

# FACT SHEET

## TOWN OF CATHLAMET PROPOSITION NO. 1

### “INCREASE OF PROPERTY TAX LEVY FOR RETENTION OF BASIC PUBLIC SAFETY & OTHER ESSENTIAL SERVICES”

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In July, following multiple budget workshops focused primarily on reducing expenses, the Cathlamet Town Council adopted Resolution No. 463-25, placing a property tax levy lid lift measure on the November 4, 2025, ballot. If approved by voters, Proposition No. 1 would allow the Town to increase its property tax levy to provide additional funding for services such as police and fire protection, road maintenance, parks and recreation, pool, library, and general administrative operations.

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#### WHAT IS A LEVY LID LIFT?

Under Washington State law (RCW 84.55.010), local governments are generally limited to increasing their property tax revenue by no more than 1% per year. A levy lid lift is a voter-approved measure that allows the Town to exceed this limit, permitting a higher property tax levy than the standard cap allows. Approval by a simple majority of Town voters is required for the measure to be adopted.

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#### WHAT IS PROPOSITION NO. 1?

Proposition No. 1 proposes a permanent, single-year levy lid lift that would increase the Town’s regular property tax levy from \$0.91417 to \$2.00 per \$1,000 of assessed property value (AV) for collection in 2026. The Town is expected to collect approximately \$91,417 in property tax revenues in 2025; this proposition would increase that amount to approximately \$200,000 in 2026 and would become the new base amount for calculating future annual increases under state law.

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#### WHY IS THIS BEING PROPOSED?

Current budget projections indicate that, despite ongoing efforts to identify alternative revenue sources and reduce staffing and expenditures, expenses may continue to exceed revenues by approximately \$350,000 or more annually. At this pace, the Town’s cash reserves are projected to be fully depleted by mid-year 2028, which could affect the Town’s ability to maintain current service levels. This proposal would help narrow the funding gap by generating approximately \$108,583 in additional revenue for the Town’s General Fund in 2026 to support basic public safety and other essential services, while also providing additional time to explore further options to address the remaining shortfall.

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#### WHAT WOULD THIS MEAN FOR HOMEOWNERS?

For the average homeowner with a property valued at \$300,000, the proposed increase would result in an estimated additional property tax of approximately \$326 per year (or \$27 per month) beginning in 2026. To estimate the impact on your property tax bill, multiply the current annual amount due for ‘C-CATH – CATHLAMET’ by 2.19 to get your new total.

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#### WHAT HAPPENS IF THE MEASURE IS NOT APPROVED?

If the measure is not approved, the Town’s property tax levy will remain subject to the 1% annual increase cap, limiting its ability to increase operating revenues. Rising property values have already caused the levy rate to decrease from \$1.68 per \$1,000 AV in 2014 to \$0.91 per \$1,000 AV in 2025. With operational expenses expected to continue outpacing revenues due to inflation, increased service demands, and ongoing infrastructure maintenance needs, service levels and maintenance of streets, parks and recreation, pool, library, public safety, and other public facilities may be impacted.

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#### ADDITIONAL INFORMATION

For more information or questions, please visit our website at [www.townofcathlamet.com/notices/proposition-no-1](http://www.townofcathlamet.com/notices/proposition-no-1) or contact Town Hall at (360) 795-3203 or [accounting@townofcathlamet.com](mailto:accounting@townofcathlamet.com).

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***This fact sheet is provided to offer objective information to help you make an informed decision on the upcoming ballot measure and to explain the Council’s rationale for this proposal.***