SPECIAL MEETING AGENDA

BOARD of CLALLAM COUNTY COMMISSIONERS

223 East 4th Street, Room 160
Port Angeles, Washington
July 30, 2025 – 1 p.m.

Board of Clallam County Commissioner meetings will also be available virtually at:

If you would like to participate in the meeting via Zoom audio only, call 253-215-8782 and use meeting ID: 836 9266 4344 and passcode: 12345 and use *9 to raise your hand.

If you would like to participate in the meeting via Zoom video conference, visit https://us06web.zoom.us/j/83692664344 and use meeting ID: 836 9266 4344 and passcode: 12345

This meeting can be viewed on a live stream at this link: https://clallamcountywa.gov/meetings

Public comment can be directed to the Clerk of the Board at 360-417-2256 or Loni.Gores@clallamcountywa.gov

CALL TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL

REQUEST FOR APPROVAL OF AGENDA

PUBLIC COMMENT FOR AGENDA ITEMS – Please limit comments to three minutes (10 minutes total)

HEARING(S) – Beginning at 1 p.m.

- Public hearing to consider a Resolution regarding a Levy Lid Lift

PUBLIC COMMENT – Please limit comments to three minutes

EXECUTIVE SESSION

The Board may recess into Executive Session to consider employment or dismissal of personnel, to review the performance of a public employee, to consult with legal counsel, to consider the position to be taken in collective bargaining, to consider acquisition or sale of real estate, or other matters per RCW 42.30.110

INSTRUCTIONS FOR SPEAKING AT A COMMISSIONERS' MEETING:

- Members of the public wishing to address the Board on general items may do so during the designated times on the agenda.
- Members of the public wishing to comment at the public hearing are asked to sign in on the sheet provided giving their name and address.
- The Chair may limit the comment period to 3 minutes for each speaker subject to Board concurrence.
- Speakers, generally, will be heard in the order they signed up. All comments must be made from the speaker's rostrum and any individual making comments shall first state their name and address for the official record.
- General comments, applause, booing from members of the audience are inappropriate and may result in removal.

These guidelines are intended to promote an orderly system for conducting a public hearing so that each person has an opportunity to be heard and to ensure that exercising their right of free speech embarrasses no one.

Note: **Written testimony presented by members of the public during the Board meeting is considered a public document and <u>must be submitted to the Clerk of the Board</u>. Copies of public documents from Board meetings are available by contacting the Public Records Department.**

PUBLIC NOTICE – SPECIAL MEETING
CLALLAM COUNTY BOARD OF COMMISSIONERS

PUBLIC NOTICE

Pursuant to RCW 42.30.080, the Board of Commissioners will be holding a special meeting at 1 p.m. on Wednesday, July 30, 2025 in the Commissioner's Board Room, 223 East 4th Street, Port Angeles, Room 160.

- The purpose of this meeting is to hold a public hearing to consider a Resolution regarding a Levy Lid Lift

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AGENDA ITEM SUMMARY

(Must be submitted NLT 3PM Wednesday for next week agenda)

Department: Board of County Commissioners

SPECIAL MEETING ☒ Date: Wednesday, July 30, 2025 @ 1 p.m.

Item summary:

☐ Call for Hearing ☐ Contract/Agreement/MOU - Contract #

☒ Resolution ☐ Proclamation ☐ Budget Item

☐ Draft Ordinance ☐ Final Ordinance ☒ Other – Public Hearing (Levy Lid Lift)

Documents exempt from public disclosure attached: ☐

Executive summary:

In response to budget meetings held earlier in the week regarding the projected financial situation of Clallam County, this hearing is to determine whether County Commissioners should consider adjusting revenue collections to maintain current levels of county services. More specifically, this hearing is to consider whether Clallam County should place before the voters at the next General Election (November 4, 2025) a levy rate increase for the purpose of maintaining essential county services. A presentation at the beginning of the hearing will cover the options and statutory requirements of any levy lid lift proposition, the projected impacts on property owners, and the projected revenue that would be collected if passed.

Budgetary impact: (Is there a monetary impact? If so, are funds for this already allocated or is a budget change necessary? If this is a contract and a budget change is necessary, the budget change form must be submitted with the item at work session and for the regular agenda) **If a budget action is required, has it been submitted and a copy attached?** ☐

No impact on 2025 budget.

Recommended action: (Does the Board need to act? If so, what is the department's recommendation?)

Public hearing:

Determine whether to place a levy lid lift proposition on the November 4, 2025, ballot. If there is a decision to proceed, determine the proposed levy amount, the duration, and the amount to utilize for the calculation of future levy amounts.

County Official signature & print name: Todd Mielke Todd Mielke

Name of Employee/Stakeholder attending meeting: Todd Mielke, Finance Department Staff, Assessor's Office

Relevant Departments: All County Departments

Date submitted: July 24, 2025

Draft ATM – 7/24/25

RESOLUTION __________, 2025

RESOLUTION PROVIDING FOR THE SUBMISSION OF LEVY

(GENERAL – MULTI YEAR – PERMANENT)

DRAFT

A RESOLUTION OF THE BOARD OF COUNTY COMMISIONERS OF CLALLAM COUNTY, WASHINGTON, PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF CLALLAM COUNTY AT AN ELECTION TO BE HELD ON NOVEMBER 4, 2025, IN CONJUNCTION WITH THE STATE GENERAL ELECTION TO BE HELD ON THE SAME DATE, OF A PROPOSITION RESTORING THE COUNTY – GENERAL PROPERTY TAX LEVY RATE TO $1.05 PER $1,000.00 OF TRUE AND ASSESSED VALUATION AND ESTABLISHING A LIMIT FACTOR BASED ON THE CONSUMER PRICE INDEX SUBJECT TO OTHERWISE APPLICABLE STATUTORY LIMITATIONS FOR THE FOLLOWING FIVE YEARS; ESTABLISHING THE 2030 LEVY AMOUNT TO CALCULATE SUBSEQUENT YEAR LEVY LIMITS; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO.

BACKGROUND: The Board of County Commissioners of Clallam County finds that county government exists to provide basic governmental functions and programs in the form of criminal justice, public safety, public health, land use, parks, and other services as required under the Constitution and laws of the State of Washington, and which promote safety, health, and the quality of life for its citizens.

THE BOARD OF CLALLAM COUNTY COMMISSIONERS further finds as follows:

1. WHEREAS, providing essential county services necessitates the continued expenditure of revenues for personnel, operations and equipment at a level that cannot be sustained by the County's sales tax collections combined with regular tax revenue levied at the current rate of $0.7598 per $1,000 of assessed valuation of taxable property within the County as limited by the statutory rate established by RCW 84.55;

2. WHEREAS, the County experiences annual cost increases affecting its operations that reflect and, in some cases, exceed standard inflationary indices and consistently exceed the statutory 101% (1 percent over the previous year's collection) limitation on tax levy increases;

3. WHEREAS, counties in Washington State are authorized to levy up to $1.80 per $1,000.00 of assessed valuation of taxable property and Clallam County's current levy rate is less than half that amount, while other local taxing districts seek to levy at their maximum allowable rate;

4. WHEREAS, the County's levy rate in 2015, ten years ago, was $1.44345 per $1,000 of assessed valuation of taxable property and has reduced each year since then;

5. WHEREAS, the County sought to avoid going to the voters in 2024 and 2025 for a general tax increase, and instead reduced expenditures in 2024 and then again with a subsequent 7% reduction across-the-board in departmental spending for 2025;

6. WHEREAS, the County is seeking to adopt a reasonable growth factor for years 2-6 of the levy lid lift period that allows for continued funding of county programs at a level that will keep pace with inflation based on the annual CPI-U for Seattle-Tacoma-Bellevue reported each June as an appropriate measure of inflation in Clallam County;

7. WHEREAS, the Board of County Commissioners proposes utilizing the maximum allowable levy in the sixth year of the levy authorized by this Resolution to serve as the levy base for applying the limit factor established by RCW 84.55.010 in subsequent years.

NOW, THEREFORE, BE IT RESOLVED by the Board of Clallam County Commissioners, in consideration of the above findings of fact:

1. Clallam County is charged with providing certain services under the Constitution and laws of Washington State, specifically programs addressing criminal justice, public safety, public health, land use, parks, and other services which promote safety, health, and the quality of life for its citizens. To provide these services, it is necessary for the County to hire and retain personnel, and provide them with the necessary equipment and facilities to perform essential services.

2. To provide the revenue adequate to pay the costs of essential public services as described in paragraph (1) and to maintain adequate reserve funds sufficient to assure the continuation of such services, the County shall, in accordance with RCW 84.55.050, levy beginning in 2025 and collect beginning in 2026, pursuant to RCW 84.52.043, a general tax on taxable property within the County for County-General purposes, at a rate of $1.05 per $1,000.00 of assessed valuation subject to otherwise applicable statutory limits.

3. To provide the revenue adequate to pay the costs of essential public services as described in the paragraph (1) and to maintain adequate reserve funds sufficient to assure the continuation of such services beyond 2025, the County has determined that the limit factor for each year shall be the CPI-U for Seattle-Tacoma-Bellevue for the period of June to June as reported in the levy year. Such percentage shall be used to determine the actual levy rate for tax years 2027-2031.

4. The dollar amount for the 2031 tax year shall serve as the County's tax levy base for purposes of applying the limit factor established by RCW 84.55.010 in subsequent years.

5. There shall be submitted to the qualified voters of the County for their ratification or rejection, at an election on November 4, 2025, in conjunction with the state general election to be held on the same date, the question of whether or not the County-General property tax levy of Clallam County should be increased to $1.05 per $1,000.00 of true and assessed valuation in 2025 and be adjusted by the CPI-U for Seattle-Tacoma-Bellevue for the period of June to June as reported in the levy year for the following five years, subject to otherwise applicable statutory limitations. The auditor of Clallam County, as ex-officio Supervisor of Elections, is hereby requested to call such [special?] election, and to submit the following proposition at such election, in the form of a ballot title substantially as follows:

Name of Jurisdiction:	Clallam County
Proposition #:	Proposition No. ???
Short Title:	Multiple Year Levy Lid Lift

Ballot Title: The Board of County Commissioners of Clallam County adopted Resolution No. 2025-??? Concerning a proposition to maintain and adequately fund County operations.

This proposition authorizes Clallam County to reset its County-General property tax levy to $1.05 per 1,000.00 of assessed valuation for collection in 2026 and authorizes annual adjustments by the annual CPI-U for Seattle-Tacoma-Bellevue reported in June of the levy year for each of the five succeeding years. The maximum allowable levy in 2031 shall serve as the base for subsequent levy limitations as provided by Chapter 84.55 RCW.

Should this proposition be: Approved ☐ Rejected ☐

6. The Board of County Commissioners hereby assigns to the County Administrator or designee the task of appointing members to a committee to prepare arguments advocating for voters' approval of the proposition and to a committee to prepare arguments advocating for voter's rejection of the proposition.

7. For purposes of receiving notice of any matters related to the ballot title, as provided in RCW 29A.36.080, the Board of County Commissioners hereby designates the County Administrator and the County Prosecutor as the individuals to whom the County Auditor shall provide such notice.

8. The County Administrator is authorized to implement such administrative procedures as may be necessary to carry out the directives of this resolution, including modifying the text of the ballot title and any other text, language and/or descriptions relative thereto necessary to conform such ballot title, text, language and/or descriptions to the intent of the parties, consistent with the objectives of this resolution.

9. The County Administrator is herby authorized and directed, no later than August 5, 2025, to provide to the County Auditor a certified copy of this resolution and the proper County officials are authorized to perform such other duties or take such other actions as are necessary or required by law to the end that the proposition described in this resolution appear on the ballot before the voters at the November 4, 2025 election.

10. If any section, subsection, paragraph, sentence, clause or phrase of this resolution is declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this resolution.

11. Any act consistent with the authority and prior to the effective date of this resolution is hereby ratified and affirmed.

12. This resolution shall take effect and be in force immediately upon its passage.

PASSED AND ADOPTED this _____ day of __________________________ 2025

BOARD OF CLALLAM COUNTY COMMISSIONERS

____
Mike French, Chair

ATTEST:

____
Randy Johnson

____
Loni Gores, MMC, Clerk of the Board

____
Mark Ozias

Election Date: November 4, 2025
Name of Jurisdiction Submitting Measure: Clallam County
Contact Name: Todd Mielke, County Administrator
Daytime Contact Phone Number: (360) 477-1501

CLALLAM COUNTY

PROPOSITION NO. ??

BALLOT ISSUE EXPLANATORY STATEMENT

(200 word limit)

Clallam County is charged with providing certain services under the Constitution and laws of Washington State, specifically programs addressing criminal justice, public safety, public health, land use, parks, and other services which promote safety, health, and the quality of life for its citizens. While the maximum allowed levy rate is $1.80 per $1,000 for the County-General property tax levy, Clallam County's current rate is less than half that amount at $0.7598. If approved by the voters, the proposition will authorize the County to adjust its levy rate to $1.05 per $1,000 of assessed valuation in 2025 for collection in 2026 and will establish annual adjustments by the CPI-U for Seattle-Tacoma-Bellevue for the period of June to June as reported in the levy year for the following five years. The dollar amount levied in 2031 shall serve as the County's levy base and in 2032, absent further voter approval, increases will be limited to the statutory percent limit. The Board of County Commissioners has determined this proposition is necessary to maintain essential county services in light of rising costs. Approval of this measure will allow the County to maintain the level of services it provides to its citizens.

Prepared by:
Dee Boughton
Chief Civil Attorney
Clallam County Prosecutor's Office
[Address}
[Phone]

Pro & Con Committee Advertisement

Clallam County is preparing to adopt Resolution No. 2025-???? Providing for the submission to the voters on November 4, 2025, General Election, a proposition authorizing the County to adjust its County-General 2025 regular property tax levy to $1.05 per $1,000.00 of assessed valuation for collection in 2026 and to establish a CPI based growth factor for the following five years. The County is accepting names of people interested in participating in voter pamphlet statement pro and con committees. The committees will write either the "for" or the "against" statements that will appear in county voters' pamphlets next to the proposition. Citizens interested in participating, please call 360.477-1501 or e-mail todd.mielke@clallamcountywa.gov. Interested parties shall submit their name, voter registration address, telephone number, email address, and the measure for which they wish to write a statement for. The appointments must be submitted to the County by ????, 2025.

DRAFT

Document was added 7/30/25 @ 1 pm

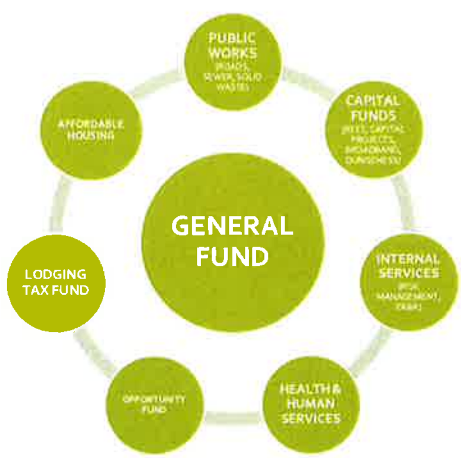
Levy Lid Lift Hearing

Clallam County

Board of County Commissioners
July 30, 2025

1

CLALLAM COUNTY—A COLLECTION OF MULTIPLE FUNDS SERVING COMMUNITY NEEDS



2

2025 Adopted General Fund Employees by Department

- Assessor – 17.75 (17.25?)
- Auditor – 15.25
- Clerk – 11.5
- Commissioners/NonDept – 14.8 (BOCC – 6.4, BOE – .4, Recompete – 3, & NonDepartmental (payroll & finance– 5)
- Community Development – 24.1
- Coroner – 2
- District Court I – 9.7 (Judge + 8.7)
- District Court II – 3 (Judge + 2)
- Geographic Information System – 3
- Health & Human Services – 17.78
- Human Resources – 3.5
- Information Technology – 10
- Juvenile Services – 33.63
- Parks & Facilities – 20.54
- Fair – 2.54
- Prosecutor – 24
- Sheriff – 103.85
- Superior Court – 9.25 (3 Judges + 1 Court Commissioner + 5.25)
- Treasurer – 6.8
- WSU Extension – .5

- Total General Fund FTE's – 333.09

3

3-Year GF Budget Projection

(From 3-year Revenue & Expenditure Projections Presentation on 7/29)

2026 Projection	2027 Projection	2028 Projection
-3,877,800	-6,664,462	-8,217,652

4

POTENTIAL REVENUE ADJUSTMENTS TO GENERAL FUND

5

Property Tax vs. Sales Tax

Property Tax

- Each add'l 10 cents of levy rate generates approx. $1.7M
- Paid by residents of County
- Each add'l 10 cents of levy rate costs the owner of a $500k home an add'l $50 per year
- Relatively stable

Sales Tax

- Each 1/10 of 1% = $2.1M
- Paid by residents & visitors
- 3.7M visitors to county each year, but what do they buy?
- Does not apply to food
- Reflective of economy

6

Sales Taxes Potentially Available to Clallam County

Public Safety Sales Tax – Up to 3/10th of 1%. 60% retained by County. Remaining 40% distributed to cities based on population. Requires a public vote. Utilized by 6 of 11 Mid-sized counties (at 3/10th). Desire to use in future to rebuild jail/criminal justice center.

[NEW] Criminal Justice/Public Safety Sales Tax – HB 2015. Up to 1/10th of 1%. Sheriff's Office must meet certain training criteria of the Criminal Justice Training Commission for staff training. Clallam County does not currently meet criteria. Will take months to reach threshold. Can be implemented councilmanically through 6/30/2028.

7

Property Taxes in Clallam County

Without voter approval, jurisdictions are allowed to collect 101% more in total than what they collected in the previous year. For Clallam County, that 1% equated to $123,566 for a General Fund Budget of $56,589,541.

Maximum Allowable Levy Rate	$1.80000 per $1,000
2015 Levy Rate	$1.44345 per $1,000
2024 Levy Rate	$0.77097 per $1,000
2025 Levy Rate	$0.7598 per $1,000

8

Single year levy lid lifts

- May be voted at a General Election or Special Election.
- Require voter approval of a simple majority.
- Must be levied within 12 months of voter approval.
- Increase the district's highest lawful levy above statutory levy limitation for the first year of the lid lift.
- Levy capacity increase is temporary unless the ballot specifically states the resulting levy will be used in the following years levy limit calculations.

9

Multiple year levy lid lifts

- May only be voted at a Primary Election or General Election.
- Require voter approval of a simple majority.
- Must be levied within 12 months of voter approval.
- Increase the district's highest lawful levy above statutory levy limitation and establish a limit factor in each of a maximum of 6 subsequent years.
- Levy capacity increase is temporary unless the ballot specifically states the resulting levy will be used for future levy limit calculations.

10

MODELED REVENUE ADJUSTMENTS TO GENERAL FUND

11

Budget Implications for 4 Scenarios

	2026 Projection	2027 Projection	2028 Projection
Projected Funding Gap	-3,877,800	-6,664,462	-8,218,652
New Criminal Justice 1/10 (effective 7/1/26)	$1,071,473	$2,196,519	$2,251,432
Levy Lid Lift to $1.05 (1/1/26) 3% escalator, New Criminal Justice 1/10th (1/1/27)	$5,498,657	$8,160,548	$8,702,207
Levy Lid Lift to $1.05 (1/1/26) No escalator	$5,498,657	$5,597,434	$5,697,136
Levy Lid Lift to $1.05 Annual CPI escalator	$5,498,657	$5,964,030	$6,450,775

12

GF PROPERTY TAXES
HISTORIC INCREASES FOR SAMPLE PARCELS SINCE 2021
(random examples taken of parcels with no improvements)

	Current Assessed Value	2021	2022	2023	2024	2025	Tax Change Since 2021
Property 1	$ 200,609	$ 91.14	$ 84.23	$ 79.00	$ 77.34	$ 85.93	$ (5.21)
Property 2	$ 792,089	$ 668.70	$ 640.43	$ 653.96	$ 652.70	$ 601.87	$ (66.83)
Property 3	$ 526,383	$ 376.00	$ 391.00	$ 407.00	$ 395.00	$ 400.00	$ 24.00
Property 4	$ 212,295	$ 161.00	$ 161.00	$ 168.00	$ 168.00	$ 161.00	$ -
Property 5	$ 377,063	$ 313.00	$ 310.00	$ 301.00	$ 285.00	$ 287.00	$ (26.00)
Property 6	$ 386,482	$ 306.00	$ 311.00	$ 333.00	$ 284.00	$ 294.00	$ (12.00)
Property 7	$ 177,552	$ 172.00	$ 159.00	$ 150.00	$ 148.00	$ 135.00	$ (37.00)
Property 8	$ 784,782	$ 552.00	$ 586.00	$ 594.00	$ 582.00	$ 596.00	$ 44.00
Property 9	$ 151,751	$ 84.00	$ 84.00	$ 90.00	$ 112.00	$ 115.00	$ 31.00

Of 9 Properties Samples, 5 showed General Fund Property Tax decreases since 2021, 1 was flat.

13

Estimated Impact of DRAFT Levy Lid Lift

	Current Rate	$0.30 ($1.05)	Annual Increase	Monthly Increase
$200,000	$152	$210	$58	$5
$300,000	$228	$315	$87	$7
$400,000	$304	$420	$116	$10
$500,000	$380	$525	$145	$12
$600,000	$456	$630	$174	$15
$700,000	$532	$735	$203	$17
$800,000	$608	$840	$232	$19

14

Summary of Options

- Focus on reductions in current GF programs (equivalent of approx. 40 FTE's).
- Fund shortfall from Reserves
- Implementation of Levy lift
- Implementation of new Sales Tax
- Any combination of the above

15

QUESTIONS?

16