



# Commonwealth of Virginia

**Walter J. Kucharski, Auditor**

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

December 7, 2010

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, 2009 through September 30, 2010

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 November 8, 2010 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 2009 that were subsequently distributed during federal fiscal year 2010, and therefore does not match Enclosure 2 by the amount of these funds and funds distributed during federal fiscal year 2011. Details on the distribution of these payments are disclosed in Note 1 of the Statement of Federal Land Payments.

Should you have any questions concerning the report, please contact DeAnn Compton, at:

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AUDITOR OF PUBLIC ACCOUNTS

DBC/alh

cc: The Honorable Robert F. McDonnell, Governor of Virginia  
Marie Williams, Department of Education  
Valerie Thomson, Department of Environmental Quality  
Chris Moore, Department of Environmental Quality

**COMMONWEALTH OF VIRGINIA**  
**STATEMENT OF FEDERAL LAND PAYMENTS**  
For the Period October 1, 2009 through September 30, 2010

<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	\$ 198,906.72	\$ -	\$ -	\$ 198,906.72
Amherst County	83,408.79	-	-	83,408.79
Augusta County	257,013.09	-	-	257,013.09
Bath County	154,841.15	-	32,081.41	186,922.56
Bedford County	18,379.81	272.75	225.72	18,878.28
Bland County	154,281.87	1,110.14	-	155,392.01
Botetourt County	70,334.94	986.93	-	71,321.87
Brunswick County	-	-	-	-
Carroll County	13,987.20	105.60	-	14,092.80
Chesapeake City	-	-	3,000.00	3,000.00
Craig County	188,534.55	1,686.71	-	190,221.26
Dickenson County	21,049.74	6,121.65	1,325.69	28,497.08
Frederick County	5,261.68	-	-	5,261.68
Giles County	121,004.02	923.08	1,323.75	123,250.85
Grayson County	81,033.42	480.87	-	81,514.29
Highland County	87,986.17	-	-	87,986.17
Lee County	24,184.64	164.30	-	24,348.94
Mecklenburg County	-	-	6,555.94	6,555.94
Montgomery County	37,578.67	281.91	-	37,860.58
Nelson County	5,565.70	-	-	5,565.70
Page County	54,514.98	-	-	54,514.98
Portsmouth City	-	-	13,117.98	13,117.98
Pulaski County	28,558.17	279.56	-	28,837.73
Roanoke County	2,861.43	45.50	-	2,906.93
Rockbridge County	81,756.62	310.20	-	82,066.82
Rockingham County	39,243.97	-	-	39,243.97
Scott County	71,248.07	501.15	-	71,749.22
Shenandoah County	21,352.35	-	-	21,352.35
Smyth County	133,533.98	1,084.81	-	134,618.79
Tazewell County	14,838.59	142.24	-	14,980.83
Warren County	1,765.86	-	-	1,765.86
Washington County	31,444.68	323.21	-	31,767.89
Wise County	66,806.16	528.70	-	67,334.86
Wythe County	90,374.24	846.11	-	91,220.35
<b>TOTAL</b>	<u><b>\$2,161,651.26</b></u>	<u><b>\$16,195.42</b></u>	<u><b>\$57,630.49</b></u>	<u><b>\$2,235,477.17</b></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 \$25,544. Actual cash payments to localities during federal fiscal year 2010 totaled \$16,195.42, which includes payments of \$10,209.55, which were undistributed funds at the end of federal fiscal year 2009. Additionally, this statement does not include undistributed funds of \$19,558.13 at the end of federal fiscal year 2010, which will be included in our statement for federal fiscal year 2011.

**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 \$0; however, the amount listed above includes \$38,863.07 that was undistributed at the end of federal fiscal year 2009, that was subsequently distributed to localities during federal fiscal year 2010. Remaining funds of \$18,767.42 were received and distributed in federal fiscal year 2009.

**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.