



Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

Clallam County

For the period January 1, 2024 through December 31, 2024

Published December 11, 2025

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**Office of the Washington State Auditor
Pat McCarthy**

December 11, 2025

Board of Commissioners
Clallam County
Port Angeles, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on Clallam County's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the County's financial activities and condition.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Clallam County January 1, 2024 through December 31, 2024

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of Clallam County are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the County’s financial statements in accordance with its regulatory basis of accounting. Separately, we issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared using a basis of accounting other than GAAP.

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the County.

Federal Awards

Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the County’s compliance with requirements applicable to its major federal program.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs

The following program was selected as a major program in our audit of compliance in accordance with the Uniform Guidance.

<u>ALN</u>	<u>Program or Cluster Title</u>
21.027	COVID 19 – Coronavirus State and Local Fiscal Recovery Funds

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$750,000.

The County did not qualify as a low-risk auditee under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.



**Board of Clallam
County Commissioners**

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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**Clallam County
January 1, 2024 through December 31, 2024**

This schedule presents the status of findings reported in prior audit periods.

Audit Period: January 1, 2023 through December 31, 2023	Report Ref. No.: 1035682	Finding Ref. No.: 2023-001	Assistance Listing Number(s): 21.027
Federal Program Name and Granting Agency: COVID-19 – Coronavirus State and Local Fiscal Recover Funds U.S. Department of Treasury		Pass-Through Agency Name: Washington State Health Care Authority, Washington State Department of Commerce	
Finding Caption: The County did not have adequate internal controls for ensuring compliance with federal suspension and debarment requirements.			
Background: Federal requirements prohibit recipients from contracting with or purchasing from parties suspended or debarred from doing business with the federal government. Whenever the County enters into contracts or purchases goods or services that it expects to equal or exceed \$25,000, paid all or in part with federal funds, it must verify that the contractors are not suspended, debarred or otherwise excluded. The County may verify this by obtaining a written certification from the contractor, adding a clause or condition into the contract that states the contractor is not suspended or debarred, or checking for exclusion records in the U.S. General Services Administration’s System for Award Management at SAM.gov. The County must verify this before entering into the contract, and it must maintain documentation demonstrating compliance with this federal requirement. The County did not obtain a written certification from the contractor, insert a clause into its contract or check for exclusion records at SAM.gov to verify one contractor it paid \$31,239 was not suspended or debarred before contracting.			
Status of Corrective Action: (check one) <input checked="" type="checkbox"/> Fully Corrected <input type="checkbox"/> Partially Corrected <input type="checkbox"/> Not Corrected <input type="checkbox"/> Finding is considered no longer valid			

Corrective Action Taken:

In response to this finding, the County has undertaken the following corrective actions:

- *To the very limited extent disbarment/suspension language does not appear in contracts for goods or services being funded through County SLFRF funds, a change in process was implemented whereby expenditures for all projects involving purchases of goods and services will first have to be approved and reviewed by the County's SLFRF grant administration staff who will verify disbarment/suspension status prior to the entering into contracts or the disbursement of SLFRF funds.*
- *In the cases of piggy-back agreements, SLFRF grant administration staff now verify disbarment/suspension requirements have been met prior to payments for goods or services being approved and funded with SLFRF funds; and*
- *Communication has occurred to all SLFRF-funded project owners and staff, reiterating requirements that all federal procurement policies must be adhered to for all County purchases of goods and services involving SLFRF funds, including that debarment and suspension verification has been completed and documented, and that such documentation must be forwarded to SLFRF grant administration staff before any disbursements of SLFRF funds will be made.*
- *As an additional preventative measure, the County is also in the process of amending its procurement policy to require that suspension and debarment required language be present in all agreements/contracts entered into by the County. This proposed policy change is currently in review with the County's legal civil division, but has been delayed due to limited staff bandwidth and very high workloads. We hope to have this completed sometime in 2026.*

INDEPENDENT AUDITOR'S REPORT

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Clallam County January 1, 2024 through December 31, 2024

Board of Commissioners
Clallam County
Port Angeles, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Clallam County, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's financial statements, and have issued our report thereon dated December 4, 2025.

We issued an unmodified opinion on the fair presentation of the County's financial statements in accordance with its regulatory basis of accounting. We issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared by the County using accounting practices prescribed by state law and the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual described in Note 1, which is a basis of accounting other than GAAP. The effects on the financial statements of the variances between the basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this

report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large, sweeping initial "P".

Pat McCarthy, State Auditor

Olympia, WA

December 4, 2025

INDEPENDENT AUDITOR'S REPORT

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

Clallam County January 1, 2024 through December 31, 2024

Board of Commissioners
Clallam County
Port Angeles, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited the compliance of Clallam County, with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2024. The County's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

December 4, 2025

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Clallam County **January 1, 2024 through December 31, 2024**

Board of Commissioners
Clallam County
Port Angeles, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Unmodified and Adverse Opinions

We have audited the financial statements of Clallam County, as of and for the year ended December 31, 2024, and the related notes to the financial statements, as listed in the financial section of our report.

Unmodified Opinion on the Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, the County has prepared these financial statements to meet the financial reporting requirements of state law and accounting practices prescribed by the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) Manual. Those accounting practices differ from accounting principles generally accepted in the United States of America (GAAP). The differences in these accounting practices are also described in Note 1.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash and investments of Clallam County, and its changes in cash and investments, for the year ended December 31, 2024, on the basis of accounting described in Note 1.

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion, they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Clallam County, as of December 31, 2024, or the changes in financial position or cash flows thereof for the year then ended, because of the significance of the matter discussed below.

Basis for Unmodified and Adverse Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit unmodified and adverse opinions.

Matter Giving Rise to Adverse Opinion on U.S. GAAP

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. As described in Note 1 of the financial statements, the financial statements are prepared by the County in accordance with state law using accounting practices prescribed by the BARS Manual, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Matters of Emphasis

As discussed in Note 7 to the financial statements, in 2024, the County adopted new accounting guidance for presentation and disclosure of compensated absences as required by the BARS Manual. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of state law and the BARS Manual described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the County's financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Schedule

of Liabilities is also presented for purposes of additional analysis, as required by the prescribed BARS manual. These schedules are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2025 on our consideration of the County's internal control over financial reporting and on the tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Pat McCarthy, State Auditor

Olympia, WA

December 4, 2025

Clallam County
January 1, 2024 through December 31, 2024

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2024
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2024
Notes to Financial Statements – 2024

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2024
Schedule of Expenditures of Federal Awards – 2024
Notes to the Schedule of Expenditures of Federal Awards – 2024

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		Total for All Funds (Memo Only)	001 General Fund	101 Roads	110 Sheriff-- OPSCAN/911/O PNET/Boating
Beginning Cash and Investments					
308	Beginning Cash and Investments	70,216,709	13,562,092	7,868,382	1,484,416
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	48,203,856	25,442,076	8,527,187	761,696
320	Licenses and Permits	1,067,194	997,323	66,421	-
330	Intergovernmental Revenues	28,344,067	8,826,376	3,850,686	523,398
340	Charges for Goods and Services	19,664,729	8,745,316	265,001	443,072
350	Fines and Penalties	854,963	854,481	-	482
360	Miscellaneous Revenues	8,276,657	4,634,847	267,154	347,033
Total Revenues:		106,411,466	49,500,419	12,976,449	2,075,681
Expenditures					
510	General Government	27,999,324	20,365,624	512,464	-
520	Public Safety	22,744,324	18,656,510	500,000	1,415,019
530	Utilities	1,103,929	20	-	-
540	Transportation	14,885,795	-	12,181,876	-
550	Natural/Economic Environment	10,774,374	3,557,619	85,934	-
560	Social Services	13,154,406	3,099,017	-	-
570	Culture and Recreation	3,834,168	3,794,740	-	-
Total Expenditures:		94,496,320	49,473,530	13,280,274	1,415,019
Excess (Deficiency) Revenues over Expenditures:		11,915,146	26,889	(303,825)	660,662
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	611,373	-	-	-
397	Transfers-In	5,913,850	920,200	1,100,000	10,000
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	20,052	20,052	-	-
Total Other Increases in Fund Resources:		6,545,275	940,252	1,100,000	10,000
Other Decreases in Fund Resources					
594-595	Capital Expenditures	14,852,312	478,557	3,631,708	42,310
591-593, 599	Debt Service	1,070,418	556,478	23,303	25,064
597	Transfers-Out	5,913,850	1,419,647	1,600	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	51,693	-	-	-
Total Other Decreases in Fund Resources:		21,888,273	2,454,682	3,656,611	67,374
Increase (Decrease) in Cash and Investments:		(3,427,852)	(1,487,541)	(2,860,436)	603,288
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	38,735,118	2,708,428	466,919	1,989,359
50841	Committed	19,057	-	-	-
50851	Assigned	18,668,559	-	4,541,027	98,345
50891	Unassigned	9,366,123	9,366,123	-	-
Total Ending Cash and Investments		66,788,857	12,074,551	5,007,946	2,087,704

The accompanying notes are an integral part of this statement.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		113 Health & Human Services	114 Law Library	117 Crime Victim	119 Racketeering
Beginning Cash and Investments					
308	Beginning Cash and Investments	6,904,052	43,937	43,234	1,977
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	2,350,399	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	6,926,838	-	154,643	-
340	Charges for Goods and Services	621,438	27,715	41,186	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	656,541	-	-	100
Total Revenues:		10,555,216	27,715	195,829	100
Expenditures					
510	General Government	-	-	189,656	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	9,303,270	-	-	-
570	Culture and Recreation	-	39,428	-	-
Total Expenditures:		9,303,270	39,428	189,656	-
Excess (Deficiency) Revenues over Expenditures:		1,251,946	(11,713)	6,173	100
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	131,245	16,877	67,000	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		131,245	16,877	67,000	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	504,765	-	-	-
591-593, 599	Debt Service	51,000	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		555,765	-	-	-
Increase (Decrease) in Cash and Investments:		827,426	5,164	73,173	100
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	6,357,113	49,101	-	-
50841	Committed	-	-	-	-
50851	Assigned	1,374,365	-	116,407	2,077
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		7,731,478	49,101	116,407	2,077

The accompanying notes are an integral part of this statement.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

	122 Treasurer's O&M	124 Document Preservation	129 Dispute Resolution Center	130 Noxious Weed Control	
Beginning Cash and Investments					
308	Beginning Cash and Investments	240,006	601,153	1,508	258,843
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	23,586	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	10,394	33,851	-	14,339
340	Charges for Goods and Services	117,203	36,754	16,518	43,501
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	7,716	-	-	227,736
Total Revenues:		158,899	70,605	16,518	285,576
Expenditures					
510	General Government	174,829	88,798	16,494	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	292,030
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		174,829	88,798	16,494	292,030
Excess (Deficiency) Revenues over Expenditures:		(15,930)	(18,193)	24	(6,454)
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	10,000	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		10,000	-	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	-	-	-
Increase (Decrease) in Cash and Investments:		(5,930)	(18,193)	24	(6,454)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	234,076	582,960	-	-
50841	Committed	-	-	-	-
50851	Assigned	-	-	1,532	252,389
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		234,076	582,960	1,532	252,389

The accompanying notes are an integral part of this statement.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

	190 Conservation Futures	191 Emergency Communication Tax	192 Hotel/Motel Tax	193 Trial Court Improvements	
Beginning Cash and Investments					
308	Beginning Cash and Investments	1,142,488	3,236,001	2,379,101	47,544
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	291,658	2,034,896	2,016,833	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	16,186	-	-	35,828
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	62,996	162,713	-	-
	Total Revenues:	370,840	2,197,609	2,016,833	35,828
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	2,159,885	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	597	-	2,054,220	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
	Total Expenditures:	597	2,159,885	2,054,220	-
	Excess (Deficiency) Revenues over Expenditures:	370,243	37,724	(37,387)	35,828
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
	Total Other Increases in Fund Resources:	-	-	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	120,000	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	40,000
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
	Total Other Decreases in Fund Resources:	120,000	-	-	40,000
	Increase (Decrease) in Cash and Investments:	250,243	37,724	(37,387)	(4,172)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	975,095	3,273,725	2,341,714	-
50841	Committed	-	-	-	-
50851	Assigned	417,636	-	-	43,372
50891	Unassigned	-	-	-	-
	Total Ending Cash and Investments	1,392,731	3,273,725	2,341,714	43,372

The accompanying notes are an integral part of this statement.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		194 Veterans' Relief	195 Federal Forest Replacement	196 American Rescue Plan Act	197 Affordable Housing Sales Tax
Beginning Cash and Investments					
308	Beginning Cash and Investments	30,265	119,395	5,671,298	2,441,482
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	141,977	-	-	1,600,436
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	110,167	37,412	-	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	5,567	-	191,623	158,577
Total Revenues:		<u>257,711</u>	<u>37,412</u>	<u>191,623</u>	<u>1,759,013</u>
Expenditures					
510	General Government	-	-	1,817,054	-
520	Public Safety	-	-	12,910	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	30,000	-
560	Social Services	350,903	-	859	400,357
570	Culture and Recreation	-	-	-	-
Total Expenditures:		<u>350,903</u>	<u>-</u>	<u>1,860,823</u>	<u>400,357</u>
Excess (Deficiency) Revenues over Expenditures:		(93,192)	37,412	(1,669,200)	1,358,656
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	122,600	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		<u>122,600</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	432,338	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	1,403,200	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		<u>-</u>	<u>-</u>	<u>1,835,538</u>	<u>-</u>
Increase (Decrease) in Cash and Investments:		<u>29,408</u>	<u>37,412</u>	<u>(3,504,738)</u>	<u>1,358,656</u>
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	59,673	156,807	2,166,560	3,800,138
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		<u>59,673</u>	<u>156,807</u>	<u>2,166,560</u>	<u>3,800,138</u>

The accompanying notes are an integral part of this statement.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		199 Opportunity Fund	274 PW-RID Guaranty Trust	295 LID 2007-1	301 REET
Beginning Cash and Investments					
308	Beginning Cash and Investments	7,846,095	33,265	14,861	2,550,703
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	1,847,839	-	-	1,582,863
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	14,632	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	426,700	1,688	7,196	8
Total Revenues:		2,289,171	1,688	7,196	1,582,871
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	2,531,263	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		2,531,263	-	-	-
Excess (Deficiency) Revenues over Expenditures:		(242,092)	1,688	7,196	1,582,871
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	3,000	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		3,000	-	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	309,498
591-593, 599	Debt Service	414,573	-	-	-
597	Transfers-Out	19,516	-	3,000	147,984
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		434,089	-	3,000	457,482
Increase (Decrease) in Cash and Investments:		(673,181)	1,688	4,196	1,125,389
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	7,172,914	-	-	3,676,092
50841	Committed	-	-	19,057	-
50851	Assigned	-	34,953	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		7,172,914	34,953	19,057	3,676,092

The accompanying notes are an integral part of this statement.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		302 REET 2	303 Lower Dungeness Floodplain	304 Dungeness Reservoir	305 Capital Projects
Beginning Cash and Investments					
308	Beginning Cash and Investments	1,598,682	302,324	1,403,997	1,650,212
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	1,582,410	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	67,890	1,587,394	1,832,697	153,519
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	18,379	-	185,203
Total Revenues:		1,650,300	1,605,773	1,832,697	338,722
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	1,572,127	650,584	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	1,572,127	650,584	-
Excess (Deficiency) Revenues over Expenditures:		1,650,300	33,646	1,182,113	338,722
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	411,596
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	-	411,596
Other Decreases in Fund Resources					
594-595	Capital Expenditures	2,784	-	1,240,100	481,041
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	1,187,300	225,000	-	1,466,203
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	17,330	-	-	-
Total Other Decreases in Fund Resources:		1,207,414	225,000	1,240,100	1,947,244
Increase (Decrease) in Cash and Investments:		442,886	(191,354)	(57,987)	(1,196,926)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	2,041,568	-	-	60,245
50841	Committed	-	-	-	-
50851	Assigned	-	110,970	1,346,010	393,041
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		2,041,568	110,970	1,346,010	453,286

The accompanying notes are an integral part of this statement.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

	306 Joint Public Safety Facility Project	307 Capital Projects IT	308 Broadband Expansion	309 Carlsborg Water Mitigation	
Beginning Cash and Investments					
308	Beginning Cash and Investments	-	13,174	331,186	21,726
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	163,098	-	1,140,104	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	-	-	-
	Total Revenues:	163,098	-	1,140,104	-
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
	Total Expenditures:	-	-	-	-
	Excess (Deficiency) Revenues over Expenditures:	163,098	-	1,140,104	-
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	1,466,203	484,313	750,000	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
	Total Other Increases in Fund Resources:	1,466,203	484,313	750,000	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	400,282	129,271	1,598,659	3,955
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
	Total Other Decreases in Fund Resources:	400,282	129,271	1,598,659	3,955
	Increase (Decrease) in Cash and Investments:	1,229,019	355,042	291,445	(3,955)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	622,631	-
50841	Committed	-	-	-	-
50851	Assigned	1,229,019	368,216	-	17,771
50891	Unassigned	-	-	-	-
	Total Ending Cash and Investments	1,229,019	368,216	622,631	17,771

The accompanying notes are an integral part of this statement.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		402 Solid Waste	414 Clallam Bay Sewer	424 Carlsborg Sewer	434 Bullman Beach Water System
Beginning Cash and Investments					
308	Beginning Cash and Investments	28,062	465,594	457,436	63,648
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	300	3,150	-
330	Intergovernmental Revenues	21,126	2,838,121	-	-
340	Charges for Goods and Services	44,672	534,372	155,823	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	4,223	27,127	154,479	48,009
Total Revenues:		70,021	3,399,920	313,452	48,009
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	114,264	598,868	329,508	61,269
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		114,264	598,868	329,508	61,269
Excess (Deficiency) Revenues over Expenditures:		(44,243)	2,801,052	(16,056)	(13,260)
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	611,373	-	-
397	Transfers-In	70,000	254,800	96,016	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		70,000	866,173	96,016	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	3,558,680	2,291	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	400	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	34,363	-	-
Total Other Decreases in Fund Resources:		-	3,593,443	2,291	-
Increase (Decrease) in Cash and Investments:		25,757	73,782	77,669	(13,260)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	53,819	539,376	535,105	50,388
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		53,819	539,376	535,105	50,388

The accompanying notes are an integral part of this statement.

Clallam County
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		503 ER & R	504 Risk Management	505 Worker's Compensation	507 Unemployment Compensation
Beginning Cash and Investments					
308	Beginning Cash and Investments	3,027,576	2,250,098	1,876,163	204,733
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	4,077,263	3,569,234	850,112	60,917
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	630,717	49,910	415	-
Total Revenues:		4,707,980	3,619,144	850,527	60,917
Expenditures					
510	General Government	-	4,047,335	722,685	64,385
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	2,703,919	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		2,703,919	4,047,335	722,685	64,385
Excess (Deficiency) Revenues over Expenditures:		2,004,061	(428,191)	127,842	(3,468)
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	1,916,073	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		1,916,073	-	-	-
Increase (Decrease) in Cash and Investments:		87,988	(428,191)	127,842	(3,468)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	3,115,564	1,821,907	2,004,005	201,265
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		3,115,564	1,821,907	2,004,005	201,265

The accompanying notes are an integral part of this statement.

Clallam County
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2024

		Total for All Funds (Memo Only)	Investment Trust	Private-Purpose Trust	Custodial
308	Beginning Cash and Investments	107,097,533	98,960,446	99,384	8,037,703
388 & 588	Net Adjustments	-	-	-	-
310-390	Additions	462,750,899	61,472,763	23,918	401,254,218
510-590	Deductions	451,707,263	47,100,836	6,870	404,599,557
	Net Increase (Decrease) in Cash and Investments:	11,043,636	14,371,927	17,048	(3,345,339)
508	Ending Cash and Investments	118,141,169	113,332,373	116,432	4,692,364

The accompanying notes are an integral part of this statement.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Clallam County was incorporated on April 26, 1854 and operates under State of Washington laws applicable to a Home Rule Charter County. The County is a general purpose government and provides Sheriff, Jail, Fire Marshal, Sewage Collection/Treatment, Road Maintenance, Planning and Zoning, Parks, Fair, Judicial Administration, Health and Social Services, Juvenile Services, and General Administrative Services.

Clallam County reports financial activity in accordance with the *Cash Basis Budgeting, Accounting, and Reporting System* (BARS) Manual prescribed by the State Auditor’s Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances for proprietary and fiduciary funds are presented using classifications that are different from the ending net position classifications under GAAP.

A. Basis of Presentation - Fund Accounting

Financial transactions of the County are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The County’s resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements, except for fiduciary funds, which are presented by fund types. The total column is presented as “memo only” because any interfund activities are not eliminated. The following fund types are used:

Governmental Fund Types

General Fund

This fund is the primary operating fund of the County. It accounts for all financial resources except those required or elected to be accounted for in another fund.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

Special Revenue Funds

These funds account for specific revenue sources that are restricted, committed, or assigned to expenditures for specific purposes of the County.

Debt Service Funds

These funds account for the financial resources that are restricted, committed, or assigned to expenditures for principal, interest, and related costs on general long-term debt.

Capital Project Funds

These funds account for financial resources that are restricted, committed, or assigned for the acquisition or construction of capital facilities or other capital assets.

Proprietary Fund Types

Enterprise Funds

These funds account for operations that provide goods or services to the general public and are supported primarily through user charges.

Internal Service Funds

These funds account for operations that provide goods or services to other departments or funds of the County on a cost reimbursement basis.

Fiduciary Fund Types

Fiduciary funds account for assets held by the County in a trustee capacity or as a custodian on behalf of others.

Investment Trust Funds

These funds are used to report fiduciary activities from the external portion of investment pools and individual investment accounts that are held in trust.

Private-Purpose Trust Funds

These funds report all trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

Custodial Funds

These funds are used to account for assets that the County holds on behalf of others in a custodial capacity.

B. Basis of Accounting

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received and expenditures are recognized when paid.

Purchases of capital assets are expensed at the time of acquisition. There is no capitalization of capital assets or allocation of depreciation expense. Inventory is expensed when purchased.

C. Cash and Investments - See Note 3.

D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are recorded as capital expenditures when purchased.

E. Compensated Absences – See Note 7

F. Long-Term Liabilities - See Notes 7, 8, 9, 10, 13 and 15.

G. Other Resources and Other Uses

Other Resources consist of proceeds from sale of equipment and retainage deposits received. Other Uses consist mainly of retainage deposits disbursed.

H. Risk Management - See Note 11.

I. Restricted and Committed Portion of Ending Cash and Investments

Ending Cash and Investments are reported as restricted or committed when it is subject to restrictions on use imposed by external parties, by RCW, or due to internal commitments established by Board of Commissioners-adopted resolution or ordinance. When expenditures that meet restrictions are incurred, the County intends to use the most restricted resources first. At December 31, 2024, restrictions and commitments of Ending Cash and Investments consisted of:

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

FUND #	FUND NAME	RESTRICTED ENDING CASH & INVESTMENTS	COMMITTED ENDING CASH & INVESTMENTS	CLASSIFICATION DETAILS
001	General Fund	\$ 2,708,428	-	Restricted relate to unspent Section 605 of the American Rescue Plan Act's Local and Tribal Consistency Funds (\$2,510,766), Auditor surcharge fees for historic preservation funds pursuant to RCW 36.22.170 (\$88,108), Auditor unspent HAVA election security grants (\$8,873), retainage funds held related to General Fund-funded projects (\$10,000), unspent public donations received in support of juvenile services youth programs (\$100), and surety/performance bond funds held pursuant to franchise agreements (\$90,581).
101	Roads	466,919	-	Restricted consists of proceeds received from the sale of surplus land and vendor refund received in 2019 related to the Deer Park overpass federally funded project that has to be applied to another eligible Federal roads project for which full funding has not been committed (\$224,011), and donated funds restricted for use on the Calawah Bridge project (\$242,908).
110	Sheriff--OPSCAN/911/OPNET/Boating	1,989,359	-	Restricted consists of various Sheriff-managed funds that must be spent in accordance with terms of interlocal agreements, including OPNET Drug (\$437,540), OPSCAN Operations (\$1,033,375), RCWs governing Boating Safety (RCW 88.02.640 (8)--\$100,932), 911 Enhanced (RCW 82.148.030--\$257,137) and 24/7 Sobriety Program (RCW 36.28A.300-390--\$75,825), donated funds restricted to use in support of Sheriff Honor Guard functions (\$8,945), and required distributions with other law enforcement agencies pursuant to the terms of Homeland Security grant funds (\$75,605).
113	Health & Human Services	6,357,113	-	Restricted consists of recording surcharges and sales & use tax that must be spent in accordance with RCW, including Homeless Task Force (RCW 36.22.179--\$241,283), Chemical Dependency/Mental Health (RCW 82.14.460--\$3,342,661), and Affordable Housing (RCW 36.22.178--\$149,403). Also includes unspent Foundational Public Health Services grant funds (\$1,550,274), unspent opioid legal settlement funds that must be spent in accordance with permissible uses outlined in the distributor legal settlement agreement (\$897,200), and borrowings under the Working Advance from the Washington Department of Social & Health Services (\$176,292).
114	Law Library	49,101	-	Restricted consists of law library funds that must be spent in accordance with RCW 27.24.070.
122	Treasurer's O&M	234,076	-	Restricted consists of Treasurer O&M (\$165,184), REET Electronic Technology (\$60,738) and Land Assessment (\$8,154) funds that must be spent in accordance with RCW 84.56.020, 82.45.180 and 36.33.120-190, respectively.
124	Document Preservation	582,960	-	Restricted consists of Auditor required surcharge funds that must be spent on eligible historic document preservation costs in accordance with RCW 36.22.170.
190	Conservation Futures	975,095	-	Restricted consists of conservation futures property tax funds that must be spent on preserving lands of public interest in accordance with RCW 84.34.230.
191	Emergency Communications Tax	3,273,725	-	Restricted consists of funds governed by RCW 82.14.420 which must be used to finance, design, acquire, construct, equip, operate, and maintain emergency communication systems and facilities.
192	Hotel/Motel Tax	2,341,714	-	Restricted consists of hotel/motel lodging tax which must be used only for tourism activities or tourism-related facilities in accordance with RCW 67.28.180 and 67.28.181.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

FUND #	FUND NAME	RESTRICTED ENDING CASH & INVESTMENTS	COMMITTED ENDING CASH & INVESTMENTS	CLASSIFICATION DETAILS
194	Veterans' Relief	59,673	-	Restricted consists of property tax levy and related interest funds that must be spent on eligible veteran's relief support efforts in accordance with RCW 73.08.08.
195	Federal Forest Replacement	156,807	-	Restricted consists of funds governed by Title III of the Secure Rural Schools Act, which requires funds be used for on county projects including search, rescue and emergency services, community service work camps, easements purchases, forest related educational opportunities, fire prevention and county planning, and community forestry purposes.
196	American Rescue Plan Act	2,166,560	-	Restricted consists of unspent grant funds received under Section 603 of the American Rescue Plan Act for State and Local Fiscal Recovery Funds granted to the County by the US Treasury, which must be used (1) to respond to the COVID-19 public health emergency or its negative impacts; (2) for provision of premium pay for eligible workers performing essential work during the COVID-19 public health emergency; (3) for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency; (4) to make necessary investments in water, sewer, or broadband infrastructure; (5) to provide emergency relief from natural disasters or the negative economic impacts of natural disasters; (6) for certain CAA surface transportation projects; or (7) for projects eligible under Title I of the Housing and Community Development Act of 1974.
197	Affordable Housing	3,800,138	-	Restricted consists of HB 1406 Affordable Housing Sales Tax Credit governed by RCW 82.14.540, SB 1590 Housing & Related Services Sales Tax governed by RCW 82.14.530, and CTED CDBG Housing Rehabilitation Revolving Loan program funds that can only be used in support of affordable housing initiatives.
199	Opportunity Fund	7,172,914	-	Restricted consists of Rural Counties Public Facilities Sales Tax that under RCW 82.14.370 must be used to finance public facilities serving economic development purposes, finance personnel in economic development offices, or provide affordable workforce housing infrastructure or facilities.
295	LID 2007-1		19,057	Committed under Resolution 88-2007 and 98-2009 creating a LID for purpose of providing sewer facilities.
301	REET	3,676,092	-	Restricted consists of real estate excise taxes that must be used on eligible capital projects and maintenance of capital projects in accordance with RCW 82.45 and 82.46.
302	REET 2	2,041,568	-	Restricted consists of real estate excise taxes that must be used on eligible capital projects and maintenance of capital projects in accordance with RCW 82.45 and 82.46.
305	Capital Projects	60,245	-	Restricted consists of unspent hotel/motel lodging tax funds granted in support of the Clallam Bay Beach Access parks improvement project.
308	Broadband Expansion	622,631		Restricted consists of funds received under Section 603 of the American Rescue Plan Act for State and Local Fiscal Recovery Funds granted to the County by the US Treasury advanced to the Broadband Expansion fund from the American Rescue Plan Act fund to provide local match funding and to support working capital needs of a grant-funded project to expand broadband access to the Joyce community of Clallam County.
TOTAL-- STATEMENT C-4		\$ 38,735,118	\$ 19,057	

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

NOTE 2 – BUDGET COMPLIANCE

1. Budgets

The County adopts annual appropriated budgets for the County’s governmental funds on the same basis of accounting as used for financial reporting. Budgets are generally adopted at the fund level, with the exception of the general fund where budgets are adopted at the department level. These budgets constitute the legal authority for expenditures at that level. Appropriations lapse at year end.

The 2025 general fund budget as originally approved in December 2024 included a surplus of \$727,598.

2. Amending the Budget

The County Administrator is authorized to transfer budget amounts between departments within any fund/department. However, any revisions that alter the total expenditures of the County, amount of capital purchases, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the County Commissioners. Revisions within funds are allowed, but supplemental or additional appropriations must be approved by the legislative authority following public hearings. The County’s budget was amended 145 times during 2024.

3. The appropriated and actual expenditures for the legally adopted 2024 budgets were:

Fund/Department	Final Appropriated Amounts	Actual Expenditures	Variance
GENERAL FUND			
Assessor	2,322,762	2,215,954	106,808
Auditor	2,165,103	2,065,375	99,728
Treasurer	894,813	813,526	81,287
BOCC - Operations	1,081,183	1,031,592	49,591
Boundary Review Board	1,780	204	1,576
Port Crescent Cemetery	3,000	20	2,980
Board of Equalization	74,722	48,198	26,524
Recompete Grant	998,729	680,341	318,388
Non Departmental	3,778,266	3,512,383	265,883
Operating Transfers Out	(1,249,760)	(1,223,038)	(26,722)
DCD - Administration	875,201	779,810	95,391
DCD - Environmental Quality	1,789,112	1,136,544	652,568
DCD - Permit Center	1,022,709	916,379	106,330
DCD - Planning	566,119	490,016	76,103

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

Fund/Department	Final Appropriated Amounts	Actual Expenditures	Variance
Hearing Examiner	90,250	84,827	5,423
Information Technology	2,665,573	2,567,431	98,142
Geographic Information System (GIS)	454,338	397,066	57,272
Human Resources	1,066,855	998,192	68,663
Environmental Health	1,624,607	1,445,631	178,976
HHS - Administration	864,704	834,934	29,770
Sheriff - Operations	9,943,851	8,984,431	959,420
Animal Control	262,052	200,072	61,980
Search and Rescue	25,490	17,143	8,347
Jail	5,090,297	4,950,459	139,838
Jail Medical	1,245,278	1,097,084	148,194
Emergency Services	502,092	307,988	194,104
Indigent Defense	2,227,109	2,226,782	327
Prosecuting Attorney	3,432,652	2,984,272	448,380
Child Support	335,538	272,115	63,423
Coroner	535,342	449,900	85,442
Juvenile Services	3,991,807	3,569,193	422,614
Superior Court	1,897,714	1,631,863	265,851
District Court I	1,364,235	998,965	365,270
District Court II	442,385	434,739	7,646
Clerk	1,079,970	936,538	143,432
Parks and Facilities	2,949,520	2,880,076	69,444
Fair	630,273	577,670	52,603
WSU Extension	518,676	444,809	73,867
Flood Control	181,263	168,728	12,535
TOTAL GENERAL FUND	\$ 57,745,610	\$ 51,928,212	\$ 5,817,398
Roads	27,333,916	16,936,885	10,397,031
Honor Guard Donation	13,912	5,442	8,470
Boating Safety Recreational and Boating Fund	17,010	15,757	1,253
VRF Boating Program	31,543	18,010	13,533
Sheriff - OPNET Drug	218,882	190,376	28,506
Nine-One-One Enhanced	809,025	766,484	42,541
OPSCAN Operations	446,107	270,603	175,504
Sheriff - Operation Stonegarden Stonegarden Grant	200,156	174,414	25,742
24/7 Sobriety Program	15,115	3,295	11,820
Sheriff - Inmate Commissary and Welfare	64,320	38,012	26,308
Health and Human Services - Operations	3,379,587	2,977,624	401,963
Homeless Task Force	1,368,023	739,287	628,736
Chemical Dependency Mental Health	2,425,916	1,874,700	551,216
Affordable Housing	124,360	110,472	13,888
Developmental Disabilities	3,167,944	3,166,662	1,282
Foundational Public Health Service	1,064,608	990,290	74,318

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

Fund/Department	Final Appropriated Amounts	Actual Expenditures	Variance
Law Library	46,437	39,428	7,009
Local Crime Victim Comp/Local	235,351	189,656	45,695
Treasurer - Operation and Maintenance	149,494	97,576	51,918
REET Electronic Technology	41,062	39,113	1,949
Land Assessment	38,453	38,140	313
Document Preservation	424,547	88,798	335,749
Dispute Resolution	13,105	11,115	1,990
Courthouse Facilitator	9,343	5,379	3,964
Noxious Weed Control	311,283	265,542	45,741
LMD#2 Lake Sutherland	26,733	26,488	245
Conservation Futures	700,000	120,597	579,403
Trial Court Improvements	40,000	40,000	0
Veterans Relief	367,793	350,903	16,890
Federal Forest Replacement	39,000	-	39,000
Hotel/Motel Tax	2,481,000	2,054,220	426,780
Opportunity Fund	4,256,760	2,965,352	1,291,408
Affordable Housing Sales Tax	1,657,931	400,357	1,257,574
American Rescue Plan Act	5,603,740	3,696,361	1,907,379
Emergency Communication Tax	2,166,180	2,159,885	6,295
LID 3rd Street Sewer Line	3,000	3,000	0
Real Estate Excise Tax Project	2,606,372	457,482	2,148,890
Real Estate Excise Tax 2	1,369,986	1,207,414	162,572
Lower Dungeness Floodplain	2,309,088	1,797,127	511,961
Dungeness Reservoir	3,120,870	1,890,684	1,230,186
Capital Projects	2,186,203	1,947,244	238,959
Joint Public Safety Facility Project	1,298,941	400,282	898,659
Capital Projects Info Tech	490,469	129,271	361,198
Broadband Infrastructure Capital Projects	3,114,434	1,598,659	1,515,775
Carlsborg Water Mitigation	80,630	3,955	76,675
Solid Waste	173,636	114,264	59,372
Clallam Bay-Sekiu Sewer	6,548,968	4,192,311	2,356,657
Carlsborg Sewer	730,068	331,799	398,269
Bullman Beach Water System	84,453	61,269	23,184
Equipment Rental and Revolving	5,520,848	4,619,992	900,856
Risk Management	4,294,662	4,047,335	247,327
Workers Compensation Claims	816,263	722,685	93,578
Unemployment Compensation	103,074	64,385	38,689
TOTAL OTHER FUNDS	\$ 94,140,601	\$ 64,456,381	\$ 29,684,220
TOTAL ALL FUNDS	\$ 151,886,211	\$ 116,384,593	\$ 35,501,618

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

NOTE 3 - DEPOSITS AND INVESTMENTS

Deposits and investments are reported at amortized cost. The County had the following types of deposits and investments as of December 31, 2024:

Type of Deposit or Investment	County's Own Deposits & Investments	Deposits & Investments Held by the County as Custodian for Other Local Governments, Individuals or Private Organizations	Total
Bank Deposits	\$ 1,219,343	\$ 1,395,394	\$ 2,614,737
Certificates of Deposit	25,590,970	2,390,253	27,981,223
US Government Securities	6,284,258	528,050	6,812,308
US Agency Securities	7,415,801	623,131	8,038,932
State Local Government Investment Pool	<u>26,278,485</u>	<u>113,204,341</u>	<u>139,482,826</u>
Total	<u><u>\$ 66,788,857</u></u>	<u><u>\$ 118,141,169</u></u>	<u><u>\$ 184,930,026</u></u>

State Local Government Investment Pool--The County is a voluntary participant in the Local Government Investment Pool ("LGIP"), an external investment pool operated by the Washington State Treasurer. The LGIP is not rated and not registered with the SEC. Rather, oversight is provided by the State Finance Committee in accordance with Chapter 43.250 RCW. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The LGIP does not impose any restrictions on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone financial report for the pool. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at www.tre.wa.gov.

Custodial credit risk—Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the County would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The County's deposits and certificates of deposit are mostly covered by the Federal Depository Insurance Corporation (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

All investments are insured, registered or held by the County or its agent in the County's name.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

NOTE 4 – INVESTMENT TRUST FUND

The Investment Trust Fund sponsored by the County was established on June 16, 1986. Revised Code of Washington (“RCW”) 36.29.022, 36.29.010, and 36.29.020 authorize the County Treasurer to invest its surplus cash and any funds of special purpose districts which are not required for immediate expenditure and are in the custody or control of the County’s Treasurer. The Investment Trust Fund’s investments are invested pursuant to RCW and the County’s investment policy. Any credits or payments to fund participants are calculated and made in a manner as required by RCW 36.29.024.

The investments are managed by the Treasurer, which reports investment activity and performance to the County Finance Committee on a quarterly basis. Additionally, the County Treasurer investment activity is subject to an annual investment policy review, compliance oversight, quarterly financial review, and annual financial reporting. The County has not provided nor obtained any legally binding guarantees during the year ended December 31, 2024, to support the value of shares in the trust.

The Investment Trust Fund is not registered with the SEC and is not subject to any formal oversight other than that provided by the County Treasurer and County Finance Committee. The County Finance Committee is responsible for adopting investment objectives and policies and for monitoring policy implementation and investment performance. The Committee’s primary role is to oversee and confirm the composition and allocation of the Investment Trust Fund’s portfolio conforms to the investment types, diversification, maturity, rate of return standards, and financial institution criteria authorized under the County’s investment policy.

Cash held in trust by the County on behalf of special purpose districts for which the County serves as treasurer in a fiduciary manner are reported within each special purpose district’s respective custodial fund until the County Treasurer invests such funds on their behalf, which for all non-school district custodial funds is normally at the end of the month following receipt, at which point such invested funds are reported within the Investment Trust Fund.

The interest or other earnings of income from the funds of any special purpose districts of which the governing body has not taken any action pertaining to the investment of funds and that have been invested in accordance with state statutes, are credited to the respective fund of the special purpose district. These investments made by the County Treasurer on behalf of the participants reflects involuntary participation in the County Treasurer’s Investment Trust Fund as such funds are required to be invested by statute.

The County Treasurer’s Investment Trust Fund consists of voluntary participants including the North Olympic Library System, all six of the County’s fire districts, two parks and recreation districts, four irrigation districts (Agnew, Cline, Dungeness and Highland), two water districts (Black Diamond and Sunland), Forks Community Hospital, and the County’s five public school districts.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

NOTE 5 - PROPERTY TAXES

The County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Collections during the month are distributed to each applicable fund at the end of the month except for the cities and state which are distributed on the 10th and 20th respectively.

January 1	Tax is levied and becomes an enforceable lien against the properties
February 14	Tax bills are mailed
April 30	First of two equal installment payments are due
May 31	Assessed value of property established for next year's levy at 100% of market value
October 31	Second installment is due

Property tax revenues are recognized when cash is received by the County. Delinquent taxes are considered fully collectable because a lien affixes to the property after taxes are levied.

The County's regular tax levy rate for 2024 was \$0.7709683922 per \$1,000 on a total assessed valuation of \$16,054,804,180 for a regular levy total of \$12,377,746.57. The County's total 2024 levy rate of \$0.7709683922 was comprised of four funds: General at \$.7396379723; Veterans' Relief at \$.0092452999; Land Assessment at \$.0015400000; and Developmental Disabilities at \$.0205451200.

The County's Roads fund tax levy rate for 2024 was \$0.7783333431 per \$1,000 on a total assessed valuation of \$10,688,467,163 for a regular levy total of \$8,319,190.38.

The County's Conservation Futures fund tax levy rate for 2024 was \$0.0178280580 per \$1,000 on a total assessed valuation of \$16,054,804,180 for a regular levy total of \$286,225.98.

Washington State Constitution and Washington State law, RCW 84.55.010, limit these rates.

NOTE 6 - INTERFUND TRANSACTIONS AND BALANCES

Interfund transactions are classified as follows:

- A. Transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, are similarly treated when they involve other funds of the County.
- B. Transfers to support the operations of other funds are recorded as "Transfers" and classified with "Other Financial Sources or Uses."

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

NOTE 7 - LONG-TERM LIABILITES

The accompanying Schedule of Liabilities (09) provides a summary of the outstanding debt and liabilities of the County and summarizes the County's debt transactions for the year ended December 31, 2024. Further details of the County's debt, liabilities and debt service requirements are as follows:

A. Long-Term Debt

Washington State CERB Loan – In 2004, Clallam County borrowed \$750,000 from the Washington State Community Economic Revitalization Board as a general obligation debt and re-loaned that amount to the Clallam Business Incubator, Inc. to aid in the construction of the Incubator facilities. The County is obligated to repay the loan in installments beginning in 2008 and continuing through 2025. Interest on the loan is stated at 1%. At December 31, 2024 the principal outstanding on this loan payable was \$47,717 due in annual payments of \$48,194 through 2025.

In 2012, the Clallam Business Incubator closed, its assets and liabilities were assumed by the Port Angeles School District, and Clallam County forgave the balance of the loan that had been made to the Incubator and assumed by the school.

Washington State PWB Loan – In 2013, Clallam County Public Utility District (PUD) signed a loan agreement with the Washington State Public Works Board for a maximum of \$10,000,000 to partially fund the construction of a wastewater facility in the Carlsborg Urban Growth Area in Clallam County. Subsequently in 2013, Clallam County assumed this loan from the PUD as a general obligation debt. Interest on the loan is stated at 0.25%. As of December 31, 2024, the principal outstanding on this loan payable was \$8,275,862, with annual principal payments due of \$344,828 through June 1, 2048.

Washington State DOE SRF Standard Loan 00040 – In November 2019, Clallam County Public Works entered into a Water Quality Combined Financial Assistance Agreement with the Washington State Department of Ecology (“DOE”) that provides grant and loan funding to support the County's replacement of wastewater collection facilities infrastructure serving the communities of Sekiu and Clallam Bay. The SRF Standard Loan funding under this agreement provided loan borrowing capacity to the County totaling up to \$1,865,271. Preliminary project design and planning for this project commenced in 2020 with construction beginning in 2021. Due to construction delays occurring during the COVID-19 pandemic, the County requested and received from DOE an extension of the estimated completion date of this project from October 31, 2023 to December 31, 2024, which resulted in the commencement of debt service commitments under the SRF Standard Loan being extended from July 31, 2024 to December 31, 2025. Interest on the SRF Standard Loan is at 2%, with semi-annual principal and interest payments due of \$27,881 beginning December 31, 2025 through June 30, 2045 based on borrowings outstanding as of December 31, 2024 and a revised project completion date of December 31, 2024. As of

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

December 31, 2024, outstanding principal on borrowings made to-date under the SRF Standard Loan totaled \$908,489.

The total debt service requirements for these general obligation bonds based on borrowings outstanding as of December 31, 2024 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	404,977	36,616	441,593
2026	382,785	37,633	420,418
2027	383,551	36,006	419,557
2028	384,331	34,362	418,693
2029	385,129	32,702	417,831
2030-2034	1,938,181	138,046	2,076,227
2035-2039	1,960,672	94,004	2,054,676
2040-2044	1,985,528	47,597	2,033,125
2045-2048	1,406,914	8,899	1,415,813
TOTAL	<u>\$ 9,232,068</u>	<u>\$ 465,865</u>	<u>\$ 9,697,933</u>

The Clallam County Board of Commissioners has resolved to repay the Washington State CERB and Washington State PWB loans out of the County’s Opportunity Fund which receives most of its revenue under RCW 82.14.370 which provides for the Rural Counties Public Facilities Sales Tax, a .09% credit paid to the County from the state sales and use tax collected on economic activity within the County. This primary revenue source for the Opportunity Fund is currently scheduled to end in December 2054. If this revenue stream is not sufficient, the County will be obligated to allocate other resources to make the payments. In the opinion of Clallam County management, such other resources will be available to meet these obligations without materially affecting the County’s other obligations and operations.

The Washington State DOE SRF Standard Loan 00040 is currently budgeted in 2025 to be repaid out of the County’s Opportunity Fund as the Clallam Bay Sewer Fund’s assessed sewer user rates charged and the size of the sewer customer base are not sufficient to fully support both the operations and maintenance costs of operating the Clallam Bay waste water treatment system as well as the debt service costs of this loan. Pending formal approval by the Clallam County Board of Commissioners via resolution, it is expected the County’s Opportunity Fund will continue to fund the debt service costs of this loan beyond 2025.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

- B. Washington State DOE SRF Forgivable Principal Loan 00040 – In conjunction with the Water Quality Combined Financial Assistance Agreement entered by Clallam County Public Works with the Washington State Department of Ecology (“DOE”) in November 2019 to support the County’s replacement of wastewater collection facilities infrastructure serving the communities of Sekiu and Clallam Bay, the County received a SRF Forgivable Principal Loan providing for funding of up to \$434,500. No payments or interest are due under the SRF Forgivable Principal Loan, with forgiveness subject to satisfactory adherence to the terms and conditions of the DOE project agreement and completion of the project work. As of December 31, 2024, principal outstanding under the SRF Forgivable Principal Loan totaled \$153,754. In May 2025, this loan was formally forgiven by DOE with the final closeout of this project.
- C. Working Advance from Department of Social and Health Services – The Washington State Department of Social and Health Services (“DSHS”) has historically provided a working advance to our Developmental Disabilities fund to alleviate cash flow problems the fund might experience due to the lag time between when expenditures are incurred by the fund and when it receives reimbursement for such expenditures from DSHS. The amount of working advance afforded by DSHS to this fund is subject to adjustment on June 30th of each year depending on DSHS’ assessment of funding need. As of December 31, 2024, the working advance outstanding with DSHS totaled \$176,292.
- E. Compensated Absences - During the year ended December 31, 2024, the County adopted updated guidance for the calculation of compensated absence liabilities, as required by the BARS manual. As outlined below, this requirement resulted in a change in methodology in calculating accruals for the various forms of paid leave provided by the County to its employees. The County’s liability to employees for compensated absences consists of amounts due for accrued vacation and compensatory time, accrued sick leave, and other forms of leave that have commenced as of December 31, 2024 but have not yet been paid. Vacation leave generally may be accumulated up to 480 hours, of which up to 400 hours is payable upon separation or retirement, with the exception of contracted employees where accrual and payout limits vary by individual contract, and Teamsters Union Members and Limited Commission Members who have accrual and separation/retirement payout limits of 400 hours. Sick leave may accumulate without limit and is payable upon retirement or other qualifying separation at rates generally ranging from 10% for qualifying separation to 20% upon retirement for full-time and part-time benefited employees, with the exception of interest arbitration collective bargaining units and Managers & Professionals Union Members that upon retirement receive sick leave payouts ranging from 15% to 50% based on the respective collective bargaining agreement and the years of service completed by the employee in excess of 15 years. Leave usage payments and payouts upon separation or retirement are based on wage rates at the date of termination and are recognized as expenditures when paid.

In estimating the compensated absence liability for vacation and compensatory time, the County includes 100% of each employee’s unused vacation and compensatory leave hours

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up to the applicable maximum accumulation limits. The sick leave accrued liability is comprised of both the unused sick leave hours that are deemed likely to be used based on a six-year average historical usage rate observed for each collective bargaining unit or non-represented employee group, with remaining sick leave hours eligible for payout at qualifying separation or retirement measured based on the payout percentages outlined herein. The compensated absences liability for all leave types is valued at the current pay rates in effect for employees as of December 31, 2024 and include applicable County-paid payroll taxes and defined contribution retirement plan contributions depending on the form of leave payout, terms of the respective collective bargaining agreement, and County policy. Under this calculation, the liability for compensated absences at December 31, 2024 was \$4,253,172 which was an increase of \$706,123 from the end of 2023.

NOTE 8 – ENVIRONMENTAL AND CERTAIN ASSET RETIREMENT LIABILITIES

Landfill Post Closure Liability— The County previously operated the Lake Creek landfill, a WAC 173-304 governed landfill, until it was closed in 1989 under WAC 173-304. As required under federal, state and local laws and regulations, the County installed the required membrane cap, groundwater monitoring wells, surface water and gas port vents, contracted for an initial 20-year post-closure monitoring period that commenced in 1989 and ended in 2009, and continued to perform post-closure care of the site including landscape maintenance and inspections both during and after the initial 20-year post closure monitoring period. Pending approval of post-closure final by the Washington State Department of Ecology to formally end post-closure status, the County is required under the land use permit issued for this former landfill site to continue to perform post-closure monitoring, inspections and maintenance of the site. In 2024, the County engaged a firm to resume periodic surface water ground water, and gas emissions testing and inspections of the site that were conducted in April 2024 and October 2024. In 2024, the County incurred total testing, inspections, and other site maintenance and repair costs of \$30,843. Based on estimates derived from the firm conducting the post-closure monitoring and by County public works staff, the County estimates that future remaining post-closure costs consisting of monitoring and site maintenance care of this former landfill from 2025 through 2034 total \$365,895 as of December 31, 2024. These cost estimate amounts were updated in 2024. Post-closure monitoring and site maintenance costs are accounted for in the County’s Solid Waste Fund and reported on the County’s Schedule of Liabilities. As the Solid Waste Fund does not currently have sufficient funding sources or reserves to pay for these costs beyond 2025, it is anticipated that funding support from the County’s General Fund will be required.

Asset Retirement Obligations – The County has a total of four underground fuel storage tanks (USTs) for which Asset Retirement Obligations were deemed appropriate to be recorded, two of which are currently in use and two that are no longer in use. Placed in service in 1979, the two USTs currently in use are located at the County’s courthouse and are used as fleet refueling tanks. The County’s other two inactive USTs are located at one of the County’s parks and were placed in service over 75 years ago by the Federal government but ceased being used as fuel USTs in approximately 1959. While there currently is no evidence indicating any contamination clean-up remediation will be required relating to these USTs, the County believes there is a reasonable

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likelihood that these four USTs will eventually require special disposal and decommissioning based on their age and design. While no formally adopted asset retirement plan exists for removal of these USTs at this time, the County did place the retirement of the two courthouse refueling tanks in its most recent five-year capital plan for potential decommissioning in 2027. As of December 31, 2024, the current cost to decommission and remove these four USTs, as adjusted for inflation, is estimated to total approximately \$601,075. While the County has identified five other USTs in use by principally the Roads department, these USTs are of a newer design with additional safeguards that their retirement is not deemed reasonably certain at this time, no indication exists that any contamination clean-up remediation will be required relating to these USTs based on results of ongoing monitoring, nor is the current cost of their decommissioning reasonably estimated at this time.

NOTE 9 – LEASES AND INSTALLMENT PURCHASES

LEASES

During the year ended December 31, 2022, the County adopted guidance for the presentation and disclosure of leases, as required by the BARS manual. This requirement resulted in the addition of a lease liability reported on the Schedule of Liabilities.

The County leases land under a lease agreement with the Port of Port Angeles that began in 2018 and will end in February 2038 (not including term extensions that provide for up to two possible extensions of 10 years each).

The County leases building office and storage space from various lessors under lease agreements that range from 5 to 10 years (not including term extensions). The individual leases began as early as 2018 and will end as late as 2029 (not including term extensions that provide for multiple extensions of up to 5 years). Terms vary from one lease to another.

The County leases machinery from Pitney Bowes for \$2,073 a quarter under a 5-year lease agreement that began in 2022.

The total amount paid for leases in 2024 was \$187,050. As of December 31, 2024, the future minimum lease payments under these leases, including expected lease term extensions as provided for within the lease agreements, are as follows:

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Year Ended December 31,	Total
2025	156,214
2026	164,388
2027	139,483
2028	117,293
2029	48,941
2030-2034	271,496
2035-2039	287,712
2040-2044	333,165
2045-2049	396,844
2050-2054	472,694
2055-2059	<u>344,799</u>
TOTAL	<u>2,733,029</u>

INSTALLMENT PURCHASES

The County acquired and deployed a body camera system for use by its law enforcement officers in 2023 under a 5-year installment equipment purchase and software licensing agreement. Beginning in July 2023, the body camera equipment commitments under this agreement requires five annual installment payments of \$22,612. Payments under this agreement totaled \$22,612 in 2024. As of December 31, 2024, equipment installment purchase commitments outstanding under this agreement totaled \$67,834 and are reflected in the County’s Schedule of Liabilities. The software licensing component commitments under this agreement are accounted for as a Subscription Based Information Technology Arrangement (“SBITA”) and are included as a SBITA liability in the County’s Schedule of Liabilities (see Note 15).

NOTE 10 - PENSION PLANS

Substantially all Clallam County full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans, including PERS 1, PERS 2/3, PSERS 2, LEOFF 1, and LEOFF 2.

The State Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information for each plan.

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The DRS ACFR may be downloaded from the DRS website at www.drs.wa.gov.

At June 30, 2024 the County’s employer contributions and proportionate share of the collective net pension assets, net of pension liabilities as reported on Schedule 09, were as follows:

<u>Plan</u>	<u>Employer Contribution</u>	<u>Allocation %</u>	<u>Liability (Asset)</u>
PERS 1	\$ 813,676	0.14%	\$ 2,415,167
PERS 2/3	\$ 1,494,086	0.15%	(5,004,000)
LEOFF 1	\$ -	0.02%	(479,281)
LEOFF 2	\$ 184,837	0.08%	(1,412,836)
PSERS 2	\$ 197,078	0.32%	(135,937)

LEOFF 1

The County participates in LEOFF Plan 1. The LEOFF Plan 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. Starting on July 1, 2000, employers and employees contribute zero percent.

LEOFF 2

The County also participates in the LEOFF Plan 2. The Legislature, by means of a special funding arrangement, appropriates money from the state general fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF 2 Retirement Board. This special funding situation is not mandated by the State constitution and could be changed by statute.

NOTE 11 - RISK MANAGEMENT

A. Liability Risk Pool

Clallam County is a participating member of the Washington Counties Risk Pool (WCRP). Chapter 48.62 RCW authorizes the governing body of one or more governmental entities to join together for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or

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contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services.

An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The Pool was formed in August of 1988 when 15 counties in the state of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. As of December 31, 2024, 24 counties participate in the WCRP.

The Pool allows members to jointly establish a plan of self-insurance, and provides related services, such as risk management, education, and claims administration. The Pool's liability program provides coverage for general liability, public officials liability, police professional liability, employment practices liability, and automobile liability. Allocated Loss Adjustment Expense (ALAE) is combined with losses for purposes of the Pool retention, excess insurance, and deductibles. County deductibles range from \$10,000 to \$500,000. For losses occurring in 2024, Clallam County selected a per-occurrence deductible of \$100,000.

Members make an annual contribution to fund the Pool. The Pool acquires excess and reinsurance for further protection from larger losses. For the first \$10,000,000 of coverage, the Pool acquires reinsurance. The reinsurance agreements are written with Self-Insured Retentions ("SIRs") equal to the amount of the layer of coverage below. For the Pool's 2022-23 and 2023-24 Fiscal Years, the Pool's SIR was \$3,000,000. The other reinsurance agreements respond up to the applicable policy limits and the agreements contain aggregate limits for the maximum annual reimbursements to the Pool of \$20,000,000 (lowest reinsured layer) and \$20,000,000 (second layer). The Pool purchases excess coverage for an additional \$10,000,000 with an aggregate limit of \$20,000,000 (first layer), \$10,000,000 (second layer), \$10,000,000 (third layer), and \$7,500,000 (fourth layer). Since the Pool is a cooperative program, there is a joint liability among the participating members. For the 2023-24 Fiscal Year, 15 of the Pool's 24 member counties group purchase an additional \$5,000,000 policy in excess of the pooled \$20,000,000. Clallam County does purchase the optional coverage.

New members may be asked to pay modest fees to cover the costs to analyze their loss data and risk profiles, and for their proportional shares of the entry year's assessments. New members contract under the Interlocal Agreement to remain in the Pool for at least five years. Following its initial 60-month term, any member may terminate its membership at the conclusion of any Pool fiscal year, provided the county timely files the required advance written notice. Otherwise, the Interlocal Agreement and membership will automatically renew for another year. Even after termination, former members remain responsible for reassessments by the Pool for the members' proportional shares of any unresolved, unreported, and in-process claims for the periods that the former members were signatories to the Interlocal Agreement.

The Pool is fully funded by its member participants. Claims are filed directly with the Pool by members and adjusted by one of the staff members responsible for evaluating each claim for coverage, establishing reserves and investigating claims for any risk-shared liability. The Pool

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does not contract with any third-party administrators for claims adjustment or loss prevention services.

During 2023-24, Clallam County was also one of twenty-four (24) counties which participated in the Washington Counties Property Program (WCPP). Property losses are covered under the WCPP to the participating counties' buildings and contents, vehicles, mobile/contractor equipment, EDP and communication equipment, etc. that have been scheduled. The WCPP includes 'All Other Perils ("AOP")' coverage limits of \$370 million per occurrence as well as Flood and Earthquake (catastrophe) coverages with separate occurrence limits, each being \$200 million. There are no AOP annual aggregate limits, but the flood and earthquake coverages include annual aggregate limits of \$200 million each. Each participating county is solely responsible for paying their selected deductible, ranging between \$5,000 and \$50,000. Higher deductibles apply to losses resulting from catastrophe-type losses.

Clallam County also participates in the jointly purchased cyber risk and security coverage from a highly rated commercial insurer. This group-purchased cyber coverage provides limits of \$2,000,000 per claim and \$5,000,000 in the aggregate. For 2024, the Pool's SIR for cyber claims was \$500,000 from January 1 through December 31, with Clallam County having no deductible.

Beginning in the 2023-24 Fiscal Year, Clallam County was one of 22 counties that participated in a group purchased crime policy, which included limits of \$2,000,000 and with a county deductible of \$25,000.

The Pool is governed by a board of directors which is comprised of one designated representative from each participating member. The Board of Directors generally meets three-times each year with the Annual Meeting of the Pool being held in summer. The Board approves the extent of risk-sharing, approves the Pool's self-insuring coverage documents, approves the selection of reinsurance and excess agreements, and approves the Pool's annual operating budget.

An 11-member executive committee is elected by and from the WCRP Board for staggered, 3-year terms. Authority has been delegated to the Committee by the Board of Directors to, a) approve all disbursements and review the Pool's financial health, b) approve case settlements exceeding the applicable member's deductible by more than \$100,000, c). to authorize by two-thirds majority vote commencement of lawsuits in the name of the Pool.

During 2023-24, the WCRP's assets increased to \$82,249,435 while its liabilities also increased to \$67,350,711. The Pool's net position ended at \$15,987,251. The Pool satisfies the State Risk Manager's solvency requirements (WAC 200.100.03001). The Pool is a cooperative program with joint liability amongst its participating members.

Deficits of the Pool resulting from any fiscal year are financed by reassessments of the deficient year's membership in proportion with the initially levied and collected deposit assessments. The Pool's reassessments receivable balance as of December 31, 2024, was zero (\$0). As such, there were no known contingent liabilities at that time for disclosure by the member counties.

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B. Unemployment and Workers' Compensation

The County has elected to fully self-insure its risk for unemployment claims and pays actual costs quarterly as determined and administered by the Washington State Employment Security Department.

The County has elected to partially self-insure its risk for workers' compensation claims. The County is responsible for workers' compensation claims up to \$550,000 per occurrence for non-law enforcement related claims, and up to \$1,000,000 per occurrence for law enforcement related claims. Losses in excess of these thresholds are insured through excess workers' compensation insurance policies. County Management considers the reserve levels at the end of 2024 to be adequate to cover known and anticipated claims as of that date.

C. Risk Funding

Claim settlements and loss expenses are accrued in the Workers' Compensation Claims, Unemployment Compensation, and Risk Management funds for the estimated settlement value of both reported and unreported claims up to the statutory excess limits, as applicable. These funds are responsible for collecting interfund premiums from insured funds and departments, for paying claims settlements and for purchasing certain insurance policies.

NOTE 12 - CLAIMS AND JUDGMENTS

As of the end of 2024, Clallam County is named as the defendant in nine legal actions, all of which qualify for coverage under the Washington Counties Risk Pool (WCRP). See Note 11 – Risk Management for a description of the WCRP. County management believes that the County's insurance policies and self-insurance reserves are sufficient to cover known and pending claims as of the end of 2024.

NOTE 13 – OPEB PLAN—LEOFF 1

The County's post-employment benefits other than pensions liability ("OPEB") consists solely of the LEOFF 1 Retirement Medical Plan, a closed, single-employer, defined-benefit OPEB plan administered by Clallam County as required under RCW 41.26.150. The plan pays for 100% of eligible retirees' healthcare-related costs on a pay-as-you-go basis. As of December 31, 2024, the plan had six members, all of which are retirees. As of December 31, 2024, the County's total OPEB liability was \$3,115,327, as calculated using the alternative measurement method online tool available through the Office of the Washington State Actuary, and represents a decrease of \$48,667 from the end of 2023. For the year ended December 31, 2024, the County paid total medical costs for the members of \$81,711. In addition, the County also paid \$34,378 in medical insurance premiums for four of these retired employees in 2024. Only LEOFF 1 employees are eligible for this benefit.

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NOTE 14 – COVID-19 PUBLIC HEALTH EMERGENCY

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of the COVID-19 virus, and issued a series of proclamations requiring a number of precautionary measures be taken to slow the spread of COVID-19. These measures included closing schools, canceling public events, closing state and local parks, requiring residents to stay home with only limited exceptions, and closing of all non-essential businesses. On a national level, the COVID pandemic led to similar measures being taken by all remaining states, resulting in a significant downturn in the US and global economy, leading the US Federal government to adopt a number of economic stimulus bills to aid individuals, businesses, hospitals, states and local governments impacted during the state of emergency.

During and after this declared public health emergency which formally ended in May 2023, the resulting negative economic effects of inflation, higher borrowing costs, shortage of affordable housing and childcare, lingering food insecurity needs, and closure of certain area employers continued to place increased economic stress on households in Clallam County, and in turn continued to place negative economic impacts on nonprofits and agencies serving community needs and disproportionately impacted populations.

In its ongoing response to these community needs and identified needs within the County, the County continued to incur significant expenditures through federal direct and pass-through grants received under the Coronavirus State and Local Fiscal Recovery Funds (“SLFRF”) Section 603 of ARPA. In May 2021, the County was awarded a total of \$15,020,640 from the United States Department of the Treasury, of which \$7,510,320 was received in May 2021, and the remaining \$7,510,320 was received in June 2022. Based on eligible usage guidance outlined in the SLFRF Final Rule, input received from multiple task groups created to identify community needs created during the COVID-19 emergency, and evaluation of applications received by the County from entities requesting SLFRF funding assistance, the County Board of Commissioners approved allocations of SLFRF funds awarded to the County to largely provide economic assistance, public health, and water, sewer and broadband infrastructure funding to several projects, as well as utilized SLFRF funds to support the provision of certain County government services. As reported to the United States Treasury in the County’s 4th Quarter 2024 SLFRF Project & Expenditure Report filed in January 2025, the County expended \$2,370,981 of SLFRF on such projects in calendar year 2024, and to-date had disbursed \$12,236,963 of the \$15,020,640 of SLFRF funds awarded to the County.

As of December 31, 2024, these obligated projects included:

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ARPA Project Expenditure Category Group	ARPA Project Expenditure Category	Project Name	Total ARPA Funds Contractually Obligated as of 12/31/2024	Total ARPA Expenditures Incurred To-Date Thru 12/31/2024	Project Description
2. - Negative Economic Impacts	2.2 Household Assistance: Rent, Mortgage, and Utility Aid	Clallam County PUD Residential and Commercial Utility Assistance	\$ 350,000	\$ 350,000	Via a Subrecipient Agreement entered into with Clallam County PUD, this project provides utility payment assistance to residents, small businesses, and nonprofits experiencing severe financial hardship due to job loss, layoff, reduction of work hours, reduced revenues or other negative economic impacts or circumstances resulting from the COVID-19 emergency needed to avoid utility disconnect that would endanger the health and well-being of such impacted residents, and impair the ability of businesses to continue to operate. To date, 576 households and small businesses had received ARPA-funded utility payment assistance.
2. - Negative Economic Impacts	2.29 Assistance to Small Businesses: Loans or Grants to Mitigate Financial Hardship	Clallam Economic Development Council - Lifeboat3--Small Businesses	\$ 2,429,845	\$ 2,429,845	Via Subrecipient Agreement entered into with Clallam Economic Development Council to provide small business relief. \$2,500,000 allocated to eligible small businesses and nonprofits located in Clallam County (of which \$2,484,788 has been obligated to date to small businesses) whose operations and financial condition were adversely impacted by the COVID-19 public health emergency, including a reduction in revenues, increase in operating costs related to implementing COVID-19 prevention or mitigation tactics or due to other operating cost increases experienced during the pandemic, business disruption or closure, event cancellation, and/or other similar circumstances during the pandemic that created a financial hardship. Under the EDC Lifeboat 3 grant program funded by these ARPA funds, a total of 160 small businesses in Clallam County received assistance through December 31, 2024.
2. - Negative Economic Impacts	2.34 Assistance to Non-Profits: Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted)	Clallam Economic Development Council - Lifeboat 3 Economic Assistance--NonProfits	\$ 302,000	\$ 302,000	Via Subrecipient Agreement entered into with Clallam Economic Development Council to provide small business relief. \$2,500,000 allocated to eligible small businesses and nonprofits located in Clallam County (of which \$162,000 has been obligated to date to nonprofits) whose operations and financial condition were adversely impacted by the COVID-19 public health emergency, including a reduction in revenues, increase in operating costs related to implementing COVID-19 prevention or mitigation tactics or due to other operating cost increases experienced during the pandemic, business disruption or closure, event cancellation, and/or other similar circumstances during the pandemic that created a financial hardship. Under the EDC Lifeboat 3 grant program funded by these ARPA funds, a total of 30 nonprofits in Clallam County had received assistance through December 31, 2024.
2. - Negative Economic Impacts	2. 11 Healthy Childhood Environments: Child Care	Clallam Economic Development Council -Lifeboat 3 Economic Assistance-- Childcare	\$ 469,064	\$ 469,064	Via Subrecipient Agreement entered into with Clallam Economic Development Council to provide \$469,064 to small businesses, nonprofits and special districts that provide child care services in Clallam County who were negatively impacted by the COVID-19 pandemic either through lower revenues caused by COVID restricted class sizes, increased staffing and other program costs to accommodate greater demand for childcare services during COVID due to school closures, and additional COVID mitigation costs. A total of 23 child care services small businesses, non-profits and special districts in Clallam County had received assistance through December 31, 2024.
2. - Negative Economic Impacts	2.15 Long-term Housing Security: Affordable Housing	Peninsula Housing Authority	\$ 210,000	\$ 210,000	Via a Subrecipient Agreement entered into with Peninsula Housing Authority to cover any gaps in funding for six affordable home projects currently on hold and other similar affordable housing projects located in Clallam County that low income families are participating in building through its Mutual Self-Help Program and that qualify for assistance under its Down Payment Assistance Program. Funds are needed to address immediate cash flow needs of the Mutual Self-Help program which relies on available funding through the Subrecipient's Down Payment Assistance program to cover home build funding gaps once USDA loan funds are exhausted.

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ARPA Project Expenditure Category Group	ARPA Project Expenditure Category	Project Name	Total ARPA Funds Contractually Obligated as of 12/31/2024	Total ARPA Expenditures Incurred To-Date Thru 12/31/2024	Project Description
2. - Negative Economic Impacts	2.15 Long-term Housing Security: Affordable Housing	Peninsula Behavioral Health - All View Motel Affordable Housing Project	\$ 727,411	\$ 727,411	Via a Direct Grant Agreement entered into with Peninsula Behavioral Health to support its purchase of the All View Motel for conversion into a supportive affordable housing project of 27 units to house up to 41 individuals or families with serious mental health needs and/or significant substance use disorders that are in need of permanent stable housing with onsite services to be owned, operated and staffed by Peninsula Behavioral Health.
2. - Negative Economic Impacts	2.15 Long-term Housing Security: Affordable Housing	Habitat for Humanity	\$ 100,000	\$ 100,000	Via a Subrecipient Agreement to be disbursed to Clallam County Habitat for Humanity to support the completion of affordable housing projects in Clallam County for low income households with incomes of 30-80% of Clallam County's AMI. Such funding is needed to address immediate cash flow constraints that are hindering Habitat for Humanity's ability to cover funding gaps in planned affordable housing projects due to increased building material costs. These funds will be used for affordable housing construction costs, including contractor and subcontractor and building material expenses for current housing unit projects, or for restarted housing projects that were previously placed on hold due to high construction material or contractor/subcontractor costs encountered during the COVID-19 pandemic. A total of 2 affordable housing projects in Port Angeles were completed by the end of 2021 utilizing the ARPA funds provided.
2 - Negative Economic Impacts	2.1 Household Assistance: Food Programs	Clallam Bay - Sekiu New Hope Food Bank	\$ 198,102	\$ 198,102	Via a Direct Grant Agreement entered into with The Cornerstone PEC of Clallam Bay-Sekiu, a non-profit organization that operates a food bank serving residents of Clallam Bay-Sekiu and surrounding areas within Clallam County who are experiencing food insecurity during the COVID-19 public health emergency. Their current food bank facility (a 30+ year-old single-wide mobile home of approximately 720 square feet) has, due to the building's age and construction quality, fallen into a state of severe disrepair, and as a result of pest infestation, electrical wiring problems and other issues is no longer safe or viable for the Recipient to continue operating as a food bank. In addition to the inadequacy of the Recipient's current facility from a food storage capacity and operating safety perspective, the Recipient's current facility is located approximately 3 miles outside of Clallam Bay, which greatly hinders its ability to service the food security needs of low income residents in the area, many of which lack a means of transportation to access the Recipient's facilities. In order to address its facility deficiencies, the Recipient has identified an approximate 1,300 square foot replacement building located at 33 Bogachiel St, Clallam Bay, WA, at the center of Clallam Bay that is within close proximity of several local organizations that support the needs of the community including the Lions Club, health clinic, community center, and local church. This agreement is to support the recipient's purchase and renovation of the new facility for the food bank in Clallam Bay.
3. Negative Economic Impacts--Services to Disproportionately Impacted Communities	3.11 Housing Support: Services for Unhoused Persons	North Olympic Regional Veteran's Housing Network-- Hobucket House	\$ 99,903	\$ 99,903	Via a Direct Grant Agreement entered into with North Olympic Veteran's Housing Network to be disbursed to the Recipient to support completion of the Recipient's "Hobucket House" affordable housing group home project for homeless, disabled Veterans in Clallam County using federal ARPA funding. Funding was needed to address immediate cash flow constraints that are hindering the Recipient's ability to cover funding gaps in this planned affordable housing group home project located in Forks, WA due to increased building material costs resulting from the supply chain disruptions created during the COVID-19 public health emergency. An additional \$40,000 was granted with in July 2023 to cover funding gap created from loss of HCHV grant until new grant funding is active in October 2023.
2. - Negative Economic Impacts	2. 35 Aid to Tourism, Travel, or Hospitality	Black Ball Transportation Inc Economic Assistance Grant	\$ 1,250,000	\$ 1,250,000	Via a Direct Grant Agreement entered into with Black Ball Transportation, Inc. to support the preservation of the Recipient's private marine transportation activities and jobs associated with such activities that were severely negatively impacted by the closure of the United States- Canada border during the COVID-19 pandemic by providing ARPA-funded economic support assistance.

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ARPA Project Expenditure Category Group	ARPA Project Expenditure Category	Project Name	Total ARPA Funds Contractually Obligated as of 12/31/2024	Total ARPA Expenditures Incurred To-Date Thru 12/31/2024	Project Description
1.- Public Health	1.1 COVID-19 Vaccination	COVID-19 Vaccination Marketing Campaign	\$ 20,017	\$ 20,017	COVID-19 vaccination marketing campaign for Clallam County to provide information about COVID-19 through a Clallam County Cares website that provides the community with COVID-19 information, vaccine locator, and Clallam County Statistics.
2. Negative Economic Impacts	2.11 Healthy Childhood Environments: Child Care	Child Care Recruitment Job Fair	\$ 1,215	\$ 1,215	Sponsorship funding for a recruitment fair to encourage participants to consider a career in childcare and early childhood education and accept job openings currently available in most childcare centers and facilities across the county. Current staffing shortage has depressed child care slots by over 25% in a context of an already severe shortage of slots available. Funds were used for advertising in the local paper; Peninsula Daily News, 3 times and a City Banner (cost and installation).
1.- Public Health	1.7 Capital Investments or Physical Plant Changes to Public Facilities	Tek84 Full Body Scanner for County Jail	\$ 183,872	\$ 183,872	Via an Agreement/Purchase Order with Tek84, project is for the purchase of the Tek84 Intercept Full Body Scanner System. This system consists of a thermal body scanner that will be employed in scanning all incoming inmates to the County jail, minimizing the amount of time and physical proximity needed to conduct a search for contraband, resulting in reduced risk of potential COVID-19 exposure to Jail staff during the processing of incoming inmates.
2 - Negative Economic Impacts	2.1 Household Assistance: Food Programs	Port Angeles Food Bank	\$ 1,348,000	\$ 1,348,000	Via a Direct Grant Agreement entered into with Port Angeles Food Bank to support the renovation costs of their New Facility and to support staff salaries. \$1,300,000 was used by the Recipient to fund renovation costs to make its New Facility suitable as a food bank capable of handling much higher demand for food assistance both during and following the COVID-19 pandemic, including construction, building and material costs. The remaining \$48,000 is to be used by the Recipient for staff salaries, wages, benefits, and premium pay.
2 - Negative Economic Impacts	2.1 Household Assistance: Food Programs	Sequim Food Bank	\$ 185,950	\$ 185,950	Via a Direct Grant Agreement entered into with Sequim Food Bank to support pre-construction costs for a new storage facility and staff salaries. \$150,000 may be used by the Recipient to fund pre-construction costs of a new storage facility on the vacant lot adjacent to the current food bank. \$35,950 may be used by the Recipient for staff salaries, wages, and benefits. Amendment #1 executed on November 5, 2024 allowed remaining funds to be used to reimburse for food expenditure in 2022 that were above the food banks budget amount due to substantial increase in food demand. The expansion project for the adjacent lot had become unfeasible to complete.
2 - Negative Economic Impacts	2.1 Household Assistance: Food Programs	Forks Community Food Bank	\$ 105,000	\$ 105,000	Via a Direct Grant Agreement entered into with the Recipient to purchase and install a walk-in freezer at the Forks Community Food Bank and funds to transition the executive director position from a volunteer status to a paid full-time position and any other necessary additional staffing costs needed to provide adequate staffing and administrative support to the operations. \$35,000 will be used to purchase and install the walk-in freezer and \$70,000 will be used to fund the transition of the executive director position from a part-time volunteer position to a full-time paid position due to increased demands placed on the role, and for other necessary additional staffing costs.
2 - Negative Economic Impacts	2.1 Household Assistance: Food Programs	Port Angeles Farmer's Market	\$ 6,500	\$ 6,500	Via a Direct Grant Agreement entered into with Port Angeles Farmer's Market, \$6,500 may be used for the augmenting of fundraising and sponsorship funds that have diminished due to the COVID-19 public health emergency. Funds will be used to continue providing an unlimited one-for-one match for low-income shoppers for the purchase of healthy food choices through the SNAP Market Match Program and to provide funds needed to support a \$10.00 incentive to the Senior Farmers Market Nutrition Program and Women Infant and Children Farmers Market Nutrition Program users.
2 - Negative Economic Impacts	2.1 Household Assistance: Food Programs	West Olympic Peninsula Betterment Association	\$ 38,000	\$ 18,000	Via a Direct Grant Agreement entered into with West Olympic Peninsula Betterment Association to purchase materials directly associated with or connected to the, "Feed the 5000" community meal service. \$18,000 may be used by the Recipient in providing a meal service to assist residents of the City of Forks and surrounding areas experiencing food insecurity during the COVID-19 public health emergency. Amendment #1 executed on 11/26/2024 increased support by \$20,000 for project through 2025 and 2026, for a total obligation of \$38,000.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

ARPA Project Expenditure Category Group	ARPA Project Expenditure Category	Project Name	Total ARPA Funds Contractually Obligated as of 12/31/2024	Total ARPA Expenditures Incurred To-Date Thru 12/31/2024	Project Description
3. Public Health - Negative Economic Impact: Public Sector Capacity	3.2 Rehiring Public Sector Staff	County Need-- Clallam Prosecuting Attorney--Additl Staff Funding for Case Back Log	\$ 104,217	\$ 104,217	Pursuant to US Treasury FAQ 2.19 under the SFLRF guidance, costs may be incurred to address COVID-related backlog in court cases may be funded through ARPA funds. The County's BOCC approved allocating ARPA funding to address and clear the significant COVID court case backlog by hiring additional staff in the Clallam County Prosecuting Attorney's office in 2022.
2. - Negative Economic Impacts	2.34 Assistance to Non-Profits: Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted)	United Way - Clallam Resilience Project	\$ 51,872	\$ 51,872	Via a Direct Grant Agreement entered into with United Way of Clallam County to foster resilience through fostering trauma-sensitive care and expanding the understanding of NEAR (Neuroscience, Epigenetics, Adverse Childhood Experiences, and Resilience). Funds will be used for United Way to continue to host monthly Community Meetings that primarily focus on providing recovery tools for those who were severely impacted by the COVID-19 public health emergency. Funds will also be used to host a Collaborative Learning Academy for local businesses and agencies to instill trauma sensitive and healing approaches, practices, systems and environments in their organization for sustainable, long-term public health gain.
5. Infrastructure, Water & Sewer	5.11 Drinking water: Transmission & Distribution	Black Diamond Water District Water Main Relocation	\$ 103,079	\$ 103,079	Via a Direct Grant Agreement entered into with Black Diamond Water District to relocate their exposed and suspended water main line to the new Department of Natural Resources Bridge, ensuring the Recipient can fulfill their critical role in providing clean and safe drinking water to roughly 450 water users.
1. Public Health	1.7 Other COVID-19 Public Health Expenses	BOCC Meeting Room Technology Project	\$ 146,785	\$ 146,785	IT capital project designed to support the need for improved virtual public meeting capabilities of the County during the COVID-19 public health emergency to mitigate and reduce the risk of COVID-19 spread during public meetings.
2. Negative Economic Impacts	2.15 Long-term Housing Security: Affordable Housing	Peninsula Housing Authority Mutual Self-Help Program	\$ 300,000	\$ 300,000	Via a Direct Grant Agreement entered into with Peninsula Housing Authority to cover a funding shortfall for payroll and administrative costs incurred in support of the Mutual Self-Help Affordable Housing Program which has experienced homebuilding construction delays during the COVID pandemic, resulting in timelines required under USDA/Rural Development grant funding being exceeded and placing future funding at risk if the underlying projects are not completed.
2. Negative Economic Impacts	2.11 Healthy Childhood Environments: Child Care	Clallam County YMCA Early Learning Facility	\$ 500,000	\$ 500,000	Via a Direct Grant Agreement entered into with Clallam County YMCA in support of the construction and development of the Early Learning Facility to be located in Port Angeles to provide childcare and early learning services to children 0-6 years of age.
6. Revenue Replacement	6.2 Non-federal Match for Other Federal Programs	Broadband Grant Local Match	\$ 1,786,109	\$ 125,469	This Broadband project is the required 10% match for the Washington State Broadband Office - Infrastructure Acceleration Grant in which Clallam County was awarded \$16,074,984.65 with the required match of \$1,786,109.41. This Broadband project will connect approximately 923 homes to broadband.
3. Public Health - Negative Economic Impact: Public Sector Capacity	3.1 Public Sector Workforce: Payroll and Benefits for Public Health, Public Safety, or Human Services Workers	Sheriff's Office - Hiring and Retention Incentives	\$ 630,085	\$ 294,113	To address an unprecedented number of open correction officer positions within the County Sheriff's Department and the increased difficulty in sourcing, recruiting and retaining qualified law enforcement personnel needed for critical public safety patrol and corrections positions during and after the COVID 19 pandemic, a retention, recruitment and referral pay incentive program was created for new and current patrol and corrections officers to incent these personnel to join and remain employed by the Clallam County Sheriff's Office for a contracted period of 36 months to ensure delivery of public safety services during a period of critical staff shortages. In December 2024, the County Commissioners entered into a interagency agreement (MOU 19961.24.002) whereby any retention, recruitment, or referral obligations under this project that are subsequently released after 12/31/2024 due to length of service requirements not being satisfied by personnel party to the original agreements may be used to fund payroll and benefit costs of the Sheriff's Office incurred in 2025 and 2026 for positions existing and filled as of 12/31/2024.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

ARPA Project Expenditure Category Group	ARPA Project Expenditure Category	Project Name	Total ARPA Funds Contractually Obligated as of 12/31/2024	Total ARPA Expenditures Incurred To-Date Thru 12/31/2024	Project Description
3. Public Health - Negative Economic Impact: Public Sector Capacity	3.1 Public Sector Workforce: Payroll and Benefits for Public Health, Public Safety, or Human Services Workers	Clallam County Prosecuting Attorney, HHS Nurses and Juvenile Corrections - Hiring and Retention Incentives	\$ 293,487	\$ 132,182	To address an elevated number of open deputy prosecuting attorney, nursing, and juvenile corrections officer positions within the County and the increased difficulty in sourcing, recruiting and retaining qualified personnel needed for these critical public safety and health positions during and after the COVID 19 pandemic, a retention and recruitment pay incentive program was created for new and current deputy prosecuting attorneys, nurses and juvenile corrections officers to incent these personnel to join and remain employed by the County for a contracted period of 36 months to ensure delivery of public safety and public health services during a period of critical staff shortages.
2. Negative Economic Impacts	2.18 Housing Support: Other Housing Assistance	Clallam Medical Respite Care Pilot Program for the Homeless	\$ 472,180	\$ 452,851	Funds were committed by Clallam County Health and Human Services to develop the Clallam Respite Care Pilot Program which will provide short-term resident services coupled with respite support services and access to medical care for people experiencing homelessness. Such services will be provided in the County's principal low barrier homeless shelter, with trauma informed care-based medical care to be provided by a healthcare non-profit, Olympic Peninsula Community Clinic, who will serve as a contractor in the provision of these services.
2. Negative Economic Impacts	2.34 Assistance to Non-Profits: Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted)	Port Angeles Waterfront Center	\$ 300,000	\$ 300,000	Via a Direct Grant Agreement entered into with Port Angeles Waterfront Center for provision of funds to support the completion of the Field Arts & Events Hall, a 500 seat multi-purpose auditorium and 300 seat conference center, the construction of which was negatively impacted by the COVID-19 public health emergency. In addition to incurring unexpected costs related to the suspension and then resumption of construction during the pandemic, the Recipient also experienced negative economic impacts resulting from supply chain disruptions and inflationary impacts on building materials and labor costs during the pandemic, lost revenue due to the delay in opening this facility, and other unanticipated costs.
2. Negative Economic Impacts	5.10 Drinking water: Treatment	Carlsborg UGA Water Infrastructure Support	\$ 775,000	\$ 775,000	Via a Direct Grant Agreement entered into with Clallam County PUD No.1 in support of the Carlsborg UGA Water Infrastructure project to address declining water quality issues in the principal well source for the Carlsborg area where rising nitrate levels if left unchecked would exceed maximum contamination allowed under Safe Drinking Water Act within the next 4 to 6 years. To address this problem, the PUD has developed the Carlsborg/Van-Lan Water System Blending project using a newly developed deep water well to draw clean water from and blend with the nitrate-impacted principal well water source to dilute the nitrates and thereby improve and safeguard the quality of drinking water serving the Carlsborg region. This water treatment technique is an approved DOH course of action. With an estimated total cost of \$9.1 million, this water infrastructure project is eligible under multiple eligible project types in the EPA's Drinking Water State Revolving Fund Handbook under the Treatment, Transmission and Distribution, Source, and Storage categories.
2. Negative Economic Impacts	2.15 Long-term Housing Security: Affordable Housing	Peninsula Housing Authority --Ox Bow Apartments	\$ 200,000	\$ -	Via a Direct Grant Agreement entered into with Peninsula Housing Authority to support the purchase of the Ox Bow Apartments in Forks, Washington preserving 20 units of affordable housing. The Apartments built in 1988 under USDA Section 515 Loan locking in affordable housing was due to expire. Property was to be offered on the open market if public housing provider was not able to purchase property. PHA's purchase of this property will extend the affordable housing limitation on the property for 30-40 years, requiring tenants income of 80% AMI or less. PHA will be applying for Dept of Commerce HTF funding as well to complete the purchase. Closing date estimated in 2025.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

ARPA Project Expenditure Category Group	ARPA Project Expenditure Category	Project Name	Total ARPA Funds Contractually Obligated as of 12/31/2024	Total ARPA Expenditures Incurred To-Date Thru 12/31/2024	Project Description
2. Negative Economic Impacts	2.15 Long-term Housing Security: Affordable Housing	Habitat for Humanity	\$ 500,000	\$ 500,000	Board of Commissioners has committed to providing \$500K infrastructure support for a new affordable housing project in Sequim. Staff recommended reverting to original request of advancing ARPA funds in support of infrastructure design, development, and construction for this project. A formal ARPA contract for \$500k was approved and executed by the Commissioners on January 2, 2024, and subsequently amended in November 2024 to allow such funds to also support eligible infrastructure costs of another affordable housing project to be located in Carlsborg, Washington.
6.0 Lost Revenue Replacement	6.1 Provision of Government Services	Streamkeepers Database Stabilization	\$ 30,000	\$ 30,000	Funding to support the stabilization of the Steamkeepers database approved in the 2024 Budget.
6.0 Lost Revenue Replacement	6.1 Provision of Government Services	Courthouse Access Control Systems	\$ 80,323	\$ 80,323	Funding to support the purchase and installation of Courthouse Access Control Systems including Door Badges & Cameras approved in the 2024 Budget and Capital Plan.
6.0 Lost Revenue Replacement	6.1 Provision of Government Services	IT Capital Project - BOCC Electrical Closet Expansion	\$ 11,141	\$ 11,141	Funding to support further expansion of the IT network electrical closet adjacent to the BOCC suite.
6.0 Lost Revenue Replacement	6.1 Provision of Government Services	Juvenile Facilities Camera	\$ 11,234	\$ 11,234	Funding to repair/replace security cameras at the Juvenile Facilities approved in the 2024 Budget.
6.0 Lost Revenue Replacement	6.1 Provision of Government Services	Fairgrounds WiFi Expansion	\$ 10,430	\$ 10,430	Funding to expand WiFi service at the County fairgrounds approved in the 2024 Budget and Capital Plan.
6.0 Lost Revenue Replacement	6.1 Provision of Government Services	IT Capital Projects - Domain Rebuild and Nutanix Infrastructure Upgrade	\$ 662,362	\$ 4,391	Funding to support the IT Capital Projects to Rebuild County Domain and Upgrade Nutanix Infrastructure. These projects are necessary improvements to the IT Infrastructure to improve efficiency and lower overall costs and were approved in the 2025 Budget and Capital Plan. The Board of Commissioners entered into an MOU to complete these projects by 12/31/2026.
6.0 Lost Revenue Replacement	6.1 Provision of Government Services	Jail Handheld Radios	\$ 39,059	\$ 39,059	Funding to support the purchase of handheld radio equipment for jail personnel approved in the 2024 Budget and Capital Plan.
6.0 Lost Revenue Replacement	6.1 Provision of Government Services	Coroner Vehicle & Equipment	\$ 103,328	\$ 97,537	Funding to support the purchase of a vehicle and vehicle-related equipment for the Coroner's office approved in the 2024 Budget and Capital Plan.
6.0 Lost Revenue Replacement	6.1 Provision of Government Services	Parks Tractor Equipment	\$ 124,968	\$ 124,968	Funding to purchase a John Deere tractor for the Parks Department approved in the 2024 Budget and Capital Plan.
6.0 Lost Revenue	6.1 Provisions of Government Services	Juvenile Facilities Water Fountain	\$ 2,696	\$ 2,696	Funding to support the installation of upgraded water fountains in the Juvenile Services facility approved in the 2024 Budget and Capital Plan.
6.0 Lost Revenue	6.1 Provisions of Government Services	Personnel Costs	\$ 85,810	\$ -	County's "Lost Revenue" category under ARPA, which under the Final Rule allows the County to designate up to \$10 million of its ARPA award as "lost revenue" to be used to support provisions of government services. This funding will be used to support general fund personnel positions in the Sheriff Department to be paid in 2025 and 2026 that were filled as of December 31, 2024 per FAQ 17.7 & 17.8. The position class to be covered included Sergeants (2150) and Deputies (8020). Funding will cover approximate 11 FTE positions for 1 month.
5. Infrastructure, Water & Sewer	5.13 Drinking water: Source	Bullman Beach Water System	\$ 61,508	\$ 34,738	The County committed funding for the Bullman Beach water system project to repair a failing Group A water system through design and construction of a bag filtration system for a water system serving 20 residential customers and two commercial customers to improve user access to safe drinking water which no longer met Department of Ecology standards.
LESS- RETURN OF ARPA FUNDS	3.10 Housing Support: Affordable Housing	Peninsula Behavioral Health - All View Motel Affordable Housing Project	\$ (389,911)		Under the ARPA Grant agreement with Peninsula Behavioral Health for the All-View Motel mental health affordable housing project, PBH was required to reimburse the County a total of \$389,911 in ARPA funds received in the event PBH was awarded funds under its Department of Commerce Housing Trust Fund grant application. As PBH was recently notified that such grant funding was awarded to them, these ARPA funds were returned to the County and are available to be used for other ARPA-eligible projects.

\$ 15,020,640 \$ 12,236,963

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

The SLFRF grant advances received by the County and expenditures incurred for the SLFRF projects outlined above are accounted for in the County's American Rescue Plan Act special revenue fund.

In March 2021, Section 605 of the ARPA Act entitled Local Assistance and Tribal Consistency Fund ("LATCF") was passed providing \$1.5 billion to the US Department of the Treasury in 2022 and 2023 to fund payments to eligible revenue sharing counties, with \$750 million to be paid to eligible counties for each of the fiscal years 2022 and 2023. Of these funds, the County was awarded a total of \$2,510,765, of which the County received \$1,255,383 in December 2022 with the remainder received in August 2023. Funds received under LATCF may be used by local governments for any governmental purpose other than a lobbying activity. The receipt of LATCF funding is accounted for in the County's General Fund, and no LATCF funds have been obligated or disbursed as of December 31, 2024. Based on the limitations of use and reporting requirements governing LATCF funds, these funds are reflected as restricted cash and investments in the County's General Fund.

NOTE 15 – SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS

During the year ended December 31, 2023, the County adopted guidance for the presentation and disclosure of Subscription Based Information Technology Arrangements ("SBITAs"), as required by the BARS manual. This requirement resulted in the addition of a SBITA liability reported on the Schedule of Liabilities. A summary of the SBITAs paid by the County is provided below.

In April 2022, the County entered a three-year software licensing agreement with a third party vendor for the provision of Microsoft Office 365 user licenses for its employees and certain volunteers and committees which requires annual software subscription license payments of \$205,975 per year. This software license agreement expires in April 2025. Payments under this license totaled \$205,975 in 2024.

The County subscribes to an online legal case law reference and research software application for use by its Prosecuting Attorney department. Entered in July 2020, this monthly-paid subscription has a three-year term that ended in July 2023. The subscription was subsequently renewed in July 2023 for another three-year term through July 2026, with total payments made of \$36,670 in 2024.

The County acquired and deployed a body camera system for use by its law enforcement officers in 2023 under a 5-year installment equipment purchase and software licensing agreement. The software licensing component of this agreement consists of video and audio evidence-capturing software to support the use of the body camera equipment and the processing and retention of recorded evidence captured by such equipment. Entered into in July 2023 and ending June 2028, the software license component of this agreement requires annual software subscription-related payments of \$19,440. Payments under this license totaled \$19,440 in 2024. The body camera equipment commitments under this agreement are accounted for as an installment purchase and reflected as an installment purchase liability in the County's Schedule of Liabilities (see Note 9).

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

The County licenses software to operate its election ballot sorter equipment under a 5-year agreement beginning October 2020 and ending in September 2025. The agreement requires annual licensing payments of \$13,650 per year with a possible annual increase of up to 5%. Payments under the agreement totaled \$13,650 in 2024.

The County licenses health inspection management software for use by its Health and Human Services department under a 5-year licensing agreement that commenced in May 2020 and expires in May 2025. Payments under this license totaled \$7,200 in 2024.

The County licenses geographic information system software for use by its IT GIS department under a 3-year licensing agreement that commenced in January 2022 and expires in January 2025. Payments under this license totaled \$55,000 in 2024.

The County licenses secure cloud backup software for use by its IT department under a 3-year licensing agreement that commenced in April 2022 and expires in April 2025. Payments under this license totaled \$37,145 in 2024.

The County licenses AutoCad software for use by its Roads department under an annually renewing licensing agreement that commenced in May 2019 and renewed in May 2024. Payments under this license totaled \$23,303 in 2024.

The County licenses case management software for use by its Superior Court's therapeutic court and family court under a 3-year renewing licensing agreement, with optional annual 1-year renewals, that commenced in January 2024. Payments under these two licenses totaled \$9,000 (\$4,500 each) in 2024.

The County licenses employee training software for use by various departments under a 3-year licensing agreement that commenced in January 2024 and expires in January 2027. Payments under this license totaled \$6,064 in 2024.

The County licenses facilities management software for use by its Parks, Fair and Facilities department under an annual licensing agreement that commenced in July 2013 that automatically renews annually unless 30 days notice of termination is provided by the County prior to the renewal date. Payments under this license totaled \$2,737 in 2024.

The County licenses software for use by its Prosecuting Attorney's to access a repository to receive, store, and share evidence from law enforcement under a 5-year agreement that commenced in February 2024. Payments under this license totaled \$26,135 in 2024.

The County licenses agenda and meeting management software for its Board of County Commissioners under a 2-year agreement which commenced in February 2024. Payments under this license totaled \$13,351 in 2024. A 5% increase will be applied in year two of the agreement.

Clallam County
Notes to Financial Statements
For the Year Ended December 31, 2024

The County licenses sensor oversight software for use by its Sheriff's department under a 3-year agreement which commenced in May 2024. Payments under this license totaled \$13,125 in 2024.

In total, the County paid \$468,795 for SBITAs in 2024. As of December 31, 2024, the future payments under these SBITAs, including expected SBITA term extensions as provided for within the SBITA agreements, total \$358,352, and are scheduled to be paid as follows:

Year Ended December 31	Total
2025	178,538
2026	100,400
2027	48,839
2028	<u>30,575</u>
 TOTAL	 <u>\$ 358,352</u>

Clallam County
Schedule of Liabilities
For the Year Ended December 31, 2024

ID. No.	Debt ID Title	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities							
263.81	Loans and other obligations to the federal government or other out-of-state governments	Washington State CERB Loan	6/1/2025	94,961	-	47,244	47,717
263.81	Loans and other obligations to the federal government or other out-of-state governments	Washington State PWB Loan	6/1/2048	8,620,689	-	344,827	8,275,862
263.83	Loans and other obligations to Washington state agencies (Except LOCAL and PWTF loans)	Washington State DOE SRF Standard Loan 00040	6/30/2045	302,001	606,488	-	908,489
Total General Obligation Debt/Liabilities:				9,017,651	606,488	392,071	9,232,068
Revenue and Other (non G.O.) Debt/Liabilities							
263.84	Loans and other obligations to Washington state agencies (Except LOCAL and PWTF loans)	Washington State DOE SRF Forgivable Loan 00040	6/30/2045	123,977	29,777	-	153,754
263.84	Loans and other obligations to Washington state agencies (Except LOCAL and PWTF loans)	Working Advance from Department of Social and Health Services	6/30/2025	176,292	-	-	176,292
259.12	Compensated Absences	Compensated Absences		3,547,049	706,123	-	4,253,172
263.93	Environmental Liabilities	Asset Retirement Obligations		585,273	15,802	-	601,075
263.22	Liabilities for Landfills Closure and Postclosure	Landfill Post Closure Liability		369,389	27,349	30,843	365,895
264.30	Pension Liabilities	Pension Obligations		3,317,631	-	902,464	2,415,167
264.40	OPEB Liabilities	OPEB Obligations		3,163,994	-	48,667	3,115,327
263.52	Installment Purchases	Equipment Installment Purchase Liabilities	6/30/2028	90,446	-	22,612	67,834
263.57	Leases, SBITA, and PPPs	Lease Liabilities		2,515,404	404,675	187,050	2,733,029

Clallam County
Schedule of Liabilities
For the Year Ended December 31, 2024

ID. No.	Debt ID Title	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
263.57	Leases, SBITA, and PPPs	SBITA Liabilities		541,460	285,687	468,795	358,352
Total Revenue and Other (non G.O.) Debt/Liabilities:				14,430,915	1,469,413	1,660,431	14,239,897
Total Liabilities:				23,448,566	2,075,901	2,052,502	23,471,965

**Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
Child Nutrition Cluster								
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via Office of Superintendent of Public Instruction)	National School Lunch Program	10.555	051219761	24,597	-	24,597	-	1,2,6
Total Child Nutrition Cluster:				24,597	-	24,597	-	
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via WA Dept of Health)	WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	CLH31005	330,061	-	330,061	-	1,2,6
FOOD AND NUTRITION SERVICE, AGRICULTURE, DEPARTMENT OF (via WA Dept of Health)	WIC Farmers' Market Nutrition Program (FMNP)	10.572	CLH31005	598	-	598	-	1,2,6
Forest Service Schools and Roads Cluster								
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF (via WA State Treasury)	Schools and Roads - Grants to States	10.665	NA	373,788	-	373,788	-	1,2,6
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF	Schools and Roads - Grants to States	10.665	24-PA-11060900-166	-	14,494	14,494	-	1,2,5,6
Total Forest Service Schools and Roads Cluster:				373,788	14,494	388,282	-	
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF	Partnership Agreements	10.699	24-PA-11060900-166	-	12,838	12,838	-	1,2,5,6

The accompanying notes are an integral part of this schedule.

**Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF	Infrastructure Investment and Jobs Act Restoration/Revegetation	10.717	24-PA- 11060900-166	-	20,336	20,336	-	1,2,5, 6
FOREST SERVICE, AGRICULTURE, DEPARTMENT OF (via WA Dept of Natural Resources, Wildland Fire Division)	Infrastructure Investment and Jobs Act Community Wildfire Defense Grants	10.720	23-DG- 11062752-163	10,738	-	10,738	-	1,2,6
ECONOMIC DEVELOPMENT ADMINISTRATION, COMMERCE, DEPARTMENT OF	Distressed Area Recompete Pilot Program	11.040	ED24OIEOG008 5	-	377,619	377,619	245,480	1,2,6
ECONOMIC DEVELOPMENT ADMINISTRATION, COMMERCE, DEPARTMENT OF	Distressed Area Recompete Pilot Program	11.040	ED24HDQ0G05 03	-	17,442	17,442	-	1,2,6
Total ALN 11.040:				-	395,061	395,061	245,480	
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, COMMERCE, DEPARTMENT OF (via WA Recreation & Conservation Office)	Pacific Coast Salmon Recovery Pacific Salmon Treaty Program	11.438	20-1142R	16,905	-	16,905	-	1,2,6
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, COMMERCE, DEPARTMENT OF (via WA Dept of Ecology)	Congressionally Identified Awards and Projects	11.469	OTGP-2023- CICoCD-00003	87,352	-	87,352	-	1,2,6

The accompanying notes are an integral part of this schedule.

**Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, COMMERCE, DEPARTMENT OF (via WA Dept of Ecology)	Congressionally Identified Awards and Projects	11.469	OTGP-2024- CICoCD-00045	27,882	-	27,882	-	1,2,6
			Total ALN 11.469:	115,234	-	115,234	-	
BUREAU OF RECLAMATION, INTERIOR, DEPARTMENT OF THE	WaterSMART (Sustain and Manage America?s Resources for Tomorrow)	15.507	R22AP00606	-	6,064	6,064	-	1,2,6
U.S. FISH AND WILDLIFE SERVICE, INTERIOR, DEPARTMENT OF THE (via WA Recreation & Conservation Office)	Partners for Fish and Wildlife	15.631	23-1232P	590	-	590	-	1,2,6
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via WA State Patrol)	National Criminal History Improvement Program (NCHIP)	16.554	K19204	19,764	-	19,764	-	1,2,6
OFFICE ON VIOLENCE AGAINST WOMEN, JUSTICE, DEPARTMENT OF (via WA Dept of Commerce)	Violence Against Women Formula Grants	16.588	F22-31103-071	2,908	-	2,908	2,636	1,2,6
OFFICE ON VIOLENCE AGAINST WOMEN, JUSTICE, DEPARTMENT OF (via WA Dept of Commerce)	Violence Against Women Formula Grants	16.588	F23-31103-054	13,834	-	13,834	2,636	1,2,6

The accompanying notes are an integral part of this schedule.

Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
OFFICE ON VIOLENCE AGAINST WOMEN, JUSTICE, DEPARTMENT OF (via WA Dept of Commerce)	Violence Against Women Formula Grants	16.588	F22-31103-070	824	-	824	-	1,2,6
OFFICE ON VIOLENCE AGAINST WOMEN, JUSTICE, DEPARTMENT OF (via WA Dept of Commerce)	Violence Against Women Formula Grants	16.588	F23-31103-053	16,901	-	16,901	-	1,2,6
			Total ALN 16.588:	34,467	-	34,467	5,272	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF	Bulletproof Vest Partnership Program	16.607		-	13,802	13,802	-	1,2,6
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via WA Dept of Commerce)	Edward Byrne Memorial Justice Assistance Grant Program	16.738	F20-31440-203	88,173	-	88,173	-	1,2,6
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Port Angeles Police Dept)	Edward Byrne Memorial Justice Assistance Grant Program	16.738	NA	4,449	-	4,449	-	1,2,6
			Total ALN 16.738:	92,622	-	92,622	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	LA-9993	22,026	-	22,026	-	1,2,6

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**Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	LA-9833	4,841	-	4,841	-	1,2,6
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	LA-10116	30,217	-	30,217	-	1,2,6
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	LA-10368	4,104	-	4,104	-	1,2,6
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	LA-10445	7,499	-	7,499	-	1,2,6
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	LA-10446	13,779	-	13,779	-	1,2,6
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	LA-11041	38,575	-	38,575	-	1,2,6
			Total ALN 20.205:	121,041	-	121,041	-	

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**Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Federal Lands Access Program	20.224	LA-10137	13,232	-	13,232	-	1,2,6
Highway Safety Cluster								
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via Wa Assoc of Sheriff & Police Chiefs)	State and Community Highway Safety	20.600	NA	1,800	-	1,800	-	1,2,6
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Traffic Safety Commission)	State and Community Highway Safety	20.600	2024-HVE-5112 -Region 1 Target Zero Task Force	719	-	719	-	1,2,6
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Traffic Safety Commission)	State and Community Highway Safety	20.600	2024-Sub- grants-5090- Region 1 Target Zero Manager	61,200	-	61,200	-	1,2,6
Total Highway Safety Cluster:				63,719	-	63,719	-	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via WA Health Care Authority)	COVID 19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	K6243	432	-	432	-	1,2,6
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE	COVID 19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	SLRFP002	-	2,370,981	2,370,981	147,169	1,2,6

The accompanying notes are an integral part of this schedule.

Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via WA Dept of Commerce)	COVID 19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027	22-96810-002	1,262,584	-	1,262,584	1,187,139	1,2,6
			Total ALN 21.027:	1,263,016	2,370,981	3,633,997	1,334,308	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via WA Public Works Board)	COVID 19 - Coronavirus Capital Projects Fund	21.029	PBC22-96104- 009	147,822	-	147,822	129,818	1,2,6
ENVIRONMENTAL PROTECTION AGENCY, ENVIRONMENTAL PROTECTION AGENCY (via WA Dept of Ecology)	National Estuary Program	66.456	SEANWS-2023- CICoCD-00005	57,936	-	57,936	-	1,2,6
ENVIRONMENTAL PROTECTION AGENCY, ENVIRONMENTAL PROTECTION AGENCY (via WA Dept of Health)	Beach Monitoring and Notification Program Implementation Grants	66.472	CLH31005	5,547	-	5,547	-	1,2,6
ENVIRONMENTAL PROTECTION AGENCY, ENVIRONMENTAL PROTECTION AGENCY (via Jamestown S'Klallam Tribe)	Performance Partnership Grants	66.605	100931.24.002	8,678	-	8,678	-	1,2,6

The accompanying notes are an integral part of this schedule.

Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
ELECTION ASSISTANCE COMMISSION, ELECTION ASSISTANCE COMMISSION (via WA Office of Secretary of State)	HAVA Election Security Grants	90.404	IG-6924	7,598	-	7,598	-	1,2,6
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Health)	Public Health Emergency Preparedness	93.069	CLH31005	17,416	-	17,416	-	1,2,6
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Health)	Public Health Emergency Preparedness	93.069	CLH31005	677	-	677	-	1,2,6
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Health)	Public Health Emergency Preparedness	93.069	CLH31005	432	-	432	-	1,2,6
Total ALN 93.069:				18,525	-	18,525	-	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Health)	Immunization Cooperative Agreements	93.268	CLH31005	8,539	-	8,539	-	1,2,6

The accompanying notes are an integral part of this schedule.

Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

		Expenditures						
Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	From Pass- Through Awards	From Direct Awards	Total	Passed through to Subrecipients	Note
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Health)	COVID 19 - Immunization Cooperative Agreements	93.268	CLH31005	4,397	-	4,397	-	1,2,6
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Health)	Immunization Cooperative Agreements	93.268	CLH31005	17,453	-	17,453	-	1,2,3, 6
Total ALN 93.268:				30,389	-	30,389	-	
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Health)	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	CLH31005	123,956	-	123,956	-	1,2,6
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Health)	COVID 19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	CLH31005	118,372	-	118,372	-	1,2,6
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept Social & Health Services)	Child Support Services	93.563	2110.80577	195,891	-	195,891	-	1,2,6

The accompanying notes are an integral part of this schedule.

Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept Health & Human Services)	Child Support Services	93.563	2163-32123	19,486	-	19,486	-	1,2,6
ADMINISTRATION FOR CHILDREN AND FAMILIES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept Social & Health Services)	Child Support Services	93.563	2110-80577	62,674	-	62,674	-	1,2,6
			Total ALN 93.563:	278,051	-	278,051	-	
Medicaid Cluster								
CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via MMA Health Care Authority)	Grants to States for Medicaid	93.778	NA	2,655	-	2,655	-	1,2,6
CENTERS FOR MEDICARE AND MEDICAID SERVICES, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Health Care Authority)	Grants to States for Medicaid	93.778	K4641	115,966	-	115,966	-	1,2,6
			Total Medicaid Cluster:	118,621	-	118,621	-	

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Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Health)	Opioid STR	93.788	NA	37,540	-	37,540	-	1,2,4, 6
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Health)	COVID 19 - Opioid STR	93.788	NA	68,272	-	68,272	-	1,2,4, 6
Total ALN 93.788:				105,812	-	105,812	-	
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Health Care Authority)	Block Grants for Prevention and Treatment of Substance Abuse	93.959	K6935	14,544	-	14,544	-	1,2,6, 7
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA State Health Care Authority)	COVID 19 - Block Grants for Prevention and Treatment of Substance Abuse	93.959	K6935	125,636	-	125,636	-	1,2,6, 7
Total ALN 93.959:				140,180	-	140,180	-	

The accompanying notes are an integral part of this schedule.

**Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
CENTERS FOR DISEASE CONTROL AND PREVENTION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Health)	Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health	93.967	CLH31005	59,068	-	59,068	-	1,2,6
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via WA Dept of Health)	Maternal and Child Health Services Block Grant to the States	93.994	CLH31005	17,886	-	17,886	-	1,2,6
U.S. COAST GUARD, HOMELAND SECURITY, DEPARTMENT OF (via Wa State Parks & Recreation)	Boating Safety Financial Assistance	97.012	MLE 325-172	13,900	-	13,900	-	1,2,6
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	D23-219	45,686	-	45,686	-	1,2,6, 8
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	D23-219	25,173	-	25,173	-	1,2,6, 8
			Total ALN 97.036:	70,859	-	70,859	-	

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**Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Emergency Management Performance Grants	97.042	E24-247	38,214	-	38,214	-	1,2,6
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Emergency Management Performance Grants	97.042	E25-228	8,666	-	8,666	-	1,2,6
Total ALN 97.042:				46,880	-	46,880	-	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Homeland Security Grant Program	97.067	E23-089	37,788	-	37,788	-	1,2,6
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Homeland Security Grant Program	97.067	E24-128	27,789	-	27,789	-	1,2,6
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Homeland Security Grant Program	97.067	E24-069	43,147	-	43,147	35,842	1,2,6
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Homeland Security Grant Program	97.067	E23-049	76,627	-	76,627	21,868	1,2,6

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**Clallam County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024**

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Homeland Security Grant Program	97.067	E23-240	28,169	-	28,169	21,608	1,2,6
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Homeland Security Grant Program	97.067	E24-326	20,107	-	20,107	-	1,2,6
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Homeland Security Grant Program	97.067	E25-331	10,363	-	10,363	-	1,2,6
			Total ALN 97.067:	243,990	-	243,990	79,318	
			Total Federal Awards Expended:	4,094,442	2,833,576	6,928,018	1,794,196	

The accompanying notes are an integral part of this schedule.

CLALLAM COUNTY, WA

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Note 1 – Basis of Accounting

This Schedule is prepared on the same basis of accounting as the County's financial statements. The County uses the cash basis of accounting.

Note 2 – Federal Indirect Cost Rate

The County has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. The amount expended includes indirect cost recovery using approved indirect cost rates ranging from 10% to 38.46% of direct salaries as negotiated by the grants. A limited number of grants do not allow for indirect rates.

Note 3 – Noncash Awards - Vaccine

The amount of vaccine reported on the Schedule is the value of vaccine received by the County during the current year and priced as prescribed by Washington State Department of Health.

Note 4 – Noncash Awards – Supplies

The amount of supplies reported on the Schedule is the value of the supplies received by the County during the current year and priced as prescribed by Washington State Department of Health.

Note 5 – Noncash Awards – Forest Service Salary/Labor

The County received noncash contributions from the US Forest Service in the form of Salaries/Labor and Overhead to support the coordination of efforts under the 24-PA-11060900-166 grant. The noncash value of this labor as prescribed in the granting documents are reflected in the ALN reports as follows:

- 10.665 – Title II Secure Rural Schools – Noncash amount \$1,824.56
- 10.699 – USDA Partnership Agreements – Noncash amount \$2,837.52
- 10.717 – Bipartisan Infrastructure Law – Noncash amount \$5,336.00

Note 6 – Program Costs

The amounts shown as current year expenditures represent only the federal award portion of the program costs. Entire program costs, including the County portion, are more than shown. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 7 – 2023 Reclassification Covid Expenditures

The CPWI Prevention Services-Cohort 7 grant, ALN 93.959, Contract #K6935, incorrectly reported all expenditures in 2023 as non-Covid. It was discovered that \$28,267.07 had been paid under the Covid (ARPA) funding portion of the grant. This amount has been reclassified for 2024 as follows:

1. 2024 Non-Covid expenditures \$42,811.12 less 2023 Covid reclassified expenditures \$28,267.07 = Total 2024 reported non-Covid expenditures \$14,544.05
2. 2024 Covid expenditures \$97,369.00 plus 2023 Covid reclass expenditures \$28,267.07 = Total 2024 reported Covid expenditures \$125,636.07.

Note 8 – FEMA Disaster Expenditures from 2022

FEMA disaster expenditures are reported on the SEFA after the PW have been approved. PWs approved and reported on the 2024 SEFA are for expenditures from the prior year as listed below.

- a. Disaster# 4682-DR-WA Package #30 PW# 29 – Approved 3/26/2024 – \$60,004.33 – Expenditures during Nov/Dec 2022
- b. Disaster# 4635-DR-WA PW #43 – Approved 3/26/2024 – \$934.15 - Expenditures during Nov/Dec 2022
- c. Disaster# 4635-DR-WA PW #29 v. 0-1 – Approved 10/18/2024 \$9,920.72 – Expenditures during Nov/Dec 2022

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In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

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