

Treasurer's 2020 Tax and Timber Report

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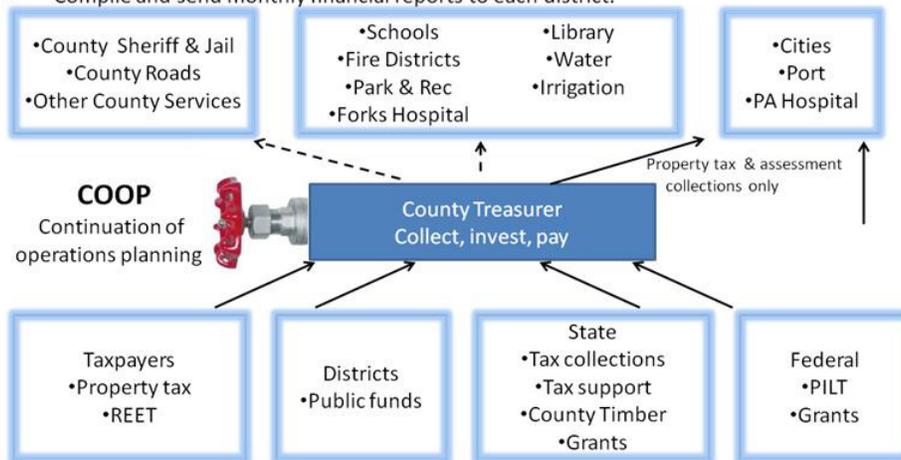


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A. County Treasurer’s Essential Duties for Taxing Districts

- Collect property taxes and assessments; conduct foreclosures & distraints.
- Receipt in and account for other public funds from many different sources.
- Keep district funds safe and liquid, and accessible for budgeted and emergency expenses.
- Invest reserves consistent with law and at “maximum prudent extent.”
- Reconcile and fund warrants; pay bond payments, and fund payroll accounts.
- Compile and send monthly financial reports to each district.



About the Office of County Treasurer

The Treasurer’s mandated constitutional and statutory duties are essential to the daily operations of all of the County’s taxing districts, which, in addition to the County itself, includes the three local cities, the Port of Port Angeles, two hospital districts, six fire districts, five school districts, the library, and two swimming pools.

The Treasurer’s extensive fiduciary duties include safekeeping an average of \$100 million in reserve taxpayer funds “until disbursed according to law” (RCW 36.29.020); billing for and collecting almost \$88 million in property taxes and assessments each year; receipting in, distributing, and being accountable for some \$1/4 billion in total deposits each year; and timely funding of payrolls for school districts as well as making bond payments on behalf of a number of taxing districts.

To ensure that taxpayer funds are “disbursed according to law,” the Treasurer is responsible for banking and warrant reconciliation duties that have to be performed every single banking business day, regardless of whether the courthouse is open, whether there is staff available, or whether computer hardware and software is up to date and working.

Contacting the Clallam County Treasurer’s Office

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B. County Finance Committee, Key Economic Indicator Spreadsheet

Consistent with RCW 36.48.070, the County Finance Committee is composed of the County Treasurer as Chair, the County Auditor as Secretary, and the Chair of the Board of County Commissioner. The Finance Committee uses the following spreadsheet to keep track of how the local economy (sales tax and REET revenues) and the global economy (interest revenue) are impacting key County revenue streams.

Property Tax Revenue														Δ% from prior yr
JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL		
2011	31,005	370,829	516,063	3,175,352	1,039,916	72,456	47,859	166,687	205,508	2,644,293	1,029,202	66,846	9,366,013	2.46%
2012	28,892	164,728	769,949	3,208,888	1,098,291	61,329	67,497	63,178	201,964	2,846,387	925,590	43,407	9,480,099	1.22%
2013	24,055	56,627	874,546	3,323,131	1,172,919	72,406	55,567	55,152	303,077	3,038,959	635,067	65,584	9,677,090	2.08%
2014	29,244	220,202	777,468	3,872,875	649,652	94,281	56,015	65,209	196,074	3,224,705	589,821	86,178	9,861,724	1.91%
2015	36,793	248,343	884,174	3,801,593	713,999	87,255	52,249	87,020	180,371	3,126,349	671,995	46,349	9,936,489	0.76%
2016	32,227	124,067	1,049,161	3,626,491	920,209	72,248	55,432	100,481	221,742	3,097,394	729,185	57,341	10,085,979	1.50%
2017	32,500	463,507	839,939	3,520,093	1,042,997	81,731	63,355	75,729	214,262	3,304,024	581,122	54,885	10,274,143	1.87%
2018	25,160	238,708	900,642	3,855,498	915,832	66,105	61,733	87,001	194,991	3,511,429	550,314	48,256	10,455,671	1.77%
2019	39,783	326,888	965,816	4,269,429	619,548	57,849	66,342	94,945	224,232	3,490,634	550,349	55,016	10,760,834	2.92%
Δ% from prior yr	58.12%	38.96%	14.42%	11.59%	4.81%	4.62%	4.65%	4.71%	5.03%	3.03%	2.87%	2.92%		
Sales Tax Revenue														Δ% from prior yr
JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL		
2011	316,847	432,016	272,445	270,824	355,360	350,419	340,951	390,301	364,162	388,761	375,429	327,545	4,185,059	-0.15%
2012	305,463	408,630	251,709	260,253	313,159	300,026	324,475	348,655	393,422	386,144	387,365	349,388	4,028,689	-3.74%
2013	307,249	397,806	287,810	303,006	335,031	325,944	355,440	433,966	416,014	411,045	425,841	383,670	4,382,822	8.79%
2014	347,330	443,411	311,292	299,204	365,345	345,273	370,063	445,487	452,726	427,085	465,467	383,972	4,656,655	6.25%
2015	352,589	452,657	311,628	319,879	390,190	398,102	420,853	503,487	375,925	364,011	398,927	341,911	4,630,158	-0.57%
2016	303,347	399,420	253,856	273,800	354,571	394,908	422,073	515,407	508,241	512,792	563,855	434,081	4,936,351	6.61%
2017	418,938	524,093	369,735	371,006	495,613	427,942	483,847	565,224	527,628	551,623	619,852	475,650	5,831,152	18.13%
2018	455,806	557,989	433,600	379,975	529,112	468,504	513,132	607,283	583,626	617,068	602,037	552,169	6,300,300	8.05%
2019	494,070	587,125	448,781	404,882	546,171	518,677	557,818	722,675	642,413	621,819	641,505	577,105	6,763,042	7.34%
Δ% from prior yr	8.39%	6.65%	5.71%	5.88%	5.29%	6.18%	6.57%	8.49%	8.69%	7.74%	7.62%	7.34%		
Real Estate Excise Tax Revenue (County Portion Only)														Δ% from prior yr
JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL		
2011	40,795	41,343	59,016	49,522	50,209	47,272	64,464	56,242	47,584	43,856	53,044	61,949	615,295	-39.78%
2012	25,575	40,628	39,732	51,320	84,521	869,414	62,760	101,027	63,852	91,235	29,152	45,791	1,505,006	144.60%
2013	91,740	35,837	70,874	39,127	76,575	64,956	113,321	73,723	47,824	187,367	75,490	70,159	946,991	-37.08%
2014	246,799	43,971	53,385	91,984	91,428	71,927	124,235	96,936	99,915	217,636	41,378	97,351	1,276,944	34.84%
2015	75,599	92,182	87,601	109,262	93,101	129,447	129,947	148,103	125,288	187,692	114,863	89,524	1,382,610	8.27%
2016	59,371	94,369	111,344	115,601	194,136	178,191	133,725	204,481	119,992	183,993	121,812	147,098	1,664,114	20.36%
2017	106,236	95,807	124,087	126,290	185,533	185,378	175,795	211,260	166,789	170,926	165,329	173,542	1,886,971	13.39%
2018	89,703	121,317	101,690	198,482	203,965	265,883	173,631	187,708	150,552	126,094	212,717	172,037	2,003,776	6.19%
2019	103,698	79,582	131,363	46,846	236,509	210,862	210,512	191,282	157,775	171,886	158,067	169,064	1,867,445	-6.80%
Δ% from prior yr	15.60%	-13.15%	0.62%	-29.28%	-16.38%	-17.55%	-11.72%	-9.81%	-8.34%	-4.86%	-7.28%	-6.80%		
Investment Interest Revenue														Δ% from prior yr
JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL		
2011	52,282	19,874	96,166	11,283	23,074	23,859	8,243	31,463	9,903	29,413	12,480	28,347	346,387	-57.98%
2012	2,725	9,024	14,760	32,179	9,022	8,817	30,889	23,258	10,396	39,298	10,206	175,695	366,269	5.74%
2013	(38)	10,191	9,552	13,566	9,593	9,894	15,428	18,006	8,186	29,004	13,072	182,355	318,809	-12.96%
2014	1,198	9,687	14,598	12,090	8,383	12,218	6,185	15,729	17,157	15,478	6,399	165,083	284,205	-10.85%
2015	17,276	24,235	24,159	24,781	28,368	30,490	28,302	28,065	28,349	29,096	29,563	41,531	334,217	17.60%
2016	23,583	32,915	32,648	34,653	36,697	39,067	36,928	36,601	35,776	37,104	35,993	20,011	401,975	20.27%
2017	27,338	40,175	38,248	40,127	51,077	55,537	56,151	55,593	56,186	65,848	57,801	33,270	577,351	43.63%
2018	42,390	56,844	54,971	58,209	69,892	102,794	70,491	71,475	73,407	80,175	85,108	117,171	882,928	52.93%
2019	65,105	80,234	75,569	81,981	102,943	72,070	140,468	97,975	103,852	88,230	95,317	121,087	1,124,831	27.40%
Δ% from prior yr	53.59%	46.46%	43.26%	42.59%	43.76%	24.10%	35.73%	35.91%	36.59%	33.46%	31.08%	27.40%		

Changes to County sales tax rate. On May 12, 2015, the Board of Clallam County Commissioners reduced the county sales tax rate from five-tenths of 1 percent to three-tenths of 1 percent, effective July 1, 2015. On January 26, 2016, the Board of Clallam County Commissioners restored the county sales tax rate to five-tenths of 1 percent, effective April 1, 2016. Sales tax revenues are remitted by the Department of Revenue to the County Treasurer two months after being paid by purchasers. As a result, any impact of reducing or increasing the County sales tax rate would be reflected in the above spreadsheet two months after their effective date.

- For the latest Financial Reporting Graphs (updated monthly), see <http://websrv7.clallam.net/forms/uploads/FinancialReportingGraphs.pdf>

C. Ending Fund Balances as of December 31, 2019

County		Non-County		
00100	General Fund	\$15,195,157.11	64001 North Olympic Library	\$9,203,568.27
10101	PW - Roads	\$5,292,422.38	64101 Community Network	\$0.00
10135	PW - Flood Control	\$28,493.06	65101 Fire District 1 Operation & Maintenance	\$486,966.34
11002	Sheriff - Honor Guard Donation	\$4,387.55	65120 Fire District 2 Operation & Maintenance	\$957,502.29
11003	Sheriff - Boating Safety	\$36,161.35	65127 Fire District 2 Reserve	\$494,059.40
11004	Sheriff - VRF Boating Program	\$88,547.85	65131 Fire District 3 Operation & Maintenance	\$4,442,438.76
11008	Sheriff - OPNET Drug	\$35,241.66	65136 Fire District 3 Emergency Medical Serv	\$973,430.96
11061	Sheriff - Nine-One-One Enhanced	\$61,488.12	65137 Fire District 3 Reserve	\$354,035.79
11065	Sheriff - OPSCAN Operations	\$538,731.15	65151 Fire District 5 Operation & Maintenance	\$231,033.96
11068	Sheriff - Operation Stonegarden	\$22.86	65157 Fire District 5 Reserve	\$13,150.30
11070	Sheriff - 24/7 Sobriety Program	\$109,190.00	65161 Fire District 6 Operation & Maintenance	\$262,287.85
11301	Health and Human Services - Operations	\$332,843.58	65171 Fire District 4 Operation & Maintenance	\$803,223.86
11322	HHS - Homeless Task Force	\$373,163.08	66801 Quillayute Valley Park & Rec Operations	\$23,950.84
11323	HHS - Chemical Dependency Mental Health	\$2,795,422.48	66804 Quillayute Valley Park & Rec Capital	\$4,681.51
11324	HHS - Affordable Housing	\$146,603.08	66808 Quillayute Valley Park & Rec Bonds	\$978,975.76
11331	HHS - Developmental Disabilities	\$736,084.71	66851 Park & Rec Dist 1 General	\$34,979.92
11401	Law Library	\$16,848.22	66854 Park & Rec Dist 1 Construction/Equipment	\$9,931.01
11701	Pros Attny - Local Crime Victim Comp	\$148,822.50	66870 William Shore Memorial Pool District	\$12,423.54
11901	Pros Attny - Racketeering	\$1,843.87	67101 Agnew Irrigation Maintenance	\$143,948.01
12201	Treasurer - Operation and Maintenance	\$153,924.47	67121 Cline Irrigation Maintenance	\$49,359.12
12231	Treasurer - REET Electronic Technology	\$133,792.28	67123 Cline Irrigation Reserve	\$95,110.23
12241	Treasurer - Land Assessment	\$13,755.62	67131 Dungeness Irrigation Maintenance	\$105,701.54
12401	Auditor - Document Preservation	\$539,809.29	67141 Highland Irrigation Maintenance	\$15,073.46
12905	Superior Crt - Dispute Resolution	\$1,085.00	67142 Highland Irrigation Loan Activity	\$46,347.92
12911	Superior Crt - Courthouse Facilitator	\$660.85	67143 Highland Irrigation Reserve	\$147,314.95
13001	Noxious Weed Control	\$286,888.78	67701 Black Diamond Water Dist Operation	\$12,110.23
13051	Noxious Weed - LMD#2 Lake Sutherland	\$50,095.97	67702 Black Diamond Water Dist Capital Replace	\$288,592.21
19913	Non Dept - Trial Court Improvements	\$62,766.00	67731 Sunland Water District Operation	\$1,040,436.26
19914	Non Dept - Veterans Relief	\$148,879.30	68601 City of Port Angeles	\$79,245.52
19915	Non Dept - Federal Forest Replacement	\$56,789.64	68631 City of Sequim	\$33,086.22
19925	Non Dept - Hotel/Motel Tax	\$1,051,156.66	68651 City of Forks	\$6,391.51
19941	Non Dept - Opportunity Fund	\$4,085,150.28	68702 Port Capital Improvement	\$44,977.14
19991	Non Dept - Emergency Communication Tax	\$1,901,678.11	69031 Private Timber Harvest Tax	\$288,605.52
27401	PW - RID #149 Osborn Road	\$495.82	69041 School Real Estate Excise Tax	\$60,870.47
29500	Treasurer - LID 3rd Street Sewer Line	\$5,669.40	69051 Surplus Tax Sale	\$276,465.49
30101	Parks and Facilities - REET	\$1,451,247.10	69061 Tax Refund	\$53,855.18
30201	Parks and Facilities - REET 2	\$1,006,847.06	69071 Advanced Tax	\$11,535.23
30301	Comm Dev - Lower Dungeness Floodplain	\$3,768.44	69081 Real Estate Tax Suspense	\$786.95
30501	Parks and Facilities - Capital Projects	\$252,013.58	69101 State Centennial Document Preservation	\$3,072.00
30701	Information Tech - Capital Projects	\$135,536.40	69102 State Auditors Surcharge and Archives	\$12,274.00
30901	Comm Dev - Carlsborg Water Mitigation	\$257,528.20	69103 State Mortgage Lending Fraud	\$314.45
40201	PW - Solid Waste	\$13,999.26	69104 State Community Development	\$402.50
41401	PW - Clallam Bay-Sekiu Sewer	\$10,472.33	69105 State Housing Trust	\$33,607.44
41501	PW - Clallam Bay-Sekiu Sewer Cap Replace	\$295,238.76	69106 State District Court	\$55,968.68
42401	PW - Carlsborg Sewer	\$176,458.63	69107 State Fire Patrol	\$1,966.77
42501	PW - Carlsborg Sewer Cap Repair/Replace	\$127,150.00	69108 State General Schools	\$184,504.78
50301	PW - Equipment Rental and Revolving	\$3,247,740.94	69109 State Juvenile Judicial Info System	\$11,616.17
50401	HR - Risk Management	\$706,829.34	69121 State Judicial Info System Trauma Care	\$421.79
50501	HR - Workers Compensation Claims	\$1,037,440.16	69122 State Marriages	\$435.00
50601	HR - Employee Health Care Benefit	\$30,000.00	69123 State Superior Court	\$13,129.19
50701	HR - Unemployment Compensation	\$204,205.57	69124 State Survey	\$1,728.00
62400	Unclaimed Warrants	\$84,513.20	69125 State Vital Statistics	\$10,010.00
62501	HR - Workers Compensation Reserve Trust	\$1,500,000.24	69126 State School Safety Zone	\$193.21
62511	HR - Risk Management Reserve	\$1,000,000.00	69511 Hospital #1 General	\$0.00
62901	PW - RID Guaranty Trust	\$30,997.82	69512 Hospital #1 Funded Depreciation	\$312,898.81
63301	Sheriff - Inmate Commissary and Welfare	\$97,943.23	69513 Hospital #1 Donation	\$236,368.75
63305	Sheriff - Drug Task Force Suspense	\$248.54	69514 Hospital #1 Emergency Medical Service	\$446,133.10
		\$46,104,250.88	69515 Hospital #1 Rural Hospital Assessment	\$97,225.46
68101	Port Angeles SD 121 General	\$5,764,157.94	69516 Hospital #1 Bond Refunding	\$179,897.74
68102	Port Angeles SD 121 ASB	\$500,913.28	69517 Hospital #1 Bond	\$246,339.29
68103	Port Angeles SD 121 Capital Projects	\$692,241.08	69518 Hospital #1 Employee Education	\$3,972.87
68104	Port Angeles SD 121 Bond	\$41,857.34	69551 Hospital #2 General	\$60,338.69
68105	Port Angeles SD 121 Transportation	\$201,475.67	69700 Franchise Suspense	\$34,221.44
68121	Crescent SD 313 General	\$1,909,107.54	69701 Retainage Suspense	\$110,448.94
68122	Crescent SD 313 ASB	\$69,468.08	69702 Treasurers General Suspense	\$400.00
68123	Crescent SD 313 Capital Projects	\$644,207.88	69705 Western Cable Service Suspense	\$14,586.25
68125	Crescent SD 313 Transportation	\$240,992.26	69706 Heart of the Hills Water Suspense	\$19,216.71
68131	Sequim SD 323 General	\$2,457,395.78	90645 Salary Fund	\$163,278.15
68132	Sequim SD 323 ASB	\$337,483.28		\$24,341,423.70
68133	Sequim SD 323 Capital Projects	\$524,460.51		
68134	Sequim SD 323 Bond	\$67,099.36		
68135	Sequim SD 323 Transportation	\$511,392.08		
68141	Cape Flattery SD 401 General	\$5,064,040.97		
68142	Cape Flattery SD 401 ASB	\$148,106.11		
68143	Cape Flattery SD 401 Capital Projects	\$269,726.73		
68144	Cape Flattery SD 401 Bond	\$1,753,741.36		
68145	Cape Flattery SD 401 Transportation	\$115,241.73		
68151	Quillayute Valley SD 402 General	\$6,501,130.06		
68152	Quillayute Valley SD 402 ASB	\$114,037.09		
68153	Quillayute Valley SD 402 Capital Projects	\$226,102.11		
68154	Quillayute Valley SD 402 Bond	\$1,659,840.14		
68155	Quillayute Valley SD 402 Transportation	\$225,665.38		
68156	Quillayute Valley SD 402 Expendable Trust	\$31,065.94		
		\$30,070,949.70		

D. Treasurer's Investment Strategy and Investment Ladder

Under Chapter 36.29 RCW, the County Treasurer has the sole, and quite personal, responsibility to "keep all moneys belonging to the state, or to any county, in his or her own possession until disbursed according to law" and to make investments "in a manner consistent with appropriate statutes."

RCW 36.29.020 requires investments to be made "to the maximum prudent extent," and specifically prohibits the County Treasurer from making any loans. County Investment Policy 515 further specifies that the "four primary objectives ... are legality, safety, liquidity, and rate of return of the investment."

The Treasurer's investment strategy, and below Investment Ladder, reflect these responsibilities, limitations, and objectives:

BANK	CERTIFICATE	# MOS	ACQ DATE	RATE	MATURES	PRINCIPAL BAL
140	470001125A	24	2/2/2018	2.14%	2/12/2020	1,059,761.12
140	470001127B	24	2/2/2018	2.14%	2/12/2020	511,137.15
140	470001138	24	3/9/2018	2.20%	3/9/2020	653,657.16
350	173015501	24	3/29/2018	2.60%	3/29/2020	2,044,486.91
350	173422875A	24	4/26/2018	2.85%	4/26/2020	1,380,028.67
350	173853841A	24	4/30/2018	2.85%	4/29/2020	2,044,486.91
140	470001152A	24	6/14/2018	2.90%	6/14/2020	1,059,509.83
160	13406282A	24	8/22/2018	2.75%	8/22/2020	520,459.89
140	470000762F	24	8/30/2018	2.75%	8/30/2020	2,132,883.76
140	470001160	24	9/19/2018	2.85%	9/20/2020	2,150,154.58
160	21321231C	24	10/10/2018	2.90%	10/10/2020	527,849.77
350	173030341	24	10/17/2018	2.95%	10/17/2020	1,055,000.00
160	17171598	24	1/30/2019	2.97%	1/30/2021	2,000,000.00
160	25153080D	24	3/28/2019	2.97%	3/28/2021	5,000,000.00
160	17157769C	24	4/26/2019	2.97%	4/26/2021	1,099,796.15
160	19380011	24	5/2/2019	2.97%	5/2/2021	2,000,000.00
160	25505709	24	5/30/2019	2.97%	5/30/2021	2,110,663.38
160	25635055	24	6/21/2019	2.97%	6/21/2021	1,000,000.00
160	12594829B	24	7/1/2019	2.97%	7/1/2021	1,000,000.00
160	GEN21339055B	24	7/23/2019	2.97%	7/13/2021	1,182,429.31
160	29969915D	24	7/23/2019	2.97%	7/13/2021	1,186,271.45
140	470001664	24	8/2/2019	2.60%	8/2/2021	2,000,000.00
160	21103786	24	8/28/2019	2.48%	8/28/2021	1,104,841.06
160	GEN14406428B	24	10/30/2019	1.98%	10/28/2021	476,875.14
160	28782134B	24	10/30/2019	1.98%	10/28/2021	611,523.77
160	14851680E	24	10/30/2019	1.98%	10/28/2021	2,194,918.35
160	15674845D	24	11/14/2019	1.90%	11/14/2021	618,217.02
TOTAL CD's			Avg CD Rate	2.73%		\$38,724,951.38

BANK:

140: First Federal

160: Sound Community Bank

350: East West Bank/Bellevue

E. Levying Property Taxes

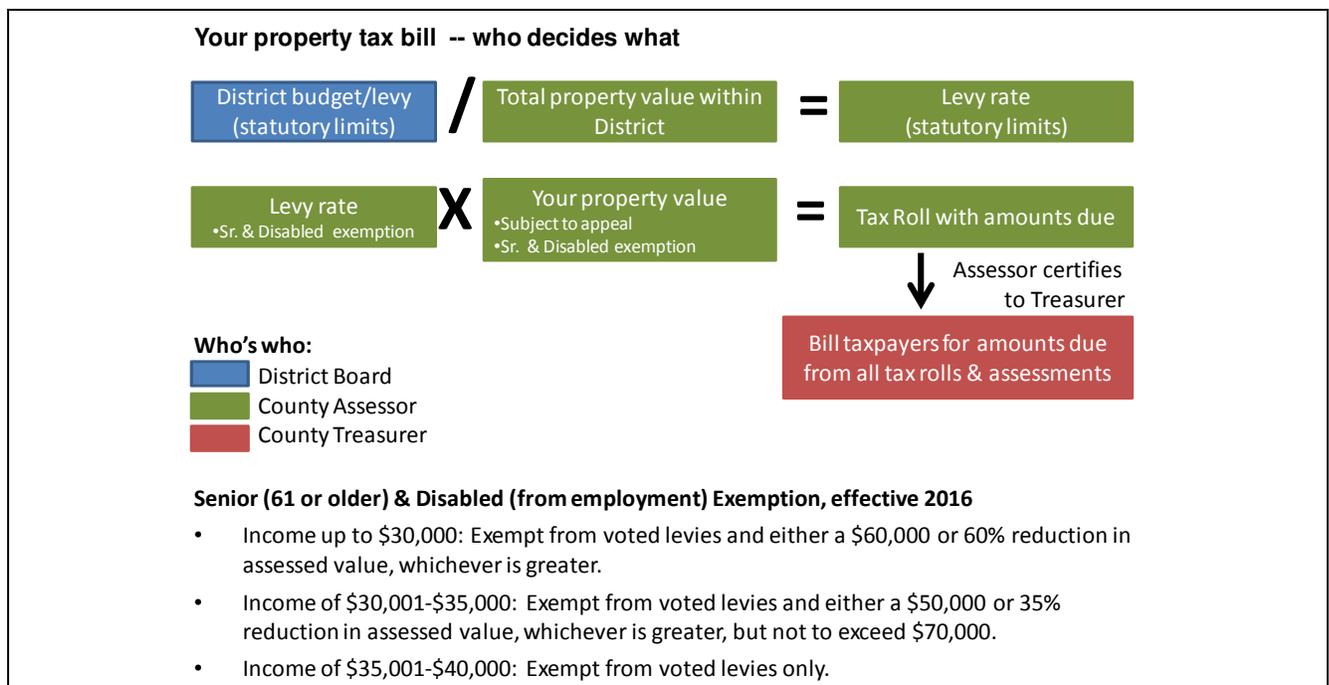
The authority for a taxing district to impose property tax is generally found in the statutes related to the specific type of taxing district. For example, Chapter 52.16 RCW provides authority for fire protection district commissioners to levy property tax to pay the expenses of the district. Likewise, Chapter 70.44 RCW provides commissioners of a public hospital district with the authority to levy property tax.

- For the Washington State Department of Revenue’s 2019 “Property Tax Levies Manual,” see https://dor.wa.gov/sites/default/files/legacy/Docs/Pubs/Prop_Tax/LevyManual.pdf

In addition to specific statutory requirements associated with the various types of taxing districts, the State Legislature has also adopted generally applicable requirements for any taxing district imposing a regular property tax levy. RCW 84.55.120 requires all local taxing districts that collect regular levies to hold public hearings on sources of revenue to fund the current expense budget. According to RCW 84.52.020, taxing districts that are “required by law to certify to the county legislative authority...budgets or estimates of the amounts to be raised by taxation” must certify such budgets to the county legislative authority. Under RCW 84.52.070, the county legislative authority is required to certify the amounts to be levied for each taxing district to the county assessor by November 30.

Different tax areas of the County show quite a difference in the amount of property taxes levied on property with the same assessed value. Such differences are due to the different combinations of taxing districts (see Section F), the size of their levies including special levies and bonds approved by the voters (see Section G), and the amount of any assessments (see Section H).

- For County Assessor’s annual reports and levy sheets, see <http://clallam.net/Assessor/>

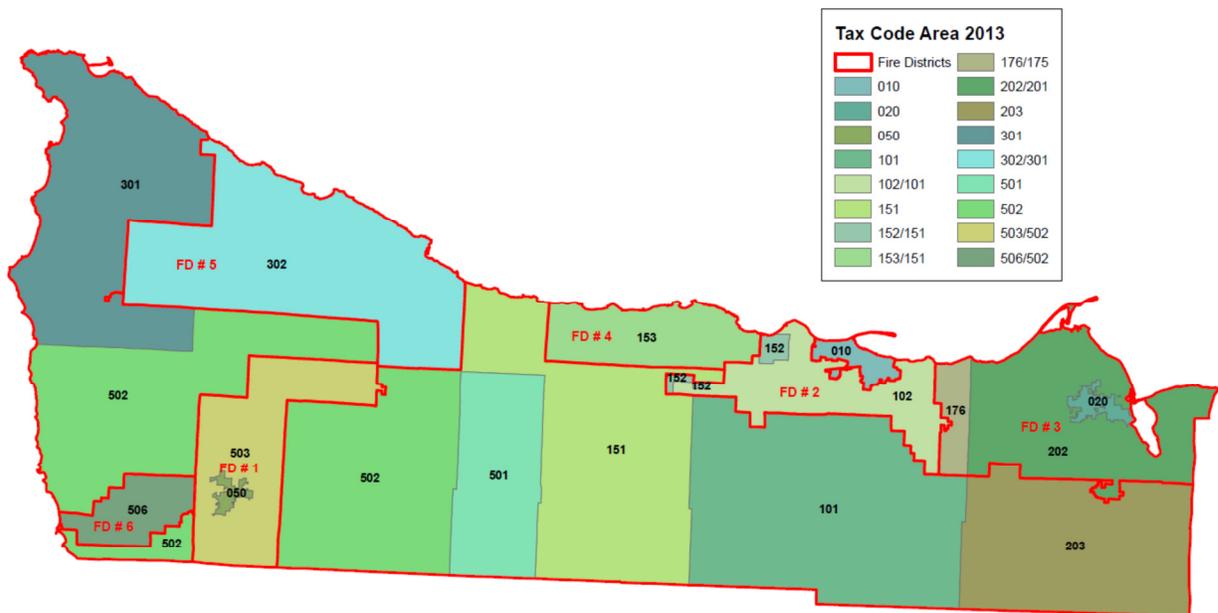


For more about senior exemptions: <https://dor.wa.gov/content/property-tax-exemption-program-senior-citizens-and-disabled-persons>

F. Consolidated Tax Levy Rates by Tax Area; Tax Area Map

Tax area		2015	2016	2017	2018	2019	2020
010	Port Angeles City	12.19642	11.14472	10.92366	11.47690	9.46404	9.53049
020	Sequim City (FD3)	10.25597	9.81364	9.53816	10.31885	10.12200	10.47993
050	Forks City	11.52286	12.09402	12.30122	13.28749	12.61417	12.47245
101	Port Angeles (outside city, no FD)	10.46093	9.60133	9.41495	10.06866	8.18291	8.41396
102	Port Angeles (outside city, FD2)	11.53093	10.66364	10.46424	11.06418	9.09493	9.28030
151	Joyce area (no FD)	8.21397	7.84536	8.08428	8.69219	8.09145	8.16348
152	Joyce (FD2)	9.28397	8.90767	9.13357	9.68771	9.00347	9.02982
153	Joyce (FD4)	9.13881	8.71341	8.92404	9.49982	8.86886	9.66348
175	Port Angeles (outside city, no FD)	10.96093	10.08732	9.91495	10.53991	8.63349	8.83967
176	Port Angeles (outside city, FD3)	12.39860	11.48043	11.25052	11.79564	10.13349	10.26529
201	Sequim (outside city, EMS, no FD)	8.64638	8.22226	8.04133	8.87962	8.45458	8.88867
202	Sequim (outside city, FD3)	10.08405	9.61537	9.37690	10.13535	9.95458	10.31430
203	Sequim (outside city, no EMS, no FD)	8.14638	7.73628	7.54133	8.40837	8.00400	8.46296
301	Cape Flattery (no FD)	10.84309	10.90717	10.91615	11.54159	9.83235	10.19015
302	Cape Flattery (FD5)	11.81778	11.87696	11.85168	12.45156	10.70550	11.03392
501	Fairholm area (no FD)	10.34598	10.26104	10.31073	11.15857	10.46263	10.36921
502	Forks (outside city, no FD)	10.41759	10.60036	10.66911	11.54032	10.85076	10.75969
503	Forks (outside city, FD1)	10.82763	11.35036	11.43559	12.32244	11.62758	11.52000
506	Quillayute area (FD6)	11.41759	11.59116	11.63230	12.45963	11.73863	11.60388

➤ For Assessor's Levy Sheet listing levies per tax area, see <http://www.clallam.net/Taxes/levysheets.html>



Tax area map prepared by Clallam County GIS Coordinator Tom Shindler

G. Clallam County Property Taxes Billed

Taxing District	2018 Levy Rate	2018 Property Taxes Billed ¹	2019 Levy Rate	2019 Property Taxes Billed ¹	2020 Levy Rate	2020 Property Taxes Billed ¹
State School	3.0023474794	\$24,803,288.54	2.7078079968	\$24,345,304.56	3.0808031920	\$30,172,338.58
County General	1.2522596970	\$10,420,593.60	1.1815364662	\$10,682,988.48	1.1089113547	\$10,937,097.15
Dev'l Disabilities (County)	0.0249999998	\$208,032.95	0.0250000000	\$226,043.93	0.0249999999	\$246,567.46
Veterans Relief (County)	0.0011999999	\$93,618.57	0.0112500000	\$101,719.69	0.0112499991	\$110,957.89
Land Assessment (County)	0.0112500003	\$9,978.99	0.0012000000	\$10,843.53	0.0012000004	\$11,829.25
Conservation Futures	0	\$0.00	0	\$0.00	0.0273752777	\$270,001.72
Port of Port Angeles	0.1790644748	\$1,490,073.44	0.1692480011	\$1,530,274.14	0.1591657200	\$1,569,838.57
QVP&R (Forks Pool)Bond	0.5411079039	\$200,680.26	0.5192321772	\$199,818.63	0.4765836935	\$193,127.37
Wm Shore MPD (PA Pool)	0.2427485736	\$749,981.80	0.3681343942	\$1,250,195.82	0.4025296926	\$1,500,000.75
County Roads	1.3182977011	\$7,280,644.86	1.2493439155	\$7,444,937.99	1.1822166800	\$7,611,421.28
North Olympic Library	0.4933373875	\$4,105,273.03	0.4653620651	\$4,207,620.57	0.4368846245	\$4,308,955.32
City of Port Angeles	2.7265360436	\$4,547,171.24	2.5304744756	\$4,644,737.35	2.2987438213	\$4,729,683.41
City of Sequim	1.5017899698	\$1,462,652.35	1.4167708577	\$1,538,388.97	1.3472321715	\$1,611,688.05
City of Forks	2.2833400788	\$358,447.80	2.2359289473	\$360,358.58	2.1346685381	\$364,702.90
SD 121 Port Angeles M&O ²	3.0078432004	\$9,115,401.96	1.5000000000	\$5,001,096.34	1.5062356564	\$5,510,905.82
SD 313 Crescent M&O	1.5797823748	\$508,093.21	1.4975311692	\$507,306.58	1.3995700787	\$503,266.51
SD 313 Crescent CP	0.2943407943	\$94,666.23	0.2791423262	\$94,563.01	0.2587185268	\$93,031.66
SD 323 Sequim M&O	1.4366008184	\$6,235,658.26	1.3667142158	\$6,434,331.41	1.2873539602	\$6,628,349.30
SD 323 Sequim Cap Projects	0.1537007546	\$667,147.02	0.3225094124	\$1,518,336.82	0.6704158617	\$3,451,848.50
SD 401 Cape Flattery M&O	2.7845876994	\$256,385.82	1.5000000000	\$144,218.84	1.9157990999	\$192,738.20
SD 401 Cape Flattery Bond	1.5571836722	\$143,374.96	1.6206529653	\$155,818.39	1.3786738160	\$138,700.79
SD 402 Q Valley M&O	1.6139197591	\$598,554.92	1.5000000000	\$577,252.26	1.4114465670	\$571,963.97
SD 402 Q Valley Bond	2.1854720526	\$810,526.28	2.1286237670	\$819,165.87	1.9759865727	\$800,733.73
Fire District #1	0.7821250657	\$239,987.27	.07768279961	\$247,251.61	0.7603083440	\$255,531.98
Fire District #2	0.9955208647	\$1,104,088.98	0.9120184621	\$1,124,659.26	0.8663365200	\$1,143,775.56
Fire District #3	1.2557331307	\$5,893,684.55	1.5000000000	\$7,632,665.55	0.4257109331	\$2,382,776.15
Fire District #3 EMS	0.4712520820	\$2,230,174.22	0.4505798206	\$2,310,005.43	1.4256246002	\$7,925,111.78
Fire District #4	0.8076350009	\$193,673.75	0.7774082447	\$199,739.64	1.5000000000	\$406,960.16
Fire District #5	0.9099685265	\$55,903.04	0.8819523563	\$57,364.85	0.8437720790	\$57,948.84
Fire District #6	0.9193090719	\$33,664.86	0.8878733176	\$34,091.70	0.8441857470	\$34,432.73
Hospital District #1	0.6794072752	\$316,564.40	0.6609766714	\$320,024.61	0.6392253546	\$325,187.32
Hospital District #1 EMS	0.2376609939	\$110,736.38	0.2311789549	\$111,929.63	0.2236476418	\$113,773.95
Hospital District #2	0.5353145858	\$4,205,158.63	0.5040308680	\$4,313,210.91	0.4723916570	\$4,418,842.93
TOTALS		\$88,543,882.17		\$88,146,264.95		\$98,594,089.58

¹ Excludes assessments; for assessments, see next page. ² M&O stands for Maintenance and Operations.

H. Assessments Billed

Irrigation Districts	2017	2018	2019	2020
Agnew	\$153,670.60	\$154,331.28	\$153,639.60	\$154,185.60
Cline M & O ¹	\$40,049.20	\$47,245.87	\$47,246.49	\$47,275.89
Cline Reserve	\$8,314.39	\$9,820.38	\$9,820.50	\$8,316.05
Dungeness Irrigation	\$33,139.80	\$33,040.00	33,014.80	\$32,992.60
Highland M & O	\$83,143.20	\$83,009.22	\$106,706.97	\$106,195.05
Highland Loan Acct	\$15,832.76	\$15,807.24	\$15,804.40	\$0.00
Total Irrigation Districts	\$334,149.95	\$343,253.99	\$366,232.76	\$348,965.19
Other Districts				
DNR Fire Patrol	\$326,941.31	\$327,441.78	\$327,750.69	\$328,980.53
City of Port Angeles Stormwater ²	\$1,992,863.31	\$2,113,262.73	\$2,118,937.88	\$2,503,952.26
Lake Sutherland Management District	\$18,909.00	\$18,909.00	\$18,859.00	\$18,859.00
Noxious Weed Control	\$88,849.93	89,451.74	\$88,901.54	\$89,025.60
Total Assessments Billed	\$2,761,713.50	\$2,892,319.24	\$2,554,449.11	\$2,940,817.39

¹ M&O stands for Maintenance and Operations.

² City of Port Angeles stormwater assessments against residential properties since 2013:

2013	2014	2015	2016	2017	2018	2019	2020
\$108	\$144	\$144	\$168	\$192	\$202	\$202	\$204

Searching property tax info on-line

Go to <http://clallam.net/propertysearch> to pay your property taxes on-line, or to find out such things as:

- How much you are paying in taxes and assessments to each taxing district;
- How much you paid in property taxes last year (for income tax purposes);
- How much you currently owe including interest and penalty;
- The mailing address on file for you (please contact the Assessor's Office to make changes);
- Whether your payment has been applied (which can take a week or more if mailed right around the due date).

For best search results, select "Owner Name" under "Search Type" and enter your last name OR select "Account Number" under "Search Type" and enter the "Property ID" which is the first identifier ("PID") included for each property listed on your property tax statement. Once you have located your property, click on "View Details," and then click on "Taxes and Assessment Details" for a detailed breakdown of taxes and assessments due on that property.

The main reasons why property taxes on a particular property may change more than other properties in the same tax area is that the values of the properties being compared changed at different rates or because one of the properties being compared is receiving a senior or disabled exemption.

I. Tax Refunds

Property taxes may be refunded “on the order of the county treasurer” if the property taxes were paid pursuant to one of the sixteen circumstances listed in RCW 84.69.020. This section specifies however that “no refunds under the provisions of this section shall be made because of any error in determining the valuation of property, except as authorized in subsections (9), (10), (11), and (12) of this section...”

“(9) Paid on the basis of an assessed valuation which was appealed to the county board of equalization and ordered reduced by the board;

(10) Paid on the basis of an assessed valuation which was appealed to the state board of tax appeals and ordered reduced by the board...;

(11) Paid as a state property tax levied upon property, the assessed value of which has been established by the state board of tax appeals for the year of such levy...;

(12) Paid on the basis of an assessed valuation which was adjudicated to be unlawful or excessive...”

- For more information, see the July 9, 2015 Special Notice re refunds from the Department of Revenue at
- https://dor.wa.gov/sites/default/files/legacy/Docs/Pubs/SpecialNotices/2015/sn_14_PT_LegislativeUpdate-RefundsforManifestErrorCorrections.pdf

According to RCW 84.69.070, “refunds ordered with respect to taxing districts, including interest as provided in RCW 84.69.100, shall be paid by checks drawn by the county treasurer upon such available funds, if any, as the taxing districts may have on deposit in the county treasury, or in the event such funds are insufficient, then out of funds subsequently accruing to such taxing district and on deposit in the county treasury.”

According to RCW 84.55.070, taxing districts may then re-levy such refunded tax revenues, to be added to the tax rolls during a subsequent year. This means that refunded tax revenues constitute a shift in tax burden, from the taxpayer who originally owed the tax to the other taxpayers (who already paid their share of taxes).

J. Tax Foreclosures

According to RCW 84.64.050, the County Treasurer “must proceed” with foreclosure if taxes are 3 years delinquent. The County Treasurer has no discretion to forgive interest, penalties, and property taxes (except as to interest and penalties only, and as to personal residence only, in case of death of spouse or parent, or if owned by active duty military personnel stationed outside of the country). The State legislature is responsible for enacting exemptions, exceptions, and deferrals, and the County Assessor is responsible for administering most exemptions and deferrals.

Foreclosing on property is a very difficult duty, but it is essential to the financial stability of the taxing districts that rely on the County Treasurer to collect their property tax revenues and assessments, to pay bond payments, payroll, and other obligations, as well as to keep the cost of borrowing down (cost of bonds are, among other things, based on collection rates, which currently approximate 96% in the year they are first due).

The Clallam County Treasurer’s Office works very hard to locate and contact delinquent taxpayers and ensure they are aware of their options. These efforts are reflected in the low ratio of “Properties sold at auction” compared with “Notices of foreclosure sent to taxpayers,” as outlined below:

Foreclosure year	2011	2012	2013	2014	2015	2016	2017	2018	2019
Collecting delinquent taxes from year	2008	2009	2010	2011	2012	2013	2014	2015	2016
Notices of foreclosure sent to taxpayers (includes deadlines for paying only foreclosure year’s taxes and avoiding/minimizing Treasurer’s costs ¹ as well as info about exemptions and deferrals)	797	886	814	849	815	733	796	709	490
Certificates of Delinquencies filed (Sept)	44	66	30	55	35	54	42	34	18
All delinquent property taxes paid or qualified ²	41	46	25	40	22	43	28	22	13
Properties sold at auction (December)	3	20	5	15	13	11	14	12	5

¹Costs include staff time, title report, advertising, certified mail, Accurint search, sheriff’s posting.

²Qualified for senior or disabled exemption and/or tax deferral, or under Service Members Civil Relief Act.

2020 Tax foreclosure sale: Due to the COVID-19 Pandemic, there will not be a Tax Foreclosure Sale in 2020. The next Tax Foreclosure Sale will be held in December 2021.

Tax foreclosure sales are “buyer-beware” sales. The county makes no representation or warranty, expressed or implied, nor any guarantee, expressed or implied, as to the condition of title to any property, nor the physical condition of any property or its fitness for any use or purposes. In other words, it is completely up to potential buyers to research any property before bidding.

- For more information, see <http://clallam.net/Taxes/foreclosuresales.html>

K. Personal Property Taxes

Whoever owned the assessed personal property on January 1, 2019 owes the personal property taxes that are due in 2020. "If property taxes are not paid on time, the treasurer may take control of the personal property until the taxes are paid. The treasurer may also seize the property or require an immediate tax payment and/or advance payment if it is alleged that the property will be sold, destroyed, or removed from the state or county before the tax is paid. (RCW 84.56.070)"

- For more information, see https://dor.wa.gov/sites/default/files/legacy/Docs/Pubs/Prop_Tax/PersProp.pdf
- RCW 84.60.020 imposes three statutory liens that enable the County Treasurer to collect personal property taxes through either distraint (seizure and sale) of personal property or foreclosure of real property:
 1. A primary lien that allows for the distraint of the assessed personal property itself;
 2. A collateral lien that allows for the distraint of other items of assessed personal property owned by the same taxpayer, and
 3. A charging lien "upon the real property of the person assessed, selected by the county treasurer ..."

Duties of owners and their agents:

- **RCW 84.56.120, Removal of property from county or state after assessment without paying tax.**
"After personal property has been assessed, it shall be unlawful for any person to remove the personal property subject to tax liens created pursuant to RCW 84.60.010 and 84.60.020 from the county in which the property was assessed and from the state until taxes and interest are paid... Any taxes owed shall become an automatic lien upon the proceeds of any auction and shall be remitted to the county treasurer before final distribution to any person, as defined in this section. If proceeds are distributed in violation of this section, the seller or agent of the seller shall assume all liability for taxes, interest, and penalties owed to the county treasurer. Any person violating the provisions of this section shall be guilty of a misdemeanor. For the purposes of this section, "person" includes a property owner, mortgagor, creditor, or agent."

L. Real Estate Excise Tax (REET)

While generally not of direct financial benefit to the other taxing districts, the following large sales of designated forestland during the last several years did result in significant REET revenue to Clallam County.

Real estate excise taxes are levied on all real estate sales and are paid by the property seller. The State of Washington imposes a 1.28% tax and the County imposes an additional 0.5% tax. These taxes are collected by the Treasurer’s Office at the time the excise affidavit is filed. A portion of the State’s REET revenue is deposited into the State Public Works Account with the remainder deposited in the State General Fund for the support of the common schools.

Clallam County’s REET revenue is governed by Chapter 5.01 CCC (REET 1, 0.25%) and Chapter 5.02 CCC (REET 2, “second” 0.25%). With slight differences, these revenues are restricted to capital projects identified in the capital facilities plan element of the County’s comprehensive plan and are in addition to other resources that may be available to pay for these projects (such as the County General Fund).

The following sales were sufficiently large to merit mention.

<p>Affidavit #99853 involved a December 12, 2013 sale from Hawthorne Timberlands LLC, Atlanta, GA to Pacific West Timber Company, c/o the Campbell Group, Portland, OR. This sale involved about 11,120 acres of designated forestland as reflected in bright yellow on the image to the right. The sales amount was \$29.4 million and generated \$147,000 in County REET revenue.</p>	
<p>Affidavit #95003 involved a May 17, 2012 sale from Fund 8 Domestic, LLC (with the land apparently being managed by Green Crow), to Pacific West Timber Company, c/o The Campbell Group. This sale involved about 4,650 acres of designated forestland. The sales amount was \$17.1 million and generated \$85,564 in County REET revenue.</p>	
<p>Affidavit #95004 involved a May 17, 2012 sale from Olympic Range Tree Farm LLC (also apparently being managed by Green Crow) to Pacific West Timber Company as well. Except what was subsequently sold to the Makah Indian Tribe (see next row), this sale seems to have involved most, if not all, of the Olympic Range Tree Farm holdings in Clallam County, which amounted to almost 49,000 acres of designated forestland. The sales amount was \$131.9 million and generated \$659,384 in County REET revenue.</p>	
<p>Affidavit #95076 involved a May 25, 2012 sale of some of the Olympic Range Tree Farm holdings (which were reflected in the previous image) to the Makah Indian Tribe. This sale involved about 3,333 acres. The sales amount was \$12.5 million and generated \$62,566 in County REET revenue.</p>	

Effective January 1, 2020, sales of real property located in Washington are subject to a graduated real estate excise tax (REET) rate. The graduated state REET rates replace the previous flat state REET rate. Agricultural land and timberland are excluded from the new rate structure and will continue to have a flat state REET rate of 1.28%

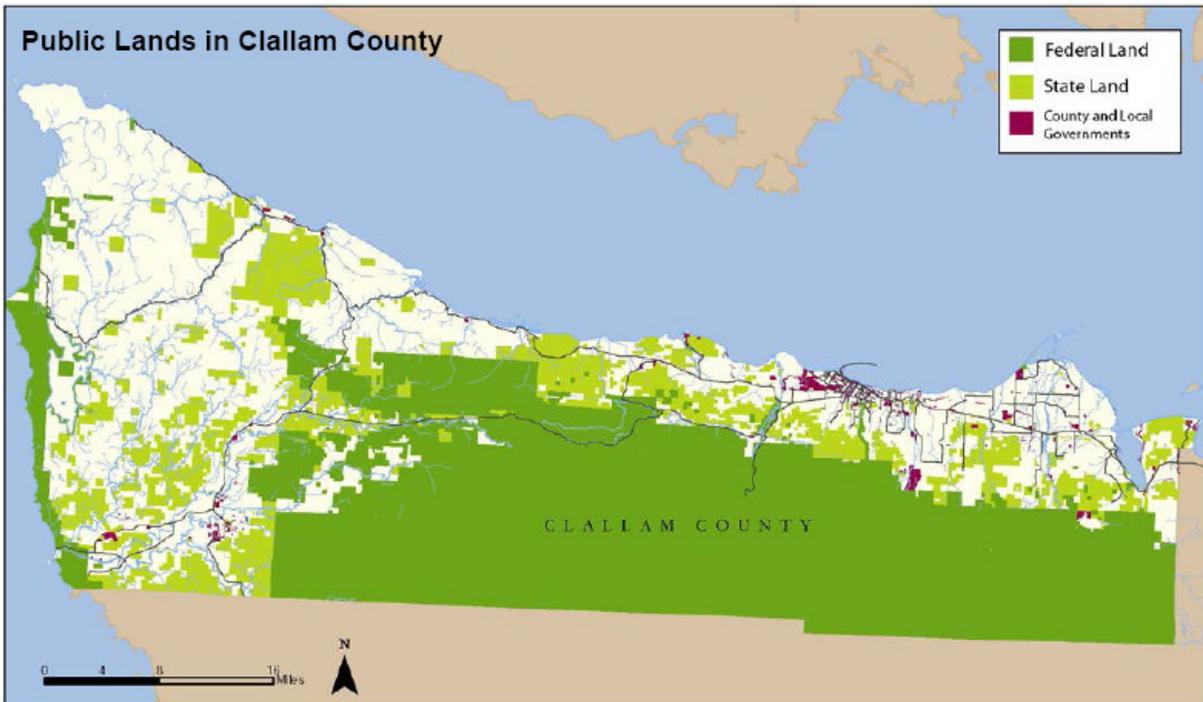
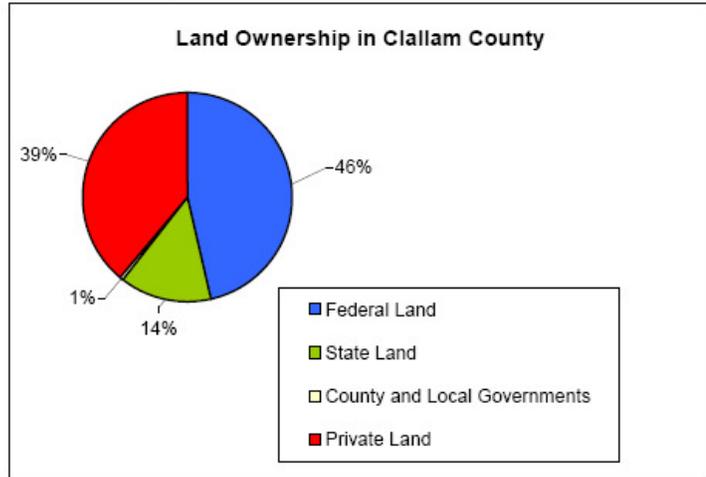
M. Public Lands in Clallam County (Acres and Map)

From 5-Year Plan (2013 to 2018) Clallam Conservation District Resource Inventory

Land Ownership in Clallam County

Public land makes up approximately 61% of Clallam County.

Ownership	Acres
Federal Land	523,496
ONP	318,093
ONF	199,209
Other Federal Land	6,194
State Land	160,377
State Forest Board and DNR Lands	154,530
State Parks	2,488
Other	3,359
County and Local Governments	7,350
Total County Land	3,817
County Parks	643
Port of Port Angeles	858
School Districts	344
Other (cities and special districts)	2,331
Private Lands	437,602



N. DNR Sale of County Timber

The Washington State Department of Natural Resources (DNR) manages approximately 92,525 acres of State Forest Lands that benefit Clallam County. Revenue from State Forest Board Lands originates primarily from timber sales. These amounts vary widely as market conditions fluctuate.

DNR decides what timber to sell and when to sell it on the basis of its long run management plan. The price is determined by the economic conditions in the market. After the timber is auctioned off, the harvester has discretion about when to harvest the timber. Because DNR does not get paid until the timber is actually harvested, DNR (and counties) find revenue forecasting difficult.

To assist counties, DNR provides them with a projection of the revenue each county will receive over the next four quarters. The quarterly report supplies forecasts for each contract in the county. Using this information, it may be possible to attribute the projected revenue to specific code districts and guesstimate the share which the county may expect.

DNR charges a management fee of 25% (DNR management fees went from 25% to 23% in April, 2011, to 21% in October, 2011, and back up to 25% on July 2, 2013). DNR distributes the remainder to the County Treasurer with a notation of what tax area generated the revenue. The County Treasurer then distributes these funds to the taxing districts located within the relevant tax area, in proportion to their current levy rates, according to RCW 79.64.110(1).

Since the great majority of Clallam County's timber trust lands were acquired consistent with RCW 79.22.040 ("Trust 1"), almost all of the revenue received by the County Treasurer is distributed consistent with RCW 79.64.110(1)(a), which means that school district M&O levies are included in such distributions.

- For DNR's quarterly reports to Clallam County, see <http://www.dnr.wa.gov/about/fiscal-reports/county-quarterly-income-reports>.

Clallam County Trust Lands Advisory Committee. On September 15, 2015, the Board of Clallam County Commissioners established an ad hoc Trust Lands Advisory Committee to review and analyze the following:

"The history, issues, benefits, challenges and advantages of re-conveyance of trust lands to Clallam County and if found to be in its best interest, to recommend such action as may be required to effect this change in the management of these properties.

If not in the greater interest of the County to seek re-conveyance, the Committee is tasked to provide guidance to ensure a continual engagement with the Department of Natural Resources and how it is promptly and adequately fulfilling its Trust Land objectives to Clallam County, its taxing districts, and its citizenry."

- On November 18, 2016, the ad hoc committee voted 9-3 against a recommendation to re-convey the trust lands back to the county for management.
- For more information about the Clallam County Trust Lands Advisory Committee, including the committee's final report with recommendations, see <http://www.clallam.net/bocc/trustlands.html>.

O. DNR Sale of County Timber Revenues

District	2014	2015	2016	2017	2018	2019
State School	\$1,774,541.22	\$794,260.81	\$1,552,101.34	\$1,490,907.37	\$725,135.98	\$1,442,418.06
County General	\$1,025,547.73	\$479,649.30	\$1,006,439.91	\$944,278.08	\$302,449.54	\$629,506.18
Dev Disabilities (County)	\$18,342.14	\$8,530.89	\$18,382.07	\$17,809.61	\$6,038.06	\$13,319.64
Land Assessment (County)	\$880.45	\$409.47	\$882.41	\$854.88	\$289.84	\$639.36
Veterans Relief (County)	\$8,253.97	\$3,838.87	\$8,271.97	\$8,014.34	\$2,717.15	\$5,993.86
Port of Port Angeles	\$146,239.91	\$68,873.06	\$146,242.08	\$136,137.88	\$43,248.19	\$90,156.48
QVP&R (Forks Pool) Bond	\$68,590.49	\$45,949.23	\$1,262.79	\$35,789.73	\$44,106.52	\$55,106.20
William Shore MPD (PA Pool)	\$2,315.25	\$9,157.67	\$36,297.75	\$7,265.19	\$21,710.14	\$64,750.84
County Roads	\$1,086,548.93	\$508,367.33	\$1,063,126.55	\$996,537.77	\$318,399.21	\$665,633.11
North Olympic Library	\$366,842.59	\$170,617.53	\$361,497.39	\$356,192.30	\$119,152.34	\$247,893.00
SD 121 Port Angeles M&O	\$45,308.28	\$170,459.12	\$649,751.67	\$125,997.40	\$274,932.24	\$265,206.65
SD 121 Port Angeles Bond	\$6,446.27	\$23,896.13	\$5,265.14	\$0.00	\$0.00	\$0.00
SD 313 Crescent M&O	\$525,989.44	\$160,186.32	\$201,253.49	\$240,291.78	\$66,134.05	\$233,023.14
SD 313 Crescent Capital	\$0.00	\$0.00	\$0.00	\$44,777.03	\$12,291.68	\$43,435.89
SD 323 Sequim M&O	\$210,454.52	\$150,032.57	\$592,827.85	\$509,903.08	\$21,599.95	\$27,000.53
SD 323 Sequim Capital	\$0.00	\$0.00	\$0.00	\$0.00	\$2,291.09	\$6,318.95
SD 323 Sequim Bond	\$18,278.45	\$2,542.27	\$0.00	\$0.00	\$4.23	\$52.50
SD 323 Sequim Transportation	\$53,841.45	\$11,621.81	\$0.00	\$0.00	\$0.00	\$0.00
SD 401 Cape Flattery M&O	\$495,278.40	\$90,949.61	\$93,000.10	\$376,886.86	\$94,718.71	\$142,736.64
SD 401 Cape Flattery Bond	\$253,251.74	\$41,732.07	\$43,974.62	\$209,263.23	\$52,967.78	\$154,217.70
SD 402 Quillayute Valley M&O	\$195,915.43	\$127,468.69	\$49,040.71	\$109,706.59	\$151,861.69	\$182,589.31
SD 402 Quillayute Valley Bond	\$285,174.41	\$186,958.56	\$74,751.29	\$167,784.49	\$205,644.15	\$259,109.38
Fire District 1	\$28,802.02	\$22,361.62	\$5,446.43	\$30,592.84	\$21,704.91	\$2,818.89
Fire District 2	\$9,953.34	\$54,554.72	\$143,177.07	\$20,747.70	\$85,723.59	\$50,751.90
Fire District 3	\$160,655.96	\$105,727.18	\$484,947.37	\$251,918.67	\$9,764.93	\$29,637.36
Fire District 3 EMS	\$62,451.01	\$36,866.14	\$169,153.81	\$94,311.25	\$3,664.58	\$8,902.68
Fire District 4	\$208,702.13	\$45,620.42	\$77,238.98	\$57,775.30	\$21,297.88	\$107,220.72
Fire District 5	\$136,076.34	\$28,130.31	\$27,440.94	\$120,934.02	\$7,093.35	\$83,742.21
Fire District 6	\$42,055.19	\$8,557.75	\$2,108.88	\$1,621.80	\$9,752.52	\$0.00
Hospital 1 – Forks	\$204,872.49	\$77,102.22	\$37,717.66	\$134,522.58	\$78,338.59	\$132,909.93
Hospital 1 -- Forks EMS	\$39,385.94	\$2,212.93	\$12,753.01	\$47,006.11	\$27,403.34	\$46,485.70
Hospital 2 -- Olympic Medical	\$255,881.88	\$135,925.60	\$400,021.98	\$293,472.16	\$67,566.69	\$167,140.35
TOTALS	\$7,736,877.37	\$3,572,560.20	\$7,264,375.26	\$6,831,300.04	\$2,798,002.92	\$5,158,717.16

P. Timber Excise Taxes (Private Harvest Tax) and Timber Assessed Value (TAV)

According to Chapter 84.33 RCW, an excise tax of 5% is imposed on every person engaging in this state in business as a harvester of timber on privately or publicly owned land. The State's portion of the timber excise tax (also referred to as "private harvest tax") is 1% and the County's portion is 4% (since 1984 on timber harvested on privately owned land, and since 2014 on timber harvested on publicly owned land).

The tax is collected by the State Department of Revenue, and the County portion is distributed back to the county of origin each quarter after deducting administrative costs. The County Treasurer then distributes the revenues to local taxing districts according to a formula prescribed in Chapter 84.33 RCW and calculated each year by the County Assessor.

Funds go first to districts that have approved bond or capital project levies (Priority 1), then to school districts that have maintenance and operations (M&O) or transportation vehicle fund levies (Priority 2), with the remaining districts (Priority 3) sharing in the distribution of any funds that remain after Priority 1 and Priority 2 distributions have been satisfied.

Timber assessed values ("TAV") serve as a substitute for the values that would be carried on the assessment rolls if timber was still taxable as real property for bond and special levy calculations. The County Assessor uses the relevant TAVs associated with each tax area to calculate each taxing district's target distribution share of the excise tax revenue as well as in setting property tax rates.

According to Attorney General Opinion AGO 2013 No. 5:

1. A taxing district, other than a school district, that receives timber tax revenues under RCW 84.33.081(2) [Priority 1] can use those revenues to pay only debt service related to capital bonds authorized pursuant to RCW 84.52.056. The statutory language does not allow the taxing district to apply such funds to any other purpose.
2. The exact manner in which a taxing district applies timber tax revenues to the debt service is not specified, leaving the taxing district some flexibility in that regard.
3. Once a taxing district's capital bonds under RCW 84.52.056 are fully paid off, that taxing district would no longer qualify to receive further timber tax revenues under RCW 84.33.081(2), and its further receipt of timber tax revenues would have to occur under RCW 84.33.081(4). Taxing districts receiving timber tax revenues under RCW 84.33.081(4) are not required by those subsections to apply the funds to a particular purpose.

➤ See Chapter 84.33 RCW at <http://app.leg.wa.gov/RCW/default.aspx?cite=84.33&full=true> .

➤ See AGO 2013 No. 5 at <http://www.atg.wa.gov/ago-opinions/use-timber-excise-tax-revenues> .

Q. Timber Excise Tax (Private Harvest Tax) Revenues

District	2014	2015	2016	2017	2018	2019
County General	\$514,411.43	\$437,626.56	\$395,958.98	\$342,674.07	\$382,553.95	\$441,783.29
Port of Port Angeles	\$71,376.12	\$61,326.54	\$56,041.34	\$48,046.35	\$53,114.14	\$61,338.62
QVP&R (Forks Pool) Bond	\$61,571.70	\$64,284.34	\$60,001.04	\$47,057.74	\$45,701.18	\$47,256.46
William Shore MPD (PA Pool)	\$3,246.79	\$2,550.87	\$2,583.16	\$6,338.44	\$4,021.05	\$7,455.88
County Roads	\$530,034.37	\$451,274.71	\$406,471.34	\$351,160.35	\$390,432.10	\$452,099.49
North Olympic Library System	\$178,418.96	\$151,591.39	\$138,527.92	\$125,708.84	\$146,333.84	\$168,655.85
City of Port Angeles	\$153.96	\$143.51	\$122.50	\$179.05	\$197.72	\$235.06
Port Angeles City Library Bond	\$8.56	\$9.08	\$0.00	\$0.00	\$0.00	\$0.00
City of Sequim	\$0.00	\$0.00	\$0.00	\$5.41	\$6.15	\$7.08
City of Forks	\$885.97	\$766.61	\$706.49	\$729.74	\$867.17	\$1,008.71
SD 121 Port Angeles M&O ¹	\$23,524.45	\$24,096.48	\$22,955.54	\$17,757.16	\$16,984.32	\$9,136.28
SD 121 Port Angeles Bond	\$6,693.05	\$6,755.34	\$0.00	\$0.00	\$0.00	\$0.00
SD 313 Crescent M&O	\$22,704.74	\$23,559.42	\$20,839.52	\$15,684.76	\$14,757.46	\$15,072.94
SD 313 Crescent Capital	\$0.00	\$0.00	\$0.00	\$5,845.58	\$5,499.14	\$5,619.24
SD 323 ² Sequim M&O	\$40,809.24	\$34,803.97	\$29,685.72	\$61,590.08	\$20,764.29	\$21,430.43
SD 323 Sequim Capital	\$0.00	\$0.00	\$0.00	\$0.00	\$4,407.26	\$9,963.56
SD 323 Sequim Bond	\$3,833.92	\$0.00	\$0.00	\$0.00	\$16.14	\$104.94
SD 323 Sequim Transportation	\$11,915.86	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SD 401 Cape Flattery M&O	\$120,130.67	\$136,879.02	\$126,701.02	\$85,382.34	\$119,507.08	\$64,376.00
SD 401 Cape Flattery Bond	\$118,817.06	\$125,393.28	\$117,594.70	\$94,815.62	\$92,060.11	\$103,343.16
SD 402 ² Quillayute Valley M&O	\$111,129.04	\$104,549.78	\$104,518.18	\$84,577.88	\$79,726.27	\$113,155.16
SD 402 Quillayute Valley Bond	\$323,512.15	\$309,708.34	\$319,602.10	\$258,721.90	\$215,920.92	\$319,650.00
Fire District 1	\$7,379.49	\$6,061.70	\$10,758.01	\$9,890.38	\$11,977.90	\$14,603.92
Fire District 2	\$6,301.46	\$7,371.00	\$7,876.99	\$7,569.58	\$8,512.42	\$9,542.88
Fire District 3 ²	\$20,653.76	\$17,699.15	\$16,402.83	\$16,100.17	\$17,854.20	\$26,028.67
Fire District 3 EMS	\$9,995.01	\$8,231.19	\$7,461.34	\$7,835.79	\$8,724.42	\$10,091.53
Fire District 4	\$11,020.49	\$9,599.68	\$8,853.97	\$8,095.11	\$9,179.73	\$13,198.98
Fire District 5	\$22,535.75	\$19,405.55	\$17,890.03	\$15,162.18	\$17,399.67	\$20,606.09
Fire District 6	\$2,890.57	\$2,493.20	\$2,276.94	\$2,085.08	\$2,343.69	\$2,813.40
Hospital 1 – Forks	\$163,666.66	\$138,334.27	\$130,669.14	\$114,685.48	\$133,856.40	\$159,129.43
Hospital 1 - Forks EMS	\$30,348.55	\$92.37	\$45,688.21	\$40,074.45	\$46,823.82	\$55,656.09
Hospital 2 - Olympic Medical	\$69,544.56	\$58,514.80	\$53,858.21	\$47,956.97	\$53,317.78	\$61,325.52
TOTALS	\$2,487,514.34	\$2,203,122.15	\$2,104,045.22	\$1,815,730.50	\$1,902,860.32	\$2,214,688.66

¹ M&O stands for Maintenance and Operations.

² The numbers for SD 323, SD 402, FD1, and FD3 include Jefferson County remittances.

R. Timber Excise Tax (Private Harvest Tax) 2019 Distributions

The computed distribution for each taxing district is a calculated by the County Assessor based on timber assessed values (TAV) and levy rates. Districts receive distributions based on the actual amount of timber excise tax revenue collected for the county. If actual timber excise tax revenues are less than targeted, Priority 3 districts are most likely to be shorted.

Priority 1 Levies	Quarter 1	Quarter 3	
SD 313 Capital	\$2,809.62	\$2,809.62	
SD 323 Capital	\$4,981.78	\$4,981.78	
SD 401 Bond	\$51,671.58	\$51,671.58	
SD 402 Bond ²	\$96,865.33	\$96,865.33	
QVP&R (Forks Pool) Bond	\$23,628.23	\$23,628.23	
Total Priority 1 Distributions	\$179,956.54	\$179,956.54	
Priority 2 Levies	Quarter 1	Quarter 3	
SD 121	\$4,568.14	\$4,568.14	
SD 313	\$7,536.47	\$7,536.47	
SD 323 ²	\$10,555.78	\$10,555.78	
SD 401	\$32,188.00	\$32,188.00	
SD 402 ²	\$34,129.57	\$34,129.57	
Total Priority 2 Distributions	\$88,977.96	\$88,977.96	
Priority 3 Levies	Quarter 2	Quarter 4	
Current Expense	\$215,477.43	\$226,305.88	
Port of PA	\$29,917.58	\$31,421.04	
Library	\$82,260.98	\$86,394.87	
Roads	\$220,509.09	\$231,590.40	
City of Port Angeles	\$114.65	\$120.41	
City of Sequim	\$3.45	\$3.63	
City of Forks	\$491.99	\$516.72	
Fire District 1 ²	\$6,949.54	\$7,298.78	
Fire District 2	\$4,654.49	\$4,888.39	
Fire District 3 ²	\$12,633.59	\$13,268.47	
Fire District 3 EMS ²	\$4,828.62	\$5,071.27	
Fire District 4	\$6,437.73	\$6,761.25	
Fire District 5	\$10,050.51	\$10,555.58	
Fire District 6	\$1,372.22	\$1,441.18	
Hospital 1	\$77,614.52	\$81,514.91	
Hospital 1 EMS	\$27,145.96	\$28,510.13	
Hospital 2	\$29,911.19	\$31,414.33	
Wm Shore Met Park	\$3,636.57	\$3,819.31	
Total Priority 3 Distributions	\$734,010.11	\$770,896.55	

¹ Total Priority 3 Quarter 4 Distribution = 12/1/19 cash balance in timber excise tax fund minus \$288,605.52 max 20% reserve from Assessor Timber Assessed Value.

²SD 323, SD 402, FD1 and FD3 receive timber excise tax revenues collected by the Jefferson County Treasurer which are then remitted to the Clallam County Treasurer for distribution. These amounts are not reflected above, but are reflected in Section Q, Timber Excise Tax (Private Harvest Tax) Revenues.

S. Federal Forest Funding (Titles, I, II, and III), including Titles I and III Revenues

The Secure Rural Schools and Community Self Determination Act (locally referred to as “Federal Forest Funding”) provides assistance to rural counties and school districts impacted by the decline in revenue from timber harvests on federal lands.

Title I – Schools and Roads. Title I funds must be used for the benefit of public schools and public roads in the county in which the national forest is situated. For Title I revenues, see below.

Title II - Special Projects on Federal Land. Title II funds are administered by the U.S. Forest Service through local Resource Advisory Committees, to be used on projects that benefit local federal resources.

Title III - County Projects. Title III funds are administered by the Board of County Commissioners, to be used on county projects like search, rescue and emergency services, community service work camps, easements purchases, forest related educational opportunities, fire prevention and county planning, and community forestry. For Title III revenues, see below. For more info, contact the County Commissioners at http://www.clallam.net/bocc/board_contact.html .

Revenues	Title I						Title III
	County Roads	SD 121 PA	SD 313 Crescent	SD 323 Sequim	SD 401 CF	SD 402 QV	BOCC Fund 19915 ¹
2008	\$4,737	\$1,936	\$130	\$1,340	\$210	\$1,121	\$1,184
2009	\$958,034	\$390,480	\$26,553	\$270,874	\$41,994	\$228,128	\$22,968
2010	\$862,033	\$295,224	\$26,008	\$206,850	\$33,534	\$300,416	\$20,283
2011	\$775,881	\$258,200	\$23,658	\$185,419	\$29,265	\$279,339	\$18,256
2012	\$464,523	\$169,001	\$10,712	\$125,111	\$19,206	\$140,493	\$10,930
2013	\$464,953	\$205,628	\$14,315	\$153,918	\$24,911	\$66,180	\$10,940
2014	\$428,104	\$192,561	\$11,771	\$136,760	\$23,084	\$63,928	\$10,073
2015	\$392,236	\$176,937	\$11,131	\$127,457	\$21,060	\$55,652	\$9,227
2016	\$407,733	\$184,870	\$12,159	\$132,179	\$22,526	\$55,999	\$9,594
2017	\$55,415	\$24,872	\$1,856	\$18,221	\$3,221	\$7,246	\$0
2018	\$410,178	\$183,702	\$13,643	\$136,687	\$24,141	\$52,004	\$9,651
2019	\$378,815	\$170,701	\$10,801	\$128,069	\$22,769	\$46,475	\$8,913

¹ Board of County Commissioners (Non-Dept) Federal Forest Replacement Fund.

T. Federal Payments in Lieu of Taxes (PILT), including Revenues

Recognizing that the inability to collect property taxes on federally owned land impacts local governments, the federal government makes "Payments in Lieu of Taxes" to counties based on the amount of acreage owned and managed by federal agencies within those counties (e.g., Forest Service, Bureau of Land Management, Army Corps of Engineers, U.S. Fish and Wildlife Service, National Park Service, Bureau of Reclamation).

The Department of the Interior's (DOI) Office of the Secretary has administrative authority over the PILT program. In addition to other responsibilities, DOI calculates payments according to formulas established by law and distributes available funds.

During 2019 Washington State Counties received \$23,059,249 of PILT on a total of 11,982,857 acres. Clallam County's total is based on 523,298 acres.

➤ For more information, see <https://www.doi.gov/pilt>

PILT revenues over the years:

Calendar Year	County General Fund	Calendar Year	County General Fund
2000	\$105,048	2010	\$274,956
2001	\$251,018	2011	\$378,436
2002	\$291,880	2012	\$488,960
2003	\$176,451	2013	\$800,289
2004	\$180,262	2014	\$874,735
2005	\$183,494	2015	\$913,561
2006	\$109,563	2016	\$969,665
2007	\$109,873	2017	\$978,441
2008	\$175,164	2018	\$1,368,211
2009	\$176,492	2019	\$1,068,733*

*In 2019 Clallam County received \$1,043,662 plus an additional \$25,071 for a Class Action Lawsuit: *Kane County, Utah versus United States* net share of Judgment for 215 – 2017 PILT underpayments.