

# Memo

To: Land Bank Commissioners

From: Judy Cumming

RE: Year ending December 31, 2017 Combined Financial Statements

Date: February 8, 2018 (2017 closed out by SJC Auditor on February 7, 2018, final reports received from SJC Treasurer February 8, 2018)

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The budget figures on these reports reflect the 2017 Amended Budget, approved by the SJC Council on May 9, 2017 for the Conservation Area Fund (CAF) and on September 25 for the Stewardship & Management Fund and December 4 for CAF. Other items to note:

## CONSERVATION AREA FUND FINANCIAL STATEMENT

### BALANCE SHEET (ASSETS & LIABILITIES)

- Total current assets (H11) ended \$971,806 lower at the end of 2017 compared to 2016; this also ties into the amount reported for revenue in excess of expenditures (F34). Expenditures exceeded revenue by the same amount, drawing on beginning cash to fund expenditures.
- The LGIP interest rate at the end of 2017 was 1.2911% (I9) and 0.5132% (J9) at the end of 2016.
- The cost basis for real property listed on the balance sheet increased by \$3,821,978 (H15). This figure is included in the acquisition costs to date (M27) which is higher since it includes professional fees and appraisal costs as well as closing costs.

### REVENUE

- REET revenue YTD (G45) exceeded the budgeted amount and the YTD amount for 2016 (K45). The REET revenue for 2017 was the highest since 2006 when it was \$3,887,368.
- Total revenue for 2017 was 74.02% (I54) of the budget due to no revenue coming in for State grants (H47) and the sale of property from the Conservation Buyer Program (H52). These two revenue sources have been carried over to 2018.
- 2017 Revenue compared to 2016 was 20% higher (L52), mainly due to grant revenue, REET and donations.

### EXPENDITURES

- Ending cash had been budgeted at \$5.4M (H56), but was lower at \$3.8M (F11) due to reduced revenue noted above.
- Administrative expenditures were 6.34% (G63) of total revenue net of ending cash. The total for 2017 was 18.85% (L57) higher than 2016 due to the professional services for the visitor study. Revenue to offset this cost will be received in 2018.
- Acquisition expenditures for the year were 97.46% of the budgeted amount (H59)

## STEWARDSHIP & MANAGEMENT FUND FINANCIAL STATEMENT

### BALANCE SHEET (ASSETS & LIABILITIES)

- Total current assets (F15) ended the year \$8,908. Lower than budgeted (H54+H55).
- Local Government Investment Pool (LGIP) interest rate (I13) is approaching the Treasury Bond interest rates.
- SJPT Turtleback Stewardship Fund reported as of 9/30/17.

### REVENUE

- Investment Interest for December 2017 (F43) includes interest from two of the Treasury Bonds (N24 & O25)

### EXPENDITURES

- Operating expenditures overall were under the budgeted amount of \$898,196 ((H60)



**SJC Land Bank Stewardship & Management Fund  
Combined Financial Statement  
As of December 31, 2017**

1	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	
2						Dec 31, 17	Dec 31, 16	\$ Change	interest rate	last year	Description	May be called	next call date	likely call date	yield @likely call date	maturity	yield to maturity	discount on investment	
3	<b>ASSETS</b>																		
4	Current Assets																		
5	Checking/Savings																		
6	Cash - Stewardship Fund					907,946	427,848	480,099											
7	Total Checking/Savings					907,946	427,848	480,099											
8	Other Current Assets																		
9	3136G1N54 5 year FNMA Bond					500,000	500,000	-	1.3000%		Fannie Mae*	annually	6/16/18	6/13/19	1.3000%	6/13/19	1.4700%	3,970	
10	3133EGEU5 4 yr 6 mo Bond FFCB					1,000,000	1,000,000	-	1.4510%		FFCB**	continually			1.1500%	12/14/20	1.4511%	pd @ purch	
11	3130A9ES6 5 year Bond FHLB					500,000	500,000	-	1.4500%		FHLB***	continually			1.4500%	9/27/21	1.4500%	pd @ purch	
12	3130A8P80 3 yr 11 mo FHLB					500,000	-	500,000	1.8100%		FHLB***	continually		4/19/19	2.1330%	1/19/21	1.8100%	7,705	
13	Local Government Investment Pool					491,163	1,241,163	(750,000)	1.2911%	0.5132%	*Federal National Mortgage Assoc								11,675
14	Total Other Current Assets					2,991,163	3,241,163	(250,000)			**Federal Farm Credit Bank								
15	Total Current Assets					3,899,110	3,669,011	230,099			***Federal Home Loan Bank								
16	Other Assets																		
17	SJPT Turtleback Stewardship					1,522,619	1,378,671	143,949											
18	Total Other Assets					1,522,619	1,378,671	143,949											
19	<b>TOTAL ASSETS</b>					<b>5,421,729</b>	<b>5,047,682</b>	<b>374,047</b>											
20	<b>LIABILITIES &amp; EQUITY</b>																		
21	Liabilities																		
22	Current Liabilities																		
23	Other Current Liabilities																		
24	Discounts on Investments					11,675	3,970	7,705											
25	Total Other Current Liabilities					11,675	3,970	7,705											
26	Total Current Liabilities					11,675	3,970	7,705											
27	Long Term Liabilities																		
28	Deferred Revenue					1,522,619	1,378,671	143,949											
29	Total Long Term Liabilities					1,522,619	1,378,671	143,949											
30	Total Liabilities					1,534,294	1,382,641	151,653											
31	Equity																		
32	271.25 - Stewardship Fund Balance					3,665,041	3,359,851	305,190											
33	Revenue over expenditures					222,394	305,190	(82,796)											
34	Total Equity					3,887,435	3,665,041	222,394											
35	<b>TOTAL LIABILITIES &amp; EQUITY</b>					<b>5,421,729</b>	<b>5,047,682</b>	<b>374,047</b>											
36																			
37																			
38																			
39	Revenue																		
40	Reserved Cash and Investments					-	3,669,011	0.0%											
41	Federal Direct Grants					-													
42	Federal Indirect Grants																		
43	Sale of Plant Materials					7,756	655	1,184.1%	7,756	7,756	1,862	316.53%							
44	Investment Interest Earnings					11,539	42,309	37,650	112.38%	42,309	39,469	7.2%							
45	Leased Property					3,385	4,116	82.25%	3,385	3,385	3,385	0.0%							
46	Private Gifts, Bequests					4,248	1,120	379.3%	4,248	25,000	-83.01%								
47	TB Stewardship from SJPT					-	45,000	0.0%											
48	Prior Year Refund					14			14	863	-98.38%								
49	Sales Tax Collections					616	53	1,161.72%	616	143	329.73%								
50	Transfer in Endowment					300,000	300,000	300,000	100.0%	300,000	300,000	0.0%							
51	Transfer in Operations					59,884	718,609	718,609	100.0%	718,609	678,201	5.96%							
52	Total Revenue					371,423	1,076,937	4,776,214	22.55%	1,076,937	1,092,443	-1.42%							
53	Revenue net of beginning cash						1,076,937	1,107,203											
54	Expenditures																		
55	Ending Operating Cash					-	945,368	0.0%											
56	Ending Endowment Funds					-	2,932,650	0.0%											
57	Stewardship Management					44,048	661,325	695,116	95.14%	669,030	542,605	23.3%							
58	Property Management & Maint					35,799	166,989	103,080	162.0%	166,989	139,061	20.08%							
59	Site Enhancement					3,500	18,524	100,000	18.52%	18,524	105,588	-82.46%							
60	Total Expenditures					83,347	846,838	4,776,214	17.73%	854,543	787,253	8.55%							
61	Expenditures net of ending cash						846,838	898,196											

