

Memo

To: Land Bank Commissioners and staff

From: Judy Cumming, Financial Clerk

RE: Combined Financial Statements for the period ending December 31, 2019

February 5, 2020

The budget figures on these reports reflect the 2019 Budget, approved by the SJC Council on December 4, 2018 and amended on May 21, 2019 and October 18, 2019. As of the date of this memo, the auditor's office reports that there will be additional journal entries and end of year adjustments as they continue closeout of the fiscal year and begin to prepare the Annual Report. Other items to note:

CONSERVATION AREA FUND FINANCIAL STATEMENT

BALANCE SHEET (ASSETS & LIABILITIES)

- Total Current Assets (F11) - totaled \$2,320,166 at the end of the year, lower than the budgeted amount for ending cash (J53) of \$4,204,564 due to lower than budgeted revenue.
- LGIP interest rate (I9) - the interest rate has dropped to 1.7819% at the end of 2019. It ended 2018 at 2.3780%.
- Real Property (F15) – increase represents purchased of property on Cattle Point Rd and addition to Beaverton Marsh on San Juan Island and purchase of a Spencer Spit lot on Lopez Island.
- General Obligation Bonds payable (F29) - have been reduced by the principal payment made in December 2019.

REVENUE & EXPENDITURES

- 1% REET (I44) - received is 119.45% of the budgeted amount and .21% higher than 2018.
- Revenue from Grants, Sale of Land, and the LTAC transfer were well below the budgeted amounts, causing ending cash (K53) for the year to be lower than budgeted as well. A reduced amount of grant revenue is expected in 2020 as well as the funds from the sale of a CE and the LTAC transfer.
- Acquisition costs (I56) – Current year new project expenditures ended the year at 75.22% of the budgeted amount. Budgeted projects will likely close in 2020.
- Administration expenditures (I59) are 6.0725 % of revenue.

STEWARDSHIP & MANAGEMENT FUND FINANCIAL STATEMENT

BALANCE SHEET (ASSETS & LIABILITIES)

- Total Current Assets (F14) – exceed budgeted amounts for Ending operating cash (J45) and Ending endowment fund (J46)

REVENUE & EXPENDITURES

- All revenue items (I32-I41) – met or exceeded budgeted 2019 amounts at year end. Total revenue was 17.76% (N43) higher than in 2018.
- Investment interest earnings (L35), lease revenue (L36), donations (L37), and restitution (L38) for a CE violation were higher than budgeted.
- Treasury Bond interest was received in the last quarter consistent with the schedule for 2019.(N24)
- Stewardship management (L47), Property Management (L48), and Site enhancement expenditures (L49) were 94.25% of budgeted amounts and 38% (N50) higher than YE 2018.
- Site enhancement expenditures for 2019 included preserve signs in all 3 residency districts, fencing and waterline extension on Orcas Island.