Grays Harbor County

2021 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 Grays Harbor County in Calendar Quarter 4

(October 1 - December 31, 2021). 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.

\$589,716.07

ALL REVENUE¹ accrued for Grays Harbor County this calendar year, 2021, as of

December 31, 2021. 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.

\$1,572,029.00

NET VALUE² of State Forestland timber in Grays Harbor County under contract as of December 31, 2021.

\$3,089,693.94

Click here for 10-Year Revenue History.

Click here for detail about timber sales under contract.

¹ <u>All revenue</u> refers to distributions from timber and non-timber sources.

² <u>Net value of timber</u> 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.

- 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

GRAYS HARBOR COUNTY Table 2: STATE FORESTLANDS -TIMBER SALES UNDER CONTRACT (NOTE: 30 month timeline - updated every quarter) Contract # **LUMP SUM SALES**¹ distributed to the County* be Distributed to the County the County through **Contract End Date** 12/31/2021 99046 766,935.83 766,935.83 10/31/2022 Tin Man 99052 293,376.47 382,665.03 10/31/2022 Glinda the Good 676,041.50 100783 20,926.94 647,378.39 626,451.45 10/31/2022 **Charlotte VRH RMZ** 101103 577,638.67 577,638.67 10/31/2022 Bluehorse 101104 712,860.34 712,860.34 10/31/2023 Albus 101293 23,142.63 23,142.63 **About Time** 10/31/2023 3,089,693.94 Total 3,403,997.35 Estimated total sale value to be Total Sale Distributions to Estimated Remaining Value to Contract # SCALE SALES² distributed to the County* be Distributed to the County the County through **Contract End Date** 12/31/2021 **No Scale Sales** Total Estimated total NET sale value to be Total Sale Distributions to **Estimated Remaining NET** Contract # **SORT SALES**³ **Harvest Contract End** distributed to the County* Value to be Distributed to the the County through Date County 12/31/2021 **No Sort Sales** Total Net Estimated Remaining Value of State Forestland Timber Under 3,089,693.94 Contract

1-LUMP SUM SALES Purchaser bids a fixed total sale value. Distributions occur throughout the contract as timber is harvested and invoiced. Contract can be extended.

2-SCALE SALES Purchaser bids a fixed price per thousand board feet for the biddable species; prices for all other species are set by DNR prior to auction. The total value for scale sales are estimates only, actual value will depend upon the amount of timber volume harvested by species. Distributions occur throughout the contract as timber is harvested and invoiced. Contract can be extended.

3-SORT SALES 1) Contractor hired by DNR harvests timber, delivers logs to individual purchasers of log sorts, and the harvester is paid for those services from the gross proceeds. Purchaser bids a delivered log value, per thousand board feet. The net value (after payment of harvesting costs) are estimates only until the project is completed. Actual net value will depend upon the amount of timber volume harvested by sort. 2) Distribution occurs once all operations are completed and the sale revenues and expenditures have been audited. Partial distributions may occasionally occur to provide revenue for the beneficiaries, or to meet the statutory requirement to maintain less than \$5 million in the Contract Harvest Revolving Fund at the end of each calendar year under RCW 79.15.520. 3) Contracts can be extended.

Estimated Distribution Window	SORTS Contract End Date

If you are interested in more information related to state trust land distribution, please contact:

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NOTE: This table shows revenue from timber only, it does not include non-timber revenue.

* This revenue is distributed by the county in accordance with RCW 79.64.110