RECOMMENDED ACTION AND JUSTIFICATION:

Adopt a Resolution designating 15-percent of the “full” payment the County receives through participation in the Secure Rural Schools and Community Self-Determination Act of 2000 to Title III projects.

Please see attached staff report.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The Board adopted Resolution 04-396 on August 24, 2004, designating 15-percent of the County’s full payment through participation in the Secure Rural Schools and Community Self-Determination Act of 2000 to Title III projects.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Allocate 20-percent to Title III projects. The County Road Fund and the School District will receive 5-percent less funding than they have in previous years.

<table>
<thead>
<tr>
<th>Financial Impact? ( ) Yes ( ) No</th>
<th>Current FY Cost: $</th>
<th>Annual Recurring Cost: $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgeted in Current FY? ( ) Yes ( ) No ( ) Partially Funded</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amount in Budget: $</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional Funding Needed: $</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Source:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal Transfer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unanticipated Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer Between Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contingency</td>
<td></td>
<td></td>
</tr>
<tr>
<td>( ) General ( ) Other</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

List Attachments, number pages consecutively
Staff Report
Letter from US Department of Agriculture
Resolution

CLERK’S USE ONLY:
Res. No.: 05-351
Ord. No. ___________
Vote - Ayes: 5 Noes: _______
Absent: _______
( ) Minute Order Attached ( ) No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office.
Date: ___________

Attest: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California
By: ____________________________
Deputy

COUNTY ADMINISTRATIVE OFFICER:
( ) Requested Action Recommended
( ) No Opinion
Comments:

______________________________
CAO: ___________

Revised Dec. 2002
MARIPOSA COUNTY RESOLUTION NO. 05-391

A RESOLUTION DESIGNATING THE AMOUNT OF FUNDING TO BE ASSIGNED TO TITLE II AND TITLE III PROJECTS AND DESIGNATING THE PERCENTAGE OF ALLOCATIONS TO LOCAL PROJECTS

WHEREAS, counties having United States National Forests within their boundaries have been receiving Forest Reserve funds for roads and schools under the provisions of the Agricultural Reapportionment Act of 1908; and

WHEREAS, in the past decade federal land use policy has shifted away from a multiple use approach to one in which decisions are made on a centralized basis with greater attention being given to single uses; and

WHEREAS, this approach has had a devastatingly negative impact on funding for schools and roads in forest counties; and

WHEREAS, the 106th Congress of the United States passed the Secure Rural Schools and Community Self-Determination Act of 2000, which seeks to maintain multiple use land management and reconnect local communities with management decision made about their national forests; and

WHEREAS, Congress has made provisions for local projects under Title II and Title III of the Secure Rural Schools and Community Self-Determination Act of 2000, which will enhance the safety and health of forests as well as enhance activities conducted within the National Forests that are within county boundaries; and

WHEREAS, the Secure Rural Schools and Community Self-Determination Act of 2000 makes provisions for safety net payments to counties for up to six years with between fifteen-percent to twenty-percent of these funds being allocated to local projects, which will enhance the health and safety of United States National Forests.

NOW, THEREFORE BE IT RESOLVED, that Mariposa County will allocate 100-percent of the portion of funds which it receives for local projects through participation in the Secure Rural Schools and Community Self-Determination Act of 2000, full safety net payment for authorized projects pursuant to Title III of the Act;

BE IT FURTHER RESOLVED, that the Board of Supervisors of Mariposa County, which has elected to receive safety net payments under the provisions of the Secure Rural Schools and Community Self-Determination Act of 2000, hereby designates that fifteen-percent of its safety net payment be allocated to Title III projects under this Act; and

BE IT FURTHER RESOLVED, that this Resolution be transmitted to the United States Secretary of Agriculture by September 30, 2005; and

PASSED AND ADOPTED by the Board of Supervisors of Mariposa County this 16th day of August 2005, by unanimous vote.

BOB PICKARD, Chairman

Attest:
MARGIE WILLIAMS, Clerk of the Board

Approved as to legal sufficiency:
THOMAS P. GUARINO, County Counsel
To: Board of Supervisors

From: Mary Hodson, Deputy CAO

Subject: Secure Rural Schools and Community Self-Determination Act of 2000

Recommendation:
Adopt a Resolution designating 15-percent of the “full” payment the County receives through participation in the Secure Rural Schools and Community Self-Determination Act of 2000 to Title III projects.

Background:
In 1908, Congress enacted a law that requires that the States receive 25-percent of the revenue derived from National Forest lands for use by counties in which those lands are situated for the benefit of public schools and roads. These revenues are commonly referred to as Forest Reserve Funds and are highly variable since they are tied to fluctuating and controversial timber sales. The Secure Rural Schools and Community Self-Determination Act of 2000 (HR 2389) was enacted to provide stable funding for schools and roads through the year 2006 and to provide an opportunity to fund forest habitat improvement projects and/or certain forest related expenses incurred by counties.

Counties have seen a steady decline in Forest Reserve revenue due to the decline in timber harvesting. The new law allows counties to opt for a Safety Net Payment – a dependable, predictable payment (full payment amount) based on the average of the highest three payments received between the years 1986 and 1999, or to receive their historical 25-percent payment. Counties that elect to receive the full payment amount and who receive more than $100,000 (which includes Mariposa County) are required to allocate 15 to 20-percent of this funding towards forest related county projects and/or forest projects.

On March 6, 2001, the Board of Supervisors adopted several resolutions pertaining to the Secure Rural Schools and Community Self-Determination Act of 2000.

⇒ #01-57 to receive the Safety Net Payment or full amount.
⇒ #01-58 to allocate 15-percent of the Safety Net Payment to local projects.
→ #01-59 to set the Resource Advisory Committee boundaries the same as the County boundaries.
→ #01-60 to designate that 100-percent of the portion of funds designated for local projects be allocated to Title III projects.

The 25-percent payment in past years had been approximately $199,000. Of this amount, half went to local schools and half to the County Road fund. In Fiscal Year 2000-01, the County Road fund received $82,463 from Forest Reserve receipts. In Fiscal Year 2004-05, Mariposa County received $629,854, of which local schools and the County Road fund each received $267,687. The remaining 15-percent - $94,478 was deposited into the Forest Reserve fund for use on local forest projects. By electing to receive the Safety Net Payment, the Board of Supervisors increased the amount of funding for local schools, the County Road fund, and local forest projects.

**Discussion:**
Each year the Board of Supervisors must decide what percentage (between 15 and 20-percent) of available funding for local projects to allocate to Title II and/or to Title III projects. This decision must be forwarded to the United States Secretary of Agriculture by September 30th of each year, or this funding will revert to the United States Treasury. Local projects are either federal land projects (Title II) or county projects (Title III).

**Title II** funds go directly to the United States Department of Agriculture (USDA) and are allocated by local USDA Forest Administrators to pay for federal land projects. Potential projects are reviewed and approved by Resource Advisory Committees (RAC) which consists of 15 members appointed by the Secretary of Agriculture. Mariposa County has not formed a RAC due to the complexity of the membership and the fact that there are two national forests in Mariposa County.

**Title III** funds come directly to the County. As long as the funds are spent in one or more of 6 categories of county services, the Board of Supervisors decides how to allocate these funds. The categories are:
→ Search, rescue, and emergency services performed on Federal lands and paid for by the County.
→ Community service work camps – salaries and benefits of county employees who supervise adults/juveniles performing mandatory community service on Federal lands.
→ Easement purchases – to improve non-motorized access to public lands for recreational purposes; conservation easements.
→ Fire prevention and county planning – educate homeowners on the consequences of wildfire; planning efforts to reduce the impact of development on adjacent Federal lands.
→ Community forestry – non-Federal cost-sharing requirements of Section 9 of the Cooperative Forestry Assistance Act of 1978,
Mr. Bob Pickard  
District 5 County Supervisor  
P.O. Box 784  
Mariposa County  
Mariposa, CA 95338

Dear Supervisor Pickard:

On October 30, 2000, Public Law 106-393 (H.R. 2389, "Secure Rural Schools and Community Self-Determination Act of 2000") was signed into law. This Act provides eligible counties an increased and predictable level of funding for local schools and roads.

Under the Act, counties have the option to continue to receive forest reserve payments as in prior years (the 25 percent payment option), or elect to receive their share of the average of the three highest payments made to the State during the period of fiscal year 1986 through fiscal year 1999 (the full payment option).

Your county has elected the "full payment" option. If your county receives at least $100,000, you are required to reserve at least 15 percent and no more than 20 percent of the payments for special forest projects under Title II of the Act, county projects under Title III, or both. Because your county has elected not to form a Resource Advisory Committee, (RAC), at this time your required reserve must go into Title III. If at anytime you decide to form a RAC, your local forest will assist you with the process required to create one.

Eligible counties must notify the USDA Forest Service each year with how much they elect to reserve (between 15-20%) for Title III projects. Counties must submit notification of their election to USDA Forest Service by September 30, 2005. If we do not receive your county’s election by this date, 15% of the funds available to your county will be returned to the United States Treasury.

Please send your election to:  
Ms. Christine Nota  
USDA Forest Service  
650 Capitol Mall, Room 8-200  
Sacramento, CA 95814

The State has notified us that counties electing to spend Title III funds will receive their Title I (roads) and Title III funds in one lump sum as they did last year. The State will include a letter when dispersing the funds that will notify you of the amount in each Title so you can keep these funds separate. The State Controller’s Office will distribute funds to each eligible county.
according to the agreed upon formula and the counties’ election of fund distribution. It is expected that the funds for Title I and Title III will be distributed to the State by November 2005.

Funds to each county will be the same as last year with a slight increase based on the consumer price index. Last year this increase was 1.3%.

If you have questions do not hesitate to call Chris Nota, (916) 498-5901.

Sincerely,

[Signature]

BERNARD WEINGARDT
Regional Forester

cc: Richard Inman - County Administrative Officer
August 25, 2005

Mr. Mike Johanns  
United States Secretary of Agriculture  
1400 Independence Ave SW  
Washington, DC 20250

Dear Mr. Johanns:

Enclosed is a copy of Mariposa County Board of Supervisors Resolution 05-391 passed and adopted on August 16, 2005, by unanimous vote, allocating 15-percent of the "full" portion of funds the county receives for local projects through participation in the Secure Rural Schools and Community Self-Determination Act of 2000 to fund Title III projects.

Sincerely,

BOB PICKARD
Chairman

Enclosure

Cc: Christine Nota, USDA Forest Service  
Dr. Holland, Superintendent of Mariposa County Unified School District  
Mary Hodson, Deputy CAO  
Dana Hertfelder, Public Works Director