

City of Black Diamond

2012 Final Budget



Skaters on Lake 14 – now JONES LAKE, just off the Enumclaw-Black Diamond Road – circa 1915. Pictured are John Bartoluzzi, Leonard Pierotti, Albert (Shorty) Jones, Jack Jones, and Tom Davies. (BDHS Calendar Series, 1983
Courtesy Black Diamond Historical Society)

TABLE OF CONTENTS

Introduction	
Mayor's Letter	1
City Overview	3
Elected Officials	5
City Committees	6
 Budget Summary	
Executive Summary	7
Total Program Budget	10
Combined Operating Statement	11
Organization Chart	12
Employee Positions by Funding Source	13
 General Fund	
Summary	14
Revenue	15
Expenditure Summary	26
General Fund Funding Agreement	31
 General Fund Departments	
Legislative	32
Executive	33
Administration	34
City Clerk	35
Finance	36
Information Services	37
Facilities	38
Legal	39
Municipal Court	40
Police Department	41
Fire Department	45
Animal Control	46
EMS Supplies	46
Community Development	47
Natural Resources	50
Economic Development	51
Parks and Recreation	52
Cemetery	54
Central Services and Employee Recognition	55
Funding Agreement, Studies, Deposits and Transfers	56

Special Revenue Funds

Street Fund 101	57
Real Estate Excise Tax REET 1 (104 Fund)	59
General Government Capital Fund (310 Fund)	60
Real Estate Excise Tax REET II (105 Fund)	61
Public Works Capital Fund (320)	62
Internal Service Fund (Fire, Police and PW Equipment)	63

Utility Funds

Water Department (Fund 401)	65
Water Supply and Facility Fund (Fund 402)	68
Water Capital Fund (Fund 404)	69
Wastewater Department (Fund 407)	70
Wastewater Capital Fund (Fund 408)	72
Stormwater Department (Fund 410)	73
Stormwater Projects (Fund 410)	75

Capital Funds

Capital Improvement Program Overview	76
CIP Summary 2012 - 2017	79

Appendix

Budget Ordinance	91
Property Tax Ordinance	93
Financial Policies	95
Ordinance 11-971 and 11-972 MPD Funding Agreement	101
Budget Calendar	117
Salary Schedule	118
City Statistics	119



FROM THE MAYOR'S DESK

February, 2012

Dear Honorable Black Diamond City Council Members and Citizens:

With the many challenges the City has faced over the past few years due to the economy, I am pleased to present you with a balanced budget for 2012. We have preserved essential core services without using any General Fund balance. In 2011 we ended the year with departments under budget by \$252,254 which was added to our General Fund providing a total ending fund balance of \$424,069. This restored the 10% reserve recommendation in Black Diamond's financial management policies.

The final 2012 Budget has expected General Fund revenue of \$4,998,082, which is a decrease of \$59,597. This reduction is primarily due to the completion of some of the developer-funded Master Planned Development Environmental Impact Statement reimbursements but also includes reduced revenue due to decreases in utility taxes, state sales tax assistance to cities and parking fees. This revenue decrease was partially offset by a 1% increase in property tax revenue as well as a \$2,000 increase in sales tax revenue above expected 2011 collections. General Fund expenditures were first projected with all vacant positions filled and with union and non-union COLA and step increases, as well as the elimination of all furlough days. This resulted in an out-of-balance amount of \$361,578. To bring the budget into balance, significant reductions were achieved by continuing to freeze the vacant city administrator position as well as the two vacant police positions. The part-time court clerk position was cut from .75 to .5. There will be no non-union COLAs; and furlough days have been reduced from five to four days (July 5; August 31; December 24; December 31, 2012) for all employees except police and utility workers. After further review, all departments were able to reduce their budgets by an additional \$66,500 resulting in General Fund operating expenditures of \$4,998,082 which brought the budget into balance.

Increases to General Fund expenditures include a 3% cost of living adjustment (COLA) for commissioned police officers per the agreement between the Police Guild and the City. Our contract with Fire District #44 calls for a 3.2% increase in 2012. The impact to the 2012 budget is an increase of \$26,235 for police and \$14,195 for fire. The Community Development budget has also increased by \$26,568 for code enforcement, plan check and building inspection professional services according to the ILA we have with the City of Covington. Inspection and Plan Check revenue is budgeted to cover this increase. The City's liability insurance increased by 12% (\$13,411) totaling \$111,766. In 2012, election costs will increase by approximately \$5,100.

Black Diamond operates three utilities: Water, Wastewater (sewer) and Stormwater, each with its own budget. At Council request, the Funding Agreement reimbursement to the three utility departments has been restored to 100%, resulting in an increase to each utility fund for staff overtime, training and professional services.

Only capital expenditures adopted in the Capital Improvement Plan are included for these utilities. In 2011, the water meter replacement program and the first phase of the Department of Ecology Stormwater Grant were completed. There will be no utility rate increases in 2012.

In addition to the three utilities, the Public Works Department also manages City streets. The 2012 budget includes projects from the adopted 2012-2017 Capital Improvement Plan, including engineering for the Rock Creek Bridge; elevation of Abrahms Avenue; Ginder Creek land acquisition; trail projects; and replacing one police and two fire vehicles.

The City was fortunate to receive several grants in 2011 which helped fund preliminary work on the Shoreline Master Plan; Roberts Drive sidewalk (phase 1) including the rain garden; 288th Street paving; Boat Launch improvements; Lawson/Newcastle intersection; and the police station remodel. Grants awarded in 2012 so far are for Phase II of the Roberts Drive sidewalk project and a CDBG grant for the 5th St water main replacement.

We know that Governor Gregoire recently announced the State is facing a two-billion dollar budget deficit in 2012. As the State meets and resolves this deficit, we will keep council informed of any potential financial impacts to the City of Black Diamond.

I want to take this opportunity to thank staff for their assistance in providing this balanced budget. It was not an easy task. Their continued hard work and the support of Council and citizens are greatly appreciated.



Rebecca Olness, Mayor
City of Black Diamond

History of Black Diamond, Washington

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 rural, small town atmosphere with spectacular mountain views. The city is nestled in the foothills within miles of the beautiful Green River Gorge and Flaming Geyser Park.

The City is on the verge of growth. At 4,190 citizens, population projections may reach above 20,000 in the next 20 years. Over the past several 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. Recent annexations in the city's urban growth area have increased the city's size by approximately 1,600 acres.

In the Budget this year, we have added some unique and interesting historical photos, courtesy of the Black Diamond Historical Society.

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 Districts 31, 47 and 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, and Fire District 44's fire and emergency service employees are both dedicated and top notch. City employees provide other important services such as road maintenance, community development,

code enforcement, a municipal court and water utility services, stormwater management and wastewater utility billing. Utility and maintenance workers also maintain our local parks and the cemetery.

Black Diamond has an active local community center and unique historical museum operated as nonprofits receiving limited financial assistance from the City. Support staff keeps everything in the City running smoothly, and the City Council and Mayor work together to respond to citizen concerns and carefully direct the future of Black Diamond. The City has a bi-monthly newsletter containing important community information and the website at www.ci.blackdiamond.wa.us is another great resource for information. Public hearings and City Council meetings are held regularly and are open to the public. Everyone is encouraged to attend.



Black Diamond Community Center
31605 Third Avenue
www.blackdiamondcc.org



Black Diamond Historical Museum
32627 Railroad Ave
WWW.BLACKDIAMONDMUSEUM.COM

CITY OFFICIALS AS OF MARCH 1, 2012



MAYOR REBECCA OLNES
FOUR-YEAR TERM EXPIRING 12/31/13



TAMIE DEADY
POSITION 1
FOUR-YEAR TERM
EXPIRES 12/31/15



CRAIG GOODWIN
POSITION 2
FOUR-YEAR TERM
EXPIRES 12/31/13



JOE MAY
POSITION 3
FOUR-YEAR TERM
EXPIRES 12/31/15



VACANT
POSITION 4
FOUR-YEAR TERM
EXPIRES 12/31/13

RON TAYLOR
POSITION 5
FOUR-YEAR TERM
EXPIRES 12/31/15

City Council Committees

In addition to serving on the City Council, Council members also serve on Council committees for the City of Black Diamond based on their interests. They may also choose to serve on any number of intergovernmental committees. The committees meet on an as-needed basis to hear issues in each topic area. Council members provide recommendations to the full Council. Such recommendations are advisory only and any actions are made by the full Council in open public meetings. Committee appointments are made the 1st Council meeting in January.

Budget, Finance and Administration Committee

Chair – Council Member May
Council Member Goodwin

The Budget, Finance and Administration Committee in conjunction with City Staff may consider matters related to the financial issues of the City including the annual and capital budgets, revenues and expenditures, sales of bonds, general fiscal and financial conditions, voucher approval, rates and fees, audit and operations of the City including but not limited to, facilities and properties, computerization, periodic budget and financial reports and policy matters related to personnel in coordination with the Finance and Administration Departments.

Cemetery/Parks Committee

Chair – Council Member Deady
Council Member May

The Parks and Cemetery Committee in conjunction with City Staff may consider matters related to planning and

implementation of park and recreational facilities, capital improvement program, trails and cemetery.

Planning and Community Service Committee

Chair – Council Member Goodwin

The Planning and Community Services Committee in conjunction with City staff may consider matters of a non-quasi-judicial nature related to community growth and development including but not limited to planning of the physical, economic, aesthetic and social development of the City, comprehensive plan, zoning code and housing, annexation policies and code enforcement. This committee may also consider matters not included in other committee's scopes of authority.

Public Safety Committee

Chair – Council Member Taylor
Council Member Deady

The Public Safety Committee in conjunction with City Staff may consider issues related to the public health, safety and welfare of the citizens of Black Diamond including but not limited to law enforcement, fire safety, court, hazardous materials, animal control, special events and emergency services.

Public Works Committee

Council Member Taylor

The Public Works Committee in conjunction with City Staff may consider matters related to water, sewer, solid waste, recycling, utility franchises, stormwater management, transportation, capital improvement program, transit, streets, street lighting, signalization and local street improvement.

Budget Summary



Courtesy Black Diamond Historical Society

Executive Summary

Revenue

General city operations include operations of police, fire, municipal court, community development, permitting and internal services such as finance. Unrestricted funds such as general taxes, fees and charges support the provision of those services to the citizens of Black Diamond.

Locally levied taxes represent 73.7% of Black Diamond's General Fund revenues. Taxes include real and personal property tax, local sales tax, utility taxes and gambling tax.

Property taxes are assessed and collected by the King County Tax Assessor's office. The great majority of property tax goes to fund schools and to a lesser degree, King County. King County has calculated Black Diamond's property mil rate at \$2.59 per each \$1,000 in property value. In 2012, approximately \$1,385,500 property tax will be collected with 100% used for public safety. This includes the allowed 1% increase of 13,697 or 43 cents per month.

Sales tax, utility taxes and other taxes constitute 13.6% of the General Fund revenues. Retail sales and use taxes are dependent on retail sales of products and services in Black Diamond as well as construction. For every \$100 spent in Black Diamond \$8.60 is collected and is shared by various jurisdictions. Less than 10% of the total dollars collected comes back to the City. Sales tax revenues are budgeted at \$292,000 for 2012.

Black Diamond also levies a 6% utility tax on telephone, electrical energy, natural gas, solid waste, water, sanitary sewer and stormwater services, and 1% on cable services. The 2012 budget includes \$464,850 in utility tax revenue. All utility taxes received are placed in the General Fund and are used to fund public safety.

The City of Black Diamond collects taxes on gambling activities as allowed by the State of Washington. Currently, the City receives gambling tax on pull-tabs and punchboards and other amusement devices. \$3,500 is anticipated for 2012 and is also used to support public safety.

Licenses and permits, intergovernmental revenue, charges for services, fines and forfeitures, miscellaneous revenue and the Funding Agreement make up the remainder of the City's revenue sources.

Business licenses are designed to cover the cost of administration, inspection and other services for occupations, trades and activities regulated by the City. Due to the downturn in the economy, 2012 business license revenue is projected to decrease 5% to \$24,320. Cable franchise fees at 5% are expected to contribute \$57,200, and gun permits and fingerprinting revenue is forecast at \$1,700.

Land use and permitting fees are part of Community Development. Due to the continued slowdown in home building and Improvements, projected revenue for 2012 is \$72,050.

Intergovernmental revenues include 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 \$51,600 for liquor excise tax and profits, \$53,512 for King County

Emergency Medical Services revenue and \$63,520 for miscellaneous state and federal police and recycling grants. Black Diamond also receives local government assistance funds that provide ongoing State financial support to cities with a low sales tax base. Due to State cuts, we are decreasing the budget to \$39,000 a 24.8% decrease from 2011.

Charges for services cover a multitude of City functions, including records services, copies of maps, publications and other documents and passport fees. Miscellaneous charges for 2012 have been estimated at \$18,600. Parking at Lake Sawyer boat launch is decreased to \$12,000 and Police Traffic School is expected to bring in \$20,000 in 2012.

Fines and forfeitures represent the City's portion collected on citations and other Municipal Court fees. The amount is projected at \$135,900 for 2012.

Miscellaneous revenues include \$1,100 interest on investments, \$1,500 for the sale of surplus equipment, and \$500 is forecasted for other miscellaneous revenue.

The City of Black Diamond's budget also includes revenues from a developer funding agreement approved by the City Council in mid-2007. The agreement provides for up to \$2 million per year for City staffing costs plus additional funding for various capital outlays and consultant fees. General Fund revenues from the funding agreement are estimated at \$1,439,118 in 2012, and one time only MPD (Master Planned Development) revenue at \$634,000. Council adopted a new Funding Agreement December 12, 2011 in Ordinance 11-970 for the Villages and Ordinance 11-970 for Lawson. The Funding Agreement is located in the appendix of this document, and the Ordinances and all exhibits are on the City's web site, at www.ci.blackdiamond.wa.us under the City Clerk Department listing of Ordinances. Any budget changes that may be needed will be processed in Budget Change ordinances during 2012 and are not reflected in this budget document.

Special Revenue Funds in the budget are limited to uses designated by State law. The City of Black Diamond has established a fund for collection of the real estate excise tax. This tax is authorized by RCW 82.02.020 and tax is levied at two ¼ percent rates on the sales price of real estate. State law restricts the use of those revenues specifically to certain capital projects outlined in approved capital plans. For 2012, the City estimates each ¼ percent of REET revenue at \$35,500. The Street Fund is primarily supported by gas tax revenues, grants and right-of-way permits. Funding for 2012 includes \$85,810 in gas tax revenue and \$3,000 in right-of-way permits.

The City of Black Diamond also operates wastewater, water and stormwater utilities. Utilities operate separately from the General Fund budget as Enterprise Funds with revenues flowing from rate charges and fees. Wastewater revenues for 2012 are estimated at \$759,457; water revenues at \$656,167 plus Developer debt reimbursement of \$683,505 to a total of \$1,339,672; and stormwater revenues of including a \$81,000 Department of Ecology grant, totaling \$327,407. No rate increases for utility funds were added in the 2012 Budget.

Expenditures

Just as the City of Black Diamond must document projected revenue, it must also document how it will expend funds. In Washington cities, expenditures (uses) can never exceed projected revenues (sources). Each fund must balance independently. State law requires the City of Black Diamond to

establish and maintain a balanced budget. Therefore, sources and uses for all funds in 2012 are budgeted at \$12,721,527.

A primary goal of the Black Diamond City Council is maintaining efficiency and effectiveness of municipal services at the lowest possible cost to taxpayers. This fiscal prudence is reflected in current projected expenditures.

The majority of the General Fund expenditures fund Public Safety services—Police, Fire, Prosecuting Attorney and Municipal Court. Together, those services comprise \$2,504,869 or 57.4% of General Fund expenditures, or 84.5% of the General Fund when factoring out funding agreement positions.

The budget was difficult to balance in 2012 and continued to include three frozen positions: a City Administrator; and one Police Officer and one sergeant position. Court also reduced their position from 3/4 to a 1/2 fte. No new positions were budgeted in 2012.

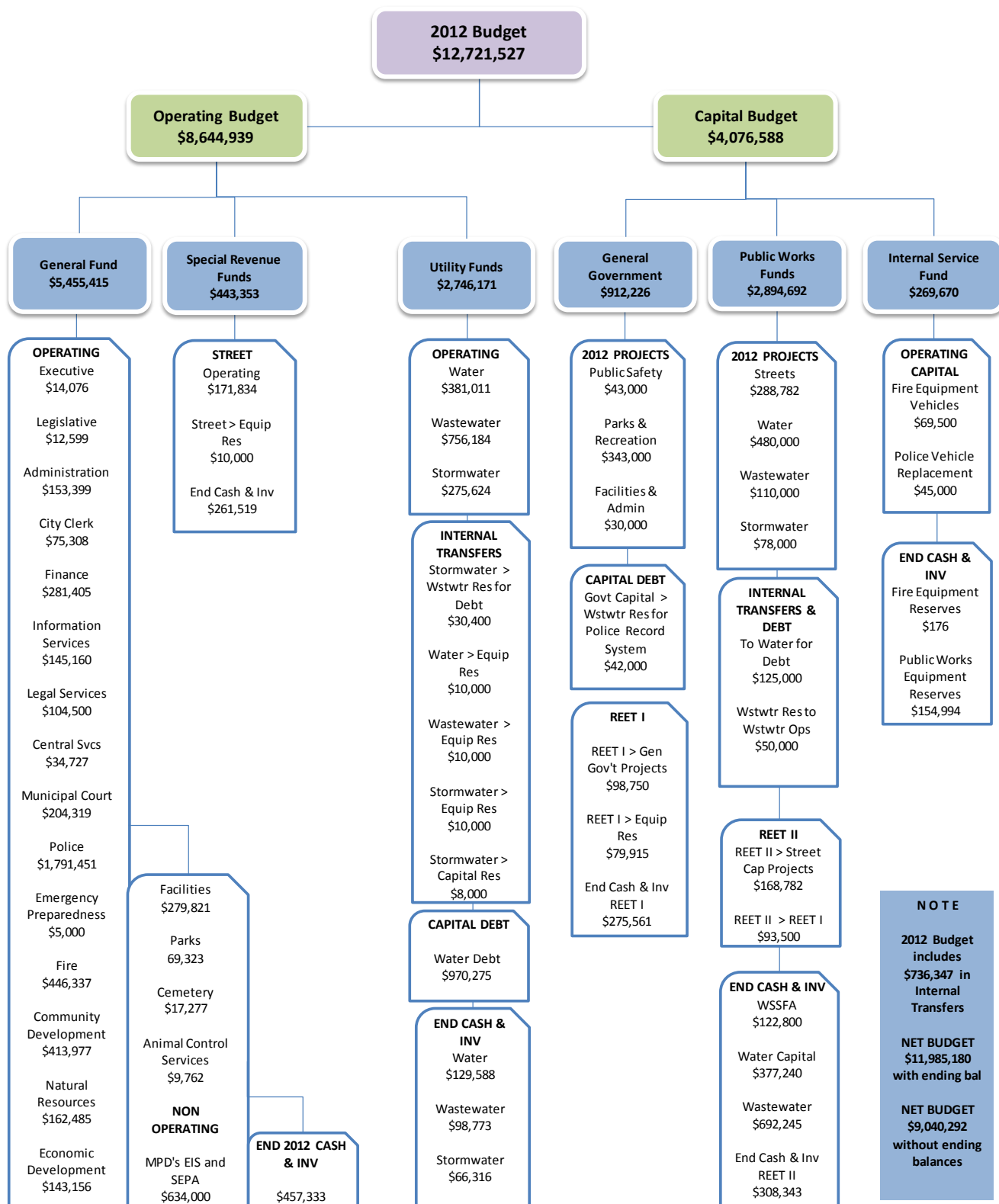
All departments were asked to make cuts to their budgets. The 2012 budget continued with no cost of living adjustments and no step increases for non-represented employees. Furlough days were continued but decreased from five to four in 2012. During those four days City Hall will be closed. These and many other efforts were needed to bring the General Fund into balance without using any of the cash reserves.

We know the State is facing budget difficulties and has listed some of our shared liquor excise and tax revenue as well as Shared State assistance as at risk of reduction or loss. We will keep Council informed of any final impacts to our revenue.



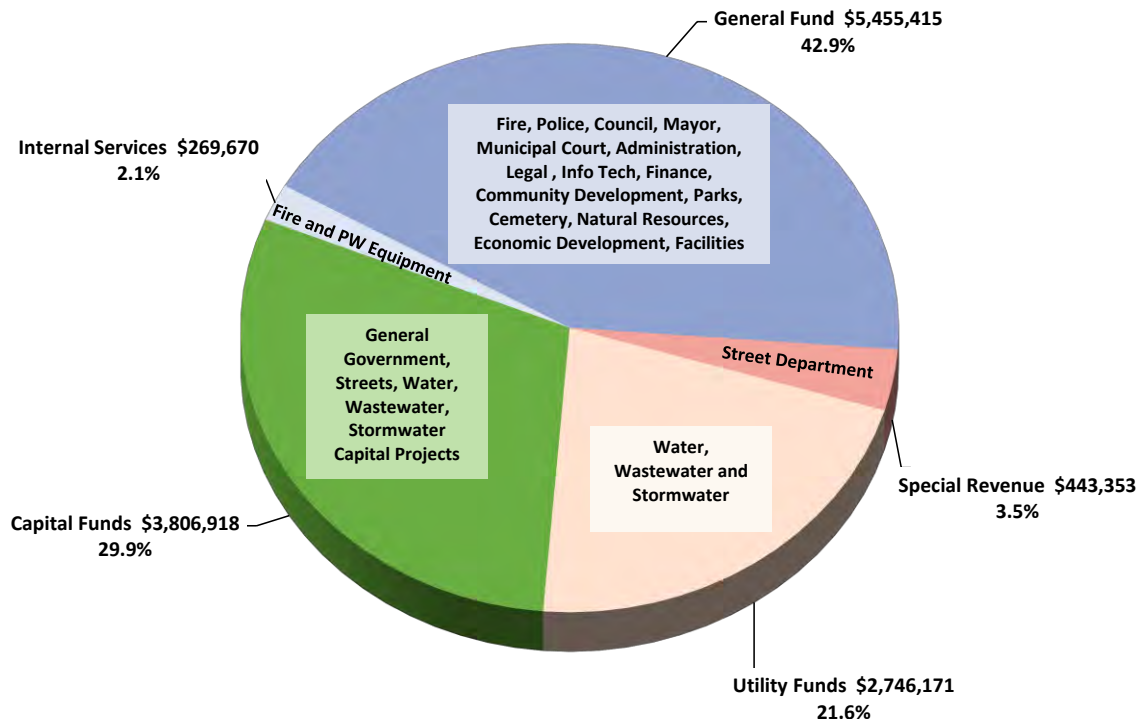
The State Bank of Black Diamond was likely constructed in the late 1890s and became a bank and jewelry shop around 1912. This photo was taken in 1921. The bank was located in what would later become Koerner's Drug Store and today is the home of Black Diamond Pizza & Deli. The building still has the old walk-in bank safe in the back. The State Bank closed in 1922 when its banker, Thomas Fournier, absconded with about \$1,200 in depositors' funds. (Courtesy Black Diamond Historical Society)

2012 Operating and Capital Final Budget

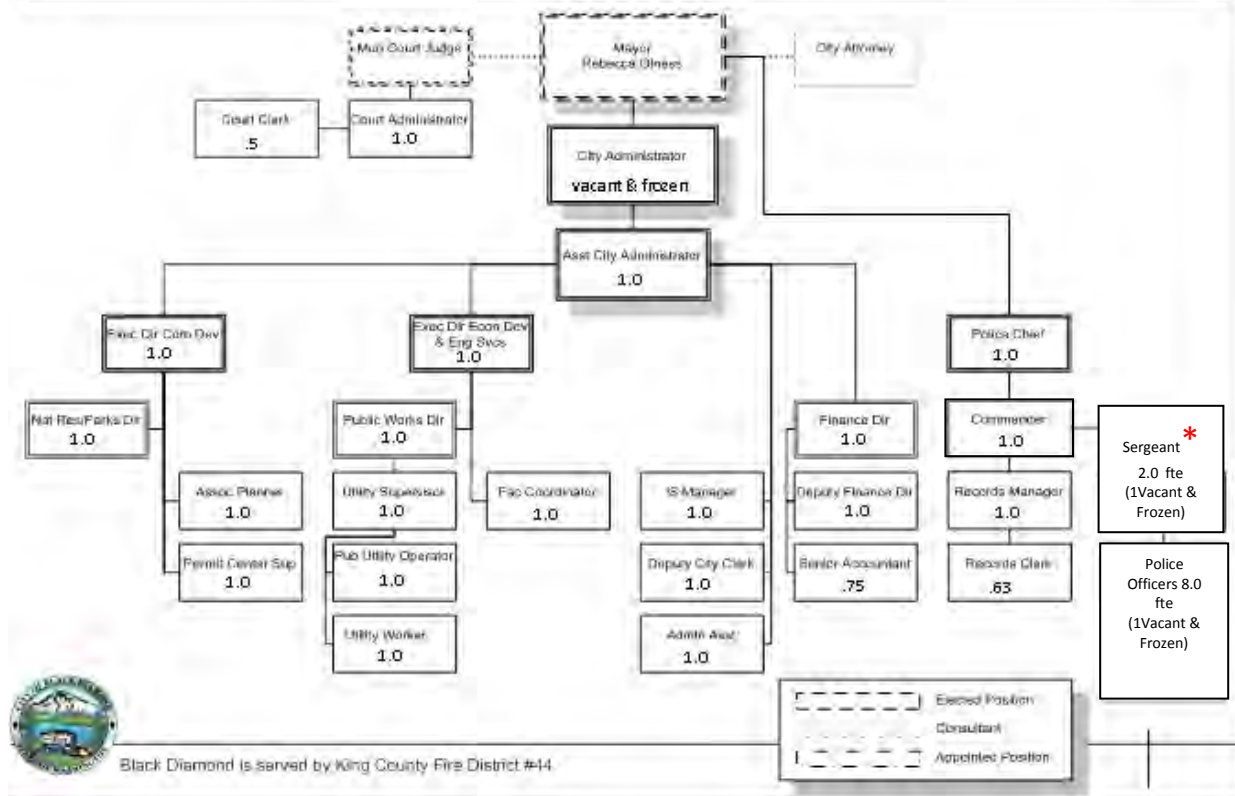


All Funds 2012 Final Budget Summary - Combined Operating Statement

	Beginning Fund Balance	2012 Revenue	Total Sources	2012 Expend- itures	Ending Fund Balance	Total Uses
General Fund 001	457,333	4,998,082	5,455,415	4,998,082	457,333	5,455,415
Special Revenue Fund			-			-
101 Street Fund	310,627	132,726	443,353	181,834	261,519	443,353
Utility Funds						
401 Water Fund	151,202	1,339,672	1,490,874	1,361,286	129,588	1,490,874
407 Wastewater Fund	105,500	759,457	864,957	766,184	98,773	864,957
410 Stormwater Fund	62,934	327,406	390,340	324,024	66,316	390,340
Capital Funds						
310 General Government CIP fund	-	458,000	458,000	458,000	-	458,000
320 Street CIP Fund	-	288,782	288,782	288,782	-	288,782
402 Water Supply and Facility Fund	122,800	300,000	422,800	300,000	122,800	422,800
404 Water Capital Fund	486,240	196,000	682,240	305,000	377,240	682,240
408 Wastewater Capital Fund	723,545	128,700	852,245	160,000	692,245	852,245
410 Stormwater Capital Fund		78,000	78,000	78,000		78,000
104 REET Fund - General Govt	321,026	133,200	454,226	178,665	275,561	454,226
105 REET Fund - Street Projects	530,125	40,500	570,625	262,282	308,343	570,625
Internal Service Fund 510						
1 Fire Equipment Reserve Fund	34,661	35,015	69,676	69,500	176	69,676
2 Street Equipment Reserve Fund	114,694	40,300	154,994		154,994	154,994
3 Police Equipment Reserve Fund		45,000	45,000	45,000		45,000
Grand Total All Funds	3,420,687	9,300,840	12,721,527	9,776,639	2,944,888	12,721,527



City of Black Diamond Departmental Organization (Personnel)



Note: Employee change from 2011 Amended Budget: -.25 FTE Court Clerk (from 75% to 50%)

*One Sergeant promoted to Commander in the Police Department, leaving one vacant sergeant position to be filled. There are currently 8 police officers, so one position is currently being funded from the sergeant vacancy (as of 11/21/11).



Jack Duncalf's Black Diamond MEAT MARKET, circa 1890.

The market was on the corner across Railroad Avenue from the train depot/museum.
 (Courtesy BD Historical Society)

2012 Employee Allocations by Funding Source							
Positions	Full Time Equivalent (FTE)	Funding Agreement	General Fund	Street Fund	Water Fund	Waste water Fund	Storm water Fund
Municipal Court							
Court Administrator	1.00		1.00				
Court Clerk	0.50		0.50				
Total Court	1.50	0.00	1.50	0.0	0.0	0.0	0.0
Administration							
City Administrator, (Frozen & Unfunded)	1.00						
City Clerk/Asst City Administrator	1.00	1.00					
Admin Assistant I	1.00		0.10		0.3	0.3	0.3
Total Administration	3.00	1.00	0.1	0.0	0.3	0.3	0.3
City Clerk							
Deputy City Clerk	1.00		0.60	0.04	0.12	0.12	0.12
Total City Clerk	1.00	0.00	0.6	0.0	0.1	0.1	0.1
Finance Department							
Finance Director	1.00	1.00					
Deputy Finance Director	1.00	1.00					
Senior Accountant	0.75		0.45	0.03	0.09	0.09	0.09
Total Finance	2.75	2.00	0.45	0.03	0.09	0.09	0.09
Information Services							
Information Services Manager	1.00	1.00					
Total Information Services	1.00	1.00	0.0	0.0	0.0	0.0	0.0
Police Department							
Police Chief	1.00		1.00				
Police Commander	1.00		1.00				
Sergeant (1 Frozen & Unfunded)	2.00		1.00				
Police Officer (1 Frozen & Unfunded)	8.00		7.00				
Police Records Coordinator	1.00		1.00				
Police Clerk	0.63		0.63				
Total Police Department	13.63	0.00	11.63	0.00	0.00	0.00	0.00
Community Development							
Community Development Director	1.00	1.00					
Associate Planner	1.00	1.00					
Permit Technician Supervisor	1.00	1.00					
Total Community Development	3.00	3.00		0.00	0.00	0.00	0.00
Economic Development							
Economic Development Director	1.00	1.00					
Total Economic Development	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Facilities Department							
Facilities Equipment Coordinator	1.00	1.00					
Total Facilities	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Stewardship							
Stewardship Director	1.00	1.00					
Total Stewardship	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Public Works							
Public Works Director - Funding	1.00		0.10	0.15	0.25	0.25	0.25
Admin Assistant III- Funding	1.00			0.25	0.25	0.25	0.25
<i>Total Funding</i>		<i>2.00</i>	<i>-0.10</i>	<i>-0.4</i>	<i>-0.5</i>	<i>-0.5</i>	<i>-0.5</i>
Utilities Supervisor	1.00		0.10	0.15	0.25	0.25	0.25
Utility Worker	1.00		0.10	0.15	0.25	0.25	0.25
Utilities Operator	1.00		0.10	0.15	0.25	0.25	0.25
Seasonal Help for Parks	0.42		0.04	0.06	0.10	0.10	0.10
Total Public Works	5.42	2.00	0.34	0.51	0.85	0.85	0.85
Grand Total Budget Positions (FTE's)	34.30	12.00	14.62	0.58	1.36	1.36	1.36
Less Frozen and Unfunded	-3.0						
Actual Funded Positions (FTE's)	31.30						

General Fund

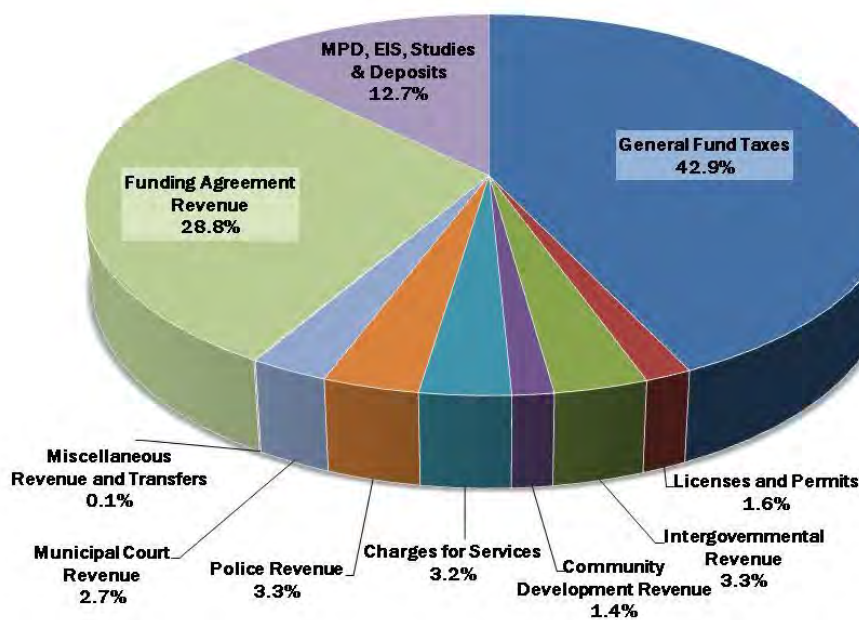


This May 1926 photo is of the BLACK DIAMOND MIDGETS. First-graders Jessie Malgarini, Doreen Rhodes, Hope Stellpflue, Nora Gaffney, Eleanor Wales, and Margaret Lombardi (patient) show off their first aid training talents. (Courtesy Black Diamond Historical Society)

General Fund Revenue in 2012 is estimated to be \$5,455,415. There is a very slight increase in operating revenue overall to the 2011 Amended Budget. The pie chart below shows total operating revenue of \$4,364,082 in 2012. Each revenue area will be discussed in the pages that follow.

General Fund Revenue Summary	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
General Fund Taxes	1,735,153	2,122,639	2,131,984	2,143,850	21,211	1.0%
Licenses and Permits	80,821	81,100	80,684	81,520	420	0.5%
Intergovernmental Revenue	199,214	176,184	164,627	163,112	(13,073)	-7.4%
Community Development Revenue	48,420	66,000	374,142	72,050	6,050	9.2%
Charges for Services	149,931	167,297	185,253	158,013	(9,284)	-5.5%
Police Revenue	281,134	168,923	147,026	167,420	(1,503)	-0.9%
Municipal Court Revenue	137,255	135,000	120,803	135,900	900	0.7%
Miscellaneous Revenue and Transfers	4,140	6,700	3,498	3,100	(3,600)	-53.7%
Subtotal Operating Revenue	2,636,069	2,923,843	3,208,017	2,924,965	1,122	0.04%
Funding Agreement Revenue	1,349,968	1,438,661	1,404,173	1,439,117	456	0.03%
Total Operating Revenue	3,986,037	4,362,504	4,612,190	4,364,082	1,578	0.04%
MPD, EIS, Studies and Deposits	642,894	695,175	652,224	634,000	(61,175)	-8.8%
General Fund Total Revenue	4,628,931	5,057,679	5,264,414	4,998,082	(59,597)	-1.2%
Beginning Fund Cash & Investments (City)	203,859	178,560	178,560	201,743	23,183	13.0%
Beginning Fund Cash & Investments (Funding)	252,276	163,790	163,790	255,590	91,800	56.0%
Total Beginning Fund Cash and Investments	456,135	342,350	342,350	457,333	114,983	56.0%
Total Sources	5,085,066	5,400,029	5,606,764	5,455,415	55,386	1.0%

2012 General Fund Operating Revenue



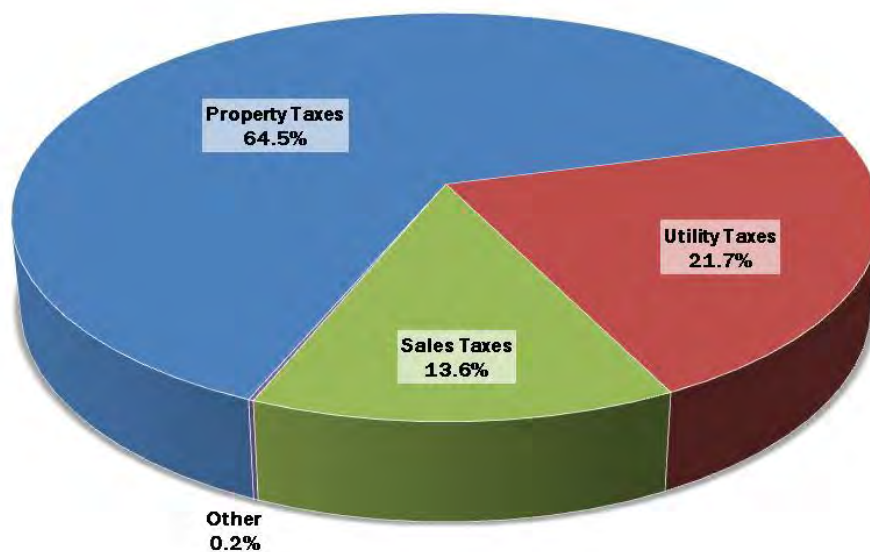
Total Operating Revenue \$4,364,082

General Fund Taxes

Locally levied taxes represent Black Diamond's largest portion of revenues of \$2,143,850 or 42.9% of the City's General Fund operating revenue. Taxes include real and personal property tax, local sales tax, utility taxes on utility services (water, wastewater, stormwater, electric, gas, cable and telephone) and gambling taxes. A slight increase of \$21,211 is anticipated in 2012. The increases are in property, sales and electrical utility taxes. Decreases are expected for other utility tax revenue, as they have been trending down.

Tax Revenue - General Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
General Property Taxes	998,553	1,369,803	1,360,492	1,383,500	13,697	1.0%
Sales Taxes	265,177	270,000	297,333	292,000	22,000	8.1%
B & O Tax	2,500					
Solid Waste Utility Tax	29,519	30,000	26,217	28,500	(1,500)	-5.0%
Cable TV Utility Tax	11,188	11,000	11,519	11,200	200	1.8%
Telephone Utility Tax	144,313	138,000	129,585	126,000	(12,000)	-8.7%
Gas Utility Tax	1,175	2,100	560	750	(1,350)	-64.3%
Electrical Utility Tax	203,693	210,000	222,222	215,000	5,000	2.4%
Water Utility Tax	24,333	28,236	26,861	27,000	(1,236)	-4.4%
Stormwater Utility Tax	14,239	16,500	16,037	16,500		0%
Wastewater Utility Tax	35,941	42,500	37,541	39,900	(2,600)	-6.1%
Pull Tabs and Punch Board Tax	4,522	4,500	3,617	3,500	(1,000)	-22.2%
Total General Fund Taxes	1,735,153	2,122,639	2,131,984	2,143,850	21,211	1.0%

2012 General Fund Tax Revenue



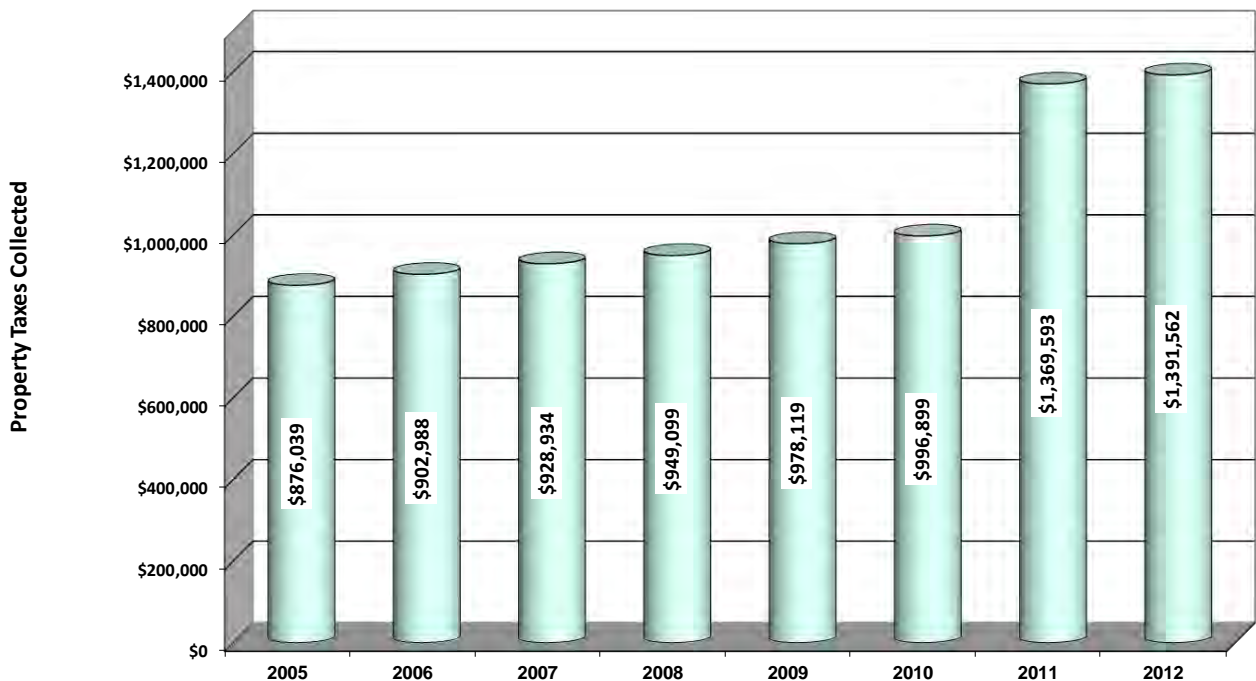
Total Tax Revenue \$2,143,850

Property taxes make up 64.5% of the General Fund's tax revenue and are expected to generate \$1,391,562 in revenue for the City in 2012. The City's levy rate in 2012 is \$2.59 per each \$1,000 of assessed value. 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.

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 and calculates levy rates.

In Black Diamond the total tax levy rates range between \$12.95 and \$13.74 per thousand dollars in assessed valuation, depending on the school district in your neighborhood. Of that amount Black Diamond receives \$2.59 per thousand of a property's value, or close to 20% of the total. All of that money is used to support Black Diamond's Fire, Police and Emergency Services. Property taxes provide 64% of the City's public safety revenue. The City's portion of the property tax bill on a \$250,000 Black Diamond home will cost approximately \$53.96 per month in 2012. This is a .42 cent per month increase from last year for a home with the same value.

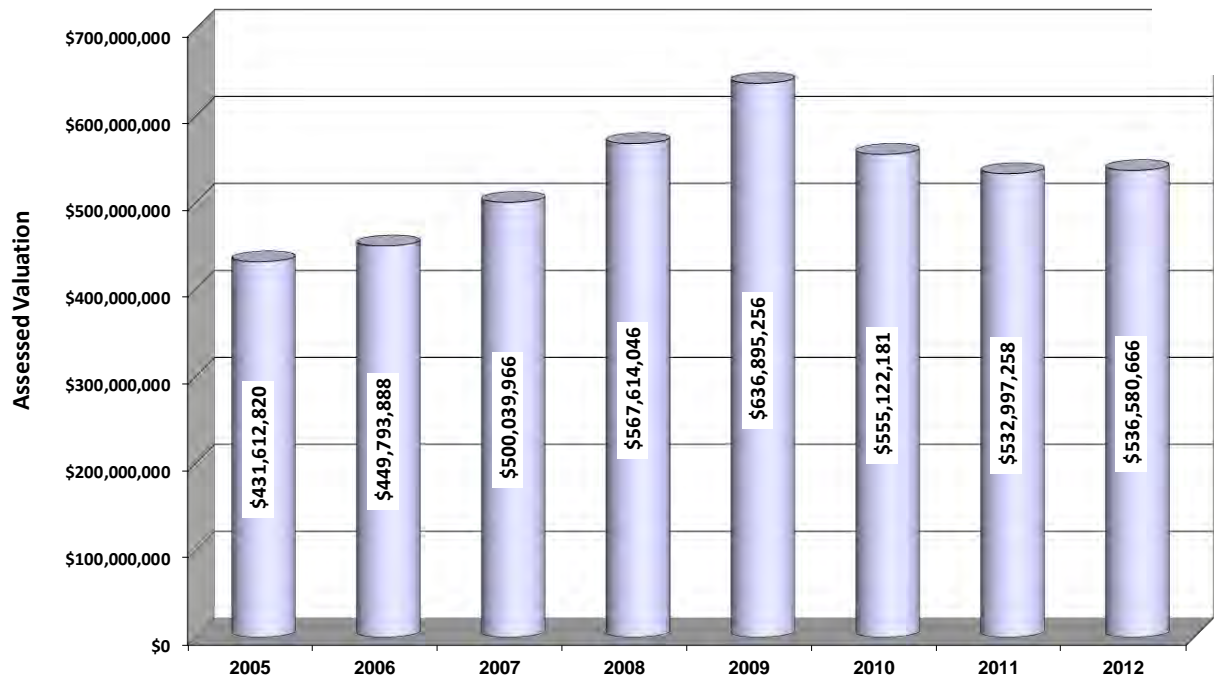
Property Tax Collection History and 2012 Budget



Regular Levy Base	865,426	876,039	901,740	926,593	951,399	978,750	1,360,227	1,369,593
1% Increase	4,942	8,761	9,017	9,266	9,514	9,788		13,696
New Construction	5,671	7,271	4,802	13,451	17,837	4,167	3,147	6,461
Annexations			13,100			1,163		
Adjustments		9,669	-2,066	2,089		3,031	6,219	1,812
Total Property Taxes	\$876,039	\$901,740	\$926,593	\$951,399	\$978,750	\$996,899	\$1,369,593	\$1,391,562
Levy Rate	2.0315	2.00296	1.83902	1.65059	1.52072	1.77702	2.57000	2.59339
Allowable Levy						3.10	3.10	3.10
Assessed Valuation	\$431,612,820	\$449,793,888	\$505,393,337	\$575,006,069	\$643,196,160	\$560,993,682	\$532,997,258	\$536,580,666

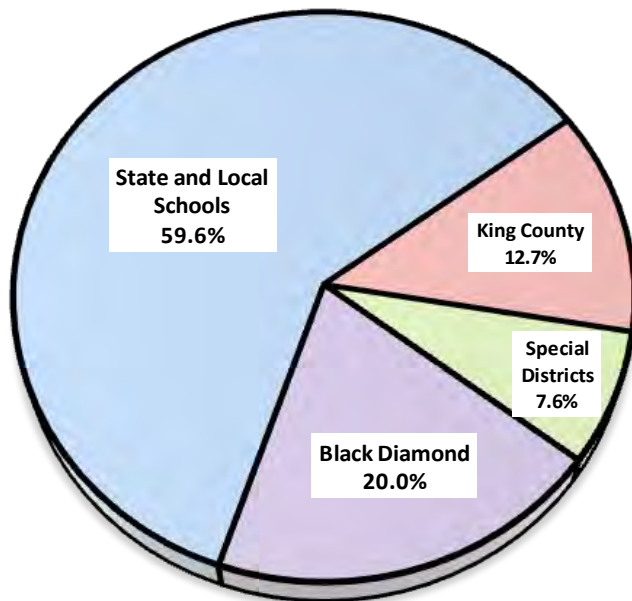
* The City budget adopted property tax at \$1,383,500 in 2012.

Assessed Valuation History



Final Assessed Evaluation	\$ 431,612,820	\$ 449,793,888	\$ 500,039,966	\$ 567,614,046	\$ 636,895,256	\$ 560,993,682	\$ 532,997,258	\$ 536,580,666
% change from prior year		4.2%	11.2%	13.5%	12.2%	-11.9%	-5.0%	0.7%
Population	4,080	4,080	4,085	4,120	4,155	4,180	4,190	4,160

For a \$250,000 Appraised Black Diamond Home in 2012



This is how a typical \$250,000 residence's property taxes are collected and distributed:

Taxing Entity	2012 Levy Rate per \$1,000	Annual Property Tax on a \$250,000 home	Monthly Property Tax on a \$250,000 home
School District (Enumclaw)	\$5.31	\$1,327	\$111
State Schools	\$2.42	\$605	\$50
Black Diamond	\$2.59	\$648	\$54
King County	\$1.42	\$354	\$30
Port of Seattle	\$0.23	\$58	\$5
Library District	\$0.57	\$142	\$12
Floods and Ferries	\$0.42	\$104	\$9
Total Property Taxes	\$12.95	\$3,238	\$270

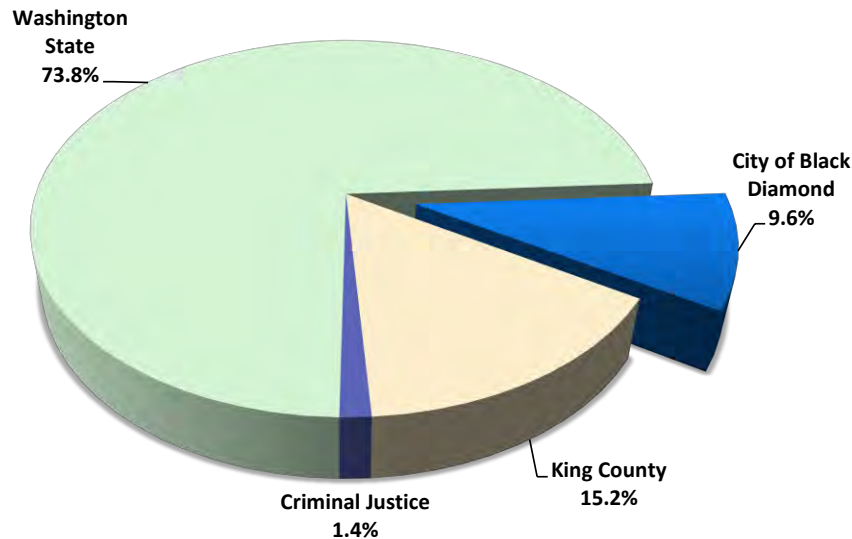
*Example shows Enumclaw School District levy rate of \$5.31
(Kent's school rate is \$5.60 and Tahoma's school rate is \$5.58)

Property taxes owed on a \$250,000 home in the City is approximately \$3,238 per year, with \$648, or 20% coming back to Black Diamond to support local police, fire and EMS services.

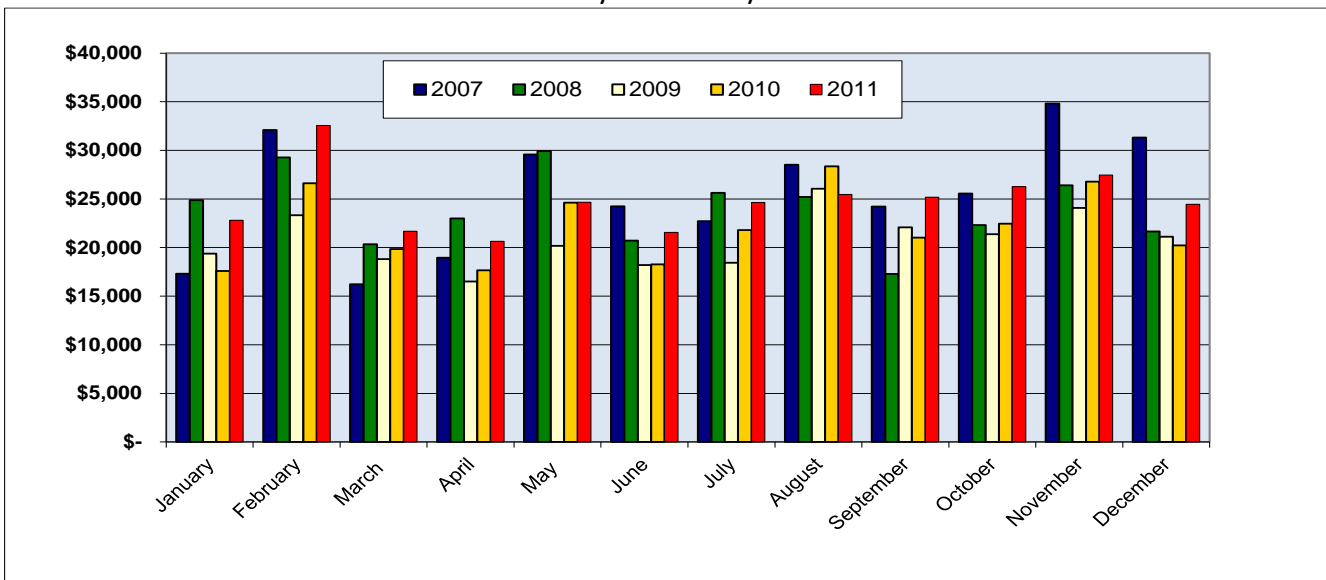
Sales tax revenue for the 2012 budget is \$292,000 or 13.6% of General Fund tax revenue. For every \$100 spent in Black Diamond, \$8.60 is collected by the State and is shared by various jurisdictions. These jurisdictions include our city, Washington State, King County and Criminal Justice programs. Black Diamond receives a bit less than 10% of the total.

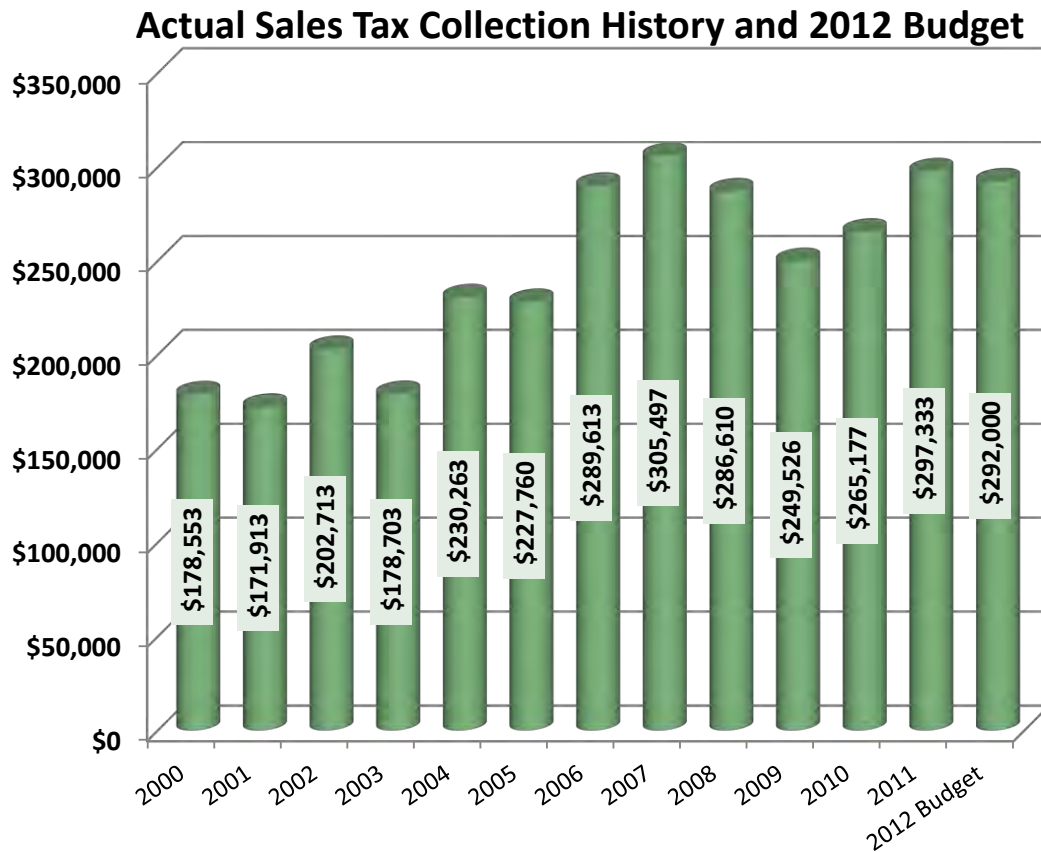
Black Diamond's sales tax revenues are dependent on retail sales of products and services sold in Black Diamond, as well as tax on new construction. In July 2009 sales tax streamlining went into effect in Washington State. This law shifts sales tax collections to the *delivered destination* rather than the place of purchase. This has provided some improved sales tax collections here. Overall sales tax revenues look modestly positive for 2012, as the economy is still showing signs of recovery.

2012 Sales Taxes
Taxed Amount is 8.6% of retail sales
 Based on a \$1,000 sale, retail sales tax is \$86 and is distributed in the following way:



Sales Tax Monthly Data Analysis 2007 - 2011





2011 Black Diamond Sales Tax Trends

Increasing:

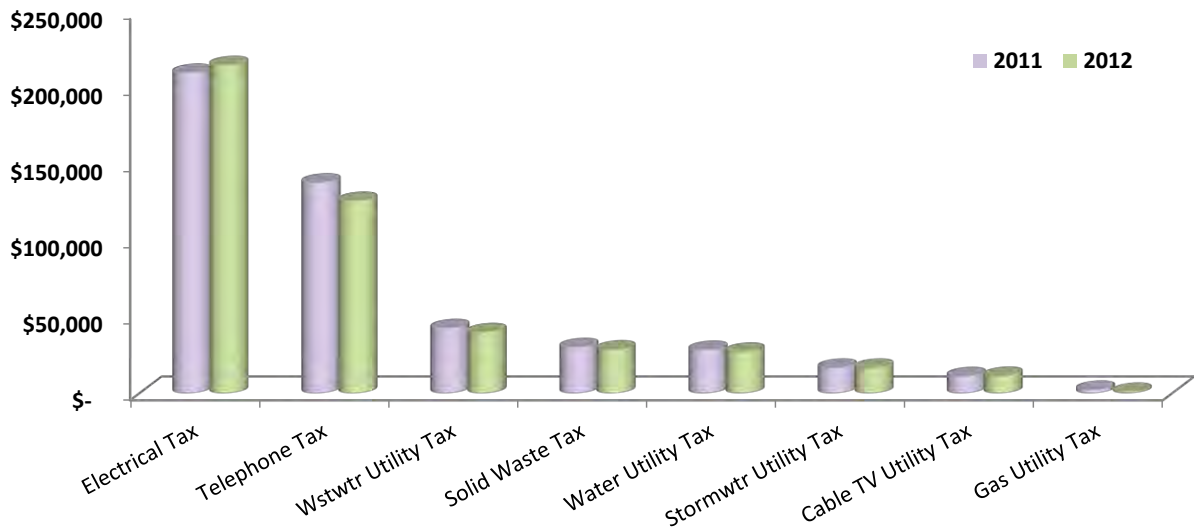
- 1) Construction
- 2) Retail trade
- 3) Administrative and other services
- 4) Real estate, rental and leasing

Decreasing:

- 1) Food services and drinking establishments
- 2) Professional, technical, information and insurance services
- 3) Utilities

Utility taxes for Black Diamond in 2012 are projected to be \$464,850 or 21.7% of General Fund tax revenue, which is all used to support public safety. Black Diamond levies a 6% utility tax on all public and private utilities such as electric, natural gas, water, wastewater, stormwater, telephone, and 5% on cable services. An additional 1% is collected as a cable franchise fee. Projected revenues include decreases in telephone, wastewater, solid waste, water, and gas utility taxes. Electric utility taxes have been increased toward trend, but overall the 2012 budget is 2.8% less than the 2011 budget.

Utility Taxes	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Electrical Tax	203,693	210,000	222,222	215,000	5,000	2.4%
Telephone Tax	144,313	138,000	129,585	126,000	(12,000)	-8.7%
Wastewater Utility Tax	35,941	42,500	37,541	39,900	(2,600)	-6.1%
Solid Waste Tax	29,519	30,000	26,217	28,500	(1,500)	-5.0%
Water Utility Tax	24,333	28,236	26,861	27,000	(1,236)	-4.4%
Stormwater Utility Tax	14,239	16,500	16,037	16,500		0%
Cable TV Utility Tax	11,188	11,000	11,519	11,200	200	1.8%
Gas Utility Tax	1,175	2,100	560	750	(1,350)	-64.3%
Total Utility Revenue	464,402	478,336	470,543	464,850	(13,486)	-2.8%



Cable Franchise Fees and Business License revenue comes from a 5% cable franchise fee. This fee plus a 1% utility tax equals the 6% utility tax paid by other utility companies. Business license revenue helps cover the cost of administration, inspection and other services for those occupations, trades and activities regulated by the City.

Business License and Cable Franchise Fee Revenue	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Business Licenses	25,845	25,600	23,785	24,320	(1,280)	-5.0%
Cable Franchise Fees	54,976	55,500	56,899	57,200	1,700	3.1%
Total Gen Fund Bus. License & Cable Fee Revenue	80,821	81,100	80,684	81,520	420	0.5%

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. Construction activity remained slow in 2011 with the exception of development plat fees.

Community Development Revenue	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Permitting Revenue						
Building Permit Fees	20,031	25,000	26,517	25,000		0%
Grading & Clearing Permits		500	4,893	1,000	500	100%
Mechanic Permits	1,456	1,500	2,294	2,600	1,100	73.3%
Plumbing Permits	814	1,000	1,363	1,300	300	30.0%
Demolition Permits	120	400	402	500	100	25.0%
Sprinkle/Alarm, Firework Permit	558	300	400	200	(100)	-33.3%
Sign Permits	640	800	301	600	(200)	-25.0%
Total Permitting Revenue	23,618	29,500	36,170	31,200	1,700	5.8%
Land Use Fees						
TDR Application/Credit		500		750	250	50.0%
Various Land Use Fees	3,793	2,000	99,550	7,500	5,500	275.0%
Lot Line Adjustments/Plats		2,000	206,700	600	(1,400)	-70.0%
Various Shoreline Fees	1,350	2,750	200	500	(2,250)	-81.8%
SEPA Fees and Appeals	1,991		2,500	3,000	3,000	100%
Total Land Use Fees	7,135	7,250	308,950	12,350	5,100	70.3%
Plan Check Fees						
Plan Check Review Fees	14,509	20,000	14,184	20,000		0%
Fire Plan Check Fees	767	750	495	500	(250)	-33.3%
Total Plan Check Fees	15,276	20,750	14,679	20,500	(250)	-1.2%
Other Community Dev. Revenue						
King County Rec. fees & code fines, etc.	45		252	300	300	100%
Copying Services	534	500	476	700	200	40.0%
Community Development Deposits	1,812	3,000	13,615	2,000	(1,000)	-33.3%
Hearing Examiner Fees		5,000		5,000		0%
Total Other Community Dev	2,391	8,500	14,343	8,000	(500)	-5.9%
Total Community Development Rev	48,420	66,000	374,142	72,050	6,050	9.2%

Police Revenue includes largely intergovernmental funding including grants, shared revenues, criminal justice funds and payments for goods and services provided to the City from the State or other governmental entities. Other revenue includes traffic school, gun permits and fingerprinting revenue as well as donations and other minor sources.

Police Revenue	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Police Intergovernmental Revenue						
Marine Grant-USCG 97-012/Wa Parks	29,597	25,353	8,714	15,000	(10,353)	-40.8%
WTSC- X52 Speeding	2,222	1,000	738	1,000		0%
WASPC Traffic Safety Equip-Radar	2,197	1,800	1,000	1,000	(800)	-44.4%
WTSC- X52DUI/DHGN	1,737	3,300	865	3,500	200	6.1%
WTSC- Nighttime Seat Belt Enforce	729		523			
Police CETED ST EQ Grant	9,218	3,000		3,000		0%
Police DUI Emphasis Grant			298			
Vessel Registration Boat Safety	17,051	10,520	10,520	10,520		0%
King County Program for Mentally Ill			440			
Vessel Reg. Boat Safety Carryover				10,500	10,500	100%
Total Police Intergovernmental Revenue	62,751	44,973	23,098	44,520	(453)	-1.0%
Police Charges for Service						
Police Traffic School Fee	15,830	20,000	14,000	20,000		0%
Police Overtime Reimb	650		1,185	1,300	1,300	100%
Police Traffic Reimb	375		975	500	500	100%
Police Records and Services	140		264	300	300	100%
Police-DUI Cost Recovery	7,167	8,500	4,981	6,500	(2,000)	-23.5%
DRE-Drug Recognition Expert Services	552		375	800	800	100%
Electronic Home Monitoring	1,460	2,500	175	1,000	(1,500)	-60.0%
Work Crew Screening and per Day State Fee		500	285	700	200	40.0%
Reimbursement from Labor & Industries			8,099			
Total Police Charges for Service	26,174	31,500	30,338	31,100	(400)	-1.3%
Police Confiscated, Donation, DARE, etc.						
Donation for Marine	100		500	500	500	100%
Gun Permits and Fingerprinting	1,309	1,200	1,510	1,300	100	8.3%
DARE Donations from Private Sources	650	950	500	1,000	50	5.3%
K-9 Donation	450	250	1,815	2,000	1,750	700%
Dare Grant-Walmart		150			(150)	-100%
Unclaimed/ Found Property			360			
Confiscated and Forfeited Property	2,025	1,000			(1,000)	-100%
Total Police Confiscated, Donated Revenue	4,534	3,550	4,685	4,800	1,250	35.2%
Police Criminal Justice Revenue						
Local Criminal Justice Funds	80,127	83,000	83,540	82,000	(1,000)	-1.2%
Criminal Justice - Violent Crimes/Population	1,000	1,000	1,000	1,000		0%
Criminal Justice Dcd 1	775	800	878	800		0%
Criminal Justice - Special Programs	3,525	3,500	3,488	3,200	(300)	-8.6%
DUI and Other Criminal Justice Assistance		600			(600)	-100.0%
Transfer in from Criminal Justice Fund	102,000					
Total Criminal Justice Revenue	187,427	88,900	88,905	87,000	(1,900)	-2.1%
Total Police General Fund Revenue	280,886	168,923	147,026	167,420	(1,503)	-0.9%

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 State real estate excise tax from the Public Works Trust Fund. These revenues have declined significantly since 2010, thus 2012 was budgeted to 2011 actuals.

Intergovernmental Revenue (non-police)	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Sales Tax Assistance from State	73,172	51,865	38,489	39,000	(12,865)	-24.8%
Recycle Grants, King County and State	19,037	19,002	19,002	19,000	(2)	0.0%
Liquor Excise Tax	20,720	20,866	20,418	19,800	(1,066)	-5.1%
Liquor Board Profits	33,448	30,940	28,947	31,800	860	2.8%
KC EMS VLS Contract	52,838	53,511	53,115	53,512	1	0%
Animal Control (one-time refund)			4,656			
Total Intergovernmental Rev	199,214	176,184	164,627	163,112	(13,073)	-7.4%

Charges for Services includes charges and fees for various services the City performs such as passport services, records services, grant reimbursements, copies, maps and publications, as well as charges for the Black Diamond Cemetery and Lake Sawyer parking fees. The Central Service allocation includes street, water, wastewater and stormwater portion of cost of non-reimbursed expenses primarily for a portion of the cost for the City Clerk for code, minutes, records, shared paper, postage, advertising, telephone, computer systems, facility costs, banking and credit card fees, payroll, vendor and receipt processing, and for planning and related costs. Also a small amount of costs are allocated for the City Council and Mayor and other staff as they work on utility related matters. Traffic school revenue has been down due to the unfilled officer positions and related citations.

Charges for Services (non-police) - General Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Misc Charges for Services	773	350	1,033	1,500	1,150	328.6%
Passport Fee	8,025	5,000	4,900	5,000		0%
Grant Reimbursements and Other	24,540	33,764	59,221	26,000	(7,764)	-23.0%
Lake Sawyer Parking Fee	14,499	16,000	11,573	12,000	(4,000)	-25.0%
Cemetery Revenue	7,475	4,650	3,685	6,050	1,400	30.1%
Central Service & GF Allocations	94,619	107,533	104,841	107,463	(70)	-0.1%
Total Charges for Service (non-police)	149,931	167,297	185,253	158,013	(9,284)	-5.5%

Municipal Court revenue represents the City's portion of fines and forfeits collected on citations and other Municipal Court fees. This is always a difficult area to budget as these revenues are based on citations issued, court decisions and of course the defendant's ability to pay. Traffic infractions represent more than half of the Court's revenue.

Municipal Court Revenue - General Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Court Mand. Insurance Costs	3,787	4,500	4,148	4,850	350	7.8%
Court Traffic Infractions	62,958	65,000	66,850	72,000	7,000	10.8%
Court Other Non Traffic Infr.	759	800	447	800		0%
Court Parking Fines	2,085	2,500	1,599	2,000	(500)	-20.0%
Court DUI Fines	4,421	3,000	2,260	2,200	(800)	-26.7%
Court Criminal Traffic Misd.	11,076	12,000	5,921	7,800	(4,200)	-35.0%
Nontraffic Fees and Infractions	5,302	6,000	2,018	2,800	(3,200)	-53.3%
Administration/Correction Fees	38,228	30,600	29,306	34,000	3,400	11.1%
Court Interest and Miscellaneous Fees	8,638	10,600	8,255	9,450	(1,150)	-10.8%
Total Municipal Court Revenue	137,255	135,000	120,803	135,900	900	0.7%

Miscellaneous Revenue includes interest on investments and property and sales tax proceeds prior to their distribution, as well as the sale of surplus equipment and other miscellaneous revenue sources. Interest income continues to be minimal due to extremely low interest rates.

Miscellaneous Revenue & Transfers Revenue	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
LGIP Investment and Misc. Interest	1,762	1,700	1,170	1,100	(600)	-35.3%
Surplus GF Equipment	20	1,500	1,398	1,500		0%
Misc Revenue	2,607	3,500	930	500	(3,000)	-85.7%
Total Miscellaneous Revenue	4,389	6,700	3,498	3,100	(3,600)	-53.7%

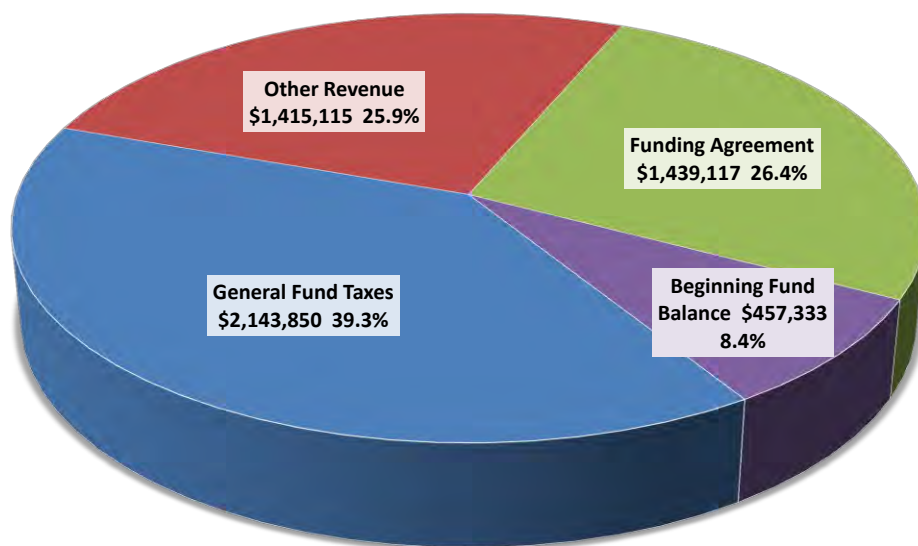
Funding Agreement revenue includes the General Fund portion of the Funding Agreement of ongoing costs for 2012 of \$1,439,117, and the Master Planned Development (MPD) for Lawson Hills and the Villages of \$634,000.

Funding Agreement Revenue - General Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Partner-Funding Agreement	1,349,968	1,438,661	1,404,173	1,439,117	456	0.03%
Total Operating General Fund Revenue	3,986,038	4,362,504	4,612,190	4,364,082	1,578	0.04%

Other General Fund Revenue	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
MPD-Lawson Reimbursement	188,841	195,251	224,530	300,000	104,749	53.6%
MPD-Villages Reimbursement	202,083	230,251	229,831	300,000	69,749	30.3%
MPD/Dev Agree-Misc Reimbursements		269,673	194,268	34,000	(235,673)	-87.4%
Annexation Reimbursements	665		5,734			
Annexations Deposit Refund			(20,000)			
MPD-Lawson and Villages Deposit	25,000					
Reduction of EIS/SEPA Deposit	(80,000)					
EIS/SEPA Reimbursement	292,815					
EIS/Morgan Kame Reimbursement	4,179					
Misc Reimbursements	9,311		17,861			
Total MPD & EIS/SEPA Dev Reimbursements	642,894	695,175	652,224	634,000	(61,175)	-8.8%

Beginning Fund Balance - General Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Beginning Cash & Investments (City)	203,859	178,560	178,560	201,743	23,183	13.0%
Beginning Cash & Investments (Developer)	252,276	163,790	163,790	255,590	91,800	56.0%
Total Beginning Cash and Investments	456,135	342,350	342,350	457,333	114,983	33.6%
Grand Total General Fund Revenue	5,085,067	5,400,029	5,606,764	5,455,415	55,386	1.0%

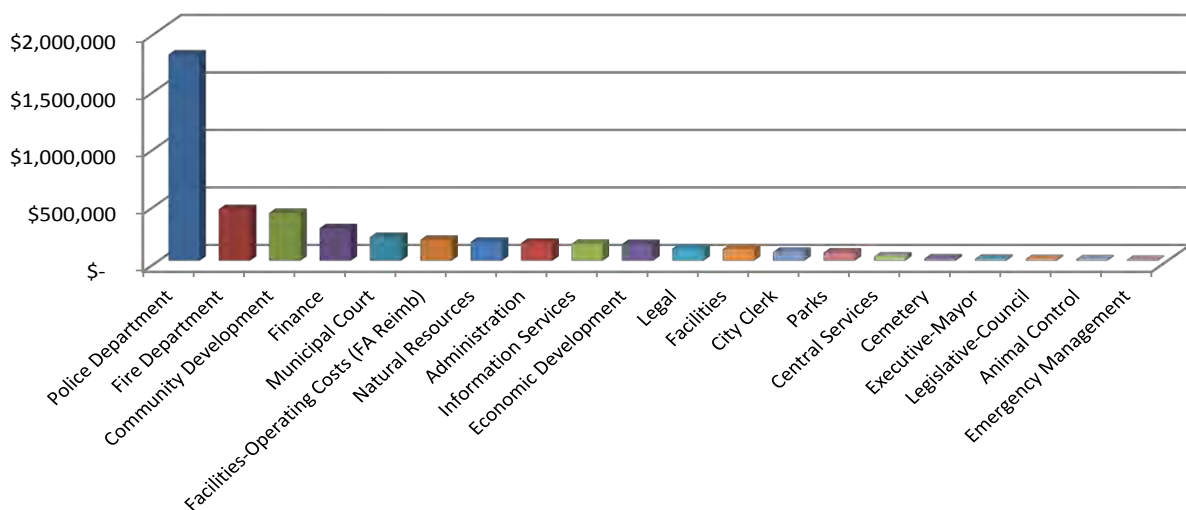
2012 General Fund Total Revenue
(including non-operating)



Total Revenue \$5,455,415

2012 General Fund Final Budget - Expenditures				
	2011 Amended Budget	2012 Final Budget	2011 & 2012 Budget Difference	Budget Change %
EXPENDITURES by Department				
Executive-Mayor	14,330	14,076	(254)	-1.8%
Legislative-Council	12,603	12,599	(4)	0.0%
Administration	152,278	153,399	1,121	0.7%
City Clerk	69,478	75,308	5,830	8.4%
Finance	282,167	281,405	(762)	-0.3%
Information Services	143,807	145,160	1,353	0.9%
Facilities	98,739	99,821	1,082	1.1%
Facilities-Operating Costs (FA Reimb)	180,000	180,000	0	0.0%
Legal	104,000	104,500	500	0.5%
Municipal Court	230,848	204,319	(26,529)	-11.5%
Police Department	1,770,713	1,791,451	20,738	1.2%
Emergency Management	5,000	5,000	0	0.0%
Fire Department	432,240	446,337	14,097	3.3%
Animal Control	16,025	9,762	(6,263)	-39.1%
Community Development	389,515	413,977	24,462	6.3%
Natural Resources	160,624	162,485	1,861	1.2%
Economic Development	142,578	143,156	578	0.4%
Parks	72,807	69,323	(3,484)	-4.8%
Cemetery	17,533	17,277	(256)	-1.5%
Central Services	38,974	34,727	(4,247)	-10.9%
Total Operating Expenses	4,334,259	4,364,082	29,823	0.7%
Other Exp - MPD & Developer Agreement	730,175	634,000	(96,175)	-13.2%
Total Expenditures	5,064,434	4,998,082	(66,352)	-1.3%
Ending Fund Balance	171,805	201,743	29,938	17.4%
Ending Fund Balance - Partners	163,790	255,590	91,800	56.0%
Total Ending Fund Balance	335,595	457,333	121,738	36.3%
Total General Fund Uses	5,400,029	5,455,415	55,386	1.0%

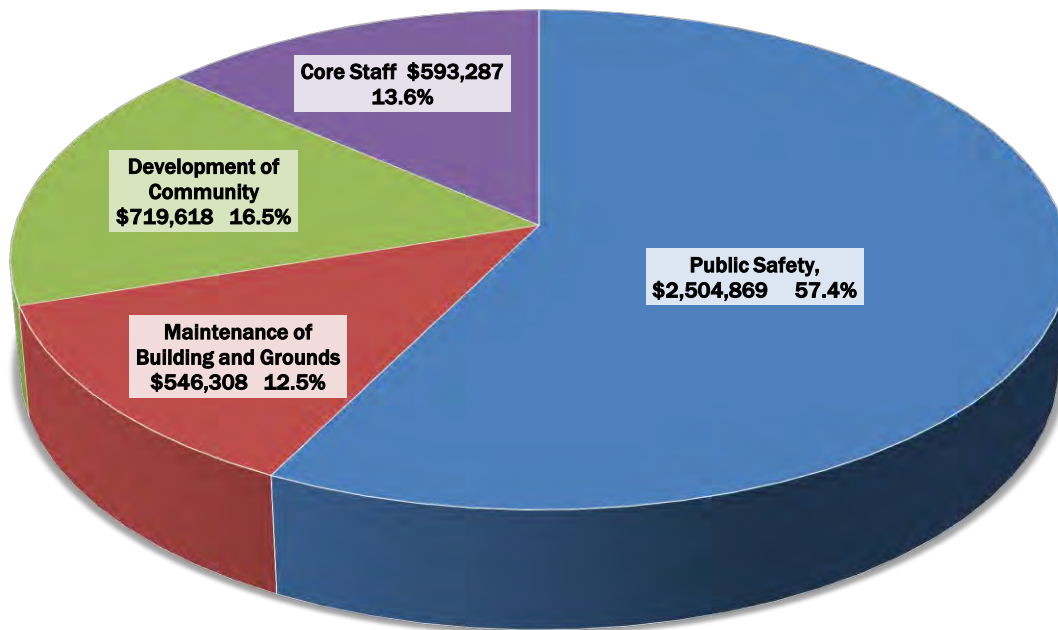
Yearly Expenditures by Department



General Fund Expenditure Summary	2010 Actual	2011 Amended Budget	2011 Actuals	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Public Safety						
Prosecuting Attorney	48,000	48,000	48,200	48,000	-	-
Municipal Court	209,134	230,848	192,810	204,319	(26,529)	-11.5%
Police Department	1,550,288	1,770,713	1,632,032	1,791,451	20,738	1.2%
Fire Department	408,774	432,240	432,165	446,337	14,097	3.3%
Animal Control	-	16,025	15,663	9,762	(6,263)	-39.1%
EMS Management	-	5,000	502	5,000	-	-
Total Public Safety	2,216,196	2,502,826	2,321,372	2,504,869	2,043	-46.1%
Maintenance of Building and Grounds						
Information Services	129,528	143,807	139,567	145,160	2,828	2.0%
Capital Facilities , Maint and Operations	248,693	313,739	278,736	279,821	1,103	0.4%
Parks	61,597	72,807	67,381	69,323	(3,105)	-4.3%
Cemetery	15,834	17,533	15,497	17,277	(168)	-1.0%
Central Services	33,491	38,974	33,652	34,727	(4,247)	-10.9%
Total Maintenance of Building and Grounds	489,142	586,860	534,833	546,308	(3,589)	-0.6%
Development of Community						
Community Development	362,751	389,515	373,713	413,977	26,508	6.8%
Natural Resources	156,104	160,624	158,157	162,485	3,341	2.1%
Economic Development	131,251	142,578	135,143	143,156	840	0.6%
Total Development of community	650,107	692,717	667,013	719,618	30,689	4.4%
Core Staff						
Executive - Mayor	13,404	14,330	13,568	14,076	(254)	-1.8%
Legislative- City Council	11,660	12,603	11,877	12,599	(4)	0.0%
Administration	144,741	152,278	147,347	153,399	2,445	1.6%
City Clerk	73,345	69,478	69,005	75,308	6,711	9.7%
Finance	256,561	282,167	273,882	281,405	443	0.2%
Legal General	61,546	56,000	55,479	56,500	500	0.9%
Total Core Staff	561,258	586,856	571,158	593,287	6,431	1.1%
Total Operating General Fund	3,916,704	4,369,259	4,094,376	4,364,082	(5,177)	-0.1%
MPD Annexations and EIS	704,708	695,175	591,175	634,000	(61,175)	-8.8%
One-time-only expenditures (legal & misc)	3,231					
Subtotal Funding and One-time-only	707,939	695,175	591,175	634,000	(61,175)	-8.8%
Total General Fund Expenditures	4,624,643	5,064,434	4,685,551	4,998,082	(66,352)	-1.3%
Ending Cash and Investments Reserved	163,790	163,790	497,145	255,590	91,800	56.0%
Ending Cash and Investments	106,221	171,805	424,069	201,743	29,938	17.4%
Total Ending C&I Balance	270,011	335,595	921,214	457,333	121,738	36.3%
Total Uses General Fund	4,894,654	5,400,029	5,606,765	5,455,415	55,386	1.0%

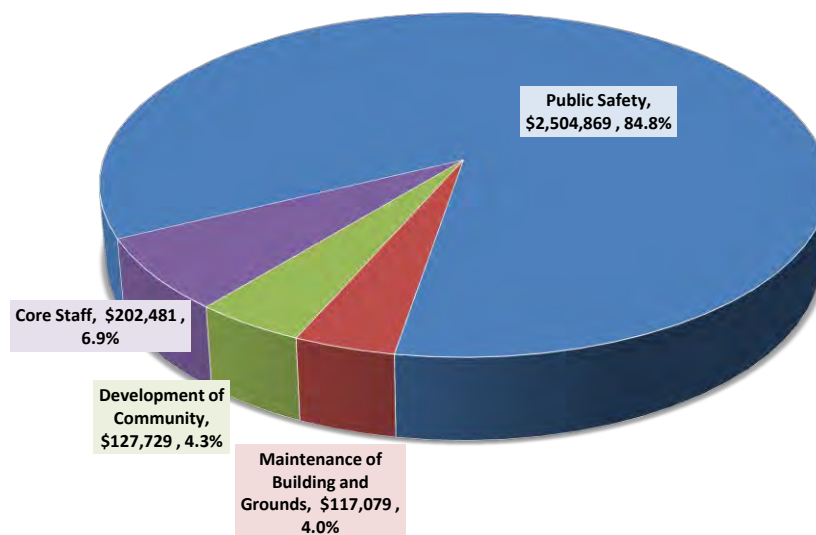
General Fund NET Operating Summary	2012 Amended Budget	Less Funding Agreement	NET Expenditures
Public Safety			
Utilities and Other Building Costs	48,000		48,000
Municipal Court	204,319		204,319
Police Department	1,791,451		1,791,451
Fire Department	446,337		446,337
Animal Control	9,762		9,762
EMS Management	5,000		5,000
Total Public Safety	2,504,869		2,504,869
Maintenance of Building and Grounds			
Information Services	145,160	(143,807)	1,353
Capital Facilities , Maint and Operations	279,821	(271,161)	8,660
Parks	69,323	(13,976)	55,347
Cemetery	17,277	(285)	16,992
Central Services	34,727		34,727
Total Maintenance of Building and Grounds	546,308	(429,229)	117,079
Development of Community			
Community Development	413,977	(316,619)	97,358
Natural Resources	162,485	(139,413)	23,072
Economic Development	143,156	(135,857)	7,299
Total Development of Community	719,618	(591,889)	127,729
Core Staff			
Executive - Mayor	14,076		14,076
Legislative- City Council	12,599		12,599
Administration	153,399	(147,816)	5,583
City Clerk	75,308		75,308
Finance	281,405	(242,990)	38,415
Legal General	56,500		56,500
Total Core Staff	593,287	(390,806)	202,481
Total Operating General Fund	4,364,082	(1,411,924)	2,952,158

**2012 General Fund Operating Expenditures by
Type of Program**



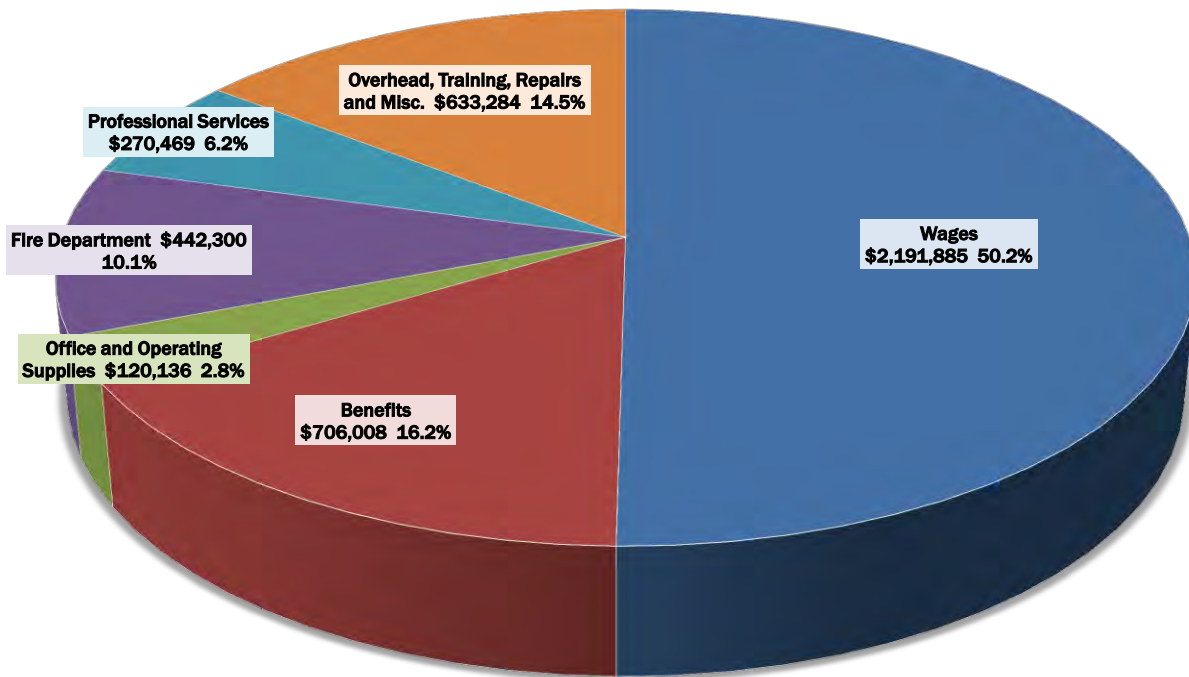
Total Operating Expenditures \$4,364,082

**2012 General Fund Operating Expenditures
NET of Funding Agreement
by Type of Program**



Total \$2,952,158

2012 General Fund Operating Expenditures by
Type of Cost



Total Operating Expenditures: \$4,364,082

2012 Final Budget Funding Agreement				
Core Agreement (254)	FTE	Salaries	Benefits	Total
City Clerk/Asst City Administrator	1.0	111,654	36,162	147,816
Stewardship Director	1.0	101,921	37,492	139,413
Econ Development Director	1.0	100,795	35,062	135,857
Community Development Director	1.0	106,843	25,971	132,814
Information Services Manager	1.0	99,248	36,753	136,001
Finance Director	1.0	105,751	23,783	129,534
Deputy Finance Director	1.0	84,779	28,677	113,456
Permit Technician Supervisor	1.0	77,413	21,169	98,582
Facilities Equipment Coordinator	1.0	68,019	23,142	91,161
Associate Planner	1.0	65,929	19,294	85,223
Public Works Director (Parks & Cemetery)*	0.1	10,482	3,779	14,261
Subtotal Salary and Benefits	10.1	932,834	291,284	1,224,118
Maintenance and Operations				180,000
Total Staff and Building Costs				1,404,118
Code Enforcement				35,000
Subtotal Funding Agreement General Fund		932,834	291,284	1,439,118
Legal For MPD				34,000
Other MPD Reimbursables				600,000
Total MPD Funding		-	-	634,000
General Fund Funding Total Reimbursement				2,073,118
*Utilities - Public Works Director	0.90	94,345	34,007	128,352
Utilities - Admin Assistant III Public Works	1.00	56,450	29,765	86,215
Grand Total Funding Agreement	12.00	1,083,629	355,056	2,287,685

*PW Director assigned 10% to General Fund, 90% to Street and Utilities

Legislative

This section of the General Fund operating budget provides funding for the legislative branch of the City government. The department consists of 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 workstudies each month. Councilmembers also serve on Council Committees which meet on an as-needed basis. 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, with the Mayor Pro Tem receiving \$200 per month.

Legislative Department Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Council Wages (4 Council & Mayor Pro	10,080	10,080	10,080	10,080		0%
Benefits (Social Sec, L&I)	818	823	809	819	(4)	-0.5%
Lodging, Meals And Mileage	467	600	188	600		0%
Training And Workshops	200	1,000	800	1,000		0%
Miscellaneous	94	100		100		0%
Legislative Total	11,660	12,603	11,877	12,599	(4)	-0.03%

Note: For 2010 Actuals, the Criminal Justice Fund (122) is included here



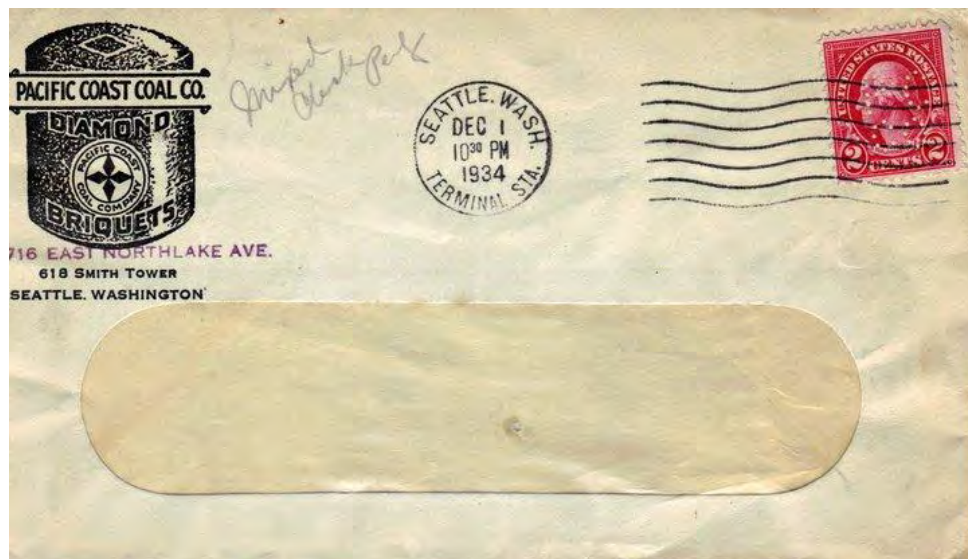
SNOW SCENE on RAILROAD AVE. Clearly visible buildings on the left are Murphy's Shoe Shop, the Black Diamond Bakery, the meat market, the lumber yard, and the Pacific Coast Railroad depot – now the Black Diamond Museum. Across the street, we have a hotel, the post office (now Black Diamond Pizza & Deli), the Show Hall, and the Bussey residence. (Courtesy Black Diamond Historical Society)

Executive Department

This General Fund contains the Mayor's budget. 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 associated with the Mayor include communications, travel, training and other miscellaneous expenses.

Executive Department Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Mayor Wages	12,000	12,000	12,000	12,000		0%
Benefits (soc sec, retirement, medical ins, etc)	970	980	972	976	(8)	-0.8%
Operating Supplies	56	100	14	100		0%
Lodging, Meals & Mileage	43	500	327	450	(50)	-10.0%
Miscellaneous		50	50	50		0%
Training & Workshop & Dues	335	700	205	500	(200)	-28.6%
Executive Department Total	13,404	14,330	13,568	14,076	(254)	-1.8%



Pictured here is a mailing envelope with the Pacific Coast Coal Company's DIAMOND BRIQUETS logo, postmarked December 1, 1934 – less than 5 years before BRIQUETVILLE's demise. Each briquette made with BLACK DIAMOND COAL was embossed with a small diamond brand.
(Courtesy Black Diamond Historical Society)

Administration

Administration is part of the General Fund operating budget and provides funding for the overall management of the City of Black Diamond. This budget holds salary and benefits for the Assistant City Administrator, a position reimbursed 100% by the Funding Agreement. Because the Assistant City Administrator also serves as the City Clerk, non-salary expenditures associated with that position are located in the City Clerk's budget. The City Administrator position is frozen in the 2012 budget, resulting in the salary and benefit savings.

City Administration Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
City Administration Wages (Asst City Admin.)	107,616	113,400	111,228	113,400		0%
Furlough (2011-5day, 2012-4 day)		(2,375)		(1,923)	452	-19.0%
Benefits (soc sec, retirement, medical ins, etc)	32,847	33,965	33,161	36,340	3,429	10.1%
Office And Operating Supplies	24	100			(100)	-100%
Professional Services	1,500					
Telephone and Postage	6	100			(100)	-100%
Lodging, Meals & Mileage		600	20	600		0%
Training, Dues and Memberships		3,500		1,750	(1,750)	-50.0%
Insurance	2,749	2,938	2,938	3,232	294	10.0%
Miscellaneous		50			(50)	-100%
City Administration Department Total	144,741	152,278	147,347	153,399	1,121	0.7%



Position:

1.0 Assistant City Administrator

Frozen and Unfunded:

1.0 City Administrator

Black Diamond Museum telephone switchboard: In 1933 there were five Black Diamond names and two digit phone numbers in the telephone book, the BD Garage & Stage Co., Phone #44, High School, #21, H.M. McDowell (manager of the PCCC store), #51, Hospital, #61, and Pacific Coast Coal Co. store, #31. (Courtesy Black Diamond Historical Society)

City Clerk

The City Clerk Department 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 and also maintaining and developing the City's website.

This department includes the Deputy City Clerk. The Deputy City Clerk is allocated 60% to the General Fund and 40% to Public Works funds. Also reflected in this budget are expenses for voter costs, code updates, advertising and other Clerk related expenditures. Budgets for office supplies and training for the Assistant City Administrator who also serves as the City Clerk are found in this section of the budget, while the salaries and benefits for that position are found in the Administration budget.

2011 Accomplishments

- Continue development of the records management system for essential public records
- Completed redesign of the City Clerk's page on the website to allow for ease in information retrieval
- Coordinated and hosted tri-city Council meeting with Covington and Maple Valley
- Created policy regarding leave sharing
- Enhanced public records request process including electronic distribution of requests to staff and clerk retention of disclosed documents
- Created Commission roster to track expiring terms, current members and vacancies

City Clerk Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
City Clerk Wages (1 Dep Clerk > 60% to GF)*	32,242	36,192	35,496	36,192		0%
Furlough (2011-5day, 2012-4 day)		(801)		(648)	153	-19.1%
Benefits (soc sec, retirement, medical ins, etc)	15,631	17,004	16,337	18,256	1,252	7.4%
Elections Costs	5,060			5,100	5,100	100%
Special Election Costs	7,614					
Voter Registration Costs	5,389	6,450	6,450	6,500	50	0.8%
Office Supplies	237	250	571	200	(50)	-20.0%
Code Update	5,000	5,500	5,959	5,500		0%
Lodging, Meals & Mileage		1,800	1,085	1,200	(600)	-33.3%
Advertising	1,200	1,000	953	700	(300)	-30.0%
Insurance	573	644	644	708	64	9.9%
Workshops/training	125	1,100	1,125	1,200	100	9.1%
Memberships	275	400	385	400		0%
City Clerk Department Total	73,345	69,539	69,005	75,308	5,769	8.3%

* Other 40% of wages and benefits are allocated to Utilities

Position:
1.0 Deputy City Clerk

Finance

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, business licensing, utility tax collections, cash and investment management and debt service. Finance prepares the Annual Budget, the Comprehensive Annual Financial Report, Capital Improvement Program, reports and monthly financial updates.

This department has a Finance Director and a Deputy Finance Director and a part time (75%) senior accountant position. The ¾ time position is allocated 60% to the General Fund and 40% to public works funds. The finance director and deputy finance director salaries and benefits are 100% reimbursed by the Funding Agreement. The decrease of \$762 is partially due to the completion of the 2009 and 2010 State audit on the Black Diamond that occurs once every two years.

2011 Accomplishments

- Received clean audit opinion on the 2009 – 2010 State Audit
- Moved CIP Process to 1st half of year with adoption in in June/July
- Made accounting changes to reclassify funds per GASB 54

Finance Department Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Finance Wages (Dir, Dep Dir & 60% Sr. Acct)*	208,915	224,532	216,556	224,532		0%
Furlough (2011-5day, 2012-4 day)		(4,681)		(3,353)	1,328	-28.4%
Benefits (soc sec, retirement, medical ins, etc)	40,355	47,583	44,605	50,526	3,917	8.2%
Office Supplies	448	600	536	600		0%
State Auditor Services	764	6,250	6,406	1,100	(5,150)	-82.4%
Tax Audit/microflex	1,213	1,800	1,226	1,300	(500)	-27.8%
Lodging, Meals & Mileage	819	1,000	397	1,000		0%
Advertising	293		138	300	300	100%
Insurance	2,852	3,183	3,182	3,500	317	10.0%
Workshops and Training	645	1,500	650	1,500		0%
Memberships and Miscellaneous	259	400	185	400		0%
Finance Department Total	256,561	282,167	273,882	281,405	(762)	-0.3%

* Sr. Accountant is a 75% FTE & allocated 40% to Utilities

Positions:

1.0 Deputy Finance Director
1.0 Finance Director
.75 Senior Accountant (60% to General Fund)
2.75 Total

Information Services

The City of Black Diamond's Information Services Department is responsible for the procurement, administration and maintenance of the informational and telephone systems used by all of the City's departments. This department has one full-time employee for which the salary and benefits are reimbursed 100% by the Funding Agreement.

2011 Accomplishments

- Upgraded Police Department patrol cars from old-modems to Verizon service, in conjunction with traffic encryption server
- Finalized secure connection for PD w/ WA State Access for Spillman Statelink technology
- Worked with the Clerk's Department on latest website redesign for City
- Removed and instituted defense against a crippling mail-bomb virus we suffered
- Integrated eMail archive server for PD/City
- Became Cisco ASA firewall certified
- Transitioned voice service for City to Comcast Digital and began the telephone system upgrade

Information Technology Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Information Technology Wages (I.T. Manager)	94,939	100,800	98,868	100,800		0%
Furlough (2011-5day, 2012-4 day)		(2,231)		(1,806)	425	-19.0%
Benefits (soc sec, retirement, medical ins, etc)	31,934	34,509	33,255	37,006	3,655	10.6%
Office supplies, small tools & minor equipment	526	550	253	300	(250)	-45.5%
Professional Services	330	5,000	1,633	4,000	(1,000)	-20.0%
Telephone/dsl		400	341	200	(200)	-50.0%
Lodging, Meals & Mileage	44	600		300	(300)	-50.0%
Insurance	1,441	1,554	1,554	1,710	156	10.0%
Repairs and Maintenance	288	500	173	500		0%
Training and Workshops		2,000	3,477	2,000		0%
Miscellaneous and Memberships	26	125	13	150	25	20.0%
Information Technology Total	129,528	143,807	139,568	145,160	1,353	0.9%

Position:

1.0 Information Services Manager

Facilities Department

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 and equipment. This department has one full-time employee whose salary and benefits are 100% reimbursed by the Funding Agreement.

The Capital Facilities Department provides for City Hall, Public Works land and building leases, and the associated utility and building costs. 100% of these costs are provided through the Funding Agreement.

Capital Facilities Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Facilities Wages (Capital Facilities Coordinator)	65,557	69,083	68,152	69,083		0%
Furlough (2011-5day, 2012-4 day)		(1,436)		(1,154)	282	-19.6%
Benefits (soc sec, retirement, medical ins, etc)	20,816	22,677	21,864	23,231	554	2.4%
Office, Operating Supplies and Uniforms	1,424	900	524	600	(300)	-33.3%
Fuel	1,791	2,600	1,528	3,500	900	34.6%
Small Tools and Equipment	180	400	632	550	150	37.5%
Insurance	967	1,465	1,465	1,611	146	10.0%
Vehicle Maint, Repair and Miscellaneous	1,471	2,450	1,061	1,800	(650)	-26.5%
Training		600	76	600		0%
Facilities Subtotal	92,207	98,739	95,302	99,821	1,082	1.1%
Funding - Maintenance						
Building and Land Leases	105,221	107,540	111,430	107,540		0%
Utilities and Other Building Costs	51,265	72,460	72,002	72,460		0%
Funding Maintenance Subtotal	156,486	180,000	183,432	180,000		0%
Capital Facilities and Funding Maint. Total	248,693	278,739	278,734	279,821	1,082	0.4%



Position:
1.0 Facilities Coordinator

In about 1925, a Black Diamond resident used this toy wagon, now on display at the museum, to deliver milk to community residents door-to-door. Pulled by a dog, the wagon carried milk in five-gallon cans. The milk was then distributed to each customer using a dipper. (Courtesy Black Diamond Historical Society)

Legal Department

The Legal Department represents the Office of the City Attorney. The General Fund portion of the budget of the City Attorney generally includes providing 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 Street and Utility Fund budgets. Kenyon Disend PLLC is currently contracted to provide legal counsel for the City. Chris Bacha serves as the City Attorney.

The City Attorney also provides Black Diamond with representation on a myriad of issues, including but not limited to providing legal analysis on civil issues, property acquisitions, land use issues and comprehensive plan issues. These legal costs are included in other funds, capital projects or MPD budgets.

Legal Services Expenditures*	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Legal Services-General	53,235	49,500	46,685	50,000	500	1.0%
Legal Services - Employment	1,661	2,000	3,664	2,000		0%
Prosecuting Attorney	48,000	48,000	48,200	48,000		0%
Legal Svcs Police Contract	2,852	3,500	1,884	3,500		0%
Legal-Lawsuits-Other Charges	3,798	1,000	3,246	1,000		0%
Legal Services Total	109,546	104,000	103,679	104,500	500	0.5%

*Legal Services are provided by prof. service contracts



This was the JONES HOTEL about 1919. This hotel was one of many in Black Diamond built to house the bachelor miners. It was located at the center of what today is the Rainier View senior housing development, just off 1st Avenue. (Courtesy Black Diamond Historical Society)

Municipal Court

The Black Diamond Municipal Court is a court of limited jurisdiction, managing a caseload of approximately 1,500 to 2,400 cases each year. 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, 3rd and 4th Wednesday of each month. The Court office is open Monday through Friday from 8:30 a.m. to 5:00 p.m.

Budget for the Court includes a full-time Court Administrator, one 50% time Court Clerk and contracted services provided by a judge, prosecutor and public defender. Budget is also needed for security and other miscellaneous expenses such as interpreters, office supplies, training and credit card fees.

Municipal Court Department Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Municipal Court Wages (Supervisor & .5 Clerk)	91,468	105,924	92,679	91,579	(14,345)	-13.5%
Furlough (2011-5day, 2012-4 day)		(2,342)		(1,635)	707	-30.2%
Benefits (soc sec, retirement, medical ins, etc)	18,968	24,372	21,334	23,287	(1,085)	-4.5%
Operating Supplies	1,870	2,000	1,136	2,000		0%
Court Judge	43,200	36,000	36,000	36,000		0%
Protem Judge	1,614	1,800	390	800	(1,000)	-55.6%
Court-Public Defender	17,028	23,000	12,765	18,000	(5,000)	-21.7%
Court Interpreter	3,279	4,000	2,406	3,000	(1,000)	-25.0%
Prof Service/Jury List		500	597	500		0%
Telephone/DSL	3,479	3,500	3,258	3,500		0%
Postage	2,015	1,500	1,169	1,500		0%
Lodging, Meals & Mileage	402	150	424	400	250	166.7%
Insurance	1,990	2,444	2,444	2,688	244	10.0%
Advertising		250	196		(250)	-100%
Juror Costs		1,500		750	(750)	-50.0%
Training	150	350	225	350		0%
Printing and Binding	2,286	3,500	589	2,500	(1,000)	-28.6%
Memberships	415	450	337	450		0%
Shredding Services	274	450	234	450		0%
Police Security O/T	18,269	18,000	14,125	15,000	(3,000)	-16.7%
Security	241	1,200	243	700	(500)	-41.7%
Merchant Credit Card Fees	1,911	2,000	1,954	2,200	200	10.0%
Banking Fees and Miscellaneous	276	300	303	300		0%
Municipal Court Total	209,134	230,848	192,810	204,319	(26,529)	-11.5%

Positions:

1.0 Court Administrator

.5 Court Clerk

1.5 Total

Police Department

The Black Diamond Police Department is currently operating with a chief, commander, an acting patrol sergeant and seven patrol officers. Two additional positions remain unfunded in 2012. The police department also has a full time records manager and a part-time records clerk. The 1.2% overall increase in the budget this year is primarily due to the police union contracted wage adjustments along with an increase in communication expenses.

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.

MISSION STATEMENT

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

Our Values

Integrity

Committed to providing quality service by consistently holding ourselves to the highest moral and ethical principals

Professionalism

Committed to providing the community with exceptional law enforcement by developing our personnel through effective training and leadership

Excellence

Committed to providing innovative solutions to issues by working in partnership with our community

Teamwork

Committed to providing a quality work environment by promoting coordination, cooperation, and communication with our members

Police Department Expenditures Summary	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Operating Expenditures	1,339,503	1,502,771	1,457,999	1,542,625	39,854	2.7%
Communications	107,985	136,980	97,652	147,425	10,445	7.6%
Capital Equipment	12,926	3,000	2,287	3,000		0%
Jail Expenditures	42,634	43,000	18,153	28,000	(15,000)	-34.9%
Building Costs	19,584	22,500	20,569	19,995	(2,505)	-11.1%
Civil Service	1,575	3,660	1,757	2,660	(1,000)	-27.3%
Marine	10,010	22,262	4,434	13,781	(8,481)	-38.1%
Criminal Justice	16,070	36,540	29,181	33,965	(2,575)	-7.0%
Police Total	1,550,288	1,770,713	1,632,032	1,791,451	20,738	1.2%

Police Operating Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Police Dept Wages	880,828	949,744	986,071	1,001,249	51,505	5.4%
Furlough Support Staff (2011-5day, 2012-4 day)		(1,864)		(1,523)	341	-18.3%
Benefits (soc sec, retirement, medical ins, etc.)	327,403	382,275	337,094	362,833	(19,442)	-5.1%
Overtime	38,621	45,000	37,606	40,000	(5,000)	-11.1%
Outside Overtime Reimb	(915)	(1,000)			1,000	-100.0%
Overtime - Court Reimb	(18,269)	(18,000)	(14,125)	(15,000)	3,000	-16.7%
Marine & K9 Overtime and Reimbursement		1,000	(20,118)	15,500	14,500	1450.0%
Police Salary and Benefit Subtotal	1,227,668	1,357,155	1,326,528	1,403,059	45,904	3.4%
Uniforms	9,609	12,350	11,252	10,200	(2,150)	-17.4%
Operating Supplies	5,246	9,000	3,913	5,500	(3,500)	-38.9%
Fuel	26,978	35,000	33,688	35,000		0%
Firearms Program	5,220	15,000	3,596	7,500	(7,500)	-50.0%
Lodging, Meals & Mileage	1,179	2,500	769	1,500	(1,000)	-40.0%
Training	3,094	5,000	7,107	8,283	3,283	65.7%
Memberships	1,034	2,900	1,260	2,000	(900)	-31.0%
Professional Services (KC Sheriff, leads Online)	3,931		3,536	1,428	1,428	100%
Towing Services	239	500	1,089	1,000	500	100%
Insurance	34,420	41,126	41,125	44,760	3,634	8.8%
Vehicle Maintenance & Repairs	17,545	18,000	20,201	18,295	295	1.6%
Repairs & Maint - Copier	810		514	300	300	100%
Lease Payments - US Bank/Copier	711	1,740	1,890	1,900	160	9.2%
DUI Rec Costs/Equip Purchased	196	200	150	200		0%
Printing	675	700	296	700		0%
Merchant Card Service Fees	671	700	691	700		0%
Miscellaneous, shredding, advertising	278	900	394	300	(600)	-66.7%
Police Other Operating Expenses Subtotal	111,835	145,616	131,471	139,566	(6,050)	-4.2%
Police Salaries and Operating Total	1,339,503	1,502,771	1,457,999	1,542,625	39,854	2.7%

Police Communication Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Valley Comm - Dispatch Service	67,964	87,660	60,544	95,275	7,615	8.7%
V Comm - MDT's & in 2012 Netmotion	1,620	2,120		850	(1,270)	-59.9%
K/C 800 Mhz Radio Costs	12,288	14,000	11,314	12,300	(1,700)	-12.1%
Valley Comm - Access Charge	596	600	298	600		0%
Auburn WSP Access	1,000	1,000	1,000	1,000		0%
Valley Comm - Tiberon System Tunnel				12,000	12,000	100%
Police Telephone/DSL/Air Cards	16,789	20,000	15,797	15,500	(4,500)	-22.5%
Police Comm KC I-Net	4,136	5,000	4,500	4,500	(500)	-10.0%
WSP Access	2,640	2,600	2,388	2,600		0%
Police Postage	884	1,000	544	1,400	400	40.0%
K/C Radio & Server Software Maint. & Repair	68	3,000	1,267	1,400	(1,600)	-53.3%
Police Communications Total	107,985	136,980	97,652	147,425	10,445	7.6%

Police Capital Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Police CTED Grant EQ	9,548					
Traffic Safety Equipment	3,378	3,000	2,287	3,000		0%
Police Capital Total	12,926	3,000	2,287	3,000		

Police Jail Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Jail Costs	39,193	40,000	16,861	25,000	(15,000)	-37.5%
Electronic Home Monitor Costs	2,582	1,500	768	1,500		0%
Prisoner Medical Costs	860	1,000	44	1,000		0%
Work Crew Costs-State Exp		500	480	500		0%
Police Jail Total	42,634	43,000	18,153	28,000	(15,000)	-34.9%

Police Building Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Police Bldg Mtc Sup	775	1,000	571	1,000		0%
Police Custodial Cost	6,771	6,000	7,310	6,000		0%
Utilities	10,519	13,800	10,852	11,095	(2,705)	-19.6%
Police Bldg Repairs	876	1,000	1,008	1,000		0%
Brinks Security	643	700	828	900	200	28.6%
Police Building Total	19,584	22,500	20,569	19,995	(2,505)	-11.1%

Police Civil Service Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Civil Service Testing	348	660	785	660		0%
Civil Service-Hiring Evaluations	634	2,000	665	1,000	(1,000)	-50.0%
Communications, lodging, meals, mileage	223		157			
Civil Service Training	370	1,000	150	1,000		0%
Civil Service Total	1,575	3,660	1,757	2,660	(1,000)	-27.3%

Police Marine Expenditures*	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
-----------------------------	----------------	---------------------------	----------------	-------------------------	------------------------------	--------------------

*Marine Staffing Expenditures are included in salaries and benefits in Police Operating

King County Vessel Registration

Operating Expenditures	3,269	2,750	908	1,781	(969)	-35.2%
Repairs and Maintenance	4,266	1,500	339	1,200	(300)	-20.0%
Lodging, Meals & Mileage VRF	2,093	100	863	300	200	200%
Training and Advertising	31	2,170	10		(2,170)	-100%
Carryover from prior year	351	10,389		10,500	111	1.1%
Subtotal VRF	10,010	16,909	2,120	13,781	(3,128)	-18.5%

Coast Guard Grant

Marine Grant Repairs & Maint 07/11-06/12		3,353	292		(3,353)	-100%
Marine Supplies 07/11-06/12			788			
Marine Grant Fuel 07/11-06/12		1,000	901		(1,000)	-100%
M Grant Training, Travel & Lodging 07/11-06/12		1,000	332		(1,000)	-100%
Subtotal Coast Guard Grant		5,353	2,314		(8,481)	-158.4%
Police Marine Total	10,010	22,262	4,434	13,781	(11,609)	-52.1%

Police Criminal Justice Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Operating Supplies	1,164	1,750	1,067	1,450	(300)	-17.1%
Spillman Records Maintenance		11,100	11,050	12,000	900	8.1%
Training and building rental for training	7,900	11,590	11,493	11,590		0%
Lodging, Meals & Mileage	406	2,500	1,501	2,500		0%
Lexipol	2,450	5,950	2,950	4,000	(1,950)	-32.8%
Investigations	2,025					
K-9 Program	563	600	653	1,000	400	66.7%
DARE Program	1,562	3,050	467	1,425	(1,625)	-53.3%
Criminal Justice Total	16,070	36,540	29,181	33,965	(2,575)	-7.0%

Funded Positions:

- 1.0 Police Chief
- 1.0 Commander
- 1.0 Sergeant
- 7.0 Police Officers
- 1.0 Police Records Coordinator
- .63 Police Clerk
- 11.63 Total

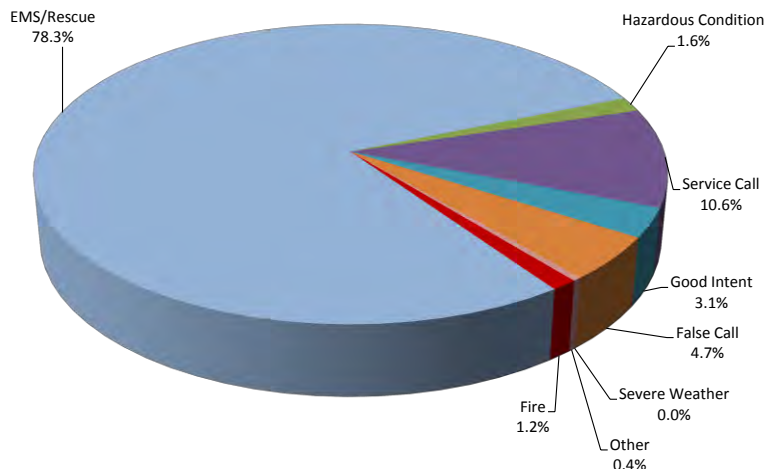
Fire Department

The City of Black Diamond contracts with Mountain View/Black Diamond Fire Department, 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 percent increase in the 2012 budget recognizes the cost of services agreed to in the 2008 Interlocal Agreement between the City and Fire District.

Fire Department Expenditure Summary	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Fire Dist 44 Prof Serv	405,925	428,585	428,585	442,300	13,715	3.2%
PR Svcs KC Fire Investigation	1,322	2,130	2,130	2,032	(98)	0%
Utilities	744	1,260	1,293	1,660	400	31.7%
Miscellaneous	784	265	157	345	80	30.2%
Fire Department Total	408,774	432,240	432,165	446,337	14,097	3.3%

2011 Fire Incidents by Type*	
Fire	3
EMS/Rescue	199
Hazardous Condition	4
Service Call	27
Good Intent	8
False Call	12
Severe Weather	0
Other	1
Total	254

* Black Diamond only



Fire Department Incidents by Percentage

Animal Control expenditures include the payment to King County for animal control services.

Animal Control Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Animal Control Professional Services		16,025	15,663	9,762	(6,263)	-39.1%
Total Animal Control Expenses		16,025	15,663	9,762	(6,263)	-39.1%

Emergency Management expenditures go toward the purchase emergency supplies.

Emergency Management Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Emergency Management Training			270			
EMS MGMT Operating Supplies		5,000	233	5,000		0%
Total Emergency Management		5,000	502	5,000		0%



The OLD LAWSON Bowling Alley, 1911: Old Lawson was located across from Jones Lake near Old Lawson Rd.
(Courtesy Black Diamond Historical Society)

Community Development budget provides funding 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. This section currently includes three full-time employees: a Director, Associate Planner, and a Permit Supervisor. The City has an interlocal agreement with the City of Covington for its staff to provide building permit and code enforcement functions.

Currently, all salaries and benefits in this department are 100% reimbursed by the Funding Agreement, with the exception of building plan review and inspection services, which are funded through application fees. The remainder of expenses such as training, memberships, office supplies, and allocated costs are General Fund expenditures.

Major 2011 Accomplishments

- Master Planned Development Development Agreement process completed
- Annual Comprehensive Plan amendment process completed
- 10-lot Kahne preliminary plat secured approval
- Permit staff completed annual business license renewal process.

Community Development Expenditure Summary	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Administration						
Planning	144,636	168,881	170,833	170,807	1,926	1.1%
Permitting	184,013	172,071	172,227	188,930	16,859	9.8%
Code Enforcement	34,102	43,563	28,409	49,240	5,677	13.0%
Hearing Examiner		5,000	2,245	5,000		0%
Community Development Total	362,751	389,515	373,713	413,977	24,462	6.3%

Community Dev Expenditure Summary - Administration	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Comm Dev Administration Wages (Director)	102,981	108,514		108,514		0%
Furlough (2011-5day, 2012-4 day)		(2,273)		(1,671)	602	-26.5%
Benefits (soc sec, retirement, med ins, etc)	20,588	24,555		25,972	1,417	5.8%
Office And Operating Supplies	2,241			100	100	100%
Lodging, Meals & Mileage	192	500	130	600	100	20.0%
Training		500	99	400	(100)	-20.0%
Insurance	1,439	1,579	1,579	1,737	158	10.0%
Memberships	625	550		600	50	9.1%
Vehicle Maintenance & Repair	18					
Miscellaneous	1,161			100	100	100%
CD Administration Allocation	(129,227)	(133,925)	(132,177)	(136,352)	(2,427)	1.8%
CD Administration Total						

Planning Expenditure Summary	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Planning Wages (Associate Planner)	42,035	66,956	65,788	66,956		0%
Furlough (2011-5day, 2012-4 day)		(1,475)		(1,194)	281	-19.1%
Benefits (soc sec, retirement, med ins, etc)	10,086	18,220	17,490	19,463	1,243	6.8%
Office and Operating Supplies	967	1,800	1,276	750	(1,050)	-58.3%
Advertising	1,545	400	684	350	(50)	-12.5%
Professional Services	1,858					
Communications		100	179	150	50	50.0%
Lodging, Meals & Mileage		500		600	100	20.0%
Training and Memberships	475	900	510	850	(50)	-5.6%
Insurance	1,087	1,125	974	1,071	(54)	-4.8%
CD Admin Allocation	86,582	80,355	83,931	81,811	1,456	1.8%
Planning Total	144,636	168,881	170,833	170,807	1,926	1.1%

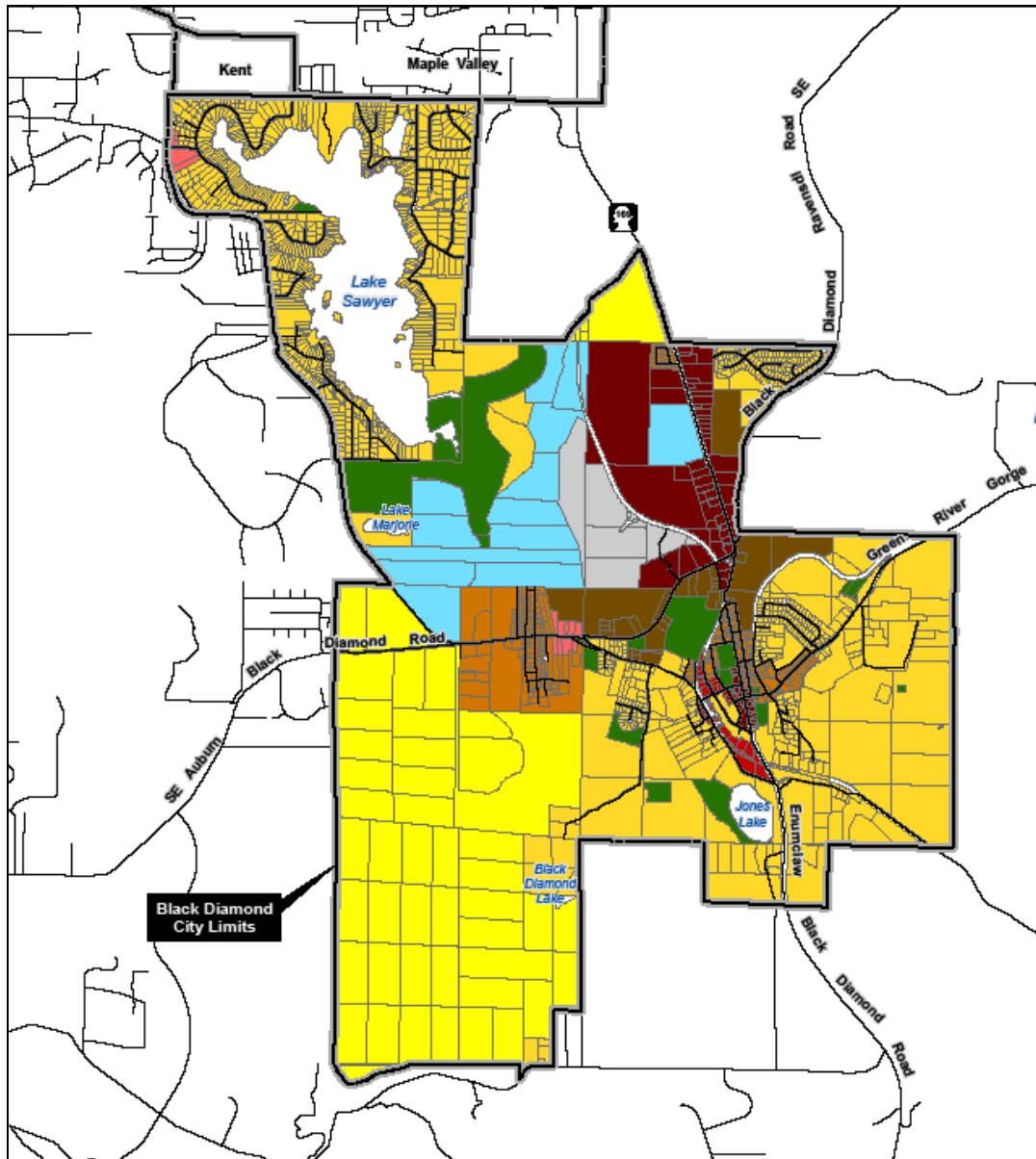
Permitting Expenditure Summary	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Permitting Wages (Permitting Supervisor)	112,654	81,712	79,426	78,624	(3,088)	-3.8%
Furlough (2011-5day, 2012-4 day)		(1,740)		(1,408)	332	-19.1%
Benefits (soc sec, retirement, med ins, etc)	25,209	20,391	19,556	21,366	975	4.8%
Office and Operating Supplies	1,598	1,300	1,297	850	(450)	-34.6%
Bldg Insp and Plan Check		16,146	22,064	34,500	18,354	113.7%
Fire Insp and Plan Check	450	500	338	500		0%
Permit Software Maintenance	7,994	8,200	8,139	8,200		0%
Telephone and Postage	115	100	322	200	100	100%
Lodging, Meals & Mileage	285	250	236	600	350	140.0%
Training and Memberships	655	350	706	550	200	57.1%
Advertising and Miscellaneous		1,500	914	1,050	(450)	-30.0%
Insurance	1,805	2,084	2,084	2,292	208	10.0%
Merch Card Service Fees	942	1,100	797	700	(400)	-36.4%
CD Admin Allocation	32,307	40,178	36,350	40,906	728	1.8%
Permitting Total	184,013	172,071	172,227	188,930	16,859	9.8%

Code Enforcement Expenditure Summary	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Code Enforcement Wages	19,500	4,068	3,468		(4,068)	-100%
Benefits (soc sec, retirement, med ins, etc)	3,042	543	541		(543)	-100%
Operating Supplies	23	200			(200)	-100%
Code Enforc Prof Services	585	24,725	11,953	35,000	10,275	41.6%
Insurance	614	635	550	605	(30)	-4.7%
CD Admin Allocation	10,338	13,392	11,896	13,635	243	1.8%
Code Enforcement Total	34,102	43,563	28,409	49,240	5,677	13.0%

Hearing Examiner Expenditure Summary	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Prof Serv-Hearing Examiner		5,000		5,000		0%
Prof Serv- Planning			2,245			
Hearing Examiner Total		5,000	2,245	5,000		0%

Positions:

- 1.0 Executive Director of Community Development
- 1.0 Associate Planner
- 1.0 Permit Center Supervisor
- 3.0 Total



Black Diamond City Limits

Natural Resources functions to purchase, restore and maintain the City's natural resources and provide guidance in balancing the protection of the environment and a strong, vibrant economy. Inherent to the Natural Resources Department is significant overlap with the City of Black Diamond's Parks, Recreation and Open Space Program. The Natural Resources Department has and will continue to provide back-up in the development of the City's Comprehensive Parks, Recreation, Trails and Open Space Plan as components to this program fall under the responsibilities of this Department.

Natural Resource Department responsibilities involve management of the City's Transfer of Development Rights (TDR's) Program and to help ensure the quality of life that residents of Black Diamond have come to expect. Environmental sensitivity is also part of the City's vision for the future. The Natural Resources Director is the single full-time employee in this department, of which the salary and benefits are reimbursed 100% by the Funding Agreement.

Natural Resources Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Stewardship Wages (Natural Res Director)	98,238	103,515	101,831	103,515		0%
Furlough (2011-5day, 2012-4 day)		(2,168)		(1,756)	412	-19.0%
Benefits (soc sec, retirement, med ins, etc)	32,313	35,133	33,592	37,654	2,521	7.2%
Operating Supplies	281	250	165		(250)	-100%
Powerful Choices PSE	500					
Prof Svcs, Communications & Advertising	210		533			
Lodging, Meals & Mileage	11	250			(250)	-100%
Insurance	1,532	1,654	1,654	1,820	166	10.0%
Training	(45)	250		250		0%
Recycling Program Grant	18,065	18,900	18,002	18,002	(898)	-4.8%
PS Clean Air Assmt	2,236	2,190	2,219	2,300	110	5.0%
Memberships (2010 WIRA)	2,507		161			
Printing Binding and other Miscellaneous	256	650		700	50	7.7%
Natural Resources Total	156,104	160,624	158,157	162,485	1,861	1.2%



Position:
1.0 Stewardship/Parks
Director

John Davies' Candy Store, built in 1905 and originally located on Baker Street, was a popular spot for young people, especially boys. After the store closed in 1935, the building was moved to the Morganville area of Roberts Drive. The historical society had hoped to preserve the building, but it was razed in September 2005. (Courtesy Black Diamond Historical Society)

Economic Development provides a bridge between private and public sectors to assist with the economic growth of the community in areas of job creation and retention through recruitment and expansion of businesses and developments.

Economic Development Department responsibilities involve implementing strategies that will aid in business attraction. The goal is to increase the job base while maintaining the current jobs in Black Diamond, and to develop and maintain economic development related data and databases necessary for business recruitment.

Economic Development also has the primary responsibility to develop and enhance partnerships with agencies, utilities, transportation, and other economic development allies. This department also manages land acquisitions and project planning for City owned development projects.

This is a 100% Funding Agreement position.

Economic Development Expenditure Summary	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Economic Development Wages (Director)	97,152	102,372	100,404	102,372		0%
Furlough (2011-5day, 2012-4 day)		(2,266)		(1,736)	530	-23.4%
Benefits (soc sec, retirement, med ins, etc)	32,181	33,535	32,647	35,220	1,685	5.0%
Office And Operating Supplies	222	1,100	20	300	(800)	-72.7%
Communications	58	1,000			(1,000)	-100%
Lodging, Meals & Mileage	122	1,900	336	1,900		0%
Lodging, Meals & Mileage Reimb		500		500		0%
Insurance	1,516	1,637	1,637	1,800	163	10.0%
Miscellaneous, Printing & Binding		450		450		0%
Training Workshops and Memberships		2,350	99	2,350		0%
Economic Development Total	131,251	142,578	135,143	143,156	578	0.4%

Position:

1.0 Executive Director of Economic Development and Engineering Services



The small one story, wood frame Miner's Cabin, located on land owned by Welsh miner Timothy Morgan, is said to have been built by two Italian miners. They lived in the house until the 1920s, when Morganville became the center of union activity during bitter labor disputes. This photo was taken in 1939, the house has been restored and still sits on this spot, next to City Hall.

(Courtesy of the Black Diamond Historical Society)

Parks Department functions include the maintenance of the boat launch and associated park area on Lake Sawyer, Eagle Creek Park including playground equipment and landscape, the downtown park, north of the Black Diamond Elementary School, including a basketball court, tennis court, playground equipment, skate board park and picnic tables, and a BMX track is provided south of the police station. Two passive parks include the Union Stump historical marker and the Coal Car Triangle historical marker. The City also has a 168 acre undeveloped park at the south end of Lake Sawyer that has a gravel parking lot and a trail for access. The City provides insurance and all utilities for the Museum. And also provides a site and minimal grounds maintenance for the Recreation Center of which the Community Center operates. In total, the City has 173.5 acres of park property.

The Parks Department is maintained by the utility crew and their wages are allocated 8% to this area. The superintendent and PW Director are also allocated 8% here. Parks allocations total 35% of a full time employee in 2012.

Parks and Recreation Expenditure Summary	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Parks Wages (8% Util. Sal & 2% of Admin) *	25,699	26,276	26,553	26,276		0%
Furlough (2011-5day, 2012-4 day)		(189)		(181)	8	-4.2%
Benefits (soc sec, retirement, med ins, etc)	8,812	9,583	9,244	10,005	422	4.4%
Operating Supplies	3,082	2,200	2,234	2,360	160	7.3%
Fuel	818	1,100	1,021	1,100		0%
Utilities	2,379	2,820	3,253	3,166	346	12.3%
Telephone and Postage	313	600	246	700	100	16.7%
Repairs and Maintenance	1,581	1,600	1,630	1,700	100	6.3%
Professional Services		1,000	510	1,000		0%
Rental of Equipment		550			(550)	-100%
Insurance	4,333	3,291	3,454	3,291		0%
Portable Restroom Facility	3,391	5,000	4,981	5,000		0%
Venvue Pay Station	1,618	1,800	1,618	1,710	(90)	-5.0%
Park Signage	37	600	18	300	(300)	-50.0%
Miscellaneous and Security	143	100	420	308	208	208.0%
Merchant Card Service Fees	371	400	313	185	(215)	-53.8%
Parks Equipment	125	2,250	2,245		(2,250)	-100%
Parks Subtotal	52,701	58,981	57,740	56,920	(2,061)	-3.5%
Museum and Community Center						
Museum Insurance	976	1,086	1,086	1,195	109	10.0%
Museum Electric/Gas	3,376	5,000	3,924	5,100	100	2.0%
Museum Water/Sewer/Storm	1,110	1,300	1,364	1,300		0%
Community Event Supplies	1,768	3,500	212	2,000	(1,500)	-42.9%
Community Center Insurance	1,394	1,444	1,612	1,249	(195)	-13.5%
Community Gym Insurance		1,135	1,135	1,249	114	100%
Comm Center Water/Sewer/Storm	273	300	309	310	10	3.3%
Museum and Community Center Subtotal	8,896	13,765	9,641	12,403	(1,362)	-9.9%
Parks and Recreation Total	61,597	72,746	67,381	69,323	(3,423)	-4.7%

* Other portion of salaries are allocated to utilities & cemetery

2011 Employee Allocation - Parks

Positions	General Fund	Cemetery	Parks
Admin Assistant 1	0.10	0.10	
Support Staff Total	0.10	0.10	
Public Works Director - Funding Agreement	0.10	0.02	0.08
Funding - Reimbursement for Utilities	0.10	0.02	0.08
Utilities Supervisor	0.10	0.02	0.08
Utility Worker	0.10	0.02	0.08
Utilities Operator	0.10	0.02	0.08
Seasonal Help for Parks	0.04	0.01	0.03
Public Works Total	0.44	0.07	0.27
Grand Total Budget Positions	0.54	0.19	0.35

Travel the Black Diamond Line



THROUGH KING COUNTY'S
GREATEST RECREATIONAL AREA

Touching Every Important Lake and Resort
in This Famous Area of Camping, Fishing,
Swimming, Golfing, Boating and Dancing



Special Busses Like the one Pictured Above
May be Chartered for Special
Parties or Trips

FOR INFORMATION CALL MAin 8866


—Two Seattle Depots—
Stage Terminal 308 Virginia Street
North Coast Depot 317 Second Avenue

—Black Diamond Depot—
Diamond Stage Co. Garage Phone 42

DIAMOND STAGE

*The
Black Diamond
Line.*

COMPANY.



RESORTS

LAKE WILDERNESS	LAKE SAWYER
LAKE LUCERNE	LAKE TWELVE
LAKE RETREAT	LAKE FOURTEEN

GREEN RIVER GORGE

TWO SEATTLE DEPOTS

308 Virginia Street	Phone MAin 8866
North Coast Depot	317 Second Avenue

The BLACK DIAMOND COMPANY was located in the building that is now home to Baker Street Books.

Cemetery Department functions provide operations and maintenance of the historic Black Diamond Cemetery. This involves coordinating burials, sale of cemetery plots, providing physical burial services and maintaining the cemetery grounds. The burial fees cover the costs associated with the burial.

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 for the drier months during the growing season.

Public Works employees are allocated a portion of their salary and benefit costs to the Cemetery. Cemetery allocations total 19% of a full time employee in 2012.

Cemetery Expenditure Summary	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Cemetery Wages (2% Util. Sal & 8% Admin)	9,535	10,071	10,072	10,071		0%
Furlough (2011-5day, 2012-4 day)		(125)		(99)	26	-20.8%
Benefits (soc sec, retirement, med ins, etc)	3,710	4,106	3,980	4,294	188	4.6%
Operating Supplies	180	550	80	495	(55)	-10.0%
Vaults/Liners	1,259	500		500		0%
Fuel	200	400	255	400		0%
Telephone, DSL, Radios and Postage	78	200	66	75	(125)	-62.5%
Utilities	339	850	575	717	(133)	-15.6%
Insurance	163	181	226	199	18	9.9%
Maintenance and Repairs	237	700	161	200	(500)	-71.4%
Misc, Excise Tax, Security	133	100	82	425	325	325.0%
Cemetery Total	15,834	17,533	15,497	17,277	(256)	-1.5%

* Other portion of salaries are allocated to utilities & parks

2011 Employee Allocation - Cemetery			
Positions	General Fund	Cemetery	Parks
Admin Assistant 1	0.10	0.10	
Support Staff Total	0.10	0.10	
Public Works Director - Funding Agreement	0.10	0.02	0.08
Funding - Reimbursement for Utilities	0.10	0.02	0.08
Utilities Supervisor	0.10	0.02	0.08
Utility Worker	0.10	0.02	0.08
Utilities Operator	0.10	0.02	0.08
Seasonal Help for Parks	0.04	0.01	0.03
Public Works Total	0.44	0.07	0.27
Grand Total Budget Positions	0.54	0.19	0.35

Central Services provide the budget that captures shared costs for various 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. Employee recognition budget includes employee and elected official recognition, awards and an annual banquet.

Central Services Expenditures	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Office and Operating Supplies	4,887	6,925	4,822	5,700	(1,225)	-17.7%
Telephone and Postage	3,144	6,325	3,720	3,925	(2,400)	-37.9%
Memberships	5,767	6,600	5,641	5,875	(725)	-11.0%
Employee recognition and celebration	399	1,100	652	900	(200)	-18.2%
Vehicle Repairs and Maintenance	878	500	1,062	500		0%
Software and Copier Maintenance	3,510	4,350	4,310	4,350		0%
Retreat-Travel & Training		1,000	200	800	(200)	-20.0%
Advertising	1,010	1,200	436		(1,200)	-100.0%
Insurance Pooled Vehicles	2,100	2,174	4,251	977	(1,197)	-55.1%
Insurance Deductible	2,971	300	2,000	1,000	700	233.3%
C/S Fuel	157	300		3,500	3,200	1066.7%
CH/CD/PW Bldg Maintenance & Repair	1,920	2,000		1,000	(1,000)	-50.0%
Banking Fees	2,415	2,200	760	1,300	(900)	-40.9%
Merchant Card Service Fees	1,983	1,500	2,488	2,000	500	33.3%
Miscellaneous	353		421	600	600	100%
Printing Vouchers/Receipts	651	1,200	1,879	1,200		0%
Shredding Services	300	300			(300)	-100%
KC Mental Health	1,044	1,000	1,012	1,100	100	10.0%
Central Service Expenditures	33,491	38,974	33,653	34,727	(4,247)	-10.9%



Years ago the RAILROAD DEPOT was the most popular place in town and the daily arrival of the limited was an event seldom missed by the population. (Pacific Coast Bulletin, April 23, 1925)

To the left in this image are the men-folk of the town leaning on the 'loafing rail'. Women had to walk on the opposite side of the street and dare not look at the men. (Courtesy of the Black Diamond Historical Society)

Funding Agreement, Studies, Deposits and Interfund Transfer expenditures in the General Fund budget includes one-time only costs, reimbursable studies and legal costs in the Funding Agreement, and in prior years, studies with other parties. The decrease is due to completion of EIS and SEPA projects in 2010.

Funding Agreement Expenditures (includes deposits and pass-thru)	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
MPDs, EIS and SEPA	704,708	695,175	591,175	634,000	(61,175)	-8.8%
One time Legal Services		35,000			(35,000)	-100%
Other Projects and Pass-thru	3,231					
Funding Agreement Total	707,939	730,175	591,175	634,000	(96,175)	-13.2%
Ending Cash and Investments (City)	208,148	171,805	757,424	201,743	29,938	17.4%
Ending Cash and Investments (Developer)	252,276	163,790	163,790	255,590	91,800	56.0%
Total Beginning Cash and Investments	460,424	335,595	921,214	457,333	121,738	36.3%
Grand Total General Fund Expenditures	5,085,067	5,400,029	5,606,765	5,455,415	55,386	1.0%



This 1915 photograph features the old masonic hall in Black Diamond (center). The photographer is looking up Baker Street toward 3rd Avenue (SR 169). Black Diamond Elementary would be on your immediate left and the "new" masonic hall (ca 1970) is on the corner of 3rd, same as 1915. (courtesy Black Diamond Historical Society)

Special Revenue Funds



This photo is from the 1949 LABOR DAY celebration. On the left is ROY DARBY, team manager. The bat boy on the right is JIM HAWTHORNE. The boy on the far right is Roy Darby, Jr., and next to Roy is Rick Darby. Black Diamond's festive celebration was originally held on July 4th until it was changed to Labor Day in 1947. (courtesy of Black Diamond Historical Society)

Street Department responsibilities include maintaining, planning and upgrading public streets and sidewalks. Major activities in the Street Department include maintaining the street signs and pavement markings, snow plowing, street sanding during ice conditions, roadside mowing and brushing, pavement maintenance, roadway construction, managing the right of way, providing street lighting and signal maintenance and street network planning and review. Street revenue from gas tax is the primary source of funds for the Street Department. Falling revenues have forced the Street Department to use real estate excise tax funding normally reserved for capital projects and street capital projects, to fill in the short fall in the street maintenance budget.

101 Street Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
Diverted County Road Prop Tax	5,349	6,200	6,200		(6,200)	-100%
Right of Way Permit	7,220	5,000	3,000	3,000	(2,000)	-40.0%
Street/Sidewalk/Curb Variance	300	400	300	300	(100)	-25.0%
Storm Clean UP Grant-Fed			100			
Street Gas Tax	90,571	91,500	87,245	85,870	(5,630)	-6.2%
LGIP Investment Interest	1,065	900	629	610	(290)	-32.2%
FA Reimbursement for PW Staff	20,075	41,338	40,765	42,946	1,608	3.9%
Street Miscellaneous & Project Reimb.			19,795			
Subtotal Street Fund Revenue	124,580	145,338	158,035	132,726	(12,612)	-8.7%
Beginning Cash & Investments	386,427	323,854	323,854	310,627	(13,227)	-4.1%
Total Street Fund Sources	511,007	469,192	481,889	443,353	(25,839)	-5.5%
EXPENDITURES						
Street-Wages	57,079	69,182	67,440	70,026	844	1.2%
Furlough (2010-13 day, 11-5 day, 12-4 day)		(661)		(601)	60	-9.1%
Benefits (soc sec, retirement, medical ins, etc)	20,440	26,587	25,354	27,840	1,253	4.7%
Subtotal Salaries and Benefits	77,519	95,108	92,794	97,265	2,157	2.3%
Roadside Maintenance Supplies	838	3,500	186		(3,500)	-100%
Allocated Office Supplies, Copies, Postage	2,251	1,773	1,683	1,719	(54)	-3.0%
Operating supplies and uniforms	454	800	831	800		0%
Street Signs	2,408	2,400			(2,400)	-100%
Sand & Salt-Snow & Ice	716	1,600	151	1,300	(300)	-18.8%
Fuel	1,600	2,363	2,288	2,000	(363)	-15.4%
Small Tools & Equipment	867	1,200	563	1,200		0%
Subtotal Operating Supplies	9,134	13,636	5,701	7,019	(6,617)	-48.5%
Insurance	4,434	5,839	5,839	6,423	584	10.0%
Telephone, DSL and Postage	583	1,350	467	1,950	600	44.4%
Prof Services Transportation	5,730			1,000	1,000	100%
Traffic Signal Maintenance	3,408	4,000	3,117	3,500	(500)	-12.5%
Street Lighting	27,200	29,000	27,601	28,000	(1,000)	-3.4%
Street Striping	6,045	7,000			(7,000)	-100%
Travel, Memberships and Training	112	1,600	1,079	1,600		0%
Advertising		100	157	200	100	100%
Vehicle and Shop Maintenance	2,367	3,000	1,462	2,500	(500)	-16.7%
Utilities (elect,gas,water,waste,stormwtr etc)	1,805	1,860	1,928	1,946	86	4.6%
Other Professional Svcs and Miscellaneous	975		172	290	290	100%
Legal Costs	10,673	11,000	9,629	11,000		0%
State Auditor Services	305	2,500	2,563	440	(2,060)	-82.4%
PW Administration Cost Allocation	6,863	8,488	8,484	8,700	212	2.5%
Subtotal Services and Charges	70,500	75,737	62,498	67,549	(8,188)	-10.8%
Total Operating Expenditures	157,153	184,481	160,993	171,833	(12,648)	-6.9%

101 Street Fund, cont.	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Transfer out to 510 Equipment Reserve	10,000	10,000	10,000	10,000		0%
Transfer to Street Preservation	20,000					
Transfer out to Boat Launch Paving Project		16,215	16,215		(16,215)	-100%
Trans in from RR Project 004		(33,463)	(33,463)		33,463	-100%
Subtotal Transfers	30,000	(7,248)	(7,248)	10,000	17,248	-238.0%
Ending C & I (3 month Reserve)	39,288	44,923	40,248	42,958	(1,965)	-4.4%
Ending Cash & Investments Unreserved	284,566	247,036	287,896	218,562	(28,474)	-11.5%
Subtotal Ending Cash and Investments	323,854	291,959	328,144	261,520	(30,439)	-10.4%
Total Street Fund Uses	511,007	469,192	481,889	443,353	(25,839)	-5.5%

2011 Employee Allocations by Funding Source						
Street Funded Positions	Funding Agreement	General Fund	Street Fund	Water Fund	Waste water Fund	Storm water Fund
Admin Assistant I		0.10		0.3	0.3	0.3
Deputy City Clerk		0.60	0.04	0.12	0.12	0.12
Senior Accountant		0.45	0.03	0.09	0.09	0.09
Support Staff Total		1.15	0.07	0.51	0.51	0.51
Public Works Director - Funding		0.10	0.15	0.25	0.25	0.25
Admin Assistant III- Funding			0.25	0.25	0.25	0.25
Total Funding	2.00	-0.10	-0.4	-0.5	-0.5	-0.5
Utilities Supervisor		0.10	0.15	0.25	0.25	0.25
Utility Worker		0.10	0.15	0.25	0.25	0.25
Utilities Operator		0.10	0.15	0.25	0.25	0.25
Seasonal Help for Parks		0.04	0.06	0.10	0.10	0.10
Public Works Total	2.00	0.34	0.51	0.85	0.85	0.85
Total Budget Positions (FTE's)	2.00	1.49	0.58	1.36	1.36	1.36



Snow's on the ground again in BD so this photo of HOLDEN'S Photograph Studio – located on a triangular plot at the corner of Railroad Ave. and Morgan St. Many early family portraits originated at this little studio.

In later years the building was used as a shoe shop, real estate office, and meeting place for the town council. (1984 calendar series Courtesy Black Diamond Historical Society)

Real Estate Excise Tax I is authorized by Washington State RCW 8245.010 and can be used for capital projects. Cities must use these funds as long as they are identified in a capital improvement plan.

Specifically, one quarter percent of the real estate excise tax is collected, and then transferred to Fund 310 to be used for general government capital projects.

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. Detail for General Government projects in 2012 are on the next page.

104 REET I Gen Gov't Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
R1 1.4% REET	45,476	30,000	35,271	38,500	8,500	28.3%
LGIP Investment Interest	2,202	1,600	1,258	1,200	(400)	-25.0%
Transfer in from REET II		70,000	70,000	93,500	23,500	33.6%
Subtotal Revenue	47,678	101,600	106,529	133,200	31,600	31.1%
Beginning Cash & Investments	710,483	401,486	401,486	321,026	(80,460)	-20.0%
Total REET I 104 Fund Sources	758,161	503,086	508,014	454,226	(48,860)	-9.7%
EXPENDITURES						
Transfer to 310 Gen Gov't Capital Fund	356,675	139,000	139,000	98,750	(40,250)	-29.0%
Trans 510 Fund - Police & Fire Equipment		43,850	43,850	79,915	36,065	82.2%
Subtotal Expenditures	356,675	182,850	182,850	178,665	(4,185)	-2.3%
Ending Cash & Investments	401,486	320,236	325,164	275,561	(44,675)	-14.0%
Total REET I 104 Fund Uses	758,161	503,086	508,014	454,226	(48,860)	-9.7%



This photo shows an early Black Diamond Fourth of July celebration, probably around 1910, taken in front of the Black Diamond School. The lady standing in the center of the wagon is the "Goddess of Liberty/Queen." (Courtesy of the Black Diamond Historical Society)

General Government Capital Fund 310 provides the 2012 budget for the General Government portion of the Capital Improvement Program 2012 – 2017. For more detail on these projects please refer to the Capital Improvement Plan summary toward the end of this document.

310 Government Capital Fund*	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
EXPENDITURES						
Ginder Land acquisition				300,000	300,000	100%
Trails Projects	1,665	24,094		28,000	3,906	16.2%
Boat Launch Project	8,312	95,001	93,684		(95,001)	-100%
Shoreline Master Plan	26,804	20,479	17,450	10,000	(10,479)	-51.2%
Park Signage	865	16,635	121		(16,635)	-100%
Tree Mitigation	1,058	4,941	2,632	5,000	59	1.2%
Prior year park projects	27,690					
Council Chambers, Police & Court Building	11,124	132,590	108,241		(132,590)	-100%
Police Technology & other	15,876	13,261	5,866	8,000	(5,261)	-39.7%
Police record system loan payment - principal	40,000	40,000	40,000	40,000		0%
Police record system loan - interest	800	2,000	1,500	2,000		0%
Police records, phones & firearms	18,668					
Fire Impact Fees & CF Henderson/Young		14,620	14,620		(14,620)	-100%
Fire Station 99 study & design		5,000			(5,000)	-100%
General Government technology	21,844	34,155	32,834	20,000	(14,155)	-41.4%
Grant Matching	14,384	76,878	769	10,000	(66,878)	-87.0%
Future Facility Site design & analysis		15,000		35,000	20,000	133.3%
Impact Study fees		65,380			(65,380)	-100%
Way Finding Signs		24,000			(24,000)	-100%
Subtotal General Govt Capital Projects	189,088	584,034	317,716	458,000	(126,034)	-21.6%
Ending Cash & Investments	310,165		250,305			
Total 310 Gen Govt Capital Fund Uses	499,253	584,034	568,021	458,000	(126,034)	-21.6%

* Note that fire and police vehicles and equipment are funded out of the 510 Fund

Real Estate Excise Tax II authorized by RCW 8245.010 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. REET II 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.

105 REET II Public Works Capital Projects	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
R2 1/4% REET Tax	45,476	30,000	34,973	38,500	8,500	28.3%
LGIP Investment Interest	2,562	3,500	1,390	2,000	(1,500)	-42.9%
Subtotal REET II Fund Revenue	48,037	33,500	36,363	40,500	7,000	20.9%
Beg Cash & Investments	819,237	543,991	543,991	530,125	(13,866)	-2.5%
Total REET II Fund Sources	867,274	577,491	580,354	570,625	(6,866)	-1.2%
EXPENDITURES						
Transfer to REET I		70,000	70,000	93,500	23,500	33.6%
Transfer out 320 PW Capital	323,283	125,000	120,000	168,782	43,782	35.0%
Transfer to 320 Fund - Misc Overlays - Match		32,000	32,000		(32,000)	-100%
Transfer to 288th Project		16,239	16,239		(16,239)	-100%
Trans Back from RR Project		(145,670)	(145,670)		145,670	-100%
Total REET I Fund Expenditures	323,283	97,569	92,569	262,282	164,713	168.8%
Ending Cash & Investments	543,991	479,922	487,785	308,343	(171,579)	-35.8%
Total REET II Fund Uses	867,274	577,491	580,354	570,625	(6,866)	-1.2%

Public Works Capital Fund 320 provides the 2012 budget for the Public Works portion of the Capital Improvement Plan for year 2012 - 2017. For more detail on these projects please refer to the Capital Improvement Plan summary toward the end of this document.

320 REET II Public Works Capital Projects	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
Transfers Street Fund	20,000	(17,224)	(33,463)		17,224	-100%
Transfers REET II	323,283	6,330	22,569	168,782	162,452	2566.4%
TIB Grants	908,362	476,166	144,927	100,000	(376,166)	-79.0%
CDBG Grant	62,839	221,755	226,498		(221,755)	-100%
Transfers to and from Utilities	40,000	(17,715)	(17,715)		17,715	-100%
Grant Matching and Reimbursements		79,007	79,007	20,000	(59,007)	100%
Subtotal PW Capital Fund Revenue	1,354,484	748,319	421,822	288,782	(459,537)	-61.4%
Beginning Cash & Investments	149,741	124,722	124,722		(124,722)	-100%
Total PW Capital Fund Sources	1,504,225	873,041	546,545	288,782	(584,259)	-66.9%
EXPENDITURES						
288th Paving-Watson Asphalt		117,422	112,470	120,000	2,578	2.2%
Roberts Sidewalk/ Morgan St to KC Library		319,218	17,174	38,782	(280,436)	-87.9%
Railroad Avenue Project	947,265	10,647	10,647		(10,647)	-100%
Morgan Street Project	395,725	155,509	111,815		(155,509)	-100%
Rock Crk Bridge prelim engr (grant matching)				20,000	20,000	100%
Public Works Facilities Design and Engineering				20,000	20,000	100%
Elevate Abrahms Final engineering				20,000	20,000	100%
General Street Preservation	1,729	45,245	8,535	30,000	(15,245)	-33.7%
Lawson and Newcastle repair		105,000	34,682		(105,000)	-100%
233rd Ave Street Repair	34,783					
Transfer to 310 Fund for Projects		80,000	80,000		(80,000)	-100%
Grant Matching - Streets		40,000	587	40,000		0%
Subtotal PW Capital Fund Projects	1,379,503	873,041	375,910	288,782	(584,259)	-66.9%
Ending Cash & Investments Unreserved	124,722		170,635			
Total PW Capital Fund Uses	1,504,225	873,041	546,545	288,782	(584,259)	-66.9%

Internal Service Funds



This photo, from Black Diamond's Fourth of July parade in 1918, shows a float promoting Diamond Briquets, a coal product made by the Pacific Coast Coal Co. It was taken at the Black Diamond ball field along 3rd Ave., still a community gathering place after more than a century. (Courtesy Black Diamond Historical Society)

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

510 -1 Fire Equipment Reserves	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
LGIP Investment Interest Fire Equipment	173	100	75	100		0%
Transfer in REET I				34,915	34,915	100%
Fire Fee - Eagle Creek Plat		8,000	8,000		(8,000)	-100%
Subtotal Revenue	173	8,100	8,075	35,015	26,915	332.3%
Beg Cash & Invest Unreserved - Fire Equip	58,510	56,682	56,682	34,661	(22,021)	-38.9%
Total Fire Equipment Revenue	58,682	64,782	64,757	69,676	4,894	7.6%
EXPENDITURES						
Fire Truck Repairs & Maintenance		21,627	30,121		(21,627)	-100%
Two Fire Support Vehicles				69,500	69,500	100%
Subtotal Fire Expenditures		21,627	30,121	69,500	47,873	221.4%
Ending Cash & Investments - Fire	58,682	43,155	34,636	176	(42,979)	-99.6%
Subtotal 510 Fire Equipment Uses	58,682	64,782	64,757	69,676	4,894	7.6%

510 -2 PW Equipment Reserves	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
LGIP Investment Interest City Equipment	424	525	236	300	(225)	-42.9%
Subtotal Interest & Other Revenue	424	525	236	300	(225)	-42.9%
Transfer in from Water Fund	10,000	10,000	10,000	10,000		0%
Transfer in from Wastewater Fund	10,000	10,000	10,000	10,000		0%
Transfer in from Stormwater Fund	10,000	10,000	10,000	10,000		0%
Transfer in from Street Fund	10,000	10,000	10,000	10,000		0%
Subtotal 510 Fund Transfers	40,000	40,000	40,000	40,000		0%
Subtotal 510 Fund Revenue	40,424	40,525	40,236	40,300	(225)	-0.6%
Beg Cash & Invest Unreserved - City Equip	163,675	179,394	179,394	114,694	(64,700)	-36.1%
Total 510 Fire Equip. Fund Sources	204,099	219,919	219,631	154,994	(64,925)	-29.5%
EXPENDITURES						
Utility Truck Purchase		25,000			(25,000)	-100%
Slope Mower		75,000	74,934		(75,000)	-100%
Radios for Utilities		5,000			(5,000)	-100%
Dump Truck 2010 Purchase	24,705					
GPS System		9,192	10,118		(9,192)	-100%
Subtotal City Equipment Expenditures	24,705	114,192	85,052		(114,192)	-100.0%
Ending Cash & Investments - City	179,394	105,727	134,578	154,994	49,267	46.6%
Total 510 City Equip. Fund Sources	204,099	219,919	219,630	154,994	(64,925)	-29.5%

510 -3 Police Vehicle Reserve	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
Transfer in REET I		43,850	43,850	45,000	1,150	100%
Subtotal Police Vehicle Revenue		43,850	43,850	45,000	1,150	2.6%
Beginning Cash & Investments						
Total Police Equipment Revenue		43,850	43,850	45,000	1,150	2.6%
EXPENDITURES						
Police Vehicles (Tahoe in 2011)		43,850	43,851	45,000	1,150	2.6%
Total Police Vehicle Expenditures		43,850	43,851	45,000	1,150	2.6%

510 - TOTAL Equipment Reserves	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
LGIP Investment Interest Equipment	596	625	311	400	(225)	-36%
Other Revenue		8,000	8,000		(8,000)	-100%
Transfers in	40,000	83,850	83,850	119,915	36,065	43.0%
Subtotal Revenue	40,596	92,475	92,161	120,315	27,840	30.1%
Beginning Cash & Investments	222,185	236,076	236,076	149,355	(86,721)	-36.7%
Total 510 Equip. Fund Sources	262,781	328,551	328,237	269,670	(58,881)	-17.9%
EXPENDITURES						
Total Expenditures	24,705	179,669	159,024	114,500	(65,169)	-36.3%
Subtotal Equipment Expenditures	24,705	179,669	159,024	114,500	(65,169)	-36.3%
Ending Cash & Investments - City	238,076	148,882	169,214	155,170	6,288	4.2%
Total 510 Equip. Fund Sources	262,781	328,551	328,237	269,670	(58,881)	-17.9%



The United Mine Workers Local 2257 dedicated its new town, Morganville, on Sunday, April 2, 1922. When miners went on strike March 15, 1921, the Pacific Coast Coal Company ordered members of the Local to move out of company houses in Black Diamond. Timothy Morgan, a nearby farmer, offered about 16 acres to the striking miners. The Union provided the lumber and the labor to build about 200 temporary houses in just 3 months, some of which still exist along Union and Morgan Drives. (Courtesy Black Diamond Historical Society)

SEATTLE
ELLIOTT BAY
DUWAMISH RIVER
BLACK RIVER JUNCTION
DEPER
GLENNS
RENTON
HUNTERS
CEDAR RIVER
INDIAN
CEDAR GROVE
BOWLING CUT
LAKE
WILDERNESS
ASHER'S SWITCH
KRUMMER CLAY
PASCOO COAL
BRIDGE
SUMMIT
MADRONA
HOBART
CARLSON
LOGGING
OVERWOOD
NEWCASTLE
PETERSON
SLACKS
MAY CREEK
BARTON
WASHINGTON
GLENNS
DEPER
BLACK RIVER JUNCTION
HUNTERS
CEDAR RIVER
INDIAN
CEDAR GROVE
BOWLING CUT
LAKE
WILDERNESS
ASHER'S SWITCH
KRUMMER CLAY
PASCOO COAL
BRIDGE
SUMMIT
MADRONA
HOBART
CARLSON
LOGGING
OVERWOOD
NEWCASTLE
PETERSON
SLACKS
MAY CREEK
BARTON

All-time
Route map of the
PACIFIC COAST
RAIL-ROAD
Company
PNR-NMRA COMBINATION
1958

On January 21, 1888, the CEDAR MOUNTAIN post office opened. Cedar Mountain was near the former New Black Diamond Mine – also known as INDIAN (see map). The PACIFIC COAST RAILROAD, which served Cedar Mountain, took over operations from the Columbia & Puget Sound RR in 1916. At that time the main lines, branches, and sidings were just over 55 miles. (Courtesy Black Diamond Historical Society)

Water Department 401 services provide safe high quality reliable drinking water to the residents of Black Diamond within the City water service area. The residents who live around Lake Sawyer are served by the Covington Water District.

The water utility is responsible for the operation and maintenance of the City's springs, tanks, water treatment, pump stations, water mains, fire hydrants and meters. The monthly water bill revenue is used to pay for the operation and maintenance of the existing water system. Water use has gone down in recent years and the city has not been able to collect sufficient revenues to meet the needs of the utility. The water utility has not been able to set aside any operations revenue toward pipe replacement in the last four years.

The fuel, tools, professional services, training, and general service costs are distributed equitably between the Public Works funds.

401 Water Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
Water User Charges	389,262	454,000	426,263	454,000		0%
Water Meter & Setting		3,930	3,929	4,000	70	100%
Reimbursible Water Repairs	528	600	226	100	(500)	-83.3%
Water Availability Staff Fee			1,100	600	600	100%
Water Late Fees/Name Change Charge	15,838	16,000	16,154	15,000	(1,000)	-6.3%
Subtotal Water Operating Revenue	405,627	474,530	447,673	473,700	(830)	-0.2%
Other Revenue						
LGIP Investment Interest	350	500	228	260	(240)	-48.0%
FA Reimbursement for PW Staff	33,458	49,613	47,724	57,207	7,594	15.3%
FA Contributions Tacoma Water	692,660	686,446	684,433	683,505	(2,941)	-0.4%
Insurance Recoveries		26,585	26,585		(26,585)	-100%
Subtotal Other Water Fund Revenue	726,467	763,144	758,970	740,972	(22,172)	-2.9%
Transfer in Water Reserves for Debt	125,000	125,000	125,000	125,000		0%
Subtotal Water Fund Revenue	1,257,094	1,362,674	1,331,643	1,339,672	(23,002)	-1.7%
Beginning Cash & Investments	150,641	146,061	146,061	151,202	5,141	3.5%
Total Water Fund Sources	1,407,735	1,508,735	1,477,704	1,490,874	(17,862)	-1.2%
EXPENDITURES						
Water Wages	105,990	122,285	119,019	125,372	3,087	2.5%
Furlough (2011-5day, 2012-4 day)		(1,225)		(1,117)	108	-8.8%
Benefits (soc sec, retirement, medical ins, etc)	38,505	47,054	44,587	49,582	2,528	5.4%
Subtotal Salaries and Benefits	144,495	168,114	163,606	173,837	5,723	3.4%
Operating and Office Supplies & Uniforms	2,393	8,294	6,890	6,978	(1,316)	-15.9%
Allocated office supplies, copies and postage	7,901	6,945	6,094	6,248	(697)	-10.0%
Caustic	9,850	15,000	11,733	15,000		0%
Fuel	3,279	3,840	3,565	3,250	(590)	-15.4%
Small Tools and Safety Equipment	401	1,000	660	1,000		0%
Subtotal Supplies	23,824	35,079	28,942	32,476	(2,603)	-7.4%

401 Water Fund cont.	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Insurance	18,888	20,096	20,096	22,106	2,010	10.0%
Telephone, internet, radios & postage	5,186	5,000	4,284	4,500	(500)	-10.0%
Professional Svcs & Sensus software support	1,434	4,576	4,077	4,400	(176)	-3.8%
Water Testing and Sampling	1,486	1,500	1,183	1,500		0%
Health department and other permits	2,758	2,628	1,650	2,700	72	0%
Repairs, maintenance and locates	3,455	5,800	6,258	6,700	900	15.5%
Travel, memberships and training	865	1,900	1,014	2,900	1,000	0%
Electricity and Gas	32,140	34,000	30,461	32,000	(2,000)	-5.9%
Other Utilities (water, wstwtr, waste disp, etc.)	956	1,060	1,029	1,048	(12)	-1.1%
Legal Services	15,970	16,500	14,443	16,500		0%
Security and miscellaneous	1,014	500	577	900	400	80.0%
State Auditor -share of costs	764	6,250	6,406	1,100	(5,150)	-82.4%
PW Administration Cost Allocation	20,601	25,465	25,464	26,100	635	2.5%
Utility Tax	24,333	28,236	26,861	28,422	186	0.7%
B & O Taxes	19,087	22,832	22,129	23,822	990	4.3%
Subtotal Services and Charges	148,935	176,343	165,931	174,698	(1,645)	-0.9%
Subtotal Operating Expenditures	317,254	379,536	358,479	381,011	1,475	0.4%
Transfer out to 510 Equipment Reserve	10,000	10,000	10,000	10,000		0%
Wind damage electric pole replacement		27,585	27,585		(27,585)	-100%
Debt service for water meters		48,300	48,875	48,200	(100)	-0.2%
PWTF Debt Service	934,420	926,153	925,069	922,075	(4,078)	-0.4%
Subtotal Other Expenditures	944,420	1,012,038	1,011,529	980,275	(31,763)	-3.1%
Total All Expenditures	1,261,674	1,391,574	1,370,008	1,361,286	(30,288)	-2.2%
Ending C & I (3 month expenditures)	79,286	94,884	89,620	92,753	(2,131)	-2.2%
Ending Cash & Investments Unreserved	66,775	22,277	18,077	36,835	14,558	65.4%
Subtotal Ending Cash & Investments	146,061	117,161	107,697	129,588	12,427	10.6%
Total Water Fund Uses	1,407,735	1,508,735	1,477,705	1,490,874	(17,861)	-1.2%

2012 Employee Allocations by Funding Source						
	Funding Agreement	General Fund	Street Fund	Water Fund	Waste water Fund	Storm water Fund
Admin Assistant I		0.10		0.3	0.3	0.3
Deputy City Clerk		0.60	0.04	0.12	0.12	0.12
Senior Accountant		0.45	0.03	0.09	0.09	0.09
Support Staff Total		1.15	0.07	0.51	0.51	0.51
Public Works Director - Funding		0.10	0.15	0.25	0.25	0.25
Admin Assistant III- Funding			0.25	0.25	0.25	0.25
Total Funding	2.00	-0.10	-0.4	-0.5	-0.5	-0.5
Utilities Supervisor		0.10	0.15	0.25	0.25	0.25
Utility Worker		0.10	0.15	0.25	0.25	0.25
Utilities Operator		0.10	0.15	0.25	0.25	0.25
Seasonal Help for Parks		0.04	0.06	0.10	0.10	0.10
Public Works Total	2.00	0.34	0.51	0.85	0.85	0.85


Water Debt Payment Schedule

Issue Date	Issue Amount	Type	Purpose	Maturity Date	12/31/2011 debt owed	2012 Principal	2012 Interest	2012 Debt Svs	2012				Developer Reimb	Total Debt Service
									Water Operating	Water Capt Res	Total Water			
1995	200,000	PWTF	Wtr Repair	2015	41,600	10,650	2,130	12,780	13,846		13,846	0	13,846	
2006	180,000	PWTF	Cor Contrl	2022	123,750	11,250	619	11,869	11,982		11,982	0	11,982	
2005	3,407,063 2,040,757	PWTF	Tac 500mg Pump Fac, Res & lines	2024	3,841,341	295,500	19,207	314,707	88,932	125,000	213,932	100,775	314,707	
	5,447,820													
2004	11,334,510	Tac Water	Tac Wtr 1	2013	1,125,460	562,730	20,000	582,730	0	0	0	582,730	582,730	
Totals	17,162,330				5,132,151	880,130	41,956	922,086	114,760	125,000	239,760	683,505	923,265	
Total net Water fund 2010 Debt Service									\$114,760	\$125,000	\$239,760			

*Black diamond hold a letter of credit from Palmer Coking for their balance owing of \$1,230,500 of PWTF Loan. Thirteen payments of Approximately \$101,000.

**Black Diamond holds a letter of credit from BD Partners for the \$1,125,460 balance owing To Tacoma Water. Two Payments of Princpal & Interest.

A PLEASURE JAUNT OVER THE ROAD TO SUCCESS



LAKE SAWYER - CLOSE TO BLACK DIAMOND

YOU CAN HAVE THIS, OR OTHER BEAUTY SPOTS LIKE IT, AT YOUR DOOR

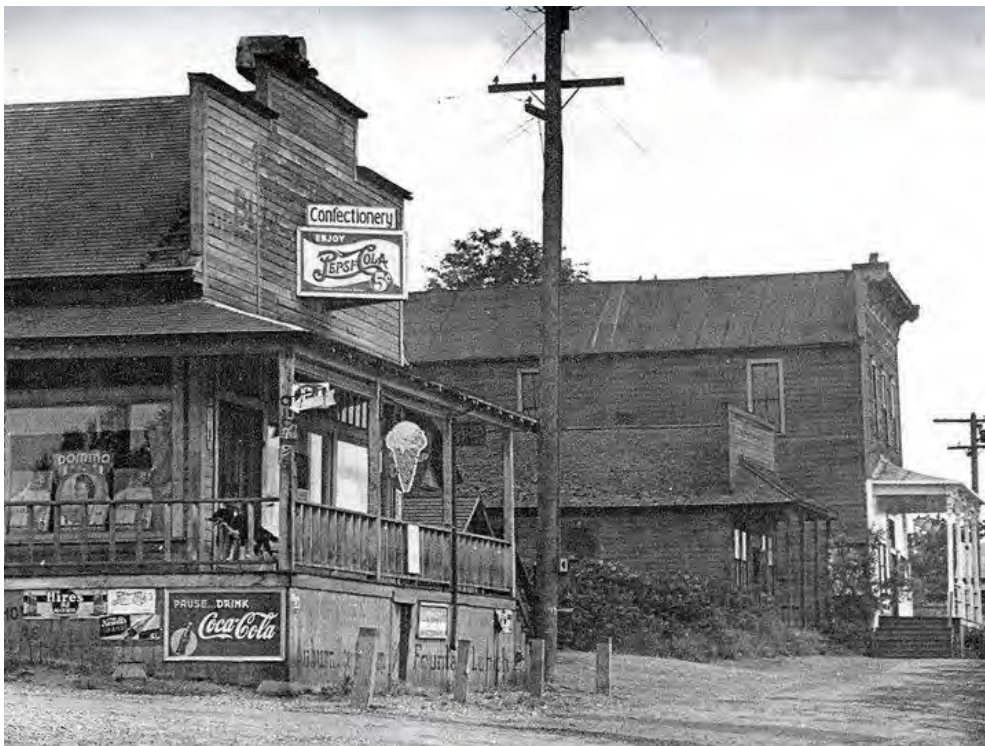
CONSULT THE BIRDS'EYE VIEW HEREIN—
A PICTURE OF RARE POSSIBILITIES

A LAND OF PRACTICAL PLAYGROUNDS
Farm, Ranch and Resorts Offer You Wealth.

"Buy a farm -- a ranch -
- a few acres for a
country home -- a
summer resort and
outing site on lake or
stream -- or a camping
and outing site for your
own use. Prices range
from \$50.00 per acre
up, according to
location and soil. Can
you beat it?," claims the
same 1921 Pacific Coast
Company brochure.
(Courtesy Black
Diamond Historical
Society)

WSSFA Funding 402 (Water Supply Facility Funding Agreement) holds the budget for implementation of various water source, storage, springs rehabilitation and water transmission projects, funded by major property owners within the city of Black Diamond according to the Water Supply and facilities Funding Agreements. It is anticipated that the Springs project and some of the transmission mains will get started this year.

402 WSSFA Fund*	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
*Water Supply Facility Funding Agreement						
REVENUE						
Springs/Task 3				300,000	300,000	100%
Springs/Task 3 - Palmer CC			4,343			
Developer Contributions		140,000			(140,000)	-100%
Transfer to correct prior year error	53,678					
LGIP Investment Interest	43		37			
Subtotal WSSFA Revenue	53,721	140,000	4,380	300,000	160,000	114.3%
Beg Cash & Investments	14,352	28,881	28,881	122,800	93,919	325.2%
Total WSSFA Fund Sources	68,073	168,881	33,261	422,800	253,919	150.4%
EXPENDITURES						
Reservoir Construction-Tacoma Water	39,191					
Springs/Task 3- Engineering		140,000		300,000	160,000	114.3%
Total WSSFA Expenditures	39,191	140,000		300,000	160,000	114.3%
Ending Cash & Investments Unreserved	28,881	28,881	33,261	122,800	93,919	325.2%
Total WSSFA Fund Uses	68,073	168,881	33,261	422,800	253,919	150.4%



The Show Hall is the larger building to the far right of Koerner's Drug. It was built in the early 1890s as a community hall; redwood timbers brought up from California were used in its construction. The Show Hall was torn down in the late 1960s.

(Courtesy Black Diamond Historical Society)

Water Capital Fund 404 projects are part of the six year Capital Improvement Program Black Diamond adopts each year. Water related projects are included here. This section includes the budget for those Water Capital project identified in the CIP for 2012.

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 in the City of Black Diamond. 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.

404 Water Capital Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
LGIP Investment Interest	1,458	1,000	919	1,000		0%
Water Connection Charges		23,906	23,906	20,000	(3,906)	0%
CDBG Grant 5th Ave Water Main				175,000	175,000	100%
Loan from Wastewater Reserve for meters	230,000					
Subtotal Water Capital Fund Revenue	231,458	24,906	24,825	196,000	171,094	687.0%
Beg Cash & Investment Unreserved	629,009	780,436	580,436	486,240	(294,196)	-37.7%
Total Water Capital Fund Sources	860,467	805,342	605,261	682,240	(123,102)	-15.3%
EXPENDITURES						
5th Ave Water Main Replacement				175,000	175,000	100%
Meter Replacement Project	101,353	100,000	93,940		(100,000)	-100%
Trans back from Railroad Project		(5,905)	(5,905)		5,905	-100%
Transfer out to Water Fund 401-for debt	125,000	125,000	125,000	125,000		0%
Professional Services - Water				5,000	5,000	100%
Previous year WSFFA Transfer	53,678					
Subtotal Water Capital Fund Expenditures	280,031	219,095	213,035	305,000	85,905	39.2%
Ending Cash & Investments	580,436	586,247	392,225	377,240	(209,007)	-35.7%
Total Water Capital Fund Uses	860,467	805,342	605,261	682,240	(123,102)	-15.3%

Wastewater Department 407 services provide for the planning, operation and maintenance of the sewer collection system, local customer service, billing and collection. This department also provides for the transmission and treatment of sewage by contract with King County Wastewater Division.

Currently the revenue collected by the sewer utility is not covering the cost of the operations, maintenance, administration and services provided. Consequently the City has had to subsidize the Wastewater Fund with cash reserves.

The fuel, tools, professional services, training, and general service costs are distributed equitably between the Public Works funds. Public Works and support staff area allocated an equitable percentage of their costs to the Wastewater department.

407 Wastewater Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
Operating Revenue						
Wastewater User Charges	597,817	650,402	622,521	650,000	(402)	-0.1%
Wastewater Reimbursement Svcs.	1,200	2,840	3,080	1,500	(1,340)	-47.2%
Subtotal Wastewater Operating Revenue	599,017	653,242	625,601	651,500	(1,742)	-0.27%
Other Revenue						
LGIP Investment Interest	348	400	176	150	(250)	-62.5%
FA Reimbursement for PW Staff	33,458	49,612	47,724	57,207	7,595	15.3%
Miscellaneous Rev (recoveries, staff fees, etc)		7,526	322	600	(6,926)	-92.0%
Subtotal Wastewater Other Revenue	33,806	57,538	48,222	57,957	419	0.7%
Transfer from Wastewater Reserves	50,000	50,000	50,000	50,000		100%
Subtotal Wastewater Fund Revenue	682,823	760,780	723,823	759,457	(1,323)	-0.2%
Beginning Cash & Investments	120,137	109,589	109,589	105,500	(4,089)	-3.7%
Total Wastewater Fund Sources	802,960	870,369	833,412	864,957	(5,412)	-0.6%
EXPENDITURES						
Wastewater Wages	105,991	121,532	119,018	124,236	2,704	2.2%
Furlough (2011-5day, 2012-4 day)		(1,384)		(1,117)	267	-19.3%
Benefits (soc sec, retirement, medical ins, etc)	38,505	45,870	44,588	49,401	3,531	7.7%
Subtotal Salaries and Benefits	144,495	166,018	163,606	172,520	6,502	3.9%
Allocated Office Supplies, Copies, Postage	7,901	6,945	6,094	6,248	(697)	-10.0%
Office, Operating Supplies & Uniforms	1,445	2,200	1,659	1,478	(722)	-32.8%
Fuel	2,505	3,840	3,565	3,250	(590)	-15.4%
Small tools and safety equipment	401	1,500	1,463	4,000	(500)	-33.3%
Subtotal Operating Supplies	12,252	14,485	12,781	14,976	491	3.4%
Insurance	10,309	10,672	9,660	10,626	(46)	-0.4%
Repairs and Maintenance	3,136	9,500	8,743	6,500	1,500	15.8%
Printing, Advertising and Security	483		319	500	500	100%
Travel and Training	12	1,200	961	2,375	1,175	97.9%
Electricity and Gas	1,871	2,100	1,792	1,854	(246)	-11.7%
Other Utilities	1,025	1,530	1,488	1,371	(159)	-10.4%
Telephone, Internet and Postage	5,116	5,300	4,149	4,300	(1,000)	-18.9%
Legal Services	17,183	16,500	15,151	19,000	2,500	15.2%
State Auditor - Share of costs	764	6,250	6,406	1,100	(5,150)	-82.4%
PW Administration Cost Allocation	20,601	25,465	25,464	26,100	635	2.5%
Utility Taxes	35,941	38,625	37,541	39,100	475	1.2%

407 Wastewater Fund cont.	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
State of WA Excise Tax	4,935	8,000	7,053	7,862	(138)	-1.7%
Subtotal Services and Charges	101,375	125,142	118,728	120,688	(4,454)	-3.6%
Subtotal Operating Expenditures	258,122	305,645	295,115	308,184	2,539	0.8%
Soos Creek Sewer Payment	27,472					
Metro Sewer Charges	387,776	438,396	446,413	448,000	9,604	2.2%
Subtotal Sewer Treatment	415,249	438,396	446,413	448,000	9,604	2.2%
Subtotal Operating Expenditures	673,371	744,041	741,528	756,184	12,143	1.6%
Other Expenditures						
Transfer out to 510 Equipment Reserve	10,000	10,000	10,000	10,000		0%
Transfer to Wastewater Capital	10,000					
Subtotal Other Expenditures	20,000	10,000	10,000	10,000		0%
Total Expenditures	693,371	754,041	751,528	766,184	12,143	1.6%
Ending C & I (3 month expenditures)	62,555	71,981	73,779	77,046	5,066	7.0%
Ending Cash & Investments Unreserved	47,034	44,348	8,106	21,727	(22,621)	-51.0%
Subtotal Ending Cash & Investments	109,589	116,328	81,885	98,773	(17,555)	-15.1%
Total Wastewater Fund Uses	802,960	870,369	833,412	864,957	(5,412)	-0.6%

2012 Employee Allocations by Funding Source						
Wastewater Funded Positions	Funding Agreement	General Fund	Street Fund	Water Fund	Waste water Fund	Storm water Fund
Admin Assistant I		0.10		0.3	0.3	0.3
Deputy City Clerk		0.60	0.04	0.12	0.12	0.12
Senior Accountant		0.45	0.03	0.09	0.09	0.09
Support Staff Total		1.15	0.07	0.51	0.51	0.51
Public Works Director - <i>Funding</i>		0.10	0.15	0.25	0.25	0.25
Admin Assistant III- <i>Funding</i>			0.25	0.25	0.25	0.25
Total Funding	2.00	-0.10	-0.4	-0.5	-0.5	-0.5
Utilities Supervisor		0.10	0.15	0.25	0.25	0.25
Utility Worker		0.10	0.15	0.25	0.25	0.25
Utilities Operator		0.10	0.15	0.25	0.25	0.25
Seasonal Help for Parks		0.04	0.06	0.10	0.10	0.10
Public Works Total	2.00	0.34	0.51	0.85	0.85	0.85
Total Budget Positions (FTE's)	2.00	1.49	0.58	1.36	1.36	1.36

Wastewater Capital Fund 408 services include the budget for those Wastewater Capital projects identified in the most recent Capital Improvement Plan.

City staff is continuing with the infiltration and inflow investigation and repairs as staff time allows. The City will also be rehabilitating the Morganville wastewater pump station in 2012.

408 Wastewater Capital Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
Connection/Hook up Fees		6,400	6,400	6,400		0%
Loan Repay - Stormwater	30,650	31,500	31,500	30,400	(1,100)	0%
Loan Repay - Technology	40,800	41,500	41,500	42,000	500	0%
Loan Repay - Water Meters		46,000	48,875	46,200	200	0%
Loan repay, Interfund		1,700		2,100	400	0%
LGIP Investment Interest	2,747	2,750	1,414	1,600	(1,150)	-41.8%
Trans in from Wastewater	10,000					0%
Wastewater Storage Project		12,000			(12,000)	-100%
Subtotal Wastewater Capital Revenue	84,197	141,850	129,689	128,700	(13,150)	-9.3%
Beginning Cash & Investments	985,649	731,007	730,308	723,545	(7,462)	-1.0%
Total Wastewater Capital Sources	1,069,846	872,857	859,996	852,245	(20,612)	-2.4%
EXPENDITURES						
Infill and Inflow Construction				30,000	30,000	100%
Infiltration & Inflow Carryover		180,000	2,309		(180,000)	-100%
Lawson Lift Station Engineering		50,000			(50,000)	-100%
Preserve Wastewater Treatment Plant	5,544	24,456			(24,456)	-100%
Sewer Comprehensive Plan	53,995	11,006	5,766		(11,006)	-100%
Wastewater Storage Project/RH2 Engineering		12,000			(12,000)	-100%
Morganville Wastewater Lift Station				80,000	80,000	100%
Emergency Sewer Repairs			36,872			
Transfer out Sewer Operating	50,000	50,000	50,000	50,000		100%
Loan to Water Capital/Water Meter Project	230,000					
Subtotal Wastewater Capital Expenditures	339,539	327,462	94,946	160,000	(167,462)	-51.1%
Ending Cash & Investments	730,308	545,395	765,050	692,245	146,850	26.9%
Total Wastewater Capital Fund Uses	1,069,846	872,857	859,996	852,245	(20,612)	-2.4%

Stormwater Fund 410 utility services help protect the natural environment from the impacts of stormwater runoff by property maintaining the City stormwater system and implementing the City's Stormwater Management Plan according to Department of Ecology stormwater permit requirements.

The fuel, tools, professional services, training and general service cost allocations are distributed equitably between all of the public works funds. The King County water quality expenditure is for monitoring and testing as required by the Department of Ecology for Lake Sawyer. The WIRA 9 expense is Black Diamond's share of the Water Quality project expense providing the City of Black Diamond protection from Endangered Species Act Claims.

Public Works and support staff are allocated an equitable percentage of their salaries and benefits to the Stormwater department.

410 Stormwater Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
Stormwater Charges	237,318	268,800	267,265	270,000	1,200	0.4%
LGIP Investment Interest	220	350	89	200	(150)	-42.9%
FA Reimbursement for PW Staff	33,458	49,612	47,724	57,206	7,594	15.3%
Subtotal Operating Revenue	270,995	318,762	315,078	327,406	8,644	2.7%
Beginning Cash & Investments	84,402	44,523	44,523	62,934	18,411	41.4%
Total Stormwater Fund Sources	355,398	363,285	359,601	390,340	27,055	7.4%
EXPENDITURES						
Stormwater Wages	105,991	120,019	119,018	121,969	1,950	1.6%
Furlough (2011-5day, 2012-4 day)		(1,384)		(1,117)	267	-19.3%
Benefits (soc sec, retirement, medical ins, etc)	38,505	46,792	44,588	49,034	2,242	4.8%
Subtotal Salaries and Benefits	144,495	165,427	163,606	169,886	4,459	2.7%
Operating Supplies and Uniforms	1,450	1,560	1,776	1,380	(180)	-11.5%
Allocated Office Supplies, Copies, Postage	7,901	6,945	6,094	6,248	(697)	-10.0%
Fuel	2,505	3,725	3,565	3,200	(525)	0%
Small Tools and Safety Equipment	401	600	660	1,000	400	66.7%
Subtotal Office and Operating Supplies	12,257	12,830	12,094	11,828	(1,002)	-7.8%
Professional Services	1,812	2,000			(2,000)	-100%
KC Water Quality - Testing and Lab	6,305	9,500	14,786	7,000	(2,500)	-26.3%
Dept of Ecology/Stormwater Permit	1,920	2,000	2,001	2,000		0%
Travel, memberships and training	12	1,300	953	2,400	1,100	84.6%
WRIA 9 Membership		5,050	5,049	3,800	(1,250)	-24.8%
Tele, internet, radio, postage, adver & misc	2,173	4,600	4,674	6,300	1,700	37.0%
Utilities (gas, electric, water, sewer, etc.)	1,480	1,850	1,582	1,757	(93)	-5.0%
Legal Costs	10,673	16,500	14,056	16,500		0%
Audit - share of costs	458	3,750	3,844	600	(3,150)	-84.0%
Insurance	4,267	4,417	4,174	4,593	176	4.0%
Vehicle and other maintenance & repairs	1,897	2,200	2,435	1,800	(400)	0%
PW Administration Cost Allocation	20,601	25,456	25,464	26,100	644	2.5%
Utility Taxes	14,239	16,128	16,037	16,200	72	0.4%
B & O Taxes	7,634	4,300	3,981	4,860	560	13.0%
Subtotal Services and Charges	73,472	99,051	99,035	93,910	(5,141)	-5.2%

410 Stormwater Fund cont.	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
Transfer out to 510 Equipment Reserve	10,000	10,000	10,000	10,000		0%
Transfer to Project 7 Future Use				8,000	8,000	100.0%
Stormwater grant reimbursement		(4,500)	(2,651)		4,500	-100.0%
Transfer to RR Project	40,000	(11,810)	(11,810)		11,810	-100.0%
Loan Payment to Wastewater	30,650	30,600	31,500	30,400	(200)	-0.7%
Subtotal Other Expenditures	80,650	24,290	27,039	48,400	(14,681)	-60.4%
Subtotal Operating Expenditures	310,874	301,598	301,775	324,024	22,426	7.4%
Ending Cash & Investments	44,547	61,687	57,826	66,316	4,629	7.5%
Total Stormwater Fund Uses (non-capital)	355,421	363,285	359,601	390,340	27,055	7.4%

2012 Employee Allocations by Funding Source						
Stormwater Funded Positions	Funding Agreement	General Fund	Street Fund	Water Fund	Waste water Fund	Storm water Fund
Admin Assistant I		0.10		0.3	0.3	0.3
Deputy City Clerk		0.60	0.04	0.12	0.12	0.12
Senior Accountant		0.45	0.03	0.09	0.09	0.09
Support Staff Total		1.15	0.07	0.51	0.51	0.51
Public Works Director - <i>Funding</i>		0.10	0.15	0.25	0.25	0.25
Admin Assistant III- <i>Funding</i>			0.25	0.25	0.25	0.25
<i>Total Funding</i>	<i>2.00</i>	<i>-0.10</i>	<i>-0.4</i>	<i>-0.5</i>	<i>-0.5</i>	<i>-0.5</i>
Utilities Supervisor		0.10	0.15	0.25	0.25	0.25
Utility Worker		0.10	0.15	0.25	0.25	0.25
Utilities Operator		0.10	0.15	0.25	0.25	0.25
Seasonal Help for Parks		0.04	0.06	0.10	0.10	0.10
Public Works Total	2.00	0.34	0.51	0.85	0.85	0.85
Total Budget Positions (FTE's)	2.00	1.49	0.58	1.36	1.36	1.36

Stormwater Capital Fund 410 services provide the City with stormwater improvement projects. The City received a Department of Ecology grant of \$81,000 in 2011/2012. Some of these funds are being used to make improvements at the Public Works facility south of Lawson Street.

410 Stormwater Capital Fund	2010 Actual	2011 Amended Budget	2011 Actual	2012 Final Budget	11 to 12 Budget Change	% Budget Change
REVENUE						
Department of Ecology Grant #1	22,047	24,717	27,953		(24,717)	-100%
Department of Ecology Grant #2		81,000	500	70,000	(11,000)	-13.6%
Transfer from Operating - Future Use				8,000	8,000	100%
Alternate Site Study Reimburse		24,886			(24,886)	-100%
Total Stormwater Capital Revenue	22,047	130,603	28,453	78,000	(52,603)	-40.3%
Beginning Cash & Investments		(3,236)	(3,237)		3,236	
Total Stormwater Capital Sources	22,047	127,367	25,216	78,000	(49,367)	-38.8%
EXPENDITURES						
Stormwater Management Program	15,974					
Catch Basin Cleaning	9,310					
Dept of Ecology Grant #1		14,481	18,910		(14,481)	-100%
Dept of Ecology Grant #1 GPS		7,000	5,807		(7,000)	-100%
Dept of Ecology Grant #2		81,000	500	70,000	(11,000)	-13.6%
Alternate Site Study		24,886			(24,886)	-100%
Future Use Projects				8,000		
Total Stormwater Capital Expenditures	25,283	127,367	25,216	78,000	(49,367)	-38.8%
Ending Cash & Investments	(3,260)					
Total Stormwater Capital Uses	22,023	127,367	25,216	78,000	(49,367)	-38.8%

Capital Funds


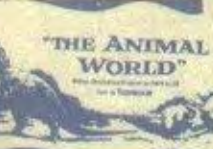



ADMISSION 50¢ ... 25¢
SHOW TIME 7:30 P.M.
CARTOON

DIAMOND THEATRE

BLACK DIAMOND, WASH.

May June July

MEMORIAL DAY

FRI.	SAT.	FRI.	SAT.	FRI.	SAT.
MAY 8	9	15	16	22	23
 I MARRIED A MONSTER FROM OUTER SPACE TOM TRYON OLGA TALBOT		 TARZAN AND THE SHE-DEVIL LEX BARKER		 tom thumb The Three Stooges	
29	30	JUNE 5	6	12	13
 As Young As We Are ROBERT HARLAND PIPPA SCOTT		 APACHE WOMAN BRIDGES • TAYLOR • FULLER		 "THE ANIMAL WORLD"	
19	20	26	27	JULY 3	4
 GOOD BYE MY LADY WALTER CATLETT • BRANDON		 DUEL IN THE JUNGLE DANA ANDREWS JOANNE CRAIN		 GOING STEADY MELVYN DOUGLAS • JEANETTE MACDONALD	
10	11	17	18	24	25
 THE BUCCANEER YUL BRYNNER CHARLTON HESTON CHARLES KOSTER CLAIRE BLOOM		 COWBOY GLENN FORD JACK LEMMON		 SNOWFIRE ROY ROGERS • DALE GRIBBLE	

Celebrate 4th JULY 4th
AT THE MOVIES

COLORCRAFT POSTER CO. OF CALIF., LOS ANGELES, CALIF.

Capital Improvement Program 2012 – 2017

What is the Capital Improvement Program?

A Capital Improvement Program (CIP) is a roadmap that provides direction and guidance for carefully planning and managing Black Diamond's capital and infrastructure assets. It is an investment in the future of our community.

This document presents the proposed plan for major public facility improvements that will be implemented over the next six fiscal years. The projects included in the fiscal 2012-2017 CIP are consistent with the City Council's priorities and address the needs for the acquisition, rehabilitation and expansion of the City's infrastructure and capital assets.

The City of Black Diamond Capital Improvement Program (CIP) addresses the growing needs of the City and enhances the quality of life through major public improvement projects.

Capital Projects are listed in the CIP by number, according to each major program area. For each project there is an estimated start and completion date that has been projected by the city department in charge of the improvement. The CIP also shows the total cost of the project and the amount allocated to the project for each year of the plan. Identifying capital projects and their anticipated funding sources assists in the planning and scheduling of finances for projects and the manpower needed to plan, design, and construct the projects.

Examples of projects in Black Diamond's six-year CIP include street rehabilitation, water projects, wastewater facilities, park improvements, a fire station and equipment, police capital needs, and public building construction and improvement. Land purchases are also included in CIP planning since it is considered a capital asset.

These projects are usually long-term in nature (over one year) to complete and are frequently financed over a period of time. Typically, a CIP project has a dollar amount over \$10,000.

How are projects in the Capital Improvement Program paid for?

The Six-Year CIP is a format by which the City uses to review the funding of desired capital improvements that compete for scarce financial resources. Generally, funding for capital improvements is provided through Real Estate Excise Tax revenue (REET), capital reserves, public trust fund loans, grants, impact fees and developer funding.

Types of Capital Projects

Capital projects are essential to the delivery of many of the City's core services. The capital projects in each major department are described below.

- **Transportation** The road system in Black Diamond is a vital infrastructure to city residents, visitors and commuters. This infrastructure includes roads, bridges, bike lanes and sidewalks. The responsibility for the funding and construction of transportation infrastructure is usually shared with

developers in the form of impact fees, as new development has need for additional transportation improvements. A good deal of funding for street improvement comes from Real Estate Excise Taxes.

- Parks and Recreation There are regional and local parks in Black Diamond as well as bike and hiking trails, a skate park and a BMX Course. Outdoor enthusiasts choose to live in Black Diamond for the natural beauty of the surroundings and sporting opportunities. Park improvements are primarily financed by Real Estate Excise Taxes, grants and developer contributions.
- Utilities The City provides water, sewer and stormwater utility services to residents and businesses. Capital Facilities include sewer treatment facilities, transmission systems and storm water detention facilities. Developers contribute to these projects, as growth requires infrastructure expansion. Capital reserves, grants, loans and Real Estate Excise Taxes also provide funding for utilities in Black Diamond.
- Public Safety Capital facilities and equipment are required to deliver core City services of Police and Fire. These facilities include the fire and police stations, vehicles and major equipment. Funding for these capital projects largely comes from Real Estate Excise Taxes and reserves.
- General Capital City is responsible for funding the construction and maintenance of city buildings and facilities. Included are technological capital projects that provide better services and communication at the City. These capital costs are largely funded through Real Estate Excise Taxes.

Growth Management Act and Land Use Policies

Comprehensive planning is required in Washington State since the Growth Management Act (GMA) was adopted by the legislature in 1990. The objective of the Act is to limit sprawl, protect sensitive areas and promote efficient and effective delivery of public services by concentrating population, industry and public services in urban areas. The City is anticipating two development areas in Black Diamond, The Villages and Lawson Hills. These planned developments have a huge impact on the City's Capital Improvement Program, as up to 6,000 new homes may be built eventually in those new neighborhoods.

Level of Service

The number and type of capital facilities needed to serve Black Diamond is directly related to the level of public service provided. The level of service is established by City Council and the City's Comprehensive Plan.

Maintenance and Funding Constraints

Once completed and placed in service, capital facilities must be maintained. Funding for the maintenance of capital projects for City Utilities are funded with user fees in the respective operating budgets. Maintenance funding for projects are funded through current operations, not the capital budget. For that reason the availability of funding for future maintenance must be considered when preparing the capital budget.

Development and Approval Process

The Capital Improvement Plan is updated annually. Each year individual projects are submitted by department directors. They use a template provided by Finance staff. These requests include an update of current projects and projections on new projects and anticipated costs. Each project must have specific funding sources identified. The Mayor, Finance Director and Management meet to balance projects to available funding. After several Council Committee meetings, workstudy sessions and a public hearing are held, the proposed plan is brought before Council for approval. The Capital Improvement Calendar for 2011 – 2016 is part of this document in the appendix section.

Please refer to the City's Website Finance section for the complete Capital Improvement Plan 2012 – 2017.



The bus pictured, believed to be a 1916 model, was used by the Black Diamond School District No. 190 into the 1930s.
(Courtesy Black Diamond Historical Society)

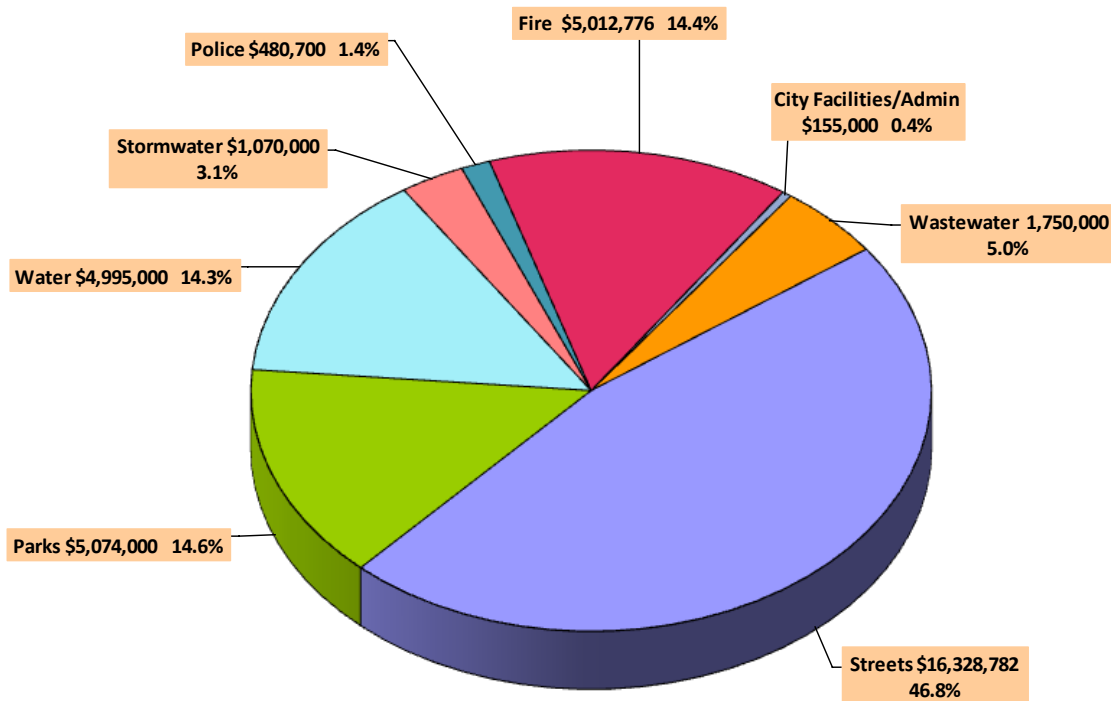


Total Summary by Department

Capital Improvement Plan 2012 - 2017

Departments	Total \$ Project	2012	2013	2014	2015	2016	2017
Street Department	16,328,782	268,782	580,000	700,000	2,320,000	10,730,000	1,730,000
Water Department	4,995,000	495,000	1,900,000	1,800,000		100,000	700,000
Parks and Recreation	5,074,000	353,000	43,000	55,000	958,000	785,000	2,880,000
Fire Department	5,012,776	94,500	365,000	1,099,000		345,000	3,109,276
Wastewater Department	1,750,000	110,000	30,000	80,000	300,000	1,110,000	120,000
Stormwater Department	1,070,000		70,000	300,000	700,000		
Police Department	480,700	48,000	58,300	112,000	109,400	88,000	65,000
City Facilities and Administration	155,000	55,000	20,000	20,000	20,000	20,000	20,000
TOTAL Project COSTS	\$34,866,258	\$1,424,282	\$3,066,300	\$4,166,000	\$4,407,400	\$13,178,000	\$8,624,276

Total CIP: \$34,866,258





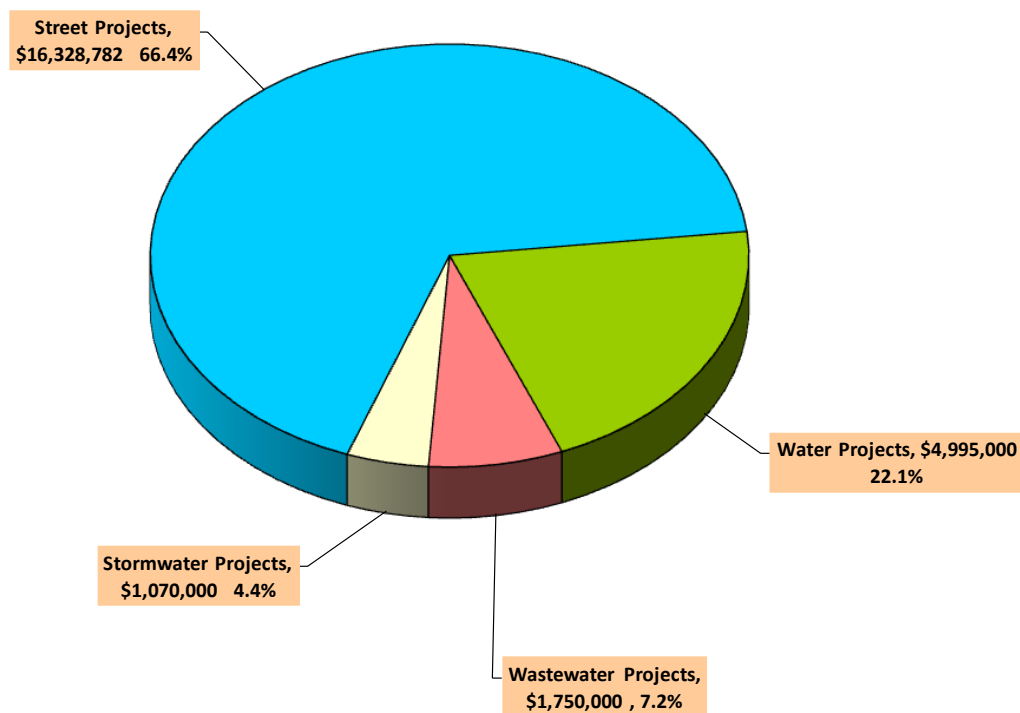
Public Works Department Summary

Capital Improvement Plan 2012 - 2017

Departments	Total \$ Project	2012	2013	2014	2015	2016	2017
Street Projects	16,328,782	268,782	580,000	700,000	2,320,000	10,730,000	1,730,000
Water Projects	4,995,000	495,000	1,900,000	1,800,000		100,000	700,000
Wastewater Projects	1,750,000	110,000	30,000	80,000	300,000	1,110,000	120,000
Stormwater Projects	1,070,000		70,000	300,000	700,000		
TOTAL Project COSTS	\$ 24,143,782	\$873,782	\$2,580,000	\$2,880,000	\$3,320,000	\$11,940,000	\$2,550,000

Public Works CIP by Department

Total: \$24,143,782



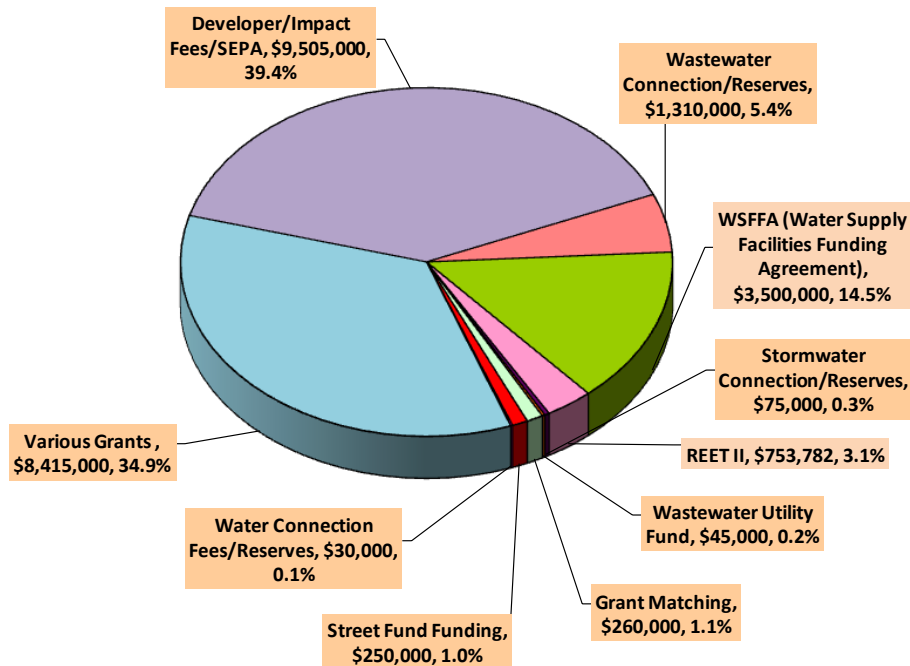


CIP Public Works Revenue Summary

Capital Improvement Plan 2012 - 2017

REQUESTED FUNDING	Total \$ Project	2012	2013	2014	2015	2016	2017
Various Grants	8,415,000	275,000	540,000	250,000	700,000	6,650,000	
Developer/Impact Fees/SEPA	9,505,000		450,000	1,300,000	2,410,000	3,750,000	1,595,000
Wastewater Connection/Reserves	1,310,000	115,000	30,000	30,000	50,000	1,010,000	75,000
WSFFA (Water Supply Facilities Funding Agreement)	3,500,000	300,000	1,400,000	1,000,000		100,000	700,000
REET II	753,782	78,782	110,000	205,000	130,000	150,000	80,000
Stormwater Connection/Reserves	75,000	5,000		20,000		50,000	
Wastewater Utility Fund	45,000						45,000
Grant Matching	260,000	40,000	20,000			200,000	
Street Fund Funding	250,000	55,000	30,000	75,000	30,000	30,000	30,000
Water Connection Fees/Reserves	30,000	5,000					25,000
TOTAL SOURCES	\$24,143,782	\$873,782	\$2,580,000	\$2,880,000	\$3,320,000	\$11,940,000	\$2,550,000

Public Works CIP by Type of Funding Total: \$24,143,782



Non Capital Operating Costs

	Total \$ Requested	2012	2013	2014	2015	2016	2017
Maint. Costs Infil/WBD Sewer Main	120,000	20,000	20,000	20,000	20,000	20,000	20,000
Maintenance Roberts Drive	30,000			10,000	10,000	10,000	
Interfund Debt Repay Water Meters	160,000	40,000	40,000	40,000	40,000		
Total Operating Public Works	310,000	60,000	60,000	70,000	70,000	30,000	20,000

CIP Public Works Revenue Summary							
Capital Improvement Plan 2012 - 2017							
		Total \$ Project 2012 - 2017	Capital Plan 2012 - 2017				
			2012	2013	2014	2015	2016
STREET PROJECTS							
T1	General Street Improvement	180,000	30,000	30,000	30,000	30,000	30,000
T2	SE 288th Street Overlay	120,000	120,000				
T3	Roberts Drive Sidewalk Link to Morgan St	38,782	38,782				
T4	Rock Creek Bridge Rehab / Replace	20,000	20,000				
T5	Elevate Abrams Avenue	20,000	20,000				
T6	Grant Matching Fund	280,000	40,000	40,000	50,000	50,000	50,000
T7	Morganville Intersection Improvements	100,000	40,000		60,000		
T8	Roberts Drive Reconstruction	5,570,000	20,000		140,000	380,000	5,030,000
T9	Roberts Drive/State Rt 169 Roundabout	2,230,000	450,000		220,000	1,560,000	
T10	SR 169 Gateway Corridor Improvement	5,700,000	200,000		300,000	5,200,000	
T11	Pacific Street Neighborhood Improvements	520,000	70,000				450,000
T12	SR169 Widening at Lawson and Baker St.	1,550,000	350,000				1,200,000
STREET PROJECTS		16,328,782	268,782	580,000	700,000	2,320,000	10,730,000 1,730,000
WATER PROJECTS							
W1	Springs & River Crossing Rehab. Project	3,200,000	300,000	1,900,000	1,000,000		
W2	5th Avenue Water Main Replacement	175,000	175,000				
W3	Public Works Facilities - Design & Engineering	20,000	20,000				
W4	Fire Flow Loop to North Commercial Area	800,000	800,000				
W5	Springs Transmission Main Replacement P1	800,000	100,000				700,000
WATER PROJECTS		4,995,000	495,000	1,900,000	1,800,000	100,000	700,000
WASTEWATER PROJECTS							
S1	Infiltration and Inflow Reduction Plan	180,000	30,000	30,000	30,000	30,000	30,000
S2	Morganville Wastewtr Lift Station Improv	80,000	80,000				
S3	West Black Diamond Sewer Lift Station	400,000	50,000		250,000	100,000	
S4	Morganville Force Main Reroute	1,000,000	20,000		980,000		
S5	Cedarbrook Sewer Main	90,000	90,000				
WASTEWATER PROJECTS		1,750,000	110,000	30,000	80,000	300,000	1,110,000 120,000

	Total \$ Project 2012 - 2017	2012	2013	2014	2015	2016	2017
STORMWATER PROJECTS							
D1 Lake Sawyer Road Culvert and Guardrail	320,000		70,000	250,000			
D2 Ginder Creek Stormwater Treatment Pond	750,000			50,000	700,000		
STORMWATER PROJECTS	1,070,000		70,000	300,000	700,000		
TOTAL PUBLIC WORKS CAPITAL PROJECTS	24,143,782	873,782	2,580,000	2,880,000	3,320,000	11,940,000	2,550,000
REET II Funding							
T3 Roberts Drive Sidewalk Link to Morgan St	38,782	38,782					
T6 Grant Matching Fund	280,000	40,000	40,000	50,000	50,000	50,000	50,000
T7 Morganville Intersection Improvements	100,000		40,000	60,000			
T8 Roberts Drive Reconstruction	205,000			95,000	80,000	30,000	
T11 Pacific Street Neighborhood Improvements	100,000					70,000	30,000
D1 Lake Sawyer Road Culvert and Guardrail	30,000		30,000				
Total REET II Funding	753,782	78,782	110,000	205,000	130,000	150,000	80,000
Water Connection Fees/Reserves							
W3 Public Works Facilities Site Planning	5,000	5,000					
T11 Pacific Street Neighborhood Improvements	25,000						25,000
Total Water Connection Fees/Reserves	30,000	5,000					25,000
Wastewater Connection Fees/Reserves							
S1 Infiltration and Inflow Reduction Plan	180,000	30,000	30,000	30,000	30,000	30,000	30,000
S2 Morganville Wastewtr Lift Station Improv	80,000	80,000					
S4 Morganville Force Main Reroute	1,000,000				20,000	980,000	
S5 Cedarbrook Sewer Main	45,000						45,000
W4 Public Works Facilities Site Planning	5,000	5,000					
Total Wastewater Connection Fees/Reserves	1,310,000	115,000	30,000	30,000	50,000	1,010,000	75,000
Stormwater Connection Fees/Reserves							
W4 Public Works Facilities Design/Eng	5,000	5,000					
T8 Roberts Drive Reconstruction	50,000					50,000	
D2 Ginder Creek Stormwater Treatment Pond	20,000			20,000			
Total Stormwater Connection Fees/Reserves	75,000	5,000		20,000		50,000	
Developer, Impact Fees and/or SEPA							
T8 Roberts Drive Reconstruction	900,000				300,000	600,000	
T9 Roberts Drive/State Rt 169 Roundabout	2,230,000		450,000	220,000	1,560,000		
T10 SR 169 Gateway Corridor Improvement	3,200,000			200,000	300,000	2,700,000	
T11 Pacific Street Neighborhood Improvements	395,000						395,000
T12 SR 169 Widening (Lawson/Baker)	1,550,000					350,000	1,200,000
W4 Fire Flow Loop to N. Commerical Area	800,000			800,000			
S3 West Black Diamond Sewer Lift Station	400,000			50,000	250,000	100,000	
D2 Ginder Creek Stormwater Treatment Pond	30,000			30,000			
Total Developer, Street Impact and/or SEPA Fees	9,505,000		450,000	1,300,000	2,410,000	3,750,000	1,595,000

	Total \$ Project 2012 - 2017	2012	2013	2014	2015	2016	2017
Street Fund Funding							
T1 General Street Improvement	180,000	30,000	30,000	30,000	30,000	30,000	30,000
T5 Elevate Abrams Avenue	20,000	20,000					
T8 Roberts Drive Reconstruction	45,000			45,000			
W4 Public Works Facilities - Design & Engineering	5,000	5,000					
Total Street Fund Funding	250,000	55,000	30,000	75,000	30,000	30,000	30,000
WSFFA							
W1 Springs & River Crossing Rehab. Project	2,700,000	300,000	1,400,000	1,000,000			
W5 Springs Transmission Main Replacement P1	800,000					100,000	700,000
Total WSFFA	3,500,000	300,000	1,400,000	1,000,000		100,000	700,000
Wastewater Utility Funding							
S5 Cedarbrook Sewer Main	45,000						45,000
Total Wastewater Utility Funding	45,000						45,000
Grants (TIB,CDBG,DOE, etc)							
T2 SE 288th Street Overlay	100,000	100,000					
T8 Roberts Drive Reconstruction	4,150,000				4,150,000		
T10 SR 169 Gateway Corridor Improvement	2,500,000				2,500,000		
W1 Springs & River Crossing Rehab. Project	500,000		500,000				
W2 5th Ave Water Main Replacement	175,000	175,000					
D1 Lake Sawyer Road Culvert and Guardrail	290,000		40,000	250,000			
D2 Ginder Creek Stormwater Treatment Pond	700,000				700,000		
Total Grants	8,415,000	275,000	540,000	250,000	700,000	6,650,000	
Grant Matching							
T2 SE 288th Street Overlay	20,000	20,000					
T4 Rock Creek Bridge Rehab / Replace	20,000	20,000					
T8 Roberts Drive Reconstruction	220,000		20,000			200,000	
Total Grant Matching	260,000	40,000	20,000			200,000	
Grand Total Public Works CIP Funding	24,143,782	873,782	2,580,000	2,880,000	3,320,000	11,940,000	2,550,000

REET II ANALYSIS SUMMARY (Fund 320)

Capital Improvement Plan 2012 - 2017

Real Estate Excise Tax Analysis

REET II - REVENUE			Capital Plan 2012 - 2017					
REET II Funds Street Projects	2011 REET II Budgeted & Funded	2012-2017 Summary Total	2012	2013	2014	2015	2016	2017
Beginning Fund Balance	543,991	398,635	398,635	286,153	262,553	154,053	163,753	237,053
REET Revenue (annual)								
1/4 of 1% REET - Existing Property	40,000	384,000	40,000	48,000	55,000	63,000	81,000	97,000
1/4 of 1% REET - Other new homes		45,200	6,300	6,400	6,500	6,700	7,300	12,000
1/4 of 1% REET - MPD		518,000		32,000	65,000	100,000	135,000	186,000
Subtotal REET II Revenue	40,000	947,200	46,300	86,400	126,500	169,700	223,300	295,000
Other Sources and Uses								
Railroad Project Refund	84,644							
Transfer to 104 Gen Fund Capital Projects	(70,000)	(140,000)	(80,000)		(30,000)	(30,000)		
TOTAL Available Balance for Street Projects	598,635	1,205,835	364,935	372,553	359,053	293,753	387,053	532,053

REET II PROJECT EXPENDITURES

			Capital Plan 2012 - 2017					
	2011 REET II Budgeted & Funded	2012-2017 Summary Total	2012	2013	2014	2015	2016	2017
Street Projects								
T3 Roberts Drive Sidewalk link to Morgan St	80,000	38,782	38,782					
T6 Grant Matching	40,000	280,000	40,000	40,000	50,000	50,000	50,000	50,000
T7 Intersection Improvements in Morganville		100,000		40,000	60,000			
T8 Roberts Drive Reconstruction		205,000			95,000	80,000	30,000	
T11 Pacific Street Neighborhood Improvements		100,000					70,000	30,000
2011 Lawson Newcastle Intersection	80,000							
Subtotal Street Projects funded with REET II	200,000	723,782	78,782	80,000	205,000	130,000	150,000	80,000
Stormwater Projects								
D1 Lake Sawyer Road Culvert & Guardrail		30,000		30,000				
Subtotal Stormwtr Projects funded with REET II		30,000		30,000				
Total Projects FUNDED BY REET II	200,000	753,782	78,782	110,000	205,000	130,000	150,000	80,000

REET II Left for Next Year (Ending Fund Balance)	398,635	452,053	286,153	262,553	154,053	163,753	237,053	452,053
REET based on Houses sold			2012	2013	2014	2015	2016	2017
Existing Property Sales (in 000's)			62 @\$250	75 @\$255	85 @\$260	95 @\$265	120 @\$270	140 @\$275
Other new home sales (in 000's)			10 @\$250	10 @\$255	10 @\$260	11 @\$265	12 @\$270	17 @\$275
MPD Phase 1 Resulting Sales -non commercial (in 000's)				50 @\$255	100 @\$260	150 @\$265	200 @\$270	270 @\$275
Population Base			4,060	4,077	4,239	4,536	4,971	5,514
Growth Increase (2.7 people per new household)			27	162	297	435	543	775
TOTAL POPULATION			4,087	4,239	4,536	4,971	5,514	6,289

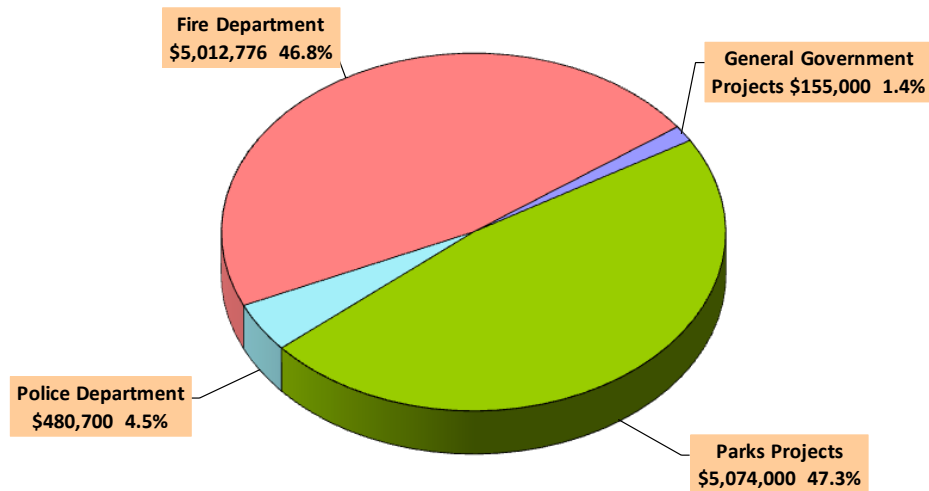


General Government Department Summary

Capital Improvement Plan 2012 - 2017

Departments	Total \$ Project	2012	2013	2014	2015	2016	2017
General Government							
Capital Facilities & Admin	35,000	35,000					
City Technology (not Police)	120,000	20,000	20,000	20,000	20,000	20,000	20,000
Subtotal	155,000	55,000	20,000	20,000	20,000	20,000	20,000
Parks Department	5,074,000	353,000	43,000	55,000	958,000	785,000	2,880,000
Public Safety							
Police Department (incl Tech)	480,700	48,000	58,300	112,000	109,400	88,000	65,000
Fire Department	5,012,776	94,500	365,000	1,099,000		345,000	3,109,276
Subtotal	5,493,476	142,500	423,300	1,211,000	109,400	433,000	3,174,276
TOTAL Project COSTS	\$ 10,722,476	\$550,500	\$486,300	\$1,286,000	\$1,087,400	\$1,238,000	\$6,074,276

General Government CIP by Department Total: \$10,722,476



REET I Payments	Total 2012 -						
	2017	2012	2013	2014	2015	2016	2017
Repay Ginder Ck Land Loan	79,550		15,910	15,910	15,910	15,910	15,910
Repay Loan Police Records Sys.	125,600	42,000	42,000	41,600			
Repay Loan Fire Engine	170,820				56,940	56,940	56,940
Total	375,970	42,000	57,910	57,510	72,850	72,850	72,850



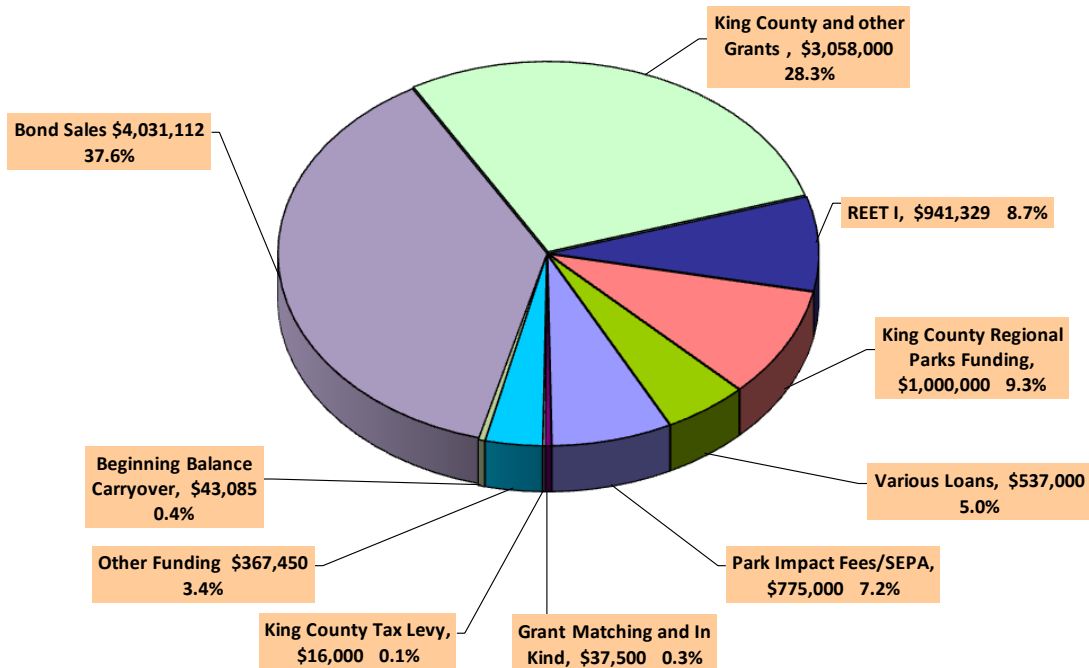
CIP General Government Funding Summary

Capital Improvement Plan 2012 - 2017

REQUESTED FUNDING

	Total \$ Project	2012	2013	2014	2015	2016	2017
King County and Other Grants	3,058,000	330,000	20,000	20,000	768,000	320,000	1,600,000
REET I	857,329	123,165	88,300	142,000	139,400	124,000	240,464
King County Regional Parks Funding	1,000,000						1,000,000
Various Loans	537,000		230,000	82,000		225,000	
Park Impact Fees/SEPA	775,000				75,000	450,000	250,000
Grant Matching and In Kind	37,500	17,500		20,000			
King County Tax Levy	16,000	8,000	8,000				
Bond Sales	4,031,112			963,300		114,000	2,953,812
Other Funding	367,450	28,750	140,000	58,700	105,000	5,000	30,000
Beginning Balance Carryover	43,085	43,085					
TOTAL SOURCES	\$10,722,476	\$550,500	\$486,300	\$1,286,000	\$1,087,400	\$1,238,000	\$6,074,276

General Government CIP by Type of Funding Total: \$10,722,476



Ongoing Maintenance and Operating Costs

	Total \$ Requested	2012	2013	2014	2015	2016	2017
Trails Improvement Project - Salaries	20,000					10,000	10,000
City Wide Tech Maint. & Subscriptions	192,000	32,000	32,000	32,000	32,000	32,000	32,000
TOTAL OPERATING Gen Govt Costs	212,000	32,000	32,000	32,000	32,000	42,000	42,000

General Government

Capital Improvement Plan 2012 - 2017		Total \$ Project 2012 - 2017	2012	2013	2014	2015	2016	2017
REET I FUNDING								
L1	Patrol Car Replacement Program	365,000	40,000	42,000	92,000	94,000	48,000	49,000
L2	Police Technology Capital	95,700	8,000	16,300	20,000	15,400	20,000	16,000
L3	Police Reroof	20,000					20,000	
F1	Replace 2 Fire Support Vehicles	26,415	26,415					
F5	New Fire Station and Equipment	137,714	1,250				6,000	130,464
P1	Grant Matching Funds	60,000	10,000	10,000	10,000	10,000	10,000	10,000
P11	Signage for Parks	15,000						15,000
A1	City Technology Upgrades	120,000	20,000	20,000	20,000	20,000	20,000	20,000
A2	Future Facility Prelim Eng/Design	17,500	17,500					
Total REET I Funding for Gen Govt CIP PROJECTS		857,329	123,165	88,300	142,000	139,400	124,000	240,464
LOAN PAYMENTS (REET I)								
L4	Repay Police Records Loan (2009)	84,000	42,400	41,600				
F2	Eng. 98 Replace Loan Payment	208,340			52,085	52,085	52,085	52,085
F3	Replace Aid Car Loan Payment	24,972						24,972
F4	Brush Truck Chassis Loan Payment	55,728				18,576	18,576	18,576
Total REET I Funding for Loan Payments (not in total)		373,040	42,400	41,600	52,085	70,661	70,661	95,633
GRANT FUNDING								
P1	Lake Sawyer Boat Launch (County Grant)	668,000				668,000		
P2	Shoreline Master Plan (DOE Grant)	10,000	10,000					
P3	Ginder Creek Trail Restoration (County Grant)	60,000	20,000	20,000	20,000			
P4	Ginder Creek Acquisition (Conservation Grant)	175,000	175,000					
P4	Ginder Creek Acquisition (WIRA or DOE Grant)	125,000	125,000					
P7	Regional Trail System Development (County Grant)	300,000				100,000	100,000	100,000
P8	Jones Lake Acquisition (Conservation Grant)	200,000					200,000	
P9	Lake Sawyer Regional Park (RCO Grant)	1,500,000						1,500,000
P10	Union Stump Memorial Park (RCO Grant)	20,000					20,000	
Total Grant Funding		3,058,000	330,000	20,000	20,000	768,000	320,000	1,600,000
KING COUNTY REGIONAL PARKS FUNDING								
P9	Lake Sawyer Regional Park	1,000,000						1,000,000
Total King County Regional Parks Funding		1,000,000						1,000,000
KING COUNTY TAX LEVY								
P7	Regional Trail System Development	16,000	8,000	8,000				
Total King County Tax Levy		16,000	8,000	8,000				
IMPACT FEES OR SEPA								
P8	Jones Lake Acquisition	200,000					200,000	
P9	Lake Sawyer Regional Park	575,000				75,000	250,000	250,000
Total Impact Fees or SEPA		775,000				75,000	450,000	250,000
GRANT MATCHING and IN-KIND								
P1	Lake Sawyer Boat Launch Improvements	20,000			20,000			
A2	Future Facility Prelim Eng/Design	17,500	17,500					
Total Grant Matching Funds		37,500	17,500		20,000			
LOANS FOR FINANCING								
F2	Replace Engine 98 (5 yr 5%)	230,000		230,000				
F3	Replace Aid Car (12 yr 5%)	225,000					225,000	
F5	Replace Brush Truck Chassis (5 yr 5%)	82,000			82,000			
Total Loans		537,000		230,000	82,000		225,000	

	Total \$ Project 2012 - 2017	2012	2013	2014	2015	2016	2017
DEVELOPER/MITIGATION							
P1 Lake Sawyer Boat Launch Improvements	100,000	100,000					
P6 Tree Mitigation	30,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Developer/Mitigation Funding	130,000	5,000	5,000	5,000	105,000	5,000	5,000
BOND SALES							
F5 New Fire Station and Equipment	4,031,112	963,300 114,000 2,953,812					
Total Bond Sales	4,031,112	963,300 114,000 2,953,812					
OTHER FUNDING							
F2 Replace Engine 98 (Surplus Funding)	135,000	135,000					
F4 Replace Brush Truck Chassis (Surplus Funding)	3,000	3,000					
F5 New Fire Station and Equipment	99,450	23,750		50,700			25,000
Total Carryover Funds Prior Years	237,450	23,750	135,000	53,700			25,000
CARRYOVER FUNDS FROM PRIOR YEAR(S)							
F1 Replace Two Fire Support Vehicles	43,085	43,085					
Total Carryover Funds Prior Years	43,085	43,085					
TOTAL GEN GOV CIP FUNDING (less REET I Loan Payments)	10,722,476	550,500	486,300	1,286,000	1,087,400	1,238,000	6,074,276

REET I ANALYSIS SUMMARY (Fund 310)

Capital Improvement Plan 2012 - 2017

Real Estate Excise Tax Analysis

REET I - REVENUE			Capital Plan 2012 - 2017						
	2011 REET I Budgeted & Funded	2012-2017 Summary Total	2012	2013	2014	2015	2016	2017	
Beg Fund Balance 104	401,486	346,986	346,986	307,721	264,221	226,636	216,275	244,914	
REET Revenue (annual)									
1/4 of 1% REET - Existing Property	40,000	384,000	40,000	48,000	55,000	63,000	81,000	97,000	
1/4 of 1% REET - Other new homes		45,200	6,300	6,400	6,500	6,700	7,300	12,000	
1/4 of 1% REET - MPD		518,000		32,000	65,000	100,000	135,000	186,000	
Subtotal REET I Revenue	40,000	947,200	46,300	86,400	126,500	169,700	223,300	295,000	
Carryover REET I Revenue									
Reet II Transfer	70,000	140,000	80,000		30,000	30,000			
Carryover Grant									
TOTAL Avail. Balance for Gen Govt Projects	511,486	1,434,186	473,286	394,121	420,721	426,336	439,575	539,914	
REET I - PROJECT EXPENDITURES			Capital Plan 2012 - 2017						
	2011 REET I Budgeted & Funded	2012-2017 Summary Total	2012	2013	2014	2015	2016	2017	
General Government									
A1 City Technology Upgrades	18,000	120,000	20,000	20,000	20,000	20,000	20,000	20,000	
A2 Future Facility Site-Preliminary Engr/Design	7,500	17,500	17,500						
Subtotal General Government	25,500	137,500	37,500	20,000	20,000	20,000	20,000	20,000	
Parks									
P5 Grant Matching Funds	40,000	60,000	10,000	10,000	10,000	10,000	10,000	10,000	
P11 Signage for Parks		15,000						15,000	
Subtotal Parks Projects with REET I	40,000	75,000	10,000	10,000	10,000	10,000	10,000	25,000	
Public Safety									
L1 Police Technology Upgrades	12,000	95,700	8,000	16,300	20,000	15,400	20,000	16,000	
L2 Vehicle Replacement Plan	40,000	365,000	40,000	42,000	92,000	94,000	48,000	49,000	
L3 Police Reroof		20,000					20,000		
L4 Repay Police Records Loan 2009	42,000	84,000	42,400	41,600					
SUBTOTAL POLICE	94,000	564,700	90,400	99,900	112,000	109,400	88,000	65,000	
F1 Replace 2 Fire Support Vehicles		26,415	26,415						
F2 Eng. 98 Replace Loan Payment		208,340			52,085	52,085	52,085	52,085	
F3 Replace Aid Car Loan Payment		24,972						24,972	
F4 Replace Brush Truck Chassis		55,728				18,576	18,576	18,576	
F5 New Fire Station and Equipment	5,000	137,714	1,250				6,000	130,464	
SUBTOTAL FIRE	5,000	453,169	27,665		52,085	70,661	76,661	226,097	
Subtotal Public Safety Proj. with REET I	99,000	1,017,869	118,065	99,900	164,085	180,061	164,661	291,097	
Total REET I Projects & Debt	164,500	1,230,369	165,565	129,900	194,085	210,061	194,661	336,097	
REET I left for next year (Ending Balance)	346,986	203,817	307,721	264,221	226,636	216,275	244,914	203,817	
REET based on Houses sold			2012	2013	2014	2015	2016	2017	
Existing Property Sales (in 000's)			62 @\$250	75 @\$255	85 @\$260	95 @\$265	120 @\$270	140 @\$275	
Other new home sales (in 000's)			10 @\$250	10 @\$255	10 @\$260	11 @\$265	12 @\$270	17 @\$275	
MPD Phase 1 Resulting Sales -non commercial (in 000's)				50 @\$255	100 @\$260	150 @\$265	200 @\$270	270 @\$275	
Population Base			4,060	4,077	4,239	4,536	4,971	5,514	
Growth Increase (2.7 people per new household)			27	162	297	435	543	775	
TOTAL POPULATION			4,087	4,239	4,536	4,971	5,514	6,289	

Appendix



This train car visited BD often, used to render aid during emergencies and disasters, as well as an instruction car for frequent safety classes. Note the ancient gas masks being modeled by a couple of the instructors. (Courtesy Black Diamond Historical Society)

ORDINANCE NO. 11-972

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, ADOPTING THE BUDGET FOR CALENDAR YEAR 2012

WHEREAS, the Preliminary Budget was submitted to the City Council by the Mayor on November 2, 2011; and

WHEREAS, the City Council held public hearings on November 22, 2011, and December 1, 2011 and workstudies on September 29, 2011, October 12, 2011, and October 27, 2011, and

WHEREAS, a copy of the Budget was on file with the City Clerk for examination by the public during the time it was being considered by the City Council; now, therefore,

THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, ORDAINS AS FOLLOWS:

Section 1. The annual budget of the City of Black Diamond for the 2012 calendar year, a copy of which is on file with the City Clerk, is hereby adopted by reference as the annual budget for the City of Black Diamond for calendar year 2012.

Section 2. The total estimated revenue from all sources and expenditures by fund as set forth in the 2012 budget document adopted by reference, are as follows:


Fund #	Fund Name	Estimated Revenues	Estimated Expenses
001	General Fund	5,455,415	5,455,415
101	Street Fund	443,353	443,353
104	REET I Fund - General Government	454,226	454,226
105	REET II Fund - Street Projects	570,625	570,625
310	Capital Fund - General Government	458,000	458,000
320	Capital Fund - Street Projects	288,782	288,782
401	Water Fund	1,490,874	1,490,874
402	Water Capital Facility Fund	422,800	422,800
404	Water Capital Fund	682,240	682,240
407	Wastewater Fund	864,957	864,957
408	Wastewater Capital Fund	852,245	852,245
410	Stormwater Fund	468,340	468,340
510	Equipment Reserves Fund	269,670	269,670
Total		\$ 12,721,527	\$ 12,721,527

Section 3. This Ordinance shall include the 2012 Salary Schedule as shown in the attachment as Exhibit A.

Section 4. This Ordinance shall be in full force and effect five days after its passage, approval, posting and publication in summary form as provided by law.

Introduced the 15th day of December, 2011.

Passed by a majority of the City Council at a meeting held on the 15th day of December, 2011.



Mayor Rebecca Olness

Attest:



Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

Chris Bacha, City Attorney

Published: 12/23/2011
Posted: 12/16/2011
Effective Date: 12/28/2011

ORDINANCE NO. 11-968

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, LEVYING THE GENERAL PROPERTY TAXES FOR THE CITY FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2012 ON ALL PROPERTY BOTH REAL AND PERSONAL, IN SAID CITY, WHICH IS SUBJECT TO TAXATION FOR THE PURPOSE OF PROVIDING REVENUE FOR PUBLIC SAFETY FOR THE CITY OF BLACK DIAMOND FOR THE ENSUING YEAR AS REQUIRED BY LAW, PROVIDING FOR SEVERABILITY AND ESTABLISHING THE EFFECTIVE DATE

WHEREAS, the City Council of Black Diamond, Washington has met and considered the Public Safety budgets for the year of 2012; and

WHEREAS, the Cities under 10,000 population may increase the regular property tax levy from the previous year by up to one percent, and

WHEREAS, a Public Hearing was held on November 22, 2011 regarding the 2012 Budget and the property tax levy, and

WHEREAS, the City Council has properly given notice of the Public Hearing held public hearings on November 22, 2011 to consider the City's 2012 Preliminary Budget including the revenue sources, pursuant to RCW 84.55.120; and

WHEREAS, King County requires that the 2012 Property Tax Levies be submitted by December 2, 2011;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, ORDAINS AS FOLLOWS:

Section 1. Levy Amount A regular property tax is hereby levied in the amount \$1,383,289 which includes the allowed one percent increase over last years levy of \$1,369,593. This one percent increases property taxes by \$13,696. This total levy dollar amount is exclusive of the additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, and any increase in the value of state assessed property or any annexations that have occurred and any refunds or adjustment made by the county. The additional property taxes are estimated to add \$30,000 to the levy for new construction or any increase in the annexation, value of state-assessed property or adjustments. The final dollar amount of Property Taxes is determined by King County.

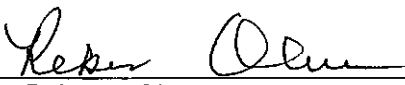
Section 2. Severability Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or

otherwise invalid for any reason, or should any portion of this ordinance be preempted by State or Federal law or regulations, such decisions or preemptions shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 3. Effective Date This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

Introduced the 22nd day of November, 2011.

Passed by a majority of the City Council at a special meeting held on the 22nd day of November, 2011.



Mayor Rebecca Olness

Attest:



Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

Chris Bacha, City Attorney

Published: 12/2/2011
Posted: 11/23/2011
Effective Date: 12/7/2011



City of Black Diamond
Financial Management Policies
 Per Resolution 08-560

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.

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 within 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 April 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.

MPD Funding Agreement

This AGREEMENT (hereinafter “**MPD Funding Agreement**” or “**Agreement**”) is dated the 15th day of December 2011, and is entered into by and between BD Village Partners, LP (“**BD Village**”), a Washington limited partnership, BD Lawson Partners, LP, a Washington limited partnership (“**BD Lawson**”) (BD Lawson and BD Village are collectively referred to herein as the “**Developer**”), and the City of Black Diamond, a Washington municipal corporation (the “**City**”).

RECITALS

- A. WHEREAS, on June 29, 2007, the City, BD Village, and BD Lawson, LP entered into that certain City of Black Diamond Staff and Facilities Funding Agreement (the “**Staff and Facilities Funding Agreement**”) to provide funding for city staff, city consultants, related support facilities, equipment expenses, and legal costs; and
- B. WHEREAS, on April 16, 2009, the City, BD Village, and BD Lawson executed an amendment to that Staff and Facilities Funding Agreement (the “**First Amendment**”) that allowed for the funding of certain pre-approved economic development activities and increased the frequency of payments under the Staff and Facilities Funding Agreement in order to decrease the City’s working capital; and
- C. WHEREAS, BD Village has applied for and received approval from the City for The Villages Master Planned Development (the “**Villages MPD**”) pursuant to City of Black Diamond Ordinance No. 10-946 (the “**Villages MPD Approval**”); and
- D. WHEREAS, BD Lawson has also applied for and received approval from the City for the Lawson Hills Master Planned Development (the “**Lawson Hills MPD**”) pursuant to City of Black Diamond Ordinance No. 10-947 (the “**Lawson Hills MPD Approval**”); and
- E. WHEREAS, Condition of Approval 2 in Exhibit C of Ordinance No. 10-946 requires that a development agreement (“**The Villages Development Agreement**”) be executed between the City and BD Village before the City approves any subsequent implementing permits or approvals for the Villages MPD; and
- F. WHEREAS, Condition of Approval 156 in Exhibit C of Ordinance No. 10-946 requires that The Villages Development Agreement include a “specific ‘MPD Funding Agreement’ which shall replace the existing City of Black Diamond Staff and Facilities Funding Agreement; and
- G. WHEREAS, Ordinance No. 10-947 similarly requires that BD Lawson enter into a separate development agreement with the City (the “**Lawson Hills Development Agreement**”) and that such development agreement contain a new funding agreement to replace the existing Staff and Facilities Funding Agreement; and

- H. WHEREAS, BD Village, BD Lawson, and the City agree that executing a new tri-party MPD funding agreement satisfies Ordinances Nos. 10-946 and No-947; and
- I. WHEREAS, the City, BD Village and BD Lawson intend for this Agreement to replace and supersede the Staff and Facilities Funding Agreement and the First Amendment in their entirety; and
- J. WHEREAS, the City, BD Village and BD Lawson recognize that while the City currently does not have sufficient revenues to pay for the staff necessary to effectively and efficiently handle its current workload, the parties expect that the Villages MPD and Lawson Hills MPD will produce revenue for the City and, as a result, that the need for some portions of the funding under this MPD Funding Agreement will be reduced over time and ultimately eliminated; and
- K. WHEREAS, the City, BD Village and BD Lawson acknowledge that revenue from the Villages MPD and Lawson Hills MPD, including sales tax, real estate excise tax, utility taxes, franchise fees, business license revenues, increased property tax receipts associated with higher land value, and other revenues from any business or land use, as well as the BD Village's and BD Lawson's infrastructure obligations imposed by the Villages MPD Approval and Lawson Hills MPD Approval, respectively, are expected to be sufficient to maintain the Village MPD's and Lawson Hills MPD's proportionate share of the City's adopted staffing levels of service and capital facility needs; and
- L. WHEREAS, on an ongoing basis, the City, BD Village and BD Lawson agree to manage their operations in a fiscally responsible manner; and
- M. WHEREAS, the City, BD Village, and BD Lawson hereby agree that the purpose of this MPD Funding Agreement is to create an instrument to fund City staff as necessary to implement the Villages MPD and The Villages Development Agreement as well as the Lawson Hills MPD and the Lawson Hills Development Agreement; and
- N. WHEREAS, the City, BD Village and BD Lawson hereby also agree that the intent of this MPD Funding Agreement includes the following: (i) to create a mechanism to reduce the Developer's Total Funding Obligation (as defined below) by ultimately eliminating the Developer's funding of City Staffing Shortfalls (as defined below) and instead funding one hundred percent (100%) of such City staff with City revenue; (ii) to establish a hierarchy of City staff necessary to provide basic administrative services within the City and for sufficient City staff to implement the Villages MPD and Lawson Hills MPD, The Villages Development Agreement and Lawson Hills Development Agreement, and to review and process implementing development permits for the Villages MPD and Lawson Hills MPD; (iii) to ensure funding of City staff assigned to the Master Development Review Team ("MDRT") to be established as defined herein; (iv) to provide the ability for the City to use consultants for professional review support related to the Villages MPD's and Lawson Hills MPD's implementing development permits; (iv) to provide the ability for the City to be able to quickly adapt to differing levels of work associated with the Villages

MPD and Lawson Hills MPD without hiring permanent staff; and (vi) to allow efficient and consolidated review of implementing development permits for the Villages MPD under The Villages Development Agreement and City code as well as the Lawson Hills MPD under the Lawson Hills Development Agreement and City code; and

- O. WHEREAS, the City, BD Village and BD Lawson further agree that this MPD Funding Agreement is intended to cover three types of costs: (i) certain City staffing costs on an interim basis (i.e., City Staffing Shortfalls as defined below); (ii) MDRT Costs (as defined below); and (iii) any fiscal shortfalls created by the Villages MPD pursuant to Condition of Approval 156 of Ordinance No. 10-946 and the Lawson Hills MPD pursuant to Condition of Approval 160 of Ordinance No. 10-947 (defined hereinafter as “**City Fiscal Shortfalls**”).

NOW, THEREFORE, in consideration of the mutual agreements set forth herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, BD Village, BD Lawson and the City hereby agree as follows:

AGREEMENT

1. **Termination of Staff and Facilities Funding Agreement.** This MPD Funding Agreement replaces and supersedes the Staff and Facilities Funding Agreement and First Amendment as to all lands within the Villages MPD and Lawson Hills MPD as legally described in Exhibit A attached hereto and incorporated herein.
 - a. **Release of Existing Security.** As a result of the parties’ termination of the Staff and Facilities Funding Agreement, the City hereby agrees to execute of the release of the Staff and Facilities Funding Agreement’s existing security in the form attached hereto and incorporated herein as Exhibit B.
2. **City Staffing Funding Shortfalls.** Subject to the MDRT Costs provision of this Agreement, Developer commits to fund one hundred percent (100%) of the then-actual salary and benefit costs of the City staff positions listed on Exhibit C attached hereto and incorporated herein, less any amounts actually received by the City from another applicant for payment of such salary and benefit costs (the “**City Staffing Shortfalls**”). Developer’s funding obligation in this Section 2 is subject to the condition that all such salary and benefit costs be competitive with similar positions in the municipal community, as evidenced by reference to the Association of Washington Cities annual salary survey and similar documentation. In addition, Developer shall fund one hundred percent (100%) of the total furniture, fixture, and equipment costs (“**FFE**”) associated with the City staff positions identified on Exhibit C, less any amounts actually received by the City pursuant to a separate agreement with another applicant or otherwise for payment of such FFE; provided, Developer’s share of such FFE shall not exceed \$15,000 per month.

The City staff positions identified on Exhibit C may participate in processing implementing development permits for the Villages MPD and Lawson Hills MPD, and assist other staff who will process development applications submitted by the Developer and Third Parties. The parties acknowledge that the City will solely determine the method and manner of hiring and retaining the

City staff positions identified on Exhibit C or through the Annual Review, and will be solely responsible for all development permit and/or personnel decisions, including compensation amounts which shall be competitive with similar positions in the municipal community.

- a. **Reduction of City Staffing Shortfalls.** If the most recent Fiscal Analysis (as defined below) or Annual Review (as defined below), whichever is more current, projects a fiscal benefit for the City, then the City and Developer shall promptly meet and negotiate in good faith to determine whether and when the salary and benefit costs of one or more City staff positions identified on Exhibit C should be funded by the City. If so, then the City shall identify the appropriate City staff position to be removed from the Developer's Total Funding Obligation under this Agreement whether or not the Wind-Down timing threshold associated with such City staff position (identified in Section 2(c)) has been triggered.
- b. **Voluntary Agreement.** The parties acknowledge that the Developer's commitment to fund City Staffing Shortfalls is a voluntary agreement into which the Developer freely enters pursuant to state law.
- c. **Wind-Down and Wind-Up.** In recognition that: a) the Villages MPD and Lawson Hills MPD build-out may fluctuate to follow market demands; and b) the voluntary nature of the Developer's City Staffing Shortfalls funding obligation, BD Village or BD Lawson may provide notice to the City of Wind-Downs and Wind-Ups of certain City staff positions outlined in Exhibit C.
 - i. Wind-Down Notices shall be delivered to the City and shall state that BD Village and/or BD Lawson intends on a date certain to cease paying for certain City Staffing Shortfall positions. In order to be effective, a Wind-Down Notice must comply with the following provisions:
 - ii. No Wind-Down Notice may be delivered to the City or otherwise be effective during the first twelve months following the Effective Date of this Agreement. Thereafter, the date certain required to be identified in a Wind-Down Notice may not be sooner than six months after delivery of the Wind-Down Notice to the City. No Wind-Down Notice may be based upon the substance of any prior development permit decision made by the Designated Official or MDRT member(s).
 - iii. During months 13 through 18 following the Effective Date, only Support Staff positions identified on Exhibit C may be subject to a Wind-Down Notice from BD Village or BD Lawson.
 - iv. During months 19 through 24 following the Effective Date, some or all Support Staff positions and/or Essential Staff positions identified on Exhibit C may be subject to a Wind-Down Notice from BD Village or BD Lawson. This notice

may require Wind-Down of the identified Support Staff and Essential Staff simultaneously.

- v. After month 25 following the Effective Date, Support Staff, Essential Staff, and/or Core Staff positions may be subject to a Wind-Down Notice from BD Village or BD Lawson, which Notice may require wind-down of identified City staff simultaneously.
- vi. Upon receipt of a Wind-Down Notice and compliance by BD Villages or BD Lawson as appropriate with the above criteria, the City shall thereafter be responsible to determine whether it wants to continue funding the subject staff position(s). Wind-down shall include both the staff position and any related FFE costs.
- vii. Wind-Up Notices shall state that BD Village and/or BD Lawson intends to re-initiate payment of certain City Staffing Shortfall costs and request the rehiring of certain City staff or consultant positions.
- viii. If no Core Staff position has received a Wind-Down Notice pursuant to subsection (c) above, then City shall complete the hiring of City staff or consultants positions identified in the Wind-Up Notice within six (6) months after receipt of the Notice. In the event the Wind-Up Notice requests Essential Staff or Support Staff, then City shall complete the hiring of the staff and consultants positions identified in the Notice within nine (9) months after receipt of the Notice unless otherwise agreed to by the Developer.
- ix. If any Core Staff position has received a Wind-Down Notice pursuant to subsection (c) above, then City shall complete the hiring of staff or consultants positions identified in a Wind-Up Notice within twelve (12) months after receipt of the Wind-Up Notice unless otherwise agreed to by the Developer. In such circumstances, Developer may request rehire of Core Staff positions only or may request Core Staff positions plus Essential Staff positions and/or Support Staff positions.

3. **Master Development Review Team.** The primary function of the MDRT is to process, review, and implement development permits and development agreements of the Villages MPD and the Lawson Hills MPD. The MDRT shall become effective upon approval of The Villages or Lawson Hills Development Agreement, provided that if an additional staff member or consultant has not yet been hired, the City agrees to review and process implementing development permits using City staff funded pursuant to the City Staffing Funding Shortfalls section outlined above.

- a. **MDRT Composition.** The MDRT shall initially be comprised of the following current positions, or their functional equivalent: (i) City's Economic Development Director; (ii) the City's Community Development Director; (iii) the City's MPD planner; (iv) a new City administrative support position; (v) necessary consultants as determined in the

City's sole, reasonable discretion after consultation with the Developer; and (vi) additional City staff as identified by the Developer through the Annual Review described in Section 6, e.g. building official. The MDRT composition may be modified by mutual agreement of the parties. In recognition of the advantage of both parties of ensuring continuity through the review and processing of implementing development permits, the City may choose to offer multiyear employment contracts to some or all members of the MDRT; provided, however, that such contracts shall not increase Developer's Total Funding Obligation nor impair Developer's ability to exercise its rights pursuant to Section 2(c) ("Wind-Down and Wind-Up") as set forth herein.

- i. For purposes of this Agreement, consultants include, but are not limited to, professional engineering firms, planning and transportation firms, fiscal or financial consultants, and the City Attorney (which, for purposes of this Agreement, includes any attorney or professional staff in the City Attorney's law firm) and other legal consultants when performing services related to The Villages MPD and Lawson Hills MPD.
- b. **MDRT Costs.** The Developer shall fund one hundred percent (100%) of the costs of the MDRT by paying: (i) the salary and benefit costs of City Staff MDRT members identified in Section 3(a), less any amounts actually received by the City from others pursuant to Section 2; (ii) the actual amounts invoiced by consultants; and (iii) the FFE associated with such City Staff MDRT members (the "**MDRT Costs**"). MDRT Costs shall also initially include the purchase of three (3) vehicles exclusively for the MDRT – two (2) pool vehicles and one (1) inspection vehicle – the costs of which shall not exceed \$125,000.00 in total. In determining such vehicle purchases, the City shall consider the purchase of hybrid or similar "green" vehicles. Thereafter, the MDRT's FFE shall include all costs associated with the ongoing expense and maintenance of these three (3) vehicles.
 - i. **MDRT Cost Allocation.** The City shall allocate MDRT Costs to BD Village and BD Lawson on a proportionate share basis based on time spent.
- c. **Reduction or Elimination of MDRT Costs.** In recognition that the Villages MPD and Lawson Hills MPD build-out may fluctuate to follow market demands, the Parties acknowledge and agree that BD Village and/or BD Lawson may elect to reduce, or eliminate, MDRT staffing during the Annual Review described in Section 6. If, during Annual Review, BD Village and/or BD Lawson elect to cease paying all MDRT Costs for a given calendar year, the City's obligations under this Section 3 shall also cease for such calendar year.
- d. **City Fee Provision.** In consideration for the Developer's funding of the MDRT and paying the MDRT Costs, the City shall not collect permit or administrative fees or deposits otherwise applicable to implementing project permits sought for the Villages MPD or the Lawson Hills MPD, except for fees or other charges as required by this Agreement; provided, however, that this subsection 3(d) shall be void and Developer

shall be fully responsible for all permit and administrative fees or deposits otherwise applicable to implementing project permits sought for the Villages MPD, the Lawson Hills MPD, and any other property within the City if BD Village or BD Lawson elects to cease paying all MDRT Costs pursuant to Section 3(c).

4. **City Fiscal Shortfalls**. The Developer shall prepare and submit to the City the fiscal analysis in the manner prescribed by Condition of Approval 156 of City of Black Diamond Ordinance No. 10-946 and Section 13.6 of The Villages Development Agreement (the “**Village Fiscal Analysis**”), and by Condition of Approval 160 of City of Black Diamond Ordinance No. 10-947 and Section 13.6 of the Lawson Hills Development Agreement (the “**Lawson Fiscal Analysis**”) (collectively the “**Fiscal Analysis**”).

a. **Fiscal Impact**. If the Fiscal Analysis projects a deficit in City revenue required to fund necessary service and maintenance costs (staff and equipment) of facilities that are required to be constructed as a condition of the Villages or Lawson Hills MPD Approvals or any related implementing development permits (the “**City Fiscal Shortfalls**”), then the City, after consultation with Developer, shall determine in its sole reasonable discretion the staff, facilities, and/or equipment necessary for Developer to provide at its sole expense in order to satisfy the interim funding obligations required by the MPD Approvals. To the extent that Developer disagrees with the City’s decision regarding the City Fiscal Shortfalls, Developer may pay any disputed amounts or otherwise comply under protest. Developer shall retain the right to utilize the Dispute Resolution process set forth in Section 24. The potential limitation on the use of interim funding set forth in Condition of Approval 156 of City of Black Diamond Ordinance No. 10-946 and Condition of Approval 160 of City of Black Diamond Ordinance No. 10-947 regarding the Fiscal Analysis prepared and submitted to the City prior to the commencement of Phase III shall remain fully applicable. In such case, and prior to City approval of any implementing development permits for projects in Phase III, the City and Developer agree to promptly negotiate in good faith solutions to cure the Phase III fiscal deficit. The City shall not approve any implementing development permits for projects in Phase III before agreement is actually reached in writing on solutions to cure the Phase III fiscal deficit.

5. **Developer’s Total Funding Obligation**. The Developer’s total funding obligation under this Agreement shall be the sum of the City Staffing Shortfalls plus the MDRT Costs plus the City Fiscal Shortfalls, if any (hereinafter “**Total Funding Obligation**”), less any duplication in Developer’s payment obligation among those three funding categories.

6. **Annual Review**. Prior to September 20th of each calendar year or on a date mutually agreed to by the City and Developer, the City and Developer shall conduct an annual review with members of the MDRT (the “**Annual Review**”). The Annual Review shall include, but not be limited to, a review of each of the following items:

a. Work completed by the MDRT during the prior year including the length of implementing development permit review timeframes and processes;

- b. MDRT costs incurred during the prior year and during the term of this Agreement;
- c. Extent of work the Developer expects to submit to the City during the next calendar year;
- d. MDRT staffing levels needed for the next calendar year commencing in January to perform the work projected by the Developer;
- e. Consultants necessary to provide review support and the rate schedule of consultants on the City's MDRT roster;
- f. The prior year's Quarterly Accountings;
- g. Necessary FFE to support MDRT members for the following calendar year;
- h. Fiscal performance of the City as related to the most recent Fiscal Analysis submitted by the Developer. The City and Developer shall review the City's projected budget amounts to determine which, if any, City staff identified on Exhibit C may be removed from the Developer's Total Funding Obligation established by this Agreement and funded by the City; and
- i. In the event of: (i) a full Wind-Down of Support Staff, Essential Staff, and Core Staff positions by BD Village and/or BD Lawson; or (ii) a decision by BD Village and/or BD Lawson to cease operations of the MDRT for a calendar year, the City shall exercise its best efforts to organize and make available to Developer at Developer's cost copies of all public records related to the affected MPD or MPDs, and to summarize any open MDRT items.

Provided, however, the first Annual Review to be completed by the City and Developer by September 20, 2011 (or a date mutually agreed to by the City and Developer), shall only review the above items from the Execution Date to the date of the Annual Review itself. During each Annual Review and based upon the above items, the City and Developer shall mutually agree in writing to at least the following items: (i) an annual budget for MDRT Costs for the following calendar year to be included in the Monthly Fixed Amount (as defined below); (ii) a MDRT staffing and work plan/program for the following calendar year; and (iii) any other items required by this Agreement or The Villages Development Agreement or Lawson Hills Development Agreement.

7. Payment Procedure.

- a. **Monthly Fixed Amount.** During Annual Review, City and Developer shall mutually agree to and determine a monthly fixed amount that the Developer shall deposit with the City by the first (1st) day of each month to cover one-twelfth of the Developer's Total Funding Obligation for that given year (the "**Monthly Fixed Amount**"). Such Monthly Fixed Amount is subject to modification between Annual Reviews upon mutual written agreement of the parties.
- b. **Consultant Deposit.** Within forty-five (45) days of the Effective Date, Developer shall provide to the City funds in the amount of fifty thousand dollars (\$50,000.00) (the

“**Consultant Deposit**”) as a security deposit for ongoing consulting fees and costs incurred under the MDRT for the Villages MPD and/or Lawson Hills MPD implementing development permit review and processing. The City shall invoice the Developer monthly for actual consulting costs paid, which Developer shall pay in the normal course of business. If Developer fails to pay any such invoices within forty-five (45) days, City shall be entitled to deduct the full amount of any such invoices from the security deposit referenced above. In such event, Developer shall replenish the full amount deducted from the security deposit within ten (10) days. The City shall place the Consultant Deposit in an interest bearing account. The City shall relinquish the Consultant Deposit and any accrued interest to the Developer by the later of thirty (30) days after terminating this Agreement or thirty (30) days after payment of all Consultant invoices for services performed prior to the effective date of a Wind-Down Notice from the Developer for all consultants. The amount of funds to be retained as a Consultant Deposit shall be reviewed by the parties during the Annual Review.

- c. **Quarterly Accounting.** Within fifteen (15) days after the last day of each calendar quarter, the City shall provide BD Village and BD Lawson with an accounting for the previous quarter (the “**Quarterly Accounting**”). This Quarterly Accounting shall include actual monthly costs of City staff positions included within the Developer’s Total Funding Obligation as well as any credits due under the Non-MPD Related Credit Procedure (Section 8) from the previous calendar quarter. In addition, the Quarterly Accounting shall include reports with descriptions for each MDRT member (including City staff and consultants) depicting the amount of time that each MDRT member allocated to MDRT activities during the previous quarter. Any refund or additional amount due shall be invoiced to the Developer, which shall either reduce the next Monthly Fixed Amount due from the Developer or the Developer shall promptly pay the additional amount due with the next Monthly Fixed Amount due within forty-five (45) days. If the Quarterly Accounting shows a deviation of greater than ten (10) percent between actual monthly costs and the Monthly Fixed Amount, the City and Developer shall promptly meet to discuss in good faith whether the Monthly Fixed amount should be adjusted upward or downward for the remainder of the applicable calendar year.
- d. **Third Party Payment.** If a Third Party submits to the City a Villages MPD-related implementing development permit application (e.g., building permits) or Lawson Hills MPD-related implementing development permit application that is reviewed by the MDRT, the City shall invoice directly the Third Party for the MDRT’s costs of such review on a monthly basis together with such Third Party’s proportionate share of any MDRT Costs described in Section 3(b) above. Each quarter, the City shall deduct the total payments received from such Third Parties from the Developer’s Monthly Fixed Amount. The City shall exercise its best efforts to identify separately in the Quarterly Accounting the deductions associated with Village MPD-related implementing development permit applications and the deductions associated with Lawson Hills MPD-related implementing development permit applications.

8. **Non-MPD Related Credit Procedure.** As part of the Quarterly Accounting, the City shall account for any non-Villages MPD and non-Lawson Hills MPD related permit revenue over five hundred dollars (\$500.00) that was received by the City as a result of City staff positions listed on Exhibit C. The Quarterly Accounting shall show the City providing the Developer a credit towards the following month's Monthly Fixed Amount by that amount of non-Villages MPD and non-Lawson Hills MPD related permit revenue received by the City, provided City staff positions funded by this Agreement worked on that non-Villages MPD and non-Lawson Hills MPD permit.
9. **Building Permit Surcharge.** As anticipated in the Staff and Facilities Funding Agreement, but only to the extent permitted by law, a voluntary agreement under RCW 82.02.020 or other agreement between Developer and its purchasers in which said purchasers release and hold the City harmless from any claims related thereto, and only then if the City Council adopts a resolution, the City hereby agrees to apply a per dwelling unit or equivalent fee on each future building permit issued within the Villages MPD and the Lawson Hills MPD. This fee is intended to recapture the costs incurred by the Developer under the Staff and Facilities Funding Agreement (the "**Surcharge**"), and shall only be assessed on building permits for new construction within The Villages MPD or the Lawson Hills MPD. Remodels, tenant improvements, or reconstruction due to fire damage or other catastrophe shall not be assessed the Surcharge. This Surcharge shall also not apply to Public Uses as defined in The Villages Development Agreement or Lawson Hills Development Agreement.
 - a. **Surcharge Calculation.** The Surcharge for the Villages MPD (the "**Village Surcharge**") shall be calculated based on the costs incurred by BD Village from execution date of the Staff and Facilities Funding Agreement to the execution date of The Villages Development Agreement divided by the number of dwelling units or an equivalent thereof. BD Village shall determine the unit number to be included within the calculation of the Village Surcharge prior to the City's issuance of the first building permit for the Villages MPD. As part of the Annual Review, BD Village may request to modify how the Village Surcharge is assessed, such as removing commercial development from the Village Surcharge. The Surcharge for the Lawson Hills MPD (the "**Lawson Surcharge**") shall be calculated based on the costs incurred by BD Lawson from execution date of the Staff and Facilities Funding Agreement to the execution date of the Lawson Hills Development Agreement divided by the number of dwelling units or an equivalent thereof. BD Lawson shall determine the unit number to be included within the calculation of the Lawson Surcharge prior to the City's issuance of the first building permit for the Lawson Hills MPD. As part of the Annual Review, BD Lawson may request to modify how the Lawson Surcharge is assessed, such as removing commercial development from the Lawson Surcharge
 - b. **Surcharge Accounting.** Within sixty (60) days following execution of The Villages Development Agreement or the Lawson Hills Development Agreement, the City shall provide BD Village or BD Lawson, respectively, with an accounting of all costs incurred by such party under the Staff and Facilities Funding Agreement and the First Amendment. Within thirty (30) days of receipt of the City's accounting, BD Village or

BD Lawson shall review the cost figures and provide the City with the fee structure for the Village Surcharge or Lawson Surcharge, respectively, based on this final cost.

- c. **Surcharge Collection.** The City will collect the Village Surcharge and Lawson Surcharge for BD Village and BD Lawson, respectively, at the issuance of each building permit within the Villages MPD and Lawson Hills MPD, as applicable. As a part of the Quarterly Accounting, the City shall provide an accounting to BD Village and BD Lawson of the Village and Lawson Surcharges collected and the amount due to the BD Village and BD Lawson, respectively. The City shall issue a check in this amount to BD Village and BD Lawson within thirty (30) days of the Quarterly Accounting's issuance.
- d. **Surcharge Indemnity.** BD Village shall indemnify, defend and hold harmless the City, its officers, officials, and employees from and against any and all claims, losses, damages, liabilities, actions, and judgments of third parties (including reasonable attorney and expert witness fees) arising out of, relating to, resulting from, or caused by the City's application of the Village Surcharge to the Villages MPD building permits. Similarly, BD Lawson shall indemnify, defend and hold harmless the City, its officers, officials, and employees from and against any and all claims, losses, damages, liabilities, actions, and judgments of third parties (including reasonable attorney and expert witness fees) arising out of, relating to, resulting from, or caused by the City's application of the Lawson Surcharge to the Lawson Hills MPD building permits.

10. Security. Security shall be provided by the Developer to the City to assure that, in the event of Developer's default, the City Staffing Shortfalls and MDRT Costs provided under this Agreement are timely paid to the City.

- a. **Security Schedule.** The Developer shall provide security as follows:
 - i. Commencing on the Effective Date and until December 31, 2011, collectively BD Village and BD Lawson shall provide security of three million dollars (\$3,000,000.00). To meet this obligation, BD Village and BD Lawson shall collectively provide to the City a letter of credit in a form reasonably acceptable to the City evidencing cash or other liquid assets in the minimum amount of two million dollars (\$2,000,000.00). BD Village shall also provide a first position deed of trust to the City on King County Parcel Nos. 0221069024, 0221069030, and 1121069006 of at least one million dollars (\$1,000,000.00) no later than the Effective Date (the "**Deed of Trust**") in the form attached hereto as Exhibit D.
 - ii. For the calendar year 2012, following the Annual Review in year 2011 and until December 31, 2013, BD Village and BD Lawson collectively shall provide a letter of credit to the City totaling 125% of its projected annual City Staffing Shortfalls and MDRT Costs less consultant costs. The City shall automatically release the Deed of Trust when this letter of credit is renewed on December 31, 2011.

- iii. Thereafter, the City and Developer shall negotiate renewed and extended security in an amount equal to at least 100% of the projected annual City Staffing Shortfalls and MDRT Costs less consultant costs up to a maximum of two million dollars (\$2,000,000.00), after consideration of the extent of development completed at that time.

- b. **Security Termination.** The Developer's obligation to provide security shall automatically terminate with termination of this Agreement.

11. **Definitions.** Previously undefined capitalized terms used throughout this Agreement shall be defined as follows:

- a. **Support Staff:** Those positions identified on Exhibit C.
- b. **Essential Staff:** Those positions identified on Exhibit C.
- c. **Core Staff:** Those positions identified on Exhibit C.
- d. **Third Party:** Any party other than BD Village or BD Lawson submitting permit applications for development within the Villages MPD or the Lawson Hills MPD.
- e. **MPD:** Master Planned Development.
- f. **Phase:** The Villages MPD and the Lawson Hills MPD are collectively planned in four Phases: Phase 1A, Phase 1B, Phase 2, and Phase 3. The land areas for each Phase, together with infrastructure plans for each Phase, are shown in Chapter 9 of The Villages Master Planned Development Application dated December 31, 2009 and Chapter 9 of the Lawson Hills Master Planned Development Application dated December 31, 2009.
- g. **Non-Villages MPD and Non-Lawson Hills MPD related permit revenue:** Fees generated by permit applications for development not located within the Villages MPD or the Lawson Hills MPD.

12. **Term.**

- a. **Effective Date.** This Agreement shall take effect upon the date of full execution, which shall be consistent with the date of execution by the last of the parties, as provided in the signature blocks at the end of this Agreement.
- b. **Termination Date.** This MPD Funding Agreement shall terminate upon the later of: (i) the Villages MPD build-out is complete or expiration or revocation of the Villages MPD Approval; or (ii) Lawson Hills MPD build-out is complete or expiration or revocation of the Lawson Hills MPD Approval.

13. **Amendments.** The City or Developer may request changes to this MPD Funding Agreement. Proposed changes that are mutually agreed upon by all parties will be incorporated by mutually executed

written agreement. No amendment to this Agreement shall be effective until approved by the City Council by resolution.

14. **Notices.** Any notice or other communication to any party given under this Agreement will be effective only if in writing and delivered (1) personally, (2) by certified mail, return receipt requested and postage prepaid, (3) by facsimile transmission with written evidence confirming receipt, or (4) by overnight courier (such as UPS, FedEx, or Airborne Express) to the following addresses:

If to BD Village:

BD Village Partners, LP
10220 NE Points Drive, Suite 310
Kirkland, WA 98033
Attn: Brian Ross
Fax: 425-898-2139

With Copy to:

Cairncross & Hempelmann
524 Second Avenue, Suite 500
Seattle, WA 98104-2323
Attn: Nancy Rogers
Fax: 206-587-2308

If to BD Lawson:

BD Lawson Partners, LP
10220 NE Points Drive, Suite 310
Kirkland, WA 98033
Attn: Brian Ross
Fax: 425-898-2139

With Copy to:

Cairncross & Hempelmann
524 Second Avenue, Suite 500
Seattle, WA 98104-2323
Attn: Nancy Rogers
Fax: 206-587-2308

To the City:

City of Black Diamond
P.O. Box 599
Black Diamond, WA 98010
Attn: Mayor
Fax: 360-886-2592

With Copy to:

Michael R. Kenyon
 Kenyon Disend, PLLC
 11 Front Street South
 Issaquah, Washington 98027
 Fax: 425-392-7071

The addresses and facsimiles to which notice is to be given may be changed by written notice given in the manner specified in this Section 14 and actually received by the addressee.

15. **Attorney's Fees and Expenses.** In the event that any party requires the services of an attorney in connection with the dispute resolution process outlined in Section 24 of this Agreement, the substantially prevailing party shall be entitled to recover its reasonable attorney, expert witness, and paralegal fees, together with costs, expenses, and arbitration costs.

16. **Successors and Assigns/Binding Effect.** This Agreement shall bind and inure to the benefit of the parties and their respective receivers, trustees, insurers, successors, subrogees, transferees, and assigns. BD Village or BD Lawson shall have the right to assign its obligations under this Agreement as the master developer of the Villages MPD and the master developer of the Lawson Hills MPD, respectively, provided BD Village or BD Lawson gives the City thirty (30) days prior written notice of such assignment and successor/assignee provides evidence of its ability to meet the security obligation outlined in Section 10.

17. **Choice of Law.** This Agreement shall be construed and governed by the laws of Washington State. Any legal proceeding to enforce the terms of this Agreement shall be in King County, Washington.

18. **Execution in Counterparts.** This Agreement may be executed in one or more counterparts and as executed shall constitute one Agreement, binding on all parties, notwithstanding that all parties are not signatory to the same counterpart.

19. **Severability; Captions.** In the event that any clause or provision of this Agreement should be held to be void, voidable, illegal, or unenforceable, the remaining portions of this Agreement shall remain in full force and effect. In lieu of each clause or provision that is determined to be void, voidable, illegal, or unenforceable, there shall be added as a part of this Agreement a similar clause or provision as similar as possible that is legal, valid, and enforceable. Headings or captions in this Agreement are added as a matter of convenience only and in no way define, limit or otherwise affect the construction or interpretation of this Agreement.

20. **Interpretation.** This Agreement shall be given a fair and reasonable interpretation of the words contained in it without any weight being given to whether a provision was drafted by one party or its counsel. The parties hereby acknowledge that this Agreement has been reached as a result of arm's length negotiations with each party represented by counsel. No presumption shall arise as a result of one party or the other having drafted all or any portion of this Agreement.

21. **Entire Agreement.** This Agreement contains all of the terms, promises, conditions and representations made or entered into by and between the parties, supersedes all prior discussions, agreements and memos, whether written or oral between the parties, and constitutes the entire understanding of the parties and shall be subject to modification or change only in writing and signed by all parties. Waiver of any default will not be deemed to be a waiver of any subsequent default. Waiver or breach of any provision of the Agreement will not be deemed to be a waiver of any other or subsequent breach and will not be construed to be a modification of the terms of this Agreement.

22. **Time of the Essence.** Time is of the essence with respect to the performance of every covenant and condition of this Agreement.

23. **Authority.** Each party represents and warrants to the other party that it has full power and authority to make this Agreement and to perform its obligations hereunder and that the person signing this Agreement on its behalf has the authority to sign and to bind that party.

24. **Dispute Resolution.** If a conflict arises under this Agreement, the Parties shall have the right to file a lawsuit to enforce the rights and obligations hereunder and/or to enter into nonbinding mediation pursuant to RCW 7.07, the Uniform Mediation Act. Either Party may initiate mediation by serving a request on the other Party. If either Party files a lawsuit, and mediation has not yet been initiated, then the other Party shall have the right to require the filing Party to enter into nonbinding mediation by serving the filing Party with a notice of mediation within ten (10) days after a complaint is filed. In any case, the mediation shall be scheduled for the earliest date possible, but in no event later than forty-two (42) days before the deadline for filing dispositive motions or a motion for a permanent injunction pursuant to the court's scheduling order.

[Signatures appear on following page]

IN WITNESS WHEREOF, the parties have executed this MPD Funding Agreement.

BD VILLAGE PARTNERS, LP

By: Yarrow Bay Development, LLC, its general partner

By: BRNW, Inc., its member

By:

Brian Ross
Brian Ross, President

Date:

12/12/11

BD LAWSON PARTNERS, LP

By: Yarrow Bay Development, LLC, its general partner

By: BRNW, Inc., its member

By:

Brian Ross
Brian Ross, President

Date:

12/12/11

CITY OF BLACK DIAMOND

Rebecca Olness

Rebecca Olness, Mayor

Date:

12/15/11

Attest:

Brenda L. Martiney
City Clerk

City of Black Diamond 2012 Budget Calendar

INTERNAL DATE	STATE LAW LIMITATIONS	BUDGET PREPARATION STEPS
July 25	None	Finance formulates message to accompany department budget requests
August 2	September 12	Departmental budget requests distributed
August 2	None	Salary and Benefits projections for 2012
August 19	September 26	Department request estimates to be filed with Finance
August 27	October 3	Revenue projection for all funds; estimate of General Fund ending balance for December 31, 2011
Sept 29	None	Finance provides expenditure budgets for October 2 Council packet
Sept 29	October 3	Finance submits to CAO the proposed preliminary budget setting forth the complete financial program
Sept 29 (Workstudy) October 12	October 3	CAO provides Council with current info on revenue from all sources as adopted in 2011 budget, and provides them with the proposed preliminary budget setting forth the proposed General Fund revenue
October 12 (Workstudy)	None	Mayor, Finance and Department heads review General Fund expenditures budgets with Council
October 27 (Workstudy)	None	Council reviews Public Works budgets for revenues and expenditures for all Public Works budgets, including street, water, wastewater, stormwater and all associated funds. Also reviews overall budget.
November 2	November 2	CAO prepares preliminary budget and budget message and files with the city legislative body and city clerk
November 4 and November 11	November 4 and November 11	City Clerk publishes Notice of Public Hearings on 2011 budget once a week for two consecutive weeks and publishes filing of preliminary budget
November 19	November 20	Copies of the Preliminary Budget made available to the public
November 22 (Special Mtg.)	November 22	City Council holds public hearing on revenue sources and expenditures for the upcoming budget year including possible increases in property tax revenue
November 22 (Special Mtg.)	November 22	Property tax public hearing
November 22 (Special Mtg.)	Before Nov 30	City Council adopts preliminary property tax levy for 2012 budget (possibly hold 2 nd in December due to delays in information from the County)
December 1 (Regular Mtg.)	December 1	City Council holds final public hearing on 2012 budget
December 1 or 15, (Regular Mtgs.)	December 1 or Dec 15	City Council adopts Final 2012 budget and transmits to the State Auditor's Office

Bold = Regular Council Meeting

2012 Salary Schedule	Level 1	Level 2	Level 3	Level 4	5 & On
City Administrator	9,161	9,459	9,913	10,271	10,634
Assistant City Administrator	7,875	8,269	8,663	9,056	9,450
Court Administrator	5,775	6,038	6,300	6,563	6,825
Interim Court Administrator	5,200				
Court Clerk (50% hourly)	18.17	19.69	21.20	22.72	24.23
Economic Development Ex Director	7,350	7,744	8,138	8,531	8,925
Stewardship Director	7,350	7,744	8,138	8,531	8,925
City Attorney	8,000	8,400	8,820	9,261	9,724
City Clerk	7,350	7,744	8,138	8,531	8,925
Deputy City Clerk	4,410	4,719	5,027	5,336	5,644
Finance Director	7,350	7,744	8,138	8,531	8,925
Deputy Finance Director	6,500	6,875	7,250	7,625	8,000
Utility Clerk	3,150	3,413	3,675	3,938	4,200
Senior Accountant 75% (hourly)	25.28	26.55	27.87	29.27	30.73
Accountant 1 Journey (hourly)	16.28	17.09	17.94	18.84	19.78
Administrative Assistant 2	3,150	3,413	3,675	3,938	4,200
Administrative Assistant 1	2,310	2,494	2,678	2,861	3,045
Information Services Manager	6,825	7,219	7,613	8,006	8,400
Police Chief	10,034	10,376	10,350	11,065	11,462
Police Commander	8,096	8,365	8,636	8,905	9,217
Police Sergeant	7,816	8,254			
Police Officer	4,748	5,321	5,896	6,469	7,013
Police Records Coordinator	4,410	4,719	5,027	5,336	5,644
Police Clerk 62.5% (hourly)	14.75	16.18	17.61	18.61	20.45
Facilities Equipment Coordinator	4,410	4,719	5,027	5,336	5,644
Human Resources Director	7,350	7,744	8,138	8,531	8,925
Community Development Ex Director	7,350	7,744	8,138	8,531	8,925
Permit Technician Supervisor	5,775	6,038	6,300	6,563	6,825
Permit Technician	4,410	4,719	5,027	5,336	5,644
Compliance Officer	4,410	4,719	5,027	5,336	5,644
Senior Planner	5,249	5,511	5,787	6,076	6,380
Planner	4,410	4,719	5,027	5,336	5,644
Associate Planner	4,394	4,614	4,845	5,087	5,341
Assistant Planner	4,099	4,304	4,519	4,745	4,982
Building Official	6,825	7,219	7,613	8,006	8,400
Parks Department Director	7,350	7,744	8,138	8,531	8,925
Public Works Director	7,350	7,744	8,138	8,531	8,925
Utilities Supervisor	6,825	7,219	7,613	8,006	8,400
Public Utilities Operator	4,620	4,700	4,792	4,884	4,976
Public Works Administrative Asst 3	4,166	4,375	4,594	4,823	5,065
Utility Worker	3,257	3,572	3,887	4,202	4,538
Utility Worker Seasonal (hourly)	12.98				

City of Black Diamond Statistics

City Hall Address:

24301 Roberts Drive
PO Box 599
Black Diamond, WA 98010

Phone: (360) 886-2560

Fax: (360) 886-2592

Class: Code

Form of Government: Mayor-Council

Model Traffic Ordinance: No

Wards: No

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

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

Business Hours: 8:30am - 5:00pm

Council Meetings: 1st & 3rd Thu - 7:00pm

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 4,180 (2009). The amount of land area in Black Diamond is 8.381 sq. kilometers. The amount of surface water is 0.212 sq kilometers. Black Diamond elevation is 628 feet above sea level.

Attractions:
Flaming Geyser State Park

Flaming Geyser State Park is a 480-acre day-use park with more than three miles of freshwater shoreline on the Green River. The park's most unique feature is its "geysers" (methane seeps). Park activities include whitewater rafting and model airplane flying.

City of Black Diamond Statistics, Cont.

Black Diamond Historical Museum

PO Box 232

32627 Railroad Ave at Baker Street

Black Diamond WA 98010

Phone: 360-886-2142 This museum has exhibits of 19th century machinery, a jail and more. Please call ahead for hours of operation

Major Businesses:

Anesthesia Supply Company

Enumclaw School District

City of Black Diamond

Palmer Coking Coal Co.

Average commute: 38 minutes

Educational Level: 87.5% high school diploma or higher
21.8% Bachelor's degree or higher

Property Tax History

	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

Sales Tax History

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