

REPORT BY THE
AUDITOR GENERAL
OF CALIFORNIA

**STATE OF CALIFORNIA
STATEMENT OF FEDERAL LAND PAYMENTS
OCTOBER 1, 1981 THROUGH SEPTEMBER 30, 1982**

REPORT BY THE
OFFICE OF THE AUDITOR GENERAL
TO THE
JOINT LEGISLATIVE AUDIT COMMITTEE

F-354

STATE OF CALIFORNIA
STATEMENT OF FEDERAL LAND PAYMENTS
OCTOBER 1, 1981 THROUGH SEPTEMBER 30, 1982

AUGUST 1983



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August 1, 1983

F-354

Honorable Art Agnos
Chairman, and Members of the
Joint Legislative Audit Committee
State Capitol, Room 3151
Sacramento, California 95814

Dear Mr. Chairman and Members:

The Office of the Auditor General presents its report concerning payments received from the federal government for activities on federal lands located in California. The report certifies that \$23.2 million of the monies received for activities on federal land were distributed to various local governments to compensate them for lost property taxes on federal lands. As noted in the report, \$21 million came from the U.S. Forest Service.

Respectfully submitted,


THOMAS W. HAYES
Auditor General

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
AUDITOR'S OPINION	3
STATEMENT OF FEDERAL LAND PAYMENTS	5

INTRODUCTION

In compliance with Federal Department of the Interior regulations, we have audited the State of California's Statement of Federal Land Payments. We conducted this audit under the authority vested in the Auditor General by Section 10500 et seq. of the California Government Code.

To comply with Public Law 97-258 (Title 31 United States Code, Sections 6901 through 6906), the Governor or the Governor's delegate must submit to the Secretary of the Interior a statement of amounts received by the State and transferred to each unit of local government within the State under certain federal payment laws. These payments compensate for the property taxes that would have been collected on tax-exempt federal land. The Secretary of the Interior makes the payments based on a statutory formula applicable to federal land located within units of local government. The Secretary of the Interior uses the Statement of Federal Land Payments to compute annual payments to units of local government within whose jurisdiction certain federally owned lands are located.

From October 1, 1981, through September 30, 1982, the State of California received \$72.2 million under federal payment laws. Of this total, the State transferred

\$23.2 million to qualified units of local government, transferred \$45 million to school districts or county school service funds, and retained \$4 million. State statutes contain provisions for apportioning and disbursing these monies; the State Controller administers these provisions.

AUDITOR'S OPINION


We have examined the State of California's Statement of Federal Land Payments covering the period from October 1, 1981, through September 30, 1982. Federal law requires that the Governor or the Governor's delegate submit this statement to the Bureau of Land Management within the Department of the Interior. We made our examination in accordance with both the standards for audit of governmental organizations, programs, activities, and functions, issued by the Comptroller General of the United States, as they apply to financial and compliance examinations, and the Audit Guide for the Bureau of Land Management Payments in Lieu of Taxes Program prepared by the Office of the Inspector General, U.S. Department of the Interior. Our examination included such tests of the accounting records and such other auditing procedures as we considered necessary under the circumstances.

The Statement of Federal Land Payments was prepared on the basis of cash disbursements made by the State of California to counties of the State for distribution to qualified local governmental units under Title 31 United States Code, Section 6901, et seq. This basis of reporting federal land payments is prescribed by U.S. Department of the Interior Rules and Regulations (Title 43, Code of Federal Regulations, Section 1881.0-5) and is in accordance with the provisions of the October 16, 1978, decision of the Comptroller General of the United States (B-167553). The Statement of Federal Land Payments is not intended to be presented in conformity with generally accepted accounting principles; it is to be filed solely with governmental agencies.

In our opinion, the Statement of Federal Land Payments for the period from October 1, 1981, through September 30, 1982, presents fairly the payments made by the State of California to counties of the State for distribution to qualified local governmental units under Title 31 United States Code,

Section 6901, et seq., in accordance with the regulatory requirements pertaining to the basis of accounting described in the preceding paragraph, a basis that was applied in a manner consistent with that of the preceding year.

OFFICE OF THE AUDITOR GENERAL



KARL W. DOLK, CPA
Assistant Auditor General

Date: July 8, 1983

Staff: Ulrich Pelz, CPA, Audit Manager
Mark C. Lamb
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STATE OF CALIFORNIA
STATEMENT OF FEDERAL LAND PAYMENTS
OCTOBER 1, 1981 THROUGH SEPTEMBER 30, 1982

LOCAL UNIT*	FEDERAL AGENCY MAKING PAYMENT AND TYPE OF PAYMENT										RECOMMENDED FOR ACCEPTANCE	
	USFS NATIONAL FORESTS	USFS BANKHEAD-JONES	BLM MINERAL LEASING	BLM TAYLOR GRAZING SEC. 3	BLM SEC. 15	BLM BANKHEAD-JONES	BLM SALE MATERIALS	FERC POWER SALES	FMS REFUGEE REVENUE SHARING	TOTAL		RECOMMENDED ADJUSTMENTS
051001001 ALAMEDA COUNTY	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
051002002 ALPINE COUNTY	380,508	0	0	644	0	0	0	0	0	381,152	0	381,152
051003003 AMADOR COUNTY	244,350	0	0	0	302	0	0	0	0	244,652	0	244,652
051004004 BUTTE COUNTY	250,788	0	0	0	171	0	0	0	0	250,959	0	250,959
051005005 CALAVERAS COUNTY	147,360	0	0	0	1,222	0	0	0	0	148,582	0	148,582
051006006 COLUSA COUNTY	88,757	0	0	0	259	0	0	0	0	89,016	0	89,016
051007007 CONTRA COSTA COUNTY	0	0	0	0	0	0	0	0	0	0	0	0
051008008 DEL NORTE COUNTY	907,235	0	0	0	0	0	0	0	0	907,235	0	907,235
051009009 EL DORADO COUNTY	1,529,934	0	0	0	2,450	0	0	0	0	1,532,384	0	1,532,384
051010010 FRESNO COUNTY	705,815	0	0	0	22,417	0	0	0	0	728,232	0	728,232
051011011 GLENN COUNTY	256,136	0	0	0	518	0	0	0	0	256,654	0	256,654
051012012 HUMBOLDT COUNTY	649,762	0	0	0	152	0	0	0	0	649,914	0	649,914
051013013 IMPERIAL COUNTY	0	0	206,369	0	0	0	0	0	0	206,369	0	206,369

* The nine-digit account code listed above each county on the Statement of Federal Land Payments is assigned and used by the Office of Revenue Sharing, Department of Treasury, to identify units of local government.

STATE OF CALIFORNIA
STATEMENT OF FEDERAL LAND PAYMENTS
OCTOBER 1, 1981 THROUGH SEPTEMBER 30, 1982

LOCAL UNIT*	FEDERAL AGENCY MAKING PAYMENT AND TYPE OF PAYMENT											RECOMMENDED ADJUSTMENTS	RECOMMENDED FOR ACCEPTANCE		
	USFS NATIONAL FORESTS	USFS BANKHEAD- JONES	BLM MINERAL LEASING	BLM TAYLOR GRAZING SEC. 3	BLM BLM SEC. 15	BLM BANKHEAD- JONES	BLM SALE MATERIALS	FERC POWER SALES	FWS REFUGES REVENUE SHARING	TOTAL					
051014014 INYO COUNTY	96,364	0	199,675	6,425	6,656	0	0	0	0	0	0	0	309,120	0	309,120
051015015 KERN COUNTY	119,498	0	0	3,028	15,897	0	0	0	0	0	0	0	138,423	0	138,423
051016016 KINGS COUNTY	0	0	0	0	2,056	0	0	0	0	0	0	0	2,056	0	2,056
051017017 LAKE COUNTY	347,749	0	459,883	0	1,147	0	0	0	0	0	0	0	808,779	0	808,779
051018018 LASSEN COUNTY	1,183,397	0	1,259	17,956	0	0	0	0	0	0	0	0	1,202,612	0	1,202,612
051019019 LOS ANGELES COUNTY	38,101	0	0	0	80	0	0	0	0	0	0	0	38,181	0	38,181
051020020 MADERA COUNTY	280,358	0	0	0	458	0	0	0	0	0	0	0	280,816	0	280,816
051021021 MARIN COUNTY	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
051022022 MARIPOSA COUNTY	215,006	0	0	0	5,337	0	0	0	0	0	0	0	220,343	0	220,343
051023023 MENDOCINO COUNTY	240,252	0	2,022	0	1,067	0	0	0	0	0	0	0	243,341	0	243,341
051024024 MERCED COUNTY	0	0	0	0	860	0	0	0	0	0	0	0	860	0	860
051025025 MODOC COUNTY	999,678	0	6,165	4,393	1,087	0	0	0	0	0	0	0	1,011,323	0	1,011,323
051026026 MONO COUNTY	107,494	0	364,808	2,924	(1,546)	0	0	0	0	0	0	0	473,680	0	473,680

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051027027 MONTEREY COUNTY	7,954	0	0	0	2,961	0	0	0	0	0	0	10,915	0	10,915
051028028 NAPA COUNTY	0	0	0	0	424	0	0	0	0	0	0	424	0	424
051029029 NEVADA COUNTY	154,068	0	0	0	176	0	0	0	0	0	0	154,244	0	154,244
051030030 ORANGE COUNTY	6,702	0	13,935	0	0	0	0	0	0	0	0	20,637	0	20,637
051031031 PLACER COUNTY	409,434	0	0	0	36	0	0	0	0	0	0	409,470	0	409,470
051032032 PLUMAS COUNTY	1,936,524	0	40,320	188	617	0	0	0	0	0	0	1,977,649	0	1,977,649
051033033 RIVERSIDE COUNTY	19,394	0	0	0	7,340	0	0	0	0	0	0	26,734	0	26,734
051034034 SACRAMENTO COUNTY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
051035035 SAN BENITO COUNTY	0	0	0	0	12,258	0	0	0	0	0	0	12,258	0	12,258
051036036 SAN BERNARDINO COUNTY	70,272	0	68,461	882	54,833	0	0	0	0	0	0	194,448	0	194,448
051037037 SAN DIEGO COUNTY	13,773	0	0	0	7,509	0	0	0	0	0	0	21,282	0	21,282
052038001 SAN FRANCISCO COUNTY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
051039038 SAN JOAQUIN COUNTY	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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051040039 SAN LUIS OBISPO COUNTY	4,946	0	0	0	20,222	0	0	0	0	0	0	25,168	0	25,168
051041040 SAN MATEO COUNTY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
051042041 SANTA BARBARA COUNTY	16,436	0	0	0	155	0	0	0	0	0	0	16,591	0	16,591
051043042 SANTA CLARA COUNTY	0	0	0	0	370	0	0	0	0	0	0	370	0	370
051044043 SANTA CRUZ COUNTY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
051045044 SHASTA COUNTY	1,425,733	0	16	0	2,706	0	0	0	0	0	0	1,428,455	0	1,428,455
051046045 SIERRA COUNTY	397,150	0	0	85	261	0	0	0	0	0	0	397,496	0	397,496
051047046 SIKUYOU COUNTY	3,310,207	0	14,353	0	7,247	0	0	0	0	0	0	3,331,807	0	3,331,807
051048047 SOLANO COUNTY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
051049048 SONOMA COUNTY	0	0	589,676	0	67	0	0	0	0	0	0	589,743	0	589,743
051050049 STANISLAUS COUNTY	0	0	0	0	387	0	0	0	0	0	0	387	0	387
051051050 SUTTER COUNTY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
051052051 TEHAMA COUNTY	743,036	0	0	0	1,738	0	0	0	0	0	0	744,774	0	744,774

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051053052 TRINITY COUNTY	2,252,091	0	0	0	2,280	0	0	0	0	2,254,371	0	2,254,371
051054053 TULARE COUNTY	303,170	0	0	402	1,875	0	0	0	0	305,447	0	305,447
051055054 TUOLUMNE COUNTY	1,058,142	0	0	0	2,065	0	0	0	0	1,060,207	0	1,060,207
051056055 VENTURA COUNTY	14,626	0	0	0	27	0	0	0	0	14,653	0	14,653
051057056 YOLO COUNTY	0	0	0	0	616	0	0	0	0	616	0	616
051058057 YUBA COUNTY	75,711	0	0	0	66	0	0	0	0	75,777	0	75,777
TOTALS	\$21,007,911 ^a	\$0 ^b	\$1,966,942 ^c	\$36,927	\$186,826	\$0 ^b	\$0 ^d	\$0 ^b	\$0	\$23,198,606	\$0	\$23,198,606

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^a California Government Code Section 29484 requires the auditor of each county receiving PILT payments to apportion 50 percent to the county school fund and 50 percent to the county road fund. Under the PILT Act, only the amount apportioned to the road fund is reportable.

^b The State of California does not receive payments under this law.

^c California Public Resources Code Sections 2795, 3821, 3822, 3825, and Education Code Sections 12304-7 and 12320 govern the distribution of federal receipts under the BLM Mineral Leasing Act of February 25, 1920. Of the \$29,764,705.86 received under this act during federal fiscal year 1981-82, \$1,966,942 are considered payments to local governments per Public Law 97-258.

^d The State of California deposits in its General Fund the payments received under this law. These payments are not considered Section 6903 payments under Public Law 97-258.

cc: Members of the Legislature
Office of the Governor
Office of the Lieutenant Governor
State Controller
Legislative Analyst
Director of Finance
Assembly Office of Research
Senate Office of Research
Assembly Majority/Minority Consultants
Senate Majority/Minority Consultants
Capitol Press Corps