



Commonwealth of Virginia

Walter J. Kucharski, Auditor

**Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218**

December 15, 2009

Mr. Bill Howell
United States Department of the Interior
Office of Budget
1849 C St., N.W., MS-4116
Washington, D.C. 20240

Dear Mr. Howell:

In compliance with Chapter 69, Title 31 U.S. Code, §6901-6907, commonly referred to as the Payments in Lieu of Taxes (PILT) Act, we are enclosing the following requested information:

Attachment A Statement of Federal Land Payments during the period
October 1, 2008 through September 30, 2009

Attachment B Code of Virginia Chapter 8, Public School Funds, Article 3
§ 22.1-108, *Money derived from forest reserve*

The total amount disbursed for Timber Payments matches the amount reported on Enclosure 2, which was received on October 29, 2009 from the United States Department of the Interior. The disbursements are included on the Statement of Federal Land Payments.

The total amount disbursed for Minerals Management Service Payments includes undistributed funds at the end of federal fiscal year 2008 that were subsequently distributed during federal fiscal year 2009, and therefore does not match Enclosure 2 by the amount of these funds and funds distributed during federal fiscal year 2010. Details on the distribution of these payments are disclosed in Note 1 of the Statement of Federal Land Payments.

The total amount disbursed for Federal Energy Regulatory Commission (FERC) Power Sales includes undistributed funds at the end of federal fiscal year 2008 that were subsequently distributed during federal fiscal year 2009, and therefore does not match Enclosure 2 by the amount of these funds and funds distributed during federal fiscal year 2010. Details on the distribution of these payments are disclosed in Note 2 of the Statement of Federal Land Payments.

Should you have any questions concerning the report, please contact Duane Miller, at:

Phone: (804) 225-3350.
Fax: (804) 225-3357
e-mail: Duane.Miller@apa.virginia.gov

AUDITOR OF PUBLIC ACCOUNTS

DEM:alh

cc: The Honorable Timothy Kaine, Governor of Virginia
Marie Williams, Department of Education
Francis Campbell, Department of Environmental Quality

COMMONWEALTH OF VIRGINIA
STATEMENT OF FEDERAL LAND PAYMENTS
For the Period October 1, 2008 through September 30, 2009

<u>Governmental Unit</u>	<u>Timber Payments</u>	<u>Mineral Management Service Payments Note 1</u>	<u>FERC Power Sales Note 2</u>	<u>Total Recommended for Acceptance</u>
Alleghany County	\$ 221,404.00	\$ 637.21	\$ -	\$222,041.21
Amherst County	93,181.00	259.95	93.04	93,533.99
Augusta County	285,133.00	880.58	-	286,013.58
Bath County	170,539.00	780.18	20,903.94	192,223.12
Bedford County	21,125.00	2,470.41	-	23,595.41
Bland County	170,231.00	10,055.86	-	180,286.86
Botetourt County	83,906.00	8,998.12	-	92,904.12
Brunswick County	-	-	5,695.31	5,695.31
Carroll County	15,519.00	956.41	-	16,475.41
Chesapeake City	-	-	1,275.00	1,275.00
Craig County	200,773.00	15,277.86	-	216,050.86
Dickenson County	23,056.00	1,134.92	1,372.77	25,563.69
Frederick County	5,843.00	21.94	-	5,864.94
Giles County	129,947.00	8,361.25	1,050.00	139,358.25
Grayson County	86,498.00	4,355.65	-	90,853.65
Highland County	93,504.00	261.71	-	93,765.71
Lee County	26,308.00	1,487.85	-	27,795.85
Mecklenburg County	-	-	1,327.50	1,327.50
Montgomery County	43,066.00	2,553.72	-	45,619.72
Nelson County	5,760.00	89.05	-	5,849.05
Page County	60,635.00	121.64	-	60,756.64
Portsmouth City	-	-	14,089.50	14,089.50
Pulaski County	28,765.00	2,531.79	-	31,296.79
Roanoke County	3,082.00	412.14	-	3,494.14
Rockbridge County	90,162.00	3,014.30	-	93,176.30
Rockingham County	40,614.00	627.89	-	41,241.89
Scott County	79,202.00	4,539.14	-	83,741.14
Shenandoah County	22,089.00	341.61	-	22,430.61
Smyth County	140,537.00	9,825.97	-	150,362.97
Tazewell County	17,050.00	1,288.65	-	18,338.65
Warren County	1,827.00	28.25	-	1,855.25
Washington County	34,736.00	2,927.36	-	37,663.36
Wise County	72,244.00	4,788.85	-	77,032.85
Wythe County	96,132.00	7,663.93	-	103,795.93
TOTAL	<u><u>\$2,362,868.00</u></u>	<u><u>\$96,694.19</u></u>	<u><u>\$45,807.06</u></u>	<u><u>\$2,505,369.25</u></u>

Note 1: During federal fiscal year 2009, the amount reported for Minerals Management Service Payments on Enclosure 2 from the Department of the Interior was \$71,611. Actual cash payments to localities during federal fiscal year 2009 totaled \$96,694.19, which includes payments of \$35,292.74, which were undistributed funds at the end of federal fiscal year 2008. Additionally, this statement does not include undistributed funds of \$10,209.55 at the end of federal fiscal year 2009, which will be included our statement for federal fiscal year 2010.

Note 2: FERC electronically submits Power Sales funds to Virginia's Secretary of Administration office, who in turn transfers the funds to Virginia's Department of Education for disbursement to localities. FERC Power Sales payments on Enclosure 2 from the U.S. Department of the Interior totaled \$38,863; however, the amount listed above includes \$26,692.29 that was undistributed at the end of federal fiscal year 2008, that was subsequently distributed to localities during federal fiscal year 2009. Remaining funds of \$19,114.77 were received and distributed in federal fiscal year 2009. The Enclosure 2 amount of \$38,863.07 was not transferred to Virginia's Department of Education for disbursement until federal fiscal year 2010 and will be included in our statement for federal fiscal year 2010.

Code of Virginia Chapter 8, Public School Funds, Article 3

[§ 22.1-108](#). Money derived from forest reserve.

All federal funds paid to the Commonwealth arising from the forest reserve shall be paid to the State Treasurer to be distributed and disposed of as provided in this section.

The treasurer of each school division within whose boundaries there is located any land owned by the United States government and held as a forest reserve shall ascertain the area of such land so situated in the school division and the reserve in which the same is located and make a report thereof to the Comptroller. Upon receipt of such information from the treasurer, the Comptroller shall apportion all federal funds arising from such forest reserve among the school divisions in which such forest reserve is located according to the area in each school division. The Comptroller shall keep separate accounts of all federal forest reserve funds received by him.