

**AGENDA**  
**Clallam County Lodging Tax Advisory Committee**  
**Thursday, May 14, 2020**  
**Clallam County Courthouse**  
**Rm. 160 Commissioners' Board Room**  
**2:30 pm**

**\*\*ATTENTION\*\***

In response to the current pandemic, to promote social distancing, and in compliance with Governor's Proclamation 20-28.2 which prohibits in-person attendance at meetings, the Lodging Tax Advisory Committee strongly encourages the public to take advantage of remote options for attending open public meetings. The Lodging Tax Advisory Committee also strongly encourages public comments to be submitted in writing if possible.

This meeting can be viewed on a live stream at this link:  
<http://www.clallam.net/features/meetings.html>

If you would like to participate in the meeting by phone call (408) 419-1715 or (408) 915-6290 and use Meeting ID: 318 260 249.

If you would like to participate via video conference, visit [www.bluejeans.com](http://www.bluejeans.com) and join the Regular Meeting with Meeting ID: 318 260 249.

No in-person attendance will be allowed until Governor's Proclamation 20-28.2 is lifted.

Public comment and questions can be directed to the Clerk of the Board at (360)417-2256 or [agores@co.clallam.wa.us](mailto:agores@co.clallam.wa.us).

- I. CALL TO ORDER, ROLL CALL
- II. REQUEST FOR MODIFICATIONS/APPROVAL OF AGENDA
- III. APPROVAL OF MINUTES FOR THE MEETINGS ON: April 9, 2020
- IV. BUSINESS
  - a. Current Lodging Tax Funding balance – Mark Lane
  - b. Keeping the Lights On COVID-19 – Should there be a second request for proposals. If so, total amount and maximum per organization.
- V. PUBLIC COMMENT
- VI. ADJOURNMENT

**LTAC 2020 meeting dates:**

- June 11, 2020
- September 10, 2020
- October 8, 2020
- November 12, 2020
- December 10, 2020

# Clallam County LTAC – Hotel/Motel Tax Advisory Committee

## Minutes ... April 9, 2020 2:30 p.m.

### Room 160 ... Commissioners' Board Room

**Committee Members present:** Chair Randy Johnson (Clallam County Commissioner and Chair of LTAC), Vanessa Fuller (Dungeness River Audubon Center), Lissy Andros (Forks Chamber of Commerce), Linda Keen (Quillayute River Resort), Ryan Malane (Black Ball Ferry Line), Lorrie Mittmann (Peninsula Adventure Sports) and Marc Abshire (Port Angeles Chamber of Commerce), Robert Utz (Lower Elwha Tribe). Chair Johnson appeared in person to convene the meeting. LTAC Members appeared by either video or audio. Due to Governor's Proclamation 20-28 (COVID-19) in person attendance was prohibited.

#### **Committee Members absent:**

**Call to Order:** The meeting was called to order by Chair Johnson at 2:30 p.m.

**Agenda:** Andros moved to adopt the agenda, Keen seconded motion, motion carried.

**Minutes:** Abshire moved to approve the minutes, Malane seconded motion, motion carried, minutes approved as presented.

#### **Business:**

##### **A view of the LTAC funds using a pessimistic view of continuing business conditions**

Mark Lane, Clallam County Chief Financial Officer, provided a report on March revenue results and a projected revenue report. Lane projected revenues coming in at approximately \$548,000 due to the current financial conditions.

##### **A discussion and recommendation about the need to continue at this time with the request for proposal (RFP) for the Olympic Peninsula Tourism Strategic Plan 2021-2026**

Fuller recommended waiting for a year or two after the COVID-19 crisis to move forward. All members agreed to postpone the RFP for the Olympic Peninsula Tourism Strategic Plan 2021-2026.

##### **A review and recommendation from the Committee for tourism nonprofits which will need help funding their operations through this difficult time "Keeping the Lights On - COVID".**

Discussion held regarding what the minimum balance should be in the LTAC Fund Account. The LTAC members agreed to maintain a minimum balance of \$450,000 in the LTAC Fund Account.

Discussion held regarding tourism nonprofits which need help funding their operations during this difficult time.

Johnson advised that some of the applications were not approved by the Prosecuting Attorney's Office to move forward in the grant process as they did not meet the eligibility requirements.

The LTAC Committee discussed the eligible applications and made the following recommendations:

**Dungeness River Audubon Society** - \$25,000 – LTAC members grant the request in full.

**Feiro Marine Life Center** - \$22,089 – LTAC members grant the request in full.

**Sequim Prairie Grange** – LTAC members don't find this tourism related entity and deny the funding request.

**Sequim Community Broadcast – KSQM** – LTAC members don't find this a tourism related entity and deny the funding request.

# **Clallam County LTAC – Hotel/Motel Tax Advisory Committee**

## **Minutes ... April 9, 2020 2:30 p.m.**

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**Loyal Order of the Moose** - LTAC members don't find this to be tourism related entity and deny the funding request.

**Juan De Fuca Festival Foundation** – \$5,000 - LTAC members grant the funding request in full.

**Field Arts and Events Hall** - LTAC members don't find this request to be appropriate for "Keeping the Lights On" – LTAC members deny the funding request.

**Port Angeles Marathon Association** - \$24,000 – LTAC members grant the funding request in full.

**Forks Timber Museum** - \$5,040 – LTAC members grant the funding request in full.

**Washington Coast Savers National Marine Sanctuary Foundation** - \$17,510 - LTAC members agree to grant the funding request at a reduced amount for a total of \$9,000.

**Port Angeles Fine Arts Center** - \$20,000 – LTAC members agree to grant the funding request at a reduced amount for a total of \$10,000.

For a total of \$100,129 in grant expenditures.

Fuller recuses herself from the vote.

Keen moved to accept the budget for "Keeping the Lights On COVID" grant expenditures at \$100,129 to be distributed as discussed, Abshire seconded, motion carried.

Johnson read the Notice of Cancellation of Request for Proposals for the Olympic Peninsula Tourism Strategic Plan 2021-2026. Abshire moved to approve the notice, Fuller seconded the motion, motion carried.

#### **Public Comment**

**Next meeting date is May 14, 2020 at 2:30 p.m.**

**The meeting adjourned at 4:03 p.m.**

**CLALLAM COUNTY**  
**HOTEL/MOTEL TAX--FUND 19925**  
**STATEMENT OF SOURCES, USES AND RESERVES**  
**YTD APRIL 2020 ACTUALS, REVISED 2020 PROJECTION & 2020 BUDGET WITH 5 YEAR LOOK BACK**

|   | BUDGET   | PROJECTIONS  | ACTUALS--CURRENT YEAR WITH 5 YEAR LOOK BACK |                  |                |                |                |                | ACTUALS--YTD PRIOR YEAR |                        |
|---|--|--|---|------------------|----------------|----------------|----------------|----------------|-------------------------|------------------------|
|   | 2020 BUDGET (BASED ON CURRENT COMMITMENTS AND IN-PROCESS BUDGET REVISIONS SUBMITTED FOR BOCC APPROVAL) | PROJECTED YEAR-END 2020 (BASED ON APPROX 45% DECLINE IN REVENUE, ELIMINATION OF STRATEGIC STUDY) | YTD THRU APRIL 2020                         | 2019             | 2018           | 2017           | 2016           | 2015           | YTD THRU APRIL 2019     | % CHANGE VS PRIOR YEAR |
| <b>REVENUE (SOURCES OF FUNDING)</b>                             |  |  |   |                  |                |                |                |                |                         |                        |
| 291.31331.00.0030 HOTEL/MOTEL TRANSIENT LODGING TAX             | 542,500  | 278,208  | 75,381                                      | 499,196          | 481,653        | 394,239        | 313,770        | 262,806        | 69,137                  | 9.0%                   |
| 291.31331.00.0040 HOTEL/MOTEL LODGING ADDITIONAL TAX            | 542,500  | 278,967  | 75,280                                      | 492,412          | 436,419        | 394,191        | 313,770        | 262,806        | 61,017                  | 23.4%                  |
| 291.36700.00.0000 CONTRIBUTIONS AND DONATIONS                   | -  | -  | -   | 940              | -              | -              | -              | -              | -                       | --                     |
| 291.39797.90.0240 TRANSFER FROM OPERATING TRANSFERS OUT         | -  | -  | -   | -                | -              | -              | -              | -              | -                       | --                     |
| <b>TOTAL REVENUE (SOURCES)</b>                                  | <b>1,085,000</b>   | <b>557,175</b>   | <b>150,661</b>                              | <b>992,548</b>   | <b>918,071</b> | <b>788,430</b> | <b>627,540</b> | <b>525,611</b> | <b>130,154</b>          | <b>15.8%</b>           |
| % CHANGE VS PRIOR YEAR  | 9.3%   | -43.9%   | 15.8%                                       | 8.1%             | 16.4%          | 25.6%          | 19.4%          | 9.6%           |                         |                        |
| <b>EXPENDITURES (USES OF FUNDING)</b>                           |  |  |   |                  |                |                |                |                |                         |                        |
| 291.55730.41.0020 PROFESSIONAL SERVICES                         | -  | -  | -   | -                | -              | -              | -              | -              | -                       | --                     |
| 291.55730.41.0116 CLALLAM BAY-SEKIU CHAMBER OF COMMERCE         | 30,000   | 30,000   | 10,000                                      | 10,086           | 21,363         | 22,971         | 25,760         | 28,164         | 10,086                  | -0.9%                  |
| 291.55730.41.0117 CHAMBERS OF COMMERCE                          | 3,000  | 3,000  | 195   | 2,972            | 1,822          | 1,822          | 822            | 1,822          | 1,525                   | -87.2%                 |
| 291.55730.41.0121 OLYMPIC PENINSULA VISITOR BUREAU              | 641,667  | 641,667  | 191,667                                     | 514,167          | 527,500        | 391,667        | 486,500        | 399,000        | 124,167                 | 54.4%                  |
| 291.55730.41.5110 PARKS/FAIR/FACILITIES                         | 40,000   | 40,000   | -   | 24,025           | 28,596         | 30,000         | 30,000         | 24,500         | -                       | --                     |
| 291.55730.41.5120 PUBLIC WORKS                                  | 250,000  | 250,000  | -   | 220,000          | -              | 105,000        | -              | -              | -                       | --                     |
| 291.55730.41.5130 SHERIFF                                       | -  | -  | -   | -                | -              | -              | 5,000          | 5,000          | -                       | --                     |
| 291.55730.41.0118 FEIRO MARINE LIFE CENTER                      | -  | -  | -   | -                | 50,000         | 54,000         | -              | 75,000         | -                       | --                     |
| 291.55730.49.0036 SEQUIM PICKLERS                               | -  | -  | -   | -                | -              | 34,000         | -              | -              | -                       | --                     |
| 291.55730.49.0056 PENINSULA AREA PUBLIC ACCESS                  | -  | -  | -   | -                | -              | 33,000         | -              | -              | -                       | --                     |
| 291.55730.49.0151 DUNGENESS RIVER AUDUBON CENTER                | -  | -  | -   | -                | -              | 69,710         | -              | -              | -                       | --                     |
| 291.55730.49.0155 NOR'WESTER ROTARY CLUB/FOUNDATION             | -  | -  | -   | 5,000            | -              | -              | -              | -              | -                       | --                     |
| 291.55730.49.0160 PA CHAMBER OF COMMERCE                        | -  | -  | -   | 35,000           | -              | -              | -              | -              | -                       | --                     |
| 291.55730.49.0161 NEAH BAY CHAMBER OF COMMERCE                  | 30,000   | 30,000   | -   | 25,700           | -              | -              | -              | -              | -                       | --                     |
| 291.55730.49.0162 STRATEGIC STUDY                               | -  | -  | -   | -                | -              | -              | -              | -              | -                       | --                     |
| 291.55730.49.0230 UNANTICIPATED PROJECTS ("KEEP THE LIGHTS ON") | -  | 100,129  | 100,129                                     | -                | -              | -              | -              | -              | -                       | --                     |
| 291.55730.51.0050 WASHINGTON STATE PATROL                       | -  | -  | -   | -                | 5,290          | 4,831          | -              | -              | -                       | --                     |
| <b>TOTAL EXPENDITURES (USES)</b>                                | <b>994,667</b>   | <b>1,094,796</b>   | <b>301,991</b>                              | <b>836,950</b>   | <b>634,571</b> | <b>747,001</b> | <b>548,082</b> | <b>533,486</b> | <b>135,778</b>          | <b>122.4%</b>          |
| <b>EXCESS OF REVENUE(SOURCES) OVER EXPENDITURES(USES)</b>       | <b>90,333</b>  | <b>(537,621)</b>   | <b>(151,330)</b>                            | <b>155,598</b>   | <b>283,501</b> | <b>41,430</b>  | <b>79,458</b>  | <b>(7,875)</b> | <b>(5,624)</b>          | <b>2590.6%</b>         |
| <b>ENDING FUND BALANCE/RESERVES</b>                             | <b>1,141,490</b>   | <b>513,536</b>   | <b>899,827</b>                              | <b>1,051,157</b> | <b>895,559</b> | <b>612,058</b> | <b>570,628</b> | <b>491,170</b> | <b>889,934</b>          | <b>1.1%</b>            |

**CLALLAM COUNTY  
HOTEL/MOTEL TAX--FUND 19925  
2020 TAX REVENUE REFORECAST**

|  | January<br>2020 Actual | February<br>2020 Actual | March 2020<br>Actual | April<br>2020<br>Actual | May 2020<br>Projected | June 2020<br>Projected | July 2020<br>Projected | August<br>2020<br>Projected | September<br>2020<br>Projected | October<br>2020<br>Projected | November<br>2020<br>Projected | December<br>2020<br>Projected | 2020<br>Projected |
|--|------------------------|-------------------------|----------------------|-------------------------|-----------------------|------------------------|------------------------|-----------------------------|--------------------------------|------------------------------|-------------------------------|-------------------------------|-------------------|
| Hotel/Motel Transient Lodging Tax        | 16,379                 | 18,798                  | 20,298               | 19,826                  | 7,726                 | 8,132                  | 11,746                 | 16,957                      | 39,310                         | 49,282                       | 45,905                        | 23,849                        | 278,208           |
| Hotel/Motel Transient Lodging Additional | 16,177                 | 18,896                  | 20,381               | 19,905                  | 8,045                 | 8,132                  | 11,737                 | 16,797                      | 39,063                         | 50,107                       | 45,879                        | 23,849                        | 278,967           |
| <b>TOTAL HOTEL/MOTEL TAX REVENUE</b>     | <b>32,556</b>          | <b>37,694</b>           | <b>40,679</b>        | <b>39,731</b>           | <b>15,770</b>         | <b>16,264</b>          | <b>23,483</b>          | <b>33,754</b>               | <b>78,373</b>                  | <b>99,389</b>                | <b>91,785</b>                 | <b>47,697</b>                 | <b>557,175</b>    |
| YOY % CHANGE--MONTH                      | 54.6%                  | -12.4%                  | 9.2%                 | 37.9%                   | -75.0%                | -75.0%                 | -75.0%                 | -75.0%                      | -50.0%                         | -35.0%                       | -30.0%                        | -25.0%                        | -43.8%            |
| YOY % CHANGE--CUMULATIVE                 | 54.6%                  | 9.6%                    | 9.5%                 | 15.8%                   | -13.9%                | -29.3%                 | -41.5%                 | -50.8%                      | -50.6%                         | -47.6%                       | -45.1%                        | -43.8%                        | -43.8%            |

**SCENARIO 1--DOWN 45% FOR YEAR (75% DECLINE IN BOOKINGS MARCH-JUNE, DOWN 50% IN JULY, 35% DOWN AUG, 30% DOWN SEPT (%s BELOW REFLECT 60 DAY LAG BETWEEN ACTIVITY AND TAX COLLECTION)**

|              |        |        |        |        |        |        |        |        |        |        |        |        |         |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| YOY % CHANGE | 54.6%  | -12.4% | 9.2%   | 37.9%  | -75.0% | -75.0% | -75.0% | -75.0% | -50.0% | -35.0% | -30.0% | -25.0% | -43.8%  |
| TAX REVENUE  | 32,556 | 37,694 | 40,679 | 39,731 | 15,770 | 16,264 | 23,483 | 33,754 | 78,373 | 99,389 | 91,785 | 47,697 | 557,175 |