



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

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Director
AMY CARLSON

DATE: October 1, 2010

TO: Members of the Legislative Finance Committee

FROM: Barbara Smith, Fiscal Analyst

RE: 2011 State Fire Costs

Montana typically experiences wildland fire in all months of the year. The major season of July to September has come to a close. As with the two previous seasons, the FY 2011 season proved to be less than average.

FY 2011

Fire costs are based on estimated fire costs and costs that have already been paid. Fire costs are not settled until all reimbursement has been received and all bills have been paid. As of September 20, 2010 state fire costs were \$1.9 million as described below.

Department Of Natural Resources and Conservation Estimated Fire Expenditures - Summary Level September 20, 2010	
<u>Part 1: Fire Protection Costs:</u>	
Paid Y-T-D	\$1,486,234
Estimated Costs To Pay	<u>811,051</u>
Paid and Estimated Obligations	<u>2,297,285</u>
<u>Part 2: Reimbursements:</u>	
Actual Reimbursements	<u>0</u>
Anticipated Reimbursements	<u>357,399</u>
Received and Anticipated Reimbursements	<u>357,399</u>
Estimated State Fire Costs	<u>\$1,939,886</u>

State fire costs are paid from the fire suppression fund. The impact of FY 2011 costs leaves an estimated balance of \$22.4 as detailed below.

AVERAGE FIRE COSTS

The Legislative Fiscal Division calculates average fire costs by utilizing the last seven years of data and removing the high and low year. Due to the relatively low costs of the last few fire seasons and the loss of a high year (FY 2004) from the data the average state cost of fire suppression has fallen. The average annual state fire cost is now \$11.9 million, down from \$18.3 million.

Fire Suppression Fund In Millions	
FY 2011 Beginning Balance	\$24.4
Estimated Fire Costs	<u>1.9</u>
Estimated Funds Remaining	<u>\$22.5</u>