

ROAD SECTION

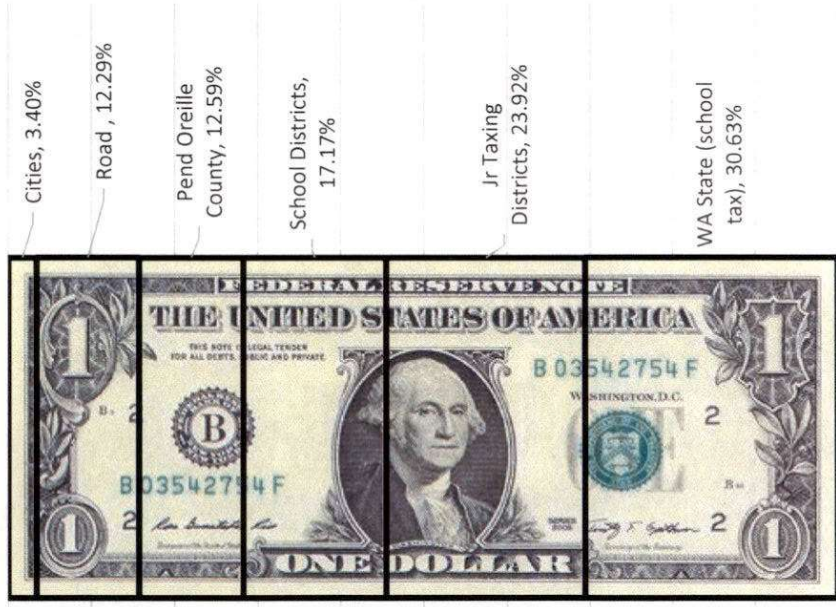
9. How much of my Tax dollars go to the Road Fund?

The Road fund is one of the major Special revenue funds in Pend Oreille County. The Road revenue funds are defined by RCW 36.82.010 & RCW 82.36.025 for establishing, laying out, constructing, altering, repairing, improving and maintaining county roads, bridges and wharves necessary for vehicle ferriage and for other proper county purposes.

Pend Oreille County Road Department maintains 561 miles of roadway (295 miles paved and 266 miles gravel) of roads throughout the county, representing the largest capital investment by the County with a current value of \$400,000,000. The Road Fund has a property tax levy rate separate from the Current expense General fund levy (see question 15-16). The Road portion of Property tax revenue budgeted for 2024 is \$2,452,046. Amounting to approximately .12 cents per \$1.00 of property tax. (see chart below)

*This graph is an overall representation of the breakdown for the entire county, the exact entity split will vary depending on the district you live in.

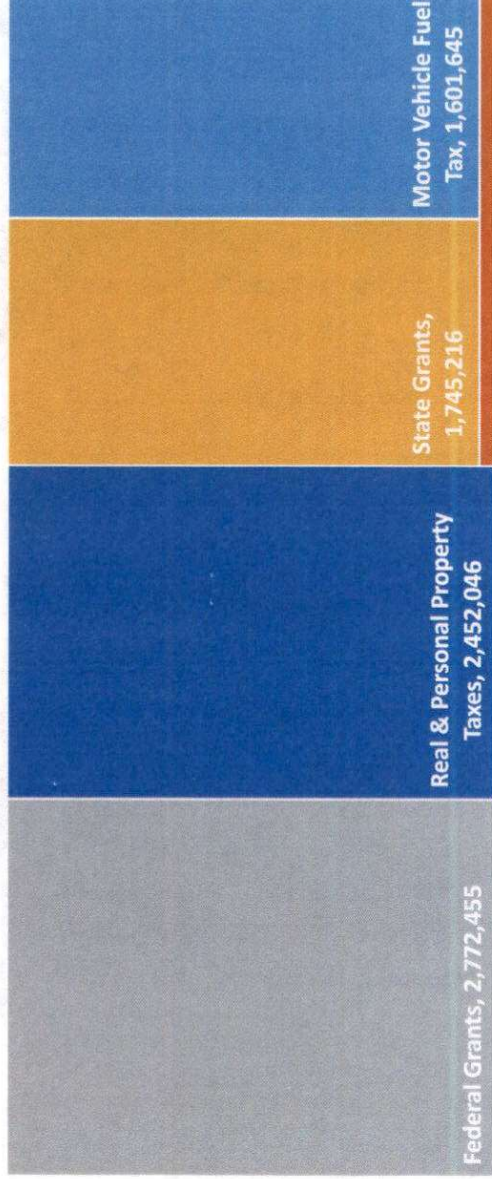
BREAKDOWN OF \$1 OF PROPERTY TAX



10. What are the major sources of Revenue for the Road Fund?

The Road Fund budget varies from year to year based on the Federal and State Grant projects in process. Below you can see the difference between the major revenue sources in 2023 and 2024. Motor Vehicle Fuel tax has fluctuated the past few years with the State still working on legislation to account for electric vehicle usage.

2024 BUDGET ROAD MAJOR REVENUE SOURCES



2023 BUDGET ROAD MAJOR REVENUE SOURCES

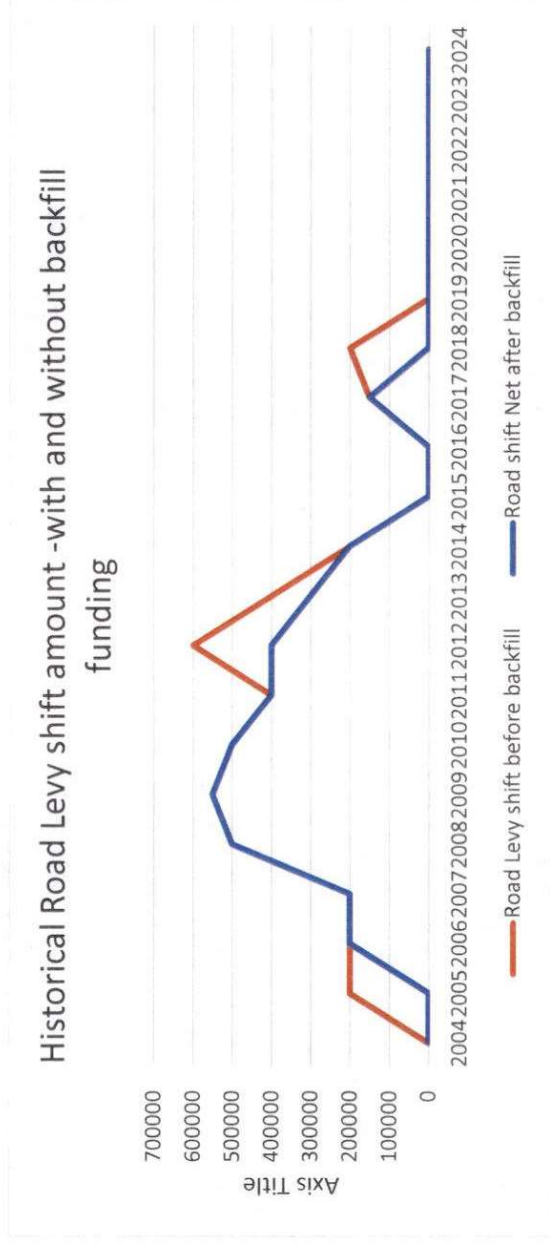


11. What does it mean if the County has a Road Levy Shift?

Washington law allows county governments to collect two separate property tax levies through the county general levy and road levy. The county general levy is limited to collecting no more than \$1.80 per \$1,000 of assessed value for the general operating budget of county government. The road levy is limited to collecting no more than \$2.25 per \$1,000 of assessed value to be used for "proper county road purposes." (See RCW 36.82.020.) At the option of the county legislative authority, some of the levy capacity of the road levy may be shifted to increase the county general levy.

12. Did Pend Oreille County have a Road Levy Shift in 2024?

No. The Board of County Commissioners continue to prioritize their desire for no Road levy shift. I have updated the Historical Road levy shift graph this year to include the years prior Boards were able to backfill from Capital Projects to offset any Roady Levy shift that they did take of no Road Levy shift for 2022, to give a clearer understanding.

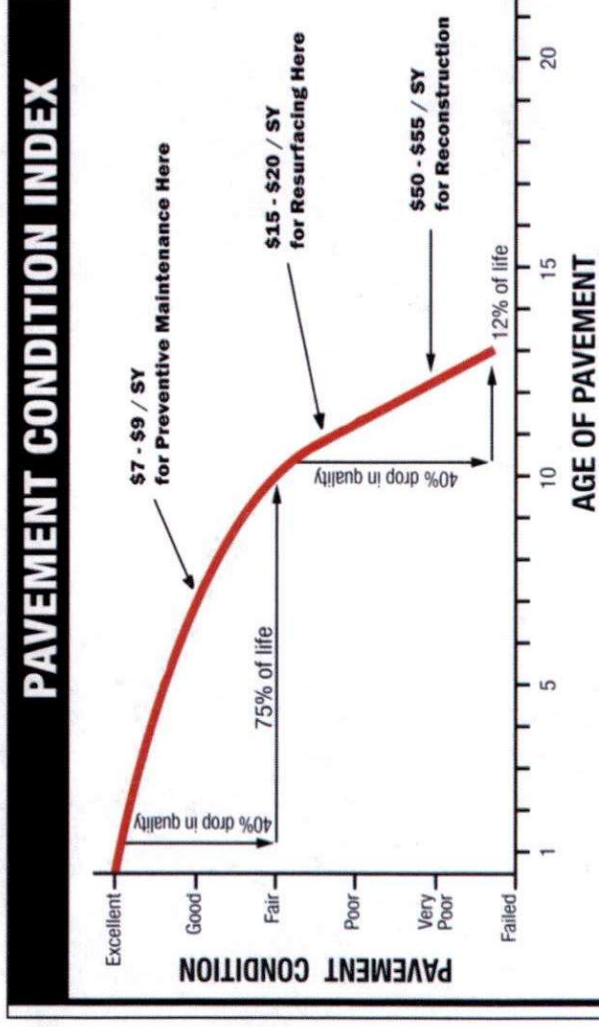


13. What is ER&R and how does it relate to the Road Fund?

ER & R in County government stands for Equipment Rental and Revolving. ER&R is a type of Internal Service Fund. They are established to provide equipment rental services within a local government. All counties (RCW 36.33A.010) are legally required to have an ER&R fund for operating county road departments and may be expanded to provide services to other departments. They give the County a way to allow expensive equipment and supplies to be 'rented' on a cost reimbursement basis (without generating a profit.) It helps spread the replacement cost, out over years and spread the overhead (salary and benefits) and Operating maintenance out evenly. Providing stability and predictability in cost for budgeting, instead of incurring a large cost all at once, or variable costs per month.

14. How does the Road department prioritize Road maintenance?

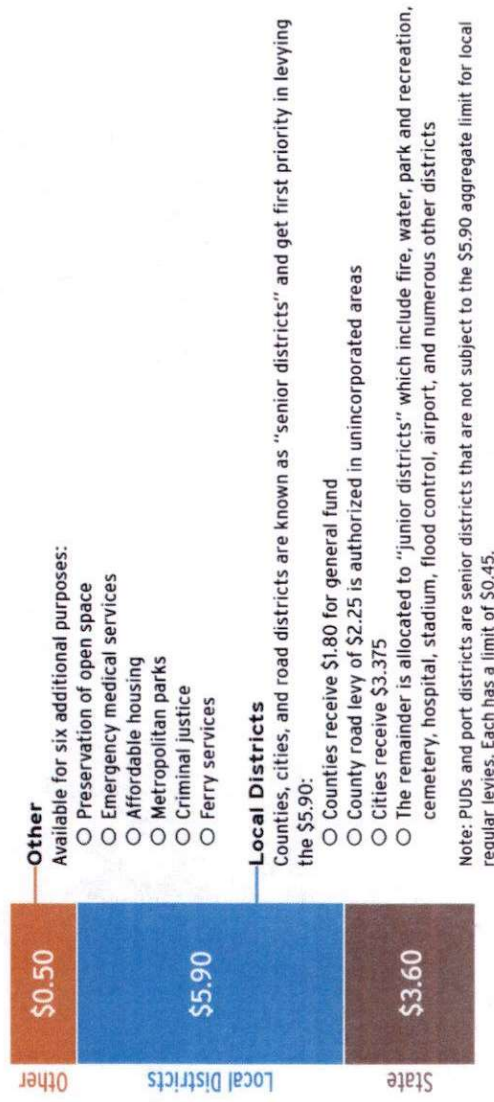
Pend Oreille County maintains 561 miles of County Roads. The Public Works director along with his team of engineering staff, accounting staff and road foremen develop the detailed plan. They use many methods including a detailed inventory of all roads, rating the condition of each road based on inspections, considering cost to value and using industry best practices. Below is one of the many guidelines used to develop the most efficient use of the limited maintenance Road Funds.



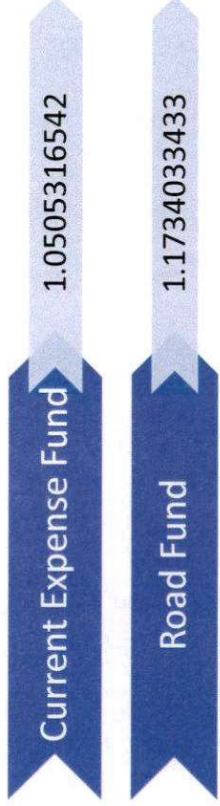
PROPERTY TAX SECTION

15. What are the Levy rate limits in Washington?

\$10 Property Tax Limit In Washington



16. What are the 2024 levy rates for Pend Oreille County?

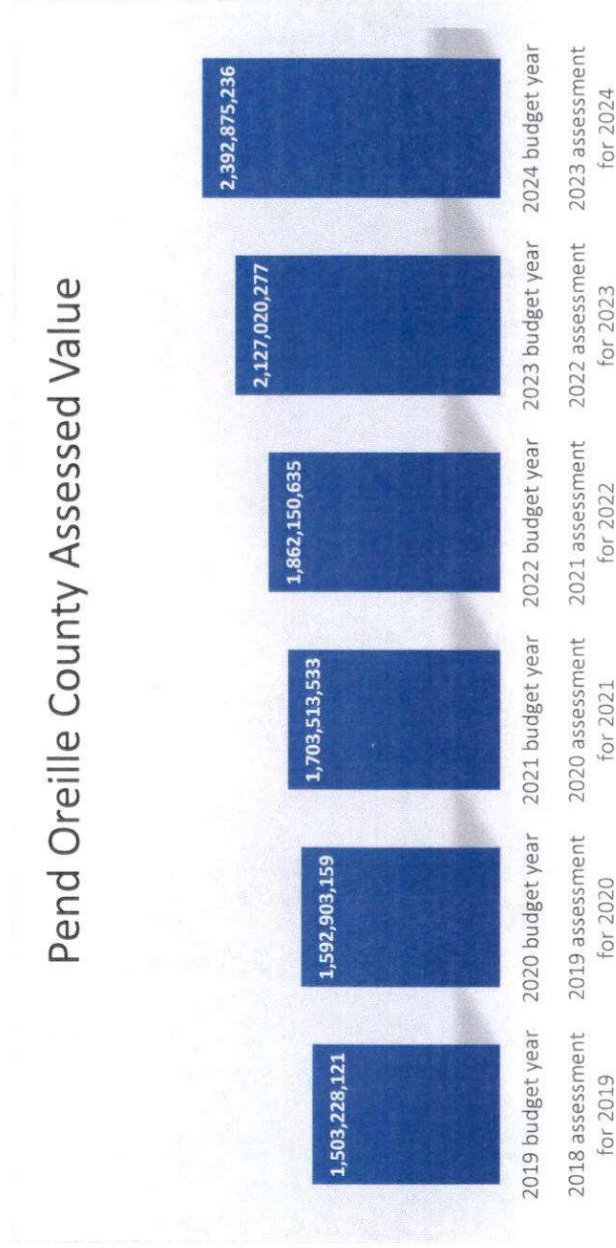


17. How does the 1% annual property tax limit affect the County budget?

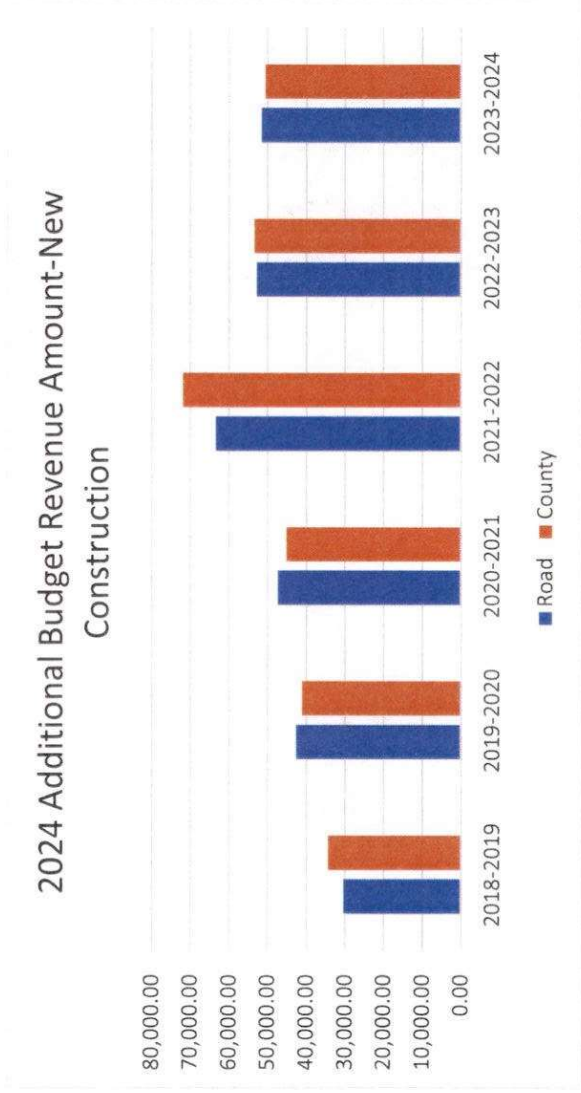
The 1% limit applies to the increase of total levy tax limit from one year to the next. Most citizens are surprised to learn that the 1% limit in 2024 amounted to \$24,366.93 increase to the Current Expense Property tax revenue and \$23,742.06 increase to the Road fund property tax revenue. The remaining increase in property tax revenue comes from new construction. In 2024, that amounted to \$50,586.75 for Current Expense Fund and \$51,506.20 for the Road Fund. If you are interested in learning more about Washington State Property tax and how levy and property value affect your taxes : https://dor.wa.gov/sites/default/files/legacy/Docs/Pubs/Prop_Tax/LevyManual.pdf

18. What is Pend Oreille County's Assessed value?

Pend Oreille County total assessed value for 2024 is up from \$2,127,020,277 in 2023 to \$2,392,875,236 for 2024.



19. How much does new construction add to the CE and Road property tax revenue?



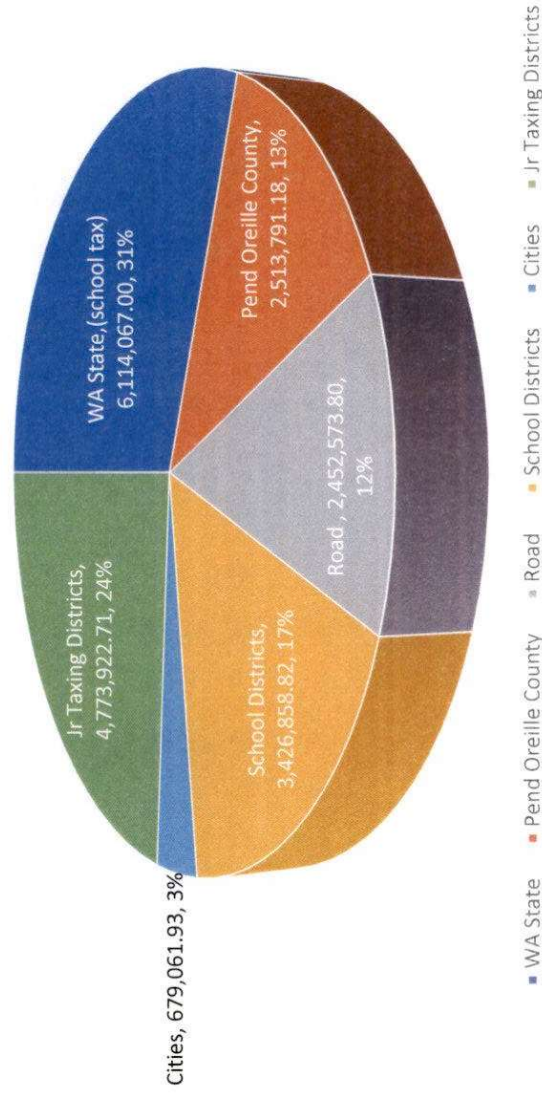
20. How are my total property taxes distributed?

Below is a chart of the distribution of the total tax dollars collected in Pend Oreille County. The distribution of your individual taxes is dependent on the district your property is in.

This chart includes all the Districts in the County.

Your property tax bill would only include the relevant -Jr. taxing district, school district, Road district, WA State (school tax), and City in your taxing District.

Your 2024 Tax Dollars \$19,960,275



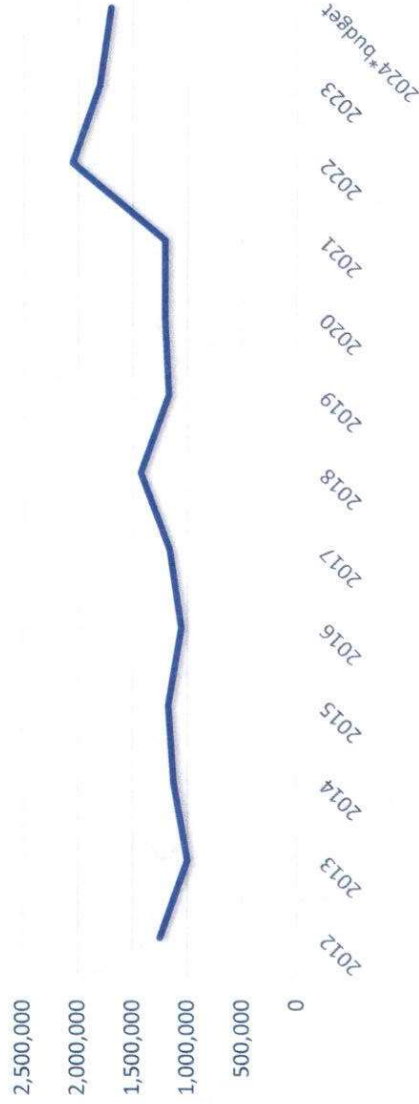
21. What are the Pend Oreille County Junior Taxing Districts?

As per the Levy graphic in question 12, Local district Levy includes County, Road and Cities considered 'Senior Districts' the remainder are allocated as "junior districts". In Pend Oreille County this includes fire, water and sewer, cemetery, hospital, port, diking and library districts.

22. How much of my Sales Tax dollars stay in Pend Oreille County?

In 2023, the sales tax rate in Pend Oreille County is 7.7%. The tax breakdown is broken down into .065% State sales and use tax and .012% Local city/County Sales and use tax respectively. The local business collects and pays the total 7.7% sales tax to Washington state and the State distributes the Local City/County portions back to the entitled entity. Pend Oreille County is only entitled to taxable items purchased or delivered to Pend Oreille County. Pend Oreille County is able to benefit from the State portion of Sales tax collected by participating in several entitlement programs that provide funding for specific purposes (See Question 8). 2022 shows the county sales & use tax increased significantly. The increase in Assessed value, historically high new construction and new industry in Pend Oreille County correlate with this increase in sales & use tax. Subsequent year 2023 saw a slight decrease with the expectation that 2024 will continue that trend.

Pend Oreille County Sales & Use Tax Revenue 2012-2024



23. Is Pend Oreille County audited by an outside source?

All local governments are required by RCW 43.09.230 to submit an annual financial report to the Washington State Auditor's office within 150 days of the end of their fiscal year.

Washington State is unique in the fact that the Washington State Auditor's Office (SAO) designed and manages the chart of accounts for all local governments within Washington State, so that data can be collected uniformly from all public entities for comparison purposes for citizens and the legislature. The system is called the Budgeting, Accounting and Reporting System (BARS). The State Auditor's office audits Pend Oreille County annually.

The Audited County annual reports can be viewed on the State Auditor website

<https://www.sao.wa.gov/>

24. What are the types of Government functions that Pend Oreille County performs and what departments/fund are included in each Government function category?

General Government	Social Services	Public Safety	Economic Environment	Culture & Rec	Utilities	Transportation	Capital Expenditure
Assessor	Coroner	Sheriff	Community Development	Extension			
Auditor	Counseling	Jail	Arts & Tourism	Park	Solid Waste	Road	Road
BOE/Civil	Veteran's	Dispatch	Public Facilities			ER&R	Capital Projects
Commissioner	Homeless	Juvenile	Noxious Weed				ER&R
Clerk	Low Income	Probation					
Buildings & Grounds		Emergency Management					
District Court							
Elections							
Superior Court							
Prosecutor							
HR							
Treasurer							
Risk Management							
IT							

25. What is the Pend Oreille County Budget Process?

The County Budget process follows the State law for counties in RCW Chapter 36.40. (<https://apps.leg.wa.gov/rcw/dispo.aspx?Cite=36.40>)

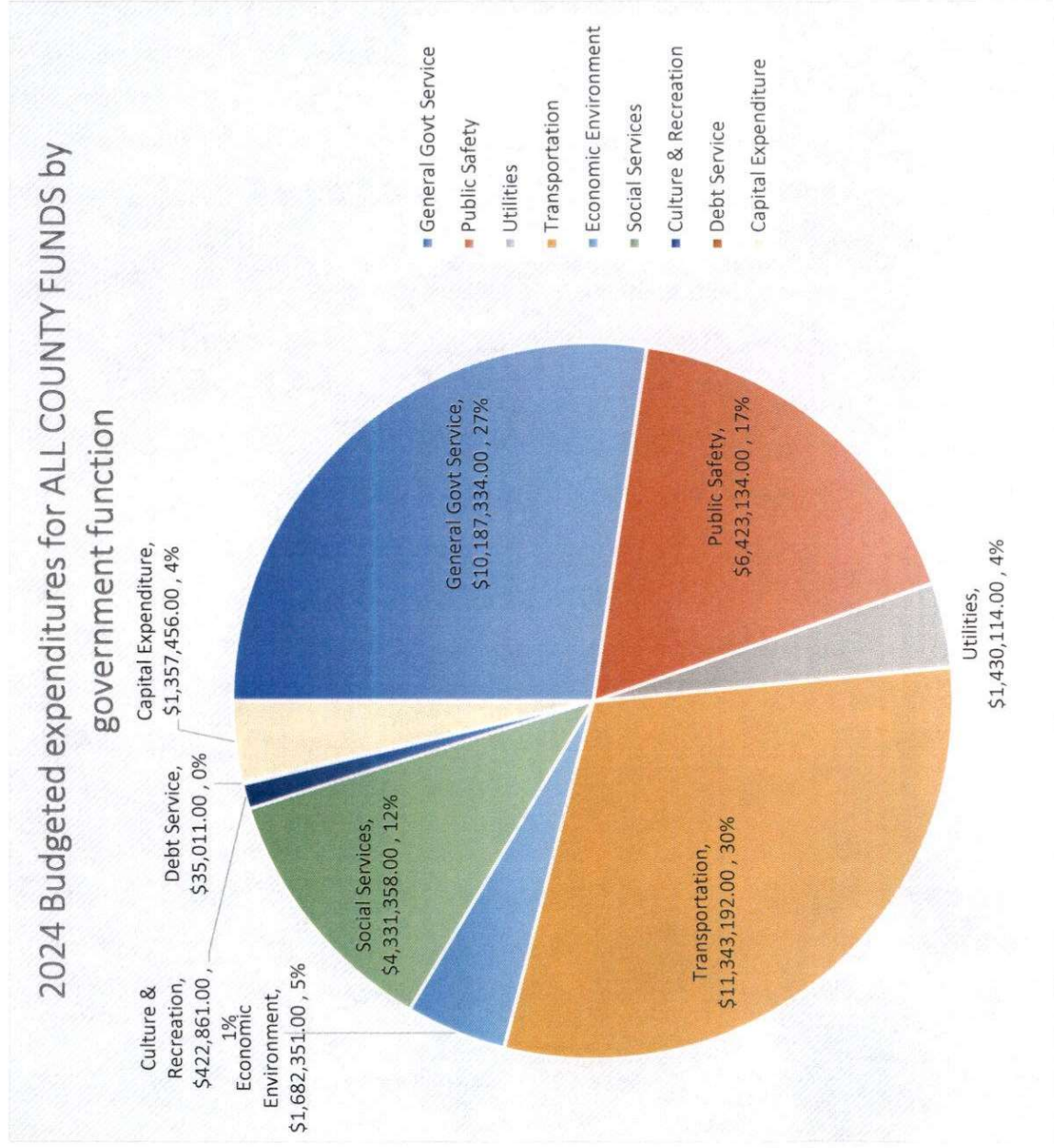
According to the Washington State Auditor BARS manual which defines how the law is interpreted, "Budgeting is more than just an activity to satisfy state law. It is a sophisticated process of strategic planning, communication and policy development resulting in a detailed plan of operations for allocating and monitoring the use of limited resources among various competing demands."

- Budget Estimates to Departments on or before the second Monday in July
- Budget Estimates due back to Auditor on or before the second Monday in August
- Proposed Preliminary Budget submitted to the Board of County Commissioners by the Auditor on or before the 1st Tuesday in September
- BOCC meets with departments regarding their budget request, using information gathered to set priorities based on county needs.
- Final Budget adopted after Public Hearing in December.

26. Is the Pend Oreille County budget balanced?

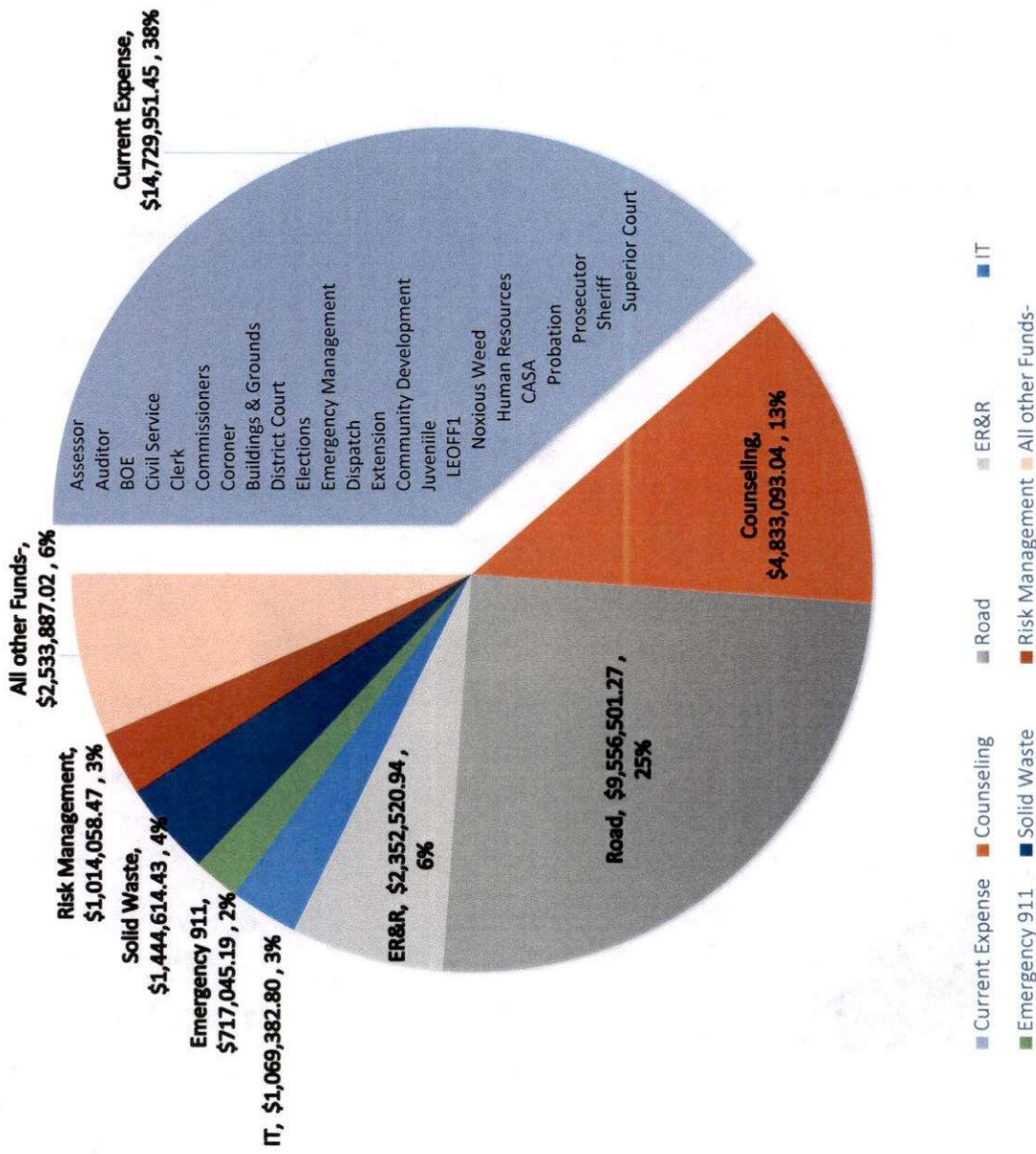
Unlike the federal government, the county government is required to balance the budget before the budget can be adopted. Expenditures of each fund must balance with revenue and reserved balance available in each fund.

27. How much does the county allocate in the 2024 budget to each government function?



28. What is the budget breakdown by County fund in 2024?

2024 County Budgeted Expenditures by Fund



29. What if I have more budget questions?

If you have more questions we encourage you to contact the Auditor's office at 509-447-6470. I encourage ideas for new questions that constituents would like answered in following budget years.