

**JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA REQUEST

TO: Board of County Commissioners

FROM: Adiel McKnight, Executive Assistant

DATE: March 18, 2024

SUBJECT: UPDATE re: Washington State Department of Natural Resources 2023 4th Quarterly County Income Report

STATEMENT OF ISSUE:

Bill Wells, DNR Regional Manager, and Drew Rosanbalm, DNR Assistant Region Manager-State Lands, will provide the Commissioners with an update regarding the Washington State Department of Natural Resources Quarterly County Income Report.

FISCAL IMPACT:

DNR Representatives will discuss timber sales and revenue reports.

RECOMMENDATION:

No Action Required

REVIEWED BY:

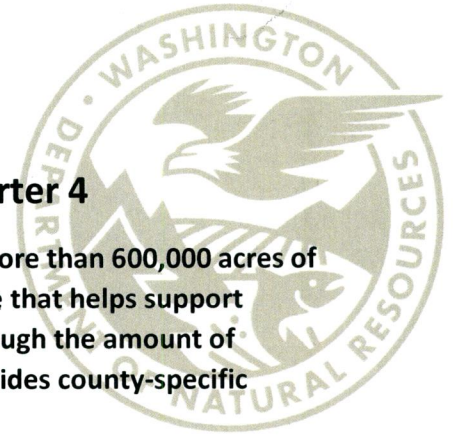

Mark McCauley, County Administrator

3/13/24
Date

Jefferson County

2023 Quarterly Income Report – Quarter 4

The Washington State Department of Natural Resources manages more than 600,000 acres of state forestlands in Washington. State forestlands generate revenue that helps support counties and local services. The lands are located in 21 counties, though the amount of acreage of trust land varies considerably by county. This report provides county-specific information regarding quarterly revenue from state forestlands.



ALL REVENUE¹ distributed to Jefferson County in Calendar Quarter 4 (October 1 - December 31, 2023). Due to the specific date monies are received by the Department and the cutoff dates used by the State Treasurer for wire transfers, the revenue for the current period may be different than actual remittances received by the county.

\$53,972.07

ALL REVENUE¹ accrued for Jefferson County this calendar year, 2023, as of December 31, 2023. For reporting purposes, DNR follows the modified accrual basis of accounting per Generally Accepted Accounting Principles (GAAP). Under this measurement focus, revenues are recognized and recorded when they become both measurable and available, i.e., when invoiced.

\$4,432,494.00

NET VALUE² of State Forestland timber in Jefferson County under contract as of December 31, 2023.

\$891,503.86

[Click here](#) for 10-Year Revenue History.

[Click here](#) for details about timber sales under contract.

¹ All revenue refers to distributions from timber and non-timber sources.

² Net value of timber includes the estimated value of timber currently under contract and does not include the estimated value from non-timber sources.

There are two types of state forestlands: State Forest Transfer lands, and State Forest Purchase lands.

1. **State Forest Transfer Lands.** These are lands acquired by counties through tax foreclosures that were subsequently turned over to the state. The Department of Natural Resources currently manages more than 538,000 acres of these forestlands in trust for 20 counties. Revenue from State Forestlands is distributed in accordance with RCW 79.64.110. Based on population, Skamania and Wahkiakum Counties have different distribution requirements compared with other counties.
2. **State Forest Purchase Lands.** State-issued bonds were used to acquire certain parcels of forestland from private owners. Typically, these forestlands had been logged and were in need of active management. Allocation of revenue from these lands was determined when purchase was authorized, as follows: 26.5 percent to the county in which the property is located; 50 percent to DNR for management expenses; and the remaining 23.5 percent to the State General Fund.

State Forestlands

Current as of 04/09/2021

	State Forest Transfer	State Forest Purchase	Total Acres
Clallam	93,018	242	93,260
Clark	26,497	3,850	30,347
Cowlitz	11,083	275	11,358
Grays Harbor	2,315	29,033	31,348
Jefferson	14,706	16	14,722
King	22,908	0	22,908
Kitsap	7,561	79	7,640
Kittitas	0	3	3
Klickitat	20,360	41	20,401
Lewis	39,999	3,069	43,067
Mason	28,344	561	28,905
Okanogan	42	0	42
Pacific	14,839	8,163	23,002
Pierce	8,880	3,339	12,219
Skagit	86,146	2	86,148
Skamania	37,917	4,461	42,378
Snohomish	62,480	1,681	64,161
Stevens	160	41	201
Thurston	20,019	23,531	43,550
Wahkiakum	12,405	0	12,405
Whatcom	29,241	996	30,237
Total Acres	538,918	79,384	618,302

JEFFERSON COUNTY REVENUE PROJECTIONS FOR 2023 (ALL NUMBERS ARE ESTIMATES AND ARE SUBJECT TO CHANGES)

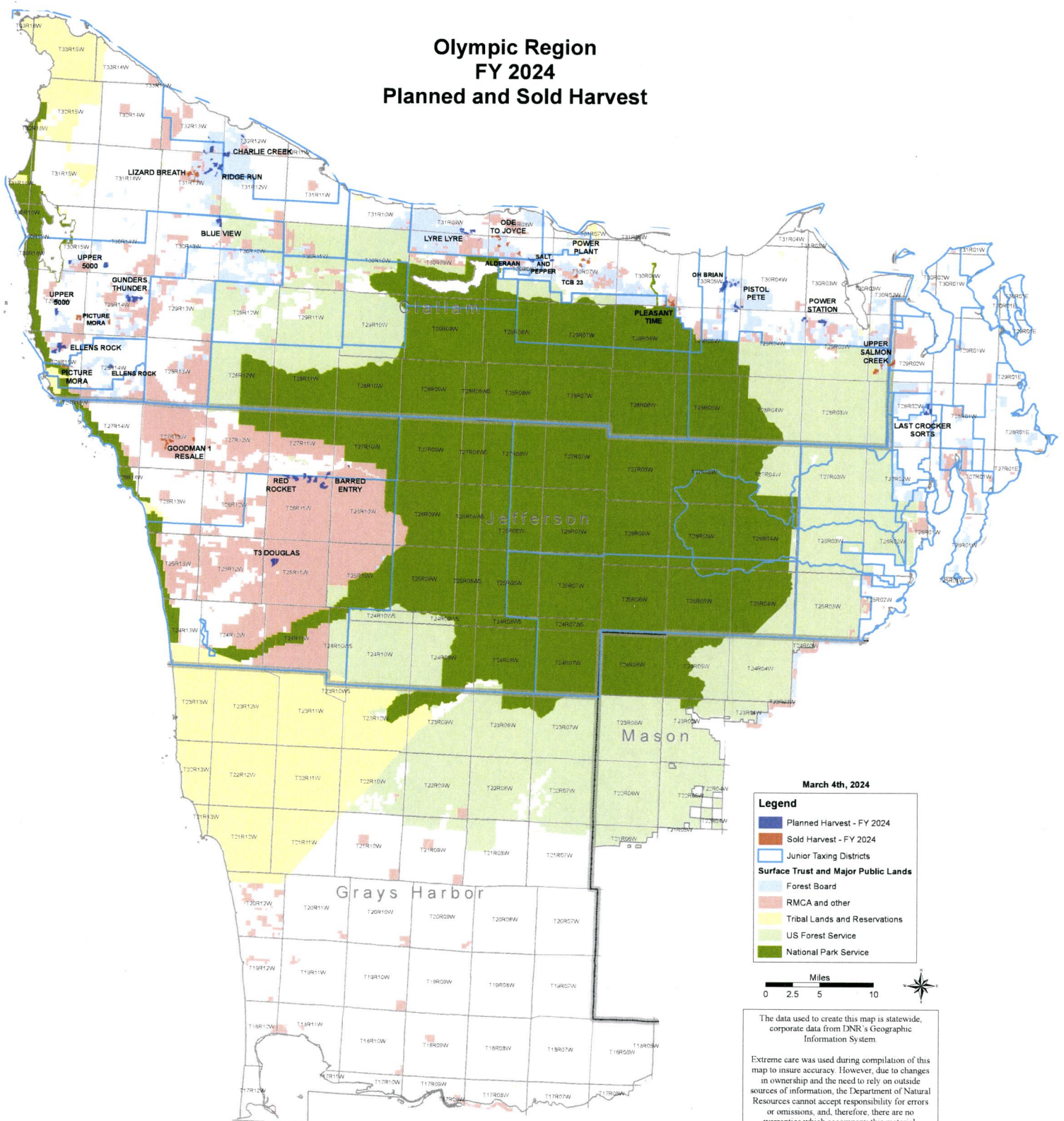
SALES CURRENTLY UNDER CONTRACT																								
SALE NAME	CONTRACT NO.	SALE TYPE	SALE DATE	EXP. DATE	Total Volume	TOTAL VALUE	% COUNTY	TOTAL VALUE TO COUNTY	TAX DIST.		PREVIOUS YEARS	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter		PROJECTED 4TH QUARTER	Yearly Total WIRED	SALE TOTAL WIRED TO COUNTY	2024 under contract	
												Projected	Wired to County	Projected	Wired to County	Projected	Wired to County	Projected	Wired to County					
MT JUPITER ACCESS- EXTENDED	C30100658	LUMP SUM	5/26/2021	10/31/2024	5697	\$1,766,222	2.44%	\$32,322	441-100%	\$3,236	\$0	\$0	\$0	\$4,007	\$0	\$4,452	\$17,394	\$1,617	\$17,394	\$10,077	\$13,313	\$3,232		
CENTER 21 THINNING	C30100662	WEIGHT SCALE	12/15/2021	10/30/2024	4652	\$707,187	46.74%	\$247,905	321- 38.93%	\$16,268	\$0	\$13,386	\$13,386	\$0	\$13,386	\$18,956	\$13,386	\$7,216	\$13,386	\$39,558	\$55,827	\$27,298		
									323- 20.79%	\$8,688	\$0	\$7,149	\$7,149	\$0	\$7,149	\$10,123	\$7,149	\$3,853	\$7,149	\$21,125	\$29,813	\$14,578		
									222- 15.32%	\$6,402	\$0	\$5,268	\$5,268	\$0	\$5,268	\$7,459	\$5,268	\$2,839	\$5,268	\$15,566	\$21,968	\$10,742		
									324- 8.76%	\$3,661	\$0	\$3,012	\$3,012	\$0	\$3,012	\$4,265	\$3,012	\$1,623	\$3,012	\$8,900	\$12,561	\$6,142		
									231- 16.20	\$6,770	\$0	\$5,571	\$5,571	\$0	\$5,571	\$7,888	\$5,017	\$3,002	\$5,571	\$16,461	\$23,230	\$11,359		
BOLTON REHAB	C3000103111	LUMP SUM	6/15/2022	CLOSED	1149	\$558,538	100%	\$418,904	321-100%	\$377,775	\$0	\$0	\$0	\$41,129	\$0	\$0	\$0	\$0	\$0	\$0	\$41,129	\$418,903	\$0	
BEAVER VALLEY	C3000100663	LUMP SUM	7/27/2022	CLOSED	4133	\$2,177,825	100%	\$1,633,369	231-100%	N/A	\$0	\$0	\$0	\$1,473,019	\$0	\$160,591	\$0	\$0	\$0	\$0	\$1,633,610	\$1,633,610	\$0	
TAYLOR DOWNHILL SORTS	VARIOUS	SORT	2/23/2022	CLOSED	5245	\$2,930,572	88%	\$1,940,552	221-28%	185955	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$373,052.12	\$0.00	\$0	\$0	\$373,052	\$559,007	\$0		
									321-72%	478171	\$0	\$0.00	\$0.00	\$0.00	\$0.00	\$959,276.88	\$0.00	\$0	\$0	\$959,277	\$1,437,448	\$0		
PENNY WISE	C3000102261	LUMP SUM	8/25/2022	10/31/2024	5129	\$2,851,780	98%	\$2,096,058	320-100%	N/A	\$0	\$942,519	\$200,000	\$0	\$350,000	\$305,851	\$393,933	\$0	\$393,933	\$1,248,370	\$1,248,370	\$638,083		
TOTALS					26005	\$10,992,125		\$6,369,109		\$1,086,925	\$0	\$976,905	\$234,386	\$1,518,155	\$384,386	\$1,851,914	\$445,713	\$20,150	\$445,713	\$4,367,124	\$5,454,049	\$711,434		
SALES PROJECTED TO BE SOLD IN CALANDAR YEAR 2023 (ALL NUMBERS ARE ESTIMATES AND ARE SUBJECT TO CHANGE)																								

ALL NUMBERS ARE ESTIMATES AND ARE SUBJECT TO CHANGE

All revenue figures are for calendar years, and already have DNR management fees deducted.

2023	
All Revenue:	\$4,388,365.20
Non-timber:	\$21,741.00
Com. Sites	\$19,657.00
ROW/RUP	\$0.00
LEASES	\$1,584.00
SPECIAL FOREST PROD.	\$0.00
Timber:	\$4,367,124.20

Olympic Region FY 2024 Planned and Sold Harvest



WASHINGTON STATE DEPARTMENT OF
NATURAL RESOURCES
HILARY S. FRANZ, COMMISSIONER OF PUBLIC LANDS