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

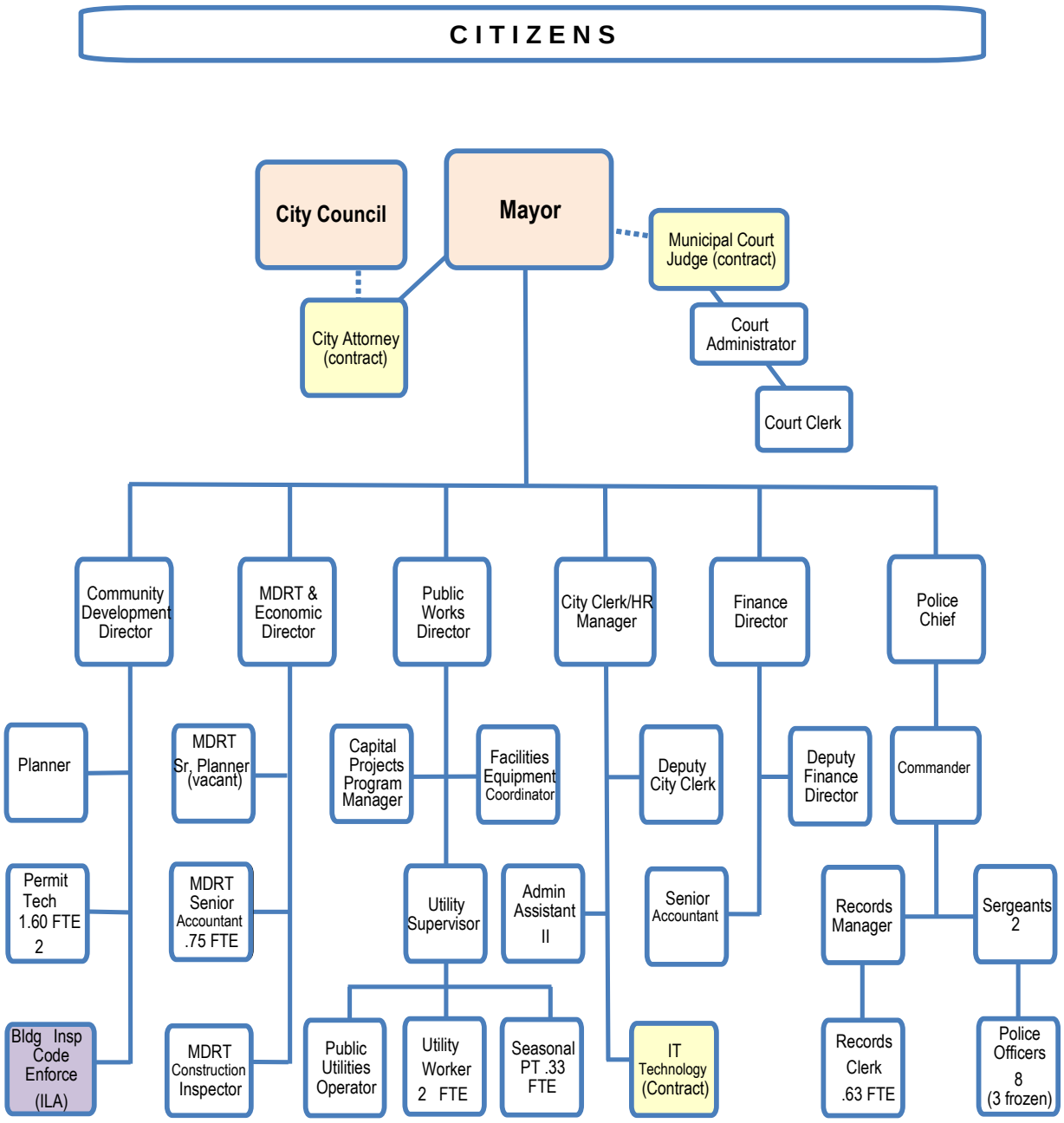
Budgeting is an essential element of the financial planning, control and evaluation process of government. The planning process involves determining the types and levels of services to be provided by the various departments, programs and functions.

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

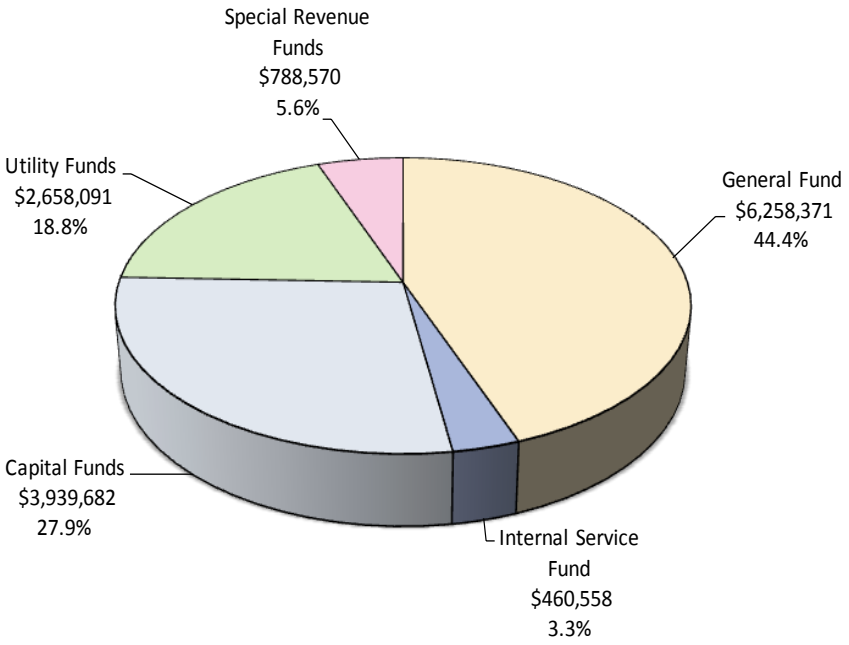
Positions	Full Time Equivalent (FTE)	Funding Agreement	General Fund	Street Fund	Water Fund	Sewer Fund	Storm water Fund
Administration							
Administrative Assistant II	1.00		0.10		0.30	0.30	0.30
Total Administration	**1.00**	**0.00**	**0.10**	**0.00**	**0.30**	**0.30**	**0.30**
City Clerk							
City 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

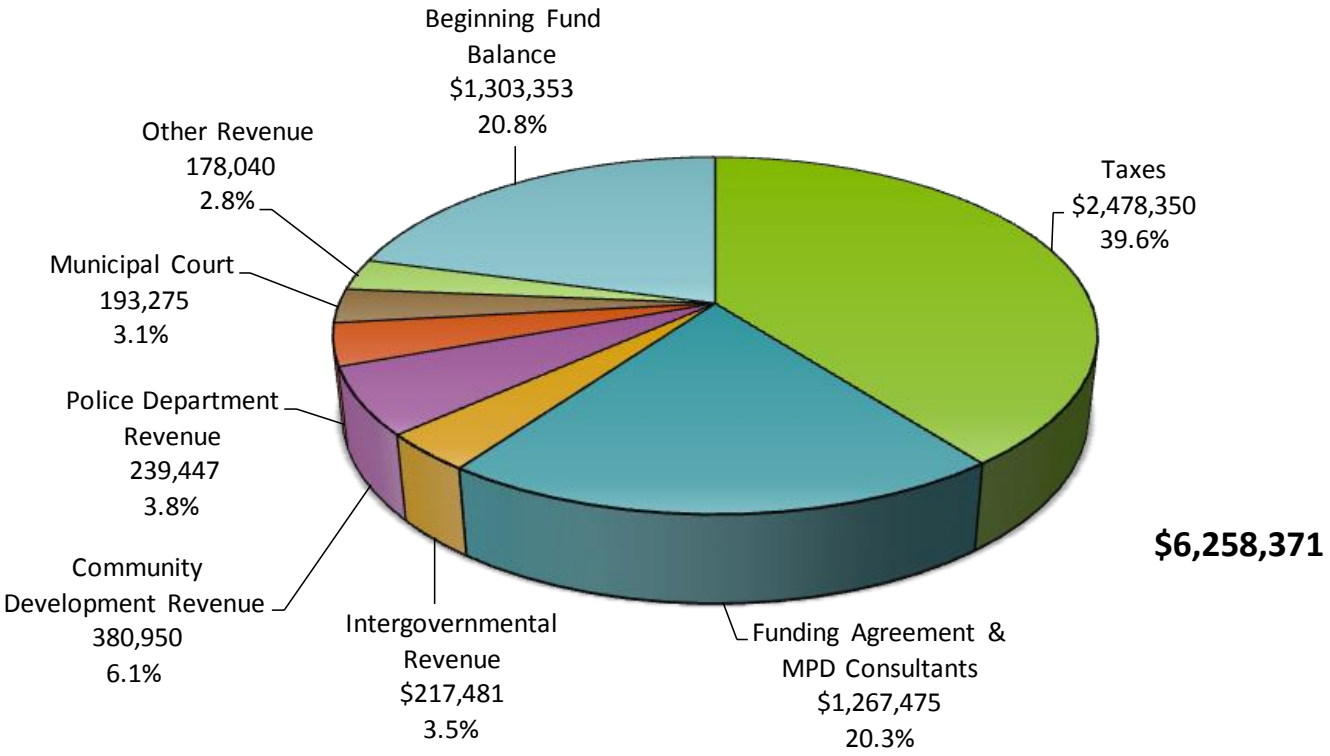


General Fund

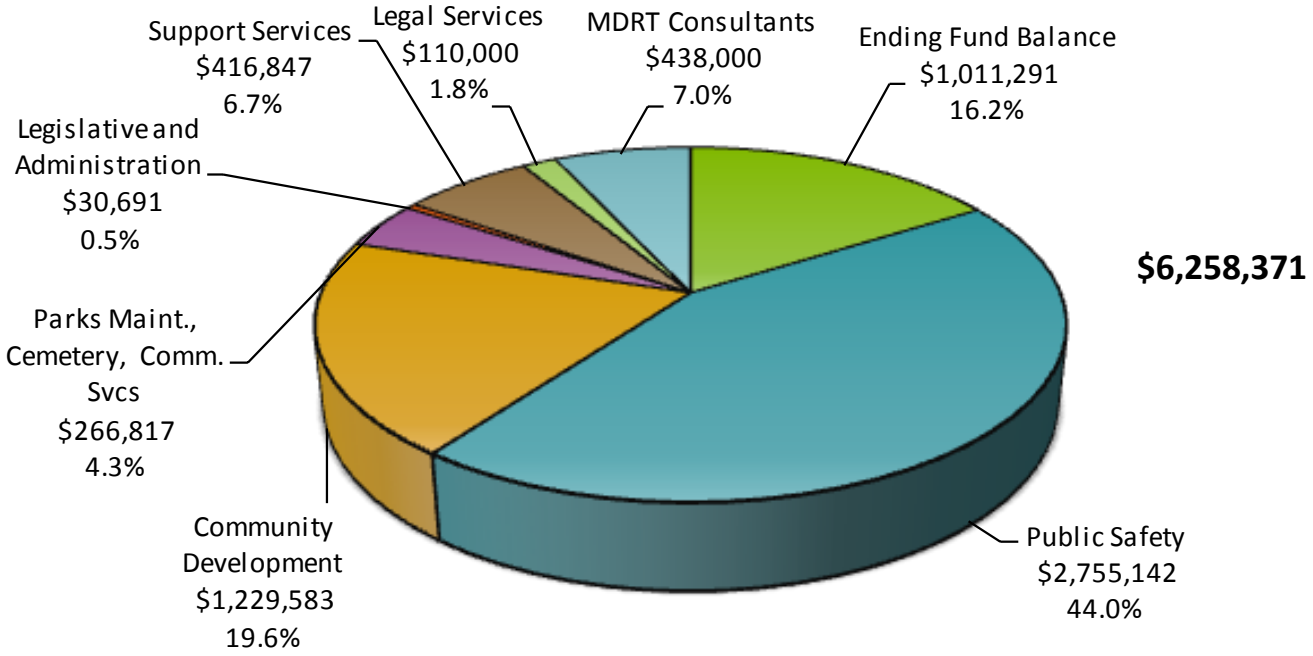
The General Fund is the primary fund of the City.
It is similar to a firm's general ledger account, and records all assets and liabilities of the entity that are not assigned to a special purpose fund. It provides the resources necessary to sustain the day-to-day activities and thus pays for administrative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

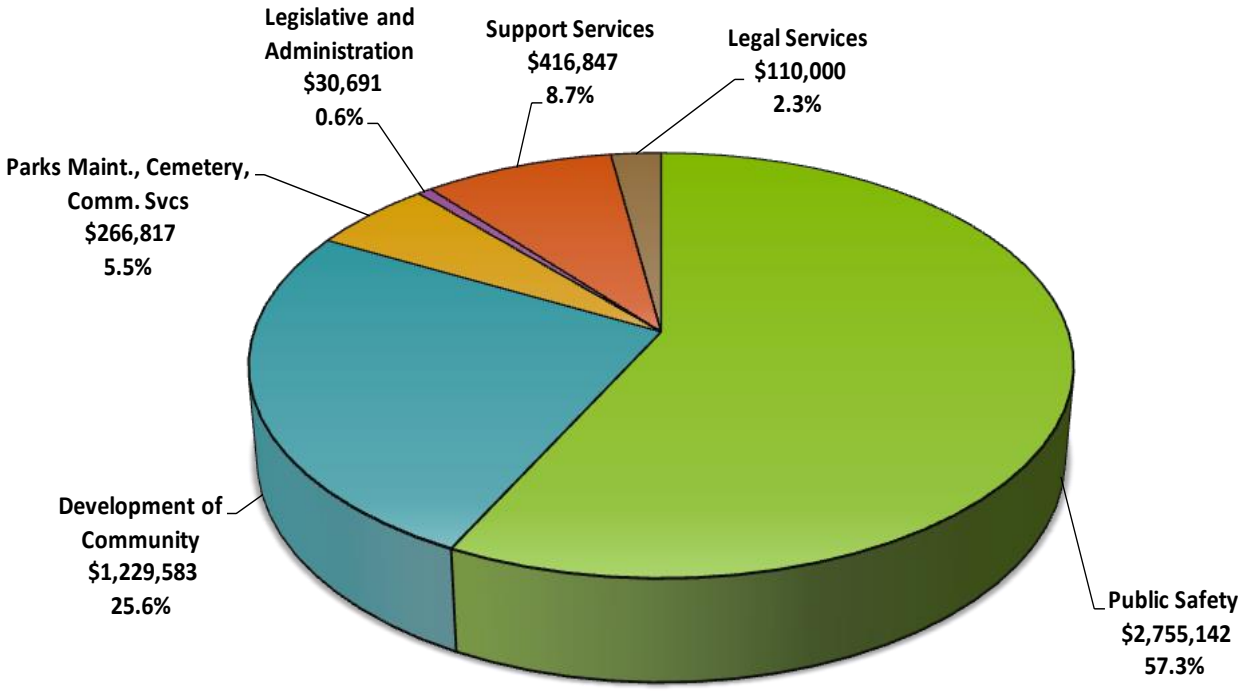
Note, Analysis does not include $438,000 in Consultant Revenues and Expenses related to MDRT

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

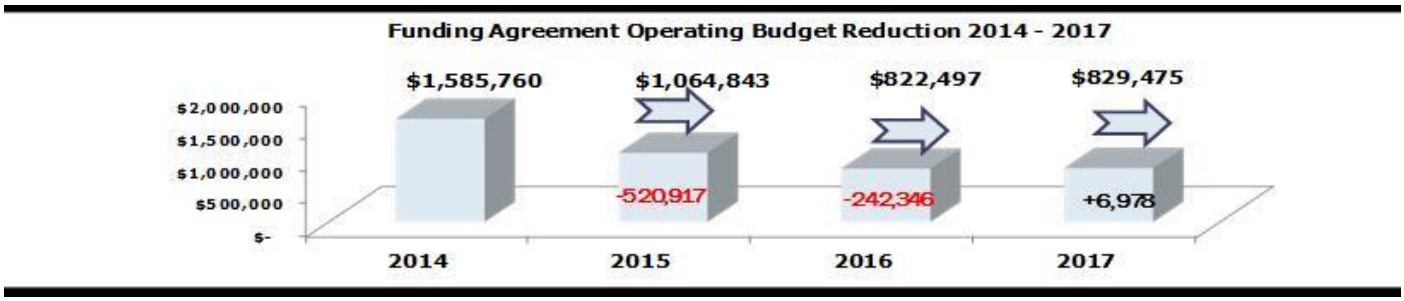


2017 General Fund Preliminary Budget - Expenditures

	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.

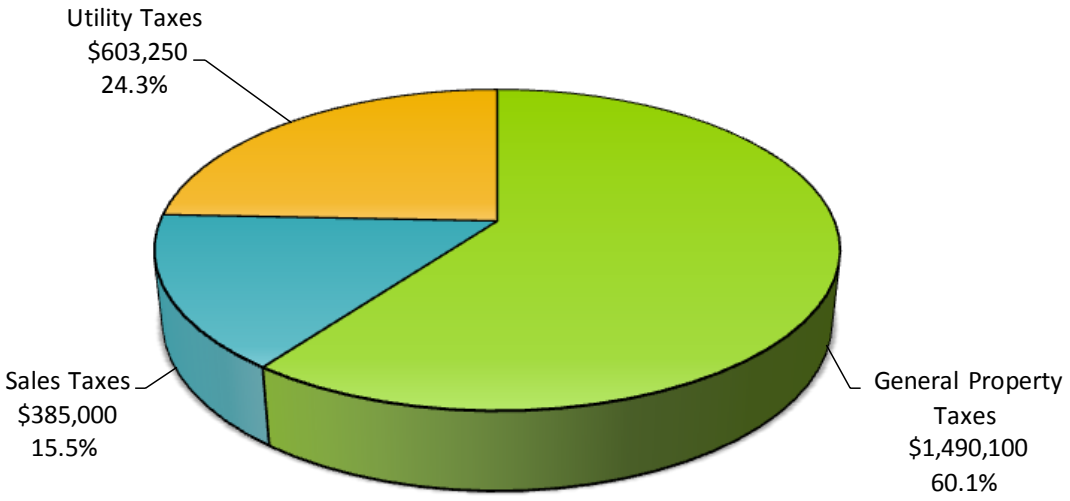
	Top Twenty General Fund Revenue Sources	Budget 2017
1	General Property Taxes	1,490,100
2	Sales Taxes	385,000
3	Electrical Utility Tax	235,000
4	Municipal Court Fines and Fees	193,275
5	Plan Check and Land Use Fees	191,300
6	Building Permits	189,650
7	Local Criminal Justice Tax	116,532
8	Sales Tax Assistance 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%**

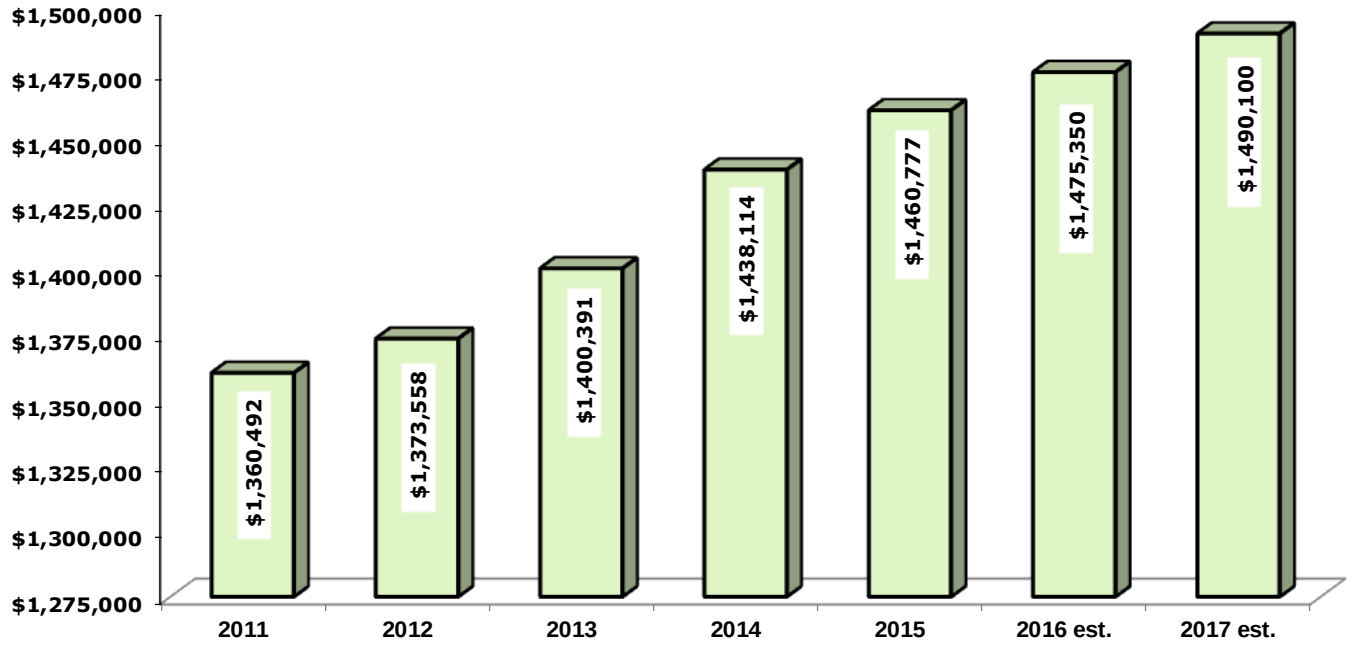
2017 General Fund Tax Revenue
$2,478,350



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.

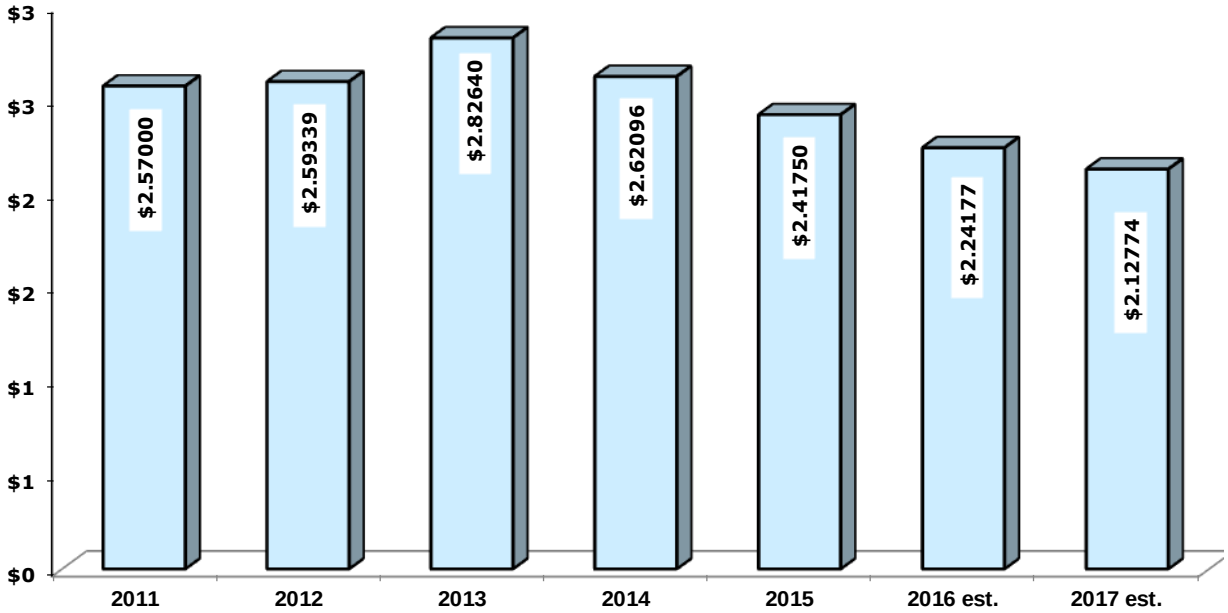
In Washington cities such as Black Diamond, property tax increases are limited to a 1% total dollar annual increase per year unless voters approve a lid-lift or larger percent increases. King County sets assessed valuation on property and calculates levy rates. Each taxing authority receives a portion 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

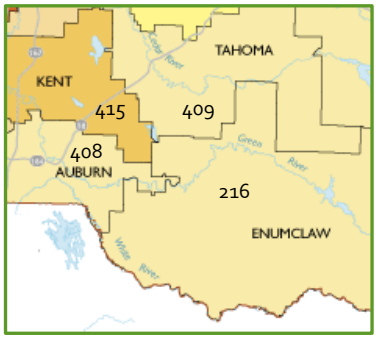


	2011	2012	2013	2014	2015	2016 est.	2017 est.
Regular Levy Base	998,553	1,360,492	1,373,558	1,400,391	1,438,114	1,462,890	1,481,033
1% Increase	9,986	13,605	13,736	14,004	14,381	14,629	14,810
New Construction	3,147	6,461	4,256	11,833	3,145	11,905	13,907
Annexations	0						
Adjustments	348,806	-6,999	8,841	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



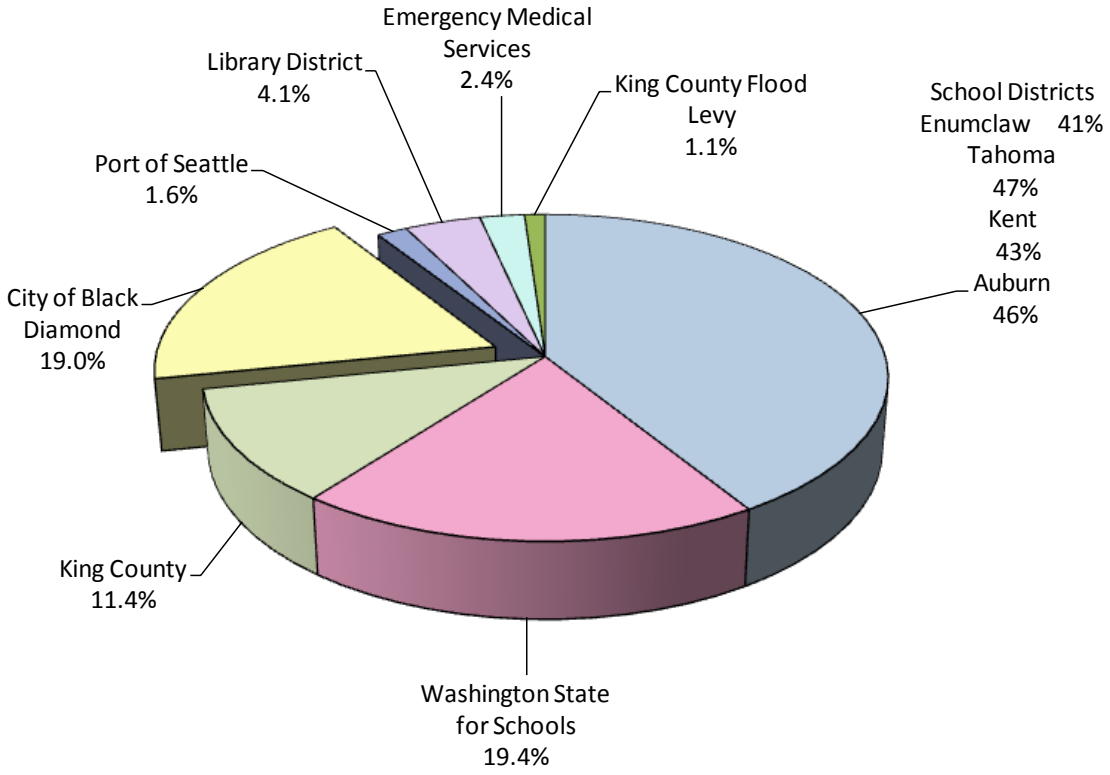
	2011	2012	2013	2014	2015	2016 est.	2017 est.
Regular Levy Base	998,553	1,360,492	1,373,558	1,400,391	1,438,114	1,462,890	1,481,033
1% Increase	9,986	13,605	13,736	14,004	14,381	14,629	14,810
New Construction	3,147	6,461	4,256	11,833	3,145	11,905	13,967
Annexations	0						
Adjustments	348,806	-6,999	8,841	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. **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:

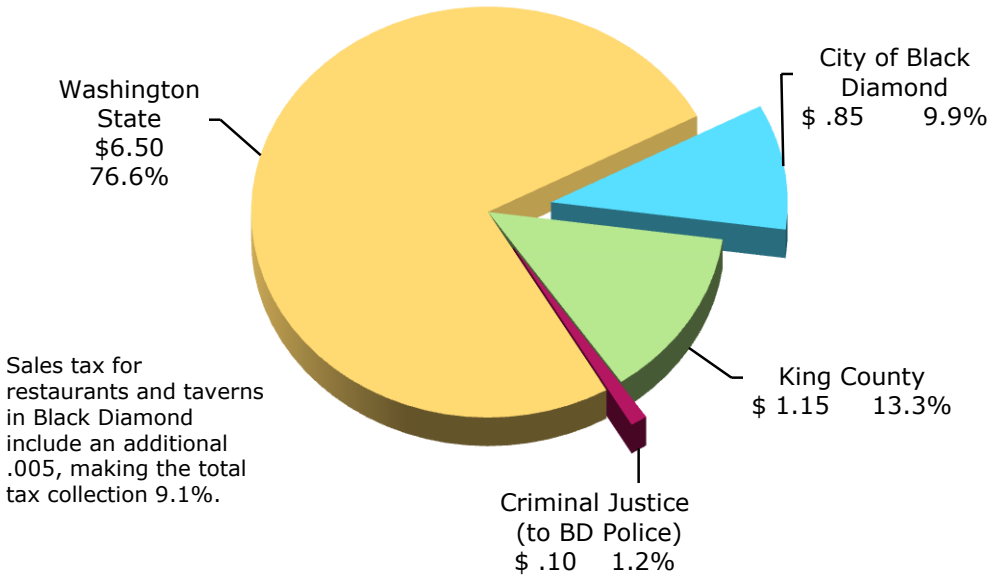
- Food
- Prescription Drugs
- Sales to Nonresidents
- Federal Government Sales
- Sales to Indians or Indian Tribes

Black Diamond Sales Tax Revenue

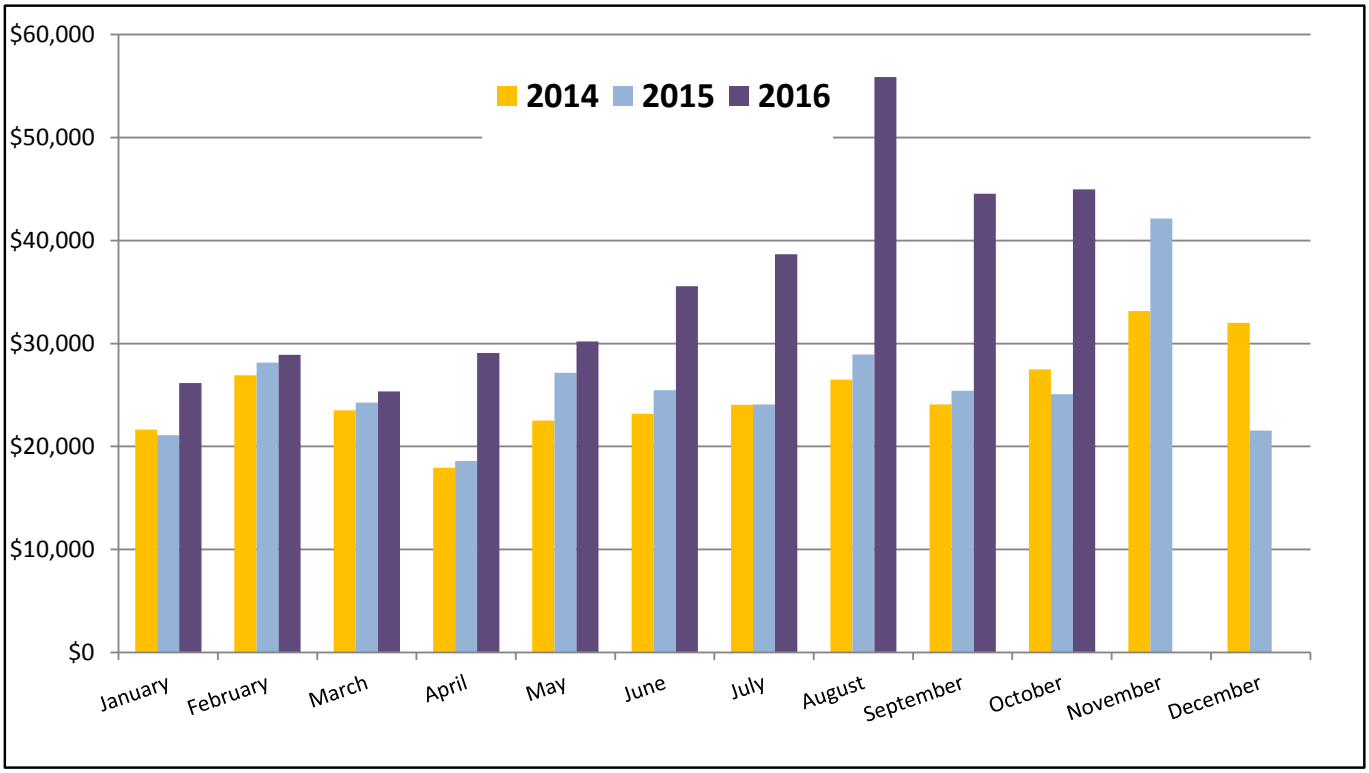
2011	2012	2013	2014	2015	2016 est	2017 Budget
$297,333	$262,974	$290,795	$302,927	$311,927	$350,000	$385,000

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

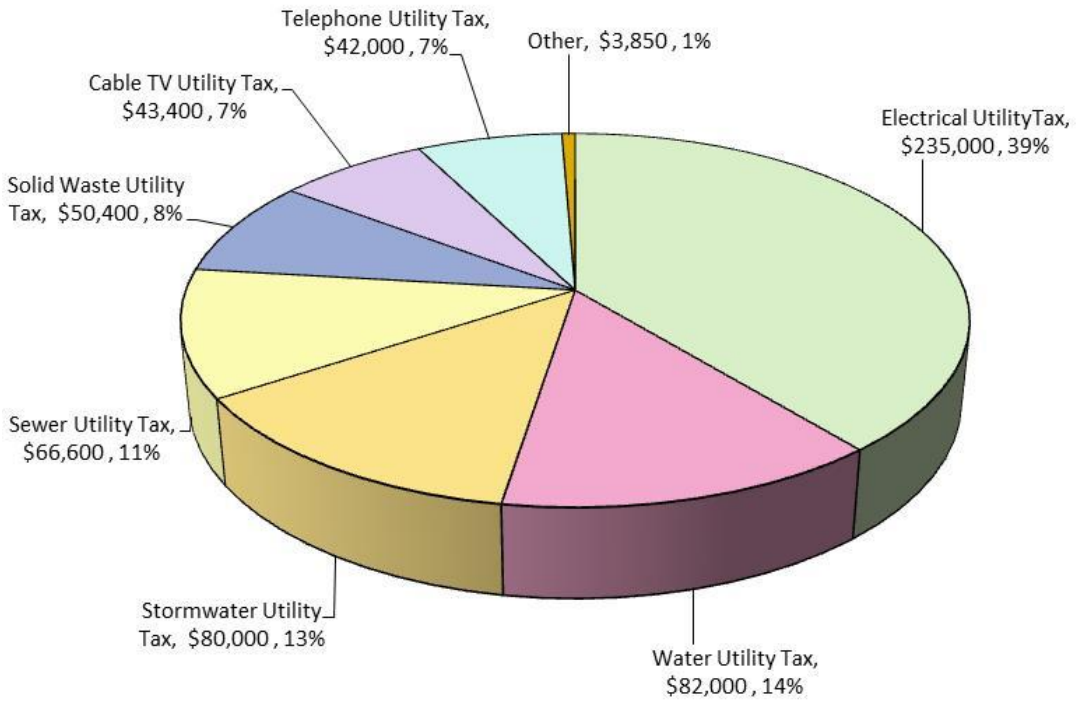


Criminal Justice taxes are an additional local sales/use tax of 0.1 percent to be used for criminal justice programs. This tax is levied by the county and is imposed countywide, but the receipts are shared with King County cities, based on population. Of the revenues collected for criminal justice, 1 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.

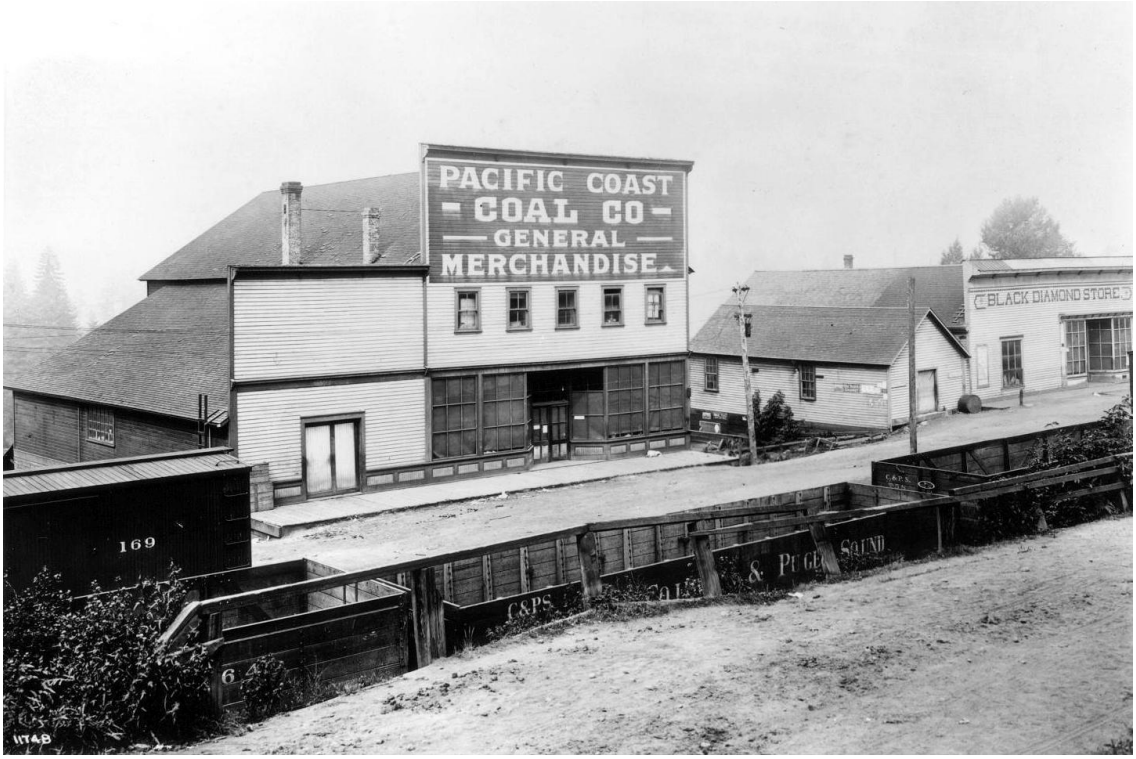
	Funding Agreement Revenue	2014 Actual Audited	2015 Actual	2016 Budget	2016 Estimated Year End	2017 Prelim Budget	Bdgt $ Chg inc/(dec)	Bdgt % Chg inc/(dec)
1	Partner - Funding Agreement	1,328,939	764,250	822,497	726,000	829,475	6,978	0.8%
2	**Total General Fund Oper REV**	**4,366,819**	**3,997,352**	**4,065,842**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

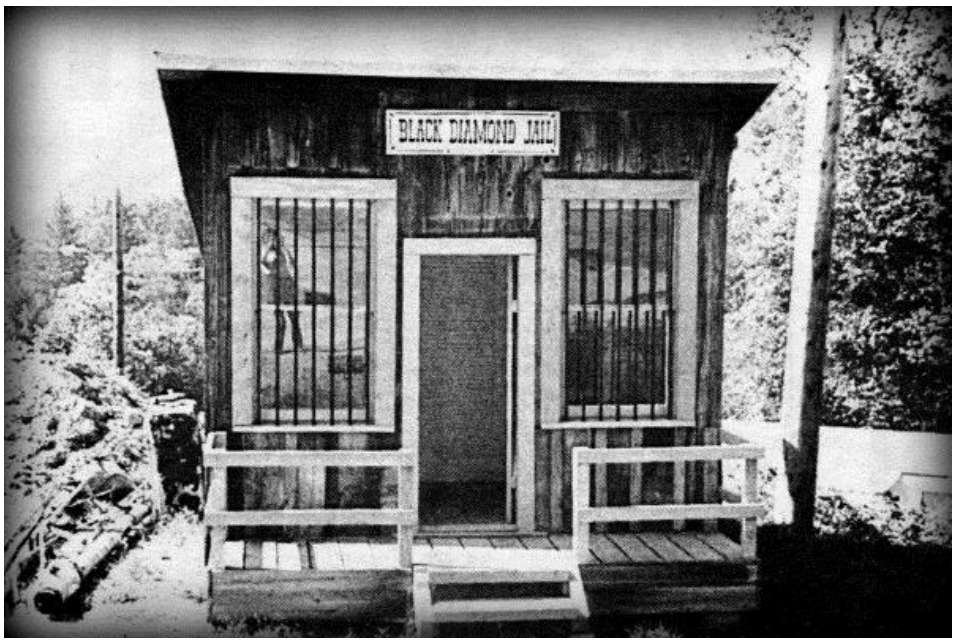
Communications

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%**

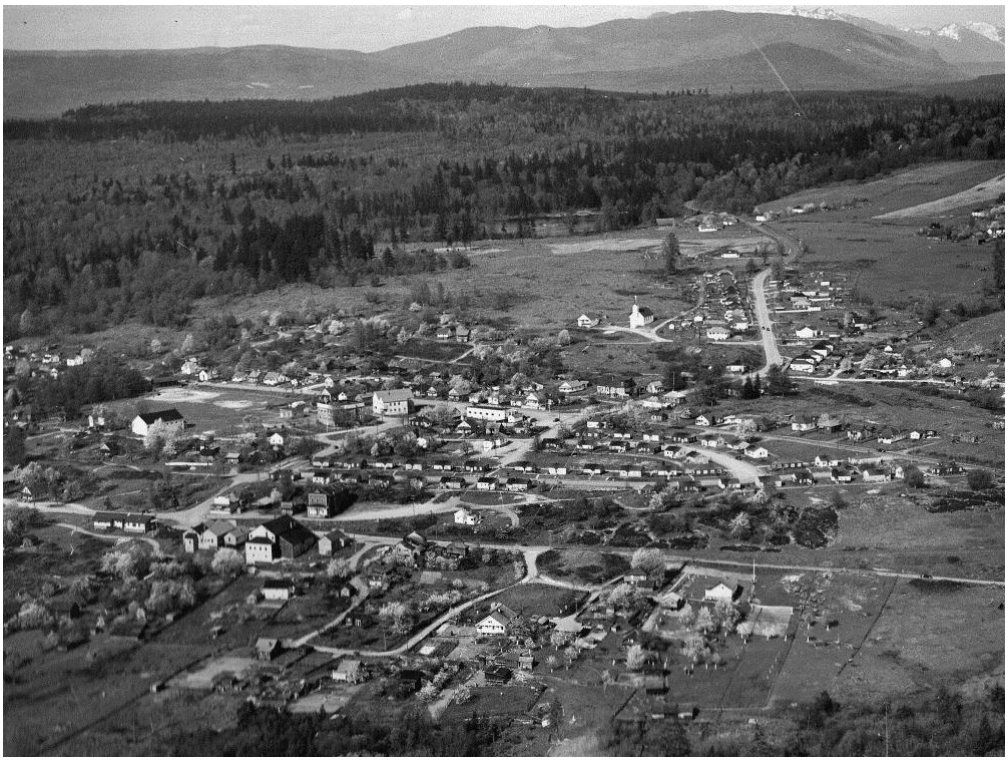
The Franklin Hotel burned down in 1919

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

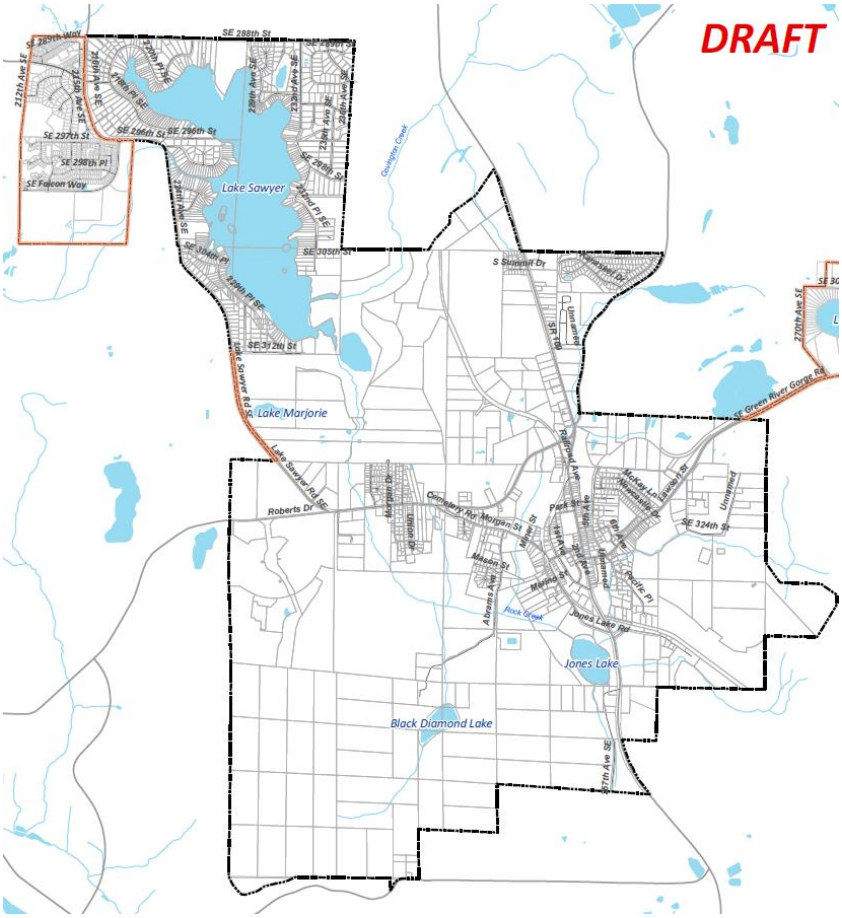
Community Development - Expenditures

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%**

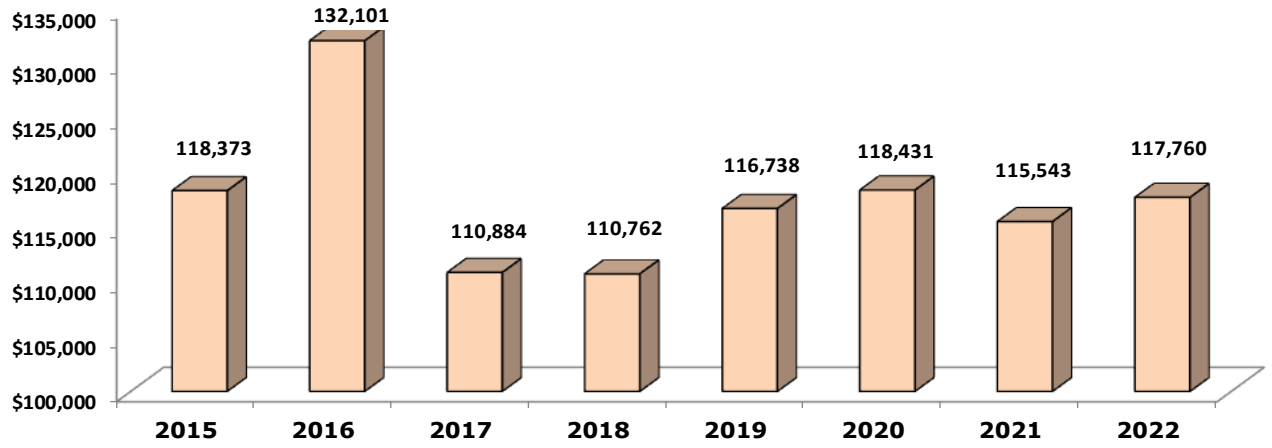
	Expenditures - Street Fund 101	2014 Actual Audited	2015 Actual	2016 Budget	2016 Estimate Year End	2017 Prelim Budget	Budget $ Change	Budget % Change
11	Wages and Benefits	112,700	124,269	102,040	114,419	119,676	17,636	17.3%
12	Supplies	4,939	5,493	10,347	2,500	12,155	2,459	23.8%
13	Services and Charges	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.

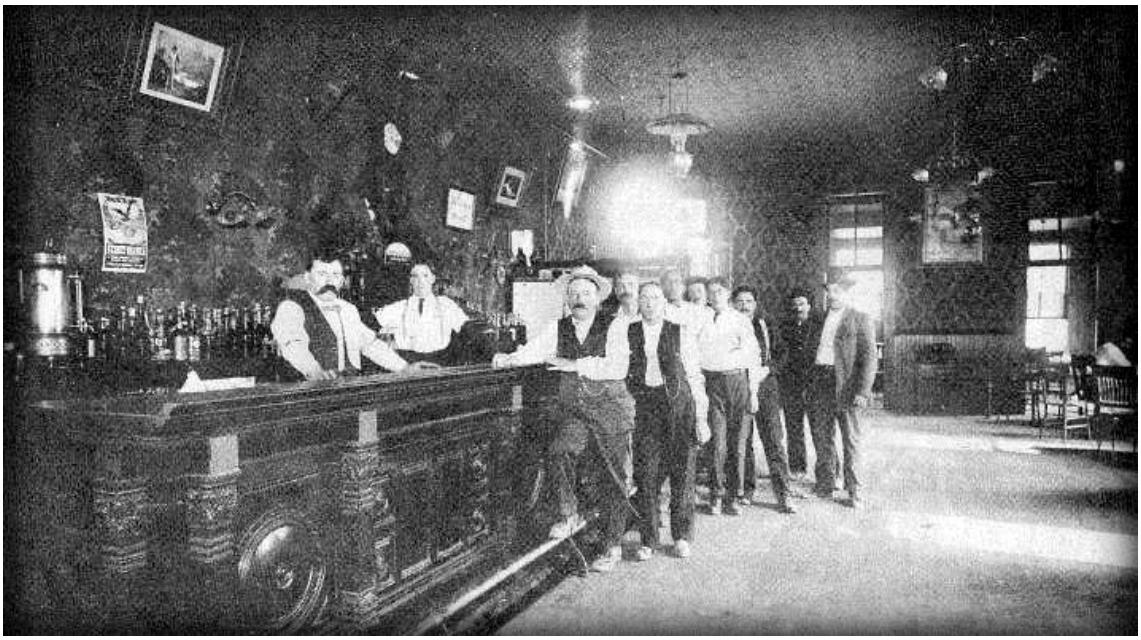
Lake Sawyer log dump, 1928. Courtesy of University of Washington Libraries, Special Collections, C. Kinsey

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%**

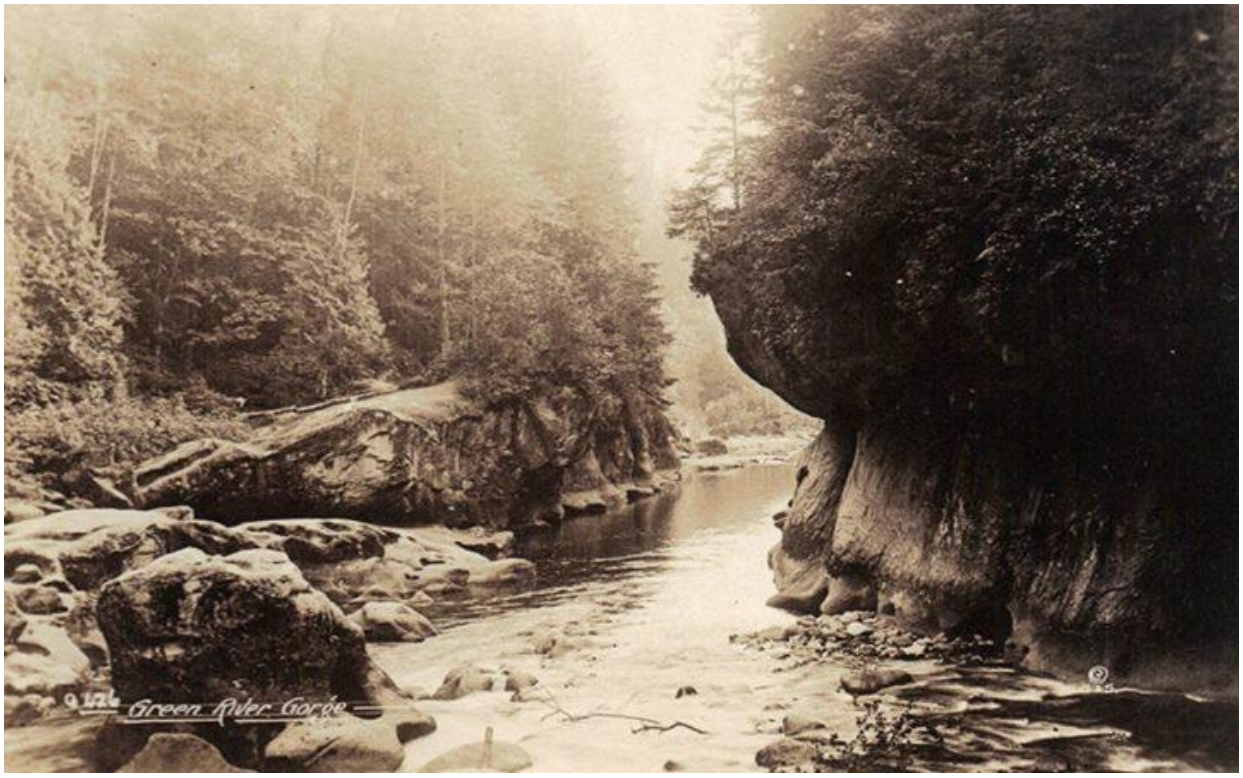
The Police Department will replace four aged patrol vehicles in 2017, and money is set aside in 2017 for the Police radio 750 MegaHertz conversion requirement.



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.

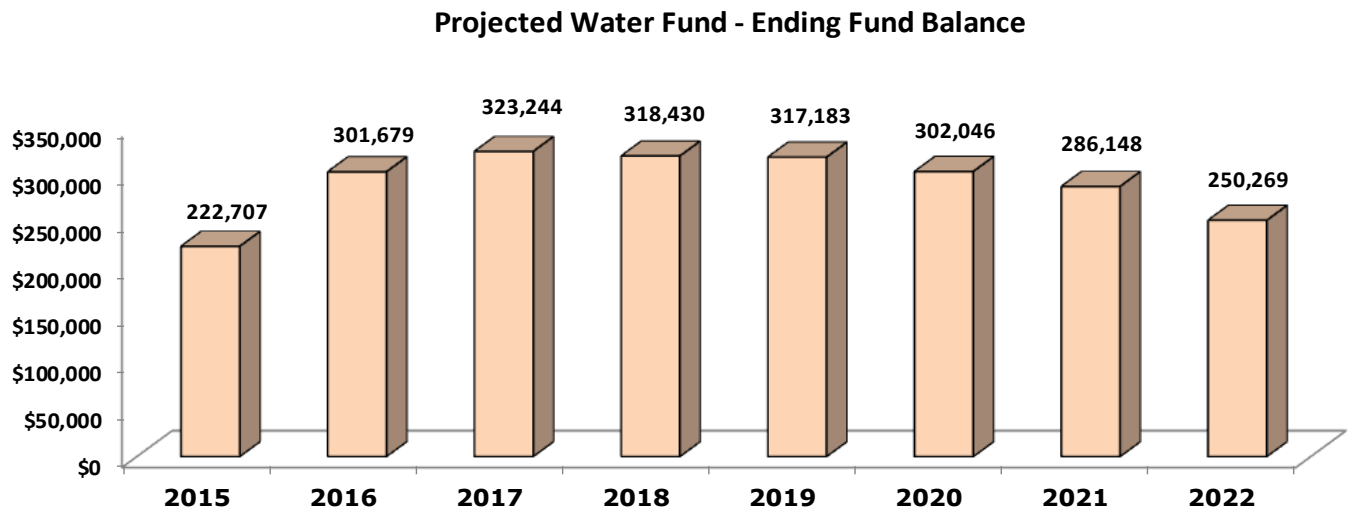
Skaters on Lake 14, circa 1915

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%**

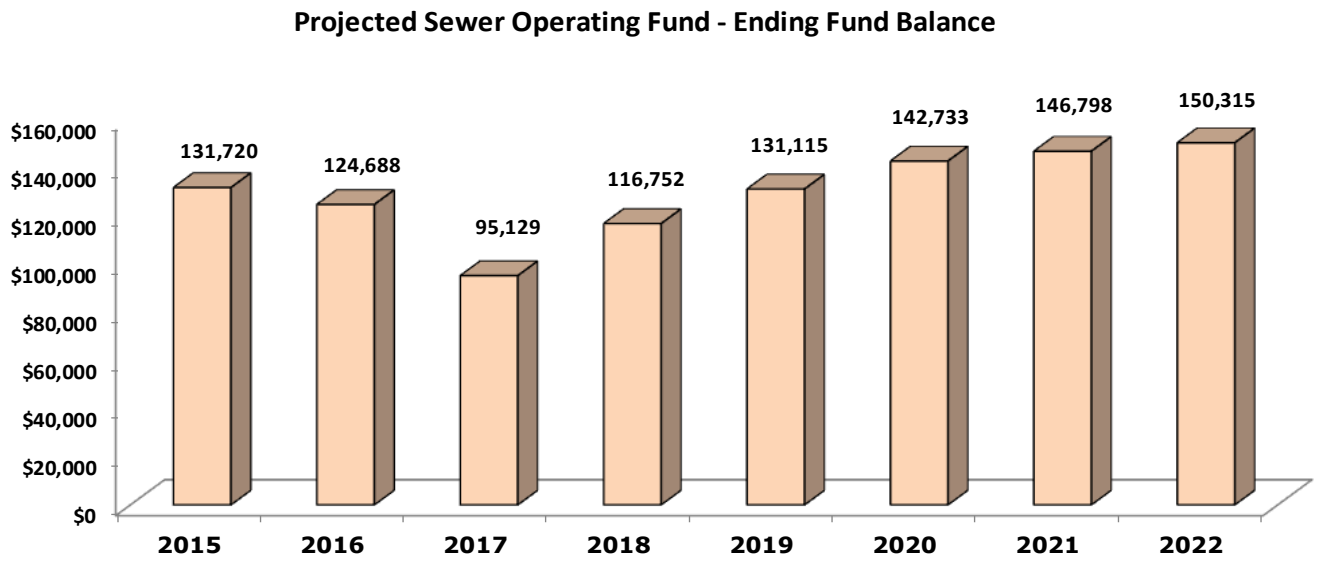
	Expenditures - Sewer Fund 407	2014 Actual Audited	2015 Actual	2016 Budget	2016 Estimate Year End	2017 Prelim Budget	Budget $ Change	Budget % Change
10	Wages and Benefits	164,804	192,115	184,190	181,830	219,346	35,156	19.1%
11	Supplies	5,879	6,847	12,126	10,529	10,390	(1,736)	-14.3%
12	Services and Charges	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.

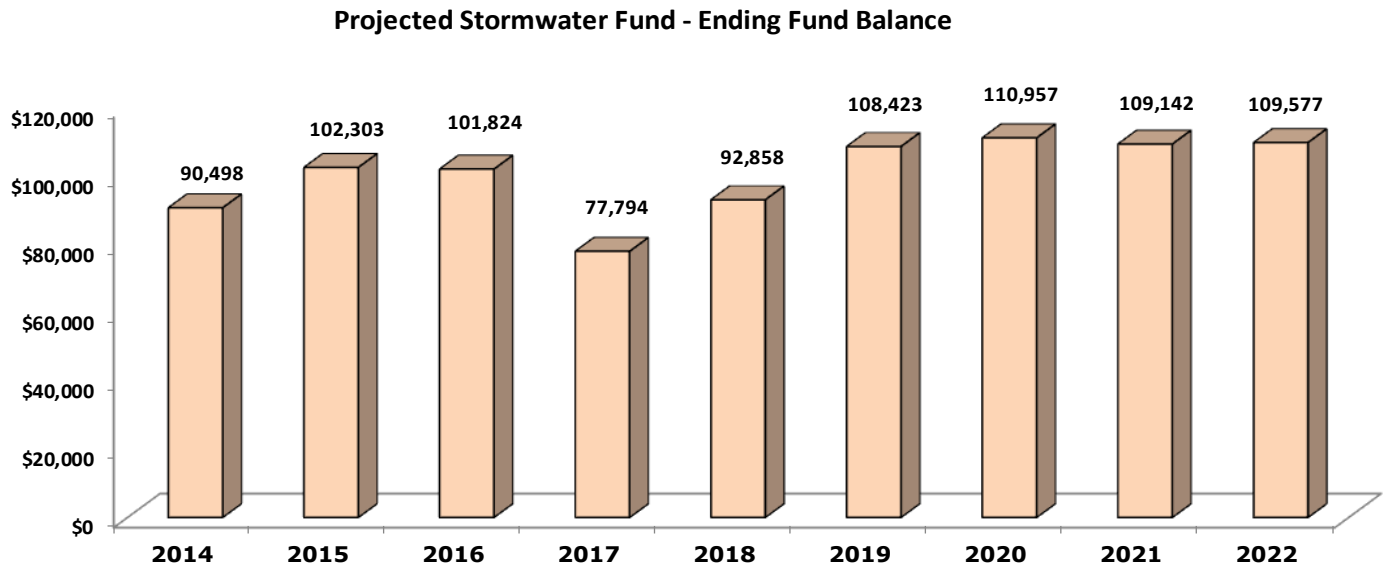
	Revenue - Stormwater Fund 410	2014 Actual Audited	2015 Actual	2016 Budget	2016 Estimate Year End	Prelim Budget 2017	Budget $ Change	Budget % Change
1	**Beginning Cash and Investments**	81,656	90,498	**105,818**	**102,303**	**101,824**	**(3,994)**	**-3.8%**
2	Stormwater Charges	331,801	350,820	343,000	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

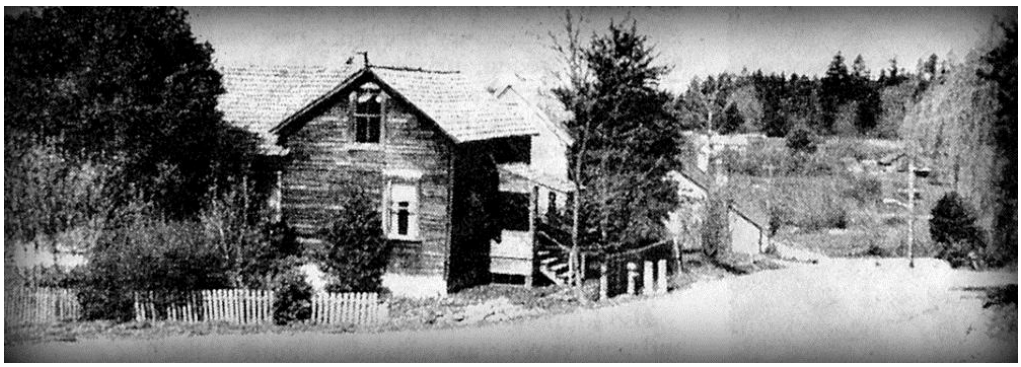
Real Estate Excise Tax 1 – Fund 310

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**

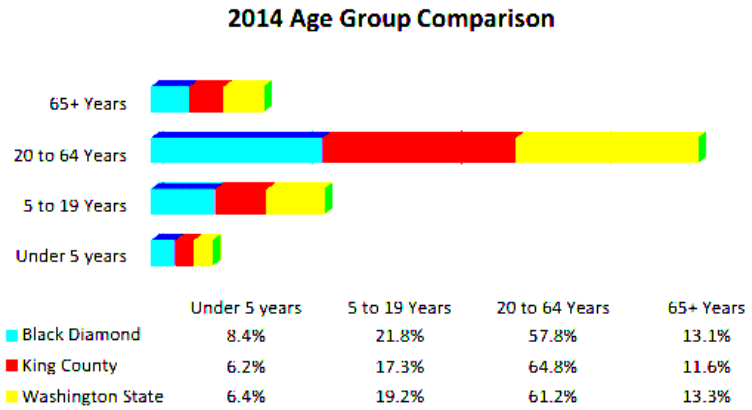
Lake Sawyer Regional Park

Flaming Geyser State Park

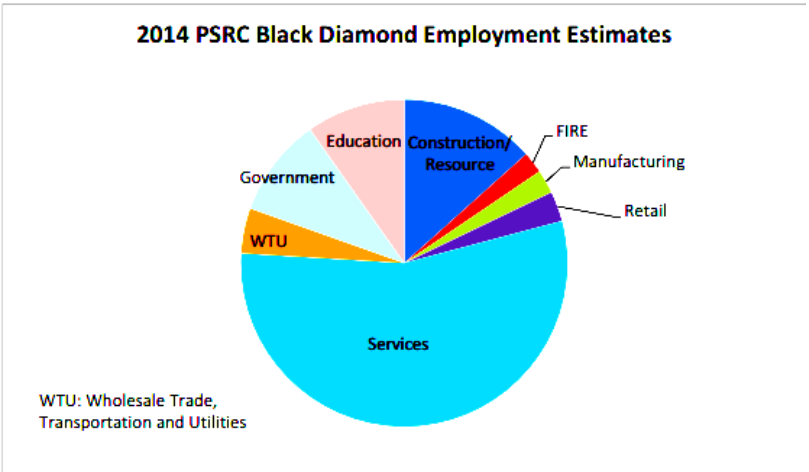
Also Hiking, Biking, Golfing, Fishing and Country Drives

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

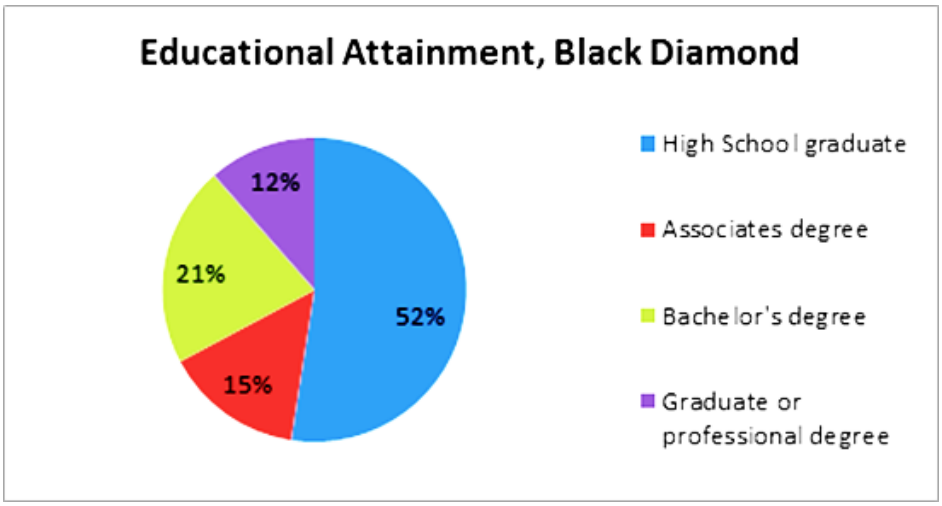
Major Businesses:
Anesthesia Supply Company
Enumclaw School District
City of Black Diamond
Palmer Coking Coal Co.



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. 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 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