Lewis County

2023 Quarterly Income Report – Quarter 3

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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 Lewis County in Calendar Quarter 3 (July 1 -

September 30, 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.

\$1,561,730.39

ALL REVENUE¹ accrued for Lewis County this calendar year, 2023, as of

September 30, 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.

\$6,573,587.00

NET VALUE² of State Forestland timber in Lewis County under contract as of September 30, 2023.

\$4,113,232.40

<u>Click here</u> for 10-Year Revenue History.

<u>Click here</u> 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.

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. NATUR

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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 Fore	estlands	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,								
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							

LEWIS COUNTY

Table 2: STATE I	-ORES	STLANDS	S - TIMBER SALES	UNDER CON	TRACT																							
								E: 30 mont	th timel	ine - updat	ted every	quarter)																/
							2023		- / 2	2024							- /	2025									2026	
LUMP SUM SALES	1	Contract #	Estimated total sale value to be distributed to the County*	Total Sale Distributions to the County through 9/30/2023	Estimated Remaining Value to be Distributed to the County	Contract End Date	Oct	Nov Dec	Jan	Feb	Mar Apr	May	June July	Aug	Oct	Nov	Dec	Feb	Mar	Apr	May	June Julv	Aug	Sept	Oct Nov	Dec	Jan	
Point Blank		100492	1,907,542.63	1,907,542.63	(0.00)	10/31/2023																						
Hatchet		100670	1,489,910.27	1,343,773.69	146,136.58	10/31/2023																						
Baltimore Plot		100840	1,925,724.52	-	1,925,724.52	10/31/2024																						
American Pharoah		101297	1,050,016.44	949,685.82	100,330.62	10/31/2023																						
Carry A Tune		101494	843,226.85	760,185.23	83,041.62	10/31/2023																						
Puppers		102176	1,147,944.62		1,147,944.62	10/31/2025																						
Thyme Machine		102792	236,930.47	32,608.06	204,322.41	10/31/2024																						
Crazy Hazy		102827	290,983.49		290,983.49	10/31/2024																						
Bell of the Ball		103185	173,632.11	156,578.88	17,053.23	10/31/2024																						
McCannon		103914	197,695.32		197,695.32	10/31/2024																						
	Total		9,263,606.71		4,113,232.40																							
SCALE SALES ²		Contract #	Estimated total sale value to be distributed to the County*	Total Sale Distributions to the County through 9/30/2023	Estimated Remaining Value to be Distributed to the County	Contract End Date			L																			
No Scale Sales					-																							
	Total		-		-																							
SORT SALES ³		Contract #	Estimated total NET sale value to be distributed to the County*	Total Sale Distributions to the County through 9/30/2023	Value to be Distributed to the	Harvest Contract End Date	e		L																			
No Sort Sales					-																							
	Total		-		-																							Į
Net Estimated Remaining Contract	Value of S	State Forestla	and Timber Under		4,113,232.40																							

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

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

Estimated Distribution Window	SORTS Contract End Date

If you are interested in more information related to state trust land distribution, please contact: 360-575-5001 scott.sargent@dnr.wa.gov

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