### 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

### **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

Investment:

Treasury/Bonds

LGIP\*

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  $2^{nd}$  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 1<sup>st</sup> 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.
- 1<sup>st</sup> 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 & LIABLITIES)

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

## **REVENUE & EXPENDITURES**

- LGIP (F34) for the year at \$18,978.
- The 1<sup>st</sup> 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

	А	BC		D	E	F	G	Н	Ι	J	К	L	М	N	0
1						Mar 31, 23	Dec 31, 22	\$ Change	interest rate	last year	REET	2023	2022	2021	2020
2	ASSE	TS									Jan	329,863	360,392	415,281	253,930
3	C	urren	nt As	sets	;						Feb	170,409	316,292	303,073	171,649
4		CI	heck	king/S	Savings						Mar	347,114	482,637	391,898	290,927
5			С	ash -	- Conservation Area Fund	1,978,730.30	1,385,680.82	593,049.48			Apr		349,007	672,670	159,774
6		Тс	otal	Chec	cking/Savings	1,978,730.30	1,385,680.82	593,049.48			May		752,805	552,318	263,579
7		Ot			rent Assets						Jun		644,480	882,523	393,335
8					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					r Current Assets	3,705,751.19	3,705,751.19	0.00			Aug		324,623	588,043	590,671
10	Т	otal 0	Curr	ent A	Assets	5,684,481.49	5,091,432.01	593,049.48			Sep		416,135	485,643	762,684
11	C	Other .	Ass	ets							Oct		399,211	594,848	907,755
12		LC	CTN	Fund	d	645.35	645.35	0.00			Nov		246,895	694,893	569,385
13		0	dlin	S. Do	onations	4,414.00	4,414.00	0.00			Dec		354,612	448,162	660,297
14		Re	eal F	rope	erty-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	Т	otal C	Othe	r Ass	sets	72,804,552.81	72,804,552.81	0.00							
16	ΤΟΤΑ	L AS	SET	s		78,489,034.30	77,895,984.82	593,049.48			Current Year	Projects	2023 YTD	Budget	% of Budget
17											Cascade Cre	ek	-	250,000	0.0%
18	LIABI	LITIE	s &	EQUI	ITY						Hauschka Ca	ady Mt	-	200,000	0.0%
19	L	.iabili	ties								Hauschka Pr	ohaska	-	200,000	0.0%
20		Cı	urre	nt Lia	abilities		5,059.35	-5,059.35			Total		-	650,000	0.0%
28		Тс	otal	Long	] Term Liabilities	4,340,000.00	4,340,000.00	0.00							
29	т	otal L	Liab	ilities	5	4,345,059.35	4,345,059.35	0.00							
30															
37						Q1	2023 YTD	Budget	% of Budget						
38			R	even	nue				j.						
40					onservation Futures Tax	55,529	55,529	335,000	16.58%						
41					easehold Tax	323	323	1,540	21.01%						
42				19	% RE Excise Tax Conservation	847,386	847,386	4,000,000	21.19%						
43				St	tate Grants	-	-	1,750,000	0.0%						
44				D	NR PILT NAP/NRPA	-	-	200	0.0%						
45				Le	ocal Government Investment Pool	41,765	41,765	4,000	1,044.13%						
46				D	onations from Private Sources	150	150	2,500	6.0%						
47				R	efund Prior Year Expen	2,041	2,041								
48					onservation Buyer Prog	354,811	354,811	428,820	82.74%						
49			Т	otal	Revenue	1,302,005	1,302,005	6,522,060	19.96%						
50			E	· ·	nditures										
53					dministrative Expenses	78,775	78,775	430,764	18.29%						
54					ransfers to Stewardship	618,363	618,363	2,973,451	20.8%						
55			_		cquisition Costs	11,818	11,818	949,094	1.25%						
56					terfund Loan Debt Service	-	-	1,037,500	0.0%						
57			_		ond/Loan Repayment	-	-	640,364	0.0%						
58			T	otal I	Expenditures	708,956	708,956	6,031,173	11.76%	ļ					
59 60		+	+		Net Revenue over expenditures	593,049	593,049	490,887							
			+		Beginning Cash + Investment	5,091,432	5,091,432	5,091,432							
61			_	_	Ending Cash Balance Ending Investment Fund Balance	1,978,730 3,705,751	1,385,681 3,705,751	3,925,008 3,705,751							
61		1		1	Enumy investment Fund Balance	3,105,151	3,703,731	3,103,131							
62					A .l10/		C 050/								
				-	Admin % eal Property- Total Value		6.05% e of property is signi								

# SJC Land Bank Stewardship & Management Fund **Financial Statement**

3 Months end of March 31, 2023

	Α	В	С	D	E	F	G	Н	ļ	J
1						Mar 31, 23	Dec 31, 22	\$ Change	Interest rate	last year
2	ASS	ETS								
3		Cur		Asse						
4				Casl	n - Stewardship Fund	2,893,132	2,589,722	303,410		
5			Tota	l Ch	ecking/Savings	2,893,132	2,589,722	303,410		
6			Othe		irrent Assets					
7					al Government Investment Pool	1,691,163	1,691,163	-	4.7691%	0.2343%
9					Assets	4,584,295	4,280,885	303,410		
10	-		ASSE	-		4,584,295	4,280,885	303,410		
11	LIAE				UITY					
19				biliti	es	-	-	-		
24			al Eq	-		4,584,295	4,280,885	303,410		
25	тот	'AL L	IABI	LITIE	S & EQUITY	4,584,295	4,280,885	303,410		
26										
27										
28						Q1	2023 YTD	Budget	% of Budget	
29				-	enue					
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 Remitances	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				Tota	I Revenue	646,721	646,721	3,756,592	17.22%	
43				Expe	enditures					
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				Tota	I 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		

1021.00.318 - Revenues														
Acct_Year	j	lan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
	2017	\$170,789	\$167,494	\$169,775	\$268,280	\$393,220	\$379,832	\$241,755	\$460,110	\$380,894	\$362,103	\$255,636	\$274,865	\$3,524,752
	2018	\$252,155	\$166,287	\$287,448	\$265,414	\$360,538	\$487,738	\$335 <i>,</i> 172	\$326,847	\$309,460	\$410,876	\$277,932	\$307,045	\$3,786,910
	2019	\$136,263	\$156,907	\$182,195	\$282,295	\$474,060	\$303,744	\$318,828	\$427,381	\$303,198	\$421,696	\$304,131	\$473,533	\$3,784,232
	2020	\$251,391	\$169,933	\$288,018	\$158,176	\$260,943	\$389,402	\$653 <i>,</i> 337	\$584,765	\$755,057	\$898,677	\$563 <i>,</i> 691	\$653 <i>,</i> 695	\$5,627,084
	2021	\$415,281	\$303,073	\$391,898	\$672,670	\$552,318	\$882,523	\$655,661	\$588,043	\$485,643	\$594,848	\$694,893	\$488,162	\$6,725,012
	2022	\$360,392	\$316,292	\$482,637	\$349,007	\$752,805	\$644,480	\$399,948	\$324,623	\$416 <i>,</i> 135	\$399,211	\$246,895	\$354,612	\$5,047,037
	2023	\$329 <i>,</i> 863	\$170,409	\$347,114										\$847,386
Budget 2023		\$3,960,000												
	2017	4.85%	4.75%	4.82%	7.61%	11.16%	10.78%	6.86%	13.05%	10.81%	10.27%	7.25%	7.80%	
	2018	6.66%	4.39%	7.59%	7.01%	9.52%	12.88%	8.85%	8.63%	8.17%	10.85%	7.34%	8.11%	
	2019	3.60%	4.15%	4.81%	7.46%	12.53%	8.03%	8.43%	11.29%	8.01%	11.14%	8.04%	12.51%	
	2020	4.47%	3.02%	5.12%	2.81%	4.64%	6.92%	11.61%	10.39%	13.42%	15.97%	10.02%	11.62%	
	2021	6.18%	4.51%	5.83%	10.00%	8.21%	13.12%	9.75%	8.74%	7.22%	8.85%	10.33%	7.26%	
	2022	7.14%	6.27%	9.56%	6.92%	14.92%	12.77%	7.92%	6.43%	8.25%	7.91%	4.89%	7.03%	
	2023	8.33%	4.30%	8.77%										
Cumulative	J	lan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	

Cumulative		Jall	I CD	IVIAI	лрі	iviay	Juli	Jui	Aug	Jeh	000		Dec
	2017	\$170,789	\$338,283	\$508,057	\$776,338	\$1,169,558	\$1,549,390	\$1,791,144	\$2,251,254	\$2,632,147	\$2,994,251	\$3,249,887	\$3,524,752
	2018	\$252,155	\$418,441	\$705,890	\$971,304	\$1,331,842	\$1,819,580	\$2,154,751	\$2,481,598	\$2,791,057	\$3,201,933	\$3,479,865	\$3,786,910
	2019	\$136,263	\$293,170	\$475,365	\$757 <i>,</i> 660	\$1,231,720	\$1,535,464	\$1,854,293	\$2,281,674	\$2,584,872	\$3,006,568	\$3,310,699	\$3,784,232
	2020	\$251,391	\$421,324	\$709,342	\$867,518	\$1,128,461	\$1,517,863	\$2,171,200	\$2,755,964	\$3,511,021	\$4,409,698	\$4,973,389	\$5,627,084
	2021	\$415,281	\$718,353	\$1,110,251	\$1,782,921	\$2,335,239	\$3,217,761	\$3,873,422	\$4,461,465	\$4,947,109	\$5,541,957	\$6,236,850	\$6,725,012
	2022	\$360,392	\$676,684	\$1,159,321	\$1,508,327	\$2,261,132	\$2,905,613	\$3,305,560	\$3,630,184	\$4,046,319	\$4,445,530	\$4,692,424	\$5,047,037
	2023	\$329,863	\$500,273	\$847,386									
Cumulative %	of Bu	udget											
	2017	4.85%	9.60%	14.41%	22.03%	33.18%	43.96%	50.82%	63.87%	74.68%	84.95%	92.20%	100.00%
	2018	6.66%	11.05%	18.64%	25.65%	35.17%	48.05%	56.90%	65.53%	73.70%	84.55%	91.89%	100.00%
	2019	3.60%	7.75%	12.56%	20.02%	32.55%	40.58%	49.00%	60.29%	68.31%	79.45%	87.49%	100.00%
	2020	4.47%	7.49%	12.61%	15.42%	20.05%	26.97%	38.58%	48.98%	62.40%	78.37%	88.38%	100.00%
	2021	6.18%	10.68%	16.51%	26.51%	34.72%	47.85%	57.60%	66.34%	73.56%	82.41%	92.74%	100.00%
	2022	7.14%	13.41%	22.97%	29.89%	44.80%	57.57%	65.50%	71.93%	80.17%	88.08%	92.97%	100.00%
	2023	8.33%	12.63%	21.40%									
Avg % Recvd		5.48%	10.00%	16.28%	23.25%	33.41%	44.16%	53.07%	62.82%	72.14%	82.97%	90.95%	100.00%
Projections		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Min		\$4 619 503	\$3 731 275	\$3 689 049									

FIOJECTIONS	Jan	TED	IVIdI	Арі	iviay	Juli	Jui	Aug	Jeh	UCL	INOV	Dec
Min	\$4,619,503	\$3,731,275	\$3,689,049									
Max	\$9,160,823	\$6,681,496	\$6,745,783									
Average	\$6,017,909	\$5,005,148	\$5,203,935									
Budget Amt	\$3,960,000	\$3,960,000	\$3,960,000	\$3,960,000	\$3,960,000	\$3,960,000	\$3,960,000	\$3,960,000	\$3,960,000	\$3,960,000	\$3,960,000	\$3,960,000
YE Budget Proj(%)	151.97%	126.39%	131.41%									

