

A view from Daniels County, Montana

Daniels County is in the unique position of being the only one of 56 Montana counties that receives nothing from the federal government's two big public lands compensation programs: Payment In Lieu of Taxes and Secure Rural Schools. Instead Daniels County has state public lands, for which is it not fairly reimbursed.

Daniels County is seeking state legislation to provide an offset to the negative impact of having a high percentage tax-exempt land (23.38%). The negative effect is particularly difficult to absorb because Daniels has a small population and low taxable valuation of \$7.6 million. In comparison, the taxable value of Yellowstone County is \$356.4 million. The proposed legislation would benefit Scobey Schools.

We also need ideas to replace lost income that should support local government operations.

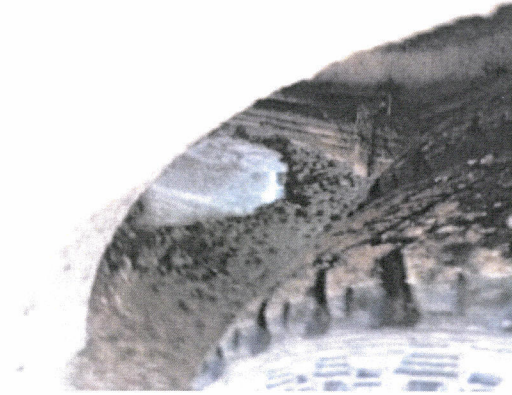
Numbers for creative thinkers and problem solvers follow:

- About 33 percent of Daniels County land is exempt from taxation.
 - 23.38% is state trust land
 - 9% is tribal land
- If equally distributed throughout Montana, tax-exempt state trust land would be less than 6% of any county. Because this is not the case, Daniels County loses \$358,000 annually in property tax revenue that could otherwise support schools and county government.
- Daniels County receives minor offsets for state public land in contrast to counties with federal public land.
 - Over the decades, federal BLM land in the county has become state land.
 - Payment in lieu of taxes (PILT) from federal land: \$0
 - Secure Rural Schools funding from federal land: \$0
 - The state PILT program was discontinued in 2001 and replaced with entitlements not tied to acres of state trust land.
- Daniels County's economy is closely linked to farming and ranching.
 - Oil and gas tax revenue returned to county: \$0
 - Agriculture and ranching annual payments sent to the state trust fund from 213,430 leased acres: \$2.75 million annually (5-year average)
- The county needs more operating capital to deliver adequate public services. Its buildings and roads need repair and replacement. Legislation to provide Scobey Schools with an additional \$300,000 per year from the state trust fund has been drafted. This cash infusion could make other local projects in need of taxpayer support more plausible.

State of Daniel's County Roads



West of Whitetail



Maintenance costs are 8% higher



West of Whitetail 112 miles daily



West of Whitetail



Life expectancy Daniels Co 5-7 years as compared to 10 years



West of Whitetail



Peerless Route 162 miles daily

MILL LEVIES FOR SCOBEEY SCHOOLS

	Mill Value = \$5,497.64				Mill Value = \$7,196.91				Mill Value = \$7,257.06				Mill Value = \$7,705.35				Mill Value = \$7,629.09				
	2014-2015		2015-2016		2016-2017		2017-2018		2018-2019												
	District Budget	Tax Needed	2014-2015	CHANGE	District Budget	Tax Needed	2015-2016	CHANGE	District Budget	Tax Needed	2016-2017	CHANGE	District Budget	Tax Needed	2017-2018	CHANGE	District Budget	Tax Needed	2018-2019	CHANGE	
Levies from Form FP-9			MILLS				MILLS				MILLS				MILLS				MILLS		
County Transportation Levy		\$93,836.65	10.45	-0.72		\$68,298.68	9.49	-0.96		\$61,539.87	8.48	-1.01		\$60,949.32	7.91	-0.57		\$83,655.36	10.96	3.05	
Couty Retirement Levy		\$276,289.01	42.27	-3.63		\$197,411.24	27.43	-14.84		\$158,857.04	21.89	-5.54		\$271,536.53	35.24	13.35		\$315,615.34	41.37	6.13	
TOTAL LEVIED BY COUNTY		\$370,125.66	52.72	-4.35		\$265,709.92	36.92	-15.80		\$220,396.91	30.37	-6.55		\$332,485.85	43.15	12.78		\$399,270.70	52.33	9.18	
School District Levies																					
General	\$2,401,834.28	\$623,611.11	113.42	-8.30	\$2,427,172.81	\$699,673.67	97.21	-16.21	\$2,466,494.35	\$723,289.63	99.67	2.46	\$2,491,404.54	\$967,012.92	125.50	25.83	\$2,518,061.37	\$964,879.06	126.43	0.93	
Transportation	\$374,982.00	\$169,380.82	30.81	3.28	\$350,000.00	\$70,725.15	9.83	-20.98	\$357,046.22	\$85,827.67	11.83	2.00	\$358,780.13	\$107,542.06	13.96	2.13	\$329,114.05	\$120,192.50	15.75	1.79	
Bus Depreciation	\$127,762.80	\$35,000.00	6.37	0.06	\$101,742.97	\$67,288.00	9.35	2.98	\$91,268.25	\$74,591.78	10.28	0.93	\$166,800.01	\$72,482.00	9.41	-0.87	\$133,786.25	\$103,140.20	13.52	4.11	
Tuition																		\$24,379.11	\$24,379.11	3.20	3.19
Adult Ed.	\$10,000.00	\$6,122.76	1.11	-0.02	\$10,000.00	\$6,204.10	0.86	-0.25	\$10,000.00	\$2,714.62	0.37	-0.49	\$10,000.00	\$0.00	0.00	-0.37	\$10,000.00	\$0.00	0.00	0.00	0.00
Technology	\$70,533.50	\$25,000.00	4.55	0.87	\$65,954.39	\$25,000.00	3.47	-1.08	\$70,537.11	\$22,839.44	3.15	-0.32	\$83,178.39	\$25,000.00	3.24	0.09	\$81,865.48	\$25,000.00	3.28	0.04	
TOTAL LEVIED BY SCHOOL	\$2,985,112.58	\$859,114.69	156.26	-4.11	\$2,954,870.17	\$868,890.92	120.72	-35.54	\$2,995,345.93	\$909,263.14	125.3	4.58	\$3,110,163.07	\$1,172,036.98	152.11	26.81	\$3,097,206.26	\$1,237,590.87	162.18	10.06	
TOTAL COUNTY & SCHOOL		\$1,229,240.35	208.98	-8.46		\$1,134,600.84	157.64	-51.34		\$1,129,660.05	155.67	-1.97		\$1,504,522.83	195.26	39.59		\$1,636,861.57	214.51	19.24	

Block grant cut by Legislature; \$100,000 returned

Block grant cut by Legislature; zero \$ returned

DEBT SERVICE

Scobey	43.16	29.36	31.98	0.00	0.00
Flaxville	1.71	0.00	0.00	0.00	0.00
Peerless	2.99	0.00	0.00	0.00	0.00
Daniels	0.00	20.08	19.99	20.80	17.98

*Heating System Year 4 of 20
Satisfied in 2035*

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Daniels County Superintendent of Schools
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