# CITY COUNCIL AGENDA BILL

**City of Black Diamond**
**Post Office Box 599**
**Black Diamond, WA 98010**

## ITEM INFORMATION

| **SUBJECT:** | **Agenda Date: December 1, 2016** | **AB16-075** |
|---|---|---|
| **Public Hearing on Preliminary 2017 Budget, including both Revenues and Expenditures** | Mayor Carol Benson | |
| | City Administrator | |
| | City Attorney David Linehan | |
| | City Clerk – Brenda L. Martinez | |
| | Com Dev/Nat Res – | |
| | Finance – May Miller | **X** |
| | MDRT/Ec Dev – Andy Williamson | |
| Cost Impact (see also Fiscal Note): | Police – Chief Kiblinger | |
| Fund Source: -- | Public Works – Seth Boettcher | |
| Timeline: | Court – Stephanie Metcalf | |
| | | |

**Agenda Placement:** ☒ Mayor ☒ Two Councilmembers ☐ Committee Chair ☐ City Administrator

**Attachments: Preliminary 2017 Budget including Salary Schedule**

SUMMARY STATEMENT:

**Councilmember Deady and Edelman have placed this item on the agenda.**

This is the Final public hearing on the Preliminary 2017 Budget for both the Revenues and Expenditures for all funds.

The Preliminary 2017 Budget is in balance for all Operating and Capital Funds. The 2017 Budget totals $14,105,272, which is an increase of 2.6% over 2016. The General Fund Budget totals $6,258,371, which includes the Budgeted Ending Cash and Investment Balance of $1,011,291. This is an increase over last years Budgeted Ending Cash and Investment balance of $117,176 for 24%. The State Auditor's look at a cities ability to continue to increase the budgeted ending balance as a positive measure of cities fitness.

Council has reviewed the details of the 2017 Preliminary Budget and Property Taxes at workstudy meetings on Sept. 29, Oct. 13, October 18, October 27 and November 10th,.

Public participation and input is encouraged throughout the process. The 2017 Preliminary Budget can be viewed at the city's website www@ci.blackdiamond.wa.us and is also available for purchase at the front counter of City hall. Council action is expected at the tonight's meeting.

FISCAL NOTE (Finance Department):
The Mayor's Preliminary 2017 Budget includes balanced sources and uses for each operating and capital Fund, with an increase to General Funds Budgeted 2017 Ending Fund Balance.

COUNCIL COMMITTEE REVIEW AND RECOMMENDATION:

RECOMMENDED ACTION: **PUBLIC HEARING ONLY.**

| RECORD OF COUNCIL ACTION | | |
|---|---|---|
| ***Meeting Date*** | ***Action*** | ***Vote*** |
| December 1, 2016 | | |
| | | |

# Black Diamond DRAFT Preliminary Budget

# 2017

**December 1, 2016**

Black Diamond Railroad Depot during the period of 1910-1913 when rail travel was the norm.

*****Please Note: Many historical photos in this document are courtesy of Washington State & the Black Diamond Historical Society*****

## TABLE OF CONTENTS

Mayor's Letter 3
Elected Officials 5
About Black Diamond 6
Organization Chart 7
Employee Allocations by Fund 8
Combined Operating Statement 9

General Fund 10
General Fund Sources and Uses Graphs 11
General Fund Summary 12
Functions Supported by Revenue Sources 13
Functional Expenditures 14
Functional Expenditure Detail 15
MDRT Budget 16
General Fund Revenue 17-28
General Fund Expenditures 29
Legislative 29
Executive 29
City Clerk/HR 30
Finance 30
Information Services 31
Legal 31
Municipal Court 32
Police Department 33-34
Fire Department 35
Emergency Management 35
Special Programs 36
Community Development 36
Master Development Review Team & Consultants 38
Parks and Recreation 39
Cemetery 39
Facilities 40
Central Services 41

Special Revenue Funds 42
Street Fund 43
Fire Impact Fee Fund 45
Transportation Benefit District Fund 46
Traffic Mitigation Fund 47

Internal Service Fund 48
Equipment Replacement Funds 49-51

Utility Funds 52
Water Operating Fund 53
Water Debt Analysis 55
Sewer Operating Fund 56
Stormwater Operating Fund 58

Capital Funds 60
Real Estate Excise Tax 1 (REET 1) 61
General Government Capital Projects 62
Real Estate Excise Tax 2 (REET 2) 63
Public Works Capital Projects Fund 64
WSFFA Fund 402 65
Water Capital Fund 404 66
Sewer Capital Project Fund 408 67
Stormwater Capital Project Fund 410 68
Financial Management Policies 69-74
Salary Schedule 75
City Statistics 76
Budget Calendar 79

*From the Mayor's Desk*

October 29, 2016

City Council and Black Diamond Residents,

I am pleased to present the Draft 2017 Preliminary Budget for the City of Black Diamond. Following a series of meetings with staff, I am happy to report the 2017 Budget is in balance for all funds. The General Fund ending balance will be increasing by $117,176 over the budgeted 2016 ending fund balance to a total of $1,011,291. This is 24% of the General Fund operating expenditures and exceeds the recommendation of 10%. The total 2017 Preliminary Budget for Operating and Capital Funds is $14,105,272 which is only 2.6% higher than the 2016 budget.

Fortunately, the economy is slowly improving with an increase in revenue from the construction of the infrastructure for the Villages, the new elementary school and several home building projects within the City. We expect this trend to continue throughout the next year along with the expectation that new home construction will begin in the Villages before the end of 2017.

This budget reflects our priorities for achieving our desired vision for the future of Black Diamond. Our priorities included maintaining a high quality of life for those who work, live and visit the City of Black Diamond. This is achieved through supporting public safety including both fire and police. We were voted the 9th safest city by SafeWise, which was released in their report of May 23, 2016. With no additional population within the city limits, our calls for service have increased every year. Our calls for service last year were 2,989, and we anticipate these calls for service to increase by nearly 1,000 by the end of 2016.

Due to budget issues over the last four years, the Police Department vehicle replacement program has not been funded. Due to the on-going and increasing costs of repairs to our aging fleet as well as officer safety, the Chief has recommended the replacement of 4 patrol cars next year, at the cost of $179,000 (see Fund 510, vehicle replacement program for details.) The funds to finance these vehicles will come from a loan from the sewer fund, beginning cash reserves and sale of the surplus vehicles.

In accordance with ordinance 12-980, Fire Impact Fees are charged on new development and building expansions within the city limits. For a new residential home in Black Diamond, the fee is $1,783.13. The Fire Impact Fund at the end of 2017 will be approximately $255,490, which has collected almost enough funds to purchase the replacement fire engine that is scheduled for 2018 in our 2017-2022 Capital Improvement Plan. The 2017 Budget also includes Public Works Capital Projects that are funded by TIB Grants, including the Roberts Drive Reconstruction and the 224th Ave SE Asphalt Overlay for a total of approximately 1.5 million.

Sustaining the budget for maintenance and operation of the Street and Utility funds is of continuing importance. The Transportation Benefit District $20 car tab fee will provide the first full year of funds in 2017 that support such activity as roadway striping, traffic signage, pothole repair, street lights, pavement, signals, sidewalks and road safety improvements.

The Water, Sewer and Stormwater operations 2017 budgets are also in balance with at least three months of budgeted ending cash and investment balance. The Sewer Operating 2017 budget includes

a King County Metro pass-through rate increase of $2.19 per month for residents, along with an associated City Sewer increase needed to cover state and city utility taxes.

I truly appreciate the hard work and dedication of City Staff in providing the City and Council with a balanced budget. I am proud that the City has maintained a level of service which makes Black Diamond a better place to live, work, play and do business.

Sincerely,

*Carol Benson*

Mayor

Mayor Benson grew up on Queen Anne Hill in Seattle. She attended Bellevue Community College and the University of Washington. She was also an instructor for Renton Technical College, teaching Small Business Accounting for several years.

Her entire career has been working in Finance and Management, in many different industries. Before retiring, she spent the last 25 years as Chief Financial Officer in the Civil Engineering, Land Development and Underground Utilities construction industries.

Mayor Benson has lived in the Black Diamond area since 1979, where she raised her two sons. She enjoys gardening, hiking, boating and spending time with her grandchildren.

## Black Diamond Elected Officials

Mayor
Carol Benson
Expires 12/31/2017

Position 1
Tamie Deady
Expires 12/31/2019

Position 2
Erika Morgan
Mayor Pro-tem
Expires 12/31/17

Position 3
Janie Edelman
Expires 12/31/2019

Position 4
Brian Weber
Expires 12/31/2017

Position 5
Pat Pepper
Expires 12/31/2019

1925 Float in the Black Diamond July 4th Parade

**History of Black Diamond, Washington – Coal Town**

Black Diamond incorporated in 1959, but has had a much longer history as a historic town in Washington. Black Diamond was first established as a community in the late 1880s for the mining of coal. At the turn of the century the town was a major exporter of coal in the region. The Pacific Coast Coal Company in Black Diamond became the largest coal mining operations on the West Coast. Some historic buildings retain their original locations. In 2010, Black Diamond's historic Railroad Avenue was updated and refurbished making a great improvement to the Historic Museum and Black Diamond Bakery area.

Black Diamond offers a warm and friendly small town atmosphere with spectacular mountain views. The city is nestled in the foothills within a few miles of the beautiful Green River Gorge and Flaming Geyser Park.

The City is on the verge of growth. At 4,305 citizens, population projections may reach above 20,000 in the next 20 years. Over past years, major annexations have increased the population and acreage of Black Diamond. The annexation of the Lake Sawyer area in 1998 doubled the number of citizens. More recent annexations in the city's urban growth area have increased the city's size by approximately 1,600 acres.

**Form of Government**

Black Diamond is a "Code City" as described under Title 35A in the Revised Code of Washington. The City operates under a strong mayor form of government with five elected council members serving staggered four-year terms. The Mayor serves as the chief administrative officer of the city. The Council acts as the legislative body. When the City reaches a population of 5,000 state law requires expansion to a seven-member council. The City is served by Congressional District 8 and Legislative District 5.

**Budget Process**

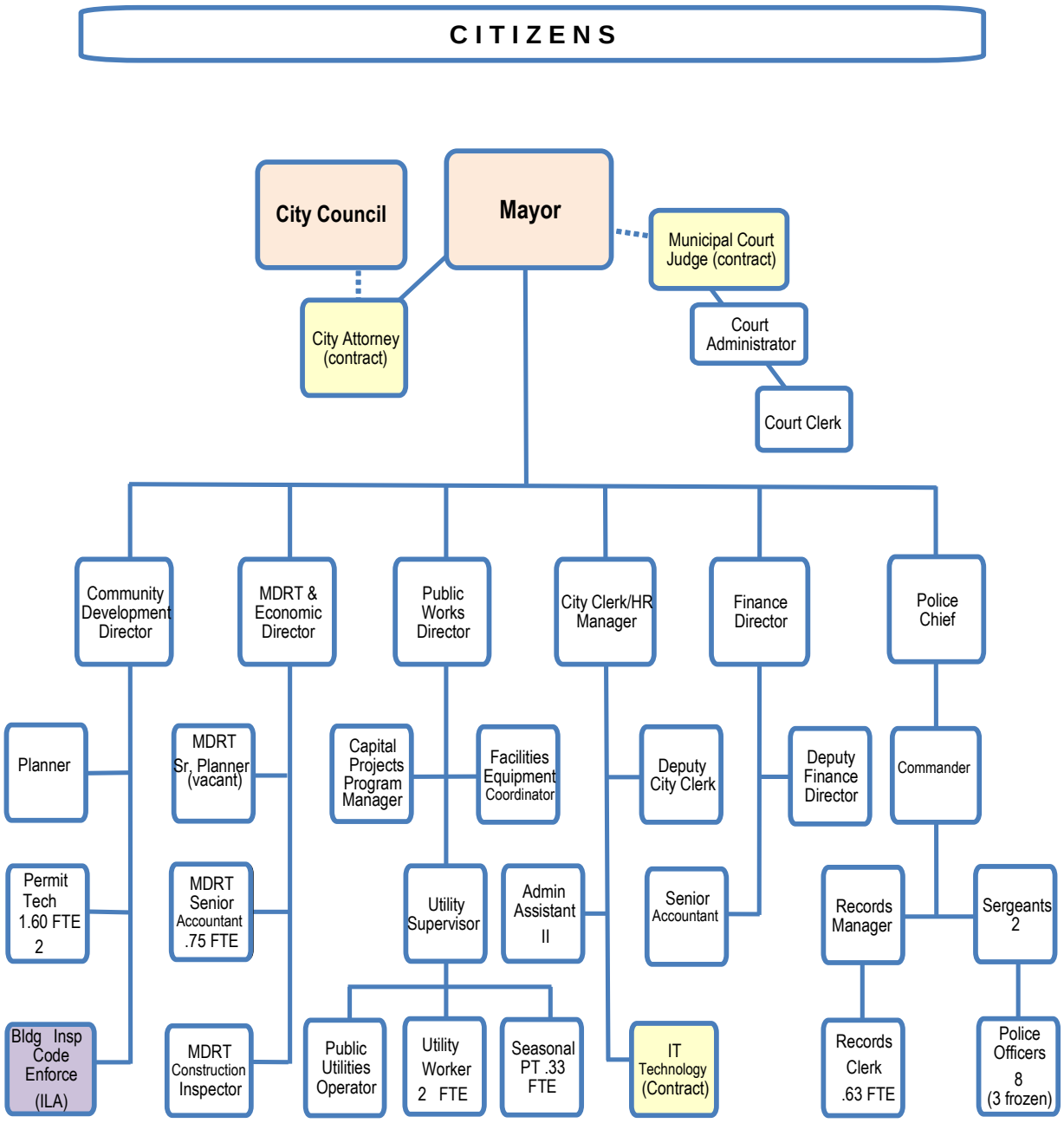
Budgeting is an essential element of the financial planning, control and evaluation process of government. The planning process involves determining the types and levels of services to be provided by the various departments, programs and functions.

The City of Black Diamond budgets annually on the calendar year beginning January 1 and ending December 31. Budget adjustments are limited by state law (35A.33.120). Allocations are made based on a fund structure, limiting uses outside of each fund. Funds are segregated to carry on specific objectives. Funds are budgeted on a cash basis in accordance with the Revised Code of Washington, RCW 35.33. Appropriations in the budget constitute maximum expenditure authorizations during the year and cannot be legally exceeded until subsequently amended by the City Council.

**How Black Diamond Serves the Community**

The City of Black Diamond strives to provide a safe and enjoyable environment for residents, businesses and visitors alike. Foremost, safety is a priority in Black Diamond. Our City's Police Department, Mountain View Fire and Rescue and emergency service employees are both dedicated and top notch. City employees provide other important services such as road maintenance, planning, permitting, code enforcement, a municipal court, water utility services, stormwater management and a sewer utility. Black Diamond maintenance workers also provide upkeep to city parks and the cemetery.

# City of Black Diamond 2017 DRAFT Organization Chart




This Chart represents preliminary budgeted positions for 2017.

Each position is filled by 1 FTE, unless otherwise noted.

Black Diamond is served by Mountain View Fire and Rescue.

Elected Positions

Consultant

Contract

## 2017 DRAFT Proposed Employee Allocations by Funding Source

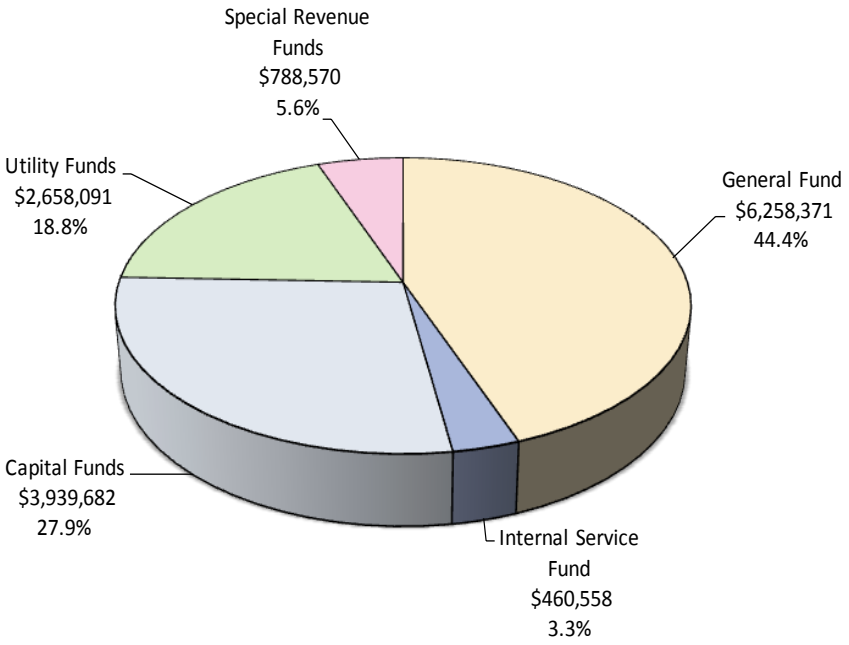
| Positions | Full Time Equivalent (FTE) | Funding Agreement | General Fund | Street Fund | Water Fund | Sewer Fund | Storm water Fund |
|---|---|---|---|---|---|---|---|
| **Administration** | | | | | | | |
| Administrative Assistant II | 1.00 | | 0.10 | | 0.30 | 0.30 | 0.30 |
| **Total Administration** | **1.00** | **0.00** | **0.10** | **0.00** | **0.30** | **0.30** | **0.30** |
| **City Clerk** | | | | | | | |
| City Clerk/HR Manager | 1.00 | 0.50 | 0.20 | | 0.10 | 0.10 | 0.10 |
| Deputy City Clerk | 1.00 | | 0.50 | 0.04 | 0.15 | 0.15 | 0.16 |
| **Total City Clerk** | **2.00** | **0.50** | **0.70** | **0.04** | **0.25** | **0.25** | **0.26** |
| **Finance Department** | | | | | | | |
| Finance Director | 1.00 | | 0.70 | | 0.10 | 0.10 | 0.10 |
| Deputy Finance Director | 1.00 | | 0.72 | | 0.09 | 0.10 | 0.09 |
| Senior Accountant | 1.00 | | 0.60 | 0.04 | 0.12 | 0.12 | 0.12 |
| **Total Finance** | **3.00** | **0.00** | **2.02** | **0.04** | **0.31** | **0.32** | **0.31** |
| **Police Department** | | | | | | | |
| Police Chief | 1.00 | | 1.00 | | | | |
| Police Commander | 1.00 | | 1.00 | | | | |
| Sergeant | 2.00 | | 2.00 | | | | |
| Police Officers | 5.00 | | 5.00 | | | | |
| Police Records Coordinator | 1.00 | | 1.00 | | | | |
| Police Clerk | 0.63 | | 0.63 | | | | |
| **Total Police Department** | **10.63** | **0.00** | **10.63** | **0.00** | **0.00** | **0.00** | **0.00** |
| **Municipal Court** | | | | | | | |
| Court Administrator | 1.00 | | 1.00 | | | | |
| Court Clerk | 1.00 | | 1.00 | | | | |
| **Total Court** | **2.00** | **0.00** | **2.00** | **0.0** | **0.0** | **0.0** | **0.0** |
| **Community Development** | | | | | | | |
| Community Development Director | 1.00 | 0.25 | 0.75 | | | | |
| Planner | 1.00 | | 1.00 | | | | |
| Permit Technician | 1.60 | | 1.60 | | | | |
| **Total Community Development** | **3.60** | **0.25** | **3.35** | **0.0** | **0.0** | **0.0** | **0.0** |
| **Master Dev Review Team (MDRT)** | | | | | | | |
| MDRT & Economic Dev Director | 1.00 | 1.00 | | | | | |
| Utilities Construction Supervisor | 1.00 | 1.00 | | | | | |
| Senior Planner | 1.00 | 1.00 | | | | | |
| Senior Accountant | 0.75 | 0.75 | | | | | |
| **Total MDRT Review Team** | **3.75** | **3.75** | **0.00** | **0.00** | **0.00** | **0.00** | **0.00** |
| **Facilities Department** | | | | | | | |
| Facilities Equipment Coordinator | 1.00 | | 0.80 | 0.05 | 0.05 | 0.05 | 0.05 |
| **Total Facilities** | **1.00** | **0.00** | **0.80** | **0.05** | **0.05** | **0.05** | **0.05** |
| **Public Works** | | | | | | | |
| Public Works Director | 1.00 | | 0.06 | 0.26 | 0.23 | 0.23 | 0.22 |
| Capital Project/Program Manager | 1.00 | | | 0.25 | 0.25 | 0.25 | 0.25 |
| Utilities Supervisor | 1.00 | | 0.05 | 0.23 | 0.24 | 0.24 | 0.24 |
| Utility Worker | 2.00 | | 0.10 | 0.40 | 0.50 | 0.50 | 0.50 |
| Utilities Operator | 1.00 | | 0.10 | 0.15 | 0.25 | 0.25 | 0.25 |
| Seasonal Maintenance | 0.33 | | 0.16 | 0.06 | 0.06 | | 0.05 |
| **Total Public Works** | **6.33** | | **0.47** | **1.35** | **1.53** | **1.47** | **1.51** |
| **Total Budget Positions (FTE's)** | **33.31** | **4.50** | **20.07** | **1.48** | **2.44** | **2.39** | **2.43** |

## Combined 2017 Preliminary Budget - All Funds

| | | Beginning Fund Balance | 2017 Revenue | Total Sources | 2017 Expenditures | Ending Fund Balance | Total Uses |
|---|---|---|---|---|---|---|---|
| 1 | **General Fund 001** | 1,303,353 | 4,955,018 | 6,258,371 | 5,247,080 | 1,011,291 | 6,258,371 |
| 2 | **Special Revenue Funds** | | | | | | |
| 3 | 101 Street Fund | 132,101 | 216,993 | 349,094 | 238,210 | 110,884 | 349,094 |
| 4 | 107 Fire Impact Fees | 183,770 | 71,720 | 255,490 | 255,490 | | 255,490 |
| 5 | 108 Trans. Benefit District Fund | 7,331 | 102,000 | 109,331 | 100,000 | 9,331 | 109,331 |
| 6 | 109 Traffic Mitigation Fees | 74,255 | 400 | 74,655 | 74,655 | | 74,655 |
| 7 | **Utility Operating Funds** | | | | | | |
| 8 | 401 Water Fund | 301,679 | 832,200 | 1,133,879 | 810,635 | 323,244 | 1,133,879 |
| 9 | 407 Sewer Fund | 124,688 | 907,900 | 1,032,588 | 937,459 | 95,129 | 1,032,588 |
| 10 | 410 Stormwater Fund | 101,824 | 389,800 | 491,624 | 413,830 | 77,794 | 491,624 |
| 11 | **Capital Funds** | | | | | | |
| 12 | 310 Gen. Government CIP Fund | 23,795 | 156,000 | 179,795 | 153,500 | 26,295 | 179,795 |
| 13 | and REET 1 | 152,758 | 113,700 | 266,458 | 131,000 | 135,458 | 266,458 |
| 14 | 320 Street CIP Fund | | 1,528,108 | 1,528,108 | 1,528,108 | - | 1,528,108 |
| 15 | and REET 2 | 152,411 | 113,700 | 266,111 | 135,226 | 130,885 | 266,111 |
| 16 | 402 Water Supply and Facility Fund | 70,000 | 465,000 | 535,000 | 465,000 | 70,000 | 535,000 |
| 17 | 404 Water Capital Fund | 177,147 | 125,500 | 302,647 | 136,000 | 166,647 | 302,647 |
| 18 | 408 Sewer Capital Fund | 601,874 | 131,500 | 733,374 | 448,000 | 285,374 | 733,374 |
| 19 | 410 Stormwater Capital Fund | 56,189 | 72,000 | 128,189 | 92,000 | 36,189 | 128,189 |
| 20 | **Internal Service Fund 510** | | | | | | |
| 21 | 1 - Fire Equipment Repl Fund | 40,318 | 200 | 40,518 | 15,000 | 25,518 | 40,518 |
| 22 | 2 - Street Equipment Repl Fund | 183,503 | 47,300 | 230,803 | 25,000 | 205,803 | 230,803 |
| 23 | 3 - Police Equipment Repl Fund | 26,087 | 163,150 | 189,237 | 189,237 | - | 189,237 |
| 24 | **Total All Funds** | **3,713,083** | **10,392,189** | **14,105,272** | **11,395,430** | **2,709,842** | **14,105,272** |

**Total Black Diamond 2017 Preliminary Budget**

**$14,105,272**

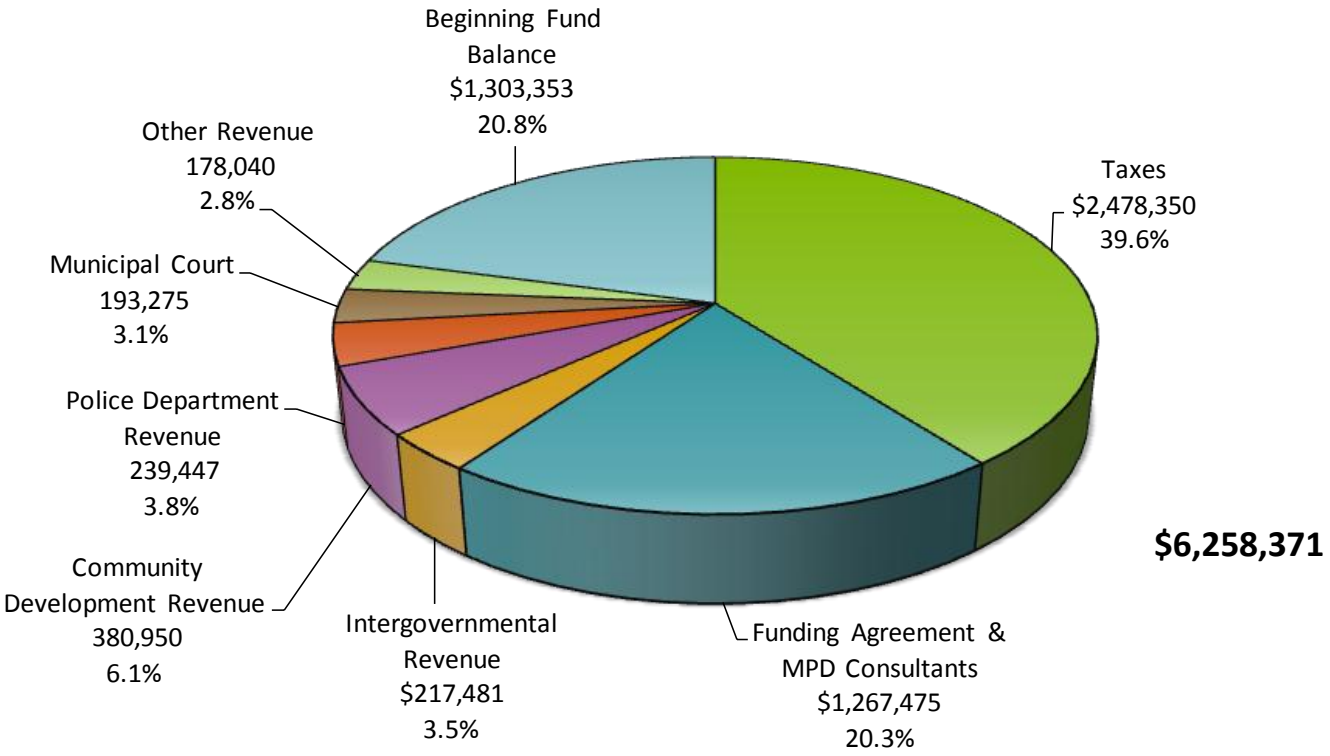


# General Fund

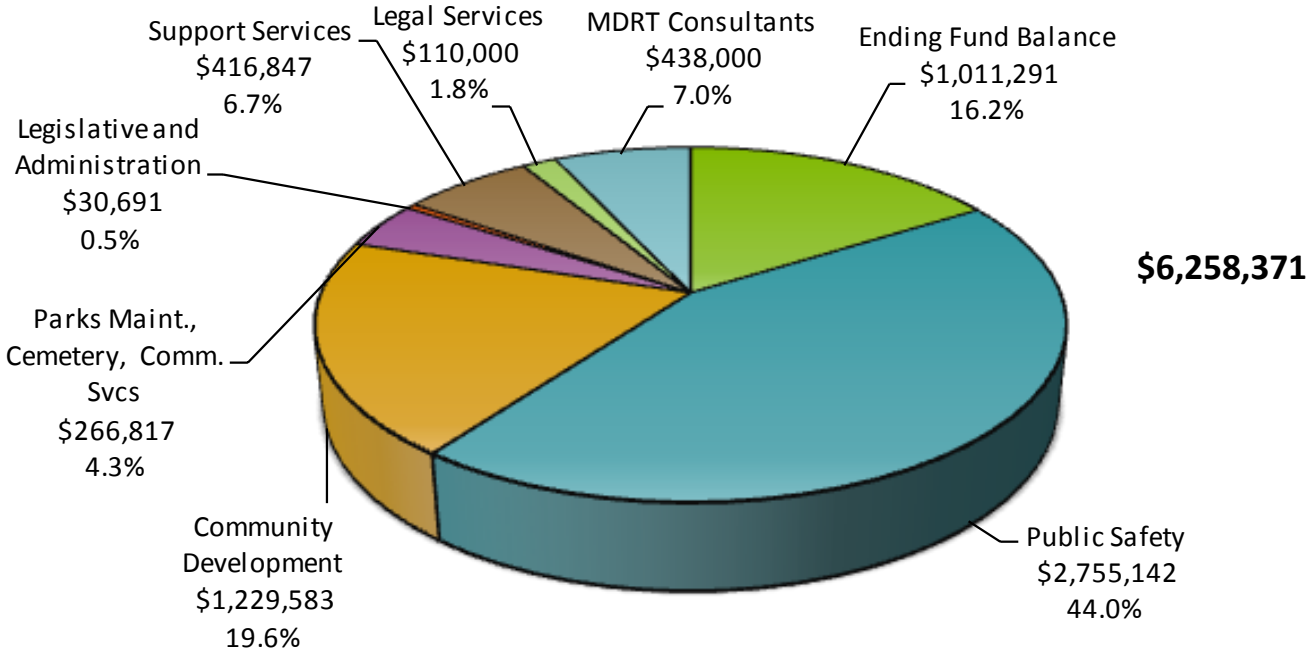
The General Fund is the primary fund of the City.
It is similar to a firm's general ledger account, and records all assets and liabilities of the entity that are not assigned to a special purpose fund. It provides the resources necessary to sustain the day-to-day activities and thus pays for administrative and operating expenses.

West side of Railroad Ave, looking south from the railroad depot, circa 1910

## 2017 DRAFT General Fund Sources




## 2017 DRAFT General Fund Uses



## 2017 DRAFT Preliminary 2017 Budget

| | General Fund | 2016 Budget | 2016 Thru August | 2016 Estimated Year End | 2017 Budget | 2016 to 2017 Budget Diff |
|---|---|---|---|---|---|---|
| 1 | **Total Beginning Cash and Investments** | **1,072,660** | **1,238,076** | **1,205,376** | **1,303,353** | **230,693** |
| 2 | ***REVENUE*** | | | | | |
| 3 | Property Tax | 1,465,908 | 786,665 | 1,475,350 | 1,490,100 | 24,192 |
| 4 | Sales Tax | 326,250 | 269,747 | 350,000 | 385,000 | 58,750 |
| 5 | Utility & Gambling Tax | 563,500 | 415,579 | 594,800 | 603,250 | 39,750 |
| 6 | Business & Other Licenses & Fees | 22,000 | 22,695 | 23,000 | 23,500 | 1,500 |
| 7 | Cable Franchise Fees | 66,000 | 53,228 | 76,000 | 76,000 | 10,000 |
| 8 | Land Use and Permit Fees (Comm. Dev) | 181,310 | 159,488 | 315,000 | 380,950 | 199,640 |
| 9 | Liquor Tax & Profits | 54,750 | 32,558 | 55,150 | 56,481 | 1,731 |
| 10 | State Sales Tax Assistance | 78,460 | 40,806 | 90,000 | 95,000 | 16,540 |
| 11 | KC EMS Levy, Recycle Grants | 71,991 | 65,012 | 74,975 | 66,000 | (5,991) |
| 12 | Police Grants, Crim Justice & Misc | 152,215 | 176,827 | 239,688 | 239,447 | 87,232 |
| 13 | Municipal Court Fines and Fees | 109,521 | 87,521 | 122,305 | 193,275 | 83,754 |
| 14 | Passports/(charge for services now cost alloc) | 101,400 | 12,684 | 19,550 | 22,150 | (79,250) |
| 15 | Parks, Cemetery & Misc Revenue | 50,040 | 35,464 | 50,463 | 56,390 | 6,350 |
| 16 | **Subtotal Operating Revenue** | **3,243,345** | **2,158,274** | **3,486,281** | **3,687,543** | **444,198** |
| 17 | Funding Agreement-MDRT | 822,497 | 485,327 | 726,000 | 829,475 | 6,978 |
| 18 | **Total Operating Revenue** | **4,065,842** | **2,643,601** | **4,212,281** | **4,517,018** | **451,176** |
| 19 | Developer Reimb-SEPA Legal | 10,000 | | | | (10,000) |
| 20 | Developer Reimb-MDRT Consultants | 438,000 | 197,180 | 438,000 | 438,000 | 0 |
| 21 | **Total General Fund Sources** | **5,586,502** | **4,078,857** | **5,855,657** | **6,258,371** | **441,176** |
| 22 | ***EXPENDITURES*** | | | | | |
| 23 | Legislative-Council | 15,711 | 7,108 | 15,400 | 15,814 | 103 |
| 24 | Executive-Mayor | 15,118 | 9,918 | 15,118 | 14,877 | (241) |
| 25 | City Clerk/Human Resources | 227,588 | 129,332 | 207,500 | 190,428 | (37,160) |
| 26 | Finance* | 181,014 | 133,340 | 195,000 | 212,773 | 31,759 |
| 27 | Information Services | 31,175 | 18,106 | 32,510 | 41,910 | 10,735 |
| 28 | Legal Service | 55,000 | 45,868 | 80,000 | 110,000 | 55,000 |
| 29 | Legal-Pros Atty & Pub Defender | 61,250 | 36,250 | 61,250 | 61,250 | 0 |
| 30 | Municipal Court | 168,769 | 107,650 | 165,400 | 232,041 | 63,272 |
| 31 | Police Department | 1,700,472 | 1,091,488 | 1,650,000 | 1,897,480 | 197,008 |
| 32 | Fire Department | 525,375 | 250,817 | 500,400 | 534,905 | 9,530 |
| 33 | Recycle/Air Qual/Mntl Hlth/Anim Cont | 32,166 | 13,437 | 32,166 | 24,366 | (7,800) |
| 34 | Master Dev Review Team & Econ Dev | 586,130 | 326,668 | 580,130 | 672,108 | 85,978 |
| 35 | MDRT-FF&E costs | 71,195 | 48,895 | 76,900 | 76,867 | 5,672 |
| 36 | Hearing Examiner | 5,000 | 615 | 2,000 | 5,000 | 0 |
| 37 | Community Development | 321,324 | 160,395 | 281,324 | 475,608 | 154,284 |
| 38 | Facilities-Staff & Miscellaneous | 47,876 | 32,466 | 48,350 | 51,572 | 3,696 |
| 39 | Facilities Bldg Mtc-Lease & Maintenance | 73,200 | 42,420 | 73,200 | 73,021 | (179) |
| 40 | Emergency Management | 5,000 | 402 | 2,000 | 5,100 | 100 |
| 41 | Parks | 51,206 | 30,284 | 51,200 | 55,131 | 3,925 |
| 42 | Parks Museum | 7,551 | 5,091 | 8,000 | 7,826 | 275 |
| 43 | Parks Gym | 11,316 | 6,514 | 10,716 | 8,406 | (2,910) |
| 44 | Community Center Supplement | | | | 10,000 | 10,000 |
| 45 | Cemetery | 18,598 | 10,292 | 16,740 | 18,951 | 353 |
| 46 | Central Svcs -Paper, Post, Printing, Cks | 32,353 | 7,802 | 9,000 | 13,646 | (18,707) |
| 47 | **Total Operating Expenditures** | **4,244,387** | **2,515,158** | **4,114,304** | **4,809,080** | **564,693** |
| 48 | Developer SEPA | 10,000 | | | 0 | (10,000) |
| 49 | Developer MDRT-Consultants | 438,000 | 192,477 | 438,000 | 438,000 | 0 |
| 50 | **Total Other Expenditures** | **448,000** | **192,477** | **438,000** | **438,000** | **(10,000)** |
| 51 | **Total Expenditures** | **4,692,387** | **2,707,635** | **4,552,304** | **5,247,080** | **554,693** |
| 52 | Ending Cash & Inv Bal Gen Govt | 734,115 | 1,211,222 | 1,178,353 | 886,291 | 152,176 |
| 53 | Ending Cash & Inv Bal Developer | 160,000 | 160,000 | 125,000 | 125,000 | (35,000) |
| 54 | **Total Ending Cash and Investments** | **894,115** | **1,371,222** | **1,303,353** | **1,011,291** | **117,176** |
| 55 | **Total General Fund Uses** | **5,586,502** | **4,078,857** | **5,855,657** | **6,258,371** | **671,869** |

56 * Includes audit costs budgeted in 2015 and billed in 2016.

Ending Gen Govt. Fund Balance at 20.7%

| | Functions Supported by Operating Revenue Sources | 2016 Budget | 2017 Budget | $ Change | % Change | Public Safety | General Govt | MDRT |
|---|---|---|---|---|---|---|---|---|
| | **Beginning Cash and Investments** | **1,072,660** | **1,303,353** | **230,693** | **21.5%** | | **1,178,353** | **125,000** |
| | ***REVENUE*** | | | | | | | |
| 1 | **Public Safety Revenue Support** | | | | | | | |
| 2 | Property Tax | 1,465,908 | 1,490,100 | 24,192 | 1.7% | 1,490,100 | | |
| 3 | Utility and Gambling Tax | 563,500 | 603,250 | 39,750 | | 603,250 | | |
| 4 | Criminal Justice Sales Tax | 110,600 | 116,532 | 5,932 | 5.4% | 116,532 | | |
| 5 | Liquor Tax & Profits | 54,750 | 56,481 | 1,731 | 3.2% | 56,481 | | |
| 6 | Court Fines and Fees | 109,521 | 193,275 | 83,754 | 76.5% | 193,275 | | |
| 7 | EMS Levy Taxes | 56,000 | 56,000 | 0 | 0.0% | 56,000 | | |
| 8 | Police Grants, Charges for Service, Misc | 41,615 | 122,895 | 81,280 | 195.3% | 122,895 | | |
| 9 | **Subtotal Public Safety Revenue** | **2,401,894** | **2,638,533** | **236,639** | **9.9%** | **2,638,533** | | |
| 10 | **General Government Support** | | | | | | | |
| 11 | Sales Tax | 326,250 | 385,000 | 58,750 | 18.0% | | 385,000 | |
| 12 | Land Use and Permitting Fees | 181,310 | 380,950 | 199,640 | 110.1% | | 380,950 | |
| 13 | State Sales Tax Assistance | 78,460 | 95,000 | 16,540 | 21.1% | 95,000 | | |
| 14 | Recycle and Misc. Grants | 15,991 | 10,000 | (5,991) | -37.5% | | 10,000 | |
| 15 | Cable Franchise Fees | 66,000 | 76,000 | 10,000 | 15.2% | | 76,000 | |
| 16 | Parks and Cemetery Fees | 47,540 | 47,540 | 0 | 0.0% | | 47,540 | |
| 17 | Passport Fees | 21,900 | 22,150 | 250 | 1.1% | | 22,150 | |
| 18 | Business License Fees | 22,000 | 23,500 | 1,500 | 6.8% | 23,500 | | |
| 19 | Alloc for Software, Maint & CC Fees | 79,500 | | | | | 0 | |
| 20 | Other Misc. Fees and Charges | 2,500 | 8,870 | 6,370 | 254.8% | | 8,870 | |
| 21 | **Subtotal General Govt Revenue** | **841,451** | **1,049,010** | **207,559** | **24.7%** | **118,500** | **930,510** | |
| 22 | **Subtotal Operating Revenue** | **3,243,345** | **3,687,543** | **444,198** | **13.7%** | **2,757,033** | **2,108,863** | |
| 23 | Developer Funding Agreement | 822,497 | 829,475 | 6,978 | 0.8% | | | 829,475 |
| 24 | **Total General Fund Operating Sources** | **5,138,502** | **5,820,371** | **681,869** | **13.3%** | **2,757,033** | **2,108,863** | **954,475** |
| 25 | ***EXPENDITURES*** | | | | | | | |
| 26 | Police Department | 1,700,472 | 1,897,480 | 197,008 | 11.6% | 1,897,480 | | |
| 27 | Fire Department | 525,375 | 534,905 | 9,530 | 1.8% | 534,905 | | |
| 28 | Recycle/Air Qual/Mntl Hlth/Animal Control | 32,166 | 24,366 | (7,800) | -24.2% | 24,366 | | |
| 29 | Emergency Management | 5,000 | 5,100 | 100 | 2.0% | 5,100 | | |
| 30 | Municipal Court | 168,769 | 232,041 | 63,272 | 37.5% | 232,041 | | |
| 31 | Legal-Pros Atty & Pub Defender | 61,250 | 61,250 | 0 | 0.0% | 61,250 | | |
| 32 | **Subtotal Public Safety Expenditures** | **2,493,032** | **2,755,142** | **262,110** | **10.5%** | **2,755,142** | | |
| 33 | Legislative-Council | 15,711 | 15,814 | 103 | 0.7% | | 15,814 | |
| 34 | Executive-Mayor | 15,118 | 14,877 | (241) | -1.6% | | 14,877 | |
| 35 | City Clerk/Human Resources | 227,588 | 190,428 | (37,160) | -16.3% | | 109,928 | 80,500 |
| 36 | Finance | 181,014 | 212,773 | 31,759 | 17.5% | | 212,773 | |
| 37 | Information Services | 31,175 | 41,910 | 10,735 | 34.4% | | 41,910 | |
| 38 | Legal Service | 55,000 | 110,000 | 55,000 | 100.0% | | 110,000 | |
| 39 | Master Dev Review Team & Econ Dev | 586,130 | 672,108 | 85,978 | 14.7% | | | 672,108 |
| 40 | MDRT-FF&E costs | 71,195 | 76,867 | 5,672 | 8.0% | | | 76,867 |
| 41 | Hearing Examiner | 5,000 | 5,000 | 0 | 0.0% | | 5,000 | |
| 42 | Community Development-Permitting | 174,681 | 302,145 | 127,464 | 73.0% | | 302,145 | |
| 43 | Community Development-Planning | 146,643 | 173,463 | 26,820 | 18.3% | | 173,463 | |
| 44 | Facilities-Staff & Miscellaneous | 47,876 | 51,572 | 3,696 | 7.7% | | 51,572 | |
| 45 | Facilities Bldg Mtc-Supplies & Maint | 73,200 | 73,021 | (179) | -0.2% | | 73,021 | |
| 46 | Parks | 51,206 | 55,031 | 3,825 | 7.5% | | 55,031 | |
| 47 | Park's Museum | 7,551 | 7,826 | 275 | 3.6% | | 7,826 | |
| 48 | Park's Gym | 11,316 | 8,506 | (2,810) | -24.8% | | 8,506 | |
| 49 | Community Center Supplement | | 10,000 | 10,000 | | | 10,000 | |
| 50 | Cemetery | 18,598 | 18,951 | 353 | 1.9% | | 18,951 | |
| 51 | Central Svcs -Paper, Post, Printing, Checks | 32,353 | 13,646 | (18,707) | -57.8% | | 13,646 | |
| 52 | **Subtotal Gen Govt Expenditures** | **1,751,355** | **2,053,938** | **302,583** | **17.3%** | | | |
| 53 | **Total Operating Expenditures** | **4,244,387** | **4,809,080** | **564,693** | **13.3%** | **2,755,142** | **1,224,463** | **829,475** |
| 54 | **Ending Cash and Investment Balance** | **894,115** | **1,011,291** | **117,176** | **13.1%** | **1,891** | **884,400** | **125,000** |
| 55 | **Total GF Operating Uses** | **5,138,502** | **5,820,371** | **681,869** | **13.3%** | | | |

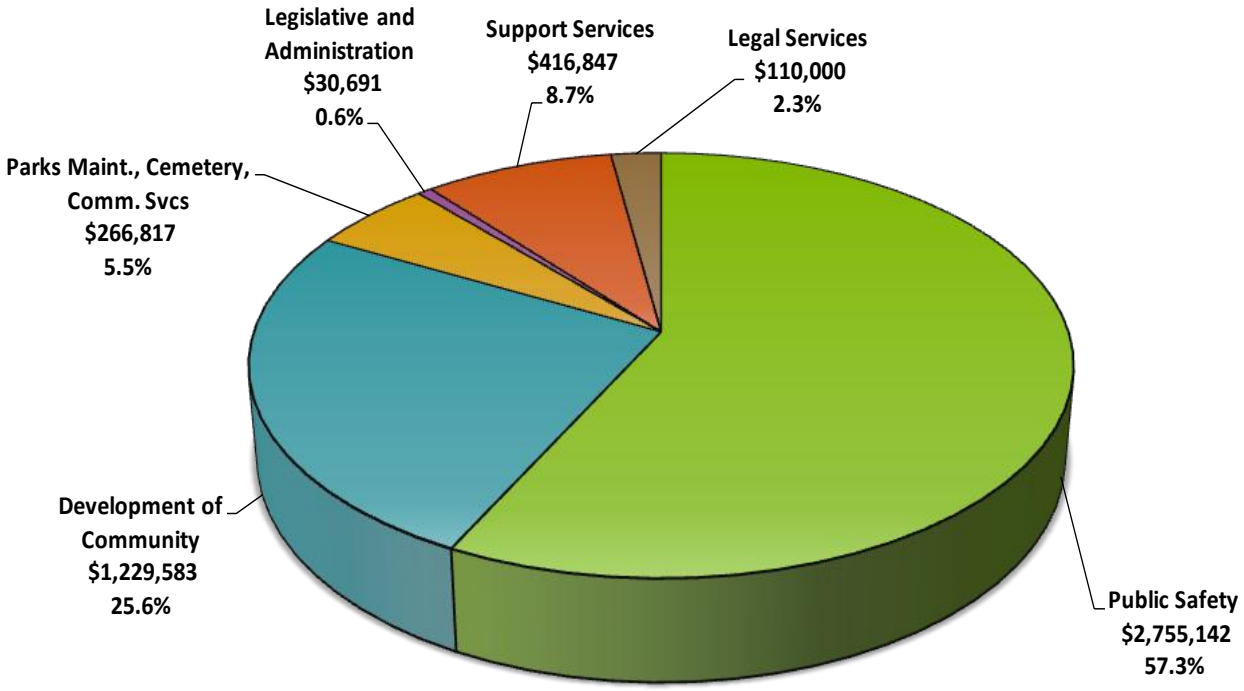
Note, Analysis does not include $438,000 in Consultant Revenues and Expenses related to MDRT

# General Fund Expenditures Functional Summary

Functional Comparisons for 2015 - 2017

| | | 2015 Actual | 2016 Budget | 2017 Budget | % of Total |
|---|---|---|---|---|---|
| 1 | Public Safety | 2,300,154 | 2,470,886 | 2,755,142 | 57.3% |
| 2 | Development of Community | 797,290 | 983,649 | 1,229,583 | 25.6% |
| 3 | Parks Maint., Cemetery, Comm. Svcs | 251,663 | 263,088 | 266,817 | 5.5% |
| 4 | Legislative and Administration | 27,002 | 30,829 | 30,691 | 0.6% |
| 5 | Support Services | 400,647 | 440,995 | 416,847 | 8.7% |
| 6 | Legal Services | 47,991 | 55,000 | 110,000 | 2.3% |
| 7 | **Total General Fund Operations** | **3,824,747** | **4,244,447** | **4,809,080** | **100.0%** |

## 2017: $4,809,080

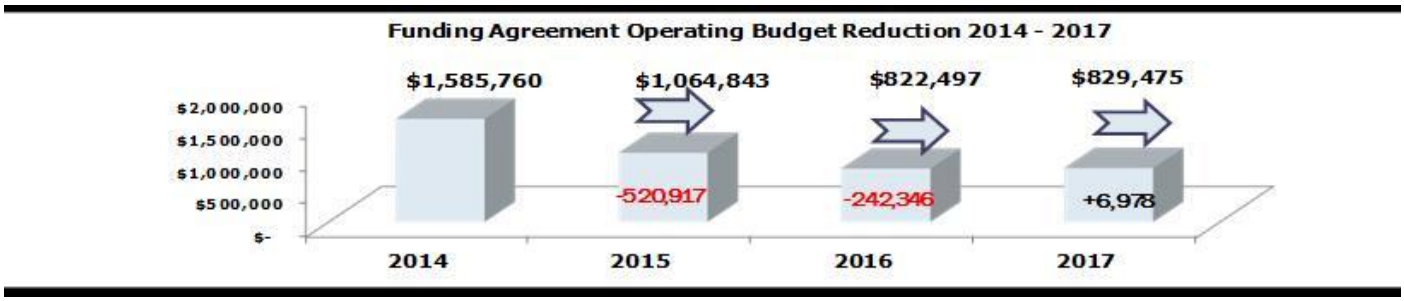


## 2017 General Fund Preliminary Budget - Expenditures

| | General Fund Expenditures by Type | 2016 Budget | 2016 Thru August | 2016 Estimated Year End | 2017 Prelim Budget | 2016 to 2017 Budget Change |
|---|---|---|---|---|---|---|
| | **Public Safety** | | | | | |
| 1 | Police Department | 1,700,472 | 1,091,488 | 1,650,000 | 1,897,480 | 197,008 |
| 2 | Fire Department | 525,375 | 250,817 | 500,400 | 534,905 | 9,530 |
| 3 | Municipal Court | 168,769 | 107,650 | 165,400 | 232,041 | 63,272 |
| 4 | Court Public Defender | 37,250 | 20,250 | 37,250 | 37,250 | 0 |
| 5 | Prosecuting Attorney | 24,000 | 16,000 | 24,000 | 24,000 | 0 |
| 6 | Recycle/Air Qual/Ment Health/Anim Contrl | 32,166 | 13,437 | 32,166 | 24,366 | (7,800) |
| 7 | Emergency Management | 5,000 | 402 | 2,000 | 5,100 | 100 |
| 8 | **Total Public Safety** | **2,493,032** | **1,500,044** | **2,411,216** | **2,755,142** | **262,110** |
| 9 | **Community Development** | | | | | |
| 10 | Com Development/Permitting | 201,688 | 96,169 | 174,681 | 302,145 | 100,457 |
| 11 | Com Development/Planning | 119,636 | 64,226 | 106,643 | 173,463 | 53,827 |
| 12 | Com Development-Hearing Examiner | 5,000 | 615 | 2,000 | 5,000 | 0 |
| 13 | Master Development Review Team | 657,325 | 375,563 | 657,030 | 748,975 | 91,650 |
| 14 | **Total Dev of Community** | **983,649** | **536,573** | **940,354** | **1,229,583** | **245,934** |
| 15 | **Parks Maint., Cemetery, Comm. Svcs** | | | | | |
| 16 | Buildings & Grounds Maintenance | 139,943 | 86,491 | 117,066 | 140,825 | 882 |
| 17 | Parks Maintenance | 51,206 | 30,284 | 51,200 | 55,131 | 3,925 |
| 18 | Cemetery Maintenance | 18,598 | 10,292 | 16,740 | 18,951 | 353 |
| 19 | Community Center Supplement | | | | 10,000 | 10,000 |
| 20 | Information Technology Mtc. | 31,175 | 18,106 | 32,510 | 41,910 | 10,735 |
| 21 | **Tot Parks Maint., Cemetery, Comm. Svc** | **240,922** | **145,173** | **217,516** | **266,817** | **25,895** |
| 22 | **Legislative & Administration** | | | | | |
| 23 | Legislative-Council | 15,711 | 7,108 | 15,400 | 15,814 | 103 |
| 24 | Executive-Mayor | 15,118 | 9,918 | 15,118 | 14,877 | (241) |
| 25 | **Total Legislative & Administration** | **30,829** | **17,026** | **30,518** | **30,691** | **(138)** |
| 26 | **Support Services** | | | | | |
| 27 | City Clerk/Human Resources | 227,588 | 129,332 | 207,500 | 190,428 | (37,160) |
| 28 | Finance | 181,014 | 133,340 | 195,000 | 212,773 | 31,759 |
| 29 | Central Services | 32,353 | 7,802 | 9,000 | 13,646 | (18,707) |
| 30 | **Total Support Services** | **440,955** | **270,474** | **411,500** | **416,847** | **(24,108)** |
| 31 | **Legal Services** | | | | | |
| 32 | General Legal Services | 30,000 | 30,131 | 50,000 | 60,000 | 30,000 |
| 33 | Public Disclosure Legal Review | 5,000 | 4,061 | 10,000 | 5,000 | 0 |
| 34 | Labor Contract & Employee Legal | 10,000 | 9,037 | 12,000 | 25,000 | 15,000 |
| 35 | Lawsuits and Other | 10,000 | 2,640 | 8,000 | 20,000 | 10,000 |
| 36 | **Total Legal Services** | **55,000** | **45,868** | **80,000** | **110,000** | **55,000** |
| 37 | **Subtotal General Fund Operating Exp.** | **4,244,387** | **2,515,158** | **4,091,104** | **4,809,080** | **564,693** |
| 38 | SEPA (State Environmental Policy Act) | 10,000 | | | | (10,000) |
| 39 | Developer MDRT Consultants | 438,000 | 192,477 | 438,000 | 438,000 | 0 |
| 40 | **Total General Fund Expenditures** | **4,692,387** | **2,707,635** | **4,529,104** | **5,247,080** | **554,693** |
| 41 | Ending Cash and Investments | 734,115 | 1,211,222 | 1,166,553 | 851,291 | 117,176 |
| 42 | Ending Cash and Investments Dev | 160,000 | 160,000 | 160,000 | 160,000 | - |
| 43 | **Total General Fund Uses** | **5,586,502** | **4,078,857** | **5,855,657** | **6,258,371** | **671,869** |

# Funding Agreement

| | MDRT Master Development Review Team | 2017 Funded FTE | 2014 Audited Budget | 2015 Budget | 2016 Budget | 2017 Budget |
|---|---|---|---|---|---|---|
| 1 | MDRT & Economic Development Director | 1.00 | 143,563 | 146,509 | 148,362 | 194,841 |
| 2 | Comm Dev Director-FT -Jan-June 2014 | | 58,270 | | | |
| 3 | Comm Dev/Nat Res Dir. | 0.25 | 37,308 | 75,842 | 67,520 | 38,000 |
| 4 | Construction Support | 1.00 | 123,745 | 143,681 | 135,800 | 178,824 |
| 5 | MDRT Sr Planner- | 0.75 | 71,160 | 95,226 | 97,800 | 122,795 |
| 6 | MDRT Senior Accountant/Adm Asst | 1.00 | 73,736 | 75,419 | 77,974 | 75,958 |
| 7 | Pub Works, Finance | | | | | 20,000 |
| 8 | City Clerk/Resources Manager | 0.50 | 148,117 | 146,816 | 153,256 | 80,500 |
| 9 | **Subtotal MDRT Staff** | **4.50** | **655,899** | **683,493** | **680,712** | **710,918** |
| 10 | MDRT-Expenses | | 33,659 | 32,500 | 38,673 | 41,690 |
| 11 | MDRT-Alloc PW Dir, Finance | | | 30,000 | 20,000 | |
| 12 | MDRT One Vehicle/Computers | | 30,000 | 50,000 | | |
| 13 | FF&E- MDRT | | 61,129 | 81,505 | 83,112 | 76,867 |
| 14 | **Total MDRT** | **4.50** | **780,687** | **877,498** | **822,497** | **829,475** |
| 17 | **Balance of Core Agreement (254)** | | | | | |
| 18 | Public Works Director | | 74,620 | 19,774 | | |
| 19 | Natural Res Parks Dir-Jan-June 2014 | | 74,616 | | | |
| 20 | Comm Dev/Hr Director-50% July-Dec 2014 | | 37,308 | 19,488 | | |
| 21 | Information Svs-Contracted | | 92,176 | 12,985 | | |
| 22 | Finance Director | | 123,725 | 31,661 | | |
| 23 | Deputy Finance Director | | 111,990 | 29,064 | | |
| 24 | Permit Center Supervisor 2014 Budget | | 103,041 | | | |
| 25 | Re-allocate vacant Permit Center Supervisor | | (94,977) | | | |
| 26 | Core Planner -Contract thru 3/19/14 | | 52,200 | 21,246 | | |
| 27 | Add Permit Center Tech-Feb-Dec 2014 | | 37,636 | 11,123 | | |
| 28 | Facilities Equipment Coordinator | | 80,418 | 24,805 | | |
| 29 | Subtotal Core Balance @ 2.65 months | | 692,753 | 170,146 | 0 | 0 |
| 30 | Core 2015 FF&E-limited wind-down @ 2.65 Months | | 112,320 | 17,199 | | |
| 31 | **Total Core balance @ 2.65 months** | | **805,073** | **187,345** | **0** | **0** |
| 32 | **Total Funding Agree Op Costs-Funding Revenue** | | **1,585,760** | **1,064,843** | **822,497** | **829,475** |
| 33 | MDRT Legal & Consulant Reimb | | 485,000 | 470,000 | 438,000 | 438,000 |
| 34 | **Grand Total Funding Agreement** | | **2,070,760** | **1,534,843** | **1,260,497** | **1,267,475** |
| 35 | **2015 - 2017 Budget Change** | | | **(520,917)** | **(242,346)** | **6,978** |




Since 2014, the Funding Agreement has been reduced by $756,285, or 47.7%.

# General Fund Beginning Balance

| | Beginning General Fund Balance | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|---|
| 1 | Beginning Cash and Invest. City | 644,198 | 842,524 | 912,660 | 1,045,376 | 1,178,353 | 265,693 | 29.1% |
| 2 | Beginning Cash and Invest. Dev | 299,129 | 190,103 | 160,000 | 160,000 | 125,000 | (35,000) | -21.9% |
| 3 | **Total Beginning Cash & Investments** | **943,327** | **1,032,627** | **1,072,660** | **1,205,376** | **1,303,353** | **230,693** | **21.5%** |

# General Fund Revenue

The General Fund budget refers to the expenditures and revenues associated with the delivery of City services in Black Diamond that are funded with property, sales, and utility taxes, charges & fees, and state shared revenues. Services provided under the General Fund include police and fire, municipal court, parks maintenance, building permits, development review and administrative functions in the City. The General Fund includes close to one half of Black Diamond's total budget.

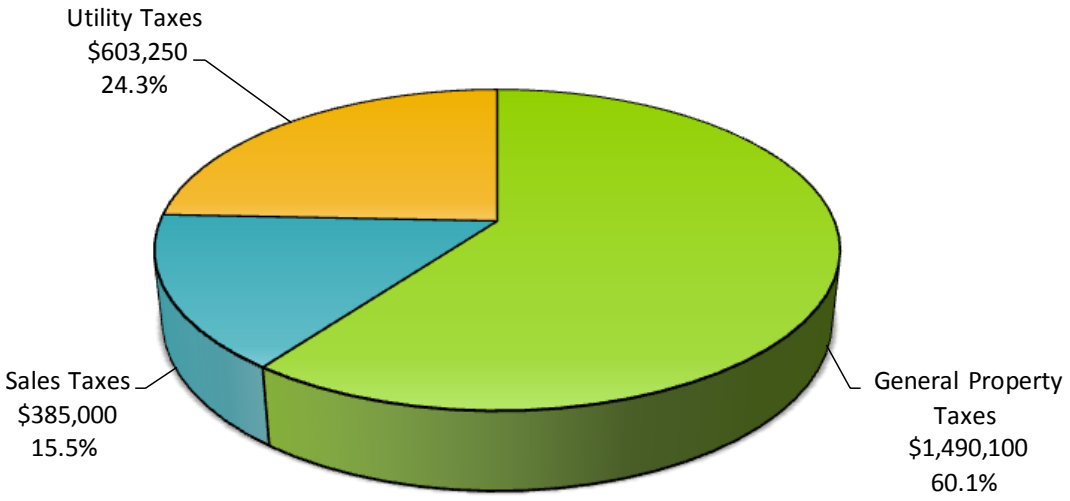
| | Top Twenty General Fund Revenue Sources | Budget 2017 |
|---|---|---|
| 1 | General Property Taxes | 1,490,100 |
| 2 | Sales Taxes | 385,000 |
| 3 | Electrical Utility Tax | 235,000 |
| 4 | Municipal Court Fines and Fees | 193,275 |
| 5 | Plan Check and Land Use Fees | 191,300 |
| 6 | Building Permits | 189,650 |
| 7 | Local Criminal Justice Tax | 116,532 |
| 8 | Sales Tax Assistance from State | 95,000 |
| 9 | Police Traffic School | 95,000 |
| 10 | Telephone Utility Tax | 82,000 |
| 11 | Cable TV Utility Tax | 80,000 |
| 12 | Cable Franchise Fees | 76,000 |
| 13 | Stormwater Utility Tax | 66,600 |
| 14 | Liquor Board Tax & Profits | 56,481 |
| 15 | KC EMS VLS Contract | 56,000 |
| 16 | Sewer Utility Tax | 50,400 |
| 17 | Water Utility Tax | 43,400 |
| 18 | Solid Waste Utility Tax | 42,000 |
| 19 | Parks: Parking & Gym Fees | 34,940 |
| 20 | Business Licenses | 23,500 |

## General Fund Taxes

Locally levied taxes represent Black Diamond's largest portion of revenues of $2,478,350 or 56% of the City's General Fund operating revenue. Taxes include real and personal property tax, local sales tax, utility taxes on utility services (water, sewer, stormwater, electric, gas, cable and telephone) and gambling taxes. A 5.2% increase of $122,692 is estimated in 2017. The sales tax estimation increase of 18% is due to trend, as increased development and remodeling is picking up. Property taxes have increased slightly, due to +1% and new construction. Estimates for electrical and utility taxes have been budgeted according to trend.

| | General Fund Tax Revenue | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|---|
| 1 | General Property Taxes | 1,438,113 | 1,460,777 | 1,465,908 | 1,475,350 | 1,490,100 | 24,192 | 1.7% |
| 2 | Sales Taxes | 302,927 | 311,926 | 326,250 | 350,000 | 385,000 | 58,750 | 18.0% |
| 3 | Electrical Tax | 220,845 | 214,323 | 211,000 | 232,100 | 235,000 | 24,000 | 11.4% |
| 4 | Water Utility Tax | 39,520 | 45,137 | 40,900 | 42,150 | 43,400 | 2,500 | 6.1% |
| 5 | Stormwater Utility Tax | 63,798 | 64,348 | 64,000 | 65,900 | 66,600 | 2,600 | 4.1% |
| 6 | Sewer Utility Tax | 43,683 | 45,400 | 44,900 | 45,800 | 50,400 | 5,500 | 12.2% |
| 7 | Solid Waste Tax | 32,834 | 36,716 | 32,800 | 40,000 | 42,000 | 9,200 | 28.0% |
| 8 | Cable TV Utility Tax | 72,109 | 78,378 | 76,000 | 79,000 | 80,000 | 4,000 | 5.3% |
| 9 | Telephone Tax | 106,162 | 96,506 | 90,000 | 86,000 | 82,000 | (8,000) | -8.9% |
| 10 | Gas Utility Tax | 366 | 289 | 300 | 250 | 250 | (50) | -16.7% |
| 11 | Pull Tabs and Punch Board Tax | 3,604 | 2,866 | 3,600 | 3,600 | 3,600 | - | 0.0% |
| 12 | **Total General Fund Taxes** | **2,323,960** | **2,356,665** | **2,355,658** | **2,420,150** | **2,478,350** | **122,692** | **5.2%** |

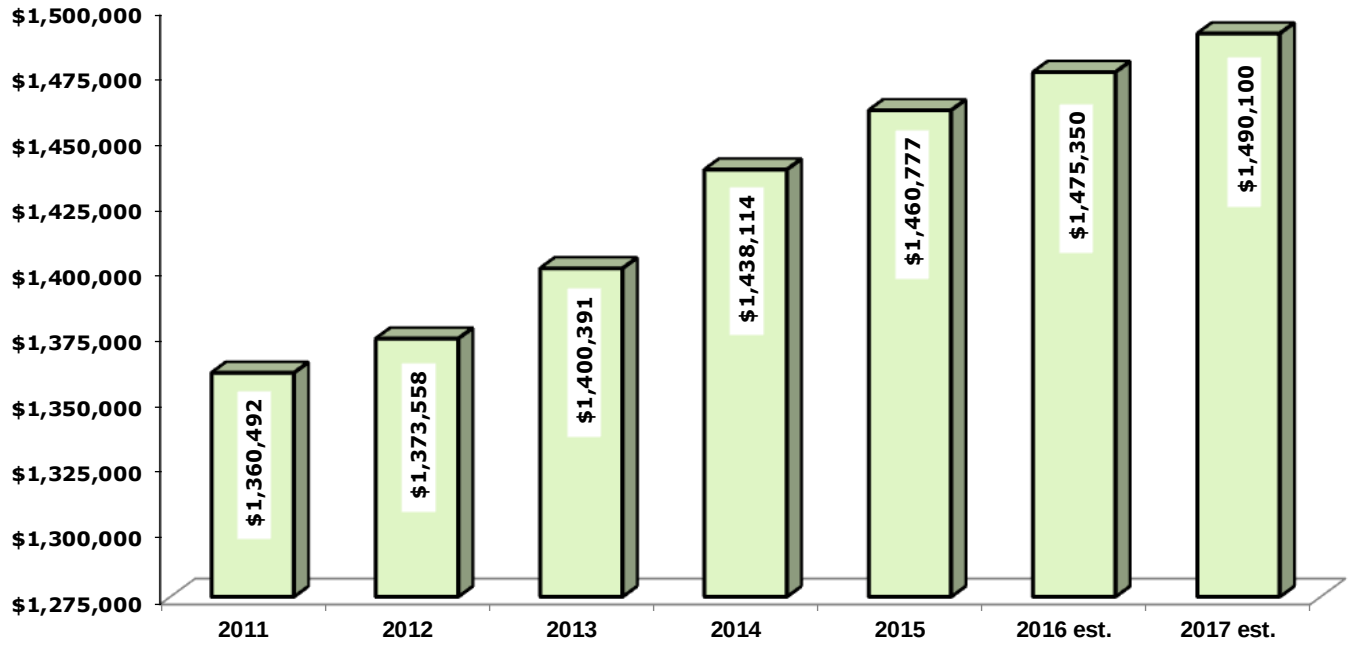
**2017 General Fund Tax Revenue**
**$2,478,350**



**Property taxes** make up 60.1% of the General Fund's tax revenue and estimated to generate $1,490,100 in revenue for the City in 2017. All revenues from property taxes go directly to the General Fund to support public safety for police, fire protection and emergency services. The City of Black Diamond depends heavily on property tax collections, as the City has a small commercial base to generate sales tax revenue.

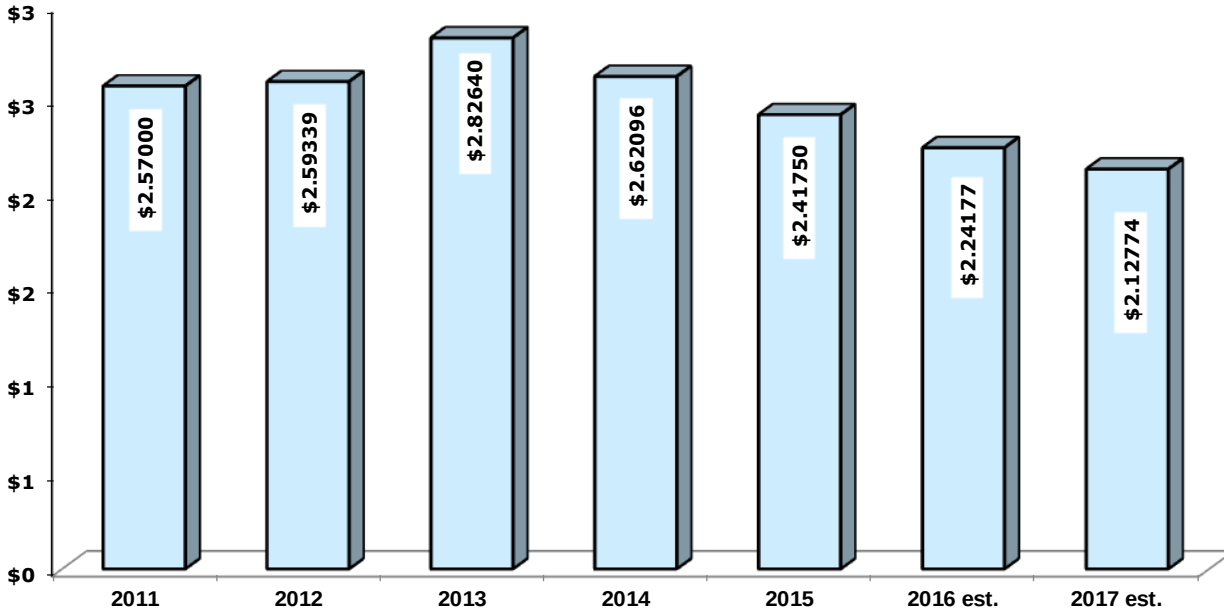
In Washington cities such as Black Diamond, property tax increases are limited to a 1% total dollar annual increase per year unless voters approve a lid-lift or larger percent increases. King County sets assessed valuation on property and calculates levy rates. Each taxing authority receives a portion of the tax amount, which King County collects and then passes on. In Black Diamond, there are four school districts with separate rates, so depending on which school district the property is in, the taxing amount will vary.

**Property Tax Collection, Levy Rates and 2017 Budget**

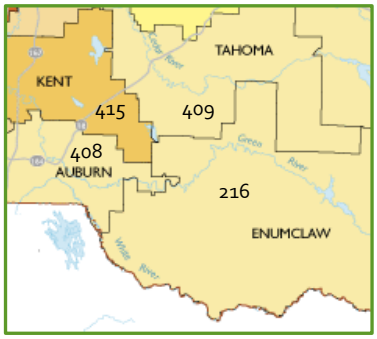



| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 est. | 2017 est. |
|---|---|---|---|---|---|---|---|
| **Regular Levy Base** | 998,553 | 1,360,492 | 1,373,558 | 1,400,391 | 1,438,114 | 1,462,890 | 1,481,033 |
| 1% Increase | 9,986 | 13,605 | 13,736 | 14,004 | 14,381 | 14,629 | 14,810 |
| New Construction | 3,147 | 6,461 | 4,256 | 11,833 | 3,145 | 11,905 | 13,907 |
| Annexations | 0 | | | | | | |
| Adjustments | 348,806 | -6,999 | 8,841 | 11,886 | 5,137 | -14,074 | |
| **Total Property Taxes** | **$1,360,492** | **$1,373,558** | **$1,400,391** | **$1,438,114** | **$1,460,777** | **$1,475,350** | **$1,508,686** |
| **Levy Rate** | **2.57000** | **2.59339** | **2.82640** | **2.62096** | **2.41750** | **2.24177** | **2.12774** |
| **Allowable Levy** | 3.10 | 3.10 | 3.10 | 3.10 | 3.10 | 3.10 | 3.10 |
| **Assessed Valuation** | **$532,915,592** | **$539,094,772** | **$501,195,551** | **$552,587,146** | **$595,242,973** | **$659,796,088** | **$709,056,241** |

## DRAFT Property Tax Levy Rates and 2017 Preliminary Budget



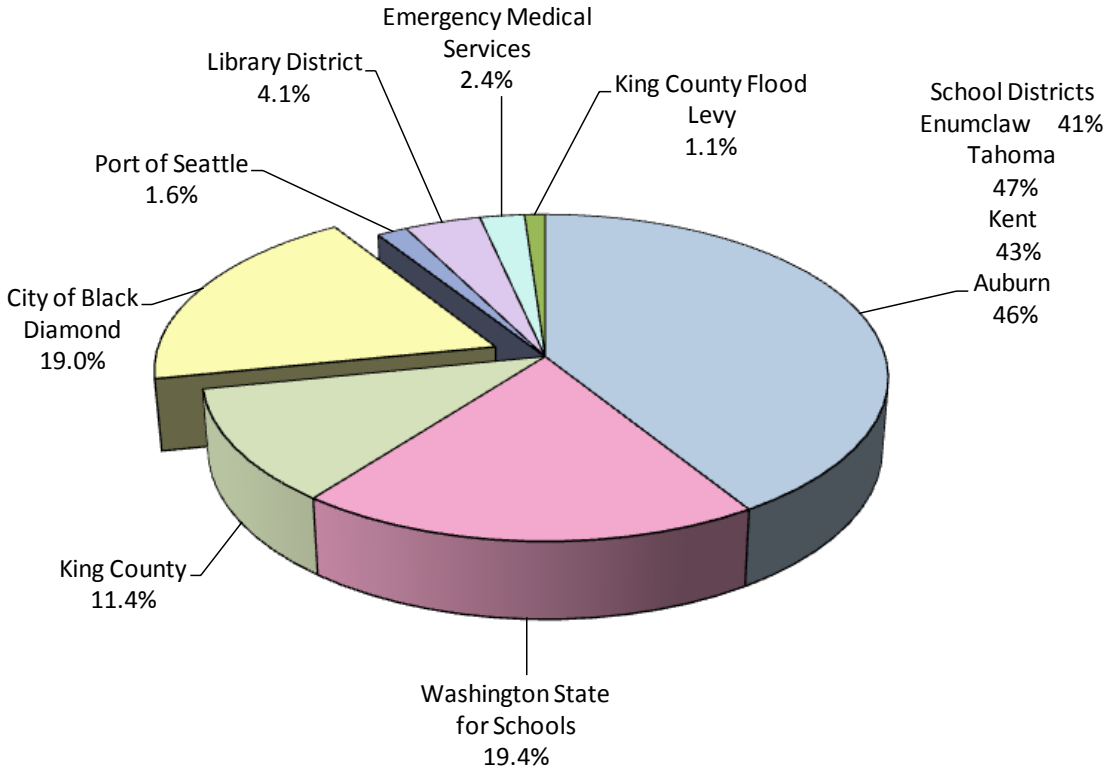

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 est. | 2017 est. |
|---|---|---|---|---|---|---|---|
| **Regular Levy Base** | 998,553 | 1,360,492 | 1,373,558 | 1,400,391 | 1,438,114 | 1,462,890 | 1,481,033 |
| 1% Increase | 9,986 | 13,605 | 13,736 | 14,004 | 14,381 | 14,629 | 14,810 |
| New Construction | 3,147 | 6,461 | 4,256 | 11,833 | 3,145 | 11,905 | 13,967 |
| Annexations | 0 | | | | | | |
| Adjustments | 348,806 | -6,999 | 8,841 | 11,886 | 5,137 | -14,074 | |
| Total Property Taxes | $1,360,492 | $1,373,558 | $1,400,391 | $1,438,114 | $1,460,777 | $1,475,350 | $1,508,686 |
| **Levy Rate per $1000 AV** | **$ 2.57000** | **$ 2.59339** | **$ 2.82640** | **$ 2.62096** | **$ 2.41750** | **$ 2.24177** | **$ 2.12774** |
| **Allowable Levy** | 3.10 | 3.10 | 3.10 | 3.10 | 3.10 | 3.10 | 3.10 |
| **Assessed Valuation** | **$532,915,592** | **$539,094,772** | **$501,195,551** | **$552,587,146** | **$595,242,973** | **$659,796,088** | **$709,056,241** |




Black Diamond School Districts

| The total property tax rates in Black Diamond vary because of the four different school districts within our city limits.<br>**2016 Rates** | **Enumclaw** | **Tahoma** | **Kent** | **Auburn** |
|---|---|---|---|---|
| Local School District | 4.84 | 6.17 | 5.34 | 5.83 |
| Washington State for Schools | 2.29 | 2.29 | 2.29 | 2.29 |
| King County | 1.34 | 1.34 | 1.34 | 1.34 |
| City of Black Diamond | 2.24 | 2.24 | 2.24 | 2.24 |
| Port of Seattle | .19 | .19 | .19 | .19 |
| Library District | .48 | .48 | .48 | .48 |
| Emergency Medical Services | .28 | .28 | .28 | .28 |
| King County Flood Levy | .13 | .13 | .13 | .13 |
| **Total Levy Rate** | **$11.79** | **$13.13** | **$12.30** | **$12.79** |

## 2016 Property Tax - Total Distribution




Black Diamond receives between 17% and 19% of the total property tax collected depending on which school district the property is in. In the Enumclaw district in 2016, if a home was appraised at $350,000, the tax collected is $11.79 X 350, or $4,126.50, and the Black Diamond portion of that total is $784 for 2016. See below.

| King County Taxing District | Levy Rate per $1000 in Value | Percent of Property Taxes Collected | 2016 Annual Tax on a $350,000 Home | Monthly Tax on a $350,000 Home |
|---|---|---|---|---|
| **Port of Seattle** | .19 | 1.6% | $66.02 | $5.50 |
| **State Schools** | 2.29 | 19.4% | $800.54 | $66.71 |
| **EMS Levy** | .28 | 2.4% | $99.04 | $8.25 |
| **King County** | 1.34 | 11.4% | $470.42 | $39.20 |
| **Floods and Ferries** | .13 | 1.1% | $45.39 | $3.78 |
| **School District - Enumclaw** | 4.84 | 41% | $1691.86 | $140.99 |
| **Library District** | .48 | 4.1% | $169.19 | $14.10 |
| **Subtotal** | **9.55** | | **$3342.46** | **$278.54** |
| **Black Diamond** | 2.24 | 19% | $784.04 | $65.34 |
| **Grand Total** | **11.79** | **100%** | **$4126.50** | **$343.88** |

**Sales Tax** revenue for the 2017 budget is forecast to be $385,000 or 15.6% of General Fund tax revenue. For every $100 spent in Black Diamond, $8.60 is collected by the State and is shared by various jurisdictions. These jurisdictions include our city, Washington State, King County and Criminal Justice programs. Black Diamond receives a bit less than 10% of the total.

Black Diamond's sales tax revenues are dependent on retail sales of products and services sold or delivered to Black Diamond, as well as tax on new construction material. In fact, a considerable portion of our sales taxes are collected for construction services such as installing, repairing, cleaning, improving and other home services.

Sales taxes are higher in Washington than many other states, and are our State's largest revenue source, but because there are no income taxes collected in Washington State, the sales tax is necessarily higher, so the impacts of taxation should be looked at collectively.

There are exemptions to sales tax collection in Washington. Common exemptions include:

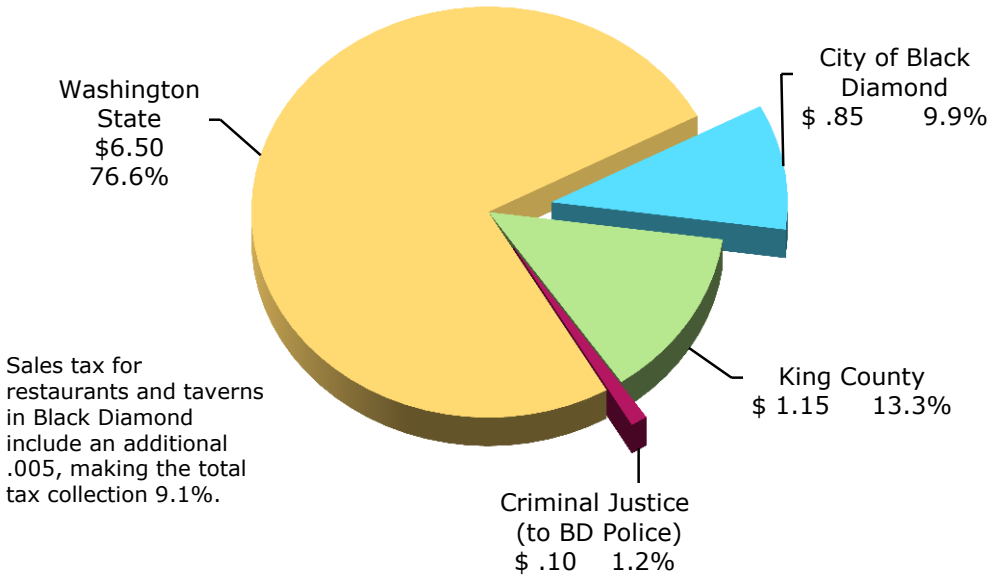
- Food
- Prescription Drugs
- Sales to Nonresidents
- Federal Government Sales
- Sales to Indians or Indian Tribes

## Black Diamond Sales Tax Revenue

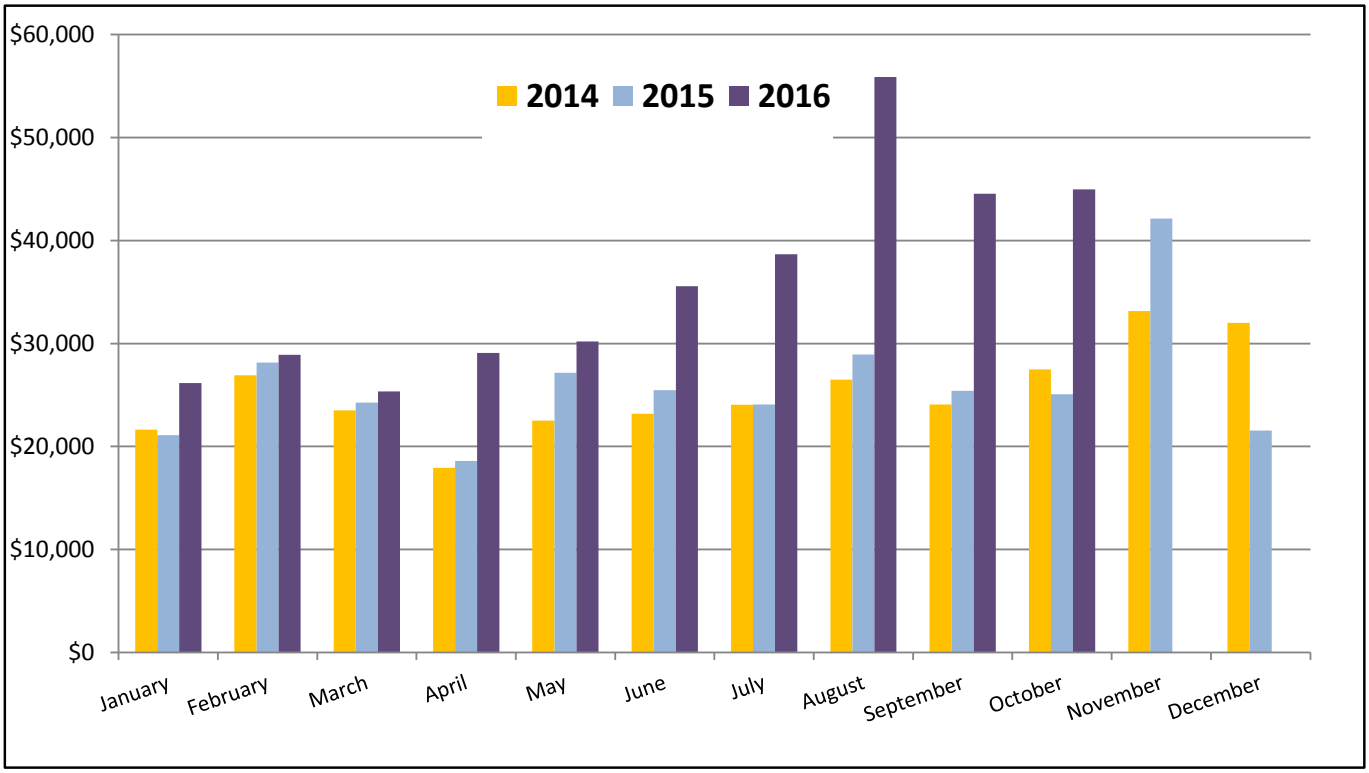
| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 est | 2017 Budget |
|---|---|---|---|---|---|---|
| $297,333 | $262,974 | $290,795 | $302,927 | $311,927 | $350,000 | $385,000 |

**City of Black Diamond**
**2016 Sales Taxes**
Taxed amount is 8.6% of retail sales

Based on a $100 sale, retail sales tax collected is $8.60, and is distributed the following way:



## Black Diamond Historical Sales Tax Collection by Month

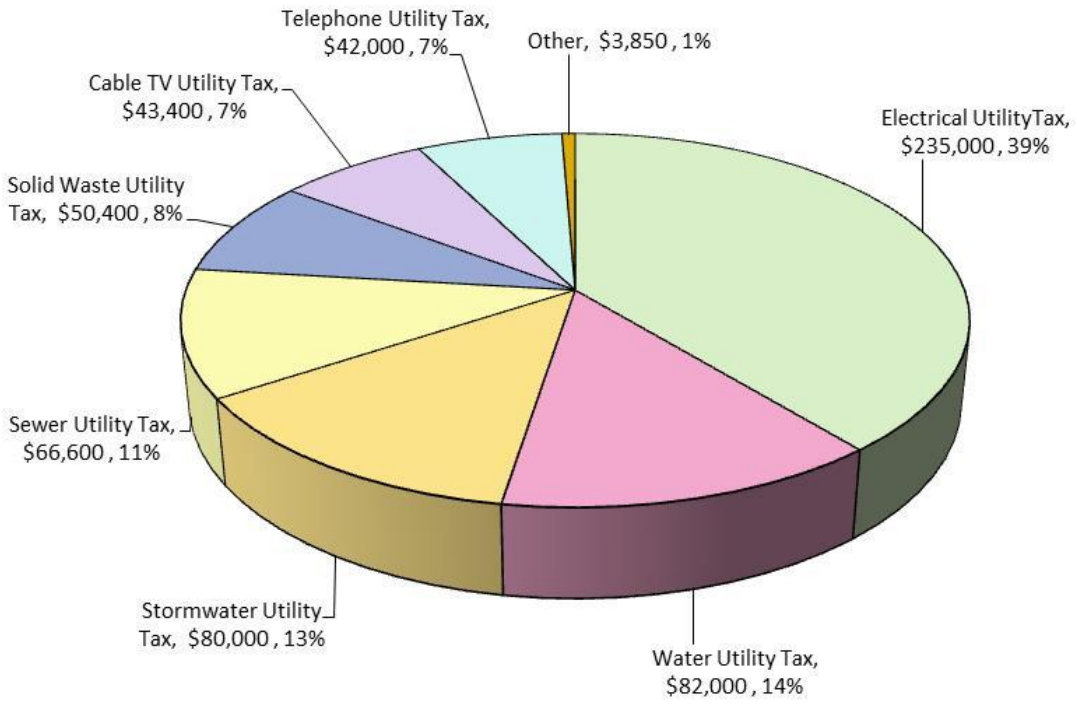



Criminal Justice taxes are an additional local sales/use tax of 0.1 percent to be used for criminal justice programs. This tax is levied by the county and is imposed countywide, but the receipts are shared with King County cities, based on population. Of the revenues collected for criminal justice, 1 percent is retained for administration, 10 percent is distributed to the county and 90 percent goes to cities on a per-capita basis based on their official April 1 populations. Black Diamond's population is currently 4,305.

**Utility Taxes** are collected for the City at the rate of 6% for electrical, telephone, cable TV, sewer, water and gas utilities. The stormwater utility tax is 18%. Overall in 2017, utility taxes have been estimated to reflect recent trend.

| | Utility Tax Revenue | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|---|
| 1 | Electrical Tax | 220,845 | 214,323 | 211,000 | 232,100 | 235,000 | 24,000 | 11.4% |
| 2 | Water Utility Tax | 39,520 | 45,137 | 40,900 | 42,150 | 43,400 | 2,500 | 6.1% |
| 3 | Stormwater Utility Tax | 63,798 | 64,348 | 64,000 | 65,900 | 66,600 | 2,600 | 4.1% |
| 4 | Sewer Utility Tax | 43,683 | 45,400 | 44,900 | 45,800 | 50,400 | 5,500 | 12.2% |
| 5 | Solid Waste Tax | 32,834 | 36,716 | 32,800 | 40,000 | 42,000 | 9,200 | 28.0% |
| 6 | Cable TV Utility Tax | 72,109 | 78,378 | 76,000 | 79,000 | 80,000 | 4,000 | 5.3% |
| 7 | Telephone Tax | 106,162 | 96,506 | 90,000 | 86,000 | 82,000 | (8,000) | -8.9% |
| 8 | Gas Utility Tax | 366 | 289 | 300 | 250 | 250 | (50) | -16.7% |
| 9 | Pull Tabs and Punch Board Tax | 3,604 | 2,866 | 3,600 | 3,600 | 3,600 | - | |
| 10 | **Total Utility Taxes** | **582,921** | **583,962** | **563,500** | **594,800** | **603,250** | **39,750** | **7.1%** |

## 2017 Utility Tax Revenue
## $603,250




**Intergovernmental Revenue** includes grants, entitlements, shared revenues and payments for goods and services provided to the City from the State or other governmental entities. They include per capita distributed revenues such as liquor excise and profit taxes and state and federal grants.

The City receives State assistance funds approved by the passage of ESSB 6050. This legislation was intended to provide ongoing financial assistance to cities and counties that have a low sales tax base and are having difficulty providing basic services. These funds were created by diverting a small portion of the Washington State real estate excise tax from the Public Works Trust Fund. As State taxes increase, they can share more with cities.

| | Intergovernmental Revenue | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|---|
| 1 | Sales Tax Assistance from State | 72,192 | 89,563 | 78,460 | 90,000 | 95,000 | 16,540 | 21.1% |
| 2 | Liquor Excise Tax | 7,836 | 11,380 | 18,600 | 19,000 | 20,104 | 1,504 | 8.1% |
| 3 | Liquor Board Profits | 37,052 | 36,626 | 36,150 | 36,150 | 36,377 | 227 | 0.6% |
| 4 | Recycle Grant-KC WRR Grant | 10,000 | 10,000 | 10,000 | 9,018 | 10,000 | - | 0.0% |
| 5 | KC Recycle Grant D37318D | 5,944 | 5,991 | 5,991 | 9,963 | | (5,991) | -100.0% |
| 6 | KC EMS VLS Contract | 54,704 | 55,302 | 56,000 | 55,994 | 56,000 | - | 0.0% |
| 7 | **Total Intergovernmental Rev** | **187,728** | **208,862** | **205,201** | **220,125** | **217,481** | **12,280** | **6.0%** |

**Community Development Revenue** includes fees related to land use and construction activities such as plan checks and land use fees, building, mechanical and plumbing permits. This revenue does not include revenues from the Master Plan Development staff reviews. Estimates next year are promising, as this office's indications show significant increases in building activity.

| | Community Development Revenue | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|---|
| 1 | Building Permits | 43,609 | 71,224 | 80,000 | 188,000 | 164,750 | 84,750 | 105.9% |
| 2 | Mechanic Permits | 5,048 | 7,313 | 12,000 | 12,000 | 12,000 | - | 0.0% |
| 3 | Plumbing Permits | 4,268 | 4,439 | 10,000 | 5,000 | 7,000 | (3,000) | -30.0% |
| 4 | Other Permits | 1,946 | 3,883 | 3,500 | 16,900 | 5,900 | 2,400 | 68.6% |
| 5 | **Total Permits** | **54,871** | **86,858** | **105,500** | **221,900** | **189,650** | **84,150** | **79.8%** |
| 6 | Plan Check Fees | 30,493 | 45,616 | 60,000 | 50,000 | 110,000 | 50,000 | 83.3% |
| 7 | Fire Plan Check Fees | 773 | 2,005 | 2,000 | 2,000 | 3,000 | 1,000 | 50.0% |
| 8 | Land Use Fees | 7,484 | 9,460 | 4,500 | 15,000 | 30,000 | 25,500 | 566.7% |
| 9 | Shoreline Fees | 840 | 4,069 | 2,000 | 15,000 | 20,000 | 18,000 | 900.0% |
| 10 | Other Misc. Fees | 4,525 | 7,711 | 1,210 | 4,000 | 11,500 | 10,290 | 850.4% |
| 11 | **Total Land Use and Misc. Fees** | **44,115** | **68,860** | **69,710** | **86,000** | **174,500** | **104,790** | **150.3%** |
| 12 | Hearing Examiner | 692 | 880 | 1,000 | 1,000 | 1,000 | - | - |
| 13 | Cost Recovery & Other Fees | 4,084 | 7,437 | 5,000 | 6,000 | 15,700 | 10,700 | 214.0% |
| 14 | Copying Services, Map Sales | 280 | 143 | 100 | 100 | 100 | - | 0.0% |
| 15 | Deposits and Pass Through | 8,674 | 14,669 | - | | | - | |
| 16 | **Total Community Development Rev** | **112,715** | **178,847** | **181,310** | **315,000** | **380,950** | **199,640** | **110.1%** |

**Police Department Revenue** includes largely intergovernmental funding including grants, criminal justice funds and payments for police services provided by the City to other governmental entities. Other revenue includes traffic school, gun permits and fingerprinting revenue as well as donations and other minor sources. An increase in the criminal justice distribution is expected next year.

| | Police Department Revenue | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|---|
| 1 | Criminal Justice Distribution | 104,811 | 112,697 | 110,600 | 116,100 | 116,532 | 5,932 | 5.4% |
| 2 | Police Traffic School Fee | 13,018 | 23,672 | 15,000 | 85,000 | 95,000 | 80,000 | 533.3% |
| 3 | Vessel Registration Boat Safety | 12,391 | 12,515 | 12,515 | 12,073 | 12,515 | - | 0.0% |
| 4 | Overtime and Off Duty Reimb | 12,040 | 23,953 | 6,000 | | 3,000 | (3,000) | -50.0% |
| 5 | Grants | 4,509 | 5,154 | 3,900 | 17,587 | 5,200 | 1,300 | 33.3% |
| 6 | Gun Permits and Fingerprinting | 1,405 | 1,357 | 1,300 | 2,300 | 2,300 | 1,000 | 76.9% |
| 7 | Work Crew/Electronic Monitoring | 1,305 | 1,245 | 1,500 | 900 | 1,200 | (300) | -20.0% |
| 8 | DUI Cost Recovery | 1,493 | 3,370 | - | 2,600 | 2,700 | 2,700 | |
| 9 | Donations | 2,166 | 500 | 600 | 500 | 500 | (100) | -16.7% |
| 10 | Records and Services | 795 | 676 | 800 | 2,628 | 500 | (300) | -37.5% |
| 11 | **Total Police Deptartment Revenue** | **153,934** | **185,139** | **152,215** | **239,688** | **239,447** | **87,232** | **57.3%** |

**Municipal Court Revenue** has been estimated upward in 2017 due to the hiring of a new traffic officer. This revenue comes from the City's portion of fines and forfeits collected on citations and fees. Traffic citations contribute close to 67% of this department's revenue. In 2016, the Court saw a significant increase in cases filed. As of August, there have been 1,470 filings with a projected total of over 2,200. This includes both criminal and noncriminal cases.

| | Municipal Court Revenue | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|---|
| 1 | Court Traffic Infractions | 58,176 | 62,561 | 60,000 | 66,000 | 130,000 | 70,000 | 116.7% |
| 2 | Administration/Correction Fees | 21,176 | 21,425 | 18,400 | 22,500 | 25,000 | 6,600 | 35.9% |
| 3 | Court Criminal Traffic Misdemeanors | 8,620 | 4,070 | 7,000 | 6,480 | 7,000 | - | 0.0% |
| 4 | Court Parking Fines | 7,155 | 9,294 | 7,046 | 5,500 | 6,000 | (1,046) | -14.8% |
| 5 | Court DUI Fines | 3,793 | 3,168 | 5,000 | 2,600 | 3,000 | (2,000) | -40.0% |
| 6 | Court Interest | 5,967 | 4,540 | 5,000 | 5,000 | 6,000 | 1,000 | 20.0% |
| 7 | Court Cost Recoopment | 4,501 | 4,302 | 4,000 | 4,000 | 5,000 | 1,000 | 25.0% |
| 8 | Court Mand. Insurance Costs | 1,872 | 2,544 | 2,400 | 9,000 | 9,000 | 6,600 | 275.0% |
| 9 | Court Other Fees | 3,518 | 659 | 675 | 1,225 | 2,275 | 1,600 | 237.0% |
| 10 | **Total Municipal Court Revenue** | **114,777** | **112,563** | **109,521** | **122,305** | **193,275** | **83,754** | **176.5%** |

**Cable Franchise Fees and Business Licenses** are collected from a 5% cable franchise fee. Business license revenue helps cover the cost of public safety.

| | Cable Franchise & Bus. License Revenue | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|---|
| 1 | Cable Franchise Fees | 62,438 | 67,171 | 66,000 | 76,000 | 76,000 | 10,000 | 15.2% |
| 2 | Business License | 21,995 | 23,090 | 22,000 | 23,000 | 23,500 | 1,500 | 6.8% |
| 3 | **Total Cable Fran/Busin. License** | **84,433** | **90,261** | **88,000** | **99,000** | **99,500** | **11,500** | **13.1%** |

Historical Destination Restaurant – The Black Diamond Bakery since 1902

**Other General Fund Revenue** sources include parking fees at Lake Sawyer, passport revenue, gym rental, the cemetery, and allocation of revenue from other city funds, for General Fund services and supplies. The State has changed the accounting of allocations to credit the expenditure side of the budget, and is the reason for the decrease.

| | Other General Fund Revenue | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|---|
| 1 | Passport Revenue | 20,534 | 19,319 | 21,900 | 19,550 | 22,150 | 250 | 1.1% |
| 2 | Lake Sawyer Parking Fees | 21,536 | 24,214 | 25,000 | 22,500 | 25,000 | - | 0.0% |
| 3 | Gym Rental -Teen Programs | - | 4,627 | 7,500 | 6,800 | 7,500 | - | 0.0% |
| 4 | Gym Rental- Jazzercise Contract | - | 2,203 | 2,440 | 2,200 | 2,440 | - | 0.0% |
| 5 | Cemetery Revenue | 10,371 | 6,267 | 12,600 | 9,000 | 12,600 | - | 0.0% |
| 6 | Other Charges for Service | 784 | 6,755 | 4,000 | 3,263 | 1,400 | (2,600) | -65.0% |
| 7 | Central Service Allocation | | | 20,500 | | | (20,500) | -100.0% |
| 8 | General Fund Allocation | | | 55,000 | | | (55,000) | -100.0% |
| 9 | Animal Control Refund | | | | | | - | |
| 10 | Interest and Other Reimbursements | 7,108 | 37,382 | 2,500 | 6,700 | 7,450 | 4,950 | 198.0% |
| 11 | **Total Other Gen Fund Revenue** | **60,332** | **100,765** | **151,440** | **70,013** | **78,540** | **(72,900)** | **-48.1%** |

**Funding Agreement** revenue includes the General Fund portion of the Funding Agreement of ongoing costs in 2017.

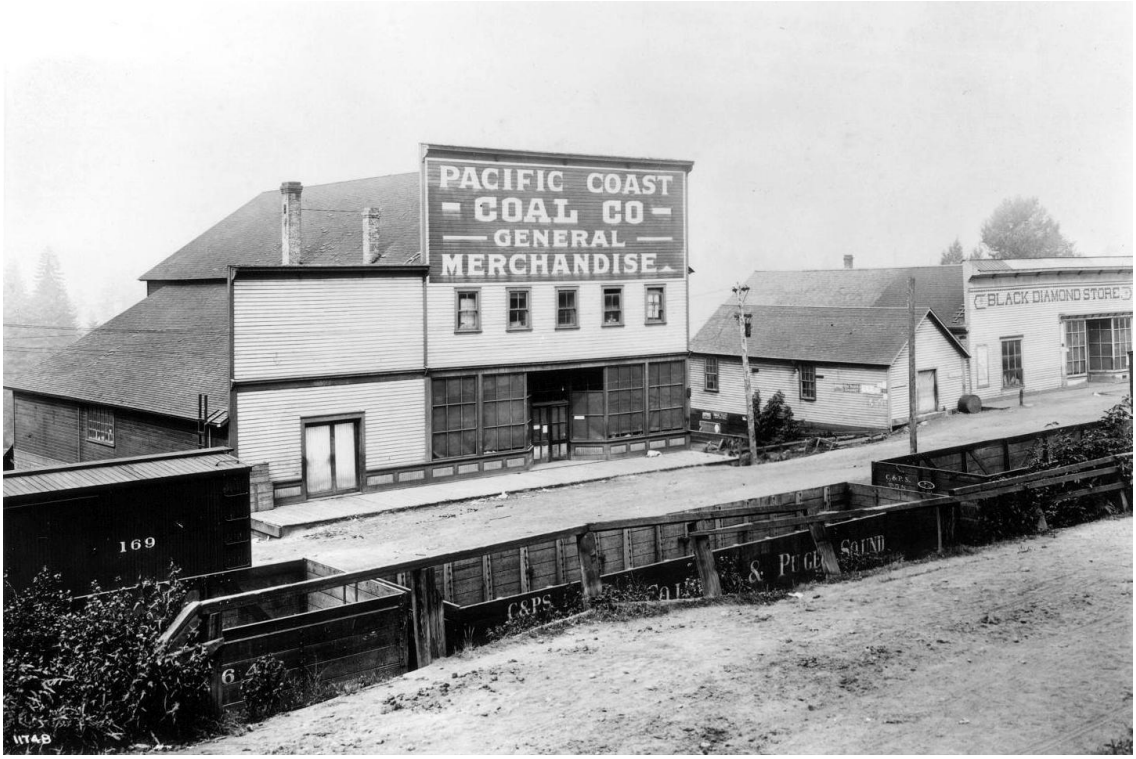
| | Funding Agreement Revenue | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|---|
| 1 | Partner - Funding Agreement | 1,328,939 | 764,250 | 822,497 | 726,000 | 829,475 | 6,978 | 0.8% |
| 2 | **Total General Fund Oper REV** | **4,366,819** | **3,997,352** | **4,065,842** | **4,212,281** | **4,517,018** | **451,176** | **11.1%** |

| | MPD SEPA Revenue | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|---|
| 3 | Miscellaneous Reimbursement | 96,496 | 198 | 10,000 | | | (10,000) | -100.0% |
| | **Funding Agreement Consultant REV** | **2014 Actual Audited** | **2015 Actual** | **2016 Budget** | **2016 Estimated Year End** | **2017 Prelim Budget** | **Bdgt $ Chg inc/(dec)** | **Bdgt % Chg inc/(dec)** |
| 4 | MDRT-Civil Engineering Reimburse | 243,827 | 310,115 | 250,000 | 250,000 | 250,000 | | |
| 5 | MDRT-Legal Reimbursement | 20,001 | 47,937 | 50,000 | 50,000 | 50,000 | | |
| 6 | MDRT-Traffic Reimbursements | 14,050 | (11,400) | 30,000 | 30,000 | 30,000 | | |
| 7 | MDRT- Environmental Reimbursement | 13,507 | 22,733 | 30,000 | 30,000 | 30,000 | | |
| 8 | MDRT-Hearing Exam-Pim Plat | 377 | 16,724 | 30,000 | 30,000 | 30,000 | | |
| 9 | MRDT-Geotech Reimbursement | 6,331 | 3,660 | 25,000 | 25,000 | 25,000 | | |
| 10 | MDRT-CH2M HIll | - | 70,695 | | | | | |
| 11 | MRDT-Surveyor Reimbursement | - | 7,385 | 20,000 | 20,000 | 20,000 | | |
| 12 | MDRT-Fiscal Reimbursements | 26,037 | 731 | 3,000 | 3,000 | 3,000 | | |
| 13 | **Total MDRT Consultants/SEPA Rev** | **420,626** | **468,780** | **448,000** | **438,000** | **438,000** | **(10,000)** | **-2.2%** |

The MDRT Consultant costs are 100% reimbursed by the MDRT Developer.

## Total General Fund Sources

| | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| **Grand Total General Fund Revenue** | **5,730,772** | **5,498,759** | **5,586,502** | **5,855,657** | **6,258,371** | **671,869** | **12.0%** |




The Company Store: Black Diamond was a company town and the company owned practically everything. Families could buy houses, but the company leased them the land on which the houses stood for one dollar a month. Later the town would have a company store, where workers could buy goods with the cost deducted from their paychecks. A miner worked 10-hour days, for $1.50 a day.

# General Fund Expenditures by Department

## Legislative – City Council - Expenditures

This department budget supports the five Councilmembers who are elected to serve four-year terms at large, and represent all Black Diamond residents.

The City Council accomplishes City business during regular meetings and work studies each month. Council duties include approving the annual budget, authorizing inter-local agreements and contracts and deliberating on and passing ordinances and resolutions to set City policies. Four Councilmembers receive a stipend of $160 per month, and the Mayor Pro Tem receives $200 per month.

| Legislative - City Council | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Wages | 9,880 | 10,080 | 10,080 | 10,080 | 10,080 | - | |
| Benefits | 821 | 830 | 831 | 835 | 835 | 4 | 0.5% |
| Subtotal Salaries and Benefits | 10,701 | 10,910 | 10,911 | 10,915 | 10,915 | 4 | 0% |
| Services | 1,081 | 1,076 | 4,800 | 4,485 | 4,900 | 100 | 2.1% |
| **Total Department** | **11,782** | **11,986** | **15,711** | **15,400** | **15,815** | **104** | **0.7%** |

The budget for the Council increased $104 in 2017.

## Executive – Mayor's Office - Expenditures

The Mayor is the Chief Executive Officer of Black Diamond and is directly elected by popular vote by the citizens of Black Diamond for a four-year term. Mayoral duties include overseeing City administration, presiding over all meetings of the Council, signing and enforcing all ordinances, appointing and removing appointed officials, signing contracts entered into by the City, and representing the City in meetings and events held outside of Black Diamond.

The Mayor is paid a stipend of $1,000 per month. Other costs include travel and fees for the Association of Washington Cities Annual Conference and Mayor's Exchange.

| Executive | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Wages | 12,000 | 12,000 | 12,000 | 12,000 | 12,000 | - | |
| Benefits | 1,001 | 1,055 | 1,068 | 1,068 | 1,077 | 9 | 0.8% |
| Subtotal Salaries and Benefits | 13,001 | 13,055 | 13,068 | 13,068 | 13,077 | 9 | 0.1% |
| Supplies | 8 | - | - | | | | |
| Services | 1,497 | 1,961 | 2,050 | 2,050 | 1,800 | (250) | -12.2% |
| **Total Department** | **14,507** | **15,016** | **15,118** | **15,118** | **14,877** | **(241)** | **-1.6%** |

## City Clerk/Human Resources - Expenditures

The City Clerk and Human Resource office is responsible for managing the City's official records, including retention, archival and destruction, and processing all requests for public records; oversight of Council meetings, including agenda development and transcribing the official minutes; providing legal notices to the public regarding City business; coordinating elections; maintaining personnel files, interpretation of personnel policies and procedures, supporting the recruiting process, business licensing and also maintaining and developing the City's website.

This department includes the City Clerk/Human Resources Manager, Deputy City Clerk and a 5% allocation of the Administrative Assistant 2. Also reflected in this budget are service expenses for voter costs of $26,800, code updates at $3,500, postage for passports, insurance, training, advertising and other Clerk related expenditures.

The City Clerk/HR position is 50% reimbursed per the funding agreement.

| City Clerk/Human Resources | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Wages | 140,270 | 124,197 | 133,602 | 133,602 | 106,594 | (27,008) | -20.2% |
| Benefits | 63,176 | 64,043 | 65,924 | 57,289 | 48,431 | (17,493) | -26.5% |
| Subtotal Salaries and Benefits | 203,445 | 188,239 | 199,526 | 190,891 | 155,025 | 199,526 | 100% |
| Supplies | 70 | 255 | 200 | 200 | 200 | - | |
| Services | 16,603 | 26,657 | 27,862 | 16,409 | 35,203 | 7,341 | 26.3% |
| **Total Department** | **220,119** | **215,151** | **227,588** | **207,500** | **190,428** | **(37,160)** | **-16.3%** |

The City Clerk/HR's budget declined by 16.3% due to the City Clerk allocation of 30% of Salaries and Benefits to Street, Water, Sewer and Stormwater Funds.

## Finance - Expenditures

The Finance Department is responsible for safeguarding the City's assets by insuring maximum utilization of revenues, providing financial support to City departments and recording and reporting accurate and timely financial information to the State, elected officials and to the citizens of Black Diamond.

This Department provides the services of financial planning and reporting, accounting, accounts receivable, accounts payable, payroll processing, cost accounting, utility tax collections, cash and investment management and debt service. Finance prepares the Annual Budget, the Comprehensive Annual Financial Report, Capital Improvement Plan, reports and monthly financial updates.

The Finance Director leads the department. There is also a Deputy Finance Director and a Senior Accountant. The Finance staff is allocated partially to the Utility Funds.

| Finance | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Wages | 216,760 | 171,634 | 173,466 | 173,466 | 186,291 | 12,825 | 7.4% |
| Benefits | 36,560 | 30,565 | 32,652 | 36,200 | 44,729 | 12,077 | 37.0% |
| Allocations | - | (35,769) | (35,000) | (35,000) | (30,000) | 5,000 | -14.3% |
| Subtotal Salaries & Benefits | 253,321 | 166,430 | 171,118 | 174,666 | 201,020 | 29,902 | 17.5% |
| Supplies | 272 | 111 | 300 | 300 | 300 | - | 0% |
| Services | 14,559 | 9,460 | 9,596 | 20,034 | 11,453 | 1,857 | 19.4% |
| **Total Department** | **268,152** | **176,002** | **181,014** | **195,000** | **212,773** | **31,759** | **17.5%** |

The increase in salaries and benefits is primarily due to the part time Senior Accountant position conversion to full time. The Funding Agreement reimburses Finance $10,000 for the support the department provides the MDRT team. The Finance Director and Deputy Director are allocated $20,000 for capital projects, CIP management and WSFFA.

## Information Services - Expenditures

The City contracts for technology services with the City of Milton at a significant cost savings from prior years. Tech support is budgeted for $41,900 in 2017, an increase of $10,735 from the 2016 budget. This increase is due to one additional day per week needed to implement CIP Technology upgrades.

| Information Technology | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Wages | | | | | | | |
| Benefits | (99) | | | | | | |
| Subtotal Salaries and Benefits | (99) | - | - | | | | |
| Supplies | 39 | | | | | | |
| Services | 45,718 | 27,739 | 31,175 | 32,510 | 41,910 | 10,735 | 34.4% |
| **Total Department** | **45,659** | **27,739** | **31,175** | **32,510** | **41,910** | **10,735** | **34.4%** |

The Information Technology specialist is putting in extra time at the City. There are some major server project change outs and upgrades scheduled for 2017, as was identified in the Capital Improvement Program this year.

## Legal Department – Expenditures

The City Attorney provides civil legal service, preparing and review of ordinances and other legal documents to which the City is a party, maintaining up-to-date legal research materials including pending and adopted state legislation with municipal impact and personnel matters. A percentage of legal costs are shared with the MDRT, Street and Utility Fund budgets. The Legal Department's budget has gone up in 2017 largely due to legal rate increases, union contract costs and an increase in public disclosure requests.

| Legal | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| General Government | 41,442 | 17,889 | 30,000 | 44,500 | 60,000 | 30,000 | 100% |
| Employment | 15,538 | 2,135 | 5,000 | | 5,000 | - | 0% |
| Union Negotiation | 46,270 | 25,543 | 5,000 | 15,000 | 25,000 | 20,000 | 400% |
| Public Disclosure | 7,344 | 2,380 | 5,000 | 7,500 | 10,000 | 5,000 | 100% |
| Other Legal | 122,263 | 44 | 10,000 | 13,000 | 10,000 | - | 0% |
| **Total Department** | **232,857** | **47,992** | **55,000** | **80,000** | **110,000** | **55,000** | **100%** |

## Municipal Court - Expenditures

The Black Diamond Municipal Court operates adjacent to the Police Department on Lawson Street, and is a court of limited jurisdiction. From 2011 to 2015, the Court has averaged 1,064 filings per year. In 2016, the Court has seen a significant increase in cases filed. As of August, there have been 1,470 filings with a projected total of over 2,200. This includes both criminal and noncriminal cases. These cases involve infractions, misdemeanors and gross misdemeanors. Other matters such as felony cases are filed and disposed of in King County Superior Court.

Court is in session, and is open to the public the 2nd and 4th Wednesday of each month. Budget for the Court includes contracted services provided by a Judge, one full time Court Administrator and an increase in budget from a part time on-call Court Clerk to a full time position to support the increased volume of filings. Budget is also provided for security and other miscellaneous expenses such as interpreters, office supplies and training.

| Municipal Court | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Wages | 72,532 | 86,355 | 87,939 | 87,930 | 128,544 | 40,605 | 46.2% |
| Benefits | 21,100 | 24,547 | 26,202 | 25,820 | 47,105 | 20,903 | 79.8% |
| Subtotal Salaries and Benefits | 93,632 | 110,902 | 114,141 | 113,750 | 175,649 | 61,508 | 53.9% |
| Supplies | 1,525 | 1,579 | 2,600 | 2,600 | 2,600 | - | 0% |
| Services | 13,659 | 18,016 | 18,028 | 19,050 | 19,792 | 1,764 | 9.8% |
| Protem Judge | 24,000 | 24,000 | 24,000 | 20,000 | 24,000 | - | 0% |
| Police Security OT | 7,128 | 8,966 | 10,000 | 10,000 | 10,000 | - | 0% |
| **Total Department** | **139,944** | **163,463** | **168,769** | **165,400** | **232,041** | **63,272** | **37.5%** |

| Court Legal | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Court Legal-Pros Attorney | 24,000 | 24,000 | 24,000 | 24,000 | 24,000 | - | |
| Court Legal-Public Defender | 37,000 | 30,250 | 36,000 | 36,000 | 36,000 | - | |
| Public Defender-Interpreters | - | - | 500 | 500 | 500 | - | |
| Public Defender - Investig. | - | | 750 | 750 | 750 | - | |
| **Total Department** | **61,000** | **54,250** | **61,250** | **61,250** | **61,250** | **-** | |

Mine Rescue Team

## Police Department - Expenditures

**Black Diamond Police Vision**

With our values at the forefront, the Black Diamond Police Department will be an open, friendly, and community-minded organization devoted to quality public service. We aspire to be a model of character and service. We will emphasize the development of professional knowledge and leadership skills at every level of our organization. We will promote an atmosphere of public trust and confidence through professional conduct, being responsive to community needs, and accountable to those we serve.

**Black Diamond Police Mission Statement**

The Black Diamond Police Department will strive to maintain the trust and confidence of our citizens through proactive policing and demonstration of our core values.

In May of 2016, Safe Wise listed Black Diamond as the 9th safest city in Washington State; up from 22nd from 2015. A key component of how we keep our crime rate low is taking a proactive approach to crime prevention and being highly visible within the community.

Other responsibilities in our department include proactive crime prevention tactics, problem-solving in a collaborative manner with community groups, crime reduction action plans, criminal investigations, traffic enforcement, accident investigations, traffic school education, reserve officer program, and instruction of the DARE program.

The 2017 budget request includes filling one frozen officer position. This new position will serve primarily as a commercial vehicle enforcement/traffic officer.

| Police Department | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Wages | 954,202 | 874,826 | 928,973 | 848,842 | 1,011,189 | 82,216 | 8.9% |
| Benefits | 332,946 | 316,796 | 339,944 | 360,000 | 423,124 | 83,180 | 24.5% |
| Subtotal Salaries and Benefits | 1,287,148 | 1,191,622 | 1,268,917 | 1,208,842 | 1,434,313 | 165,396 | 13.0% |
| Supplies | 50,726 | 36,890 | 51,000 | 45,000 | 45,700 | (5,300) | -10.4% |
| Services | 79,165 | 86,381 | 79,469 | 89,000 | 88,823 | 9,354 | 11.8% |
| Safety Equipment | 17 | 7,760 | 1,500 | 1,000 | 2,500 | 1,000 | 66.7% |
| Jail Costs | 39,324 | 64,295 | 53,500 | 46,000 | 43,000 | (10,500) | -19.6% |
| Building Maintenance | 22,588 | 20,653 | 23,485 | 24,500 | 23,460 | (25) | -0.1% |
| Civil Service | 1,129 | 1,036 | 3,100 | 10,158 | 7,000 | 3,900 | 125.8% |
| Communications | 134,570 | 164,478 | 179,301 | 185,000 | 207,784 | 28,483 | 15.9% |
| Marine | 19,540 | 11,485 | 14,500 | 14,700 | 15,400 | 900 | 6.2% |
| Criminal Justice | 18,584 | 21,620 | 25,700 | 25,800 | 29,500 | 3,800 | 14.8% |
| **Total Department** | **1,652,792** | **1,606,221** | **1,700,472** | **1,650,000** | **1,897,480** | **197,008** | **11.6%** |

**Police Calls for Service**

| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 thru July |
|---|---|---|---|---|---|
| 2095 | 2220 | 2466 | 2503 | 2989 | 2042 |

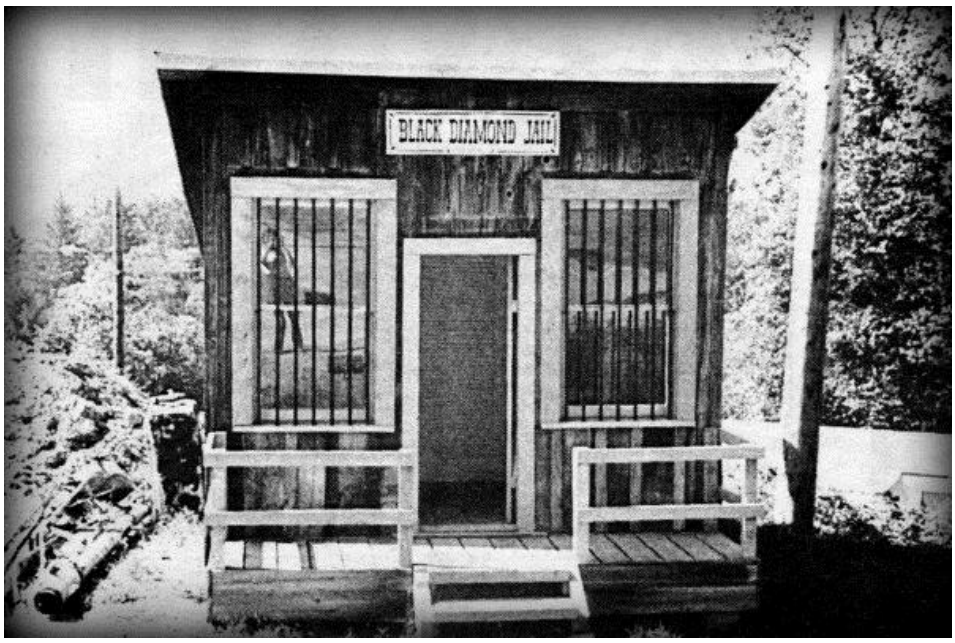
**Communications**

Communications is broken down into several categories including, Valley Communications costs (dispatch, MDC, net motion, access charges), King County 800 MHz radio cost, Auburn's monitoring of after-hours WSP access, telephone, cell phone, DSL, King County I-Net, WSP Access (this is going from $178.00 to $200.00, effective Jan. 1st, 2017), postage, and King County Maintenance and Repair (which covers both in-car radios and portables), cell phones (which now serve as our "hot spot" connectivity to MDC-Internet). I estimate 2-3 antennas ($31.00/each) and 2-3 batteries ($34.00/each) and clips. The 2017 costs are estimated to be $40.79 and 2018 increasing to $42.75.

**Jail Services-Prisoners and Detention**

The Jail Service budget covers the cost of confinement, electronic home monitoring, work crew, and medical costs associated with offenders serving time through Black Diamond Municipal Court. Our primary booking facilities are the Enumclaw Jail (daily rate of $60.00), Issaquah (daily rate of $97.00/no booking fee) and the SCORE Jail. SCORE Jail charges daily rates of $157 per prisoner. The King County Correctional Facility (KCCF) is used as a back-up facility. In addition, prisoners who have certain medical conditions, such as mental health concerns or who pose an unusual danger to themselves or others are booked into the KCCF (2017 rates are $188.33 daily fee plus booking fee of $193.90). Yakima County is currently used for long term sentences only. Yakima's current contract rate is a daily rate of $54.75.

The Court continues to utilize alternatives to incarceration where appropriate. The City currently has a contract with King County work crew. The City also utilizes several home monitoring companies for those who are sentenced to those conditions. The City will continue working with the courts to insure that these alternatives are being used for any eligible offenders.




1910 Black Diamond Jail - restored and displayed at the Black Diamond Museum

## Fire Department - Expenditures

The City of Black Diamond contracts with Mountain View Fire and Rescue, formerly King County Fire District No. 44, for fire services. The department's responsibilities include providing a minimum of two personnel on duty 24 hours a day, seven days a week in Black Diamond and providing rescue, fire suppression, fire prevention, fire marshal services, emergency medical services, disaster services, hazardous materials response , dispatch services, administrative services and public education activities to citizens. Fire investigation services are contracted through the King County Sheriff's Department. The 4 percent increase in the 2017 budget recognizes cost of living increases agreed to in the 2008 Interlocal Agreement between the City and Fire District.

| Fire Department | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Fire District 44 Services | 449,912 | 460,710 | 495,011 | 495,011 | 514,825 | 19,814 | 4.0% |
| KC Fire Investigation | 1,715 | 1,214 | 2,000 | 2,000 | 2,000 | - | 0% |
| Fire Annexation Study | | | 25,000 | | | (25,000) | -100% |
| Other Operating Costs | 2,869 | 3,224 | 3,364 | 3,389 | 18,080 | 14,716 | 437.5% |
| **Total Department** | **454,496** | **465,148** | **525,375** | **500,400** | **534,905** | **9,530** | **1.8%** |

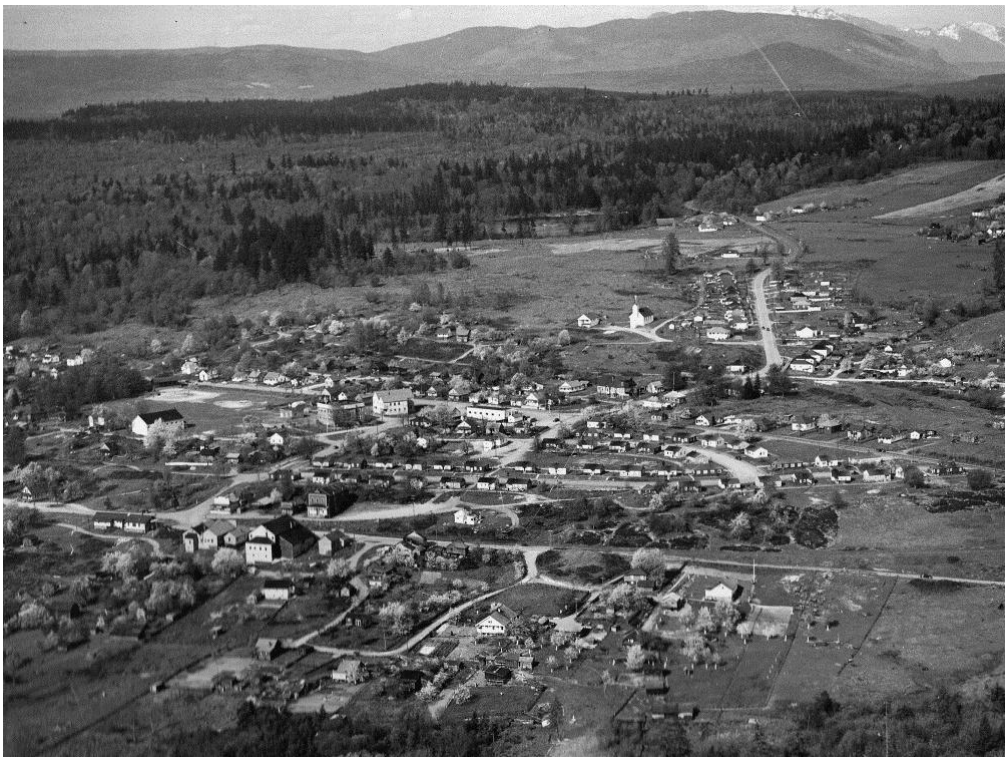
The Franklin Hotel burned down in 1919

**Emergency Management** includes the purchase of emergency supplies and emergency training for employees.

| Emergency Management | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Supplies | 184 | 277 | 2,500 | | 2,500 | - | |
| Training | - | - | 2,500 | 2,000 | 2,600 | 100 | 4.0% |
| **Total Department** | **184** | **277** | **5,000** | **2,000** | **5,100** | **100** | **2.0%** |

**Special Programs** Animal Control costs are paid to King County for services to Black Diamond. The King County Mental Health program includes chemical abuse and dependency services that are partially funded with a 2% portion of quarterly liquor profits, and liquor excise tax revenue from cities in the county. The Puget Sound Clean Air Assessment is a per capita fee paid to this agency for the protection of air quality in the area. The Recycle Program is 100% funded through King County's Solid Waste Division, and includes a grant for recycling events and educational materials.

| Special Programs | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Animal Control | 9,293 | 10,795 | 10,000 | 10,000 | 7,000 | (3,000) | -30.0% |
| Puget Sound Clean Air Assess | 2,262 | 2,910 | 3,111 | 3,111 | 3,111 | - | 0.0% |
| KC Mental Health | 845 | 962 | 1,000 | 1,000 | 1,200 | 200 | 20.0% |
| Recycling Program | 14,944 | 14,991 | 18,055 | 18,055 | 13,055 | (5,000) | -27.7% |
| **Total Department** | **27,344** | **29,658** | **32,166** | **32,166** | **24,366** | **(7,800)** | **-24.2%** |



1946 Aerial Photo of Black Diamond

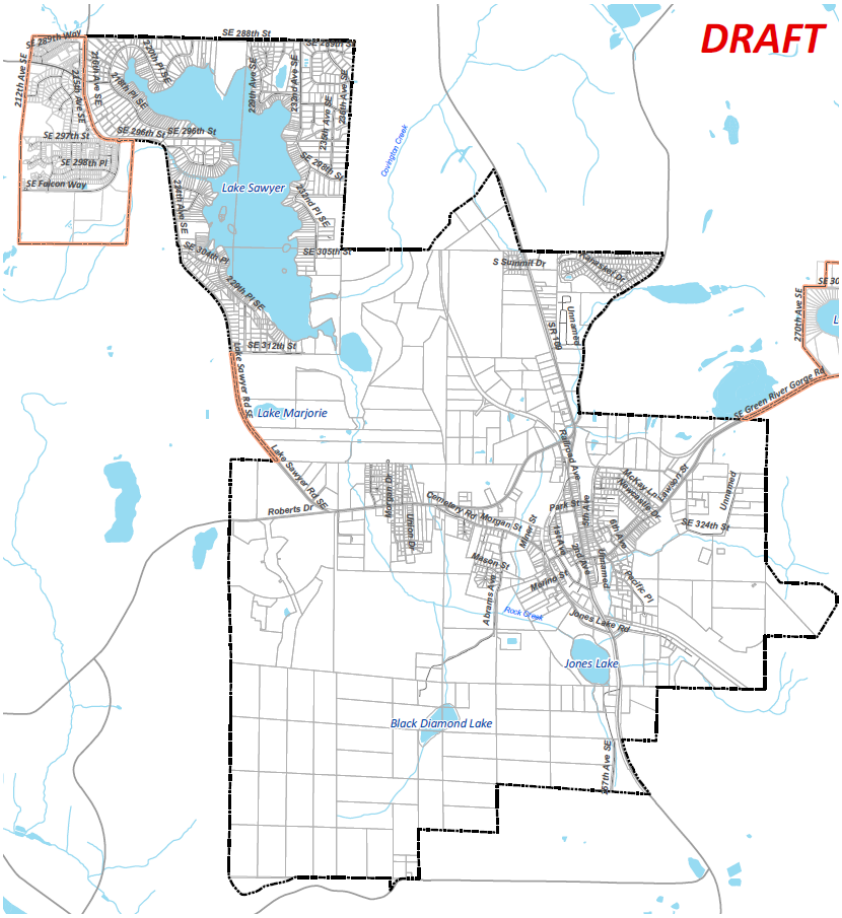
## Community Development - Expenditures

This department provides for the City's long-range planning, and land use and building permitting functions. The department also provides staffing to the City Planning Commission and performs code enforcement activities to address nuisances, code violations, and other issues. The department consists of a Director and a part-time Permit Technician. The City entered into a cost-saving interlocal (ILA) agreement with Maple Valley for building and planning services. Our City's share of the budget in 2017 is $100,000 for the Building Official and $10,000 for a shared Plans Examiner.

The 2017 budget increased with a full time onsite Planner, as well as another full time Permit Technician. Increased building activity as well as inspections for the Black Diamond Elementary School requires the increased budget.

| Community Development | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| **Permitting** | | | | | | | |
| Wages | 46,824 | 48,310 | 53,477 | 41,000 | 151,904 | 98,427 | 184.1% |
| Benefits | 9,974 | 11,182 | 12,870 | 12,000 | 48,966 | 36,096 | 280.5% |
| Allocations | | | | | (30,000) | | |
| Subtotal Salaries and Benefit | 56,798 | 59,491 | 66,347 | 53,000 | 170,870 | 134,523 | 202.8% |
| Supplies | 1,341 | 776 | 1,450 | 1,450 | 1,650 | 200 | 13.8% |
| Services | 17,324 | 15,340 | 18,884 | 17,397 | 32,625 | 13,741 | 72.8% |
| Building Official (ILA) | 28,208 | 33,800 | 48,000 | 48,000 | 100,000 | 52,000 | 108.3% |
| Plans Examiner (ILA) | 17,615 | 12,333 | 40,000 | 38,000 | 10,000 | (30,000) | -75.0% |
| Total Permitting | 121,286 | 121,740 | 174,681 | 157,847 | 315,145 | 35,941 | 20.6% |
| **Planning** | | | | | | | |
| Wages | 18,207 | 29,356 | 35,166 | 26,000 | 95,678 | 60,512 | 172.1% |
| Benefits | 7,937 | 10,151 | 12,097 | 12,097 | 51,929 | 39,832 | 329.3% |
| Subtotal Salaries & Benefits | 26,145 | 39,507 | 47,263 | 38,097 | 147,607 | 100,344 | 212.3% |
| Supplies | 809 | 749 | 800 | 800 | 800 | - | |
| Services | 11,991 | 7,351 | 3,580 | 3,580 | 12,056 | 8,476 | 236.8% |
| General Govt Planner | 52,233 | 91,415 | 95,000 | 81,000 | | (95,000) | -100.0% |
| Total Planning | 91,177 | 139,021 | 146,643 | 123,477 | 160,463 | (86,524) | -59.0% |
| Hearing Examiner | 709 | - | 5,000 | 2,000 | 5,000 | - | |
| **Total Department** | **213,172** | **260,762** | **326,324** | **283,324** | **480,608** | **154,284** | **47.3%** |

**Black Diamond Planning Area**



## Master Development Review Team - Expenditures

This department was established to provide specific focus on the Master Planned Developments. There are two developments, The Villages (Ten Trails) and Lawson Hills. The Review Team is 100% funded by the Developer to remove the financial burden from the City and to provide staff to review and process applications and permits for the developments.

The Master Development Team also works closely with consultants hired to assist with financial analysis, civil and traffic engineering, environmental, surveying and geotechnical services. Their services are used to provide consulting and review of the Master Plan Developments according to the Development Agreements. The budget increased in 2017 due to the Senior Planner vacancy going from 75% full time to full time. The budget also includes overtime for the Building Inspector and for the MDRT Director. Not included in this budget is $80,500 for the Clerk/HR position (tier 2).

| MDRT Team | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Wages | 224,141 | 296,690 | 349,817 | 363,817 | 455,514 | 105,697 | 30.2% |
| Benefits | 89,548 | 123,987 | 177,640 | 177,640 | 174,904 | (2,736) | -1.5% |
| Subtotal Salaries and Benefits | 313,689 | 420,677 | 527,457 | 541,457 | 630,418 | 102,961 | 19.5% |
| Supplies | 2,943 | 2,439 | 5,500 | 5,500 | 5,500 | - | |
| Services | 66,867 | 26,577 | 53,173 | 33,173 | 36,190 | (16,983) | -31.9% |
| Computers/Vehicles | - | 33,483 | - | | | - | |
| Building Maintenance | 59,432 | 53,354 | 71,195 | 76,900 | 76,867 | 5,672 | 8.0% |
| **Total Department** | **442,931** | **536,530** | **657,325** | **657,030** | **748,975** | **91,650** | **13.9%** |

| MDRT Consultants | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Planning Services | | 55,233 | | | | - | |
| Legal Services | 26,289 | 44,811 | 50,000 | 50,000 | 50,000 | - | |
| Henderson & Young | 25,757 | - | 3,000 | 3,000 | 3,000 | - | |
| RH2 Engineering | 278,325 | 266,740 | 250,000 | 250,000 | 250,000 | - | |
| Parametrix | 13,943 | 5,929 | 30,000 | 30,000 | 30,000 | - | |
| Perteet | 19,168 | 19,563 | 30,000 | 30,000 | 30,000 | - | |
| SubTerra | 6,331 | 4,740 | 25,000 | 25,000 | 25,000 | - | |
| Survey Parmetrix | 1,051 | 6,620 | 20,000 | 20,000 | 20,000 | - | |
| CH2M Hill UTRC | 53,530 | 17,165 | | - | - | - | |
| MDRT Environmental Consultant- | 2,210 | 14,892 | 30,000 | 30,000 | 30,000 | - | |
| **Total Department** | **426,603** | **435,693** | **438,000** | **438,000** | **438,000** | **-** | |

| Funding Agreement SEPA | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| EIS SEPA Legal | - | - | 10,000 | | | (10,000) | -100% |
| MPD Villages & Lawson | 4,938 | 44 | - | | | | |
| Gen Govt Facility Study-Makers | 55,168 | - | - | | | | |
| Prof. Planning Services | 5,000 | - | - | | | | |
| **Total Department** | **65,105** | **44** | **10,000** | **-** | **-** | **(10,000)** | **-100.0%** |

| Total MDRT Budget | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| **Total MDRT** | **934,639** | **972,267** | **1,105,325** | **1,095,030** | **1,186,975** | **81,650** | **7.4%** |

## Parks Department - Expenditures

The Parks Department operates and maintains the following amenities: a basketball court, tennis court, skate park, 3 picnic areas, a boat launch, 5 coal car City entry monuments, BMX bike track, swimming area, 143 acres of passive lake front park with trails, City center viewing park, Historical monument park, 2 playground facilities and landscaping around the police building. The Park Department provides the insurance, utilities and maintenance for the Recreation Center (gym) and utilities plus insurance coverage for the local museum. Costs associated with the ownership of resource lands also falls to the Park Department. The Public Works staff provides the administration and planning functions for the Park Department. This year the City has set aside $10,000 to supplement the Community Center budget. Small increases in supplies and services, with a reduction in Gym costs resulted in a 16.1% overall increase to the Parks Budget in 2017.

| Parks | Actual 2014 | Actual 2015 | Budget 2016 | Est Year End 2016 | Prelim Budget 2017 | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Wages | 14,606 | 15,848 | 24,104 | 24,104 | 24,360 | 256 | 1.1% |
| Benefits | 5,134 | 6,249 | 8,172 | 8,172 | 8,699 | 527 | 6.4% |
| Subtotal Salaries and Benefits | 19,740 | 22,097 | 32,276 | 32,276 | 33,059 | 783 | 2.4% |
| Supplies | 5,985 | 4,026 | 5,868 | 5,868 | 7,153 | 1,285 | 21.9% |
| Services | 11,503 | 11,197 | 13,062 | 13,056 | 14,819 | 1,757 | 13.5% |
| Gym Costs | 2,502 | 9,109 | 11,316 | 10,716 | 8,506 | (2,810) | -24.8% |
| Community Center Supplement | 3,169 | 3,497 | - | | 10,000 | 10,000 | |
| Museum Costs | 7,394 | 7,315 | 7,551 | 8,000 | 7,826 | 275 | 3.6% |
| **Total Department** | **50,293** | **57,241** | **70,073** | **69,916** | **81,363** | **11,290** | **16.1%** |

## Black Diamond Cemetery - Expenditures

Black Diamond Historical Cemetery is located in Black Diamond. The cemetery was founded in 1884. It sits on Cemetery Hill Road, off Roberts Drive, hidden by a row of trees.

The earliest gravestone dates back to 1880 and now contains over 1,100 graves. The tombstones show cultural diversity and tragedy that existed in town when coal mining was at its peak. At least half a dozen graves belong to those of mine workers who died in explosions in 1902, 1910 and 1915. Graves mark residents who came from countries such as Italy, Australia, Russia and Germany. A Civil War veteran was laid to rest there, as well as children who died in the early 1900s due to epidemics of small pox and influenza.

The City operates and maintains the historic Black Diamond Cemetery. This involves coordinating burials, sale of plots, providing physical burial, and maintaining the grounds. The burial fees are set to cover the costs associated with the services. The Cemetery is supported by the General Fund. The Public Works crew mows and trims the cemetery once a week during the heavy grass growing months and once every two weeks or so for the drier months during the growing season. Public Works staff provides the planning and administration services for the Cemetery Department.

| Cemetery | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Wages | 9,913 | 8,792 | 9,829 | 9,739 | 10,292 | 463 | 4.7% |
| Benefits | 4,266 | 4,718 | 4,333 | 4,333 | 4,548 | 215 | 5.0% |
| Subtotal Salaries and Benefits | 14,179 | 13,510 | 14,162 | 14,072 | 14,840 | 678 | 4.8% |
| Supplies | 1,819 | 951 | 1,932 | 752 | 1,845 | (87) | -4.5% |
| Services | 1,681 | 1,805 | 2,504 | 1,916 | 2,266 | (238) | -9.5% |
| **Total Department** | **17,680** | **16,266** | **18,598** | **16,740** | **18,951** | **353** | 1.9% |

## Facilities and Grounds Department - Expenditures

The City of Black Diamond's Facilities Department is responsible for the long term planning of the City's building and equipment needs and to handle the daily needs of all departments in repair, replacement and installation of fixtures, furniture, equipment and two vehicles.

| Facility Department 181 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Wages | 58,856 | 57,108 | 57,114 | 57,114 | 57,236 | 122 | 0.2% |
| Benefits | 23,732 | 20,898 | 21,971 | 21,971 | 18,600 | (3,371) | -15.3% |
| Subtotal Salaries and Benefits | 82,588 | 78,006 | 79,085 | 79,085 | 75,836 | (3,249) | -4.1% |
| Supplies | 1,432 | 1,362 | 1,785 | 2,285 | 2,016 | 231 | 12.9% |
| Services | 5,760 | 9,515 | 5,414 | 5,888 | 8,100 | 2,686 | 49.6% |
| Allocation (staff & vehicle) | | (2,603) | (38,408) | (38,408) | (34,380) | 4,028 | -10.5% |
| **Total Department** | **89,780** | **86,280** | **47,876** | **48,850** | **51,572** | **3,696** | **7.7%** |

| Facility Buildings & Equipment 254 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Building Rental | 107,491 | 27,998 | 76,625 | 76,625 | 77,600 | 975 | 1.3% |
| Other Leases & Maintenance | 53,973 | 35,597 | 36,412 | 35,912 | 35,141 | (1,271) | -3.5% |
| Communications | 8,340 | 47,329 | 6,963 | 6,963 | 6,963 | - | |
| FF&E Allocation Credit | (111,344) | (65,650) | (46,800) | (46,800) | (46,683) | 117 | -0.3% |
| **Total Department** | **58,461** | **45,273** | **73,200** | **72,700** | **73,021** | **(179)** | **-0.2%** |

Black Diamond Show Hall was home to stage productions, dances, union meetings, holiday events, boxing, and movies. The movies were a dime, and young children would sneak in by hiding under women's skirts to get in for free.

## Central Services - Expenditures

Central Services provide the budget that captures shared costs for General Fund departments, including office and operating supplies, software maintenance costs, copier costs, postage, advertising, utilities, custodial services, building insurance, credit card and banking fees. Costs that benefit a variety of departments are paid from Central Services and then allocated through cost allocations.

| Central Services | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Supplies | 7,017 | 7,026 | 7,700 | 5,602 | 7,600 | (100) | -1.3% |
| Services | 21,241 | 13,123 | 14,489 | 12,517 | 15,393 | 904 | 6.2% |
| Allocations & Misc. | (17,797) | (11,605) | 9,164 | (10,119) | (10,597) | (19,761) | -215.6% |
| Economic Development | 1,008 | 950 | 1,000 | 1,000 | 1,250 | 250 | 25.0% |
| **Total Department** | **11,469** | **9,493** | **32,353** | **9,000** | **13,646** | **(18,707)** | **-57.8%** |

| Former Departments | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| Natural Resources | 76,382 | | | | | | |
| Administration (city manager) | 117,435 | | | | | | |
| **Total Department** | **193,817** | | | | | | |

The budget for Natural Resources and for a City Administrator was eliminated in 2015 and 2016. The actual costs for 2014 included only a partial year of those positions.

| Gen Fund Totals & Ending Balances | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimated Year End | 2017 Prelim Budget | Bdgt $ Chg inc/(dec) | Bdgt % Chg inc/(dec) |
|---|---|---|---|---|---|---|---|
| **Total GF Operating Exp** | **4,633,040** | **4,260,441** | **4,682,387** | **4,552,304** | **5,247,081** | **564,694** | **12.1%** |
| End Cash & Invest Gen Govt | 842,526 | 1,045,376 | 734,115 | 1,178,353 | 886,291 | 152,176 | 20.7% |
| End Cash & Invest Developer | 190,103 | 192,700 | 160,000 | 125,000 | 125,000 | (35,000) | -21.9% |
| **Total Ending Cash & Invest.** | **1,032,629** | **1,238,076** | **894,115** | **1,303,353** | **1,011,291** | **117,176** | **13.1%** |
| **Grand Total GF Uses** | **5,665,669** | **5,498,517** | **5,576,502** | **5,855,657** | **6,258,372** | **681,870** | **12.2%** |

Black Diamond School and Children 1916

# Special Revenue Funds

These are funds established by governments
to collect money that must be used for a specific project. Special Revenue Funds
provide an extra level of accountability and transparency to taxpayers
that their tax dollars will go toward an intended purpose.

Recognize this Historic Building?

# Street Fund

**Street Department** responsibilities include maintaining, planning and upgrading public streets and sidewalks. Major maintenance activities include maintaining the street signs, pavement stripes and markings, roadside brush, trees and vegetation control, street lights, pavement, signals, sidewalks and shoulder grading. Other activities include managing the right of way, street capital planning, seeking grant funds and addressing traffic safety issues.

Revenues from gas tax and Transportation Benefit district (TBD) car tab fees are the primary sources of funds for the Street Department. All cities struggle to pay for street maintenance costs, as shared gas tax revenue does not keep pace with the costs. In recent years, including 2016, the Street Fund had required a transfer of Real Estate Excise Tax (funds for street improvement projects) to maintain the city's roads and sidewalks. Beginning in mid-2015, the city created a Transportation Benefit District (TBD), which receives $20 per car registered to Black Diamond residents or businesses. This money is required to be used exclusively for road maintenance and operations and has eliminated the need for REET subsistence.

The 2017 budget increased primarily due to increased maintenance costs and a reduction in allocations to capital projects.

| | Revenue - Street Fund 101 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Inv - Reserved** | **186,952** | **153,589** | **111,645** | **118,373** | **132,101** | **20,456** | **18.3%** |
| 2 | Gas Tax | 86,017 | 88,081 | 90,594 | 90,672 | 94,193 | 3,599 | 4.0% |
| 3 | Right of Way Permits | 8,416 | 15,237 | 15,000 | 7,500 | 15,000 | | |
| 4 | Other Permits and Misc.Revenue | 2,562 | 3,119 | 1,740 | 7,000 | 7,800 | 6,060 | 348.3% |
| 5 | **Subtotal Operating Revenue** | **96,995** | **106,437** | **107,334** | **105,172** | **116,993** | **9,659** | **9.0%** |
| 6 | Transfer in-REET 2 | 50,000 | 50,000 | 50,000 | 50,000 | 0 | (50,000) | -100.0% |
| 7 | Transfer in- Trans Benefit Dist. - Car Tab Fee | | | 60,000 | 60,000 | 100,000 | 40,000 | 66.7% |
| 8 | **Subtotal Other Revenue** | **68,660** | **68,654** | **110,000** | **110,000** | **100,000** | **(10,000)** | **-9.1%** |
| 9 | **Total Revenue** | **165,655** | **175,091** | **217,334** | **215,172** | **216,993** | **(341)** | **-0.2%** |
| 10 | **Total Street Fund Sources** | **352,607** | **328,681** | **328,979** | **333,545** | **349,094** | **20,115** | **6.1%** |

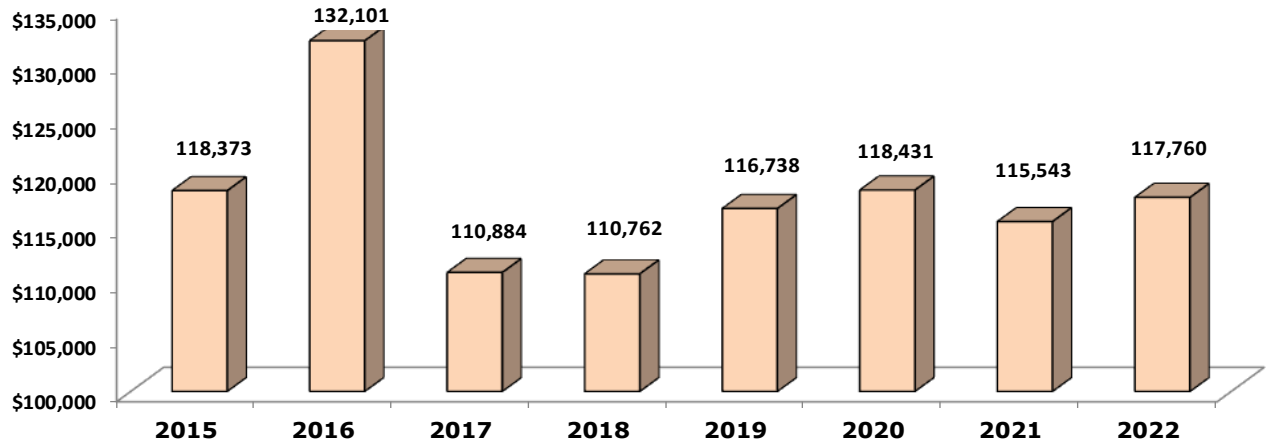
| | Expenditures - Street Fund 101 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 11 | Wages and Benefits | 112,700 | 124,269 | 102,040 | 114,419 | 119,676 | 17,636 | 17.3% |
| 12 | Supplies | 4,939 | 5,493 | 10,347 | 2,500 | 12,155 | 2,459 | 23.8% |
| 13 | Services and Charges | 71,378 | 70,545 | 92,904 | 74,525 | 96,379 | 3,475 | 3.7% |
| 14 | **Subtotal Operating Expenditures** | **189,017** | **200,307** | **205,291** | **191,444** | **228,210** | **22,919** | **11.2%** |
| 15 | Transfer for Equipment CIP | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 0 | 0.0% |
| 16 | **Subtotal Expenditures** | **199,017** | **210,307** | **215,291** | **201,444** | **238,210** | **22,919** | **10.6%** |
| 17 | Three Months Cash and Investments | 49,754 | 52,577 | 53,823 | 50,361 | 59,553 | 5,730 | 10.6% |
| 18 | Unreserved C & I Balance | 103,835 | 65,797 | 59,865 | 81,740 | 51,332 | (8,534) | -14.3% |
| 19 | **Ending Cash and Inv - Reserved** | **153,589** | **118,373** | **113,688** | **132,101** | **110,884** | **(2,804)** | **-2.5%** |
| 20 | **Total Street Fund Uses** | **352,607** | **328,681** | **328,979** | **333,545** | **349,094** | **20,115** | **6.1%** |

## City of Black Diamond

## Street Fund Six Year Forecast

| | | 2015 Actual | 2016 Est Act | 2017 Budget | 2018 Budget | 2019 Budget | 2020 Budget | 2021 Budget | 2022 Budget | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Beginning Cash & Investments** | **153,589** | **118,373** | **132,101** | **110,884** | **120,762** | **146,738** | **168,431** | **185,543** | |
| 1 | Gas Tax ( per capita) | 88,081 | 90,672 | 94,193 | 91,579 | 95,135 | 96,086 | 97,047 | 98,018 | 1% |
| 2 | Right of Way Permits | 15,237 | 7,500 | 15,000 | 15,300 | 15,606 | 15,918 | 16,236 | 16,561 | 2% |
| 3 | Other Revenue | 3,119 | 7,000 | 7,800 | 7,956 | 8,115 | 8,277 | 8,443 | 8,612 | 2% |
| 4 | Funding Agreement | 18,654 | | | | | | | | |
| 5 | Transfer In-REET 2 ** | 50,000 | 50,000 | | | | | | | |
| 6 | Transfer in- TBD-Car Tab Fee | | 60,000 | 100,000 | 140,000 | 160,000 | 163,200 | 166,464 | 169,793 | 2% |
| 7 | **Total Street Fund Operating Revenue** | **175,091** | **215,172** | **216,993** | **254,835** | **278,856** | **283,482** | **288,191** | **292,984** | |
| 8 | **Total Sources** | **328,680** | **333,545** | **349,094** | **365,719** | **399,618** | **430,220** | **456,622** | **478,527** | |
| 9 | **Street Fund Expenditures** | | | | | | | | | |
| 10 | Salaries | 103,326 | 104,252 | 105,715 | 106,337 | 107,829 | 109,986 | 112,186 | 114,429 | 2% |
| 11 | Benefits | 43,752 | 43,712 | 47,570 | 49,949 | 52,446 | 55,068 | 57,822 | 60,713 | 5% |
| 12 | Grant/Proj Adm -alloc | (22,811) | (33,545) | (33,609) | (35,289) | (37,054) | (38,907) | (40,852) | (42,895) | 5% |
| 13 | Supplies | 5,494 | 6,000 | 12,155 | 12,763 | 13,401 | 14,071 | 14,774 | 15,513 | 5% |
| 14 | Street Lights | 28,410 | 26,000 | 26,000 | 27,300 | 28,665 | 30,098 | 31,603 | 33,183 | 5% |
| 15 | Other Services & Charges | 42,136 | 45,025 | 70,379 | 73,898 | 77,593 | 81,472 | 85,546 | 89,823 | 5% |
| 16 | Transfers to Cap Equip | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | |
| 17 | Grant Matching for Street Projects | | | | 10,000 | 30,000 | 50,000 | 70,000 | 80,000 | |
| 18 | **Total Street Fund Operating Expenditure** | **210,307** | **201,444** | **238,210** | **254,957** | **282,880** | **311,789** | **341,079** | **360,767** | |
| 19 | **Ending Cash & Investment Balance** | **118,373** | **132,101** | **110,884** | **110,762** | **116,738** | **118,431** | **115,543** | **117,760** | |
| 20 | **Change in Cash and Investments** | **(35,216)** | **13,728** | **(21,217)** | **(122)** | **(4,024)** | **(28,307)** | **(52,888)** | **(67,783)** | |
| | Policy Reserves-10% | 21,030 | 20,144 | 23,210 | 24,496 | 25,288 | 26,179 | 27,108 | 28,077 | |

**Projected Street Fund Ending Fund Balance**




Note: 2018 Transportation Benefit District forecast includes a mid year car tab fee increase from $20 to $40 .
This would allow some additional Street Equipment or Grant Matching fund for Street Grants in the future.

# Fire Impact Fee Fund

Per City Ordinance 12-980, Fire Impact Fees are charged to new development and building expansions within the city limits. For a new residential home in Black Diamond, the fee is $1,783.13.

The implementation of the fee came after a 2011 Fire Impact Fee Study, which developed the methodology and to ensure compliance with Washington laws and city code. Future capital costs will be funded with a combination of impact fees and city funds.

| | Revenue - Fire Impact Fees 107 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beg Cash and Inv. - Reserved** | **10,366** | **13,616** | **43,575** | **48,570** | **183,770** | **140,195** | **321.7%** |
| 2 | Fire Impact Fees | 18,616 | 19,282 | 17,830 | 135,000 | 71,320 | 53,490 | 300.0% |
| 3 | Fire Impact Fee Interest Income | | 306 | 200 | 200 | 400 | 200 | 100.0% |
| 4 | Transfer In from Fire Eq Repl Fund | | 15,366 | | | | | |
| 5 | **Subtotal fire Impact Fee Revenue** | **18,616** | **34,954** | **18,030** | **135,200** | **71,720** | **53,690** | **297.8%** |
| 6 | **Total Fire Impact Fee Sources** | **28,982** | **48,570** | **61,605** | **183,770** | **255,490** | **193,885** | **314.7%** |

| | Expenditures - Fire Impact Fees 107 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 7 | Transfer out to Fire Equip Fd | 15,366 | - | - | | 255,490 | 255,490 | |
| 8 | **Ending Cash & Inv - Reserved** | **13,616** | **48,570** | **61,605** | **183,770** | | **(61,605)** | **-100.0%** |
| 9 | **Total Fire Impact Fee Uses** | **28,982** | **48,570** | **61,605** | **183,770** | **255,490** | **193,885** | **314.7%** |

1947 Fire Truck at Saint Barbara's Church

# Transportation Benefit District Fund

In order to address declining revenues that support the Street Department, the City established a Transportation Benefit District. The City collects a twenty dollar vehicle license fee pursuant to RCW 36.73.065 and RCW 82.80.140. Currently there are more than 75 TBD districts in Washington State. This revenue supports roadway striping, traffic signage, pothole repair, vegetation removal, street lights, pavement, signals, sidewalks and shoulders among other transportation issues such as safety concerns.

| | Revenue - Transportation Benefit District Fees 108 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Inv - Reserved** | | | | | **7,331** | **7,331** | |
| 2 | TBD Car Tab Fees | | | 60,000 | 67,331 | 102,000 | 42,000 | 70.0% |
| 3 | **Total TBD Sources** | **-** | **-** | **60,000** | **67,331** | **109,331** | **49,331** | **82.2%** |

| | Expenditures - Transportation Benefit District Fees 108 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 4 | TBD Transfer to Street Fund | | - | 60,000 | 60,000 | 100,000 | 40,000 | 66.7% |
| 5 | **Ending Cash and Inv - Reserved** | | | | **7,331** | **9,331** | | |
| 6 | **Total TBD Uses** | **-** | **-** | **60,000** | **67,331** | **109,331** | **49,331** | **82.2%** |

John Davies and his Candy Store at Baker Street and First Ave

# Traffic Mitigation Fund

The Traffic Mitigation Fund was created in August 2016 by Resolution 16-1118 for the purpose of receiving funds from the Enumclaw School District, an agreement with the city to contribute a portion of improving four intersections from the impact of a new school in Black Diamond. These improvement projects include intersections at Highway 169 and Roberts Drive, Baker Street, Third Ave and Park Street.

| | Revenue - Traffic Mitigation Fees 109 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Inv - Reserved** | | | | | **74,255** | **74,255** | |
| 2 | Traffic Mitigation Fees | | | | 74,055 | | | |
| 3 | Interest on Investments | | | | 200 | 400 | 400 | |
| 4 | **Total Traffic Mitigation Sources** | | | | **74,255** | **74,655** | **400** | |

| | Expenditures - Traffic Mitigation Fees 109 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 5 | Intersection Improvements | | | | | 74,655 | 74,655 | |
| 6 | **Ending Cash and Inv - Reserved** | | | | **74,255** | | **-** | |
| 7 | **Total Traffic Mitigation Uses** | | | | **74,255** | **74,655** | **74,655** | |

Black Diamond Garage

# Internal Service Funds

This fund is used for operations serving other funds or departments within the city. Black Diamond has one such fund, Equipment Replacement that collects money from other departments to build up resources to replace capital equipment, such as Police and Fire vehicles as well as Public Works equipment.

Lombardinis Shurfine Market and 76 Gas Station on Roberts Drive

# Equipment Replacement Funds

Equipment Replacement Funds include Fire, Public Works and Police equipment replacements. Some examples of equipment are police and fire vehicles, and equipment for parks, street and utility operations.

## Fire Equipment

| | Revenue - Equipment Replacement 510 100 Fire Equipment | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Investments** | **3,507** | **68,596** | **48,876** | **46,118** | **40,318** | **(8,558)** | **-17.5%** |
| 2 | Interest on Investments | 11 | 95 | 50 | 200 | 200 | 150 | 300.0% |
| 3 | Transfer in Fire Impact Fund | 15,366 | 15,366 | | | | | |
| 4 | Transfer in REET 1 | 69,219 | | 25,000 | | | (25,000) | (1) |
| 5 | **Subtotal Fire Equip Replacement Rev** | **84,596** | **15,461** | **25,050** | **200** | **200** | **(24,850)** | **-99.2%** |
| 6 | **Total Fire Equipment Replace Sources** | **88,103** | **84,057** | **73,926** | **46,318** | **40,518** | **(33,408)** | **-45.2%** |

| | Expenditures - Equipment Replacement 510 100 Fire Equipment | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | Fire Truck Repairs and Maintenance | 4,141 | 22,573 | 38,926 | 6,000 | 15,000 | (23,926) | -61.5% |
| 2 | Capital Facility Study | | | 25,000 | | | (25,000) | -100.0% |
| 3 | Fire SCBA air Bottles | | | 10,000 | | | | |
| 4 | Transfer to Fire Impact Fund | | 15,366 | | | | | |
| 5 | **Subtotal Fire Equipment Replace Expenditures** | **4,141** | **37,939** | **73,926** | **6,000** | **15,000** | **(58,926)** | **-79.7%** |
| 6 | Ending Cash and Investments | 83,962 | 46,118 | | 40,318 | 25,518 | 25,518 | |
| 7 | **Total Fire Equipment Replace Uses** | **88,103** | **84,057** | **73,926** | **46,318** | **40,518** | **(33,408)** | **-45.2%** |

The Fire Department equipment budget includes $42,517 for Fire Truck Repairs and maintenance in 2017.

1947 Ford/Howard-Cooper fire truck - Recently Renovated

## Public Works Equipment

| | Revenue - Public Works Equipment Replacement 200 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Investments** | **153,793** | **183,501** | **253,096** | **208,403** | **183,503** | **(69,593)** | **-27.5%** |
| 2 | Transfer in Street Fund | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | | |
| 3 | Transfer in Water Operating | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | - | - |
| 4 | Transfer in Sewer Operating | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | - | - |
| 5 | Transfer in Stormwater Operating | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | - | - |
| 6 | Transfer in REET 2 | | 7,000 | 7,000 | 7,000 | 7,000 | - | - |
| 7 | Interest on Investments | 200 | 308 | 200 | 200 | 300 | 100 | 50% |
| 8 | Public Works Surplus | 5,600 | | | | | | |
| 9 | **Subtotal Revenue** | **45,800** | **47,308** | **47,200** | **47,200** | **47,300** | **100** | **0.2%** |
| 10 | **Total PW Equipment Replace Sources** | **199,593** | **230,809** | **300,296** | **255,603** | **230,803** | **(69,493)** | **-23.1%** |
| | **Expenditures - Equipment Replacement 510 200 Public Works** | **2014 Actual Audited** | **2015 Actual** | **2016 Budget** | **2016 Estimate Year End** | **2017 Prelim Budget** | **Budget $ Change** | **Budget % Change** |
| 11 | Mowers - CIP Sewer 6 | 10,537 | 6,151 | 6,000 | 6,000 | 15,000 | 9,000 | 150.0% |
| 12 | Back Hoe Repair- CIP Sewer 6 | | | | | 10,000 | 10,000 | |
| 13 | PW Sander/Snowplow | | | 20,000 | 20,000 | | (20,000) | -100.0% |
| 14 | 4 Wheel Drive Truck | | | 50,000 | 46,100 | | (50,000) | -100.0% |
| 15 | Previous Purchases | 5,555 | 16,255 | | | | - | |
| 16 | **Subtotal Expenditures** | **16,092** | **22,406** | **76,000** | **72,100** | **25,000** | **(51,000)** | **-67.1%** |
| 17 | **Ending Cash and Investments** | **183,501** | **208,403** | **224,296** | **183,503** | **205,803** | **(18,493)** | **-8.2%** |
| 18 | **Total PW Equipment Replace Uses** | **199,593** | **230,809** | **300,296** | **255,603** | **230,803** | **(69,493)** | **-23.1%** |

The Public Works equipment replacement includes money for mowers and for back hoe repairs.

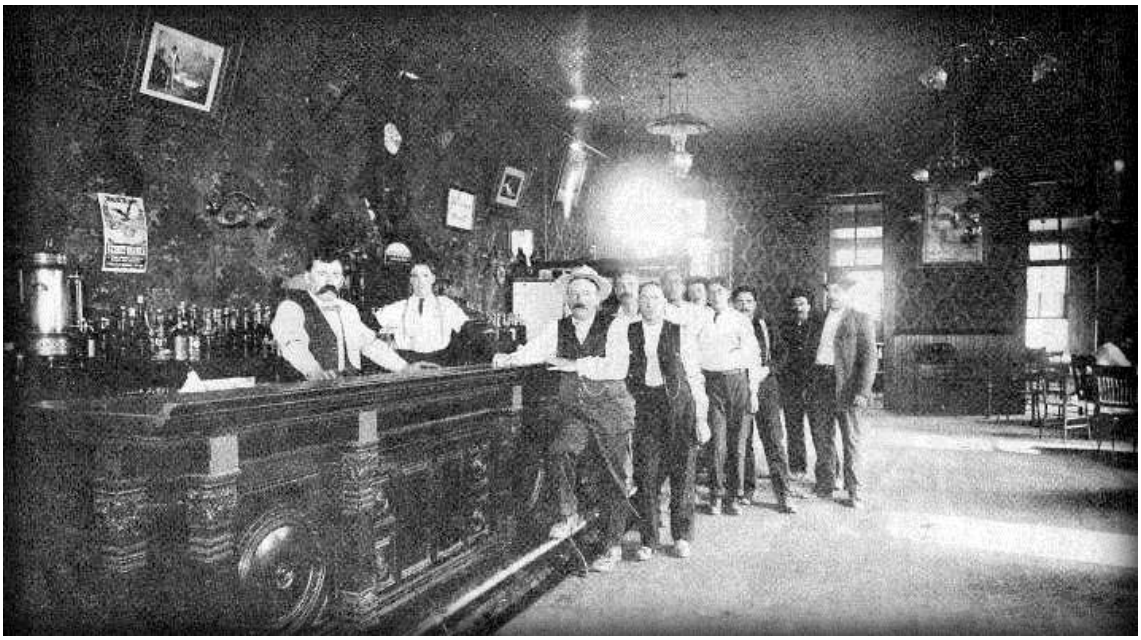
Lake Sawyer log dump, 1928. Courtesy of University of Washington Libraries, Special Collections, C. Kinsey

## Police Equipment

| | Revenue - POLICE Equipment Replacement 300 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Investments** | **21,993** | **28,296** | **9,800** | **26,487** | **26,087** | **16,287** | **166.2%** |
| 2 | Transfer in REET 1 | 20,000 | | | | | | |
| 3 | Vehicle Conversion Grant - Radar | 1,000 | | | | | | |
| 4 | Loan from Sewer | | | | | 160,000 | | |
| 5 | Police Sale of Surplus | 1,275 | | | | 3,000 | | |
| 6 | Interest on Investments | 11 | 41 | 20 | 100 | 150 | 130 | 650% |
| 7 | **Subtotal Revenue** | **22,286** | **41** | **20** | **100** | **163,150** | **163,130** | **815650%** |
| 8 | **Total Police Equip Replace Sources** | **44,279** | **28,337** | **9,820** | **26,587** | **189,237** | **179,417** | **1827.1%** |

| | Expenditures - POLICE Equipment Replacement 300 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 9 | Replace 4 Patrol Cars - CIP L2 | | | | | 179,000 | 179,000 | |
| 10 | Surplus Costs Police | 50 | 995 | 500 | 500 | 500 | - | |
| 11 | Police Radios | 5872 | | 9,320 | | 9,737 | 417 | 4.5% |
| 12 | Police Vehicle Conversion Costs | 10061 | 855 | | | | - | |
| 13 | **Subtotal Expenditures** | **15,983** | **1,850** | **9,820** | **500** | **189,237** | **179,417** | **1827.1%** |
| 14 | **Ending Cash and Investments** | **28,296** | **26,487** | | **26,087** | | **-** | |
| 15 | **Total Police Equip Replace Uses** | **44,279** | **28,337** | **9,820** | **26,587** | **189,237** | **179,417** | **1827.1%** |

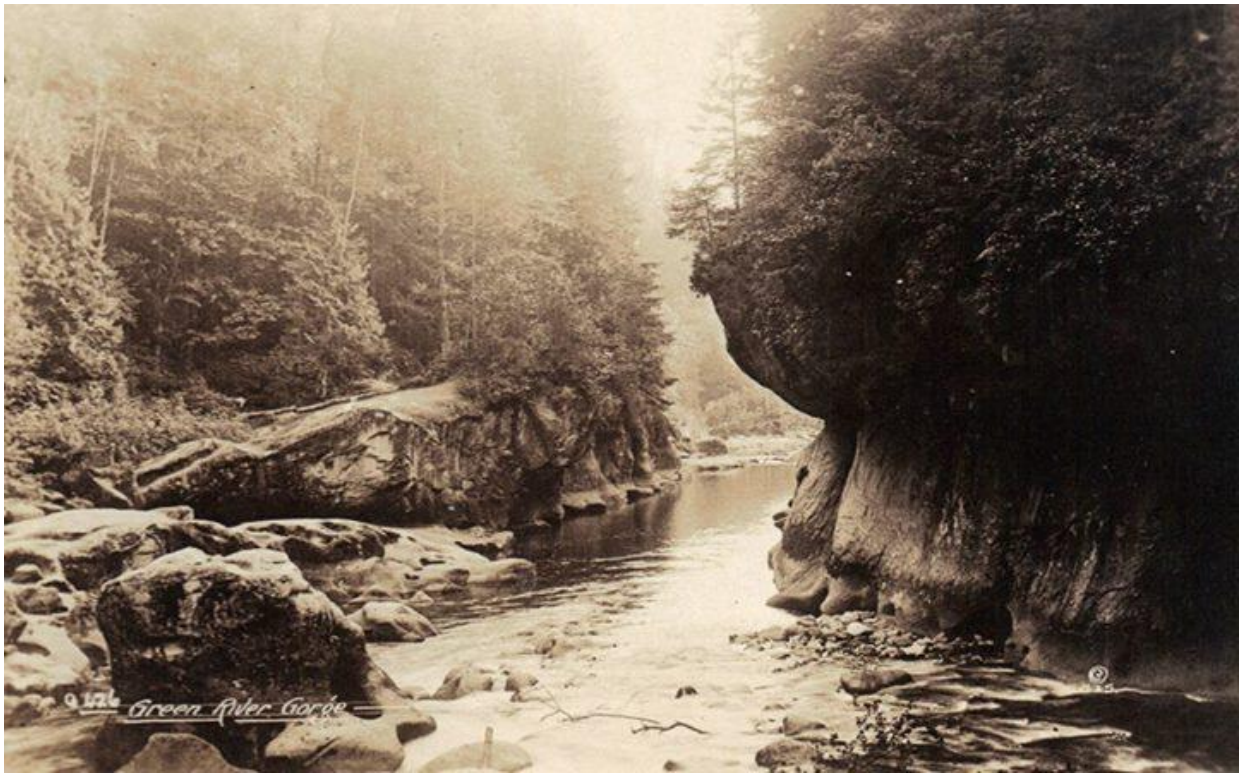
The Police Department will replace four aged patrol vehicles in 2017, and money is set aside in 2017 for the Police radio 750 MegaHertz conversion requirement.



Joe Krause stands behind his ornate bar in the turn-of-century Black Diamond. He kept the kegs cool in the stream, and older boys learned to build a dam upstream until a small pond formed. They would then break the dam and the kegs were set loose for the boys to find and partake of later!

# Utility Funds

Utility funds are used for services provided to the public on a user charge basis, similar to the operation of a commercial enterprise. Black Diamond has Water, Sewer and Stormwater utilities.




Green River Gorge near Franklin

# Water Operating Fund 401

The Water Department provides safe high quality reliable drinking water to the residents of Black Diamond except for the residents on the Covington Water District around Lake Sawyer. The water utility is responsible for the operation and maintenance of the city's springs, fences, access roads, power lines, backup power, control systems, water storage tanks, water treatment systems, pump stations, water main, water quality testing, fire hydrants, meter reading and maintenance, and billing. The average Black Diamond household receives very high quality drinking water delivered to their house under pressure to drink, wash dishes, wash clothes, shower and bathe, brush teeth, cook, water plants and landscape, mop and clean, flush toilets and provide fire protection.

Building activity and the new elementary school construction project has increased water sales (miscellaneous) revenue in 2016, and is expected to increase in 2017. The 2017 wages and benefits primarily increased due to a 10% allocation of the City Clerk cost, and an increase in maintenance and finance costs.

| | Revenue - Water Fund 401 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | Prelim Budget 2017 | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Total Beginning Cash and Investments** | **125,340** | **160,302** | **161,635** | **222,708** | **301,679** | **140,044** | **86.6%** |
| 2 | Water Charges | 615,634 | 728,812 | 660,000 | 685,000 | 685,000 | 25,000 | 3.8% |
| 3 | Water Late Fees and Name Changes | 18,409 | 23,623 | 19,000 | 21,000 | 22,000 | 3,000 | 15.8% |
| 4 | **Subtotal Operating Revenue** | **634,043** | **752,435** | **679,000** | **706,000** | **707,000** | **28,000** | **4.1%** |
| 5 | Interest, Refunds and Misc. | 24,633 | 126 | 6,400 | 17,200 | 27,200 | 17,200 | 268.8% |
| 6 | Transfer in from Water Reserve | 80,000 | 20,000 | 10,000 | 10,000 | | (10,000) | -100% |
| 7 | Palmer Coking Coal Contribution | 99,362 | 98,499 | 102,848 | 98,420 | 98,000 | (4,848) | -4.7% |
| 8 | **Subtotal Other Revenue** | **203,995** | **118,625** | **119,248** | **125,620** | **125,200** | **5,952** | **5.0%** |
| 9 | **Total Revenue** | **838,039** | **871,061** | **798,248** | **831,620** | **832,200** | **33,952** | **4.3%** |
| 10 | **Total Water Fund Sources** | **963,379** | **1,031,363** | **959,883** | **1,054,328** | **1,133,879** | **173,996** | **18.1%** |

| | Expenditures - Water Fund 401 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | Prelim Budget 2017 | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 11 | Wages and Benefits | 166,579 | 183,095 | 185,066 | 186,400 | 219,175 | 34,109 | 18.4% |
| 12 | Supplies | 22,950 | 24,326 | 33,846 | 30,954 | 28,630 | (5,216) | -15.4% |
| 13 | Services and Charges | 216,877 | 212,941 | 241,601 | 204,866 | 233,933 | (7,668) | -3.2% |
| 14 | **Subtotal Operating Expenditures** | **406,405** | **420,363** | **460,513** | **422,220** | **481,738** | **21,225** | **4.6%** |
| 15 | Debt Service - Water | 381,672 | 378,292 | 320,430 | 320,429 | 318,897 | (1,533) | -0.5% |
| 16 | To Water Portion Comp Plan Update | 5,000 | | | | | | |
| 17 | To Capital Equipment Reserve | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | - | 0.0% |
| 18 | **Subtotal Other Expenditures** | **396,672** | **388,292** | **330,430** | **330,429** | **328,897** | **(1,533)** | **-0.5%** |
| 19 | **Total Expenditures** | **803,077** | **808,655** | **790,943** | **752,649** | **810,635** | **19,692** | **2.5%** |
| 20 | Dedicated 3 Months Cash & Investments | 101,601 | 105,066 | 115,128 | 105,555 | 119,426 | 4,298 | 3.7% |
| 21 | Unreserved C & I Balance | 58,701 | 117,642 | 53,812 | 196,124 | 203,818 | 150,006 | 278.8% |
| 22 | **Total Ending Cash and Investments** | **160,302** | **222,708** | **168,940** | **301,679** | **323,244** | **154,304** | **91.3%** |
| 23 | **Total Water Fund Uses** | **963,379** | **1,031,363** | **959,883** | **1,054,328** | **1,133,879** | **173,996** | **18.1%** |

**City of Black Diamond, Washington 2017**

## Water Debt

| Issue Date | Issue Amount | Type | Purpose | Maturity Date | 12/31/2016 debt owed | 2017 Principal | 2017 Interest | 2017 Debt Svs | 2017 Water Operating | 2017 Water Capt Res | 2017 Total Water | 2017 Developer Reimb | Total Debt Service |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | |
| 2006 | 180,000 | PWTF | Cor Contrl | 2022 | 67,250 | 11,250 | 338 | 11,588 | 11,588 | | 11,588 | 0 | 11644 |
| 2005 | 3,407,063 | PWTF | Tac 500mg | 2024 | 1,572,184 | 197,070 | 8,274 | 205,344 | 205,344 | | 205,344 | | 205,344 |
| | 256,064 | PWTF | Tac city 1st | 2024 | | | | | | | | | |
| | 1,784,693 | PWTF | Pump Fac, Res & lines | 2024 | 791,724 | 98,419 | 3,546 | 101,965 | | | | 101,965 | 101,965 |
| | 5,447,820 | PWTF | | | 2,363,908 | 295,489 | 11,820 | 307,309 | 205,344 | 0 | 205,344 | 101,965 | 307,309 |
| Totals | 5,627,820 | | | | 2,431,158 | 306,739 | 12,158 | 318,897 | 216,932 | 0 | 216,932 | 101,965 | 318,953 |
| **Total net Water fund 2016 Debt Service** | | | | | | | | | **$216,932** | **$0** | **$216,932** | **101,965** | **318,953** |

Less Developer Responsibility Palmer $791,724

| | |
|---|---|
| **Net City Liability** | **1,639,434** |

*Black Diamond holds a letter of credit from Palmer Coking for their balance owing of $791,724 of PWTF Loan. included 2016 Est Interest.

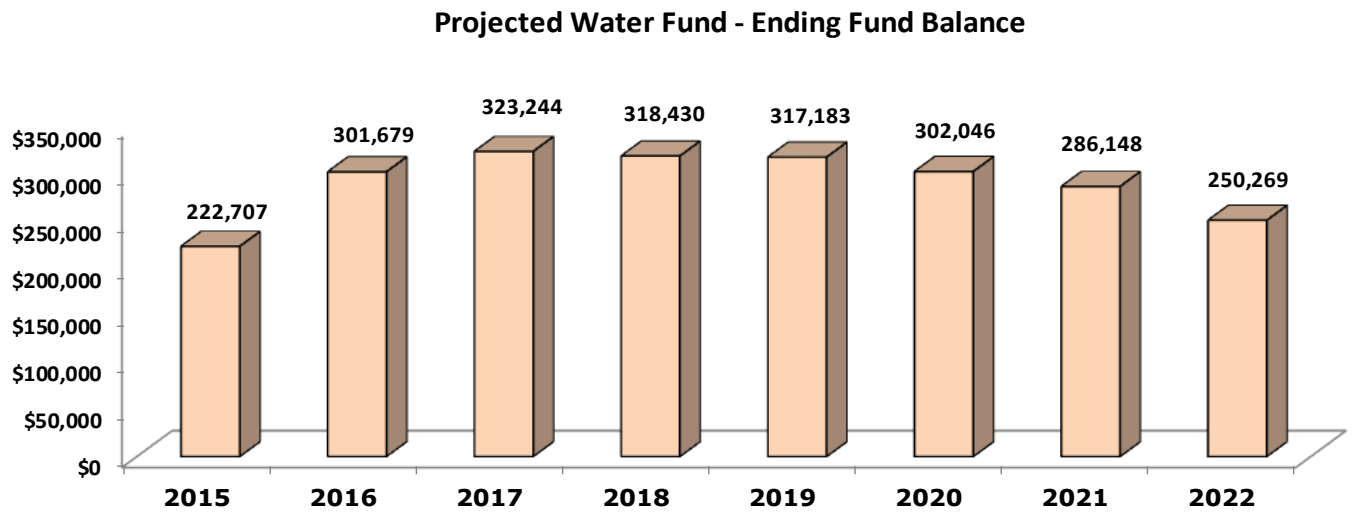
Skaters on Lake 14, circa 1915

## City of Black Diamond, WA

## Water Utility Operating Fund Six Year Forecast

| | | 2015 Actual 01/15 | 2016 Est Act | 2017 Budget | 2018 Budget | 2019 Budget | 2020 Budget | 2021 Budget | 2022 Budget | |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Rate Increase | 15% | | | | | | | | |
| 2 | **Beginning Cash and Investments** | **160,302** | **222,707** | **301,679** | **323,244** | **318,430** | **317,183** | **302,046** | **286,148** | |
| 3 | Operating Revenue | 716,258 | 685,000 | 685,000 | 698,700 | 712,674 | 712,674 | 726,927 | 726,927 | 2% |
| 4 | Misc. Revenue | 36,304 | 38,200 | 49,200 | 50,184 | 51,188 | 52,211 | 53,256 | 54,321 | 2% |
| 5 | Funding Reimbursement | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 6 | Developer Debt Reimb | 98,499 | 98,420 | 98,000 | 96,923 | 95,954 | 94,995 | 94,995 | 94,995 | |
| 7 | Transfer from Reserve | 20,000 | 10,000 | 0 | | | | | | |
| 8 | **Water Operating Revenue Sources** | **871,061** | **831,620** | **832,200** | **845,807** | **859,816** | **859,880** | **875,178** | **876,243** | |
| 9 | **Water Fund Expenditures** | | | | | | | | | |
| 10 | Salaries & Benefits | 205,865 | 217,400 | 247,675 | 252,629 | 257,681 | 262,835 | 268,091 | 273,453 | 2% |
| 11 | Allocation to Capt Projects | (22,769) | (31,000) | (28,500) | (29,070) | (29,651) | (30,244) | (30,849) | (31,466) | 2% |
| 12 | Caustic | 11,181 | 13,000 | 10,000 | 10,200 | 10,404 | 10,612 | 10,824 | 11,041 | 2% |
| 13 | Supplies | 13,146 | 17,954 | 18,630 | 19,003 | 19,383 | 19,383 | 19,770 | 19,770 | 2% |
| 14 | Electricity & Utilities | 35,789 | 31,575 | 36,675 | 38,509 | 40,434 | 42,456 | 44,579 | 46,808 | 5% |
| 15 | Insurance | 27,940 | 26,056 | 26,151 | 27,459 | 28,831 | 28,831 | 30,273 | 30,273 | 5% |
| 16 | Repairs & Maintenance | 17,426 | 25,394 | 25,902 | 26,420 | 27,080 | 27,757 | 28,451 | 29,163 | 2% |
| 17 | Services & Charges | 50,176 | 46,340 | 65,806 | 67,122 | 68,465 | 69,834 | 71,231 | 72,655 | 2% |
| 18 | B&O & Utility Tax | 81,610 | 75,500 | 79,400 | 80,988 | 82,608 | 84,260 | 85,945 | 87,664 | 2% |
| 19 | Transfers to Cap Equip/Comp Plan | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | |
| 20 | Sub Total Operating Uses | 430,363 | 432,219 | 491,739 | 503,258 | 515,235 | 525,724 | 538,315 | 549,361 | |
| 21 | PWTF Debt Svs | 331,832 | 320,429 | 318,897 | 317,362 | 315,828 | 314,294 | 312,761 | 312,761 | |
| 22 | Water Meters- Sewer Loan | 46,460 | | | | | | | | |
| 23 | Future Debt Service or Capital Projects | | | | 30,000 | 30,000 | 35,000 | 40,000 | 50,000 | |
| 24 | Subtotal Debt Service | 378,292 | 320,429 | 318,897 | 347,362 | 345,828 | 349,294 | 352,761 | 362,761 | |
| 25 | **Total Water Fund Uses** | **808,656** | **752,648** | **810,636** | **850,620** | **861,063** | **875,018** | **891,076** | **912,122** | |
| 26 | **Ending Cash & Investment Balance** | **222,707** | **301,679** | **323,244** | **318,430** | **317,183** | **302,046** | **286,148** | **250,269** | |
| 27 | **Change in Cash & Investments** | **62,405** | **78,972** | **21,564** | **(4,813)** | **(1,247)** | **(15,137)** | **(15,898)** | **(35,878)** | |

Cash & Investment Balance needs to cover three months of operating expenditures per city resolutions No. #08-850 & 13-866.
2017 & beyond includes revenue from water sales to 10 additional homes due to completion of Shake n Bake project
The six year forecast includes only 2% additional revenue from growth.
Current Water rates will cover 2% expenditure growth and allow funds to be accumulated to for future debt service or capital projects.



# Sewer Operating Fund 407

The Sewer Department collects sewage from the homes and businesses in the old section of town for treatment and discharge. The area around Lake Sawyer is primarily served by individual on-site waste water disposal septic system and a small area at the Northwest end of the Lake served by the Soos Creek Sewer system. The sewer utility provides for the planning, operation and maintenance of 17.5 miles of sewer lines and manholes, and 4 pump stations and provides local customer service and billing. This sewer utility also contracts with the King County for transmission and sewage treatment plant in Renton for treatment, discharge and bio-solids handling.

Of note is that even with rate increases, the revenue collected by the sewer utility has not been covering the cost of the operations, maintenance and administration. At some point the city will need to raise the local charges to bring the fund into balance. The 2017 Budget includes both a pass through 5.2% Metro Sewer Rate increase and the related city portion increase effective January 1, 2017.

| | Revenue - Sewer Fund 407 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Investments** | **126,682** | **141,294** | **117,641** | **131,720** | **124,688** | **7,047** | **6.0%** |
| 3 | Sewer User Charges | 708,966 | 756,155 | 742,000 | 777,000 | 815,000 | 73,000 | 9.8% |
| 4 | Miscellaneous Revenue | 19,095 | 600 | 4,260 | 8,700 | 12,900 | 8,640 | 202.8% |
| 5 | **Subtotal Operating Revenue** | **728,061** | **756,755** | **746,260** | **785,700** | **827,900** | **81,640** | **10.9%** |
| 6 | Transfer in from Sewer Reserves | 80,000 | 80,000 | 100,000 | 70,000 | 80,000 | (20,000) | -20.0% |
| 8 | **Total Revenue** | **808,061** | **836,755** | **846,260** | **855,700** | **907,900** | **61,640** | **7.3%** |
| 9 | **Total Sewer Fund Sources** | **934,743** | **978,049** | **963,901** | **987,420** | **1,032,588** | **68,687** | **7.1%** |

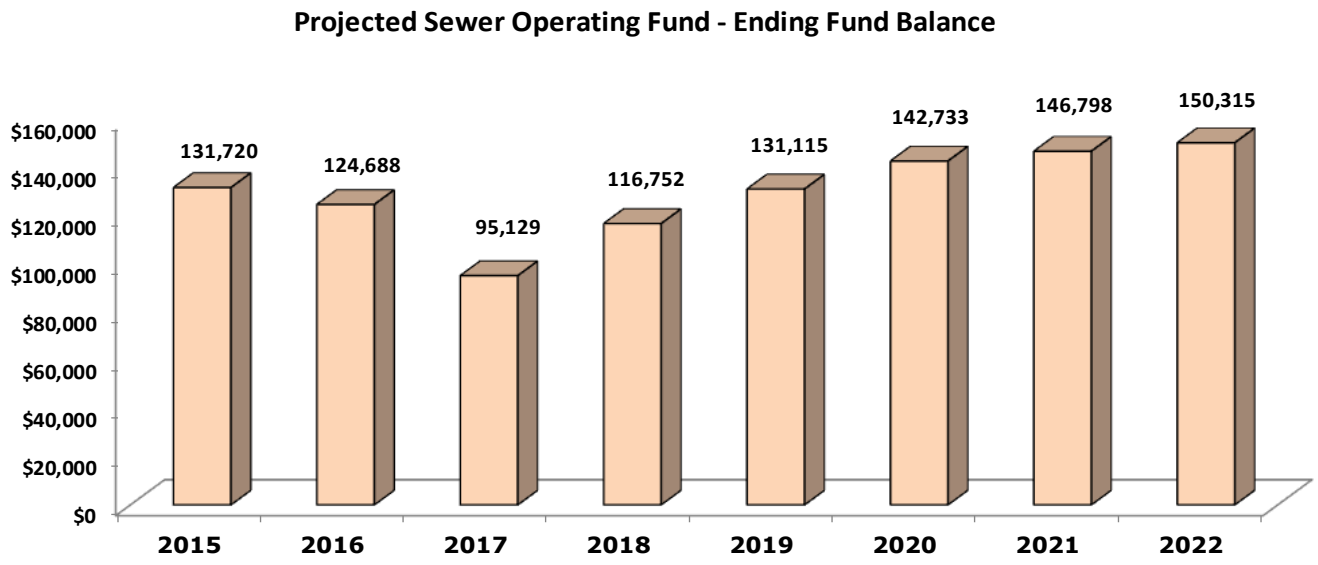
| | Expenditures - Sewer Fund 407 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 10 | Wages and Benefits | 164,804 | 192,115 | 184,190 | 181,830 | 219,346 | 35,156 | 19.1% |
| 11 | Supplies | 5,879 | 6,847 | 12,126 | 10,529 | 10,390 | (1,736) | -14.3% |
| 12 | Services and Charges | 126,108 | 120,651 | 149,923 | 134,573 | 147,573 | (2,350) | -1.6% |
| 13 | **Subtotal Operating Expenditures** | **296,791** | **319,613** | **346,239** | **326,932** | **377,309** | **31,070** | **9.0%** |
| 14 | Metro Sewer Charges | 481,658 | 516,717 | 518,000 | 525,800 | 550,150 | 32,150 | 6.2% |
| 15 | **Total Operating Expenditures** | **778,449** | **836,330** | **864,239** | **852,732** | **927,459** | **63,220** | **7.3%** |
| 16 | Transfer-Sewer Portion Comp Plan Update | 5,000 | | | | | | |
| 17 | Transfer to PW Equip Replacement Fund | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | - | 0.0% |
| 18 | Subtotal Other Expenditures | 15,000 | 10,000 | 10,000 | 10,000 | 10,000 | - | 0.0% |
| 19 | **Total Expenditures** | **793,449** | **846,330** | **874,239** | **862,732** | **937,459** | **63,220** | **7.2%** |
| 20 | Dedicated 3 Months Cash & Investments | 74,198 | 79,903 | 86,560 | 81,733 | 95,129 | 8,569 | 9.9% |
| 21 | Unreserved Ending C & I | 67,096 | 51,817 | 3,102 | 42,955 | | (3,102) | -100.0% |
| 22 | **Total Ending Cash and Investments** | **141,294** | **131,720** | **89,662** | **124,688** | **95,129** | **5,467** | **6.1%** |
| 23 | **Total Sewer Fund Uses** | **934,743** | **978,049** | **963,901** | **987,420** | **1,032,588** | **68,687** | **7.1%** |

## City of Black Diamond, Washington

## Sewer Utility Operating Fund Six Year Forecast

| | | 2015 Actual | 2016 Est Act | 2017 Budget | 2018 Budget | 2019 Budget | 2020 Budget | 2021 Budget | 2022 Budget | |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | **City Monthly Sewer Rate** | **$19.97** | **$20.37** | **$20.51** | **$25.00** | **$25.00** | **$30.00** | **$30.00** | **$32.00** | |
| 2 | **Beginning Cash and Investments** | **141,294** | **131,720** | **124,688** | **95,129** | **116,752** | **131,115** | **142,733** | **146,798** | |
| 3 | Operating Revenue-City | 234,861 | 251,200 | 265,000 | 323,300 | 323,300 | 387,960 | 387,960 | 415,117 | |
| 4 | Operating Revenue-Metro | 516,717 | 525,800 | 550,000 | 550,000 | 565,000 | 565,000 | 579,700 | 579,700 | |
| 5 | Miscellaneous Revenue | 5,177 | 8,700 | 12,900 | 13,287 | 13,686 | 14,096 | 14,519 | 14,955 | 3% |
| 6 | Transfer fr Reserves/Rate Inc. | 80,000 | 70,000 | 80,000 | 80,000 | 80,000 | 20,000 | 20,000 | 0 | |
| 7 | **Sewer Operating Revenue Sources** | **836,755** | **855,700** | **907,900** | **966,587** | **981,986** | **987,056** | **1,002,179** | **1,009,772** | |
| 8 | **Sewer Fund Expenditures** | | | | | | | | | |
| 9 | Salaries & Benefits | 206,384 | 214,240 | 246,846 | 251,783 | 256,819 | 261,955 | 267,194 | 272,538 | 2% |
| 10 | Allocation to Capital Projects | (14,386) | (32,500) | (27,500) | (28,600) | (29,744) | (30,934) | (32,171) | (33,458) | |
| 11 | Supplies | 6,847 | 10,529 | 10,390 | 10,598 | 10,810 | 11,026 | 11,246 | 11,471 | 2% |
| 12 | Insurance | 13,672 | 14,700 | 16,868 | 17,711 | 18,597 | 19,527 | 20,503 | 21,528 | 5% |
| 13 | Services & Charges | 53,936 | 65,563 | 70,155 | 71,558 | 72,989 | 74,449 | 75,938 | 77,457 | 2% |
| 14 | St Util. & City Utility Tax | 53,159 | 54,400 | 60,700 | 61,914 | 63,152 | 64,415 | 65,704 | 67,018 | |
| 15 | Metro Reimbursement | 516,717 | 525,800 | 550,000 | 550,000 | 565,000 | 565,000 | 579,700 | 579,700 | |
| 16 | Transfers to Capital Equip | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | |
| 17 | **Sub Total Operating Expenditures** | **846,329** | **862,732** | **937,459** | **944,964** | **967,623** | **975,438** | **998,114** | **1,006,254** | |
| 18 | **Ending Cash & Investment Balance** | **131,720** | **124,688** | **95,129** | **116,752** | **131,115** | **142,733** | **146,798** | **150,315** | |
| 19 | **Change in Cash and Investments** | **(9,574)** | **(7,032)** | **(29,559)** | **21,623** | **14,363** | **11,618** | **4,065** | **3,517** | |

Cash & Investment Balance needs to cover three months of operating expenditures per City Resolutions No. #08-850 & 13-866 .
2017 Estimates include the KC Metro Pass through rate increase and the annual city inflationary increase.
Growth or rate increases will need to be in place to cover costs. While the Sewer Reserves still has approximately $601,874 at the end of 2016, the reserves would be depleted by 2019 if growth, rate increases or structural changes are not made. The Metro rate increases cause increases in State and City taxes which need to be covered out of the City share of the rate. The modest inflationary increases to the city portion are not keeping pace with expenditure increases. A rate study is planned for spring of 2017.



# Stormwater Operating Fund 410

The Stormwater Utility maintains 9 storm ponds, 9 miles of storm pipe, 572 catch basins, two bio-infiltration systems, one stormwater filter system and approximately 20 miles of ditches and flow paths. These activities help preserve the public road system and protect the environment. The city is also in charge of various activities dealing with controlling stormwater quality including education, enforcing stormwater codes on construction and new development, monitoring private stormwater systems maintenance, monitoring the effectiveness of city programs, monitoring water quality, participation in WIRA 9 Water Quality Initiative, providing coverage for the Endangered Species Act claims and reporting to the Department of Ecology.

The Stormwater Utility mitigates the storm water impact of urban living on the environment for $16 per month per household. The 2017 Budget primarily increased due to a 10% allocation of City Clerk/HR and maintenance costs.

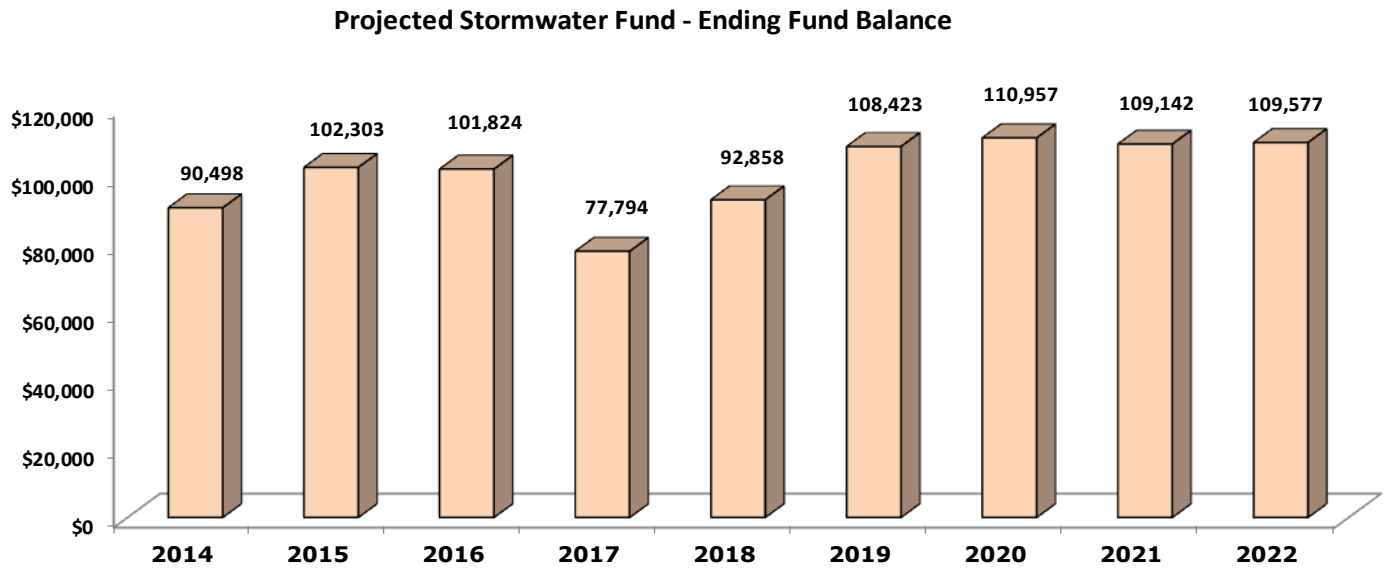
| | Revenue - Stormwater Fund 410 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | Prelim Budget 2017 | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Investments** | 81,656 | 90,498 | **105,818** | **102,303** | **101,824** | **(3,994)** | **-3.8%** |
| 2 | Stormwater Charges | 331,801 | 350,820 | 343,000 | 364,380 | 375,000 | 32,000 | 9.3% |
| 3 | Stormwater Protection Inspection Fee | 3,515 | 4,408 | 6,000 | 6,000 | 8,000 | 2,000 | 33.3% |
| 4 | PW Perm- Insp, Eng Civil Allocation | 534 | 2,079 | 800 | 4,300 | 6,000 | 5,200 | 650.0% |
| 5 | **Total Operating Revenue** | **335,849** | **357,307** | **349,800** | **374,680** | **389,000** | **39,200** | **11.2%** |
| 6 | Interest and Refunds | 86 | 199 | 120 | 650 | 800 | 680 | 567% |
| 7 | Funding Reimburse for PW Staff | 18,505 | - | - | | | - | |
| 8 | **Total Revenue** | **354,439** | **357,506** | **349,920** | **375,330** | **389,800** | **39,880** | **11.4%** |
| 9 | **Total Stormwater Fund Sources** | **436,096** | **448,004** | **455,738** | **477,633** | **491,624** | **35,886** | **7.9%** |

| | Expenditures - Stormwater Fund 410 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 10 | Wages and Benefits | 166,063 | 190,974 | 182,548 | 181,721 | 217,466 | 34,918 | 19.1% |
| 11 | Supplies | 5,902 | 7,130 | 13,186 | 11,250 | 11,510 | (1,676) | -12.7% |
| 12 | Total Services and Charges | 148,532 | 137,597 | 165,062 | 172,838 | 174,854 | 9,792 | 5.9% |
| 13 | To Capital Equipment Reserve & Other | 15,000 | 10,000 | 10,000 | 10,000 | 10,000 | - | 0.0% |
| 14 | **Sub Total Expenditures** | **335,498** | **345,701** | **370,796** | **375,809** | **413,830** | **43,034** | **11.6%** |
| 15 | Debt Service | 10,100 | | | | | | |
| 16 | **Total Expenditures** | **345,598** | **345,701** | **370,796** | **375,809** | **413,830** | **43,034** | **11.6%** |
| 17 | Dedicated Ending Cash & Investments | 90,498 | 102,303 | 84,942 | 101,824 | 77,794 | (7,148) | -8.4% |
| 18 | **Total Stormwater Fund Uses** | **436,096** | **448,004** | **455,738** | **477,633** | **491,624** | **35,886** | **7.9%** |

## City of Black Diamond
## Stormwater Operating Utility Fund Six Year Forecast

| | | | | | | $2.00 Rate increase 2018 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2014 Actual | 2015 Actual | 2016 Est Act | 2017 Budget | 2018 Budget | 2019 Budget | 2020 Budget | 2021 Budget | 2022 Budget | |
| 1 | **Possible Monthly Rates** | **16.00** | **16.00** | **16.00** | **16.00** | **18.00** | **18.00** | **18.00** | **18.00** | **18.00** | |
| 2 | **Beginning Cash and Investments** | **81,656** | **90,498** | **102,303** | **101,824** | **77,794** | **92,858** | **108,423** | **110,957** | **109,142** | |
| 3 | Operating Revenue-City | 331,801 | 350,820 | 364,380 | 375,000 | 421,875 | 430,313 | 438,919 | 447,697 | 456,651 | |
| 4 | Misc Revenue | 4,135 | 6,686 | 10,950 | 14,800 | 15,096 | 15,398 | 15,706 | 16,020 | 16,340 | 2% |
| 5 | Funding Reimbursement | 18,504 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 6 | **Total Stormwater Fund Sources** | **354,440** | **357,506** | **375,330** | **389,800** | **436,971** | **445,710** | **454,625** | **463,717** | **472,991** | |
| 7 | **Stormwater Fund Expenditures** | | | | | | | | | | |
| 8 | Salaries & Benefits | 175,260 | 205,293 | 214,221 | 244,966 | 249,865 | 254,863 | 254,863 | 259,960 | 259,960 | 2% |
| 9 | Proj Mgmt-S&B allocation | (15,197) | (14,319) | (32,500) | (27,500) | (28,050) | (28,611) | (28,611) | (29,183) | (29,183) | 2% |
| 10 | Supplies | 10,599 | 7,130 | 11,250 | 11,510 | 11,740 | 11,975 | 11,975 | 12,215 | 12,215 | 2% |
| 11 | Services & Charges | 74,421 | 67,898 | 93,072 | 93,493 | 95,363 | 97,270 | 99,216 | 101,200 | 103,224 | 2% |
| 12 | Add Street Cleaning & Mtc. | | | | 0 | 0 | 0 | 20,000 | 25,000 | 30,000 | |
| 13 | B&O & Utility Tax | 75,415 | 69,698 | 79,766 | 81,361 | 82,989 | 84,648 | 84,648 | 86,341 | 86,341 | 2% |
| 14 | Transfers to Cap Equip/Comp Plan | 15,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 0 |
| 15 | Sub Total Operating Uses | 335,498 | 345,701 | 375,809 | 413,830 | 421,907 | 430,145 | 452,090 | 465,532 | 472,556 | |
| 16 | Debt Svs-Sewer Loan | 10,100 | | | | | | | | | |
| 17 | **Total Stormwater Fund Uses** | **345,598** | **345,701** | **375,809** | **413,830** | **421,907** | **430,145** | **452,090** | **465,532** | **472,556** | |
| 18 | **Ending Cash & Investment Balance** | **90,498** | **102,303** | **101,824** | **77,794** | **92,858** | **108,423** | **110,957** | **109,142** | **109,577** | |
| 19 | **Change in Cash & Investments** | **8,842** | **11,805** | **(479)** | **(24,030)** | **15,064** | **15,565** | **2,534** | **(1,815)** | **435** | |

Cash & Investment Balance needs to cover three months of operating expenditures per city resolutions No. #08-850 & 13-866.
A potential $2.00 rate increase was calculated for 2018 to show how this would affect cash balances.
Operating Revenue does not support Street Cleaning and Maintenance until 2020 to 2022.
Growth from Oak Pointe is only included at 2%, If growth occurs at a faster pace, the amount of rate increase will vary.



# Capital Funds

Capital Projects funds are used to account for the construction or acquisition of buildings, equipment and roads. Depending on its use, a fixed asset may instead be financed by a special revenue fund or a proprietary fund. A capital project fund exists only until completion of the project.

Early Black Diamond Band

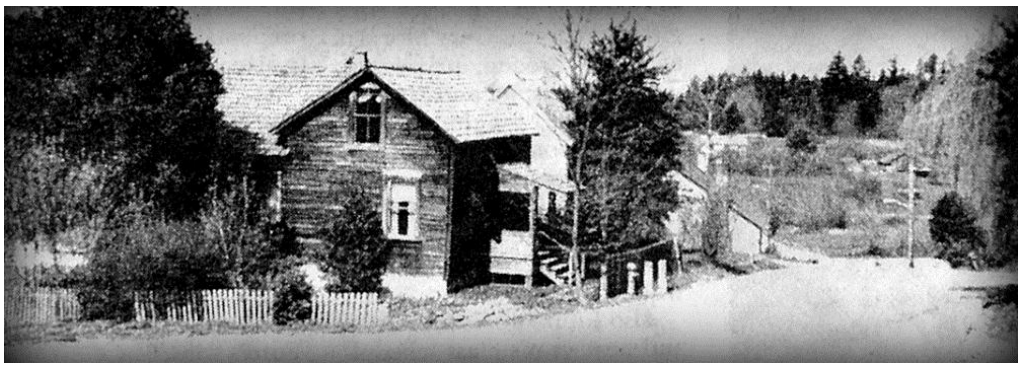
# Real Estate Excise Tax 1 – Fund 310

Washington State levies a real estate excise tax (REET) on all property sales of 1.28% of a property's full selling price. A locally-imposed tax is also authorized, though the rate and uses of the funds differ by population size and whether the city or county is planning under the Growth Management Act (GMA). All cities are allowed to levy a 0.25% tax on property sales (REET 1), cities and counties that are planning under the GMA may also levy a second quarter percent tax (REET 2).

Black Diamond levies both REET 1 and REET 2, combined to bring total Real Estate Excise Tax to 1.78%. Every city in King County levies both REET 1 and 2, with the exception of Skykomish, which collects .25%. This REET 1 fund, is specifically to be used for General Government Capital Projects, Fund 310, and General Government Capital Expenditures in the 510 Fund. After December 31, 2016, there are increasing limitations on REET monies used for maintenance.

| | Revenue - General Government REET Fund 310 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Investments** | **229,144** | **186,508** | **133,341** | **130,258** | **152,758** | **19,417** | **14.6%** |
| 2 | R1 1.4% REET-King County | 65,059 | 85,855 | 95,000 | 150,000 | 113,000 | 18,000 | 18.9% |
| 3 | LGIP Investment Interest | 178 | 172 | 150 | 500 | 700 | 550 | 366.7% |
| 4 | Subtotal REET 1 Revenue | 65,237 | 86,027 | 95,150 | 150,500 | 113,700 | 18,550 | 19.5% |
| 5 | **Total REET 1 Sources** | **294,381** | **272,535** | **228,491** | **280,758** | **266,458** | **37,967** | **16.6%** |

| | Expenditures - General Government REET Fund 310 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 6 | Transfer to 310 General Govt Capital | 62,873 | 135,277 | 96,000 | 96,000 | 123,500 | 27,500 | 28.6% |
| 7 | Transfer to 510 Police and Fire Equip. | 45,000 | 7,000 | 32,000 | 32,000 | 7,500 | (24,500) | -76.6% |
| 8 | **Subtotal Gen Govt REET 1 Expenditures** | **107,873** | **142,277** | **128,000** | **128,000** | **131,000** | **3,000** | **2.3%** |
| 9 | **Ending Cash and Investments** | **186,508** | **130,258** | **100,491** | **152,758** | **135,458** | **34,967** | **34.8%** |
| 10 | **Total REET 1 Uses** | **294,381** | **272,535** | **228,491** | **280,758** | **266,458** | **37,967** | **16.6%** |



Most of the Pacific Coal Mining Company houses were constructed from local timber by the 35 carpenters the company had hired to build Black Diamond.

# General Government Capital Projects Fund 310

The 310 General Government Capital Project Fund is primarily funded by REET 1 and grants. Projects planned include funds to acquire land for the Ginder Creek property rehab. Also money has been set aside for the Comp Plan Update, police and government technology, and signs for the gym and for way-finding.

| | Revenue - Gen Govt Capital Fund 310 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| | **Beginning Cash and Investments** | **280,382** | **201,200** | **170,819** | **136,942** | **23,795** | **(147,024)** | **-86.1%** |
| 1 | Transfer in REET 1 | 62,873 | 135,277 | 91,000 | 96,000 | 123,500 | 32,500 | 35.7% |
| 2 | Transfer In-Sewer | 15,000 | - | | | 15,000 | 15,000 | |
| 3 | King Co Parks Tax Levy | 9,202 | 9,804 | 9,000 | 9,000 | 9,000 | - | 0.0% |
| 4 | Seattle Port Alliance Sign Grant | | | | | 6,000 | | |
| 5 | Grant Matching Funds | 20,975 | | 5,000 | 5,000 | 2,500 | (2,500) | -50.0% |
| 6 | County Conservation Futures Grant | | - | 35,000 | - | - | (35,000) | -100.0% |
| 7 | DOE Grant Lk Sawyer/AVMF-Weed Contr | 6,635 | - | 16,424 | - | - | (16,424) | -100.0% |
| 8 | Grant for Comp Plan | 9,000 | - | - | - | - | | |
| 9 | **Total Revenue** | **123,684** | **145,081** | **156,424** | **110,000** | **156,000** | **(424)** | **-0.3%** |
| 10 | **Total General Govt Capital Sources** | **404,066** | **346,281** | **327,243** | **246,942** | **179,795** | **(147,448)** | **-45.1%** |

| | Expenditures - Gen Govt Capital Fund 310 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 11 | City Comprehensive Plan Update - CIP G4 | 15,978 | 142,948 | 96,000 | 96,000 | 35,000 | (61,000) | -63.5% |
| 12 | E Ginder Creek Rehab & Trail Project - CIP P7 | 14,444 | - | 90,000 | - | 44,000 | (46,000) | -51.1% |
| 13 | General Government Technology - CIP G1 | 28,684 | 7,153 | 40,653 | 40,653 | 35,000 | (5,653) | -13.9% |
| 14 | Signs for Gym and Wayfinding - CIP G5 | | | | | 17,000 | 17,000 | |
| 15 | Police Technology - CIP L1 | 11,059 | 5,097 | 30,532 | 30,532 | 15,000 | (15,532) | -50.9% |
| 16 | City Campus Improvements - CIP G2 | 43,033 | 27,226 | 4,374 | 4,374 | 5,000 | 626 | 14.3% |
| 17 | Grant Matching - CIP P2 | 21,000 | | 7,500 | 7,500 | 2,500 | (5,000) | -66.7% |
| 18 | Capital Facility Allocation | 18,119 | 9,522 | 25,000 | 25,000 | | (25,000) | -100.0% |
| 19 | In City -Forest Open Space Land | 5,905 | 132 | 19,096 | 19,000 | | (19,096) | -100.0% |
| 20 | Transportaion Benefit District | - | 838 | 14,000 | - | | (14,000) | -100.0% |
| 21 | Tree Mitigation | 426 | - | 88 | 88 | | (88) | -100.0% |
| 22 | Prior Projects | 44,219 | 16,423 | | | | - | |
| 23 | **Subtotal Expenditures** | **202,866** | **209,339** | **327,243** | **223,147** | **153,500** | **(173,743)** | **-53.1%** |
| 24 | **Ending Cash and Investments** | **201,200** | **136,942** | | **23,795** | **26,295** | **26,295** | |
| 25 | **Total General Govt Capital Uses** | **404,066** | **346,281** | **327,243** | **246,942** | **179,795** | **(147,448)** | **-45.1%** |

# Real Estate Excise Tax 2 – Fund 320

The collection of REET 2 is authorized by RCW 8245.010 and can be used for capital projects. This part of the real estate excise tax may only be levied by cities that plan under the Growth Management Act.

Specifically, one quarter percent of the real estate excise tax is to be used for public works projects for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, planning, construction, reconstruction, repair, rehabilitation, or improvement of parks.

Midyear in 2011 the Washington State Legislature authorized for five years the usage of up to $100,000 of REET monies for the maintenance of capital assets, but after December 31, 2016, there are increasing limitations on REET monies used for maintenance. REET 2 monies in Black Diamond are transferred to Fund 320 for Street and Public Works capital projects. For detailed projects, see the 320 Fund section on the next page.

| | Revenue - Pub Works REET Fund 320 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Investments** | **278,056** | **155,904** | **116,024** | **111,911** | **152,411** | **36,387** | **31.4%** |
| 2 | R2 1/4% REET Tax-K/C | 65,059 | 85,855 | 95,000 | 150,000 | 113,000 | 18,000 | 18.9% |
| 3 | LGIP Investment Interest | 188 | 152 | 120 | 500 | 700 | 580 | 483.3% |
| 4 | **Subtotal REET 2 Revenue** | **65,248** | **86,007** | **95,120** | **150,500** | **113,700** | **18,580** | **19.5%** |
| 5 | **Total REET 2 Sources** | **343,304** | **241,911** | **211,144** | **262,411** | **266,111** | **54,967** | **26.0%** |

| | Expenditures - Pub Works REET Fund 320 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 6 | Transfer out to Street Fund | 50,000 | 50,000 | 50,000 | 50,000 | - | (50,000) | -100.0% |
| 7 | Transfer out 320 PW Capital | 77,700 | 80,000 | 60,000 | 60,000 | 135,226 | 75,226 | 125.4% |
| 8 | Transfers to Prior Projects | 59,700 | | | | | | |
| 9 | **Subtotal REET 2 Revenue** | **187,400** | **130,000** | **110,000** | **110,000** | **135,226** | **25,226** | **22.9%** |
| 10 | **Ending Cash and Investments** | **155,904** | **111,911** | **101,144** | **152,411** | **130,885** | **29,741** | **29.4%** |
| 11 | **Total REET 2 Sources** | **343,304** | **241,911** | **211,144** | **262,411** | **266,111** | **54,967** | **26.0%** |

# Public Works Capital Projects Fund 320

The Public Works Capital Projects Fund 320 receives funds largely from grants and REET 2, for street, sidewalk, trail and capital facilities projects. Projects in the budget for 2017 include Roberts Drive rehabilitation, citywide chip and seal, and asphalt overlay.

Street projects that are 100% developer funded, are planned for 2017 but are not included in the 2017 Budget. They are T3 – Annexation Road (now Villages Parkway SE, T4 – Lake Sawyer Road Extension (now Willow/Dogwood), T19 – Roberts Dr/Lake Sawyer Rd Extension, and T17 – Ravensdale/169 Interchange for a total of $5,900,000. Project T9, 232nd Ave SE, was deferred by Public Works until 2018.

| | Revenue - Public Works Capital Fund 320 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| | **Beginning Cash and Investments** | **159,314** | **134,528** | **295,002** | **175,358** | | | **0.0%** |
| 1 | Transfer in REET 2 | 137,400 | 80,000 | 60,000 | 25,000 | 187,476 | 127,476 | 212% |
| 2 | Robert Dr Rehab-TIB 6-P-800-002-1 | | 65,154 | 1,225,903 | 167,805 | 1,079,867 | (146,036) | -12% |
| 3 | Jones Lake Grant TIB Grant | | | 135,219 | 98,584 | | (135,219) | -100% |
| 4 | 224th Ave SE Asphalt Overlay Grant | | | | | 255,000 | 255,000 | |
| 7 | Street Light Replacement Grant | | | | 58,300 | | - | |
| 8 | Grant Matching | | | | | 5,765 | 5,765 | |
| 9 | Chip Seal Grant | | | 117,087 | | | (117,087) | -100% |
| 10 | CDBG Grant | | | 210,000 | | | (210,000) | -100% |
| 11 | Prior Projects | 355,383 | 37,890 | | | | - | |
| 12 | Subtotal Pub Works Cap. Fund | 492,783 | 183,044 | 1,748,209 | 349,689 | 1,528,108 | (220,101) | -12.6% |
| 13 | **Total Pub Works Cap Fund Sources** | **652,097** | **317,572** | **2,043,211** | **525,047** | **1,528,108** | **(515,103)** | **-25.2%** |

| | Expenditures - Public Works Capital Fund 320 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 14 | Roberts Drive Reconstruction - CIP T2 | 9,314 | 80,165 | 1,431,224 | 194,485 | 1,158,108 | (273,116) | -19.1% |
| 15 | 224th Ave SE Asphalt Overlay Grant - CIP T6 | | | | | 300,000 | 300,000 | |
| 16 | Grant Matching - CIP T13 | 83,931 | 32,089 | 48,646 | 48,646 | 40,000 | (8,646) | -17.8% |
| 17 | Street Overlays, Repairs and Signs - CIP T1 | 73,380 | 9,832 | 178,097 | 48,372 | 30,000 | (148,097) | -83.2% |
| 18 | Jones Lake Project | - | - | 165,244 | 165,244 | | (165,244) | -100.0% |
| 19 | Capital Project Updates | - | 12,493 | 10,000 | 10,000 | | (10,000) | -100.0% |
| 20 | First Avenue Sidewalk | - | - | 210,000 | - | | (210,000) | -100.0% |
| 21 | Street Light Replacement | | | | 58,300 | | - | |
| 22 | Prior Projects | 345,143 | 7,636 | | | | - | |
| 23 | **Subtotal Pub Works Cap. Project Revenue** | **511,768** | **142,214** | **2,043,211** | **525,047** | **1,528,108** | **(515,103)** | **-25.2%** |
| 24 | **Ending Cash and Investments** | **140,329** | **175,358** | | | | | |
| 25 | **Total Pub. Works Cap. Project Sources** | **652,097** | **317,572** | **2,043,211** | **525,047** | **1,528,108** | **(515,103)** | **-25.2%** |

# WSFFA Fund 402

The Water Supply Facility Funding Agreement (WSFFA) holds the budget for implementation of various water sources, storage, springs rehabilitation and water transmission projects, funded by major property owners within the city according to the Water Supply and Facilities Funding Agreements.

The concept to rehabilitate the city's water source has shifted from trying to protect and rehabilitate the existing open springs, replacing pipes over the steep slope, and reconstructing the river crossing, to tapping an artesian spring on the north side of the river, changing the water right point of withdrawal, and securing an easement from State Parks.

This capacity and system reliability project includes a new pumping system, an updated chlorine system, and replacing the transmission main back to Black Diamond. The City's draft Capital Improvement Plan 2017 – 2022 describes this project in more detail.

| | Revenue - WSFFA Fund 402 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Investments** | **59,851** | **157,283** | **70,000** | **75,679** | **70,000** | **-** | **0.0%** |
| 2 | Developer Contribution | 88,761 | 25,070 | 560,000 | 140,878 | 464,500 | (95,500) | -17.1% |
| 3 | Investment Interest | 63 | 153 | 150 | 600 | 500 | 350 | 233.3% |
| 4 | PCC Springs Contribution | 29,059 | | | | | | |
| 5 | **Subtotal WSFFA Revenue** | **117,883** | **25,223** | **560,150** | **141,478** | **465,000** | **(95,150)** | **-17.0%** |
| 6 | **Total WSFFA Sources** | **177,734** | **182,506** | **630,150** | **217,157** | **535,000** | **(95,150)** | **-15.1%** |

| | Expenditures - WSFFA Fund 402 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 7 | Springs Permits, Wat Rights, Easements W2 | | | 300,000 | 131,157 | 150,000 | (150,000) | -50% |
| 8 | Springs Chlorine - CIP W2 | 20,319 | 72,350 | 100,000 | - | 260,000 | 160,000 | 160% |
| 9 | Springs Legal, Management & Admin W2 | 132 | 34,477 | 90,000 | 10,000 | - | (90,000) | -100% |
| 10 | Springs Staff Allocation - CIP W2 | | | 70,000 | 6,000 | 55,000 | (15,000) | -21.4% |
| 11 | **Subtotal WSFFA Expenditures** | **20,451** | **106,827** | **560,000** | **147,157** | **465,000** | **(95,000)** | **-17.0%** |
| 12 | **Ending Cash and Investments** | **157,283** | **75,679** | **70,150** | **70,000** | **70,000** | **(150)** | **0%** |
| 13 | **Total WSFFA Uses** | **177,734** | **182,506** | **630,150** | **217,157** | **535,000** | **(95,150)** | **-15.1%** |

# Water Capital Fund 404

Capital Projects associated with the Water Utility are included here. The city collects capital facility charges from new customers when they connect to the water system to cover the cost of new capacity, adding project and upgrades to the existing water system, and to cover debt service for the acquisition of water supply. Very little capital facility funds have been collected in recent years because of very little growth. Net revenue from customer charges after paying for regular maintenance and operations are to cover the cost of system replacement projects in this fund. However the Water Operations fund has not been able to generate net revenue in order to set aside funds for repair or replacement projects. More detail on these and other projects can be found in the draft Capital Improvement Plan 2017 – 2022.

| | Revenue - Water Capital Fund 404 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Investments** | **441,809** | **331,666** | **287,700** | **274,195** | **177,147** | **(110,553)** | **-38.4%** |
| 2 | Water Connection Charges | 26,439 | 22,389 | 41,830 | 60,000 | 60,000 | 18,170 | 43.4% |
| 3 | CDBG Grant | | 33,829 | 191,171 | 187,600 | | (191,171) | -100.0% |
| 4 | Internal Transfer In | | 19,000 | 56,000 | 102,000 | 65,000 | 9,000 | 16.1% |
| 5 | Loan from Drinking Water State Fund | | | 140,000 | | | | |
| 6 | Misc. and Investment Interest | 1,368 | 453 | | 900 | 500 | 500 | |
| 7 | **Subtotal Water Capital Fund Revenue** | **27,807** | **75,671** | **429,001** | **350,500** | **125,500** | **(303,501)** | **-70.7%** |
| 8 | **Total Water Capital Fund Sources** | **469,616** | **407,337** | **716,701** | **624,695** | **302,647** | **(414,054)** | **-57.8%** |

| | Expenditures - Water Capital Fund 404 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 9 | Downtown Water Replacement | 44 | 62,318 | 356,171 | 305,548 | | (356,171) | -100.0% |
| 10 | Water Comprehensive Plan - CIP W3 | | 1,848 | 111,000 | 30,000 | 30,000 | (81,000) | -73.0% |
| 11 | Water Telemetry Project | | 11,902 | 13,000 | | | | |
| 12 | Water Rate Study | | | 5,000 | | | (5,000) | -100.0% |
| 13 | Asbestos Water Main Replace Survey W5 | | | | | 5,000 | 5,000 | |
| 14 | Transfer to Internal Projects | | 19,000 | 56,000 | 102,000 | 65,000 | 9,000 | 16.1% |
| 15 | 4.3 Mil Gal Reservior Maint Project W1 | 31,796 | 18,074 | 9,600 | | 36,000 | 26,400 | 275.0% |
| 16 | Transfer to Water Operating for Debt | 80,000 | 20,000 | 10,000 | 10,000 | | (10,000) | -100.0% |
| 17 | Prior Projects | 26,110 | | | | | | |
| 18 | **Subtotal Water Capital Expenditures** | **137,950** | **133,142** | **560,771** | **447,548** | **136,000** | **(424,771)** | **-75.7%** |
| 19 | **Ending Cash & Invest Unreserved** | **331,666** | **274,195** | **155,930** | **177,147** | **166,647** | **10,717** | **6.9%** |
| 20 | **Total Water Capital Fund Uses** | **469,616** | **407,337** | **716,701** | **624,695** | **302,647** | **(414,054)** | **-57.8%** |

# Sewer Capital Fund 408

Preliminary engineering for the Cedarbrook Sewer Main project is scheduled for 2017 in the Sewer Capital fund. The sewer fund is loaning $160,000 to the Police Equipment Replacement fund to replace four patrol vehicles in 2017. More detail on these and other Sewer projects are in the Draft Capital Improvement Plan 2017 – 2022.

| | Revenue - Sewer Capital Fund 408 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Investments** | **900,860** | **791,642** | **711,000** | **701,374** | **601,874** | **(109,126)** | **-15.3%** |
| 2 | Connection Hookup Fees | 7,871 | 9,550 | 16,540 | 10,000 | 10,000 | (6,540) | -39.5% |
| 3 | Interest and Miscellaneous | 1,556 | 1,250 | | 2,500 | 2,500 | 2,500 | |
| 4 | Debt Repayment | 56,584 | 46,460 | | | | | |
| 5 | Transfer in from Internal Project | | 9,791 | 10,000 | 13,000 | 89,000 | 79,000 | 790.0% |
| 6 | Transfers in from Other Funds | | | | | 30,000 | 30,000 | |
| 7 | **Subtotal Sewer Capital Revenue** | **66,011** | **67,051** | **26,540** | **25,500** | **131,500** | **104,960** | **395.5%** |
| 8 | **Total Sewer Capital Fund Sources** | **966,871** | **858,693** | **737,540** | **726,874** | **733,374** | **(4,166)** | **-0.6%** |

| | Expenditures - Sewer Capital Fund 408 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 9 | Transfer out to Sewer Operating | 80,000 | 80,000 | 100,000 | 100,000 | 80,000 | (20,000) | -20.0% |
| 10 | Sewer Rate Study | | | 3,000 | | | (3,000) | -100.0% |
| 11 | Infiltration and Inflow - CIP S2 | | 8,906 | 25,000 | | 25,000 | - | 0.0% |
| 12 | Morganville Sewer Lift Station | 30,830 | 31,543 | | | | | |
| 13 | Preserve Sewer Treatment Plant | 9,592 | 18,104 | | | | | |
| 14 | Preserve Sewer Lagoon | | 8,975 | 15,000 | 15,000 | | | |
| 15 | Prior Projects | 40,017 | | | | | | |
| 16 | Loan for Police Cars - CIP L2 | | | | | 160,000 | 160,000 | |
| 17 | Transfer out to Internal Projects | | 9,791 | 10,000 | 10,000 | 89,000 | 79,000 | 790.0% |
| 18 | Facility and Fencing Improvements - CIP S1 | | | | | 59,000 | 59,000 | |
| 19 | Cedarbrook Sewer Main - CIP S3 | | | | | 35,000 | 35,000 | |
| 20 | **Subtotal Sewer Capital Fund Expenditures** | **160,439** | **157,319** | **153,000** | **125,000** | **448,000** | **295,000** | **192.8%** |
| 21 | **Ending Cash and Investments** | **806,432** | **701,374** | **584,540** | **601,874** | **285,374** | **(299,166)** | **-51.2%** |
| 22 | **Total Sewer Capital Fund Uses** | **966,871** | **858,693** | **737,540** | **726,874** | **733,374** | **(4,166)** | **-0.6%** |

# Stormwater Capital Fund 410

The Stormwater Capital Fund provides for stormwater improvement projects in Black Diamond. The City has been fortunate to receive Department of Ecology grants in recent years for projects. Details on these and other projects scheduled over the next six years are found in the draft CIP.

| | Revenue - Stormwater Capital 410 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 1 | **Beginning Cash and Investments** | | **20,528** | | **59,189** | **56,189** | **56,189** | |
| 2 | Opportunity Grant - N. Commerical Storm | | | | | 25,000 | 25,000 | |
| 3 | Grant Matching | 60,000 | | | | | | |
| 4 | King County Culvert Grant | | | | 30,000 | | | |
| 5 | Stormwater DOE Grants | | 143,791 | 50,000 | | 47,000 | (3,000) | -6.0% |
| 6 | **Subtotal Stormwater Capital Revenue** | **60,000** | **143,791** | **50,000** | **30,000** | **72,000** | **22,000** | **44.0%** |
| 7 | **Total Stormwater Capital Sources** | **60,000** | **164,319** | **50,000** | **89,189** | **128,189** | **78,189** | **156.4%** |

| | Expenditures - Stormwater Capital 410 | 2014 Actual Audited | 2015 Actual | 2016 Budget | 2016 Estimate Year End | 2017 Prelim Budget | Budget $ Change | Budget % Change |
|---|---|---|---|---|---|---|---|---|
| 8 | North Commercial Storm Pond - D3 | | | | | 25,000 | 25,000 | |
| 9 | Stormwater DOE Grant Improvements | | 44,974 | 50,000 | | 25,000 | (25,000) | -50.0% |
| 10 | Replace Covington Creek Culverts - CIP D2 | | | | | 22,000 | 22,000 | |
| 11 | Lawson Hills Strm Pnd Sediment Removal D1 | | | | | 10,000 | 10,000 | |
| 12 | Shared Facility Upgrades - S1 Portion | | | | | 10,000 | 10,000 | |
| 13 | Stormwater Pond Design and Misc | 34,446 | 59,714 | | 3,000 | | - | |
| 14 | King County Culvert | | 442 | | 30,000 | | - | |
| 15 | **Subtotal Stormwater Capital Revenue** | **34,446** | **105,130** | **50,000** | **33,000** | **92,000** | **42,000** | **84.0%** |
| 16 | **Ending Cash and Investments** | **25,554** | **59,189** | | **56,189** | **36,189** | **36,189** | |
| 17 | **Total Stormwater Capital Uses** | **60,000** | **164,319** | **50,000** | **89,189** | **128,189** | **78,189** | **156.4%** |

Soccer at Flaming Geyser

**City of Black Diamond**

# Financial Management Policies

**Per Resolution 08-560**
**Updated for Long Term Planning Per Resolution 13-866**

## Background and Purpose

Financial policies provide guidelines for City of Black Diamond's leaders to ensure sound decision-making that safeguards core services while moving the community forward to achieve its vision. Good financial management ensures the City is able to withstand economic fluctuations, maintain focus on the entire financial picture, and adjust to the changing service needs of the community of Black Diamond.

This policy incorporates past financial practices in defining the current policies to be used by the City to meet its obligations and operate in a financially prudent manner. These policies have been established to provide general fiscal guidelines and are intended to provide sound direction in the management of the City's financial affairs.

## Operating Budget Policies

General budget policies ensure service levels are reasonable and attainable and that budget documents detailing revenues and expenditures accurately reflect Council and community goals. The City of Black Diamond budget procedures are in compliance with the Revised Code of Washington, Chapter 35A.33. The City budgets annually on the calendar year beginning January 1st and ending December 31st. The City Council shall adopt the budget by Ordinance at the fund level. Amendments to the budget that change fund totals will be adopted by the Council through an Ordinance, which is usually done mid-year and year-end.

### Citizen Involvement

Citizen involvement shall be encouraged in the budget decision-making process through public hearings and study sessions.

### Service Level Determinations

The City Council will establish municipal service levels and priorities for the upcoming year to guide staff in developing goals, objectives and budget proposals.

### Conservative Budgeting

The City will use a conservative budgeting approach and accepted analytical techniques including trending, per capita estimates of intergovernmental revenue and sales and property tax estimates based on prior year revenues adjusted for reasonable known growth factors. All positions will be budgeted for a full year.

**Long Term Financial Planning**

Long-term financial planning is the process of aligning financial capacity with long-term service objectives. Financial forecasting is the process of projecting revenues and expenditures over a long-term period, using assumptions about economic conditions, future spending scenarios, and other salient variables.

The City shall, utilizing best available, cost-effective practices, engage in collaborative long-term financial planning as part of its overall budget process. To provide insight into future financial planning, such long-term financial planning should combine financial forecasting and analysis with a strategic operational perspective. The overall goals of long-term financial planning* are to:

1. Balance–Budgets: Recognize the long-term impacts of today's decisions, setting the stage for balanced budgets in successive years by avoiding temporary solutions.
2. Reduce Conflict During Budgeting: Organize financial planning around a consensus-based set of service and financial goals, which sets boundaries on the budget process and creates an understanding of budget priorities.
3. Manage Growth: Optimize the City's ability to sustain operations and support service levels through a financial strategy that balances the needs of new and existing residents.
4. Stabilize Rates: Identify potential peaks and valleys in future revenues and expenses, allowing the City to take countervailing action ahead of time.
5. Provide Planned Services: Provide a process for making decisions about the level of service that government will provide over a multi-year period.

*Note: See, Government Finance Officers Association, Long-Term Financial Planning for Governments, www.gfoa.org/ltfp - ltfp@gfoa.org.

**Maintenance of Facilities and Equipment**

Adequate maintenance and replacement of the City's facilities, equipment and technology will be provided for in either the operating or capital budget. As practicable, these expenses will be forecasted in an equipment replacement fund in the operating budget.

**Sustainable Revenue Sources**

Ongoing operating program costs will not exceed the amount of ongoing revenue to finance those costs. The ongoing revenue will be identified along with new program costs. Cash balances in excess of the amount required to maintain strategic reserves will be used to fund one-time or non-recurring costs. In the event a fund has an emergency or economic downturn, resources from reserves may be used provided that they are replaced with in the next five years.

**Cost Recovery**

All taxpayers should not pay for a service that benefits only certain individuals. Therefore, fees will be established where possible to recover costs of such services or programs. Fees for services will be reviewed and adjusted as necessary and at least once a year. Based on Council direction, general taxpayer revenues may be used to subsidize all or a portion of the cost of services.

## Fund Balance Reserve Policies

Adequate fund balance and reserve levels help mitigate short-term emergencies and the effect of fluctuations in the economy, as well as assist in the financial strength of the City's bond ratings.

**Operating Fund Balance Reserves**

The City's goal is to achieve a 10% reserve of anticipated expenditures in the General Fund Balance over the next five years or more. The reserve will be used to meet seasonal cash flow demands, provide a financial cushion in an economic downturn and meet emergency needs. In the event that the fund balance falls below that amount, the City will work to restore the balance with cost reductions, rate increases and other measures within five fiscal years.

**Contingency Reserve Fund**

A Contingency Reserve Fund may also be maintained in accordance with state law (RCW 35.A.33.145) to meet any municipal extent that could have not been reasonably known at the time of adopting the annual budget. The target balance may be consistent with state law at $.375 per $1,000 of assessed valuation.

**Utility Operating Policies**

City utilities are enterprise funds and therefore need to maintain a revenue and expense structure that allows them to be self-supporting with adequate revenue that pays for maintenance, operations, debt service and capital costs. Adequate reserves, rate analyses and budgetary policies steer the utilities toward ongoing self-sufficiency.

**Utility Rates and Fees**

As enterprise funds, all utilities will be self-supporting through rates, connection charges and other fees. Whenever practical, smaller utility increases will be considered more frequently, to avoid large jump in rate payer bills. Revenue will pay maintenance, operation, debt service and provide funds for capital repairs and improvements. Rates and fees will be reviewed at least biennially and adjusted to adequately reflect the cost of services. Every five years a detailed rate analysis will take place to ensure financial solvency of the utilities.

**Utility Fund Reserves**

All utilities will be operated in a manner to ensure an ending annual reserved fund balance in an amount equal to 90 days of annual operational appropriations. In the event that the fund balance falls below that amount or a new utility is formed, the City will work to restore the balance to that level with cost reductions, rate increases and other measures within five fiscal years. The City may use reserves to "smooth" rate increases over a period of years and avoid large jumps in ratepayer bills.

## Debt Management Policies

The City will maintain adequate available debt capacity to ensure funding for major, high priority projects.

The City of Black Diamond is an infrequent issuer of debt. Debt is primarily used to finance large capital investments. Various state laws limit the City's debt capacity. General obligation debt, backed by the full faith and credit of the City, is limited to 2.5% of the value of all taxable property within the City. That percentage includes councilmanic or non-voted debt (1.5% of property values), and Local Option Capital Asset Lending – a financing contract with the Office of the State Treasurer (39.94 RCW). Revenue bonds rely on a funding source, such as utility revenues, for debt repayment.

**Interfund Loans**

The City will use interfund borrowing when such borrowing is cost effective, thereby eliminating the administrative cost of borrowing when adequate funds are available internally within the City's own resources. The City will not charge interest for such interfund loans that are repaid within six months. For loans beyond six months, the City will set a reasonable timeline for repayment of between one and five years and use the State's Local Government Investment Pool (LGIP) rate.

Interfund loans are permitted to cover cash flow for capital projects, where federal or state grants are approved, but there is a timing issue between city expenditures and the actual reimbursement by the granting agencies. Interfund loans shall be approved by Council with a resolution.

**Bond Rating**

The City will strive to obtain the best bond rating possible to produce the lowest possible interest rate on each bond sale.

## Cash Management and Investment Policies

At any one time the City may have several million dollars in various funds that are not needed until some point in the future for operations, capital purchases or the repayment of debt. By placing these revenues in State's Local Government Investment Pool (LGIP) until the funds are needed, the City is able to earn interest that in turn serves as a revenue source to reduce costs to the community. Cash and investment policies reduce the City's investment risk.

**Cash Sufficiency**

The City will at all times maintain sufficient cash on hand to meet reasonably expected expenditures for the operating period.

**Investment Goals**

The City's idle cash will be invested on a continuous basis to maximize income. Priority will be given to legality of investment practices, the safety of the asset, followed by liquidity in case a need arises where the City needs access to the funds, followed by yield or return.

**Allocation of Investment Income**

Where permitted, the City will pool its cash resources for investment purposes. Investment income will be re-allocated to the participating funds as much as practical.

**Alternative Financing Schemes and Derivative Products**

The City of Black Diamond shall not utilize alternative financing schemes or derivative products to avoid restrictions imposed by law or to utilize tax loop holes.

## Capital Projects and Planning Policies

The City of Black Diamond owns considerable assets in roads, a sewer system, water system, storm water system, parks, buildings, equipment and other capital. The preservation, maintenance and future improvement of these facilities are a primary responsibility of the City. Capital items are defined as those projects and purchases costing more than $5,000 and lasting three or more years.

**Capital Improvement Plan**

A Capital Improvement Program (CIP) is a flexible, multi-year plan containing the City's planned capital improvement projects and the recommended financing methods for funding projects. All funds and departments are brought together in a single consolidated plan for an overall view of the City's capital improvement needs. The plan includes the capital facilities element of the City of Black Diamond Comprehensive Plan required by the Growth Management Act and other capital projects that may not fit into the capital facilities category.

Capital projects typically apply to: 1) one-time costs for acquisition, construction, improvement, replacement or renovation of land, structures and major equipment; 2) expenditures which take place over two or more years; 3) funding with debt because of significant costs to be shared by current and future beneficiaries; and 4) systematic acquisition or repair and maintenance over an extended period of time.

**Capital Improvement Plan (CIP) Participation**

Citizen participation in the Capital Improvement Program is a priority for the City. Among the activities which shall be conducted to address the need are the following:

a) The Capital Improvement Plan shall be provided to the City Council in a timely manner to allow time for the Council members to review the proposal with constituents before it is considered for adoption.

b) Council study sessions on the Capital Improvement Plan will occur during the budget deliberations and shall be open to the public and advertised sufficiently in advance of the meetings to allow for the attendance of interested citizens.

c) Prior to the adoption of the budget and Capital Improvement Plan, the City Council shall hold noticed public hearings to provide opportunities for citizens to express their opinions on the proposed plan.

All projects included in the Capital Improvement Plan shall be consistent with the City's Comprehensive Plan.

**Internal Consistency**

The CIP will be consistent with the Capital Facilities Element of the Comprehensive Plan covering transportation, water, wastewater, stormwater, parks, recreation and general government facilities.

**Funding Sources**

City staff will analyze funding sources for all proposed capital improvement projects, including grant opportunities. Under Washington law, the City can only expend revenues from the Real Estate Excise Tax (REET) for capital items. Real estate excise tax of one-quarter of one percent on the sale of real property is currently dedicated to general government capital improvements and a second one-quarter of one percent is allocated to public works projects. Both allocations may be changed by the Council. These designated revenues are collected in the Special Revenue Funds and then transferred to the appropriate funds for expenditures of debt service or capital projects as budgeted. Each REET fund has established a targeted reserve of $200,000 to $250,000 to cover an emergency or economic downturn.

**Relationship between Operating Budget and Capital Improvement Plan**

The Capital Improvement Plan, as distinguished from the Operating Budget, is a multi-year financial plan for the acquisition, expansion, or rehabilitation of infrastructure, capital assets, or productive capacity of City services. Only those projects scheduled during the first year of the plan are adopted as part of the City's annual budget. Additionally, projects to be funded by bonds or "alternative funding" are budgeted when the funding is secured.

## Accounting, Financial Reporting and Auditing Policies

The City was incorporated in 1959, and operates under the laws of the State of Washington applicable to a Non-Charter code City classification adopted in 1990 with a Mayor-Council form of government. The City is a general-purpose governmental entity that provides general government services including law enforcement, fire, street improvement, parks and general administrative services. In addition the City owns and operates a water, sewer and drainage system.

**Accounting and Budgeting System**

The City of Black Diamond will establish and maintain a high standard of accounting practices. Accounting and budgeting systems will at all times conform to the State of Washington Budgeting Accounting Reporting System (BARS) and federal and state regulations. Cities with populations under 25,000 are classified as category 2 cities and use the allowed accounting. The accounting is single-entry, cash basis accounting, which is a departure from generally accepted accounting principles (GAAP). The city uses the revenue and expenditure classifications contained in the Budgeting, Accounting and Reporting System (BARS) manual. The manual is prescribed by the State Auditor's Office under the authority of Washington State Law, Chapter 43.09 RCW.

**Financial Reporting**

**Reporting frequency** –Monthly budget and actual reports are distributed to all departments. Quarterly reports, as a minimum frequency, are presented to the City Council.

**Annual Report**-Will be completed by May 30th and is distributed to the City Council, departments and the State Auditor's Office.

**Reporting Improvements** -The City will strive to continue to make improvements in its financial reporting so that information available to the public, the City's governing bodies and other city departments is clear and the best available for sound financial decisions.

**Accounting System**-A comprehensive accounting system is maintained to provide all financial information necessary to effectively operate the City.

**Full Disclosure** -All public reports are to contain full and complete disclosure of all material matters.

**Audit Policy-**The City will assist the State Auditor's Office in whatever way possible in conjunction with the preparation of the audit every two years and will implement modifications identified by the State Auditor to improve the City's internal controls and financial practices.

Property of Museum of History & Industry, Seattle

New Black Diamond Mine opening, 1927

| 2017 Proposed Salary Schedule | Step 1 | Step 2 | Step 3 | Step 4 | 5 & On |
|---|---|---|---|---|---|
| City Administrator | 9,345 | 9,649 | 10,112 | 10,478 | 10,848 |
| Assistant City Administrator | 8,033 | 8,435 | 8,837 | 9,238 | 9,640 |
| Court Administrator | 5,891 | 6,159 | 6,427 | 6,694 | 6,962 |
| Court Clerk (hourly) | 18.54 | 20.09 | 21.63 | 23.18 | 24.72 |
| Court Clerk | 3,213 | 3,482 | 3,749 | 4,017 | 4,284 |
| Accounts Payable Clerk (hourly) | 17.91 | 19.34 | 20.89 | 22.56 | 24.93 |
| MDRT & Economic Director | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| City Attorney | 8,161 | 8,569 | 8,997 | 9,447 | 9,919 |
| City Clerk/HR Manager | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| Deputy City Clerk | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| Finance Director | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| Deputy Finance Director | 6,631 | 7,013 | 7,396 | 7,778 | 8,161 |
| Utility Clerk | 3,213 | 3,481 | 3,749 | 4,017 | 4,284 |
| Senior Accountant | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| Sr. Accountant part time (hourly) | 25.79 | 27.08 | 28.43 | 29.86 | 31.35 |
| Accountant 1 Journey (hourly) | 16.61 | 17.43 | 18.30 | 19.22 | 20.18 |
| Administrative Assistant 2 | 3,213 | 3,481 | 3,749 | 4,017 | 4,284 |
| Administrative Assistant 1 | 2,356 | 2,544 | 2,731 | 2,919 | 3,106 |
| Information Services Manager | 6,962 | 7,364 | 7,766 | 8,167 | 8,569 |
| Police Chief | 10,236 | 10,585 | 11,008 | 11,287 | 11,692 |
| Police Commander | 9,194 | 9,514 | 9,794 | 10,074 | 10,398 |
| Police Sergeant | 8,292 | 8,757 | - | - | - |
| Police Officer | 5,037 | 5,645 | 6,255 | 6,863 | 7,440 |
| Police Records Coordinator | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| Police Clerk 62.5% (hourly) | 15.05 | 16.51 | 17.96 | 18.98 | 20.87 |
| Facilities Equipment Coordinator | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| Human Resources Director | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| Community Dev/Nat Resources Director | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| Permit Center Supervisor | 5,891 | 6,159 | 6,427 | 6,694 | 6,962 |
| Permit Technician | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| Permit Technician 60% (hourly) | 25.96 | 27.77 | 29.59 | 31.40 | 33.22 |
| Compliance Officer | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| Senior Planner | 5,355 | 5,622 | 5,903 | 6,198 | 6,508 |
| Planner | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| MDRT Planner 75% (hourly) | 25.95 | 27.77 | 29.59 | 31.40 | 33.22 |
| Associate Planner | 4,482 | 4,707 | 4,942 | 5,189 | 5,448 |
| Assistant Planner | 4,181 | 4,391 | 4,610 | 4,840 | 5,082 |
| Building Official | 6,962 | 7,364 | 7,766 | 8,167 | 8,569 |
| Parks Department Director | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| Public Works Director | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| Utilities Superintendent | 6,962 | 7,364 | 7,766 | 8,167 | 8,569 |
| Capital Projects Program Manager | 5,355 | 5,622 | 5,903 | 6,198 | 6,508 |
| Construction Inspector | 6,962 | 7,364 | 7,766 | 8,167 | 8,569 |
| Public Utilities Operator | 4,713 | 4,794 | 4,889 | 4,982 | 5,076 |
| Public Works Administrative Asst 3 | 4,250 | 4,463 | 4,686 | 4,920 | 5,167 |
| Utility Worker-Facility/Eq/Utility Worker | 3,323 | 3,644 | 3,965 | 4,287 | 4,629 |
| Utility Worker Seasonal (hourly) | 13.24 | 13.90 | - | - | - |

**City of Black Diamond Statistics**

**City Hall Address**:

24301 Roberts Drive
PO Box 599
Black Diamond, WA 98010
**Phone**: (360) 886-5700
**Fax**: (360) 886-2592
**Class**: Code

**Form of Government**: Mayor-Council

**Model Traffic Ordinance**: No
**Wards**: No

**School Districts**: Auburn School District No. 408, Enumclaw School District No. 216, Kent School District No. 415, Tahoma School District No. 409

**Special Districts:** Soos Creek Water and Sewer, Covington Water District, King County Ferry District, King County Flood Control Zone District, King County Public Hospital District No. 1, King County Rural Library District, Port of Seattle

**Web Site**: www.ci.blackdiamond.wa.us

**Business Hours:** 8:30am - 5:00pm
**Council Meetings**: 1st & 3rd Thu - 7:00pm

**Work Sessions:** On 2nd Thursdays – 6:00pm

**County**: King

**Incorporation 1959:** Although the City has been around for more than one hundred years as a coal mining town, the City of Black Diamond did not incorporate until 1959. It was determined by a favorable majority vote on January 20, 1959; and the first official meeting of the Black Diamond City Council was held on March 3, 1959.

**Black Diamond location**: on Hwy 169, south of Interstate 90, in southeast King County about 30 miles southeast of Seattle. It is near Renton (18 miles), and Enumclaw (8 miles). Black Diamond is positioned 47.31 degrees north of the equator and 122.00 degrees west of the prime meridian.

**Population and land area:** The population of Black Diamond is approximately 4,305 (2016). The amount of land area in Black Diamond is 5.207 sq. miles. The amount of surface water is 0.132 sq. miles. Black Diamond elevation is 628 feet above sea level.

**Area Attractions:** **Black Diamond Historical Business District**

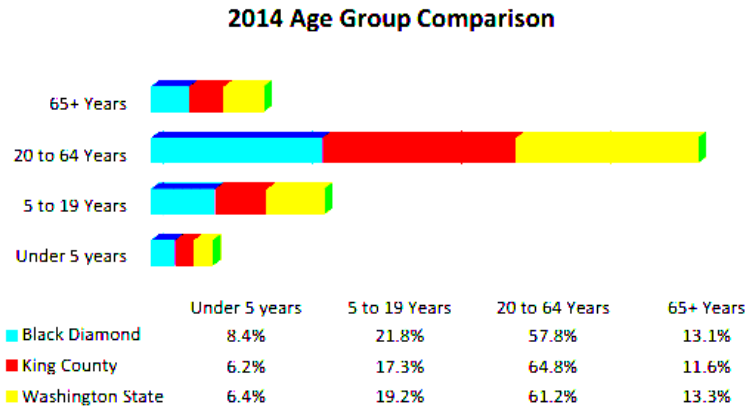
**Lake Sawyer Regional Park**

**Flaming Geyser State Park**

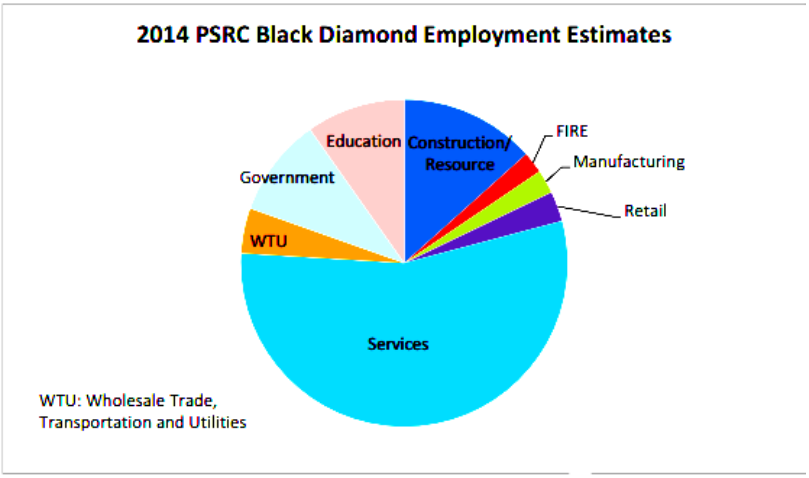
Also Hiking, Biking, Golfing, Fishing and Country Drives

**Black Diamond Historical Museum**
PO Box 232
32627 Railroad Ave at Baker Street
Black Diamond WA 98010
Phone: 360-886-2142
This museum in the old Railroad Depot has exhibits of 19th century machinery, coal mining, a jail and much more.
Open on Thursdays and Saturdays - Call for hours - Free Admission

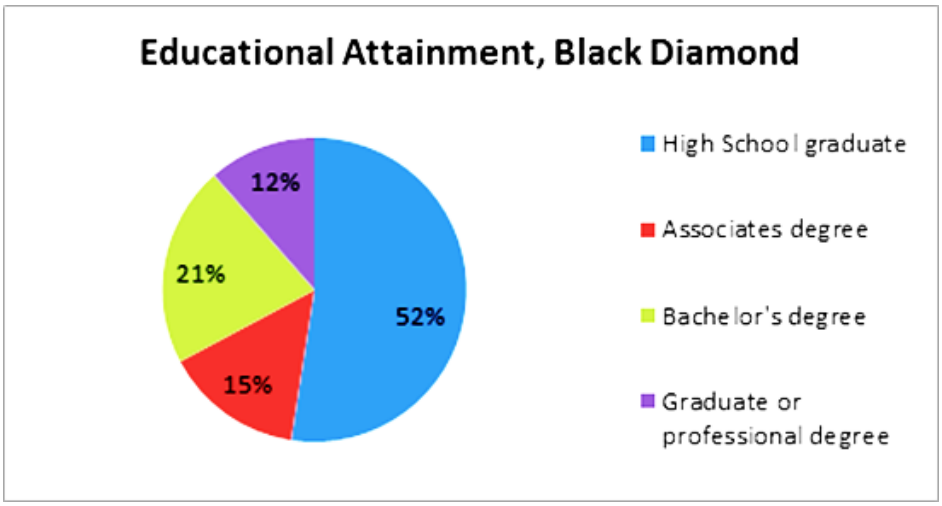
**Major Businesses:**
Anesthesia Supply Company
Enumclaw School District
City of Black Diamond
Palmer Coking Coal Co.




Source: US Census, ACS, 5-Year Estimates




Source: PSRC Covered Employment Estimates




*Source:*

*City-Data.com*

| Year | Sales Taxes |
|---|---|
| **2000** | 178,553 |
| **2001** | 171,913 |
| **2002** | 202,713 |
| **2003** | 178,703 |
| **2004** | 230,263 |
| **2005** | 227,760 |
| **2006** | 289,613 |
| **2007** | 305,497 |
| **2008** | 286,610 |
| **2009** | 249,526 |
| **2010** | 265,177 |
| **2011** | 297,333 |
| **2012** | 262,974 |
| **2013** | 290,795 |
| **2014** | 302,927 |
| **2015** | 311,929 |
| **2016** | 350,000 est |

| | Assessed Valuation | New Construction | Final Assessed Valuation | Levy Rate |
|---|---|---|---|---|
| **2000** | 294,620,050 | 8,162,011 | 302,782,061 | 2.206 |
| **2001** | 322,721,666 | 11,613,750 | 334,335,416 | 2.196 |
| **2002** | 353,992,917 | 4,667,520 | 358,660,437 | 2.097 |
| **2003** | 356,571,798 | 2,394,661 | 358,966,459 | 1.981 |
| **2004** | 401,497,572 | 1,943,946 | 403,441,518 | 1.904 |
| **2005** | 427,240,702 | 4,372,118 | 431,612,820 | 2.032 |
| **2006** | 446,214,893 | 3,578,995 | 449,793,888 | 2.003 |
| **2007** | 497,642,229 | 2,397,737 | 500,039,966 | 1.839 |
| **2008** | 560,299,568 | 7,314,478 | 567,614,046 | 1.651 |
| **2009** | 626,088,991 | 10,806,265 | 636,895,256 | 1.521 |
| **2010** | 552,382,312 | 2,739,869 | 555,122,181 | 1.777 |
| **2011** | 529,857,064 | 3,058,528 | 532,915,592 | 2.570 |
| **2012** | 536,580,666 | 2,514,106 | 539,094,772 | 2.593 |
| **2013** | 499,553,614 | 1,641,937 | 501,195,551 | 2.830 |
| **2014** | 548,399,243 | 4,187,903 | 552,587,146 | 2.620 |
| **2015** | 593,190,272 | 2,052,701 | 595,242,973 | 2.425 |
| **2016** | 660,150,221 | 4,916,109 | 659,796,088 | 2.242 |

The Grove at Lake Sawyer – a Resort - 1925

# CITY OF BLACK DIAMOND

## 2016 Calendar for 2017 Budget

| | Process | Internal Due Date | Workstudy Meeting | City Council | State Law Limitations |
|---|---|---|---|---|---|
| 1 | Budget CALL: Budget requests and instructions go out to all departments | Aug 11 | | | Sept 12 |
| 2 | Finance & dept heads prepares revenue sources and preliminary expenditures for salaries and benefits | August 12 | | | |
| 3 | Deadline for department head budget requests to Finance | Sept 8 | | | |
| 4 | Estimates to be filed with the City Clerk | Sept 20 | | | Sept 26 |
| 5 | City Clerk Submits to CAO the proposed prelim budget setting forth the complete financial program | Sept 27 | | | Oct 3 |
| 6 | Special Meeting Workstudy 6pm - CAO provides Council with current info on Revenue from all sources as adopted in 2016 Budget, provides the Clerk's proposed Prelim 2017 Budget for General Fund and 2017 budget totals for all funds including debt service. | Sept 23 | Sept 29 | | Oct 3 |
| 7 | General Fund Revenue and Property Tax Review & Public Hearing | | Oct 13 | Oct 13 | |
| 8 | Special Council Meeting 6pm Workstudy Budget on Parks, Public Safety, General Fund for 2017. | Oct 11 | Oct 18 | | Oct 1 - 31 |
| 9 | Special Council Meeting 6pm - Public Hearing on Revenue Sources including possible increases in Property Tax.<br>Workstudy – Public Works Budgets for REV and EXP for Street, Water, Sewer, Stormwtr, REET 1&2 and Gen Govt, Utilities, Capital Projects and Debt Service. | Oct 7<br>Oct 20 | Oct 27 | Oct 27 | Oct 1 - 31 |
| 10 | Budget and Property Tax Workstudy | | Nov 10 | | |
| 11 | City Clerk publishes notice of public hearing on 2017 Budget and filing of preliminary budget – once a week for 2 consecutive weeks – Draft Budget submittal ready | Nov 3 - 10 | | | Nov 1 - 11 |
| 12 | Copies of Preliminary Budget made available to the public | Nov 17 | | | Nov 18 |
| 13 | Preliminary 2017 Budget Document ready. City Council holds 1st public hearing on 2017 Budget | | | Nov 17 | Nov 2 - 29 |
| 14 | Adopt Property Tax 2017, forward to King County by 11/30/2016 | | | Nov 17 | Nov 30 |
| 15 | Final Budget Hearing on 2017 Budget | | | Dec 1 | Dec 5 |
| 16 | File Property tax worksheet and Ordinances with King County | Dec 2-5 | | | Dec 5 |
| 17 | City Council adopts Final 2017 Budget and transmits to the State Auditor's Office (plus possible amendment to property taxes) | | | Dec 1 or Dec 15 | Dec 31 |

**Exhibit A**

| 2017 Proposed Salary Schedule | Step 1 | Step 2 | Step 3 | Step 4 | 5 & On |
|---|---|---|---|---|---|
| City Administrator | 9,345 | 9,649 | 10,112 | 10,478 | 10,848 |
| Assistant City Administrator | 8,033 | 8,435 | 8,837 | 9,238 | 9,640 |
| Court Administrator | 5,891 | 6,159 | 6,427 | 6,694 | 6,962 |
| Court Clerk (hourly) | 18.54 | 20.09 | 21.63 | 23.18 | 24.72 |
| Court Clerk | 3,213 | 3,482 | 3,749 | 4,017 | 4,284 |
| Accounts Payable Clerk (hourly) | 17.91 | 19.34 | 20.89 | 22.56 | 24.93 |
| MDRT & Economic Director | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| City Attorney | 8,161 | 8,569 | 8,997 | 9,447 | 9,919 |
| City Clerk/HR Manager | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| Deputy City Clerk | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| Finance Director | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| Deputy Finance Director | 6,631 | 7,013 | 7,396 | 7,778 | 8,161 |
| Utility Clerk | 3,213 | 3,481 | 3,749 | 4,017 | 4,284 |
| Senior Accountant | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| Sr. Accountant part time (hourly) | 25.79 | 27.08 | 28.43 | 29.86 | 31.35 |
| Accountant 1 Journey (hourly) | 16.61 | 17.43 | 18.30 | 19.22 | 20.18 |
| Administrative Assistant 2 | 3,213 | 3,481 | 3,749 | 4,017 | 4,284 |
| Administrative Assistant 1 | 2,356 | 2,544 | 2,731 | 2,919 | 3,106 |
| Information Services Manager | 6,962 | 7,364 | 7,766 | 8,167 | 8,569 |
| Police Chief | 10,236 | 10,585 | 11,008 | 11,287 | 11,692 |
| Police Commander | 9,194 | 9,514 | 9,794 | 10,074 | 10,398 |
| Police Sergeant | 8,292 | 8,757 | - | - | - |
| Police Officer | 5,037 | 5,645 | 6,255 | 6,863 | 7,440 |
| Police Records Coordinator | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| Police Clerk 62.5% (hourly) | 15.05 | 16.51 | 17.96 | 18.98 | 20.87 |
| Facilities Equipment Coordinator | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| Human Resources Director | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| Community Dev/Nat Resources Director | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| Permit Center Supervisor | 5,891 | 6,159 | 6,427 | 6,694 | 6,962 |
| Permit Technician | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| Permit Technician 60% (hourly) | 25.96 | 27.77 | 29.59 | 31.40 | 33.22 |
| Compliance Officer | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| Senior Planner | 5,355 | 5,622 | 5,903 | 6,198 | 6,508 |
| Planner | 4,499 | 4,814 | 5,128 | 5,443 | 5,757 |
| MDRT Planner 75% (hourly) | 25.95 | 27.77 | 29.59 | 31.40 | 33.22 |
| Associate Planner | 4,482 | 4,707 | 4,942 | 5,189 | 5,448 |
| Assistant Planner | 4,181 | 4,391 | 4,610 | 4,840 | 5,082 |
| Building Official | 6,962 | 7,364 | 7,766 | 8,167 | 8,569 |
| Parks Department Director | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| Public Works Director | 7,498 | 7,899 | 8,301 | 8,703 | 9,104 |
| Utilities Superintendent | 6,962 | 7,364 | 7,766 | 8,167 | 8,569 |
| Capital Projects Program Manager | 5,355 | 5,622 | 5,903 | 6,198 | 6,508 |
| Construction Inspector | 6,962 | 7,364 | 7,766 | 8,167 | 8,569 |
| Public Utilities Operator | 4,713 | 4,794 | 4,889 | 4,982 | 5,076 |
| Public Works Administrative Asst 3 | 4,250 | 4,463 | 4,686 | 4,920 | 5,167 |
| Utility Worker-Facility/Eq/Utility Worker | 3,323 | 3,644 | 3,965 | 4,287 | 4,629 |
| Utility Worker Seasonal (hourly) | 13.24 | 13.90 | - | - | - |