



2011 Annual Report



WASHINGTON STATE
Natural Resources





- 4 A Message from the Commissioner**
- 6 Financial Management**
- 10 Trust Lands**
- 14 Resource Protection**
- 20 Recreation**
- 24 Aquatic Resources and Lands**



- 31 Fiscal Management Data**
- 59 Timber Management Data**

Fiscal and Timber pages account for the revenues DNR generated, collected and expended during Fiscal Year 2011.



- 64 Acknowledgments**
- 65 Contact Information and DNR Regions Map**

This report was prepared by the Washington State Department of Natural Resources (DNR).

Peter Goldmark

Commissioner of Public Lands

This annual report provides information required by the following statutes: RCW 79.10.010, RCW 79.64.100 and RCW 79.64.030

On the Cover: Mount Si, Natural Resources Conservation Area (NRCA). Photo: Kelly Heintz/DNR.

Left: A stand of large Douglas-fir on state trust land near Mount St. Helens. Photo: Florian Deisenhofer/DNR

For copies, or for disabled persons needing this information in an alternate format, contact:

DNR Communications & Outreach

PO Box 47003

Olympia, WA 98504-7003

E-mail: information@dnr.wa.gov

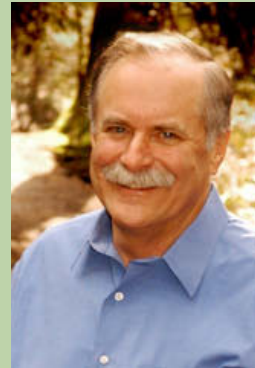
Phone: 360-902-1016

TTY: 360-902-1125, TRS: 7-1-1

This document is available in PDF format at:

www.dnr.wa.gov

A Message from the Commissioner of Public Lands



Peter Goldmark, a statewide elected official, is Washington's thirteenth Commissioner of Public Lands since statehood in 1889.

and **prudent management**, our agency has been able to deliver on its obligation to the beneficiaries.

Most importantly, we have been able to start giving back to the local governments that are desperately in need of relief. In 2011 we reduced our management fee percentages in order to send more of our non-tax revenue to beneficiaries. More recently, we proposed sending \$10 million back to cash-strapped timber counties from our management accounts. These efforts will help get more money to local governments at a time when they are struggling to provide core services in their communities.

We have done all this without limiting our ability to preserve our treasured natural resources and support jobs. Some examples:

Nisqually Aquatic Reserve Dedication:

The most recent in a number of aquatic reserve designations, the dedication of the Nisqually Reserve demonstrates our commitment to protect critical habitat in the Puget Sound.

Over the past three years, our focus has been on weathering the economic downturn and resulting budget crisis. We've worked hard to do our business more efficiently and create savings wherever possible. I am proud to report that these efforts have served us well. Through sound decision-making

Flying over our forest: As a pilot I often fly across eastern Washington. I have watched with alarm as diseased and damaged trees continue to grow in number and severity. That is why, at the end of 2011, I initiated a process to assess and take action to address forest health issues across the state.

Borgford Mill groundbreaking: The first of many ribbon-cutting events to reopen a mill that uses sustainable forest biomass to create 34 new rural jobs.

Puget SoundCorps launch: On the shores of Commencement Bay, with our partner agencies, I was proud to recognize our veterans who are working to clean up Puget Sound. By consolidating four programs into one, we simultaneously streamlined government, saved taxpayer dollars, and attracted new funding to create new jobs for veterans and young people.

This annual report, our first electronically published, tells the story of our stewardship of the public's lands and our commitment to manage the State's resources sustainably; make decisions based on sound science; and make decisions in the public's interest and with the public's knowledge.

**PETER
GOLDMARK**
COMMISSIONER
OF PUBLIC LANDS



For the first
time, this annual
report is published
digitally.

“ I am proud of what DNR has been able to accomplish, despite the economic storm that swirls around us.”



Increased demand from Asia for forestry products and wild geoducks has been a counterweight to a weak housing market and decreasing state budgets.





JANE CHAVEY / DNR


Financial Management


With a careful eye on the dollars entrusted to us by the public, DNR has diligently managed finances to reduce expenses and improve efficiencies.


Efficiency Measures Save Millions

 By eliminating 125 fleet vehicles in 2010, [DNR saved \\$3 million](#). By managing work schedules to reduce driving and using more fuel-efficient vehicles, the agency spends about \$500,000 less annually on vehicles. Another 100 vehicles will be removed from the fleet in 2012 and 2013, yet DNR continues to maintain sufficient numbers of fire engines, water tenders, and other back-country vehicles to defend our forests and the public from wildfire.

 Weatherization and other upgrades are substantially improving energy efficiency in many DNR-owned or leased buildings this year.

 Retrofitting lighting fixtures, including new LED lighting, at the department's aircraft hangar in Olympia reduced annual [energy costs and improved safety](#) and security.

 By eliminating underutilized cell phones and negotiating more efficient calling plans with carriers, DNR cancelled service for 69 cellular phones not needed for firefighting, landslide assessment or other critical public safety work.

 Staying true to our strategic plan, DNR has taken concrete steps to increase income from leases. These steps have increased lease payments for commercial, agricultural, aquatic, communications, rights-of-way and state trust land uses.

DNR has tapped into the talent of its staff to come up with innovative ways to save money.

Schools,
universities,
and counties
benefit
when DNR
earns more
income from
the lands it
manages.

B. BENSCHNEIDER, COURTESY OF NAC ARCHITECTURE



Timber Markets Regained Ground

Prices for logs from DNR-managed state trust lands recovered somewhat from post-recession lows throughout Fiscal Year (FY) 2011, thanks to the indirect influence of higher foreign demand for Northwest timber from private lands. (Federal law bans the export of unprocessed logs from state trust lands.) Unfortunately, the economic pressures that a depressed home-building market places on local sawmills is moderating the near-term outlook for DNR timber prices and production goals.

New Region Managers

During FY 2011, Commissioner of Public Lands Peter Goldmark completed appointments for critical management in DNR's major administrative regions: **Ben Cleveland** (Northwest Region), **Todd Welker** (Southeast Region), and **Susan Trettevik** (Olympic Region).

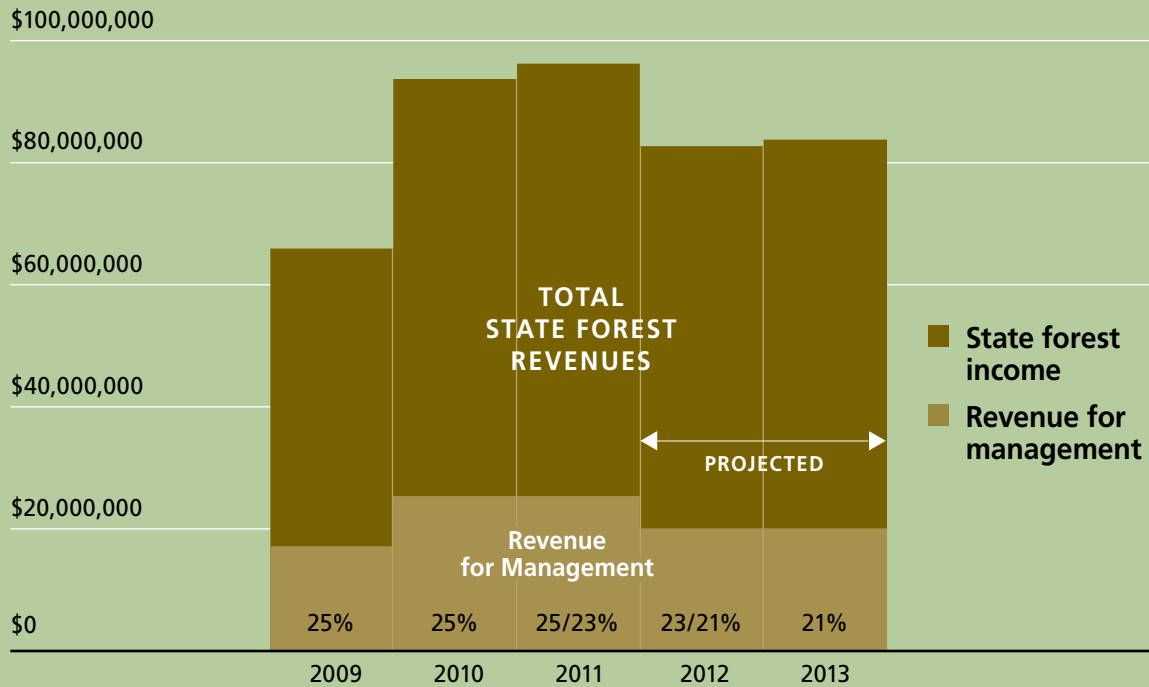
More Non-Tax Revenue to Schools, Counties, Other Beneficiaries

During 2011, Commissioner of Public Lands **Peter Goldmark** proposed—and the Board of Natural Resources approved—[reductions in the fees](#) from timber sales that DNR uses to manage state trust lands. Fees dropped from 30 percent to 27 percent for state trust lands and from 25 percent to 21 percent for trust forestlands managed for county revenues, providing more revenue to beneficiaries. **(Chart, top right)**

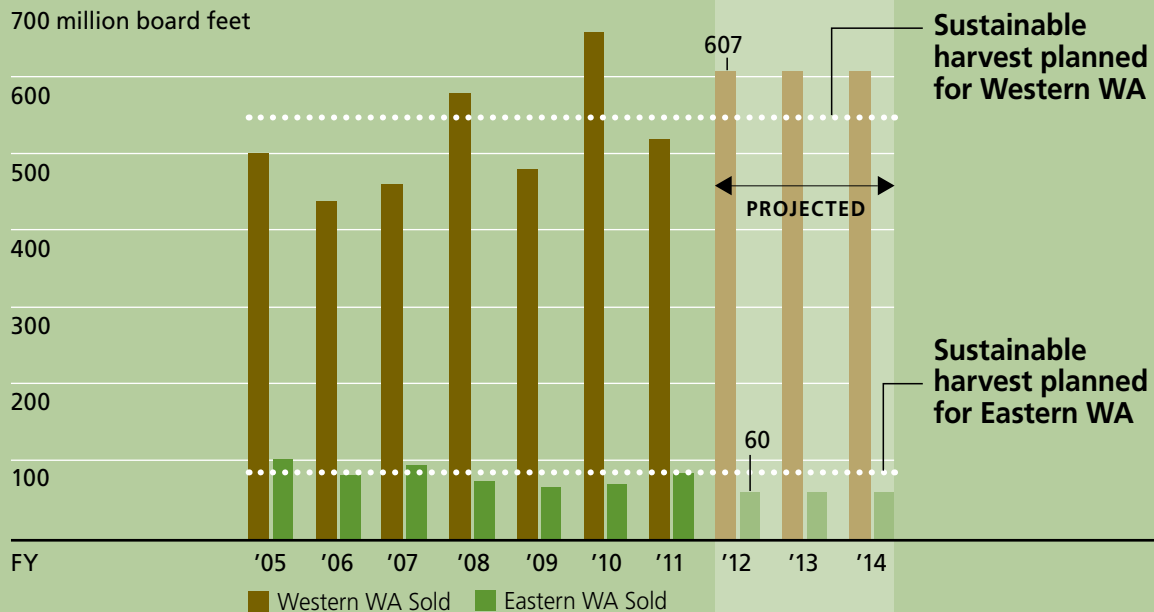


DALE MIX / DNR

State Forest Income and Revenue for Management



DNR Timber Volume Sold and Projected Sustainable Targets



Slash piles like this one are often burned on site, wasting energy and heat that could go to better uses.

Forest biomass can help maintain working forestlands that provide jobs, habitat, clean water, and other benefits to the public

BRYAN FLINT / DNR. OPPOSITE PAGE: PHOTO COURTESY OF BOEING

Trust Lands

DNR continues to be a leader in developing a sustainable forest biomass economy to create renewable energy.

Aviation Biofuel

Legislation passed in 2011 as part of the [Goldmark biomass initiative](#) will develop a biomass-to-aviation fuel pilot project to demonstrate the sustainability of matching our forest and aviation heritage. The department is working with a coalition of businesses, environmental and government entities to develop recommendations to create a sustainable aviation biofuel industry in Washington State.

Another important step in the initiative took place in September 2011 when the US Department of Agriculture awarded \$80 million in grants to the University of Washington and Washington State University to foster a biomass-to-aviation fuel industry in the state.

The grants complement a DNR-commissioned study by the University of Washington to determine the sustainable volume of forest biomass that can be collected from all forestlands in Washington State—a key piece of knowledge that private firms will need to successfully attract financial backing for their projects.

DNR Biomass Initiative Pilot Partner Reopens Mill

The reopening of a long-closed lumber mill in Springdale in 2011 is an early and visible success in DNR's Forest Biomass Initiative. Borgford Bioenergy was selected in 2010 as one of the department's pilot projects. The project has been able to re-open the Springdale Lumber Mill in Springdale. Thirty-four new, green jobs have been created as a result of this project. By utilizing forest biomass in a highly efficient system, the company will eventually save thousands of dollars in energy costs each month. The reopening of this mill and the enormous economic impact it has had on the community in which it operates are early and visible successes in DNR's Forest Biomass Initiative.

Using forest biomass, such as logging slash or forest health treatment thinning, helps maintain working forests in Washington that provide habitat, clean water, jobs, and other public benefits.



Commissioner Goldmark's Biomass Initiative made significant strides in 2011.



▲ In August of 2005, a 1,143-acre parcel was acquired for the Common School trust to replace trust lands sold or transferred. With a 180-day growing season, productive soils, and irrigation, the parcel in Benton County was offered at public lease auction in 2006. Today, under the care of the successful bidder, Zirkle Fruit Company, the products from these lands—apples, blueberries, cherries, pears, and wine grapes—provide revenue to build public schools.

Agriculture Program Revenues Up

Revenue for FY 2011 increased by 11.8 percent from the previous year to \$13.7 million in the agriculture leasing program.

Factors in the revenue increase were:

- ▶ DNR land managers working with lessees to implement best management and sustainable land management practices;
- ▶ Favorable commodity prices;
- ▶ Adequate rainfall in the dryland regions that generated higher production per acre than normal; and
- ▶ Maturing and higher yields of several orchards and vineyards planted in recent years.

DNR saw successful public auctions for leases of irrigated agriculture on state trust lands in 2011.

The public auction process allows all interested parties access to the leasing process on state trust lands. Current lessees will be kept informed of the process and criteria when leases are identified as candidates for public auction.

DNR also continues to evaluate leasing structures—cash rent versus crop share rent—and use study results from Washington State University and elsewhere to establish equitable methods to set cash rents, which will help stabilize school trust revenues. (Revenue from 85 percent of the state trust lands in agriculture and grazing production helps build public schools statewide.)



School trust land lessee Gary Wollweber uses 'direct seed' farming that virtually eliminates soil erosion and conserves water by planting seeds directly though the stubble of last year's crop. This year he attained a 50-bushels-per-acre yield.

Legislative Accomplishments

Several measures passed by the 2011 Legislature and signed into law by Governor Chris Gregoire enhance DNR's efforts to manage state trust lands and other areas more efficiently and sustainably:

Forest Biomass to Jet Fuel

Builds on ongoing efforts in Washington's emerging forest biomass-to-aviation fuel sector to create stronger links among the aeronautics, forest products, and renewable energy sectors. (See page 11)

Puget 'SoundCorps'

Consolidates the administration of four Washington Conservation Corps programs into one program and creates jobs for veterans and youth. (See pages 24-25)

The Discover Pass

Provides critical funding to maintain the public's access to three million acres of state-managed recreation lands. (See pages 20-21)

Community Forest Trust

Creates the [Community Forest Trust](#) to be managed by DNR. It allows DNR to target small forested areas at threat of conversion to other uses. These forests would need only to produce enough revenue to be self-sustaining entities; and local community and conservation needs would guide the forests' management.

Derelict Vessels

Helps DNR and other agencies deal with derelict vessels more efficiently. It holds owners of derelict vessels accountable by making it a misdemeanor for knowingly causing a vessel to sink, break up, block navigational channels, or contaminate the

environment. It also helps DNR's local government partners with funding acquisition, contracting and liability protection.

Forestry Riparian Easement Program

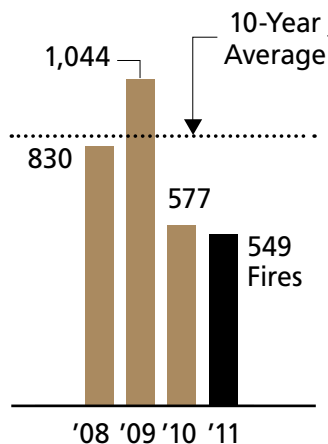
Helps small family businesses managing forests to maintain their working forests. The bill maximizes available funding for easement purchases from small forest landowners who are committed to long-term forestry. The bill also sets up a study group to look for long-term funding solutions for the program.

Water Rights for School Trust Land

Authorizes a water withdrawal on the Columbia River that will allow DNR to irrigate up to 2,100 acres of school trust land leased for agriculture in Benton County. With irrigation, the parcels will yield approximately \$300,000 more annually in non-tax revenue for public schools each year—an amount likely to increase in future years.

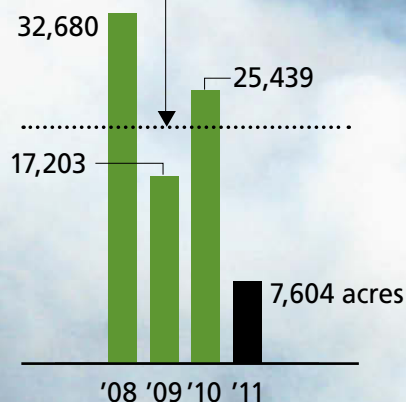


The Community Forest Trust managed by DNR will help maintain viable small forested areas at threat of conversion to other uses.



FIRES FOUGHT

DNR is the state's largest on-call fire department, with over one thousand employees trained and available to be dispatched to fires as needed. Additional fire-fighting capacity comes from Department of Corrections inmates participating in the DNR Correctional Camps Program. DNR also participates in the state's coordinated interagency approach to firefighting and state mobilization.



ACRES BURNED

DNR provides wildfire protection for 12.7 million acres of private, tribal and state-owned forestlands in Washington State

Resource Protection

DNR's resource protection mission includes wildfire control, community fire prevention, and forest health assistance to state and private forest landowners.

2011 Wildfire Summary

Due to unusually heavy precipitation late in the spring and early summer, the start of Washington's wildfire season was delayed by almost a month. The year was cooler than normal and the hot, dry periods were both fewer and shorter than the average of recent years. Lightning activity also was lower than normal.

To help reduce the chances of wildfires escaping from outdoor burning and campfires on DNR-protected forestland, the department initiated a statewide burn ban from July 1 to September 30. This contributed to fewer wildfires that required DNR's response. Overall, 94 percent of the wildfires on DNR-protected lands in 2011 were human-caused.

Wildfire Prevention

In partnership with Washington Department of Ecology and with funding from the Bureau of Land Management, DNR completed a successful burn barrel exchange program, credited with helping to reduce wildfires and improve air quality in Washington State. Residents turned in 770 illegal burn barrels in exchange for free composting bins.

Monastery Fire

One of the year's most dramatic fires was the [Monastery Complex Fire](#) in early September, destroying 29 homes. Many homes were saved by the efforts of firefighters and by homeowners' use of what is called 'defensible space.' Commissioner of Public Lands Peter Goldmark visited the site to meet with the many evacuees.

Firewise

With the help and guidance of DNR fire prevention staff, 89 Washington communities have earned recognition as a Firewise Community for their wildfire prevention work. Washington State has the second-most Firewise Communities in the nation. The Firewise program encourages local solutions by homeowners, community leaders, planners, developers, firefighters, and others to protect people and property from the risk of wildfire.



A video produced by DNR illustrates how defensible space can save homes from the ravages of wildfire.



Forest Health in Eastern Washington

The Douglas-fir tussock moth is one insect causing forest defoliation in Eastern Washington. This cyclical problem can be significant, especially in forests that face many other insect and disease problems. Damage caused by the moths can kill up to 40 percent of the trees in affected stands during an outbreak.

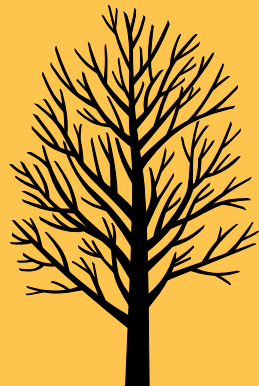
[➔ READ MORE](#)

The declining health of forests in Eastern Washington spurred Commissioner of Public Lands Peter Goldmark to initiate the State's forest health warning system.

A combination of over-crowded stands, imbalanced tree species mix, and the reduced role of naturally cleansing wildfires are factors behind the poor health of forests, especially on the east side of the Cascade Mountains in Washington State.

Topping hurts trees.

It costs more long-term, it's unsafe and shortens the life of a tree.



El podado bien hecho cuesta menos, disminuye el daño por tormentas y les ayuda a tener una larga vida. Para más información, visita dnr.wa.gov/urbanforestry



MENSAJE DE SERVICIO PÚBLICO AUSPICIAO POR LA OFICINA DE ARBORICULTURA URBANA DEL DEPARTAMENTO DE RECURSOS NATURALES DEL ESTADO DE WASHINGTON, EN COLABORACION CON EL SERVICIO FORESTAL DE EE.UU.



FRONT & BACK OF BOOKMARKS PRINTED IN ENGLISH & SPANISH

Urban Forestry

▲ With funding from the U.S. Forest Service, DNR's Urban and Community Forestry Program promoted a statewide anti-tree topping campaign in 2011 to increase public understanding of proper tree care. This campaign helped to educate communities throughout Washington about the negative effects of tree topping and encouraged proper tree care. Along with an informative [web page](#), DNR offers educational materials in English and Spanish to promote better tree trimming practices.

Legislature Invests

Mitigating forest losses to insects, diseases and wildfires earned the attention of the state legislature, which appropriated \$2 million for this urgent work in the face of trying fiscal times. Using these funds, DNR accomplished an additional 10,000 acres of tree thinning and hazard reduction projects on high-risk private, state and federal forestland. These projects prevent the loss of forestland value as well as create immediate-term jobs in our rural communities.

Forest Health Warning System

In response to significant deterioration of forest conditions throughout eastern Washington, Commissioner Goldmark initiated a Tier Two Forest Health Hazard Warning. A group of science and forestry experts will advise him on the severity of the threats and corrective actions that can be taken to protect Washington forests. ➔ [READ MORE](#)



DNR plays a vital role in conserving our natural heritage by protecting critical habitats and the state's biological diversity for future generations.

Middle Fork Snoqualmie NRCA

The first major acquisition for the Middle Fork Snoqualmie Natural Resources Conservation Area (NRCA) was completed in 2011. The Trust Land Transfer Program funded the transfer of 9,001 acres of state trust land into conservation status. Together, they create an ample forested landscape extending from the City of North Bend to Mount Baker Snoqualmie National Forest—protecting clean water, wildlife habitat, and important recreation opportunities.

Snoqualmie/I-90 Corridor Habitat

In partnership with Forterra (formerly Cascade Land Conservancy), DNR secured federal funds to acquire four properties in Kittitas County for conservation. The 720 total acres worth \$2.25 million were acquired through the federal Cooperative Endangered Species Conservation Fund.

The properties are within three miles of each other, along the north side of I-90 and within the dramatic landscape of the I-90 corridor between Snoqualmie Pass and Easton. The properties will enhance habitat management and protection.

They also will provide connectivity to three other properties previously-acquired through grants in the I-90 corridor.



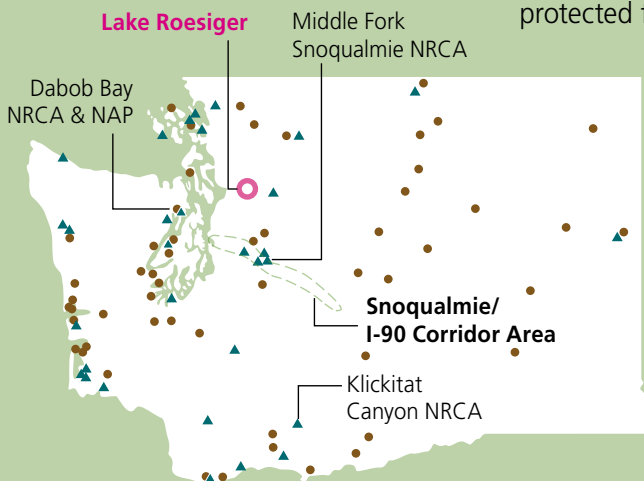
Klickitat Canyon NRCA

Using grant funding from the Washington Wildlife and Recreation Program awarded by the state Recreation and Conservation Office, DNR purchased an additional 917 acres for the [Klickitat Canyon](#) Natural Resources Conservation Area in Yakima County. Klickitat Canyon is known for its unique geologic, scenic and ecological features, including habitat for the state endangered sandhill crane and several rare plants.

Dabob Bay Protection

Created in 1984, and enlarged in 2009, the area north of Hood Canal is prime habitat for birds, orcas, fish, shellfish and other species. DNR's project to expand the areas protected from development at Dabob

Bay received funding from the Washington Wildlife and Recreation Program and the federal Coastal Estuarine Land Conservation Program (CELP) last year. The project also received top ranking among more than 40 CELP projects nationwide, proposed for funding in 2012. About 1,190 acres of shoreline, marsh and forestland in the surrounding watershed of this high-quality salt marsh estuary are protected through the DNR Natural Areas Program.



- ▲ Natural Resources Conservation Area (NRCA)
- Natural Area Preserve (NAP)



BRYAN FLINT / DNR

Lake Roesiger Working Forest

In June 2011, the state Board of Natural Resources approved the purchase of 2,845 acres of [forestland west of Lake Roesiger](#) in Snohomish County. Once envisioned as a self-contained, residential and commercial development, the land will now be managed as a working forest to provide school construction revenue, jobs, clean water and habitat.

The Discover Pass allows you to enjoy nearly three million acres of Washington State-managed recreation lands—including state parks, water-access points, heritage sites, wildlife and natural areas, trails and trailheads.

One permit provides access to state parks and recreation lands.

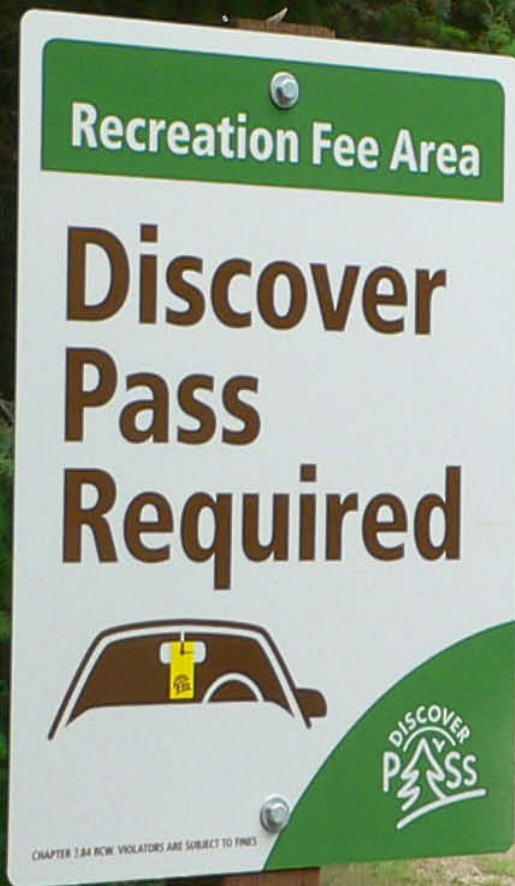
The Discover Pass—your ticket to Washington's great outdoors.



Purchase the pass where hunting and fishing licenses are sold or:

Website  discoverpass.wa.gov

Telephone  1-866-320-9933



Recreation

DNR has worked diligently to improve the safety, accessibility and enjoyment of recreation on state trust lands. Those efforts are paying off for the citizens of the state.

Discover Pass

In 2011, the Washington State Legislature created the Discover Pass, heralding a new approach to funding recreation on state-managed lands through user fees. Fees from the pass help keep state recreation lands open and accessible to the public.

The Discover Pass, which went into effect July 1, provides access to more than three million acres of state parks, boat launches, campgrounds, trails, and other facilities managed by DNR, Washington State Parks, and the Washington Department of Fish and Wildlife (WDFW).

When faced with the impending loss of state General Funds to pay for recreation, the three agencies met with recreation user groups, legislators, and others to find a solution to funding shortfalls for recreation. The Discover Pass legislation reflects the outcomes of a collaborative effort among DNR, Parks, and WDFW.

By the end of 2011, Discover Pass sales raised nearly \$8.2 million, with more than 400,000 passes sold.

Campgrounds Reopened

With the help of grant funding from the Nonhighway and Off-road Vehicle Activities (NOVA) program and revenue from the Discover Pass, DNR reopened two popular campgrounds —Camp Spilman and Camp Kammenga—in Tahuya State Forest in December 2011. The campgrounds had been closed since 2009 due to budget cuts.

Grant Awarded

A [Yamaha OHV Access Initiative](#)

Grant awarded to DNR helped replace a dilapidated bridge used by many outdoor recreationists in Capital State Forest.



State lands provide a variety of opportunities for safe and sustainable recreation.

Volunteers At Work

In 2011, volunteers contributed more than 35,000 hours to maintain trails, clean campsites, and work on other DNR recreation projects that help keep public lands accessible and safe.

Sheep Creek Campground

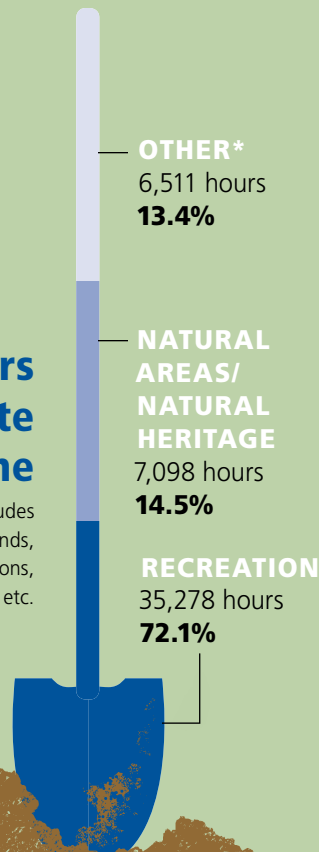
For the past two years, the town of Northport, (population 290), in northeast Washington, has taken on managing DNR's Sheep Creek Campground. In October, the mayor, city council members, and townspeople came out in force to make much-needed improvements to the campground, including making upgrades to an ADA-accessible campsite. Volunteer efforts like this and others, such as the Forest Watch Volunteer Program, help protect and enhance DNR-managed state trust lands and recreation opportunities.

Walker Valley

Members of the Rotary Club in Mount Vernon made improvements at the DNR-managed [Walker Valley Recreation Area](#) last year.

Volunteers Contribute Time

*Other includes geology, state lands, aquatics, communications, administration, etc.



PHOTOS (CLOCKWISE FROM TOP): SHEEP CREEK CAMPGROUND: KAREN BARIBAUT; LITTLE SI: KELLY HEINTZ / DNR; LES HILDE: DAVID WAY / DNR; GRAVEL PACK-IN: ALAN PANKAU; JONES CREEK TRAILHEAD: BRIAN POEHLIN / DNR



Northport Mayor Mike Lamb and volunteer Gary work with backhoe operator Zach to maneuver boulders for parking and site protection barriers at the Sheep Creek Campground cleanup.



Volunteers at the Sheep Creek Campground cleanup.

Volunteers construct a raised trail structure in a wet, muddy section of the Little Si trail on National Public Lands Day.



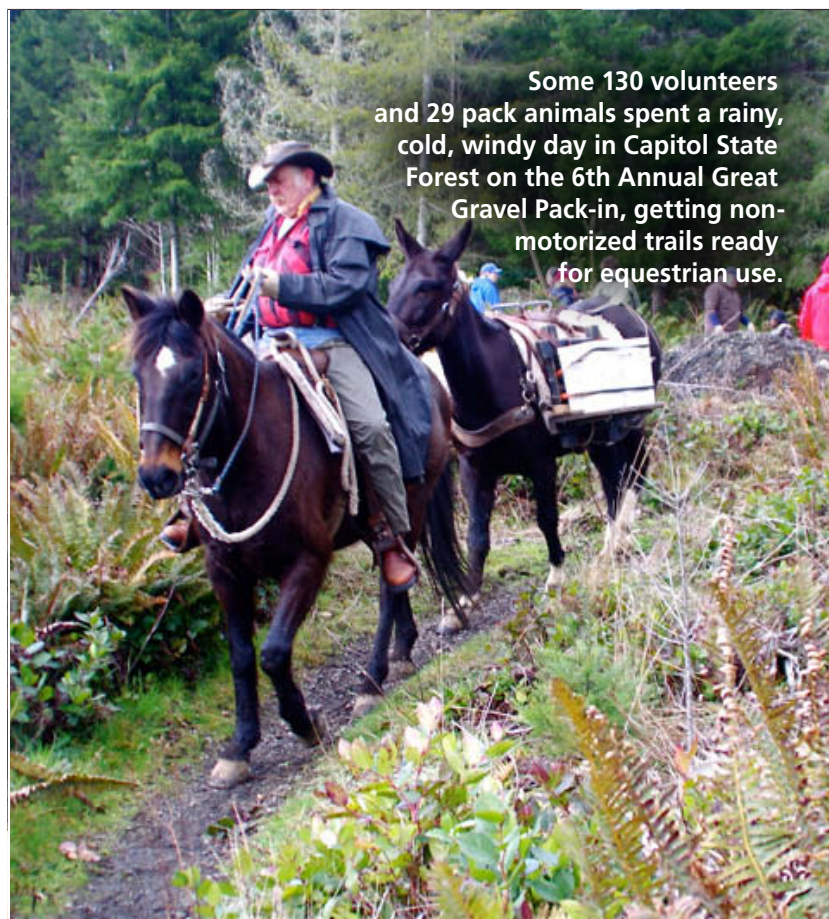
Volunteers install a cedar rail fence at Les Hilde Trailhead to keep riders on the trail and from wandering onto a new logging road.



About 75 volunteers showed up and picked up enough garbage to fill a 20-yard dumpster at the 9th annual 'Pick Up the Burn' event at Jones Creek Trailhead in Yacolt Burn State Forest.



Some 130 volunteers and 29 pack animals spent a rainy, cold, windy day in Capitol State Forest on the 6th Annual Great Gravel Pack-in, getting non-motorized trails ready for equestrian use.



At the Puget SoundCorps kick-off event, Commissioner Peter Goldmark honored returning veterans and young adults for removing invasive weeds and planting hundreds of native plants at the nine-acre Gog-le-hi-te wetland park in Tacoma. The crew's work was funded, by the US Forest Service Urban & Community Forestry Program through DNR. Citizens for a Healthy Bay, the local partner, managed the site plan and secured donated materials.



Aquatic Resources and Lands

As steward of 2.6 million acres of state-owned aquatic lands, DNR supports water-dependent uses while protecting and restoring waterways across the state.

Puget SoundCorps

Created in 2011 through legislation requested by Commissioner of Public Lands Peter Goldmark, [Puget SoundCorps](#) consolidates the administration of four Washington Conservation Corps (WCC) programs—including one managed by DNR—into one program managed by the Department of Ecology. SoundCorps provides employment opportunities to veterans and young adults to help clean up and restore lands in the Puget Sound basin.

Commissioner Goldmark joined with other officials at an event in Tacoma on November 10, 2011, to formally launch the new Puget SoundCorps.

Like the WCC, SoundCorps assists DNR in its vital role concerning the health of Puget Sound. The department manages or has regulatory or proprietary responsibility for 41 percent of the uplands and submerged lands in the Puget Sound basin—from the crest of the Cascades to crest of the Olympics.

Soundcorps crews' typical work includes:

- ▶ Removal of creosote-treated wood and shoreline structures that damage habitat and pollute the Sound.
- ▶ Restoration of habitat at toxic cleanup sites.
- ▶ Removal of invasive species.
- ▶ Help removing barriers for fish and documenting stream habitat and pollution issues.
- ▶ Repair and removal of forest roads to keep streams free from sediments.



The Aquatic Program is leading restoration efforts throughout the state.

AQUATIC CLEANUP & PUBLIC SAFETY

Derelict Vessel Removal Program Improvements

In 2011, DNR's nationally recognized Derelict Vessel Removal Program cleared and disposed of 37 derelict vessels and helped other agencies remove 17 more.

Also in 2011, legislation requested by Commissioner Goldmark was enacted that will help DNR and partner agencies deal more effectively with derelict vessel owners and facilitate more removals by local agencies.

➔ [READ MORE](#)

Restoration and Creosote Cleanup

During 2011, DNR worked on a number of projects to remove creosote-treated materials from Puget Sound. In addition to continuing restoration work at Woodard Bay NRCA, the department worked with many partners on cleanup and restoration projects, including:

- ▶ Key Peninsula Parks
- ▶ Suquamish Tribe
- ▶ Department of Ecology
- ▶ South Sound Salmon Enhancement
- ▶ Squaxin Tribe

➔ [READ MORE](#)

▼ Crews from Janicki Industries and Naval Air Station Whidbey Island work to remove logs and beach debris from a derelict sailboat on Whidbey Island.



AQUATIC HABITAT

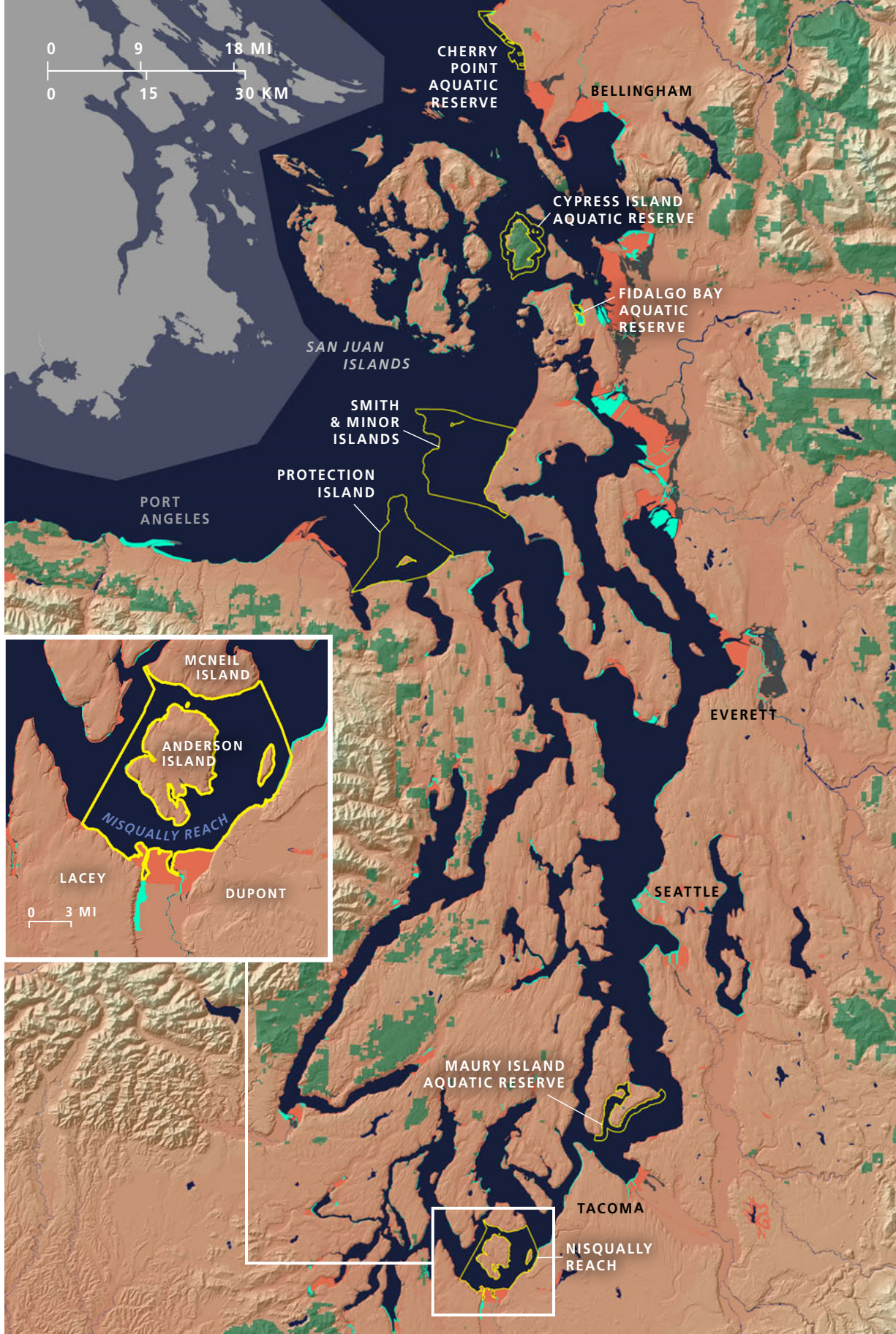
Eelgrass As Ecosystem Indicator

In early 2011, eelgrass was adopted as an ecosystem indicator—the first of several indicators of the progress of the cleanup and restoration of Puget Sound. DNR recommended and the Puget Sound Partnership adopted a target to increase the amount of eelgrass by 20 percent (or about 10,000 acres) by 2020 over today's amount.

➔ [READ MORE](#)



DNR is
managing
state-owned
aquatic lands
for future
generations.



NISQUALLY REACH AQUATIC RESERVE

DNR is establishing aquatic reserves throughout the state to protect important native ecosystems. It is an effort to promote the preservation, restoration, and enhancement of state-owned aquatic lands that are of special educational, scientific, or environmental interest.

- EXISTING AQUATIC RESERVE
- DNR-MANAGED TIDELANDS
- PRIVATE & OTHER TIDELANDS
- DNR-MANAGED UPLANDS



Nisqually Reach Aquatic Reserve Designated

In September 2011, Commissioner of Public Lands Peter Goldmark designated the Nisqually Reach Aquatic Reserve. The 15,000 acres of state-owned tidelands and bedlands—proposed for a reserve by the Nisqually Reach Nature Center—is recognized for its unique aquatic landscapes, aquatic vegetation, and diversity of fish and wildlife.

The Nisqually Reach Aquatic Reserve includes over 35 miles of coastline. The beaches, tidal flats, and marshes of the Nisqually Reach and delta are a food source for a plethora of creatures—invertebrates, fish, marine mammals, and numerous types of birds. [▶ READ MORE](#)

Right: Great Blue Heron
(*Ardea herodias*)

DNR Aquatic Reserve Video

A video DNR co-produced with 5th Life Productions focuses on Washington State's fifth designated aquatic reserve in Puget Sound—Smith and Minor Islands. The video was selected for screening at the Salish Sea Ecosystem Conference in Vancouver, British Columbia. DNR is establishing aquatic reserves throughout the state to protect important native ecosystems. Proposed sites receive scientific scrutiny and extensive public input, and a management plan is developed with input and involvement of stakeholders, citizens, and public agencies.

[▶ VIEW VIDEO](#)



The rivers, lakes, estuaries and coastline of the State help define what makes this place so special.

Making our communities safer by providing critical information is the role of the State Geologist.

Washington State Geologic Information Portal

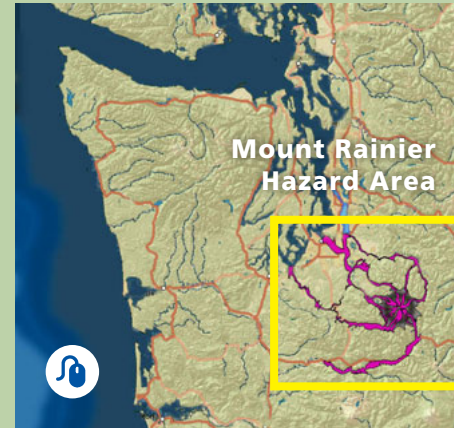
DNR is a leader in providing the public with critical information on the state's unique geologic features and the risks they pose. DNR's Washington State Geologic Information Portal keeps Washington businesses, citizens, and governments supplied with digital information about the geologic features around them.

New features on the publicly accessible portal give users an easy way to locate land parcels at risk of devastation by lahars from Mount Rainier. Information includes the frequency of recurrence as well as the value of the land, structures, and contents of each parcel.

The DNR Division of Geology and Earth Resources maintains the portal that allows users to create their own custom geoscience maps and also provides users with several pre-selected 'themes' based on the interactive map to help them quickly view:

- ▶ Earth Resource Permit Locations
- ▶ Subsurface Geology Information
- ▶ Geothermal Resources of Washington
- ▶ [Tsunami Evacuation Maps](#)
- ▶ Washington State Coal Mine Map Collection
- ▶ Landslides of Washington State

▶ [READ MORE](#)



ONLINE LAHAR MAP

Safe Schools and Earthquake Hazards

Earthquake hazards to school buildings in Washington State can now be evaluated by a model process developed through a federally funded, multi-agency pilot project co-chaired by DNR's State Geologist.

The new model process can help the state and cash-strapped school districts assess the earthquake vulnerability of every school building and more quickly identify buildings in greatest need of retrofitting.

Geologists from DNR and partner organizations used high-tech sensors to examine the ground below school buildings. Their studies point to a cost-effective but highly accurate view of how a building would perform during an earthquake.

▶ [READ MORE](#)

OVERALL AGENCY OPERATIONS

- 32 Total Revenue
- 33 Total Expenditures
- 34 DNR-Administered Funds
- 35 Funds Administered by Other Entities

STATE GRANT LANDS

- 36 RMCA | Upland + Aquatic
- 37 State Grant Lands | Upland + Aquatic
- 38 RMCA Upland
- 39 General Distribution of Revenue from Upland State Grant Lands
- 40 Common School, Indemnity and Escheat Grants
- 41 University Grants Original and Transferred (UW)
- 42 CEP&RI Grant
- 43 Capitol Building Grant
- 44 Normal School Grant (EWU, CWU, WWU and TESC)
- 45 Scientific School Grant (WSU)
- 46 Agricultural College Trust Management Account (ACTMA)
- 47 Agricultural School Grant (WSU)
- 48 Aquatic Resources and RMCA – Aquatic
- 49 General Distribution of Revenue from State-Owned Aquatic Lands

STATE FOREST LANDS

- 50 Forest Development Account (FDA)
- 51 General Distribution of Revenue from State Forest Lands
- 52 State Forest Lands

FISCAL NOTES

- 54 State Trust Lands Management Fund Accounting Report

ABOUT THESE PAGES

- ▶ These pages account for the revenues DNR generated, collected and expended during Fiscal Year 2011 (July 1, 2010 – June 30, 2011).
- ▶ Most revenues DNR generated are from activities on upland state trust lands and aquatic lands. (See related stories, pages 6 to 30.) Distribution of revenue is governed by statute and varies according to trust and revenue source.
- ▶ DNR manages 2.1 million acres of forestlands that generate revenue for state trusts, mostly from timber sales. On pages 44 to 47, DNR provides data on timber management activities on forested state trust lands, as required by RCW 79.10.010(3).
- ▶ Fiscal information is presented as a combination of tables, pie charts and notes. The notes provide context for the tables.
- ▶ Underlined bold numbers are totals or subtotals.
- ▶ Some pages show dollars in thousands. Totals may not add due to rounding.
- ▶ There is no individual page for the Community College Forest Reserve Trust. (See Fund Activity, page 35.)
- ▶ These pages include data for federally granted trust lands and for legislatively established trust lands, including State Forest Lands (formerly known as Forest Board lands). Trusts are listed individually.
- ▶ Counties that contain State Forest Lands, but are not listed for an activity, did not have that activity during Fiscal Year 2011.

Total Revenue | FY 2011

REVENUE BY SOURCE ¹	FY 2011	FY 2010
Source	Total Funds	Total Funds
Sales		
Timber Sale Removals	\$196,354	\$203,390
Timber Sales-Related Activities	1,085	3,820
Forest Road Assessments	13,557	16,534
Nursery Seedling Sales	7,596	2,766
Miscellaneous	460	3,027
	\$219,051	\$229,537
Leases		
Agriculture	\$13,721	\$12,266
Aquatic	37,061	29,622
Commercial Real Estate	10,071	10,000
Mineral and Hydrocarbon	1,156	2,078
Communication Sites	4,012	4,051
Rights-of-Way	788	1,017
Miscellaneous	2,283	2,392
	\$69,092	\$61,426
Other Revenue		
Interest Income	\$1,038	\$1,342
Fire Assessments and Cost Reimbursement	10,441	10,860
Grants and Contributions	16,724	22,695
Permits, Fees and Related Charges	2,574	2,835
Miscellaneous	804	1,670
	\$31,581	\$39,401
Total Revenue from Operations	\$319,723	\$330,364
Land Transfers ³		
Land Bank ⁴	\$73,757	\$7,412
	4,235	15
	\$77,992	\$7,427
Total Revenue		
Total	\$397,715	\$337,791

Amounts are reported in thousands of dollars.

■ About This Page

DNR's expenditures reflect the Department's diverse work.

Land Management activities, funded by trust land revenue, are investments in the long-term benefits and productivity of the resources. Other activities, funded by non-trust revenue sources, support regulatory, assistance and resource protection programs, as well as agency operations.

Capital expenditures include land acquisitions on behalf of state trusts and Natural Areas.

Revenues are shown for two years for comparison. Differences between the years reflect changes in market conditions, legal requirements, availability of resources, and other factors.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

Total Expenditures | FY 2011

EXPENDITURES BY PROGRAM ²	FY 2011	FY 2010
Operating		
Agricultural Resources	\$1,493	\$1,528
Asset Management & Protection	4,878	4,670
Product Sales & Leasing	30,946	29,759
Land Management	20,620	15,878
Aquatic Resources	10,658	10,255
Law Enforcement Services	754	796
Administration	4,347	4,374
Interagency Payments	9,821	10,996
Agency Support	19,032	11,413
Geology & Earth Resources	2,125	2,266
Forest Practices	14,285	14,534
Engineering Services	14,068	14,463
Resource Protection	18,867	18,633
Fire Suppression	16,301	25,813
Total Operating Expenditures	\$168,194	\$165,378
Capital		
Recreation	\$1,196	\$472
Aquatic Resource Projects	3,520	141
Real Estate and Property Acquisition	8,290	23,322
Trust Land Transfers	70,622	5,465
Facilities	272	212
Small Timber Landowner Program	0	0
Miscellaneous	5,261	468
Total Capital Expenditures	\$89,161	\$30,079
Total Expenditure		
Total²	\$257,355	\$195,457

Amounts are reported in thousands of dollars.

About This Page

Expenditures are shown for two years for comparison. Differences between the years reflect changes in the programs, legal requirements, salaries and benefits, inflation, and other factors.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

DNR-Administered Funds | FY 2011

Fund Title	Beginning Balance 7/1/10	Revenue	Expenditure	Ending Balance 6/30/11
Trust Management Accounts *				
Forest Development (FDA)	\$19,572	\$25,773	\$(21,316)	\$24,028
Resources Management (RMCA) **	41,477	56,097	(42,960)	54,614
RMCA Uplands Subtotal	8,264	34,011	(29,558)	12,717
RMCA Land Bank Subtotal	20,795	4,404	0	25,199
RMCA Aquatics Subtotal	12,417	17,683	(13,403)	16,697
Agricultural College (ACTMA)	1,047	328	(1,108)	267
	\$62,095	\$82,198	\$(65,385)	\$78,910
Other DNR-Administered Funds				
Access Road Revolving	\$8,996	\$13,705	\$(13,468)	\$9,233
Aquatic Lands Dredged Material	732	138	(276)	594
Aquatic Lands Enhancement ⁷	n/a	20,203	(5,149)	n/a
Conservation Areas Stewardship	281	10	(183)	107
Contract Harvesting Revolving	14,067	9,802	(14,413)	9,455
Derelict Vessel Removal ⁸	n/a	141	(567)	n/a
Forest and Fish Support ⁹	n/a	0	(3,121)	n/a
Forest Fire Protection Assessment	7,925	10,129	(14,878)	3,176
Geothermal	0	0	0	0
Landowner Contingency Forest Fire	2,603	290	(99)	2,793
ORV and Nonhighway Vehicle ⁶	n/a	1	(2,198)	n/a
Park Land Trust Revolving	48	15	(23)	40
Real Property Replacement ³	27,031	11,377	(2,441)	35,968
School Construction Revolving ¹³	40	(40)	0	0
Special Forest Products Outreach & Educ.	0	1	0	1
State Forest Nursery Revolving	1,011	7,604	(2,916)	5,699
Surface Mining Reclamation	881	1,601	(1,391)	1,091
Surveys and Maps	987	514	(619)	883
	\$64,601	\$75,529	\$(61,742)	\$69,040
Total DNR-Administered Funds ¹³	\$126,696	\$157,727	\$(127,127)	\$147,950

Amounts are reported in thousands of dollars.

N/A = not applicable

■ About This Page

DNR's fiscal activity includes generating revenue for a variety of funds and accounts, some of which benefit state trust beneficiaries and some of which fund state programs, including DNR's own. DNR's fiscal activity also includes expenditures supporting its work. Some of the accounts that receive revenue from DNR or that fund DNR's expenditures are managed by DNR; others are managed by other agencies.

* These accounts fund DNR's management of state trust lands. Revenue may be carried over from year to year. As a result, any given year's expenditures do not necessarily correlate to that year's revenue.

** The RMCA trust balance includes \$25,199,293 dedicated by law (RCW 79.19) to land bank purchases of lands that replace previously sold trust lands.

See pages 36, 38, 46, and 50 for more detailed accounting. FDA and RMCA are funded through revenue generated from the lands whose management they support. ACTMA is not funded through such revenue, but instead, through a legislative appropriation from the State General Fund.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

Funds Administered by Other Entities | FY 2011

Fund Title	Revenue	Expenditure	Net Fiscal Activity
Trust Current Funds ¹²			
Common School Construction	\$119,158	\$0	\$119,158
Community College Forest Reserve ¹⁶	(1)	0	(1)
WSU Bond Retirement ¹⁸	1,360	0	1,360
UW Bond Retirement	1,296	0	1,296
CEP&RI	4,923	0	4,923
EWU Capital Projects	21	0	21
CWU Capital Projects	21	0	21
WWU Capital Projects	21	0	21
TESC Capital Projects	21	0	21
Capitol Building Construction	8,682	0	8,682
Forest Board Counties	70,510	0	70,510
	\$206,011	\$0	\$206,011
Trust Permanent Funds ¹²			
Agricultural College (WSU)	\$2,882	\$0	\$2,882
Normal School (EWU, CWU, WWU, TESC)	3,030	0	3,030
Common School (K-12)	312	0	312
Scientific (WSU)	5,688	0	5,688
State University (UW) ¹⁸	279	0	279
	\$12,191	\$0	\$12,191
Other Funds			
General Fund	\$21,629	\$(50,046)	\$(28,417)
State Building Construction	0	(75,061)	(75,061)
Disaster Response	0	(3,439)	(3,439)
Motor Vehicle	4	0	4
Air Pollution Control	115	(67)	48
State Toxics Control	0	(94)	(94)
State Wildlife	60	0	60
Developmental Disabilities Community Trust	5	0	5
Cleanup Settlement Account	0	(1,030)	(1,030)
NOVA Program	0	(491)	(491)
Savings Incentive Account ¹⁶	(18)	0	(18)
Industrial Insurance Premium Refund ¹⁶	(9)	0	(9)
	\$21,786	\$(130,228)	\$(108,442)
Total Other Fiscal Activity	\$239,987	\$(130,228)	\$109,759
Total All Funds and Activities ¹³	\$397,715	\$(257,355)	

Amounts are reported in thousands of dollars.

Totals may not add, due to rounding. See fiscal notes, pages 54-58.

About This Page

All revenue for the Community College Reserve Trust was generated from leases. DNR expenditures from the fund were to purchase land for the trust.

Resource Management Cost Account (RMCA) Upland + Aquatic | FY 2011

	EXPENDITURES	REVENUE
Source		
Fund Balance (July 1, 2010)		\$41,476,674
RMCA Revenue		
Operating Revenue		56,097,249
Total Revenue		56,097,249
Less Expenditures ²		
Agricultural Resources	1,463,800	
Asset Management & Protection	1,051,412	
Product Sales & Leasing	8,761,056	
Land Management	9,051,198	
Law Enforcement	331,225	
Correctional Camps	225,342	
Administration	865,105	
Interagency Payments	4,343,991	
Agency Support	5,228,663	
Aquatic Resources	7,713,036	
Engineering Services	1,255,701	
Total Operating Expenditures	40,290,528	
Total Capital Expenditures	2,669,852	
Total Expenditures and Other Charges	42,960,380	
RMCA Fund Balance (June 30, 2011)		**\$54,613,547

■ About This Page

The Resource Management Cost Account (RMCA) funds DNR's Land Management activities on state grant lands. DNR deposits a portion of the revenue it generates from these lands into the account, and the Legislature appropriates funds from the account to DNR for expenditures. The RMCA can be used only for Land Management expenses (e.g., reforestation, preparing timber sales, or managing aquatic leases) that support federally granted state lands.

** RMCA fund balance includes \$25,199,293 in upland trust reserved for land bank sell first purchases. See page 38 for details.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

State Grant Lands

Upland + Aquatic | FY 2011

	REVENUE	DISTRIBUTION		
Source	Grand Total All Funds	Trust Current Funds ¹²	Trust Permanent Funds ¹²	Resource Management Cost Account ¹⁴
Sales				
Timber Sales ^{10, 14, 18}	\$88,358,139	\$50,484,562	\$12,745,516	\$25,128,061
Timber Sales Related Activities ¹	1,058,348	739,414	574	318,360
Trust Land Transfer Program ³	62,636,000	62,636,000	0	0
Land Sales (Includes Land Bank) ⁴	4,235,000	0	0	4,235,000
	\$156,287,487	\$113,859,976	\$12,746,090	\$29,681,421
Leases				
Agriculture				
Dryland	\$5,001,199	\$3,169,159	\$376,216	\$1,455,824
Irrigated	8,022,111	5,141,422	528,244	2,352,445
Grazing and Other	657,662	445,924	23,351	188,388
Aquatic Lands				
Special Use	1,763,749	1,153,834	94,588	515,327
Commercial Real Estate	10,064,210	7,026,324	78,300	2,959,586
Mineral And Hydrocarbon	955,651	547,246	81,257	327,149
Rights-Of-Way	681,430	243,298	183,516	254,616
Communication Sites	2,778,046	1,395,766	574,045	808,234
Special Forest Products	185,926	114,109	17,738	54,079
	\$67,171,374	\$39,116,468	\$1,957,254	\$26,097,651
Other Revenue				
Interest Income	\$620,149	\$69,946	\$37,068	\$513,136
Non-Trust Revenue ¹⁵	34,712	695	0	34,017
Operating Transfer ^{1, 11}	(313,662)	2,652,667	(2,652,667)	(313,662)
Permits, Fees and Miscellaneous ¹	193,169	483	103,263	89,423
	\$534,368	\$2,723,791	\$(2,512,337)	\$322,913
Total Revenue	\$223,993,228	\$155,700,235	\$12,191,008	\$56,101,985

■ About This Page

State grant lands (upland and aquatic) were granted to Washington at statehood by the federal government. Each upland parcel is assigned to a specific state trust dedicated to financially supporting a specific beneficiary (e.g., the Common School Trust supports construction of K-12 schools).

The aquatic lands are designated as a public trust to benefit the public as a whole. Income from state grant lands is divided among trust beneficiary accounts and the RMCA, which DNR uses to manage the lands.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

Resource Management Cost Account (RMCA) Upland | FY 2011

Source	Granted Trusts	Land Bank*	Total Uplands
Trust Balance (July 1, 2010)	\$8,264,340	\$20,795,487	\$29,059,827
Upland Revenue			
Total Upland Revenue	34,010,688	4,403,807	38,414,495
Less: Expenditures ²			
Agricultural Resources	1,463,800	0	1,463,800
Asset Management & Protection	1,051,412	0	1,051,412
Product Sales & Leasing	8,761,056	0	8,761,056
Land Management	9,051,198	0	9,051,198
Law Enforcement	331,225	0	331,225
Correctional Camps	225,342	0	225,342
Administration	586,976	0	586,976
Interagency Payments	2,821,927	0	2,821,927
Agency Support	3,443,035	0	3,443,035
Engineering Services	1,255,701	0	1,255,701
Total Operating Expenditures	28,991,673	0	28,991,673
Total Capital Expenditures	566,035	0	566,035
Total Expenditures	29,557,708	0	29,557,708
Trust Balance (June 30, 2011)	\$12,717,325	\$25,199,294	\$37,916,619

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

About This Page

This portion of the RMCA supports the management of upland state grant lands, each of which supports a specific, designated beneficiary.

* Land bank revenue is dedicated by law (RCW 79.19) to purchases of lands that replace previously sold trust lands.

About Next Page

Generally, by law, each beneficiary of the granted land trusts receives 70 percent of the revenue earned from its lands, and the remaining 30 percent goes to the RMCA to fund DNR's management of the lands. This chart shows the combined distribution in Fiscal Year 2011, with each trust beneficiary's share proportional to its share of the total revenue earned, and with the RMCA share divided among DNR's expenditures from the account for upland management activities.

Expenditures are appropriated by the legislature and are ongoing investments to keep the lands productive and to generate future income for the trusts.

Effective March 10, 2008 per Board of Natural Resources resolution #1255, the distribution of revenues on state forest transfer lands will be 75% to the county where the revenue activity occurred and 25% to the forest development account, and effective April 6, 2011 this deduction to FDA was reduced to 23% while the deduction to the counties increased to 77%.

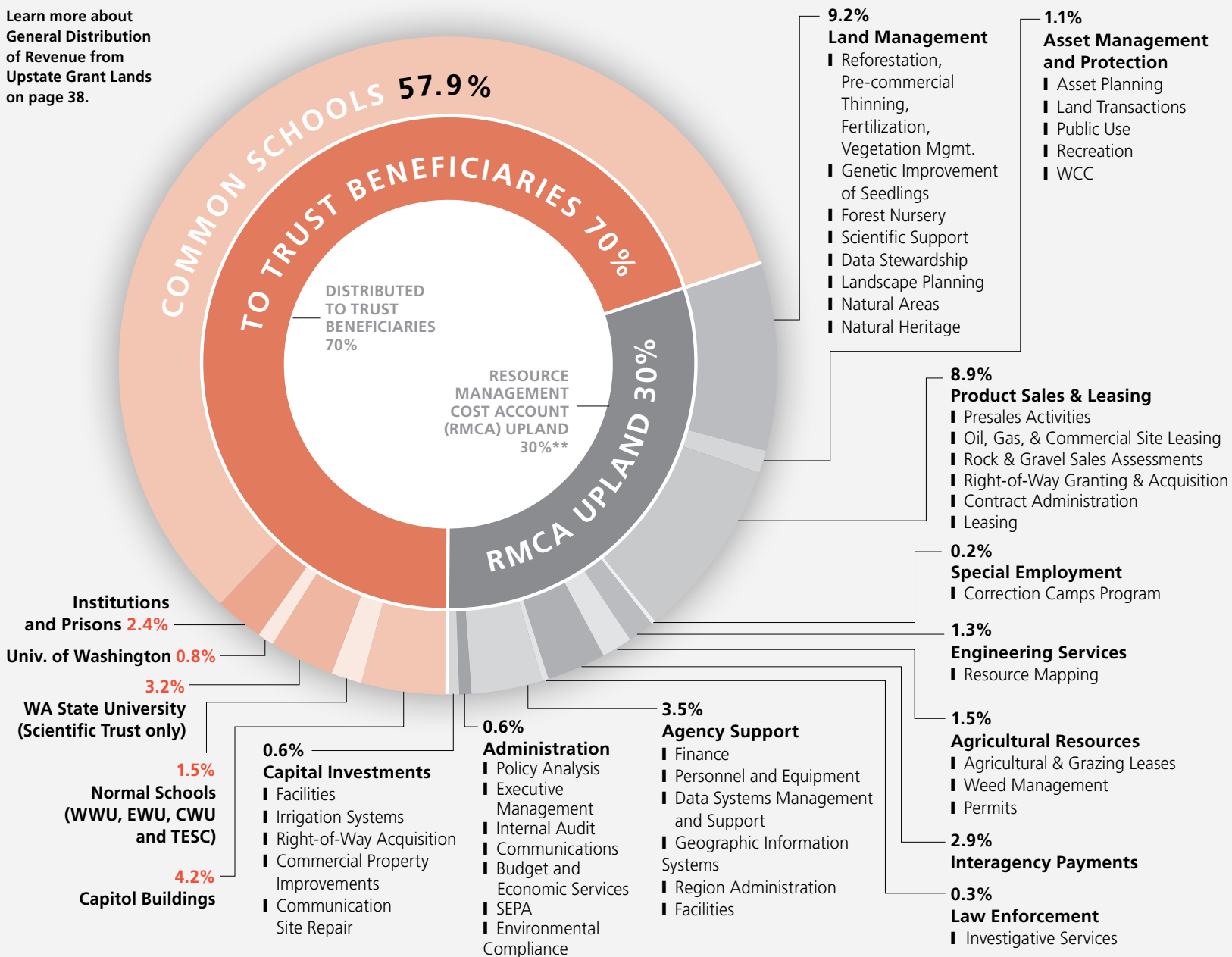
Per Board of Natural Resources resolution #1321, the deduction of revenues from granted lands will be 30% from July 1, 2009. Effective April 6, 2011 the deductions on state grant lands will be 27%.

* This chart is based on statewide averages. Detailed breakdown of DNR programs contains examples only, not a complete listing. This chart does not include revenue from the Agricultural School trust lands, because 100 percent of revenue from those lands is distributed to the trust.

** Per Board of Natural Resources Resolution No. 1321, the deduction of revenues from granted lands will be 30 percent from July 1, 2009, through June 30, 2011.

General Distribution of Revenue from Upland State Grant Lands* | FY 2011

Learn more about General Distribution of Revenue from Upstate Grant Lands on page 38.



Common School, Indemnity and Escheat Grants | FY 2011

Source	REVENUE	DISTRIBUTION		
	Total Funds	Common School Construction	Common School Permanent	Resource Management Cost Account ¹⁴
Sales				
Timber Sales ^{10, 14}	\$53,077,250	\$37,546,626	\$0	\$15,530,624
Timber Sales-Related Activities ¹	1,056,029	739,194	0	316,834
Trust Land Transfer Program ³	62,636,000	62,636,000	0	0
Land Sales (Includes Land Bank) ⁴	4,235,000	0	0	4,235,000
	\$121,004,279	\$100,921,820	\$0	\$20,082,459
Leases				
Agriculture				
Dryland	\$4,200,729	\$2,941,252	\$0	\$1,259,477
Irrigated	7,272,119	5,111,570	0	2,160,549
Grazing and Other	608,125	431,871	0	176,254
Aquatic Lands	0	0	0	0
Special Use	1,589,521	1,124,960	0	464,561
Commercial Real Estate	9,943,051	7,017,634	0	2,925,417
Mineral And Hydrocarbon	277,730	123,022	72,519	82,189
Rights-Of-Way	226,535	23,608	135,819	67,108
Communication Sites	1,850,245	1,287,917	0	562,328
Special Forest Products	123,077	86,915	0	36,162
	\$26,091,132	\$18,148,750	\$208,338	\$7,734,044
Other Revenue				
Interest Income	\$278,879	\$83,062	\$400	\$195,417
Non-Trust Revenue ¹⁵	17,064	0	0	17,064
Operating Transfer ¹	(7,650)	0	0	(7,650)
Permits, Fees and Miscellaneous ¹	152,053	0	103,263	48,790
	\$440,345	\$83,062	\$103,663	\$253,620
Totals	\$147,535,756	\$119,153,632	\$312,001	\$28,070,123

■ About This Page

Income from these state grant lands and escheat lands (those with no known heirs) supports construction of state public kindergarten through 12th grade schools.

The beneficiary's share of income is distributed to the Common School Construction Account and the Common School Permanent Account, which generates perpetual interest for the support of school construction. This distribution varies by activity and is governed by law.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

University Grants Original and Transferred (UW) | FY 2011

	REVENUE	DISTRIBUTION		
Source ¹⁸	Total Funds	UW Retirement Bond	State (UW) University Permanent	Resource Management Cost Account ¹⁴
Sales				
Timber Sales	\$2,311,034	\$0	\$1,377,925	\$933,109
Timber Sales-Related Activities ¹	252	0	47	205
Land Sales (Includes Land Bank)	0	0	0	0
	\$2,311,286	\$0	\$1,377,972	\$933,314
Leases				
Agriculture				
Dryland	\$127,198	\$0	\$89,039	\$38,160
Irrigated	0	0	0	0
Grazing and Other	19,088	0	13,485	5,602
Aquatic Lands	0	0	0	0
Special Use	2,959	0	2,071	888
Commercial Real Estate	103,472	0	72,948	30,524
Mineral And Hydrocarbon	399	0	279	120
Rights-Of-Way	15,312	0	10,763	4,549
Communication Sites	0	0	0	0
Special Forest Products	11,642	0	8,178	3,464
	\$280,070	\$0	\$196,763	\$83,307
Other Revenue				
Interest Income	\$10,373	\$384	\$85	\$9,904
Non-Trust Revenue ¹⁵	443	0	0	443
Operating Transfer ^{1, 11}	(293,766)	1,295,810	(1,295,810)	(293,766)
Permits, Fees and Miscellaneous ¹	150	0	0	150
	\$(282,801)	\$1,296,194	\$(1,295,725)	\$(283,270)
Totals	\$2,308,555	\$1,296,194	\$279,010	\$733,351

■ About This Page

Income from these state grant lands supports construction of buildings for the University of Washington. Some of these lands were acquired at the time of statehood, and some lands were transferred to this trust from the CEP&RI trust by the legislature in 1893.

The beneficiary's share of income is distributed to the University Permanent and UW Bond Retirement accounts. This distribution varies by activity and is governed by law.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

Charitable, Educational, Penal and Reformatory Institutions Grant (CEP&RI) | FY 2011

	REVENUE	DISTRIBUTION	
Source	Total Funds	CEP & RI Account	Resource Management Cost Account ¹⁴
Sales			
Timber Sales	\$6,170,840	\$4,364,530	\$1,806,310
Timber Sales-Related Activities ^{1, 16}	74	(7)	82
Land Sales (Includes Land Bank)	0	0	0
	\$6,170,915	\$4,364,523	\$1,806,392
Leases			
Agriculture			
Dryland	\$224,740	\$157,322	\$67,418
Irrigated	3,248	2,274	974
Grazing and Other	10,073	7,134	2,939
Aquatic Lands	0	0	0
Special Use	3,584	2,509	1,075
Commercial Real Estate	11,150	7,861	3,289
Mineral And Hydrocarbon	379,907	267,872	112,035
Rights-Of-Way	14,437	10,174	4,263
Communication Sites	120,766	84,268	36,498
Special Forest Products	21,633	15,518	6,114
	\$789,538	\$554,932	\$234,606
Other Revenue			
Interest Income	\$32,368	\$3,760	\$28,608
Non-Trust Revenue ¹⁵	1,251	0	1,251
Operating Transfer	0	0	0
Permits, Fees and Miscellaneous ¹	2,009	0	2,009
	\$35,628	\$3,760	\$31,868
Totals	\$6,996,081	\$4,923,215	\$2,072,866

About This Page

Income from these state grant lands is used to establish and maintain institutions managed by the Department of Corrections (such as prisons) and the Department of Social and Health Services (such as Western State Hospital).

The beneficiary's share of income is distributed to the CEP&RI Account.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

Capitol Building Grant | FY 2011

	REVENUE	DISTRIBUTION	
Source	Total Funds	Capitol Building Construction	Resource Management Cost Account ¹⁴
Sales			
Timber Sales	\$12,060,932	\$8,573,406	\$3,487,526
Timber Sales-Related Activities ¹	876	227	650
Land Sales (Includes Land Bank)	0	0	0
	\$12,061,808	\$8,573,633	\$3,488,175
Leases			
Agriculture			
Dryland	\$46,486	\$32,540	\$13,946
Irrigated	0	0	0
Grazing and Other	3,904	2,755	1,149
Aquatic Lands	0	0	0
Special Use	23,187	16,368	6,819
Commercial Real Estate	1,185	829	355
Mineral And Hydrocarbon	8,225	5,757	2,468
Rights-Of-Way	19,171	13,452	5,719
Communication Sites	33,233	23,581	9,652
Special Forest Products	14,006	9,905	4,101
	\$149,396	\$105,188	\$44,208
Other Revenue			
Interest Income	\$52,045	\$3,538	\$48,506
Non-Trust Revenue ¹⁵	2,161	0	2,161
Operating Transfer ¹	(2,917)	0	(2,917)
Permits, Fees And Miscellaneous ¹	197	0	197
	\$51,486	\$3,538	\$47,948
Totals	\$12,262,689	\$8,682,358	\$3,580,331

■ About This Page

Income from these state grant lands supports construction of state government office buildings at the Capitol Campus in Olympia.

The beneficiary's share of income is distributed to the Capitol Building Construction Account.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

Normal School Grant (EWU, CWU, WWU and TESC) | FY 2011

Source	REVENUE		DISTRIBUTION	
	Total Funds	EWU, CWU, WWU, TESC Capital Projects	Normal School Permanent	Resource Management Cost Account ¹⁴
Sales				
Timber Sales ^{10, 14}	\$4,161,381	\$0	\$3,024,590	\$1,136,792
Timber Sales-Related Activities ¹	164	0	81	83
Land Sales (Includes Land Bank)	0	0	0	0
	\$4,161,546	\$0	\$3,024,671	\$1,136,875
Leases				
Agriculture				
Dryland	\$54,349	\$38,044	\$0	\$16,305
Irrigated	39,344	27,578	0	11,766
Grazing and Other	5,887	4,163	0	1,724
Aquatic Lands	0	0	0	0
Special Use	14,183	9,997	0	4,186
Commercial Real Estate	0	0	0	0
Mineral And Hydrocarbon	3,000	0	2,145	855
Rights-Of-Way	3,095	0	2,222	873
Communication Sites	0	0	0	0
Special Forest Products	2,524	1,770	0	754
	\$122,382	\$81,553	\$4,367	\$36,462
Other Revenue				
Interest Income	\$17,465	\$849	\$522	\$16,095
Non-Trust Revenue ¹⁵	713	0	0	713
Operating Transfer ¹	(9,329)	0	0	(9,329)
Permits, Fees and Miscellaneous ¹	281	0	0	281
	\$9,130	\$849	\$522	\$7,759
Totals	\$4,293,057	\$82,401	\$3,029,560	\$1,181,096

About This Page

Income from these state grant lands supports construction at Eastern Washington University, Central Washington University and Western Washington University (regional universities). These three universities were originally called 'normal schools.' The Evergreen State College (TESC) was added to this trust by the legislature to begin receiving revenue after July 1, 1995.

The beneficiary's share of income is distributed to the Normal School Permanent Account and capital project accounts for each university. This distribution varies by activity and is governed by law.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

Scientific School Grant (WSU) | FY 2011

	REVENUE		DISTRIBUTION	
Source	Total Funds	WSU Bond Retirement	Scientific Permanent	Resource Management Cost Account ¹⁴
Sales				
Timber Sales	\$7,692,757	\$0	\$5,459,056	\$2,233,700
Timber Sales-Related Activities ¹	842	0	335	506
Land Sales (Includes Land Bank)	0	0	0	0
	\$7,693,598	\$0	\$5,459,392	\$2,234,206
Leases				
Agriculture				
Dryland	\$201,730	\$0	\$141,211	\$60,519
Irrigated	597,245	0	418,089	179,156
Grazing and Other	2,409	0	1,689	721
Aquatic Lands	0	0	0	0
Special Use	130,316	0	92,517	37,799
Commercial Real Estate	0	0	0	0
Mineral and Hydrocarbon	1,973	0	1,381	592
Rights-Of-Way	45,501	0	31,877	13,623
Communication Sites	671,201	0	471,444	199,757
Special Forest Products	11,962	0	8,478	3,484
	\$1,662,337	\$0	\$1,166,687	\$495,650
Other Revenue				
Interest Income	\$84,892	\$1,894	\$35,405	\$47,593
Non-Trust Revenue ¹⁵	1,678	0	0	1,678
Operating Transfer ¹¹	0	973,006	(973,006)	0
Permits, Fees and Miscellaneous ¹	2,336	0	0	2,336
	\$88,907	\$974,900	\$(937,601)	\$51,608
Totals	\$9,444,842	\$974,900	\$5,688,478	\$2,781,464

■ About This Page

Income from these state grant lands supports construction of buildings at Washington State University. The beneficiary's share of income is distributed to the Scientific School Permanent and the WSU Bond Retirement accounts. This distribution varies by activity and is governed by law.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

Agricultural College Trust Management Account (ACTMA) | FY 2011

	EXPENDITURES	REVENUE
Source		
Trust Balance (July 1, 2010)		\$1,046,654
Revenue		
Operating Revenue *		\$1,207
Interfund Transfer from General Fund		327,000
Total Revenue		328,207
Less Expenditures ²		
Agricultural Resources	29,405	
Asset Management & Protection	26,743	
Product Sales & Leasing	335,364	
Land Management	472,028	
Law Enforcement	12,988	
Correctional Camps	9,444	
Administration	17,608	
Interagency Payments	74,823	
Agency Support	85,685	
Engineering Services	43,865	
Total Operating Expenditures	1,107,953	
Total Capital Expenditures	0	
Total Expenditures and Other Charges	1,107,953	
ACTMA Fund Balance (June 30, 2011)		\$266,908

■ About This Page

This account funds DNR's management of the Agricultural College trust lands. The ACTMA is funded through an appropriation from the state General Fund. (As of July 1, 1999, Agricultural College trust lands do not contribute to the RMCA, which supports DNR's management of other state grant lands.)

*Includes treasurer's interest. See accompanying notes on pages 54-58.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

Agricultural School Grant (WSU) | FY 2011

Source	REVENUE	DISTRIBUTION	
	Total Funds	WSU Bond Retirement	Agricultural College Permanent
Sales			
Timber Sales	\$2,883,946	\$0	\$2,883,946
Timber Sales-Related Activities ¹	110	0	110
Asset Transfer/Loan Repayment	0	0	0
Land Sales (Includes Land Bank)	0	0	0
	\$2,884,056	\$0	\$2,884,056
Leases			
Agriculture			
Dryland	\$145,966	\$0	\$145,966
Irrigated	110,154	0	110,154
Grazing and Other	8,177	0	8,177
Aquatic Lands	0	0	0
Special Use	0	0	0
Commercial Real Estate	5,352	0	5,352
Mineral and Hydrocarbon	4,932	0	4,932
Rights-Of-Way	2,835	0	2,835
Communication Sites	102,601	0	102,601
Special Forest Products	1,082	0	1,082
	\$381,099	\$0	\$381,099
Other Revenue			
Interest Income	\$1,632	\$976	\$656
Non-Trust Revenue	0	0	0
Operating Transfer ¹¹	0	383,852	(383,852)
Permits, Fees and Miscellaneous ¹	0	0	0
	\$1,632	\$384,827	\$(383,196)
Totals	\$3,266,786	\$384,827	\$2,881,959

■ About This Page

Income from these state grant lands supports construction of Washington State University's buildings. All revenue from these lands is income for the trust, and is divided between the Agricultural College Permanent Account and the WSU Bond Retirement Account. This distribution varies by activity and is governed by law.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

Aquatic Resources | FY 2011

Source	REVENUE	DISTRIBUTION	
	Total Funds	Aquatic Lands Enhancement	Resource Management Cost Account ¹⁴
Aquatic Resources Activities			
Leases	\$37,061,390	\$19,879,388	\$17,182,003
Mineral and Hydrocarbon	279,485	150,594	128,890
Rights-Of-Way	354,544	196,064	158,480
Interest Income ¹	142,495	(24,517)	167,012
Non-Trust Revenue ¹⁵	11,403	695	10,708
Miscellaneous ¹	36,143	483	35,660
Total Revenue	\$37,885,460	\$20,202,706	\$17,682,754

RMCA | AQUATIC

Source	EXPENDITURES	REVENUE
Trust Balance (July 1, 2010)		\$12,416,847
Aquatic Revenue		
Total Revenue		17,682,753
Less Expenditures ²		
Aquatic Resources	7,713,036	
Administration	278,128	
Interagency Payments	1,522,063	
Agency Support	1,785,627	
Total Operating Expenditures	11,298,855	
Total Capital Expenditures	2,103,817	
Total Expenditures and Other Charges	13,402,672	
Trust Balance (June 30, 2011)		\$16,696,928

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

■ About This Page

State-owned aquatic lands (tidelands, shorelands and beds of navigable waters) are a “public trust”— managed to benefit the public as a whole. Revenue from these granted state lands is divided between two accounts:

The RMCA-aquatic supports DNR’s management of state aquatic lands and resources, and the ALEA provides for the purchase, improvement and protection of aquatic lands, largely through grants to public entities. Distribution varies according to activity and land classification, and is governed by law.

► About Next Page

By law, revenue from state-owned Aquatic lands goes to the ALEA for aquatic resource enhancement and to the RMCA to fund DNR’s management of state aquatic lands. Distribution differs for different types of aquatic land — see the small pie charts.

The large pie chart shows the combined total distribution, with the ALEA share divided among state agency expenditures from that account, and the RMCA share divided among DNR’s expenditures from the RMCA. Expenditures are appropriated by the Legislature and are ongoing investments to keep the submerged lands productive.

* This chart is based on statewide averages. Detailed breakdown of DNR programs contains examples only, not a complete listing.

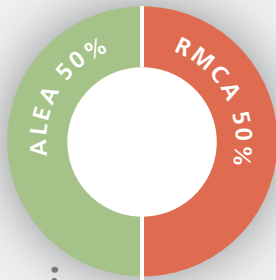
** The ALEA portion of revenue from harbor areas in fourth class towns is redistributed to those towns twice per year. See fiscal note #7, page 54.

Department of Health (DOH) and Recreation and Conservation Office (RCO) spent a very small amount of ALEA funds (see footnote 7, figure 2 on pages 55), which represents less than 0.5 percent of total ALEA expenditures.

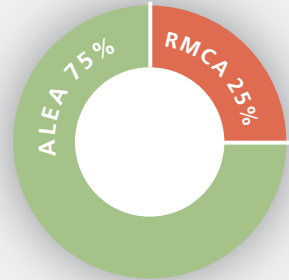
Totals may not add, due to rounding. See fiscal notes, pages 54-58.

General Distribution of Revenue from State-Owned Aquatic Lands* | FY 2011

BEDS OF NAVIGABLE WATERS



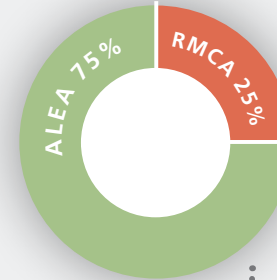
FIRST CLASS TIDELANDS & SHORELANDS



SECOND CLASS TIDELANDS & SHORELANDS



HARBOR AREAS**
Effective 2/6/06



Learn more about General Distribution of Revenue from State State-Owned Aquatic Lands on page 48.

- 22.4%** Department of Natural Resources (DNR)
 - | Spartina Management
 - | Aquatic Endangered Species Act Compliance
 - | Derelict Vessel Removal
 - | Puget Sound Assessment Monitoring Program

- 1.3%** State Parks and Recreation Commission

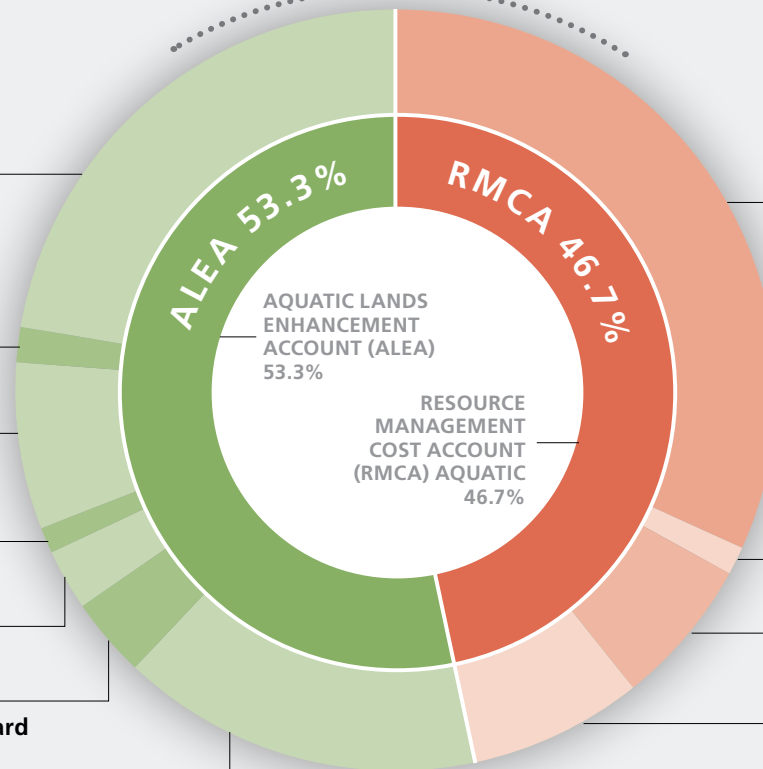
- 7.1%** Department of Agriculture (WSDA)

- 1.1%** Puget Sound Partnership

- 2.6%** Department of Health

- 3.4%** Recreation and Conservation Funding Board

- 15.4%** Department of Fish and Wildlife (WDFW)



- 31.9%** Aquatic Resources
 - | Nearshore Habitat
 - | Geoducks
 - | Port Management
 - | Contaminated Sediments
 - | Operations, Administration and Policy Development

- 1.2%** Administration
 - | Policy Analysis
 - | Executive Management
 - | Internal Audit
 - | Communications
 - | Budget & Economic Services

- 6.3%** Interagency Payments

- 7.4%** Agency Support
 - | Finance
 - | Personnel & Equipment
 - | Data Systems
 - | Management & Support
 - | Geographic Information Systems
 - | Facilities
 - | Region Administration

Forest Development Account (FDA) | FY 2011

	EXPENDITURES	REVENUE
Source		
Trust Balance (July 1, 2010)		\$19,571,600
Revenue		
Operating Revenue		25,772,642
Total Revenue		25,772,642
Less Expenditures ²		
Agricultural Resources	\$0	
Asset Management & Protection	428,350	
Product Sales & Leasing	7,230,374	
Land Management	6,745,223	
Law Enforcement	305,400	
Correctional Camps	173,608	
Administration	554,021	
Interagency Payments	1,917,724	
Agency Support	2,734,855	
Engineering Services	1,133,661	
Total Operating Expenditures	21,223,215	
Total Capital Expenditures	93,017	
Total Expenditures and Other Charges	21,316,232	
FDA Fund Balance (June 30, 2011)		\$24,028,011

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

■ About This Page

The FDA funds DNR's land management activities on State Forest Lands (formerly known as Forest Board Lands) in 21 counties. DNR deposits a portion of the revenue it generates from these lands into the FDA, and the legislature appropriates funds from the account to DNR for expenditures. The FDA is used for trust land management expenses (e.g., reforestation, preparing timber sales) on State Forest Lands.

► About Next Page

By law, revenue from State Forest Lands (formerly known as Forest Board Lands) goes to the county in which the land is located, the State General Fund for the support of Common Schools, and to the FDA to fund DNR's management of the lands. Distribution differs for Transfer lands and Purchase lands—see the small pie charts.

The large pie chart shows the combined total distribution for Fiscal Year 2011, with the FDA share divided among DNR's expenditures from the account. Expenditures are appropriated by the legislature and are ongoing investments to keep the lands productive and to generate future revenue.

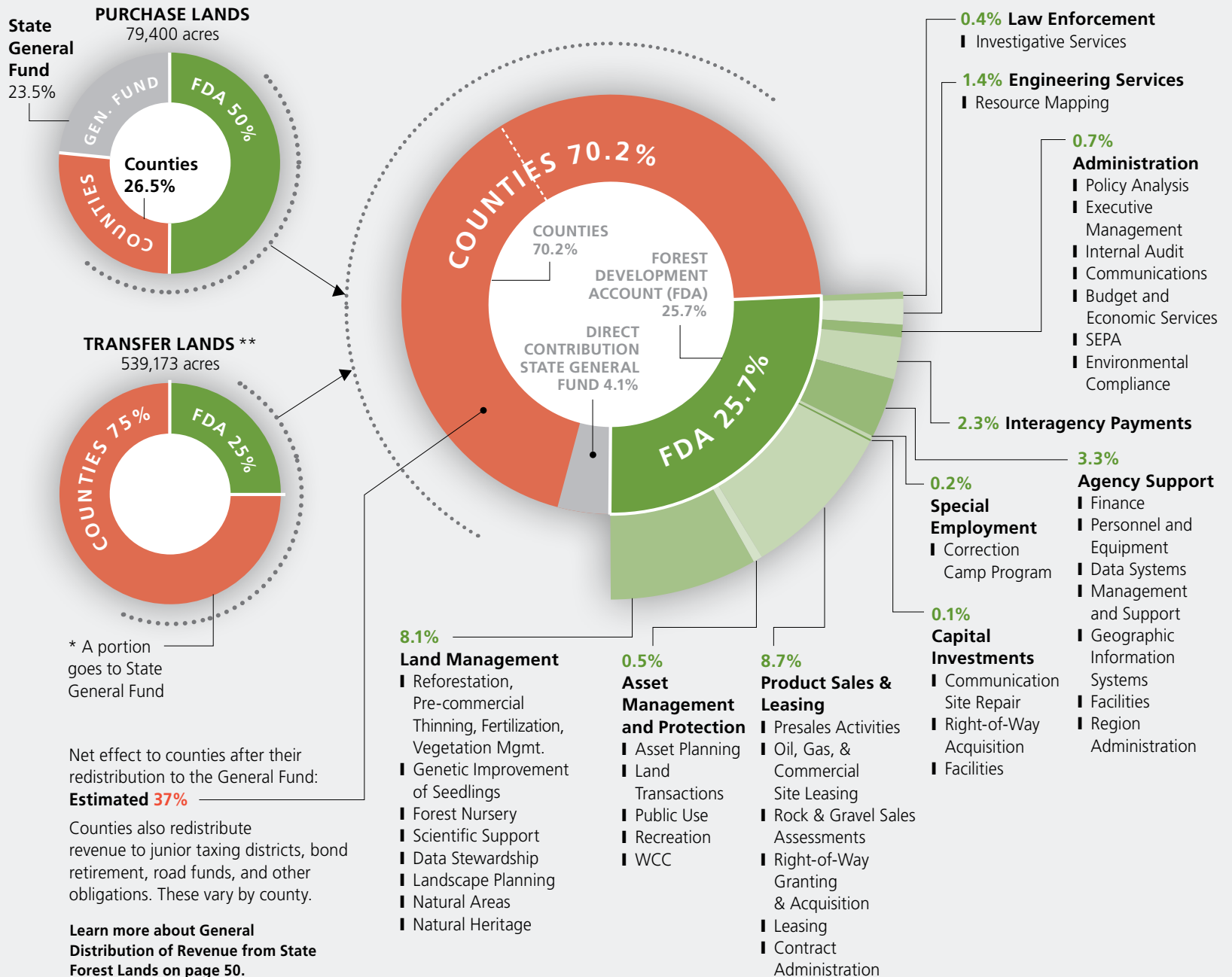
* This chart is based on statewide averages. Detailed breakdown of DNR programs contains examples only, not a complete listing.

** Effective March 10, 2008, per Board of Natural Resources Resolution No. 1255, the distribution of revenues on State Forest Transfer lands was established at 75 percent to the county and 25 percent to the FDA.

Totals may not add, due to rounding. See fiscal notes, pages 54-58.

Purchase lands,
see definition on page 52.
Transfer lands,
see definition on page 53.

General Distribution of Revenue from State Forest Lands* | FY 2011



State Forest Lands | FY 2011

Source	REVENUE	CONTRIBUTING LANDS	
	Total Funds	Transfer Lands	Purchase Lands
Sales			
Timber Sales	\$98,509,768	\$86,153,311	\$12,356,457
Timber Sales-Related Activities ¹	26,218	25,070	1,147
	\$98,535,986	\$86,178,382	\$12,357,604
Leases			
Agriculture/Minor Forest Products	\$254,973	\$216,010	\$38,963
Commercial/Special Use	80,931	60,960	19,971
Mineral and Hydrocarbon	115,988	115,988	0
Rights-Of-Way	103,017	91,345	11,672
Communication Sites	1,228,806	892,417	336,389
	\$1,783,716	\$1,376,720	\$406,995
Other Revenue			
Interest Income ¹	\$64,560	\$56,002	\$8,558
Permits, Fees and Miscellaneous ¹	250	250	0
Treasurer's Revenue ¹⁷	18,356	n/a	n/a
FDA Non-Trust Revenue ¹⁵	10,076	n/a	n/a
	\$93,243	\$56,252	\$8,558
Totals	\$100,412,944	\$87,611,354	\$12,773,158

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

■ About This Page and Next Page

Income from these lands is distributed to the counties in which the lands are located, the state General Fund for the support of common schools, and the Forest Development Account (FDA) for DNR's Land Management expenses on these lands. There are two categories of State Forest Lands (formerly known as Forest Board Lands): Purchase lands and Transfer lands.

Purchase lands were given to the state or purchased by the state at low cost. The FDA receives half the income from these lands. The other half is divided between the respective county and the state General Fund for the support of common schools.

N/A: Not applicable.

State Forest Lands | FY 2011 CONTINUED

Recipient	REVENUE DISTRIBUTION		CONTRIBUTING LANDS	
	Total Funds	Transfer Lands	Purchase Lands	
County				
Clallam	\$6,656,971	\$6,615,908	\$41,063	
Clark	5,250,739	5,246,725	4,014	
Cowlitz	2,128,264	2,126,716	1,548	
Grays Harbor	1,956,674	474,589	1,482,085	
Jefferson	2,900,982	2,900,982	0	
King	1,503,406	1,503,406	0	
Kitsap	129,461	102,548	26,913	
Klickitat	482,356	482,356	0	
Lewis	8,897,626	8,867,027	30,598	
Mason	2,549,381	2,548,596	785	
Okanogan	48	48	0	
Pacific	1,679,411	1,345,735	333,676	
Pierce	1,137,814	1,120,711	17,103	
Skagit	12,477,738	12,477,738	0	
Skamania	790,831	789,342	1,489	
Snohomish	11,580,548	11,580,548	0	
Stevens	54,608	54,608	0	
Thurston	3,828,886	1,319,723	2,509,163	
Wahkiakum	2,255,878	2,255,878	0	
Whatcom	4,229,541	4,216,042	13,499	
Treasurer's Revenue ¹⁷	18,356	N/A	N/A	
	\$70,509,518	\$66,029,225	\$4,461,937	
Forest Development Account				
Trust Activity	\$25,744,105	\$21,567,959	\$4,176,146	
Permits, Fees and Miscellaneous ¹	18,461	14,170	4,291	
Treasurer's Revenue	0	N/A	N/A	
FDA Non-Trust Revenue ¹⁵	10,076	N/A	N/A	
	\$25,772,642	\$21,582,129	\$4,180,437	
General Fund - State	\$4,130,784	\$0	\$4,130,784	
Totals	\$100,412,944	\$87,611,354	\$12,773,158	

Transfer lands were forfeited to the counties in which they were located when the private landowners failed to pay property taxes, primarily in the 1920s and 1930s. The counties turned the lands over to the state. DNR now manages these lands and distributes at least 75 percent of the income to the counties and up to 25 percent of the income to the Forest Development Account (FDA).

Effective March 10, 2008, per Board of Natural Resources Resolution No. 1256, the distribution of revenue on State Forest Transfer lands was established at 75 percent to the county and 25 percent to the Forest Development Account (FDA).

N/A: not applicable.

See Fiscal Notes, pages 54-58. Totals may not add, due to rounding.

Fiscal Notes

These numbered notes provide context and explanations for data in the tables on the fiscal pages that follow, where they are referred to by numerical superscript. A note may apply to more than one page. Although similar to notes in prior reports, these notes apply only to this report (FY 2011).

ACRONYMS

ACTMA	Agricultural College Trust Management Account
AFRS	Agency Financial Reporting System
ALEA	Aquatic Lands Enhancement Account
CEP&RI	Charitable, Educational, Penal and Reformatory Institutions Trust
COLA	Cost of Living Adjustment
CWU	Central Washington University
EWU	Eastern Washington University
FDA	Forest Development Account
FY11	Fiscal Year 2011 July 1, 2010 – June 30, 2011
K-12	Kindergarten to 12th grade schools
RMCA	Resource Management Cost Account
TESC	The Evergreen State College
UW	University of Washington
WSU	Washington State University
WWU	Western Washington University

1 | REVENUE SOURCES

Timber sales include non-trust activity for contract harvesting sales.

Timber sale-related activities include contract extensions, slash disposal, trespasses, and default settlement payments.

Miscellaneous sales include publications, GIS data, honor camp activities, and surveys and maps.

Miscellaneous leases include special use and special forest products.

Interest income includes interest on contracts, interest assessed for late payments, and interest earned from account (treasurer's interest).

Permits, fees and related charges include surface mining permits, log patrol licenses, aquatic lands dredged material disposal site fees, forest practices damage assessments and permits, survey records recording fee, application/assignment fees, burning permit fees, and local government assessments.

Miscellaneous other revenue includes prior period adjustments, recoveries of prior biennium expenditures, treasurer transfers, as well as revenue from the ORV & Nonhighway Vehicle and Natural Resources Conservation Areas Stewardship accounts.

Operating transfers include transfers attributed to prior period revenue.

2 | EXPENDITURE CATEGORIES

Administration includes Executive Management, Internal Audit, Communications, and Budget & Economics.

Interagency payments are payments made to other state agencies (the Attorney General, State Auditor, General Administration, Dept. of Personnel, Office of Financial Management, Dept. of Information Services, OMWBE, and Secretary of State) for services they provide to the department.

Agency support includes the following programs: Human Resources (personnel, safety, training), Financial Management (accounting, risk management, purchasing), Information Technology, Geographic Information Systems, Facilities, and Region Administration.

Total Expenditures for fiscal year 2011 do not include the interfund transfer (sub-object MB) from General Fund to the Agricultural College Trust Management Account in the amount of \$327,000 (see footnote #5).

3 | LAND TRANSFERS

Real Property Replacement: During fiscal year 2011 a total of \$11,120,730 an amount equivalent to the property value, was received from (1) transfers to other government entities, (2) resolution of trespass violations, or (3) transfers in lieu of condemnation. This money is used to acquire replacement trust lands.

Trust Land Transfer: During fiscal year 2011 a total of \$62,636,000 was distributed to the Common School Construction Account from the Trust Land Transfer program.

4 | LAND BANK

DNR uses the Land Bank program (RCW 79.19) to reposition trust land assets for better future income production. Through the Land Bank, state trust lands are first auctioned to private buyers. Proceeds of land sales made under this "sell first" process are held in the Resource Management Cost Account (RMCA) until they can be used to purchase replacement trust lands. This revenue from trust property sales should equal or exceed the cost of trust property purchases. However, during any one fiscal year the transactions may not balance. (e.g., a property has been sold, but property to replace it has not yet been purchased.) Land bank transactions are accounted for by trust within each of DNR's management funds.

Revenue from fiscal year 2011 sales, existing contracts and interest was \$4,403,807 to the RMCA. A total of \$25,199,293 in the RMCA is reserved to acquire property to replace trust property previously sold through the "sell first" process of the Land Bank program.

5 | AGRICULTURAL COLLEGE TRUST MANAGEMENT ACCOUNT

Per RCW 79.64.090 the revenue on Agricultural College trust lands is distributed 100 percent to the agricultural college permanent fund or WSU bond retirement account. The management of the agricultural college trust lands is funded from the Agricultural College Trust Management Account. This account is dependent on legislative appropriation for funding. Currently the legislature appropriates the money for this purpose from General Fund under a proviso. For fiscal year 2011 the total interfund transfer from General Fund was \$327,000.

6 | OFF-ROAD VEHICLE (ORV) & NONHIGHWAY VEHICLE ACCOUNT

This fund provides for acquisition, planning, development, maintenance and management of ORV recreation facilities, non-highway roads and non-highway road recreation facilities; education and law enforcement programs related to non-highway vehicles; and construction and maintenance of campgrounds and trailheads.

DNR, the Department of Fish and Wildlife, and the Parks and Recreation Commission spend from the fund in support of these functions. The Department of Licensing collects revenue for the fund from taxes, licenses, permits and fees. DNR administers the fund according to Legislative appropriations.

See **Figure 1** for the account's total fiscal activity for fiscal year 2011.

7 | AQUATIC LANDS ENHANCEMENT ACCOUNT

This fund provides for the purchase, improvement and protection of aquatic lands for public purposes. DNR, the Department of Fish and Wildlife, the Department of Agriculture, the Parks and Recreation Commission, the Recreation and Conservation Funding Board, the Department of Health and the Puget Sound Partnership spend from the fund for these purposes. DNR administers this fund and only the DNR fiscal activity is reported on the Department Administered Funds section of the annual report.

See **Figure 2** for the account's total fiscal activity for fiscal year 2011.

8 | DERELICT VESSEL REMOVAL ACCOUNT

This fund provides for costs and reimbursements to authorized public entities for the removal of derelict and abandoned vessels. DNR spends from the fund for these purposes and the Department of Licensing spends from the account for the purpose of administering the collection of revenue for the fund. DNR administers this fund and only the DNR fiscal activity is reported on the Department Administered Funds section of the annual report.

See **Figure 3** for the account's total fiscal activity for fiscal year 2011.

Figure 1

Off-Road Vehicle Account		
Beginning Balance		\$695,953
Revenue		
Licensing	\$2,379,463	
Natural Resources	564	
Parks and Recreation	0	2,380,027
Expenditures		
Natural Resources	\$(2,197,689)	
Fish and Wildlife	(153,113)	
Parks and Recreation	(106,730)	(2,457,532)
Net Fiscal Activity		(77,505)
Ending Balance		\$618,447

Figure 2

Aquatic Lands Enhancement Account		
Beginning Balance		\$9,966,334
Revenue		
Natural Resources	\$20,197,740	
Treasurer's Deposit Income	4,966	
Agriculture	636	
Fish and Wildlife	49	
Distribution to Fourth-Class Towns	(68,135)	
Treasurer's Transfer*	(12,550,000)	7,585,257
Expenditures		
Natural Resources	\$(5,148,510)	
Fish and Wildlife	(3,548,542)	
Agriculture	(1,637,299)	
Recreation & Conserv. Fund. Board	(778,833)	
Health	(602,027)	
Parks and Recreation	(303,155)	
Puget Sound Partnership	(251,231)	(12,269,598)
Net Fiscal Activity		(4,684,341)
Ending Balance		\$5,281,993

*Operating transfer out to the state general fund per SSB 6444.

Figure 3

Derelict Vessel Removal Account		
Beginning Balance		\$461,892
Revenue		
Licensing	\$739,739	
Natural Resources	140,721	
Treasurer's Deposit Income	2	880,462
Expenditures		
Natural Resources	(567,358)	
Licensing	(14,733)	(582,091)
Net Fiscal Activity		298,371
Ending Balance		\$760,263

Figure 4

Forest and Fish Support Account		
Beginning Balance		\$2,999,917
Revenue		
Dept. of Revenue	\$4,212,057	
Treasurer's Deposit Income	165	4,212,222
Expenditures		
Natural Resources		(3,121,436)
Net Fiscal Activity		(3,121,436)
Ending Balance		\$4,090,703

Figure 5

FDA/RMCA Loan Repayment		
	FY 2011	Total-To-Date
Common School Construction Account	\$1,165,427	\$21,610,532
Capitol Building Construction Account	444,261	8,237,936
Normal School Permanent Account	1,422,119	26,470,391
State University Permanent Account	220,325	12,754,488
Total Trust Funds	\$3,252,132	\$69,073,346
Resource Management Cost Account		
Common School Trust	\$388,880	\$7,200,849
Capitol Building Trust	148,356	2,747,555
Normal School Trust	473,366	8,765,025
University School Trust	73,442	4,251,496
Total RMCA	\$1,084,044	\$22,964,924

9 | FOREST AND FISH SUPPORT ACCOUNT

This account was created in 2007 to provide for activities pursuant to the state's implementation of the forests and fish report as defined in chapter 76.09 RCW and related activities, including, but not limited to, adaptive management, monitoring, and participation grants to tribes, state and local agencies, and not-for-profit public interest organizations.

DNR spends from the fund for these purposes and the Department of Revenue spends from the account for the purpose of administering the collection of revenue for the fund. Sources of revenue for this account include surcharge on timber and wood product manufacturers, extractors, and wholesalers per RCW 82.04.260 (12).

DNR administers this fund and only the DNR fiscal activity is reported on the Department Administered Funds section of the annual report. See **Figure 4** for the account's total fiscal activity for fiscal year 2011.

10 | FDA/RMCA LOAN REPAYMENT

The Board of Natural Resources resolution #635 in 1990 and #756 in 1992 authorized settlement of the FDA debt to the RMCA by transferring timber-cutting rights on State Forest Purchase lands to the Common School, Capitol Building, Normal School, and University granted trusts. A one-third interest in assets (timber cutting rights) of the FDA on 35,655 acres was transferred to these trusts. The value of these transfers eliminated the debt between FDA and RMCA.

A total of \$4,336,176 was distributed to the trusts from timber harvested during fiscal year 2011. The RMCA received \$1,084,044 from this activity. Since this is repayment of a loan, the transactions are recorded as an operating transfer rather than current period revenue.

The values from the harvest activity by fund as well as RMCA trust for fiscal year 2011 and in total since the adoption of resolution 635 in 1990 are in **Figure 5**.

11 | OPERATING TRANSFERS

According to the Office of Financial Management's interpretation of generally accepted accounting principles, debt service funds (funds used to pay off debts), such as the UW or WSU Bond Retirement accounts, cannot receive revenue directly. Instead, revenue to these two funds are recorded to the respective permanent funds, and then an operating transfer is made to the appropriate debt service fund.

12 | TRUST FUNDS—CURRENT AND PERMANENT

Trust Current Funds are funds that individual trust beneficiaries can draw from. Trust Permanent Funds are endowments, which generate interest that can be transferred to the Current Funds.

13 | FISCAL ACTIVITY FOR OTHER TYPE FUND(S) ADMINISTERED BY DNR**Natural Resources Equipment**

Account: Total other fiscal activity does not include funds classified as internal service funds. The Natural Resources Equipment Account is the Department's only internal service fund. This fund is used to maintain, replace and provide equipment to the Department's programs on a rental basis. In fiscal year 2011, this fund had revenue of \$20,203,528 and expenses of \$19,189,182.

In fiscal year 2010, the Legislature, per SSB 6572, abolished the School Construction Revolving Fund (744). The remaining balance of this account was transferred to the state General Fund effective July 1, 2010.

14 | RMCA PORTION OF TRUST LAND REVENUES

The Resource Management Cost Account received 30 percent on most transactions and the trusts received 70 percent of revenue from trust lands during fiscal year 2011.

Also, some revenue transactions are subject to different distribution ratios. These transactions include aquatic resources, miscellaneous non-trust revenue, interest earnings, land sales transactions and interfund loan repayment, the latter of which affects the Common School, University, Capitol Building and Normal School trusts.

Figure 6 reflects trust activity with Forest Board Repayment activity. Refer to footnote #18 for trust activity related to University Trust.

15 | NON-TRUST REVENUE

Non-trust revenue cannot be attributed to a specific trust. Activities include forest road assessments, miscellaneous services, manuals & publications, prior period recoveries and adjustments, application fees, and interest income.

16 | NEGATIVE REVENUE

Any negative revenue reflects accounting adjustments (such as bad-debt write-offs, credit memos) from a prior fiscal year.

17 | TREASURER'S REVENUE

Due to the schedule for distributing revenue, revenue from State Forest Lands may earn interest before it is distributed to the appropriate county. Interest earnings cannot be attributed specifically to Transfer Lands or Purchase Lands. This revenue is accounted for as treasurer's revenue and is distributed to the appropriate county.

18 | UNIVERSITY TRUST – ORIGINAL, TRANSFERRED, REPAYMENT

The accounting for the University Trust combines activity from original University trust lands, lands which have been transferred to the trust, and the University trust's share of interfund loan repayment as described in footnote #10.

See **Figure 7** for the breakdown of the different elements contributing to the information for University Grants.

19 | STATE TRUST LANDS MANAGEMENT FUND ACCOUNTING REPORT**Statutory Authority and Requirements**

Subject to legislative appropriation, the Department of Natural Resources is authorized by RCW's 76.12.110 and 79.64.030 to use funds from the Resource Management Cost Account (RMCA) and Forest Development Account (FDA) interchangeably in the management of State Grant Lands and State Forest Lands. The law also states, however, that an annual accounting will be kept of payments made by one fund on behalf of another. For example when RMCA funds are used to pay for activities on State Forest Land, it shall be considered a debt against the FDA. RCW 79.64.030 also requires that the results of the accounting be reported to the legislature at the next regular session.

Accounting Procedures

Beginning with fiscal year 1996, the following Cost Allocation System accounting procedures have been used to calculate any debt or loan between the management funds:

- A.** All operating program expenditures that can be determined to benefit a particular land category are directly charged to that land category.
- B.** Expenditures for the majority of the department's operating programs for which the benefiting land category cannot be determined (indirect expenditures) are allocated to land categories based on staff month percentages derived from personnel time charged directly to those land categories or by Western Washington forested acres.
- C.** Capital outlay expenditures that benefit particular land categories are determined in advance then charged by land category in the ratio set by appropriations.
- D.** Agency Administration and Support costs are allocated to land category based on Agency work plans for the year as established during the budget process.

E. Direct charges and indirect charges are totaled by land category within the Cost Allocation System. Expenditures paid from the RMCA and FDA accounts are compared to these total charges for Grant Lands and State Forest Lands to determine how much of the charges were paid from one account on behalf of the other. If RMCA funds were used to pay State Forest charges, a debt principal is incurred in that amount. If State Forest funds were used to pay RMCA charges, the debt principal is reduced by that amount. Funding adjustments may be made periodically during the fiscal year to align expenditures by fund with total charges for Grant Lands and State Forest Lands to prevent the accumulation of any new debt in the year.

F. As required by law, interest is charged on the debt incurred. A full year's interest is charged on cumulative debt carried from the previous year. One half year's interest is calculated on the change in the debt principal occurring during the current year.

G. Cumulative debt from the preceding year, plus new principal and interest charges are totaled to determine the new cumulative debt. **See Figure 8.**

Figure 6b

Capitol Building			
Trust Activity	Total Revenue	Cap. Bldg. Construction	RMCA
Timber Sales	\$11,468,314	\$8,129,145	\$3,339,169
Timber Sales-Related	877	227	650
Leases	149,396	105,188	44,208
Late Interest	1,350	960	390
Fees/Service Charges	197	0	197
Operating Transfer-In	592,617	444,261	148,356
Subtotal	\$12,212,751	\$8,679,781	\$3,532,970
Forest Board Repayment			
Sales	\$589,700	\$0	\$589,700
Operating Transfer-Out	(592,617)	0	(592,617)
Total Trust Activity	\$12,209,834	\$8,679,781	\$3,530,053
Non-Trust Activity			
STO Interest	\$50,695	\$2,578	\$48,117
Other Revenue	2,161	0	2,161
Total Non-Trust Activity	52,856	2,578	50,278
GRAND TOTAL	\$12,262,690	\$8,682,359	\$3,580,331

Figure 6c

Normal School				
Trust Activity	Total Revenue	Capital Projects	Normal Sch. Permanent	RMCA
Timber Sales	\$2,265,896	\$0	\$1,602,470	\$663,426
Timber Sales-Related	894	0	603	291
Leases	122,382	81,553	4,367	36,462
Late Interest	46	32	0	14
Fees/Service Charges	281	0	0	281
Operating Transfer-In	1,895,485	0	1,422,119	473,366
Subtotal	\$4,284,984	\$81,585	\$3,029,559	\$1,173,840
Forest Board Repayment				
Sales	\$1,886,157	\$0	\$0	\$1,886,157
Operating Transfer-Out	(1,895,486)	0	0	(1,895,486)
Total Trust Activity	\$4,275,655	\$81,585	\$3,029,559	\$1,164,511
Non-Trust Activity				
STO Interest	\$16,690	\$817	\$0	\$15,873
Land Sales / Trust Land Transfer	0	0	0	0
Other Revenue	713	0	0	713
Total Non-Trust Activity	17,403	817	\$0	16,586
GRAND TOTAL	\$4,293,058	\$82,402	\$3,029,559	\$1,181,097

Figure 6a

Common School / Escheat Trust				
Trust Activity	Total Revenue	Com. Sch. Construction	Com. Sch. Permanent	RMCA
Timber Sales	\$51,522,943	\$36,381,199	\$0	\$15,141,744
Timber Sales-Related	1,056,028	739,194	0	316,834
Leases	26,091,132	18,148,750	208,338	7,734,044
Misc Interest Income	89,921	62,913	400	26,608
Fees/Service Charges	48,790	0	0	48,790
Operating Transfer-In	1,554,307	1,165,427	0	388,880
Subtotal	\$80,363,121	\$56,497,483	\$208,738	\$23,656,900
Forest Board Repayment				
Sales	\$1,546,656	\$0	\$0	\$1,546,656
Operating Transfer-Out	(1,554,306)	0	0	(1,554,306)
Total Trust Activity	\$80,355,471	\$56,497,483	\$208,738	\$23,649,250
Non-Trust Activity				
STO Interest	\$188,958	\$20,149	\$0	\$168,809
Land Sales/ Trust Land Transfer	66,871,000	62,636,000	0	4,235,000
Other Revenue	120,327	0	103,263	17,064
Total Non-Trust Activity	67,180,285	62,656,149	103,263	4,420,873
GRAND TOTAL	\$147,535,756	\$119,153,632	\$312,001	\$28,070,123

Figure 8

RMCA/FDA Debt/Loan Accounting For Fiscal Year 2011		
Beginning Balance	Grant Lands	State Forest Lands
2011 Trust Charges	\$ 42,960,380	\$ 21,316,232
RMCA Expenditures	42,960,380	0
FDA Expenditures	0	21,316,232
Cumulative Debt/Loan	\$0	\$0

Fiscal Year 2011 Management Fund Debt Status

As of June 30, 2011, no debt exists between the State Forest Lands (Forest Development Account) and the Grant Lands (Resource Management Cost Account).

Figure 7

University Trust				
Trust Source/Activity	Total	Bond Retirement	University Permanent	RMCA
University-Transferred				
Timber Sales	\$1,559,964	\$0	\$1,118,051	\$441,913
Timber Sales-Related	0	0	0	0
Leases	162,864	0	114,194	48,670
Misc-Trespass	156	0	36	120
Late Interest	122	0	85	37
Sale of Property-Other	0	0	0	0
Fees/Service Charges	120	0	0	120
Operating Transfer-In	1,507,209	1,213,442	220,325	73,442
Operating Transfer-Out	(1,213,442)	0	(1,213,442)	0
Total	\$2,016,993	\$1,213,442	\$239,249	\$564,302
University-Original				
Timber Sales	\$56,498	\$0	\$39,549	\$16,949
Leases	117,207	0	82,569	34,638
Fines & Forfeits	16	0	11	5
Late Interest	0	0	0	0
Fees/Service Charges	30	0	0	30
Operating Transfer-In	82,368	82,368	0	0
Operating Transfer-Out	(82,368)	0	(82,368)	0
Total	\$173,751	\$82,368	\$39,761	\$51,622
University-Repayment				
Timber Sales	\$400,805	\$0	\$0	\$400,805
Timber Sales Related	80	\$0	\$0	80
Late Interest	11	0	0	11
Operating Transfer-Out	(293,766)	0	0	(293,766)
Total	\$107,130	\$0	\$0	\$107,130
Non-Trust Allocation				
STO Interest	\$10,240	\$384	\$0	\$9,856
Non-Trust Revenue Allocation	443	0	0	443
Total	10,683	384	\$0	10,299
GRAND TOTAL	\$2,308,557	\$1,296,194	\$279,010	\$733,353



Management

Timber Data

Timber Volume | Sold and Harvested | FY 2011

Trust / Beneficiaries	Acres	Timber Volume ^a Sold (mbf) ^b	Timber Volume Harvested ^c (mbf) ^b
STATE FOREST TRANSFER (formerly known as Forest Board Transfer lands)			
Clallam	467	14,410	35,670
Clark	669	18,990	25,722
Cowlitz	213	8,500	10,309
Grays Harbor	11	395	2,504
Jefferson	231	7,666	12,419
King	266	15,169	6,672
Kitsap	0	0	372
Klickitat	14	159	2,216
Lewis	1,075	27,745	40,056
Mason	445	10,699	8,752
Pacific	87	3,481	8,575
Pierce	43	1,468	4,800
Skagit	1,258	54,546	45,733
Skamania	18	471	4,369
Snohomish	1,144	54,986	48,974
Thurston	199	5,872	6,188
Wahkiakum	67	3,565	10,539
Whatcom	654	21,521	19,214
Subtotal Transfer	6,861	249,643	293,085
STATE FOREST PURCHASE (formerly known as Forest Board Purchase lands)			
Clallam	0	0	747
Clark	0	0	53
Grays Harbor ^d	428	20,655	21,037
Lewis	0	0	948
Pacific ^e	167	8,748	4,656
Pierce	115	1,105	238
Skamania	64	1,697	0
Thurston ^d	453	22,387	24,289
Whatcom	0	0	43
Subtotal Purchase	1,227	54,592	52,010
Common School, Indem. & Esch.	8,631	177,193	203,190
Agricultural School	457	18,679	11,502
University Transferred & Orig.	271	4,296	6,644
CEP & RI	845	23,500	19,346
Capitol Building	1,043	31,435	42,342
Normal School	321	6,634	11,477
Scientific School	953	31,111	29,844
Statewide Total	20,609	597,083	669,442

About This Page

^a Timber volume sold per acre depends on site-specific conditions and harvest method.

^b mbf: thousand board feet

^c Volume harvested is estimated for sales partially harvested.

^d Includes Forest Board Repayment. (See Fiscal Section, page 55, note 9.)

^e Includes University Repayment data.

Notes

Timber is sold before it is harvested. Timber sale contracts are typically two or more years in length, with most timber harvest schedules determined by individual purchasers. Sale and harvest of timber may or may not occur in the same fiscal year. Revenues are generated when timber is harvested.

Market conditions can influence number of sales and volume sold.

Sales which contain more than one trust and/or beneficiary report estimated acres and volumes for each specific trust. Sales which benefit more than one trust distribute revenues proportionally by value based on percentage of area..

Numbers may not add due to rounding.

Source

DNR NaturE System database, Report TSC311; 11/2011

Silviculture^a | FY 2011

Trust / Beneficiaries	Acres Planted ^b	Stems per Acre ^c	Pre-commercially Thinned Acres ^d
STATE FOREST TRANSFER (formerly known as Forest Board Transfer lands)			
Clallam	1,107	355	175
Clark	442	352	0
Cowlitz	388	370	0
Jefferson	72	116	0
King	341	221	0
Kitsap	137	321	0
Lewis	356	400	0
Mason	274	291	0
Pacific	215	339	0
Pierce	192	312	0
Skagit	779	295	0
Skamania	4	41	0
Snohomish	1,355	261	0
Thurston	77	307	0
Whatcom	350	415	0
Subtotal Transfer	6,089		175
STATE FOREST PURCHASE (formerly known as Forest Board Purchase lands)			
Grays-Harbor	193	293	0
Lewis	88	120	0
Pacific	55	366	34
Thurston	24	347	0
Whatcom	72	434	0
Subtotal Purchase	432		34
Agricultural School	564	318	118
Capitol Grant	1,031	295	22
CEP&RI	302	405	0
Common School and Indemnity	7,224	297	6,504
Community College Forest Reserve	30	135	0
Escheat	7	258	0
Normal School	269	305	0
Scientific School	423	316	0
University-Orig., Transf., and Repayment	230	294	20
Water Pollution Control Div. Trust Land	54	72	0
Total - All TRUSTS	16,655		6,873

■ About This Page

2011 Annual report to Trust Beneficiaries per RCW 79.10.010

^a Silvicultural activities are forest management practices; implementation of silvicultural practices varies according to site-specific conditions and availability of management funding.

^b Acres planted include all planting processes and all tree species.

^c Stems per acre planted depend on site-specific conditions and anticipated survival rates.

^d Pre-commercially thinned acres increase yield rate per acre by selectively decreasing overcrowding of saplings.

Numbers may not add due to rounding.

Source

Planning and Tracking Database 8/11/11

Timber Acres Harvested^a | FY 2011

Trust / Beneficiaries	Acres Commer. Thinned Small Wood ^b	Acres Partially Cut/Older Stand Thinning ^c	Acres Clearcut/ Regenerat. Harvest ^b	Total Acres ^d	Aver. Year of Clearcut Stand
STATE FOREST TRANSFER					
Clallam	167	0	1,112	1,279	1935
Clark	21	126	792	939	1950
Cowlitz	11	0	253	264	1944
Grays Harbor	0	0	57	57	1939
Jefferson	0	15	383	398	1942
King	0	0	129	129	1934
Kitsap	0	0	21	21	1930
Klickitat	53	0	50	103	1908
Lewis	52	13	1,735	1,800	1944
Mason	0	0	880	880	1934
Pacific	0	313	317	630	1937
Pierce	98	8	79	185	1929
Skagit	14	2	975	991	1932
Skamania	19	6	145	170	1942
Snohomish	81	4	1,109	1,194	1923
Thurston	0	0	147	147	1932
Wahkiakum	0	0	204	204	1933
Whatcom	30	0	498	528	1937
Sub-Total Transfer	546	487	8,886	9,919	1936
STATE FOREST PURCHASE					
Clallam	0	0	21	21	1958
Clark	0	0	1	1	1910
Grays Harbor ^e	0	0	683	683	1942
Lewis	137	0	0	137	
Pacific ^f	0	0	78	78	1950
Pierce	24	0	0	24	1945
Thurston ^e	0	0	505	505	1936
Whatcom	0	0	1	1	1950
Sub-Total Purchase	161	0	1289	1450	1945
Comm. School, Indem. & Esch.	869	756	14,982	16,607	1935
Agricultural School	71	1	428	500	1936
University Transf. & Orig.	66	20	211	297	1947
CEP & RI	310	47	534	891	1932
Capitol Building	97	297	1,336	1,730	1944
Normal School	66	1	304	371	1945
Scientific School	193	50	813	1,056	1936
Statewide Total	2,379	1,659	28,783	32,821	

About This Page

^a The Department tracks harvest method information in ten categories; for purposes of this report, per RCW 79.10.010, the data are aggregated into three harvest methods.

^b Commercial thinning/small wood generates revenue, promotes growth of the remaining trees, and creates desired future forest conditions.

^c Partial cuts/older stand thinnings generate revenue and help achieve desired future forest conditions.

^d Total acres include total of all harvest activities.

^e Includes Forest Board repayment

^f Includes University repayment

Notes

Harvested acres shown are Fiscal Year 2011 activities only; acres are reported again in the future if additional harvest activities occur. Acres harvested are estimated for sales partially harvested. Timber volume harvested per acre depends on site-specific conditions and harvest method.

Sales which contain more than one trust beneficiary report estimated acres harvested for each specific trust. Sales which benefit more than one trust distribute revenues proportionally by value based on percentage of area.

Numbers may not add due to rounding.

Source

DNR NaturE System database, Report TSC348; 11/2011

Deferrals | FY 2011

FORMERLY KNOWN AS
ACRES OFF-BASE FOR HARVEST

Trust / Beneficiaries	No Deferral Acres	Short-Term Def. Acres	Long-Term Def. Acres
STATE FOREST TRANSFER			
Clallam	70,407	0	17,260
Clark	20,181	0	4,984
Cowlitz	9,697	0	701
Grays-Harbor	1,865	0	331
Jefferson	12,190	0	346
King	16,764	579	4,213
Kitsap	6,775	0	681
Klickitat	16,237	0	2,493
Lewis	35,859	0	1,586
Mason	23,456	387	2,723
Okanogan	9	0	0
Pacific	8,928	86	5,534
Pierce	7,899	0	589
Skagit	62,250	0	17,156
Skamania	25,202	0	11,458
Snohomish	52,542	80	6,889
Stevens	124	0	7
Thurston	16,650	0	1,743
Wahkiakum	8,689	0	3,717
Whatcom	25,285	0	10,338
Subtotal Transfer	421,011	1,132	92,749

Trust / Beneficiaries	No Deferral Acres	Short-Term Def. Acres	Long-Term Def. Acres
Comm. School, Indemnity & Esch.	861,237	1,342	134,450
Agricultural School	47,383	0	4,881
CEP&RI	35,351	68	4,127
University, Original & Transferred	44,466	1,402	10,230
Capitol Building	76,226	379	21,180
Normal School	42,692	95	9,431
Scientific School	53,429	150	9,832
Community & Technical College	3,318	0	62
Other Lands*	0	0	105,693
Total – All TRUSTS	1,649,719	4,734	403,060

Trust / Beneficiaries	No Deferral Acres	Short-Term Def. Acres	Long-Term Def. Acres
STATE FOREST PURCHASE			
Clallam	181	0	49
Clark	2,365	0	1,315
Cowlitz	245	0	20
Grays-Harbor	24,376	0	3,013
Jefferson	77	0	0
Kitsap	40	0	0
Klickitat	2,858	0	47
Lewis	401	0	101
Mason	5,543	166	2,127
Pacific	3,161	0	63
Pierce	3	0	0
Skamania	3,066	0	1,219
Snohomish	1,631	0	5
Stevens	40	0	0
Thurston	19,892	3	2,285
Whatcom	729	0	182
Subtotal Purchase	64,608	166	10,426

About This Page

With the adoption of the 2004 Sustainable Harvest Level, DNR no longer classifies lands as “off-base” or “on-base,” but instead designates deferral status.

Long-term deferral approximates “off-base.” 2011 Annual Report to Trust Beneficiaries per RCW 79.10.010.

Deferral status is determined by whether the silviculture and land management activities, including harvest, are permitted or deferred for a period of time. Short-term deferrals represent forestlands anticipated to be deferred from harvest in the next 10 years. Long-term deferrals represent forestlands anticipated to be deferred from harvest beyond 10 years and forestlands managed for non-timber harvest revenue objectives.

Acres are designated as deferrals because they are inoperable, are low site, contain permanent research plots, are upland wildlife management areas, are timber gene pool reserves, are on unstable slopes in riparian buffers, are located in a northern spotted owl nest patch, contain a northern spotted owl site center, are identified as marbled

murrelet habitat, are included in the Olympic Experimental State Forest deferral areas, or are the result of the Settlement Agreement reached in 2006, or the 2006 Policy for Sustainable Forests Old-Growth Policy (all of these decisions were included in the 2007 sustainable harvest adjustment for Western Washington State Trust forestlands). A site can be deferred due to one or more factors.

Deferral classifications are not permanent designations. DNR may change the classification as specific forest stands or sites are re-evaluated. Acreage updates and changes can occur over time due to technological refinements in data gathering and analysis.

Numbers may not add due to rounding or potential double counting.

* Includes Land Bank, Natural Resources Conservation Areas, Natural Area Preserves, administrative sites, TIDE-2nd, UC-Private, and Water Pollution Control trust data.

Source: Deferral Status of State Forestlands, DNR Forest Resources and Conservation Division 2011



WASHINGTON STATE DEPARTMENT OF
Natural Resources
Peter Goldmark - Commissioner of Public Lands

Communications & Outreach Director

Bryan Flint

Editor

Bob Redling

Graphic Design

Luis Prado

Financial Data

Ana Cruz, Sue Kitchen,
Jim Smego

Timber Data

Angus Brodie, Karen
Jennings, Denise Roush,
Calvin Ohlson-Kiehn

Other Contributors

Mac McKay, Cullen
Stephenson, Melissa Ferris,
Dave Wilderman, Dorian
Smith, Pat Ryan, Craig
Calhoon, Albert Kassel,
Jane Chavey, Janet Pearce,
Nancy Charbonneau, Toni
Droscher, Abbey Corzine,
Dave Norman, Cheri Jarrett,
Dena Scroggie, Rachael
Jamison, Rick Roeder, Aaron
Everett, Julie Sandberg,
Christine Redmond, Bob
Cannon

BOARD OF NATURAL RESOURCES (FY2011)

Peter Goldmark, Chair, Commissioner of Public Lands

Bob Nichols, designee for Governor Christine Gregoire

Randy Dorn, Washington State Superintendent of Public Instruction

Daniel J. Bernardo, Ph.D., Dean of the College of Agricultural,
Human, & Natural Resource Sciences, Washington State University

Thomas Hinckley, Interim Director, College of The Environment,
University of Washington

Jon C. Kaino, Pacific County Commissioner

DNR MANAGEMENT (FY2011)

Peter Goldmark, Commissioner of Public Lands

Leonard Young, Department Supervisor

Bridget Moran, Deputy Supervisor for Aquatics and Environmental Protection

Cullen Stephenson, Deputy Supervisor for State Uplands

Randy Acker, Deputy Supervisor for Resource Protection and Administration

FOREST PRACTICES BOARD (FY2011)

Bridget Moran, Chair, Designee of Commissioner of Public Lands Peter Goldmark

Mark Calhoon, Department of Commerce, director's designee

Tom Laurie, Department of Ecology, director's designee

Tom Davis, Department of Agriculture, director's designee

David Whipple, Department of Fish and Wildlife, director's designee

Dave Somers, Snohomish County Commissioner

Bill Little, timber products union representative

Doug Stinson, general public member and small forest landowner

Sherry Fox, general public member and independent logging contractor

Carolyn Dobbs, general public member

David Herrera, general public member

Norm Schaaf, general public member

Paula Swedeon, general public member



**OLYMPIA
HEADQUARTERS**

1111 Washington St. SE
MS 47000
Olympia, WA 98504-7000
(360) 902-1000

NORTHEAST REGION

225 S. Silke Rd.
Colville, WA 99114
(509) 684-7474

NORTHWEST REGION

919 N. Township St.
Sedro-Woolley,
WA 98284-9384
(360) 856-3500

**PACIFIC CASCADE
REGION**

601 Bond Rd.
PO Box 280, Castle Rock,
WA 98611-0280
(360) 577-2025

OLYMPIC REGION

411 Tillicum Lane
Forks, WA 98331-9271
(360) 374-2800

**SOUTH PUGET
SOUND REGION**

950 Farman Ave. N.
Enumclaw, WA 98022-9282
(360) 825-1631

SOUTHEAST REGION

713 Bowers Rd.
Ellensburg, WA 98926-9301
(509) 925-8510

**AQUATIC RESOURCES
DISTRICT OFFICES**

Shoreline District

950 Farman Ave. N.
Enumclaw, WA 98022-9282
(360) 825-1631

Rivers District

601 Bond Rd.
PO Box 280,
Castle Rock, WA 98611-0280
(360) 577-2025

Orca Straits District

919 N. Township St.
Sedro-Woolley,
WA 98284-9384
(360) 856-3500



Visit our website
dnr.wa.gov



Send us an email
information@dnr.wa.gov



Call us
360-902-1000



Come in
See addresses at left

**CHECK OUT OUR
SOCIAL MEDIA LINKS**



Ear to the
Ground Blog



Facebook



YouTube



Twitter



Twitter Fire



Flickr

contact

