

San Juan County Conservation Land Bank Explanation of Funds

Financial Accounting Background

As a county government agency, the Land Bank works with the County Auditor and the County Treasurer to pay all bills and track revenue and investments. We also complete annual and amended budget(s) each year. All budgets are approved by the Land Bank Commission as an Expenditure and Acquisition Plan and then by County Council in public session **SJC Code 2.120.130**. The Council has the ability to approve or reject budgets, but not change line items.

We operate with two separate funds, the Conservation Area Fund, which we use to pay for the administrative and acquisition aspects of the program and provides the majority of funding to the Stewardship Fund which we use to pay for the property management aspect of the program.

Conservation Area Fund

Conservation Area Fund: (CAF)

Revenue:

REET*

Conservation Futures tax (CFT*)

Interest

Timber Harvest Tax

Other; Grants; Leasehold tax

Expenses:

Administration

Acquisitions

Debt Service and Bonds

Transfers to Stewardship

Investment:

LGIP*

Treasury/Bonds

Stewardship Fund

Stewardship Fund: (STEW)

Revenue

Timed YE transfer from CAF
to the Endowment*

Timed quarterly transfers from CAF
for site enhancements

Other, Grants, Leased property

Salish Seed Project plant material

Interest

Expenses

Administration

Property Mgmt. / Maint.

Site enhancement

Investment:

LGIP

Treasury/Bonds

Definitions:

REET: 1% Real Estate Excise Tax levied on the buyer at the time of sale.

CFT: A small portion of the property tax that was allocated to the Land Bank for acquisition of open space when the Land Bank was created **RCW 84.34.230**. The vast majority of this fund's revenue was bonded through 2036 to enable the purchase of Turtleback Mountain in 2006.

LGIP: Local Government Investment Pool **RCW 43.250.010**

Endowment: Not an actual endowment (acts as a reserve, established by the county to provide funding for the maintenance of acquired real property interest in perpetuity) **SJC Code 2.120.090**

Memo

To: Conservation Land Bank Commissioners and staff

From: Aaron Rock, Financial Clerk

RE: DRAFT Financial Statements for the period ending March 31, 2023

April 17, 2023

The budget figures in these reports reflect the 2nd amended 2023 Budget, approved by the SJC Council on 11/29/2022. Other items to note:

CONSERVATION AREA FUND FINANCIAL STATEMENT

BALANCE SHEET (ASSETS & LIABILITIES)

- Total Current Assets (H5) increased by \$893,049.48 in the 1st quarter of the year, bringing the total to over \$5.6M.
- LGIP interest rate (I8) - has increased to 4.7691%, compared to 0.2343% at the end of March 2022.
- Real Property (F14) – will continue being reconciled to include 2022 transactions as part of the long-term debt reclassification on the general ledger.
- General Obligation Bonds Payable (F28) now at \$4.34M to begin the year with the first payments scheduled for June 1st.

REVENUE & EXPENDITURES

- 1% REET (F42) at \$847,386 and 21.19% of the 2023 budget.
- LGIP interest earning (F45) at \$41,765
- Conservation Buyers Program (F48) \$354,811 for the Lopez Hill CE sale to the San Juan Preservation Trust was completed in March.
- 1st Quarter Transfer to Stewardship Site Enhancement was made in March (F54) \$618,363
- Administration Expenditures (G63) are 6.05 % of Total Revenue (G49).

STEWARDSHIP & MANAGEMENT FUND FINANCIAL STATEMENT

BALANCE SHEET (ASSETS & LIABILITIES)

- Cash in the Stewardship & Management Fund (H4) increased by \$303,410 over the 4th quarter 2022.
- Total Current Assets (F9) at \$4.58M.

REVENUE & EXPENDITURES

- LGIP (F34) for the year at \$18,978.
- The 1st quarter Site Enhancement Transfer (F41) from the Conservation Area Fund was made in March.
- Property Management and Maintenance (F47) totaling \$83,699 at 9.89% of budget.

SJC Land Bank Conservation Area Fund -1021
Financial Statement
3 Months End of March 31, 2023

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1						Mar 31, 23	Dec 31, 22	\$ Change	Interest rate	last year	REET	2023	2022	2021	2020
2	ASSETS										Jan	329,863	360,392	415,281	253,930
3		Current Assets									Feb	170,409	316,292	303,073	171,649
4		Checking/Savings									Mar	347,114	482,637	391,898	290,927
5			Cash - Conservation Area Fund			1,978,730.30	1,385,680.82	593,049.48			Apr		349,007	672,670	159,774
6			Total Checking/Savings			1,978,730.30	1,385,680.82	593,049.48			May		752,805	552,318	263,579
7			Other Current Assets								Jun		644,480	882,523	393,335
8			Local Government Investment Pool			3,705,751.19	3,705,751.19	0.00	4.7691%	0.2343%	Jul		399,948	655,661	659,936
9			Total Other Current Assets			3,705,751.19	3,705,751.19	0.00			Aug		324,623	588,043	590,671
10			Total Current Assets			5,684,481.49	5,091,432.01	593,049.48			Sep		416,135	485,643	762,684
11			Other Assets								Oct		399,211	594,848	907,755
12			LCTN Fund			645.35	645.35	0.00			Nov		246,895	694,893	569,385
13			Odlin S. Donations			4,414.00	4,414.00	0.00			Dec		354,612	448,162	660,297
14			Real Property-Total Value*			72,799,493.46	72,799,493.46	0.00			Total	847,386	5,047,037	6,725,012	5,683,923
15			Total Other Assets			72,804,552.81	72,804,552.81	0.00							
16	TOTAL ASSETS					78,489,034.30	77,895,984.82	593,049.48			Current Year Projects		2023 YTD	Budget	% of Budget
17											Cascade Creek		-	250,000	0.0%
18	LIABILITIES & EQUITY										Hauschka Cady Mt		-	200,000	0.0%
19		Liabilities									Hauschka Prohaska		-	200,000	0.0%
20			Current Liabilities				5,059.35	-5,059.35			Total		-	650,000	0.0%
28			Total Long Term Liabilities			4,340,000.00	4,340,000.00	0.00							
29			Total Liabilities			4,345,059.35	4,345,059.35	0.00							
30															
37						Q1	2023 YTD	Budget	% of Budget						
38			Revenue												
40					Conservation Futures Tax	55,529	55,529	335,000	16.58%						
41					Leasehold Tax	323	323	1,540	21.01%						
42					1% RE Excise Tax Conservation	847,386	847,386	4,000,000	21.19%						
43					State Grants	-	-	1,750,000	0.0%						
44					DNR PILT NAP/NRPA	-	-	200	0.0%						
45					Local Government Investment Pool	41,765	41,765	4,000	1,044.13%						
46					Donations from Private Sources	150	150	2,500	6.0%						
47					Refund Prior Year Expen	2,041	2,041								
48					Conservation Buyer Prog	354,811	354,811	428,820	82.74%						
49					Total Revenue	1,302,005	1,302,005	6,522,060	19.96%						
50					Expenditures										
53					Administrative Expenses	78,775	78,775	430,764	18.29%						
54					Transfers to Stewardship	618,363	618,363	2,973,451	20.8%						
55					Acquisition Costs	11,818	11,818	949,094	1.25%						
56					Interfund Loan Debt Service	-	-	1,037,500	0.0%						
57					Bond/Loan Repayment	-	-	640,364	0.0%						
58					Total Expenditures	708,956	708,956	6,031,173	11.76%						
59					Net Revenue over expenditures	593,049	593,049	490,887							
60					Beginning Cash + Investment	5,091,432	5,091,432	5,091,432							
61					Ending Cash Balance	1,978,730	1,385,681	3,925,008							
62					Ending Investment Fund Balance	3,705,751	3,705,751	3,705,751							
63					Admin %		6.05%								
64			*		Real Property- Total Value	The taxable value of property is significantly lower. See "Impact on your tax's" statment									

SJC Land Bank Stewardship & Management Fund
Financial Statement
3 Months end of March 31, 2023

	A	B	C	D	E	F	G	H	I	J
1						Mar 31, 23	Dec 31, 22	\$ Change	Interest rate	last year
2	ASSETS									
3		Current Assets								
4					Cash - Stewardship Fund	2,893,132	2,589,722	303,410		
5					Total Checking/Savings	2,893,132	2,589,722	303,410		
6					Other Current Assets					
7					Local Government Investment Pool	1,691,163	1,691,163	-	4.7691%	0.2343%
9					Total Current Assets	4,584,295	4,280,885	303,410		
10	TOTAL ASSETS					4,584,295	4,280,885	303,410		
11	LIABILITIES & EQUITY									
19					Total Liabilities	-	-	-		
24					Total Equity	4,584,295	4,280,885	303,410		
25	TOTAL LIABILITIES & EQUITY					4,584,295	4,280,885	303,410		
26										
27										
28						Q1	2023 YTD	Budget	% of Budget	
29					Revenue					
31					SJCD Cost Share Grant	-	-	30,000	0.0%	
32					State Grants	-	-	170,641	0.0%	
33					Sale of Plant Materials	1,070	1,070	12,000	8.92%	
34					Local Governemnt Invetment Pool	18,978	18,978	40,000	47.45%	
35					Leased Property	7,856	7,856	27,400	28.67%	
36					Donations from Private Sources	-	-	2,500	0.0%	
37					Prior Year Refund	364	364			
38					Loan Principal from CAF	-	-	1,000,000	0.0%	
39					Sales Tax State Remittances	89	89	600	14.8%	
40					Trans in YE Endowment	-	-	-	0.0%	
41					Trans in Site Enhance	618,363	618,363	2,473,451	25.0%	
42					Total Revenue	646,721	646,721	3,756,592	17.22%	
43					Expenditures					
46					Stewardship Management	259,559	259,559	1,316,122	19.72%	
47					Property Management & Maint	83,699	83,699	846,315	9.89%	
48					Site Enhancement	53	53	554,000	0.01%	
49					Total Expenditures	343,311	343,311	2,716,437	12.64%	
50					Net Revenue over expenditures	303,410	303,410	1,040,155		
51					Beginning Cash + Investment	4,280,885	4,280,885	4,280,885		
52					Ending Cash Balance	2,893,132	2,893,132	1,668,344		
53					Ending Investment Fund Balance	1,631,163	1,631,163	3,667,316		

REET by Year

