment pursuant to Sections 102(a)(1)(B) and 103 (the "full county payment amount"); and

WHEREAS, an election to receive the full county payment amount is effective for all federal fiscal years through FFY 2011, and an election to receive a 25-percent payment is binding for two years; and

WHEREAS, any county electing to receive a full county payment amount that is $100,000 or more must further elect to expend an amount not less than 15 percent nor more than 20 percent of its full county payment amount as project funds; and

WHEREAS, Title I, Section 102(d) of SRS2008 requires that counties electing to receive a full county payment amount of $100,000 or more must allocate its project funds for between projects in accordance with Title II and Title III, and return the balance of project funds unspent under Titles II and III to the Treasury of the United States, and communicate such allocation to the Secretary of the United States Department of Agriculture; and

WHEREAS, Title II provides for special projects on federal lands or that benefit resources on federal lands, which projects are recommended by local resource advisory committees ("RACs"); and

WHEREAS, RACs recommend projects for consideration by the Secretary of Agriculture, with project funding supplied in whole or in part out of monies allocated for such purposes by participating counties; and

WHEREAS, counties that allocate funding to projects under Title II , and are participants in more than one RAC, may further direct that their Title II project funds be divided between different RACs according to an allocation decided by each participating county, with such funds held in the Treasury of the United States under the name of the county with a designation of the amount allocated to each RAC; and

WHEREAS, Title III provides for county projects, some of which are associated with federal lands, with Title III authorizing expenditures for search, rescue and emergency services, fire prevention and planning under the Firewise Communities program, and development of community wildfire protection plans; and

WHEREAS, a county with a full county payment amount of $350,000 or more may not allocate more than 7 percent of its full county payment amount for Title III projects.

NOW, THEREFORE, be it resolved as follows:

1. Carson City hereby elects to receive the guaranteed minimum full county payment amount pursuant to SRS2008 Sections 102(a)(1)(B) and 103 and

2. Carson City has elected to receive a full county payment amount that is less than $100,000, and is not required to allocate any amount for projects under Titles II or III, but may choose to do so. Carson City elects to allocate 0 (zero) percent of its full county payment amount for projects under Titles II and III.

ADOPTED this _____ day of ____________________________, 2008.

AYES: Supervisors ______________________________

____

____

____

____

NAYES: Supervisors ______________________________

ABSENT: Supervisors ______________________________

MARV TEIXEIRA, Mayor

ATTEST:

ALAN GLOVER, Clerk-Recorder

C: BOS
CM

USDA United States Department of Agriculture | Forest Service | Humboldt-Toiyabe National Forest | 1200 Franklin Way
Sparks, NV 89431-6432
(775) 331-6444 Fax (775) 355-5399

OCT 27 2008

File Code: 1010/1560/6540
Date: October 24, 2008

Carson City
Board of Supervisors
201 N. Carson St. #2
Carson City, NV 89701

As many of you have now heard, Congress re-authorized the Secure Rural Schools and Community Self-Determination Act of 2000 (Public Law 106-393) as part of Public Law 110-343, which was signed by the President on October 3, 2008. This legislation will result in significant new payments to Nevada counties, in some cases in excess of $1,000,000 annually, for the next four years. However, to fully capitalize on this funding opportunity, counties must make several decisions on a timely basis.

An October 17, 2008 memorandum from the Chief of the Forest Service to the Regional Foresters is attached to this memo; the Chief's letter provides guidance on the implementation of Public Law 110-343 (the "SRS Act"). Four annual payments are authorized for the years 2008 through 2011 – the first payments to the states are anticipated for mid-January 2009. My immediate concern is ensuring that the 14 Nevada counties, as well as the 2 primary California counties encompassing the Humboldt-Toiyabe National Forest, understand their SRS Act payment election allocation opportunities *and* meet the upcoming November 14 election deadline.

I have been in contact with the Nevada Association of Counties, the Nevada State Treasurer's office, and Alpine and Mono County offices. The Washington Office website, www.fs.fed.us/srs, has all the information counties need to make their key decisions; it includes county payments under the rolling-25-percent-average payments and under the new legislation formula so your county can make their best informed decisions. The Nevada Association of Counties, NACO, has also agreed to help us disseminate information to the counties.

By **November 14, 2008**, the State Treasurer's office must either email or fax their counties' allocation decision to the listed Forest Service address in Albuquerque, New Mexico. Counties failing to submit their allocations to the State Treasurer's office by this inflexible deadline will be penalized - the SRS Act requires that 15 percent of the county's share must be transferred to the Treasury after November 14. Nevada counties are responsible for faxing or emailing their elections by noon on November 14 to State Accounting Technician Tammy Hansen at 775-684-5695 or thansen@controller.state.nv.us. (Hansen's phone number is 775-684-5605). Alpine and Mono counties will submit their decision form to the Forest Service's Regional Forester's Representative Christine Nota via fax at 916-498-6675, or email at cnota@fs.fed.us. (Nota's phone number is 916-498-5901).

On the election form, which is located on the website and is also included as an enclosure in this memo, all counties must elect to receive their payments under the rolling-25-percent-average payment **or** as a share of the State payment as calculated under the new legislation. It is also important to note that most counties that elect to receive a share of the State payment must also submit two additional decisions on the same form by November 14:

1) **Counties that receive over $100,000** must set aside between 15-20 percent for special Forest projects under Title II and/or Title III. Counties need to identify how much they elect to set aside this year (between 15 and 20 percent).

2) Each county that sets aside 15-20 percent must also identify how they would like the set aside allocated between Title II projects and Title III projects. Note, under the new legislation, **counties that receive over $350,000** cannot allocate more than 7 percent to Title III.

Title III funds are county funds, which may be spent on Firewise communities and activities, reimbursement of county emergency service expenditures on National Forest System (NFS) lands, and for county fire planning. **Title II funds** are NFS funds, which may be spent on projects benefiting NFS lands under the direction of a Resource Advisory Committee (RAC) established under the terms of the SRS Act. Counties should understand that payments for schools and roads, and funds reserved for counties under Title III, (but not Title II, where the funds remain federal) may offset and reduce county payments under the Payment In Lieu of Taxes (PILT) program.

Counties with questions may contact Jerry Ingersoll, Deputy Forest Supervisor, at 775-355-5309. We anticipate establishing new RACs for at least five Nevada counties that are receiving payments of over $350,000: Elko, Lyon, Mineral, Nye, and White Pine.

Thank you for taking the time to review the attached letter and election form to assist your county in making the most optimal allocation decisions. The SRS website has a number of helpful references. I look forward to fully collaborating with all of our Forest communities in successfully implementing the SRS Act.

Sincerely,

Edward C Monnig

EDWARD C. MONNIG
Forest Supervisor

Enclosures

cc: Jeff Fontaine, NACO

Forest Service | Washington Office | 1400 Independence Avenue, SW
Washington, DC 20250

File Code: 1010/1560/6540 **Date:** October 17, 2008

Subject: Payments to States

To: Regional Foresters

FORWARDING ACTION DUE OCTOBER 20, 2008
REPLY DUE NOVEMBER 14, 2008

The Secure Rural Schools and Community Self-Determination Act 2000 (P.L. 106-393) was amended and reauthorized for fiscal years 2008 through 2011 by section 601, Division C, of P.L. 110-343, which was signed by the President on October 3, 2008. As compared to P.L. 106-393, P.L. 110-343 contains significant changes in Title I but leaves Titles II and III largely intact. This letter sets forth the process for proper implementation of P.L. 110-343 (the "SRS Act") for the payments to States.

By **October 20, 2008**, please ensure that Forest Supervisors and appropriate State and county officials receive a copy of this letter and the enclosures. The Albuquerque Service Center (ASC) will contact State Treasurers directly. The Department of the Interior will provide a separate notice for payments to BLM counties.

By **November 14, 2008**, each State must submit to the Forest Service the following information: (1) each county's election to receive a share of the State payment under the SRS Act, or a share of the 25-percent payment; and (2) for each county that elects to receive a share of the State payment under SRS, the county's allocations for Title II and Title III projects. Counties in States that receive transition payments also must make these elections and allocations.

Each State should forward the requested information in a single submission, by mail or by fax, to the Forest Service at:

Mail	**FAX**	**EMAIL/Phone**
US Forest Service **Attn: Winona Gleason** **Albuquerque Service Center, B&F** **TSA & Other Collections** **101B Sun Avenue NE** **Albuquerque, NM 87109**	**(866) 343-2634**	**wgleason@fs.fed.us** **505-563-7467**

Payment Amounts

Section 102(a)(1) of the SRS Act directs the Secretary of the Treasury to pay each State or territory the sum of the amounts elected by the counties in that State for either: (1) a share of the State's 25-percent payment; or (2) a share of the State payment. In lieu of a State payment, section 103(b) requires that a transition payment be made to each covered State. The covered county payment under section 102(a)(2(B), if applicable), may elect to spend all of its funds in the same manner as the 25-percent payments are expended.

The SRS Act makes one significant change to the county allocations under P.L. 106-393. For an eligible county that receives $350,000 or more as its share of the State payment (inclusive of a county payment under section 102(a)(2(B), if applicable), the county may reserve no more than seven percent of its payment for Title III projects.

Under section 102(d)(3)(A), the deadline for the counties to make their elections is September 30, 2008, or as soon thereafter as the Secretary of Agriculture determines is practicable, and each September 30 thereafter. We have extended the deadline for the FY 2008 payment. **States must submit county allocations for Title II and Title III to the Forest Service by November 14, 2008. If a county does not submit its allocations by this deadline, the SRS Act requires that 15 percent of the county's share must be transferred to the Treasury.**

Resource Advisory Committee Recommendations for Title II Projects

Under sections 203(a) and 207(a), each Resource Advisory Committee (RAC) must submit projects that it proposes the Forest Service carry out using county allocations for Title II. Projects must be submitted by September 30, 2008, or as soon thereafter as the Secretary of Agriculture determines is practicable, for the payment for FY 2008, and each September 30 thereafter. We will be extending this deadline for the payment for FY 2008 to a date in calendar year 2009. The Forest Service will notify the RACs of the extension date and provide additional information concerning RACs in a separate letter.

As we implement the SRS Act, counties and States that have questions may contact their Forest Supervisor or Regional Forester. Forest Service personnel should direct their questions to Debra Whitall of the Partnership Office at 202-205-0967, or Marie-Louise (ML) Smith of Legislative Affairs at 202-205-1030.

The reauthorization of the Secure Rural Schools Act represents renewed and, in many cases, new opportunities, for counties, Resource Advisory Committees, and National Forests to work together to maintain infrastructure, improve the health of watersheds and ecosystems, protect communities, and strengthen local economies. We look forward to collaborating with communities to fully implement the Act.

/s/ Sally Collins for
ABIGAIL R. KIMBELL
Chief

cc: Associate Chief
Deputy Chiefs
Station Directors
Area Director

Enclosures

2008-2011 Secure Rural Schools P.L. 110-343 & 25% Fund
Projected Payment for California Counties

as of 10/23/08 11:30am

Eligible County	Projected County Share of State's 25% Payment (7 year rolling average) FY2008	Projected County Shares of the State Payment Adjusted Share	FY2008	FY2009	FY2010	FY2011	Total
Alpine	$223,390	0.1411%	$900,509	$810,458	$730,413	$514,404	$2,955,785
Amador	$168,646	0.0657%	$592,325	$533,092	$480,441	$239,467	$1,845,325
Butte	$64,593	0.1233%	$832,565	$749,308	$675,302	$449,470	$2,706,646
Calaveras	$57,288	0.0477%	$316,945	$285,250	$257,078	$173,685	$1,032,958
Colusa	$6,749	0.0518%	$234,594	$211,134	$190,282	$188,916	$824,926
Del Norte	$59,074	0.6320%	$2,757,304	$2,481,574	$2,236,480	$2,303,586	$9,778,944
El Dorado	$1,076,091	0.2078%	$3,758,173	$3,382,356	$3,048,296	$757,414	$10,946,238
Fresno	$362,037	0.5684%	$2,559,116	$2,303,205	$2,075,728	$2,071,931	$9,009,980
Glenn	$20,137	0.1914%	$667,960	$601,164	$541,789	$697,697	$2,508,610
Humboldt	$35,771	0.2779%	$1,958,225	$1,762,403	$1,588,338	$1,013,067	$6,322,033
Inyo	$411,231	0.1893%	$436,578	$392,920	$354,113	$690,036	$1,873,648
Kern	$66,325	0.1664%	$402,898	$362,608	$326,795	$606,662	$1,698,963
Lake	$26,630	0.1542%	$922,800	$830,520	$748,494	$562,188	$3,064,003
Lassen	$264,639	0.8082%	$3,604,665	$3,244,198	$2,923,784	$2,945,978	$12,718,625
Los Angeles	$876,021	0.0000%	N/A	N/A	N/A	N/A	N/A
Madera	$169,812	0.3370%	$1,035,717	$932,145	$840,082	$1,228,354	$4,036,298
Mariposa	$97,933	0.1076%	$585,706	$527,135	$475,072	$392,028	$1,979,941
Mendocino	$18,625	0.0976%	$643,332	$578,999	$521,814	$355,726	$2,099,871
Modoc	$96,839	0.7551%	$3,109,487	$2,798,538	$2,522,139	$2,752,351	$11,182,516
Mono	$464,247	0.1968%	$501,894	$451,705	$407,092	$717,372	$2,078,064
Monterey	$24,425	0.0459%	$33,486	$30,137	$27,161	$167,233	$258,016
Nevada	$115,901	0.0597%	$716,825	$645,143	$581,425	$217,543	$2,160,936
Orange	$43,345	0.0064%	$30,760	$27,684	$24,950	$23,329	$106,723
Placer	$297,363	0.1023%	$1,531,673	$1,378,506	$1,242,357	$372,958	$4,525,495
Plumas	$522,439	0.6992%	$6,750,168	$6,075,152	$5,475,137	$2,548,604	$20,849,061
Riverside	$196,807	0.0821%	$82,935	$74,642	$67,270	$299,147	$523,994
San Bernardino	$309,111	0.1681%	$307,892	$277,103	$249,735	$612,670	$1,447,400
San Diego	$229,509	0.0402%	$129,659	$116,693	$105,168	$146,642	$498,163
San Luis Obispo	$15,058	0.0323%	$20,734	$18,660	$16,817	$117,872	$174,083
Santa Barbara	$49,509	0.0723%	$68,723	$61,851	$55,742	$263,580	$449,897

FY 2008 PAYMENTS TO STATES ELECTION FORM
P.L. 110-343

Contact Information:

Mail
US Forest Service
Attn: Winona Gleason
Albuquerque Service Center, B&F
TSA & Other Collections
101B Sun Avenue NE
Albuquerque, NM 87109

E-Mail/Phone
wgleason@fs.fed.us
505-563-7467

Fax
(866) 343-2634

State Name: ____________________
Preparer's Name: ____________________
Preparer's Phone Number: ____________________
Preparer's Address: ____________________
Preparer's E-Mail: ____________________

MUST BE RETURNED TO USFS NOT LATER THAN NOVEMBER 14, 2008

Instructions:

- Each county must elect to receive one of the following payments: (1) a share of the State's 25-percent rolling average payment in Column C, or (2) a share of the State payment (formula payment) in Column D. A county in California, Louisiana, Oregon, Texas, Pennsylvania, South Carolina, South Dakota, or Washington that elects Column D is electing to receive a share of the State's transition payment in lieu of the State payment (formula payment).
- For a county that elects Column C, no additional information is needed.
- For a county that elects Column D, the following additional information is needed:
  - If the county share of the State payment (or State transition payment) is greater than $100,000 but less than $350,000, the county must allocate a total of 15% to 20% of its share to Title II projects in Column E or to Title III projects in Column F. The total of percentage amounts in Columns E and F must be no less than 15% and no greater than 20%.
  - If the county share of the State payment (or State transition payment) is $350,000 or greater, the county must allocate a total of 15% to 20% of its share to Title II projects in Column E or to Title III projects in Column F, except that the allocation for Title III projects may not exceed 7%. The total of percentage amounts in Columns E and F must be no less than 15% and no greater than 20%.
  - If the county share of the State payment (or State transition payment) is less than $100,000, the county may, but is not required to, allocate its share in the same manner as a county with a share that is greater than $100,000 but less than $350,000.

Projected 'State Payment' and '25% fund payment' data may be found at: www.fs.fed.us/srs/