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RESOLUTION 15, 2024

ESTABLISHING A REVENUE ADVISORY COMMITTEE

THE BOARD OF CLALLAM COUNTY COMMISSIONERS finds as follows:

1. The Department of Natural Resources (DNR) manages over 160,000 acres of state forest lands which include 93,000 acres of State Transfer Lands that help fund services in Clallam County such as roads, libraries, fire districts, ports, hospitals and emergency management.
2. DNR manages those certain state forest lands in trust for the benefit of Clallam County and the taxing districts within Clallam County. These beneficiaries are given most of the revenue from timber sales and other revenue-producing activities.
3. As manager of state trust lands, DNR has legal fiduciary responsibilities to Clallam County and the taxing districts within its boundaries to:
 - Generate predictable, beneficiary revenue and other benefits for trust, in perpetuity,
 - Maintain timber supplies that support local industry,
 - Preserve the corpus of the trust,
 - Exercise reasonable care and skill
 - Act prudently to reduce the risk of loss for the trusts,
 - Maintain undivided loyalty to beneficiaries,
 - Act impartially with respect to current and future beneficiaries
 - Provide fish and wildlife conservation, and
 - Provide other multiple use benefits.
4. The total statewide revenue for timber sales and other revenue-producing activities for the 2021-23 biennium was \$537 million. The forecasted state revenue for the 2023-25 biennium is \$531 million.
5. In addition, the County receives additional funds for distribution from two federal sources related to federal government land ownership in Clallam County.
6. The Office of the Secretary, Department of the Interior (DOI), administers Payments in Lieu of Taxes (PILT) which are Federal payments to local governments that have certain Federal lands within their boundaries. The disbursed funds are calculated according to formulas established by law and distributed to local governments.
7. PILT payments help local governments carry out such vital services as firefighting and police protection, construction of public schools and roads, and search-and-rescue operations.
8. PILT payments may be used by local jurisdictions for any governmental purpose.
9. In fiscal year 2021, Clallam County received \$1,146,313 in PILT funds¹ and more than \$10.2 billion in payments have been made to local governments.
10. The United States Forest Service also provides dollars. Congress ratified the Secure Rural Schools and Community Self-Determination Act as a measure to support rural counties whose tax base was limited by the growing amount of Federal land.

¹ <https://www.doi.gov/sites/doi.gov/files/2021-national-summary-pilt-508.pdf>

² <https://www.fs.usda.gov/sites/default/files/final-2022-18-1-report.pdf>

11. A portion of Forest Service funds generated through multi-use activities, such as grazing, timber production, and special use permits, are distributed to eligible counties to help maintain local roads and schools.
12. Payments are divided into three distinct categories, or Titles: Title I for roads and schools, Title II for projects on Federal lands, and Title III for county projects.
13. For fiscal year 2022, Clallam County received a \$923,812.00 distribution from the Act².
14. The County understands and supports the economic and environmental importance of healthy, well-managed timber lands throughout its boundaries.
15. The County and taxing districts within the County are advocates for responsible and productive forest management and environmental plans and the proper enforcement of such.
16. Clallam County, along with benefiting taxing districts within the County, are interested in forming an advisory group to share information and input regarding timber management and the resulting revenue distribution.
17. The County finds that such an advisory committee would be in the best interest of the County, the benefiting taxing districts within the County, and the community.

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

1. The Board of County Commissioners does hereby establish the Clallam County Revenue Advisory Committee (hereinafter RAC or Committee) under the following provisions:

A. PURPOSE:

The RAC will confer with the County on issues related to state timber management, fiduciary responsibilities, trends, public engagement with State and Federal forest management agencies, issues impacting timber management and revenues which benefit the community, and such other related matters as the Board of County Commissioners directs.

B. STRUCTURE & MEMBERSHIP:

1. The RAC shall consist of one representative from the County and each of the taxing districts, and the DNR. Each participating entity shall select a representative and an alternate for continuity of committee discussion, participation and progress.
2. RAC Members will serve for terms of three (3) years. Replacements for unexpired terms will be self-selected by the respective County and each of the taxing districts. Members of the Committee shall serve without compensation.
3. All representatives and alternates will be named on the Clallam County web site.
4. The County Treasurer, and additional staff designated by the Treasurer, shall participate as a non-voting member of the committee to provide technical guidance regarding any tax collection and distribution statutes, administrative rules, methodologies, or practices as they pertain to the taxing districts.

C. ORGANIZATION OF COMMITTEE:

The RAC shall appoint its own chair, vice-chair and secretary. It shall conduct regularly scheduled meetings not less than quarterly. The agenda will be developed and distributed at the direction of the

chair. The RAC shall develop rules of order and basic procedures, which procedures shall be approved by the Clallam County Board of County Commissioners.

Each RAC participating entity shall finance its own conduct of responsibilities. No ownership of property will be created or transferred as a result of this advisory committee formation and function.

D. TERM:

The RAC shall have an initial term of ten (10) years from the date of the passage of this Resolution unless extended or terminated earlier by the County Board of County Commissioners.

E. ACTIONS:

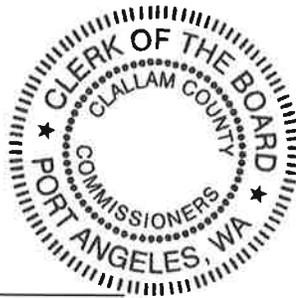
All input and recommendations of the RAC will be considered advisory. Actions upon such recommendations will be taken at the discretion of the Clallam County Board of County Commissioners.

F. OPEN GOVERNMENT REQUIREMENTS:

The RAC shall comply with all applicable Washington open government requirements, including:

- Committee meetings shall be open to the public and shall offer opportunities for public comment as is appropriate and determined by the RAC.
- The Committee shall identify a time and place for regular meetings and advertise any special meetings,
- Written summary minutes of all meetings shall be prepared,
- Agendas shall be publicly noticed,
- Agendas and minutes shall be made available to County staff for inclusion on the County website, and
- RAC records shall be made available upon request in accordance with Washington's Public Records Act, Ch. 42.56 RCW.
- During the term of this Committee and for a period not less than six (6) years from the date of termination, records and accounts pertaining to the work of RAC shall be kept by the County and shall be available for inspection.

PASSED AND ADOPTED this 20th day of February 2024



ATTEST:

Loni Gores
Loni Gores, MMC, Clerk of the Board

BOARD OF CLALLAM COUNTY COMMISSIONERS

Mike French
Mike French, Chair

Randy Johnson
Randy Johnson

Mark Ozias
Mark Ozias