



Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

December 2, 2004

Mr. William Howell, PILT Specialist
Budget and Finance Team
Bureau of Land Management (WO-880)
1849 C St., N.W., MS 1025-L St.
Washington, D.C. 20240-9998

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 1 Statement of Federal Land Payments during the period
October 1, 2003 through September 30, 2004

Attachment 2 Code of Virginia Chapter 8, Public School Funds, Article 3
§ 22.1-108, *Money derived from forest reserve*

The amount for FERC Power Sales will not match the amount reported in Enclosure 2 of the PILT reporting requirements. The Virginia Department of Education received and disbursed funds in excess of the amount reported in Enclosure 2. There is an explanation in Note 3 on the Schedule of Federal Land Payments.

Should you have any questions concerning the report, please contact Nannette Williams, Statewide Single Audit Coordinator, at (804) 225-3350.

AUDITOR OF PUBLIC ACCOUNTS

NW:

cc: The Honorable Mark R. Warner
Marie Williams, Department of Education
Francis Campbell, Department of Environmental Quality

Attachment 1

**COMMONWEALTH OF VIRGINIA
STATEMENT OF FEDERAL LAND PAYMENTS**
For the Period October 1, 2003 through September 30, 2004

Governmental Unit	Timber Payments Note 1	Mineral Management Service Payments Note 2	FERC Power Sales Note 3	Total Recommended For Acceptance
Alleghany County	\$ 80,395	\$ -	\$ -	\$ 80,395
Amherst County	32,551	-	-	32,551
Augusta County	110,466	-	-	110,466
Bath County	98,686	-	-	98,686
Bedford County	10,024	-	-	10,024
Bland County	38,751	-	-	38,751
Botetourt County	42,988	-	-	42,988
Carroll County	3,617	-	-	3,617
Charlotte County	-	-	70	70
Chesapeake City	-	-	13,400	13,400
Craig County	61,691	-	-	61,691
Dickenson County	4,443	-	171	4,614
Fairfax County	-	-	28,372	28,372
Frederick County	2,790	-	-	2,790
Giles County	33,791	-	1,050	34,841
Grayson County	17,567	-	-	17,567
Halifax County	-	-	203	203
Highland County	32,861	-	-	32,861
Lee County	5,993	-	-	5,993
Mecklenburg County	-	-	1,445	1,445
Montgomery County	2,170	-	-	2,170
Nelson County	10,644	-	-	10,644
Page County	15,397	-	-	15,397
Pulaski County	10,334	-	-	10,334
Roanoke County	1,653	-	-	1,653
Rockbridge County	37,201	-	-	37,201
Rockingham County	79,155	-	-	79,155
Scott County	18,394	-	-	18,394
Shenandoah County	43,091	-	-	43,091
Smyth County	39,371	-	-	39,371
Tazewell County	5,063	-	-	5,063
Warren County	1,810	-	-	1,810
Washington County	11,884	-	-	11,884
Wise County	19,220	-	-	19,220
Wythe County	30,691	-	-	30,691
TOTAL	\$ 902,692	\$ -	\$ 44,711	\$ 947,403

Note 1: The amount reported for Timber Payments on Enclosure 2 from the Department of the Interior was \$902,690. The amount of cash payments received and disbursed during federal fiscal year 2004 was \$902,692. The difference is due to rounding.

Note 2: The amount reported for Minerals Management Service Payments on Enclosure 2 from the Department of the Interior was \$21,000. Actual cash payments received during federal fiscal year 2004 were

Note 3: FERC electronically submits Power Sales funds to the Virginia Secretary of Administration office, who in turn transfers the funds to the Virginia Department of Education to be disbursed to the localities. The amount reported as FERC Power Sales receipts on Enclosure 2 from the Department of the Interior was \$18,577. Actual payments received and disbursed during federal fiscal year 2004 was \$44,711. The amount provided by the Federal Energy Regulatory Commission to the Department of Interior was incorrect. The correct amount of \$44,711 was transferred to the Virginia Secretary of Administration, which was then properly disbursed to the localities by the Virginia Department of Education.

Attachment 2

§ 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. (Code 1950, § 22-119; 1960, c. 463; 1980, c. 559.)