

# AGENDA

## San Juan County Conservation Land Bank Commission

Members of the public may participate in person at  
SJI Grange, 152 1<sup>st</sup> St N, Friday Harbor, WA 98250

join virtually by [CLICKING HERE](#)

Or by phone @ (253)205-0468 Meeting ID: 875 4917 7162

June 18, 2025

8:45am	Convene
8:45	General Public Comment Period
8:55	Approve June 20, 2025 Meeting Minutes
8:50	Partner Update – San Juan Preservation Trust
8:55	Council Update – Jane Fuller
9:05	Chair and Commissioners Reports
9:15	Approval of Financial and Accounting Guidelines Document
9:30	Quarterly Financial Report – Aaron Rock
9:45	Directors Report – Acquisitions <ul style="list-style-type: none"><li>• Orcas; Dolphin Bay Rd., Coho addition, Crescent Beach Preserve boundary line modification (exchange with Orcas Island Parks and Rec), Conveyance of a well easement on the Mottl Property</li><li>• Blakely; DNR school trust land acquisition</li><li>• San Juan; Resale of a portion of the Frazer Homestead Preserve to the National Park Service</li></ul>
	Directors Report – Staffing
10:35	Break
10:40	Stewardship Report
10:50	Outreach/Communications Report – Tanja Williamson
11:00	Future Agenda Items*
11:05	2 <sup>nd</sup> Public Comment Period
11:10	Adjourn

- |   |  |
|---|--|
| *- Accessibility (disabled, elderly)    | - Stewardship priorities / management plans                |
| - Staff Capacity / Organization study   | - Consistent stew/infrastructure standards for all islands |
| - Review of acquisition matrix criteria | - Budget explanation                                       |
| - Restroom facilities                   |  |

*The Land Bank Commission May Add or Delete Agenda Items and Projects for Discussion. The Agenda Order is Subject to Change. You are invited to call the Land Bank office at 360-378-4402 for more details prior to the meeting. SJC Code 2.116.070 “All meetings and actions of advisory bodies and their subcommittees shall be open to the public, even where such meetings are not within the purview of the Open Public Meetings Act, Chapter 42.30 RCW, except where the meeting is properly closed for executive session, as provided in RCW 42.30.110”*

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## STEWARDSHIP & OUTREACH REPORT

JULY 2025

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### **Overview**

As a follow-up to our recent organizational and workplace survey, staff met on July 10<sup>th</sup> along with facilitator, John Boyle, of [Convergency Partners](#) to address survey results, identify issues, and work on resolutions. A follow-up meeting has been scheduled for July 17th.

### **Outreach**

Staff: Tanja Williamson, Margo Thorp

Tanja has been supporting stewardship staff with outreach while continuing to fill the events calendar. In late June, the Afternoon Adventures with Seniors series kicked off at King Sister's Preserve on San Juan Island. Sundays in July are filled with Free Guided Painting Sessions with Alchemy Art Center. Margo is preparing to lead native plant/seed activities with Camp Huckleberry (Lopez Island) on July 15 and Camp Eagle Rock (San Juan Island) on July 16, 23, and August 6. Lastly, the website update finally went live! We are still working through some transitional issues and will make a more formal announcement when those details have been ironed out.

Doug was invited to attend a site visit and review an eco-cultural restoration project being implemented by the [Glacier Peak Institute](#) as part of a project run by the [Darrington Forestry Collaborative](#) (Photo 1). Several of the Glacier Peak Institute staff are interested in joining for one of the habitat restoration project days on Cady Mountain Preserve this fall, with particular interest in conservation burn methods.

### **Salish Seeds Nursery**

Staff: Eliza Habegger, Margo Thorp

Spring plug sowing is complete with approximately 20,000 plugs seeded. We have started potting up plugs into 4" pots to prepare for the fall plant sale. Seed harvest is well underway and so far seed production is off to a very strong start. Genevieve Gislason finished her spring internship. County Noxious Weed Control program staff visited the nursery for training in wild seed collection for us, when feasible.

### **District 1**

Staff: Doug McCutchen, Charlie Behnke, Jacob Wagner, Shauna Barrows

**Beaverton Marsh:** Progress continues with the Beaverton Trail Project. The project agreement was approved by WSDOT and FHWA and an RFQ for planning, design and engineering is currently advertised. A position description for a temporary project and construction manager has been drafted and is under review. Tanja and Doug are working on an outreach plan, including the establishment of a project website. Next steps will include selection of design firm and re-initiating the development of a stewardship and management plan. A public scoping meeting has been scheduled for Thursday, July 31.

ICC and YCC assisted in removing broom, tansy, spurge, and hawthorn from priority areas in the Preserve.

Plenty of activity is underway at Overmarsh Farm Commons including participants tending their plots, volunteers building the shed and greenhouse, installation of a solar electric fence to support rotational grazing, weed control prior to hay harvest, and the perimeter fence is coming along.

**Cady Mountain:** Doug picked up a set of sand-blasted rocks acknowledging the Buck family's involvement in the Cady Mountain Addition property, which will be installed in the next week. A request for bids for the Cady Mtn and Mt Grant restrooms has been drafted and will be released in the coming days. Volunteers Elliot Burch and Peter Kilpatrick continue to assist with design and construction. Elliot recently completed the fabrication of timbers for the restroom structure.

**Driggs Park:** Doug is working to renew the maintenance contract with FrogSong landscape company.

**False Bay Creek:** Tansy has been pulled from the pastures. Bailer Hill road expansion continues, and the road is substantially higher along the west side of the Preserve.

**Frazer Homestead:** Charlie and Michelle of SJC Noxious Weeds teamed up for the first seasonal round of pulling tansy from the pasture; the quantity was surprisingly lower compared to previous years! The public trail has been brushed.

**Limekiln:** Shauna and Michelle removed tansy from the trailside and quarries.

**Mount Ben:** Land Bank and SJ Preservation Trust staff recently visited the Preserve for annual monitoring and weed work. A Garry oak associated habitat restoration plan has been developed for five acres at the southwest corner of the Preserve. This was considered in the management plan and interest from SJPT has elevated the prioritization level.

**Mount Grant:** Toilet paper thievery appears to be taking place with ongoing issues of missing toilet paper not corresponding with use levels found by the maintenance company.

**Zylstra Lake:** High school juniors Gus Rovenste and David Tobon recently finished construction of a "Fishing Lure Library" for their high school project (Photo 4). The library will hold fishing lures, information packets about fish species, and bait for anglers to use while fishing at the lake.

Haying has wrapped up for now after a successful harvest by the Oak Knoll Farm team. The remaining fields may be hayed or mulch cut in the coming months.

ICC and YCC teamed up to help install a third Beaver Dam Analog at the Emmerling restoration site (Photo 5). They also helped remove teasel and blackberry from the native plantings by the parking area.

Jon Shannon, acting as a volunteer, has completed the septic design for the Zylstra restroom. Permits will be developed and submitted in the coming weeks.

## **District 2**

Staff: Peter Guillozet, Tyler Goodman, Scot Devereaux

**Coffelt Farm:** Tyler and Scot led a day of work with the Youth Conservation Corps along the riparian corridor. Work included blackberry removal and clearing grass away from stumps of trees to prevent vole damage. Peter joined Charlie and members of the Voluntary Stewardship Program (VSP) on a tour

of the riparian and wetland area as part of their day-long visit to several SJC farm properties (Photo 6). Peter worked with consultant Andy Saxe to finalize the design and permit application for needed septic system improvements and will issue a bid solicitation shortly.

**Coho:** Scot trimmed vigorous vegetation growing along the trail. Tyler prepared another annual presentation on native salmonids and the general ecology of the Preserve to participants in the Whale Museum's marine naturalist training course.

**Crescent Beach:** Scot installed a sign at the north parking area describing the forestry project that will commence in late June. We've responded to several calls about overnight vehicles at the various preserve parking lots, especially around the 4<sup>th</sup> of July holiday. The DNR-funded forest thinning project is scheduled to begin July 28<sup>th</sup>. Tanja is posting website and social media updates, and Erin and Peter will co-lead a pre-project site walk for interested members of the public this Saturday at 1pm.

**Deer Harbor Waterfront:** Tyler removed a rowboat that had been stored on the Preserve after posting it with a 10-day notice (Photo 7). The boat is being stored elsewhere in case the owner comes for it.

**Diamond Hill:** Tyler and Scot spent time removing spurge laurel, bull thistle, and scotch broom.

**Eastsound Waterfront:** Peter will join staff from the Friends in providing a tour of the shoreline restoration project area this Friday at 4pm. Construction is scheduled for mid-September.

**Judd Cove:** Tyler mowed the field adjacent to the restored lime kiln. Final planning is underway for the shoreline restoration project, which is scheduled to begin in early September.

**North Shore:** Tyler and Scot worked alongside YCC crew members watering shrubs planted last winter along a particularly dry portion of the former pond berm. The group dispersed nearly 500 gallons of water and also completed a beach cleanup. A youth volunteer group from Camp Orkila came the following day and mulched the same plantings (Photos 8-9). Blackcap Restoration joined in for a day for maintenance around plantings within the large deer enclosure. Growth of new plantings across the site is excellent. Use levels during the holiday weekend were modest. The automated entry gate has been functioning well for a year and a half with no issues to report.

**Stonebridge-Terrill:** Scot spent time surveying the Preserve and then removing tansy ragwort and Canada thistle.

**Turtleback Mountain:** Peter worked with the Sherrif's Office and Orcas Towing to remove an abandoned vehicle from the South Entrance parking lot. Scot and Tyler have been busy tackling scotch broom on the northern balds of the Preserve. Tyler mowed the north trail loop. Anne Marie, Lincoln and Peter joined staff and supporters of the Trust for Public Lands and the San Juan Preservation Trust in a hike to Ship Peak to commemorate the establishment of the Preserve and the partnership that enabled it (Photo 11).

San Juan County and DNR fire crews acted quickly to extinguish a 7-acre fire on private property near the southeast corner of the Preserve (Photo 12). At least two human-caused fires have occurred in this general vicinity. Over the last several years, we've done significant thinning and blackberry control in this area to release Garry oaks and reduce fuel loads. This work is ongoing.

### **District 3**

Staff: Amanda Wedow, Claire Waterman

**Channel:** A visitor reported a 40' creosote log along the westside beach, and notified the DNR marine crew, who has begun their work in the San Juans. Staff use the Mycoast.org app to document and report creosote logs and other marine debris.

**Lopez Hill:** Staff continue to focus on trail brushing and removing noxious weeds including scotch broom, herb Robert, and thistles.

**Spencer Spit:** State Parks conducts routine maintenance of the Preserve (thanks Ranger Meghan and staff!). Amanda and Claire spent a day at the Preserve for various tasks. We installed a new signpost and directional signs, brushed the trails, and pulled thistles and tansy. Amanda will return to complete annual monitoring in the fall.

**The Spit at Fisherman Bay Preserves:** Amanda built a temporary fence to replace the field gate that broke - most likely due to wind and a rotten post. Trinity Lutheran youth group volunteers helped with a beach cleanup; they collected two bags of marine debris and carried out plywood and other treated lumber.

**The Tomolo at Fisherman Bay Preserves:** Claire tackled the roadside weeds- meadow knapweed and thistle. Another plant of concern, salsify, has been expanding on the roadside. Unfortunately, salsify had already gone to seed (looks like giant dandelions) when staff came to remove knapweed.

The annual Fourth of July fireworks took place on Bayshore Road, and the show was enjoyed by many. The fireworks volunteers did a thorough cleanup the Saturday after the show (Photo 15). On Monday, Amanda, the YCC and a visiting youth group from Coeur d'Alene Idaho did a second round of fireworks cleanup. The group's efforts primarily focused on the Fisherman Bay marsh side, and the group picked up about half a trash bag of mostly fireworks related trash. This was an improvement over last year, and Amanda is thankful to all the volunteers that helped out.

**Weeks Wetland at Fisherman Bay Preserves:** A small fire destroyed a portion of the viewing platform (Photo 16). A Preserve visitor first noticed the fire and called the fire department, who responded and put it out. Thank you, Lopez Fire Department! The platform is now blocked off and a closure sign is posted. The cause of the fire is unknown.

**Watmough:** The Chadwick Homestead Condition Assessment is complete. More details to come once Amanda has thoroughly read through the report. Claire watered and mulched the new plantings. Woodchips for the project were donated by local arborist Dylan Moore.

## Photos



**Photo 1.** Members of the Darrington Forest Cooperative tour an EcoCultural restoration site in the Cascades focused on promotion of culturally significant plants and habitat to support wildlife.

**Photo 2.** While this well-camouflaged nest found along the King Sister's trail may look like the creation of a fairy, this woven masterpiece is the impressive work of a small bird called a Bushtit.



**Photo 3.** A magical open-grown Douglas fir within the planned Mount Ben habitat restoration site. The limb on the right measures greater than 36" in diameter.

**Photo 4.** Gus and David install their fishing lure library on the upper dam at Zylstra reservoir.



**Photo 5.** YCC crew help complete new Beaver Dam Analogs for Zylstra’s Emmerling Creek restoration site.

**Photo 6.** Voluntary Stewardship Program staff and partners gather to see natural resource protections in place at Coffelt Farm Preserve.



**Photo 7.** Abandoned boat at Deer Harbor Preserve loaded up.

**Photo 8.** Tyler orients Camp Orkila volunteers at North Shore Preserve.



**Photo 9.** Camp Orkila volunteers lay mulch around plantings.

**Photo 10.** Erin H. checks for evidence of swallow roosting at North Shore Preserve.



**Photo 11.** Anne Marie powers up Turtleback with TPL, SJPT and Land Bank staff and supporters.  
**Photo 12.** Aerial view of the post-fire situation near Turtleback Mountain Preserve.



**Photo 13.** Scot D. dwarfed by a large Clematis at Turtleback Mountain Preserve.  
**Photo 14.** It's acorn season on Turtleback!



**Photo 15.** Volunteers at the Tombolo Preserve cleaning up firework debris in the marsh.



**Photo 16.** Weeks Wetland Preserve overlook damaged by a fire.



**Photo 17.** Soopalalie/Shepherdia canadensis on the shoreline at Watmough Head.

**SAN JUAN COUNTY LAND BANK**  
Ecological Baseline Inventory

Site Name: Watmough Wetland Date: 7/26/93

Inventory Compiled By: Jessy Bill

Ownership: State - The Dept of Conservation easement to SSC Land Bank

Location: Watmough Bight, SE Lopez Island

Legal Description: \_\_\_\_\_

Property Size: \_\_\_\_\_ acres Wetland size is 5 acres

**CONSERVATION GOALS:** Briefly identify the primary conservation goal(s) and purpose for preservation of the property.

Public Access

Wildlife Habitat /Wetland

State or Federally listed Plant Habitat

Biodiversity

Scenic Value

Agriculture

Other (describe): \_\_\_\_\_

If appropriate, list the target species to be protected: \_\_\_\_\_

Based on these goals, identify the appropriate information (questions) that should be collected for each property. This information should help to determine if conservation values are being protected in the future.

**SOILS:** Describe the soil units for the site based on SCS classifications. Include a copy of the map in baseline files.

Sm - Semi-arid muck - Very poorly drained organic soils

**Photo 18.** While reviewing the CE for the freshwater wetland at Watmough, Erin recognized just how long a certain commissioner has been dedicated to stewardship...

# Memo

To: Conservation Land Bank Commissioners and staff  
From: Aaron Rock, Financial Clerk  
RE: Financial Statements for the period ending June 30, 2025  
7/14/2025

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The budget figures in these reports reflect the Mid-Biennium Amended 2024 Budget, approved by the SJC Council on 12/3/2024. Other items to note:

## **CONSERVATION AREA FUND FINANCIAL STATEMENT**

### **BALANCE SHEET (ASSETS & LIABILITIES)**

- Total Current Assets (H12) decreased by \$859,177 in the 2<sup>nd</sup> quarter of the year, bringing the total to \$5.6M.
- The LBRC (Land Bank Renewal Committee) Fund has been added for the interest based restricted donation.
- General Obligation Bonds Payable or long-term liabilities (G30) at \$3.275M, this does not include the Interfund loan from Stewardship.

### **REVENUE & EXPENDITURES**

- 1% Real Estate Excise Tax (REET) (G43) at \$1,022,758 in the 2<sup>nd</sup> quarter and \$1,590,598 for the year and 45.45% of the 2025 budget.
- LGIP interest earnings for the year (H44) at \$105,916 YTD.
- Donations (G45) include the \$20,000 restricted donation from the LBRC.
- 2<sup>nd</sup> quarter Transfer to Stewardship Site Enhancement (G50) \$684,628 was made in June.
- Acquisition Cost (G51) includes the final \$200,000 payment for the Hauschka Cady Mt note.
- Interfund Loan Payment (G52) \$1,055,680 was the last loan payment to STEW for the Northshore purchase.
- Administration Expenditures (H49) is 7.15% of Total Revenue (H47).

## **STEWARDSHIP & MANAGEMENT FUND FINANCIAL STATEMENT**

### **BALANCE SHEET (ASSETS & LIABILITIES)**

- Cash in the Stewardship & Management Fund (E7) increased by \$1,115,970 over the 1<sup>st</sup> quarter 2025.
- The Local Government Investment Pool (Endowment fund) (E9) increased by \$288,000 and stands at \$7.5M for the 2<sup>nd</sup> quarter.
- Total Assets (D10) at \$9.4M.

### **REVENUE & EXPENDITURES**

- Interest Revenue (D34) includes LGIP and interfund loan revenue for the quarter at \$137,741.
- Interfund Loan from CAF (D38) \$1M final payment.
- The 2<sup>nd</sup> quarter Site Enhancement Transfer (D41) was received in June in the amount of \$684,628.
- Stewardship Total Expenditures (J49) for the quarter totaling \$440,156 at 31.53% of budget.

**SJC Land Bank Conservation Area Fund -1021**  
**Financial Statement**  
6 Months End of June 30, 2025

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	
						Mar 31, 25	Jun 30, 25	\$ Change	Interest rate	last year							
1																	
2					<b>ASSETS</b>												
3					Current Assets												
4					Total Cash	1,936,625	641,449	(1,295,177)									
10					Local Government Investment Fund	4,467,751	4,903,751	436,000	4.38%	5.41%							
12					<b>Total Current Assets</b>	<b>6,507,913</b>	<b>5,648,736</b>	<b>(859,177)</b>									
13					Other Assets												
14					LBRC Fund		20,000										
15					LCTN Fund	645	645	-									
16					Odlin S. Donations	4,414	4,414	-									
17					Real Property - Total Value*	72,799,493	72,799,493	-									
18					<b>Total Other Assets</b>	<b>72,804,553</b>	<b>72,824,553</b>	<b>20,000</b>									
19					<b>TOTAL ASSETS</b>	<b>79,312,465</b>	<b>78,473,288</b>	<b>(839,177)</b>									
20					<b>LIABILITIES &amp; EQUITY</b>												
27					Liabilities	5,059	5,059	-									
29					Bond Debt	3,275,000	3,275,000	-									
31					<b>Total Liabilities</b>	<b>3,280,059</b>	<b>3,280,059</b>	<b>-</b>									
36					<b>Total Equity</b>	<b>76,032,406</b>	<b>75,173,229</b>	<b>(859,177)</b>									
37					<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>79,312,465</b>	<b>78,453,288</b>	<b>(859,177)</b>									
38																	
39						<b>Q1</b>	<b>Q2</b>	<b>2025 YTD</b>	<b>Budget</b>	<b>% of Budget</b>			<b>REET</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
40					Revenue								Jan	230,612	110,845	329,863	360,392
41					Conservation Futures Tax	50,713	167,271	217,984	355,402	61.34%			Feb	149,471	140,709	170,409	316,292
42					Excise Taxes	334	277	611	1,490	41.0%			Mar	187,758	251,487	347,114	482,637
43					Real Estate Excise Tax (REET)	567,840	1,022,758	1,590,598	3,500,000	45.45%			Apr	282,989	343,717	262,422	349,007
44					Local Government Investment Pool	48,572	57,344	105,916	25,000	423.66%			May	401,336	241,615	342,814	752,805
45					Donations	150	20,050	20,200	2,500	808.0%			Jun	338,433	290,134	620,587	644,480
46					Sale of Land	1,679,238		1,679,238	1,715,000	97.92%			<b>YTD</b>	<b>1,590,598</b>	<b>1,378,508</b>	<b>2,073,209</b>	<b>2,905,613</b>
47					<b>Total Income</b>	<b>2,346,847</b>	<b>1,267,701</b>	<b>3,614,547</b>	<b>5,599,392</b>	<b>64.55%</b>			Jul		338,485	339,411	399,948
48					Expenditures								Aug		495,314	384,040	324,623
49					Administrative Expenses	98,339	110,985	209,324	378,581	55.29%			Sep		325,214	383,036	416,135
50					Transfers to Stewardship	684,628	684,628	1,369,256	3,238,512	42.28%			Oct		333,762	450,583	399,211
51					Acquisition Costs	18,900	223,175	242,075	278,185	87.02%			Nov		347,296	428,180	246,895
52					Interfund Loan Debt Service		1,055,680	1,055,680	1,012,500	104.27%			Dec		282,656	285,566	354,612
53					Bond/ Loan Repayment		52,409	52,409	645,311	8.12%			Total	1,590,598	3,501,234	4,344,025	5,047,037
54					<b>Total Expense</b>	<b>801,867</b>	<b>2,126,877</b>	<b>2,928,745</b>	<b>5,553,089</b>	<b>52.74%</b>							
55					<b>Net Revenue over expenditures</b>	<b>1,544,979</b>	<b>(859,177)</b>	<b>685,802</b>	<b>46,303</b>								
56					<b>Beginning Cash + Investment</b>	<b>91,646</b>	<b>6,507,913</b>	<b>91,646</b>	<b>5,851,111</b>								
57					<b>Ending Cash Balance</b>	<b>1,936,625</b>	<b>641,449</b>	<b>641,449</b>	<b>500,000</b>								
58					<b>Ending Investment Fund Balance</b>	<b>4,767,751</b>	<b>4,903,751</b>	<b>4,903,751</b>	<b>5,361,614</b>								
59					<b>Ending Cash + Investment</b>	<b>6,507,913</b>	<b>5,648,736</b>	<b>5,648,736</b>	<b>5,861,614</b>								
60					Admin %			7.15%									
61					* Real Property- Total Value	The taxable value of property is significantly lower. See "Impact on your tax's" statment											
62																	



**SJC Land Bank Stewardship & Management Fund**  
**Financial Statement**  
6 Months End of June 30, 2025

	A	B	C	D	E	F	G
			Mar 31, 25	Jun 30, 25	\$ Change	Interest rate	last year
1							
2							
3		<b>ASSETS</b>					
7		Total Cash	788,641	1,904,611	1,115,970		
9		Local Government Investment Pool	7,260,308	7,548,308	288,000	4.38%	5.41%
12		<b>TOTAL ASSETS</b>	<b>8,048,949</b>	<b>9,452,920</b>	<b>1,403,970</b>		
13		<b>LIABILITIES &amp; EQUITY</b>					
21		Total Liabilities	-	-	-		
26		Total Equity	8,048,949	9,452,920	1,403,970		
27		<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>8,048,949</b>	<b>9,452,920</b>	<b>1,403,970</b>		
28							
29			<b>Q1</b>	<b>Q2</b>	<b>2025 YTD</b>	<b>Budget</b>	<b>% of Budget</b>
31		<b>Revenue</b>					
32		Grants		2,227	2,227	10,000	22.28%
33		Sale of Plant Materials	2,514	11,273	13,787	12,000	114.89%
34		Interest Revenue	79,085	137,741	216,826	150,000	144.55%
35		Leased Property	10,777	7,280	18,057	37,800	47.77%
36		Donations	1,700	-	1,700	1,000	170.0%
38		Interfund Loan Principal CAF	-	1,000,000	1,000,000	1,000,000	100.0%
41		Transfer in Site Enhance	684,628	684,628	1,369,256	2,738,512	50.0%
42		<b>Total Revenue</b>	<b>781,371</b>	<b>1,844,127</b>	<b>2,625,497</b>	<b>4,449,912</b>	<b>59.0%</b>
43		<b>Expenditures</b>					
44		Operational Cost	336,800	343,300	680,100	1,514,477	44.91%
45		Property Management & Maintenance	94,374	91,256	185,630	746,460	24.87%
46		Site Enhancement	-	5,600	5,600	503,000	1.11%
47		<b>Total Expenditures</b>	<b>431,174</b>	<b>440,156</b>	<b>871,331</b>	<b>2,763,937</b>	<b>31.53%</b>
48		Net Revenue over expenditures	350,197	1,403,970	1,754,167	1,685,975	
49		Beginning Cash + Investment	7,698,753	8,048,949	7,698,753	7,834,567	
50		Ending Cash Balance	788,641	1,904,611	7,904,611	1,802,757	
51		Ending Investment Fund Balance	7,260,308	7,548,308	7,548,308	7,712,385	



SAN JUAN COUNTY  
CONSERVATION  
**LAND BANK**

**San Juan County Conservation Land Bank**  
**Financial and Accounting Guidelines**  
**DRAFT**

**Prepared by Aaron Rock,**  
**Financial Clerk**  
**May 2025**

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## **§1. Goals and Objectives**

The objective of these financial policies is to establish standards and guidelines for fiscal management within San Juan County Conservation Land Bank (CLB), with the goal of ensuring the responsible, sustainable, and transparent management of the financial assets of the County.

The fiscal health of the CLB determines its ability to plan, manage, and pay for its services. Sound financial and accounting policies cannot guarantee fiscal health, but they can establish procedures for the monitoring of fiscal health indicators. They can build internal controls into financial processes and establish guidelines for making financial decisions. In short, they can ensure that fiscal health matters.

## **§2. Scope**

These guidelines apply to both funds of CLB as they currently function. The Land Bank Commission has primary responsibility for compliance under the guidance of the LBC financial officer, LB Director and Financial Clerk. All financial decision follow county and state laws and limits where applicable. All guidelines are subject to review and may be amended through commission vote.

## **§3. General Financial Guidelines**

*Cash Holdings.* Both the Conservation Area Fund (CAF) and the Stewardship Management and Maintenance Fund (STEW) will hold \$500,000 in cash for managing regular monthly expenditures. All revenues in excess will be held in each individual funds Local Government Investment Pool Fund (LGIP) or other permitted interest-bearing account at the discretion of the Commission and LB Staff.

*Quarterly Interfund Transfers.* There will be a quarterly transfer from the CAF to STEW for site enhancement and operations based on the approved annual budgeted expenditures in the STEW for the first three quarters and the year-end actuals for the 4<sup>th</sup> quarter. Transfers are due to be made on or before April 1<sup>st</sup>, July 1<sup>st</sup>, October 1<sup>st</sup> and January 10<sup>th</sup>.

*Annual Interfund Transfers.* The CAF will make a 1 time \$500,000 annual transfer to the Stewardship LGIP also referred to as the “Endowment Fund”, ensuring the funds growth for future preserve management.

## **§4. Budget**

### 4.1 County

The County Biennial Budget serves as the primary financial and policy document of the County. San Juan County adopts its budget at the department level. After discussion, public hearing, and

consideration, Council must adopt a budget at least 15 days prior to the end of the biennium. Budget Amendments may be adopted at any time during or before the budget year.

#### 4.2 Conservation Land Bank

The annual expenditure and acquisition plan shall be adopted by the LBC and shall be subject to ratification by the County council during the adoption of the annual budget for the County. The plan may provide for contingencies and may be amended following a public hearing by the LBC and subsequent ratification by the County council. (Ord. 21-2008 §§ 6, 10; Ord. 142-1990 § III(4). RCW 82.46.070)

*Stewardship Expenditure Threshold.* The threshold is established to maintain a monetary balance between acquisition goals and property management requirements. The STEW fund shall not exceed 60% of total CAF revenue minus acquisition grants in the same year unless there are exceptional circumstances, e.g., emergency capital expenditure.

*Program Administrative Expense.* All program administration expenditures come out of the Conservation Area Fund mostly made up of staff wages. A portion of the of the administrative expenditures are allocated to the STEW Fund. Administration costs of the fund shall be held to the minimum required to administer efficiently and properly the land bank but shall not exceed 10% of revenues received, exclusive of bond proceeds over the life of the program. (Ord. 21-2008 §§ 6, 10; Ord. 142-1990 § III(4). Formerly 16.54.060)

*Burn Rate.* The burn rate for the whole program is determined by calculating the total combined fixed cost expenditures for any individual year. This calculation is used to monitor the capacity for additional expenses compared to projected revenues. The commission will review the burn rate during the biennial budget process every two years.

*Investment Fund Holdings.* The CLB keeps investment fund holdings with a minimum threshold of \$3,000,000 and \$15,000,000 maximum. The maximum threshold is established as a goal, not a hard cap. The CLB keeps investment funds for both the CAF and STEW for future projects.

### **§5. Loans and Debt Management**

*Acquisition Loan Options.* When considering an acquisition project that may exceed the CAF balance, the commission will consider engaging in one or more of the three available loan options:

1. **Promissory Note-** seller financing which contains all the terms involved, such as the principal debt amount, interest rate, maturity date, payment schedule, the date and place of issuance, and the issuer's signature.
2. **Inter-fund Loan-** approved through the Council as a resolution, specifically structured as a multi-year term loan. Interest calculated at the average rate of the Local Government Investment Pool (LGIP) for the assessment period plus 75 basis points (.75%).

3. **Bonding-** This is the best option for large value acquisitions. Working with a bonding agent for terms no longer than ten years based on revenue projections and current interest rates.

**§6. Reporting**

*Financial Statements.* Every third month beginning in January at the regular commission meeting, the CLB Financial Clerk will provide a quarterly report on the current cash flow, revenues and expenditures compared to the budget.

*Budget and Amendments.* Based on the year and schedule provided by the County Auditor the CLB will prepare the Draft Expenditure and Acquisition Plan (see §4 4.1,4.2) for review and approval by the LBC during a public hearing at a regular monthly commission meeting.

*Projections.* At the beginning of a renewed 12-year authorization cycle. The CLB Financial Clerk will create a new set of long-term fund projections updating the annual rate increases for revenue and expenditures through the end of the authorization period. These projections will be updated throughout the year and reviewed at a monthly commission meeting twice annually (August and January).

**§7. Appendix**

7.1 San Juan County Conservation Land Bank Explanation of Funds

**Conservation Area Fund: (CAF)**

<i>Revenue:</i> REET* Conservation Futures tax (CFT*) Interest Timber Harvest Tax Other; Grants; Leasehold tax	<i>Expenses:</i> Administration Acquisitions Debt Service and Bonds Transfers to Stewardship	<i>Investment:</i> LGIP* Treasury/Bonds
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**Stewardship Fund: (STEW)**

<i>Revenue</i> 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	<i>Expenses</i> Administration Property Mgmt. Site enhancement	<i>Investment:</i> LGIP Treasury/Bonds
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7.2 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**

### 7.3 Budget Process Flow Chart

## Budget Process Flow Chart

