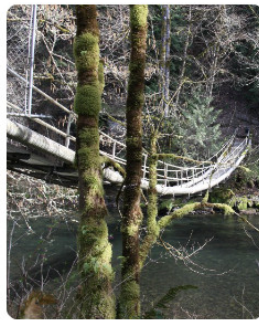
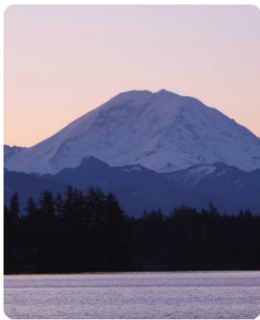
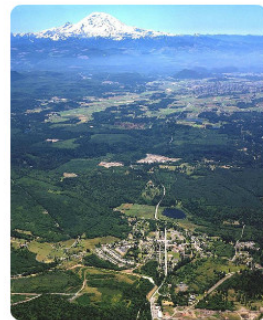


City of Black Diamond

2014 Final Budget



January 1, 2014 through December 31, 2014

TABLE OF CONTENTS**Introduction**

Mayor's Letter	1
City Overview	4
Elected Officials	7
City Committees	8

Budget Summary

Executive Summary	9
Combined Operating Statement	12
Organization Chart	14
Employee Positions by Funding Source	15

General Fund

Summary	16
Reserve Balance Forecast	19
General Fund Revenue	21
Expenditure Summary	33
General Fund Funding Agreement	37

General Fund Departments

Legislative	39
Executive	40
Administration	41
City Clerk	42
Finance	43
Information Services	44
Facilities	44
Legal	45
Municipal Court	46
Police Department	47
Fire Department	49
Animal Control	49
Community Development	50
Natural Resources	52
Economic Development/Master Development Review Team	53
Parks and Recreation	55
Cemetery	56
Central Services and Employee Recognition	57

Special Revenue Funds

Street Fund 101 _____	59
Fire Impact Fee Fund _____	62

Internal Service Fund (Fire, Police and PW Equipment) _____	63
--	----

Utility Funds

Water Department (Fund 401) _____	67
Water Capital Fund (Fund 404) _____	69
Water Supply and Facility Fund (Fund 402) _____	70
Sewer Department (Fund 407) _____	71
Sewer Capital Fund (Fund 408) _____	73
Stormwater Department (Fund 410) _____	74
Stormwater Projects (Fund 410) _____	77

Capital Funds

Real Estate Excise Tax REET 1 (311 Fund) _____	79
General Government Capital Fund (310 Fund) _____	80
Real Estate Excise Tax REET II (321 Fund) _____	81
Public Works Capital Fund (320) _____	82
Capital Improvement Program Overview _____	83
CIP Summary 2012 - 2017 _____	87

Appendix

Budget Ordinance _____	101
Financial Policies _____	103
MPD Funding Agreement _____	110
Budget Calendar _____	127
Salary Schedule _____	128
City Statistics _____	129





CITY OF BLACK DIAMOND

24301 Roberts Drive ~ PO Box 599
Black Diamond, WA 98010

Phone: (360) 886-5700
Fax: (360) 886-2592

November, 2013

Dear Honorable Black Diamond City Council Members and Citizens:

I present to you a balanced budget for 2014. Resolution 08-560, Financial Management Policy, recommends that at least 10% of expenditures remains in the fund balance. The presented budget honors that recommendation. We began 2013 with a fund balance of \$26,652 less than anticipated due to unbudgeted costs in 2012 for attorney fees (declaratory judgment & CFD) and Hearing Examiner services. With Funding Agreement budget reductions, a six year forecast showed that without cutting staff and services significantly each year, we would have a negative fund balance by 2016. Because of this there were very difficult decisions to be made. With cuts in expenditures and increases to revenue described later in this letter we will add \$100,560 for a total of \$641,373 (15%) fund balance at the end of 2014 plus any additional savings or unspent revenue.

The final 2014 Budget has expected General Fund operating revenue of \$4,476,563 which is an increase of \$67,021. This increase is a result of increases in taxes and fees. Due to YarrowBay reductions and decreasing revenues in some areas (utility, liquor, gas tax), several adjustments had to be made. Although we were scheduled to replace a police vehicle in 2014, this purchase has been deferred until 2015. Like last year we expect the entire D.A.R.E. program to be funded by donations.

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 \$862,770. Significant reductions were achieved by continuing to freeze the four vacant police positions, the senior accountant position and the senior planner position. The Court Administrator will add two half days per month to the existing four days per week. Other cuts and a slight increase in court revenue allow for this. After further review, all departments were able to reduce their costs but the budget was still out of balance by \$191,015 (the additional General Fund Portion of the Funding Reduction for 2014).

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, as well as 3% for Fire District 44. The City's liability insurance increased by 14%, medical benefits did not increase this year but there was an 8% increase in L&I insurance. We anticipate more legal fees for the police union contract and an increase in jail rate and time and at least \$30,000 to cover any additional SEPA Appeal/Preliminary Plat costs (Hearing Examiner).

After further review the following steps were taken to balance the budget: the position of Assistant City Administrator/City Clerk has been eliminated and reclassified as City Clerk/Human Resource Manager, effective October 1, 2013; the Finance Director, Natural Resources/Parks Director; and the Capital Facilities Coordinator will be cut to four days per week, effective January 1, 2014. There will be no non-union step increases; non-union employees will receive a 1% COLA; and there will be two furlough days (December 24 and 26, 2014) for all employees except police and utility workers.

Black Diamond operates three utilities: Water, Sewer and Stormwater, each with its own budget. The position of Public Works Administrative Assistant will be funded equally by the three utilities and the Street Fund. Fifty per cent of the Public Works Director will be funded in 2014 by the three utilities and the Street Fund, with 100% of the position covered in 2015. Due to declining revenue (lack of new hook-ups and more conservation) and declining cash balance, water rates were increased, effective September, 2013. There will be another increase on January 1, 2014. Council has also increased Stormwater rates in 2014.

In addition to the three utilities, the Public Works Department also manages City streets. A six year forecast projects that the street fund will be totally out of money by 2015. A plan for generating revenue for this fund needs to be addressed immediately. The 2014 budget includes projects from the proposed 2014-2018 Capital Improvement Plan, including Water Reservoir painting; Comp Plan Update; Ginder Creek Trail; downtown water line replacement; Rock Creek Bridge project; Council Chambers remodel & roof replacement, Morganville Lift Station, Fire Equipment and Police Radio replacement. We have re-applied for a Public Works Trust Fund loan for a regional stormwater pond. The City was fortunate to receive several grants in 2013 which helped fund the 288th Street Overlay and replacement of 5th Avenue Water Main and we continue to rely on grants for most projects.

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



CITY OF BLACK DIAMOND

24301 Roberts Drive ~ PO Box 599
Black Diamond, WA 98010

Phone: (360) 886-5700
Fax: (360) 886-2592

December 31, 2013

Dear Honorable Black Diamond City Council Members and Citizens:

I presented to you a balanced budget for 2014.

The following steps were taken to balance the budget: the position of Assistant City Administrator/City Clerk has been eliminated and reclassified as City Clerk/Human Resource Manager, effective October 1, 2013; the Finance Director, Natural Resources/Parks Director; and the Capital Facilities Coordinator will be cut to four days per week, effective January 1, 2014.

At the December 5, 2013 Budget Workstudy Council made the following changes:

- Increase the City Administrator position from 80% to full-time.
- Reinstate the positions of Finance Director & Natural Resources/Parks Director to 100%
- Reclassify the position of Facilities Equipment Coordinator at a yearly salary reduction of \$14,025 at 100%.
- Eliminate the IS Manager Position and contract with the City of Auburn for IS services.

These changes reflected a difference of \$188 from my presented budget.

At our December 5, 2013 Council Meeting I informed Council that I intended to veto the budget unless some concessions were made. After discussing the issues with the Finance Committee on December 19, 2013, the following resolutions were reached:

- The Facilities Equipment Coordinator position may be eliminated.
- The current employee in that position has been reclassified as Utility Worker/Facility Equipment Utility Worker and compensated at his current rate of pay but reduced to 80%.
- No subsequently hired Utility Worker/Facility Equipment Utility Worker position will be compensated at that rate of pay.
- The City of Auburn has agreed to contract with the current IS Manager after December 31, 2013 for IS transition.

Although I did not veto or sign the budget ordinance, it went into effect December 25, 2013.

Rebecca Olness, Mayor
City of Black Diamond

FROM THE MAYOR'S DESK

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 4,170 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.

Form of Government

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

Budget Process

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

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

How Black Diamond serves the Community

The City of Black Diamond strives to provide a safe and enjoyable environment for residents, businesses and visitors alike. Foremost, safety is a priority in Black Diamond. Our City's police, 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.



Police (Chief for a Day 2012)



Fire District 44 at work



Public Works Crew

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 Avenue
www.blackdiamondmuseum.com

CITY OFFICIALS AS OF DECEMBER 31, 2013



MAYOR REBECCA OLNESS
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



JANIE EDELMAN
POSITION 3
EXPIRES 12/31/17



CAROL BENSON
POSITION 4
FOUR-YEAR TERM
EXPIRES 12/31/17



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

This Mayor and Council prepared and adopted the 2014 Budget with Ordinance 13-018 on December 12, 2014.

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 Benson
Council Member Edelman
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 Morgan
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 Edelman
Council Member Morgan
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

Chair - Council Member Taylor
Council Member Benson
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.

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 77% 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 \$2.62 per each \$1,000 in property value. In 2014, approximately \$1,421,983 property tax will be collected with 100% used for public safety. This includes the allowed 1% increase of 14,079.

Sales tax, utility taxes and other taxes constitute 23% 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 \$280,000 for 2014.

Black Diamond also levies a 6% utility tax on telephone, electrical energy, natural gas, solid waste, water, sanitary sewer, and 18% for stormwater services. The 2014 budget includes \$574,700 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. \$4,400 is anticipated for 2014 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. The 2014 business license revenue is projected at \$23,700. Cable franchise fees at 6% are expected to contribute \$55,000. , and guns and fingerprinting revenue is forecast at \$900.

Land use and permitting fees are part of community development and are projected for 2014 at \$64,295.

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 \$37,500 liquor profits, \$54,700 for King County Emergency Medical Services revenue and \$15,925 for miscellaneous state and local 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 increase in State distribution, we are increasing the budget to \$49,000 up \$17,000 from 2013.

Fines and forfeitures represent the City's portion collected on citations and other Municipal Court fees. The amount is projected at \$106,500 for 2014.

Police revenue includes grants, and other miscellaneous fees as well as \$95,800 from the Criminal Justice System.

The City of Black Diamond's budget also includes revenues from a developer funding agreement. The agreement provides for up to \$2 million per year for City staffing costs plus additional funding for consultant fees. General Fund revenues from the funding agreement are estimated at \$1,511,140 for 2014, and one time only MPD (Master Planned Development) revenue at \$669,000. 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 2014 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 2014, the City estimates each ¼ percent of REET revenue at \$56,500. The Street Fund is primarily supported by gas tax revenues, grants and right-of-way permits. Funding for 2014 includes \$85,700 in gas tax revenue and \$3,600 in right-of-way permits.

The City of Black Diamond also operates sewer, 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 2014 are estimated at \$795,330; water revenues at \$698,085 plus Developer debt reimbursement of \$99,833 for a total of \$797,918; and stormwater revenues totaling \$334,000. A rate increase from \$14 per month to \$16 for 2014 was passed by the City Council for stormwater in 2013.

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 2014 are budgeted at \$12,285,416.

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 \$2,315,892 or 53% of General Fund expenditures, or 80% of the General Fund when factoring out funding agreement positions.

The budget was difficult to balance in 2014 and now includes five frozen positions: a Finance Senior Accountant and five Frozen Police Officer positions. Facilities reduced their position to about $\frac{3}{4}$ time.

All departments were asked to make cuts to their budgets. The 2014 budget added 3% COLA for Police and 1% COLA for other City employees. Furlough days were continued at 2 in 2014. During those 2 days City Hall will be closed. These and five year financial planning 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.

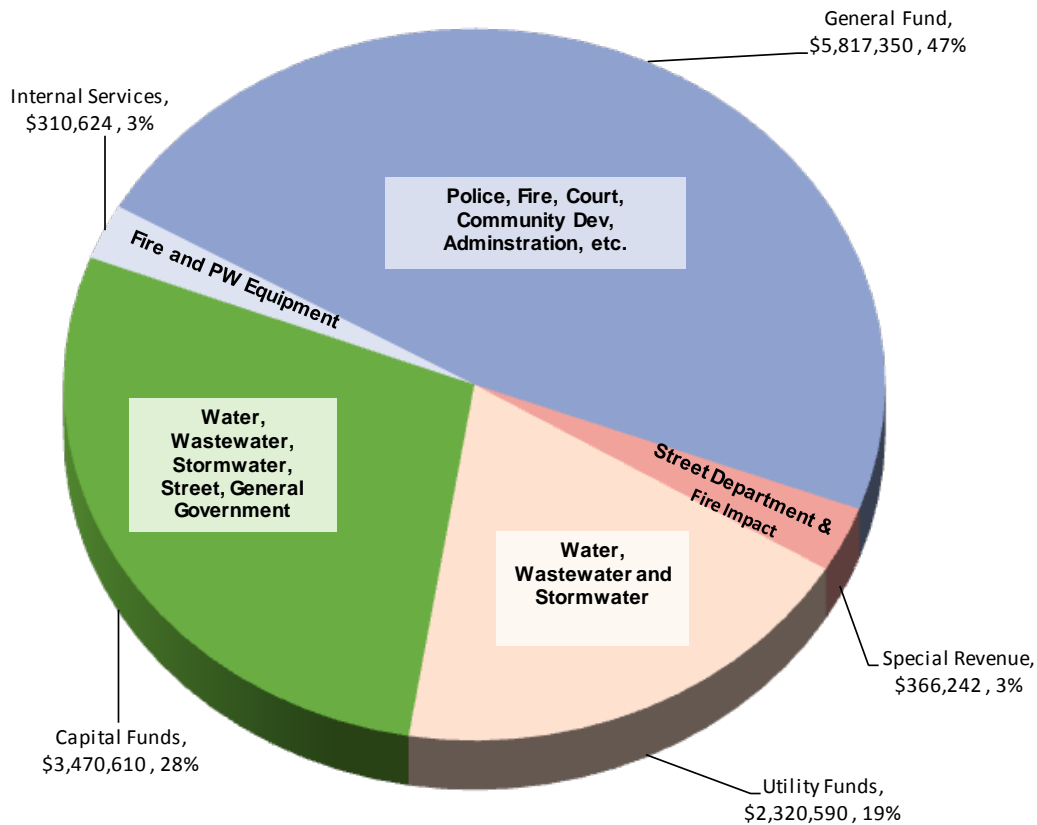
Budget Summary



Triangle Park (located on Hwy. 169 and Roberts Drive)

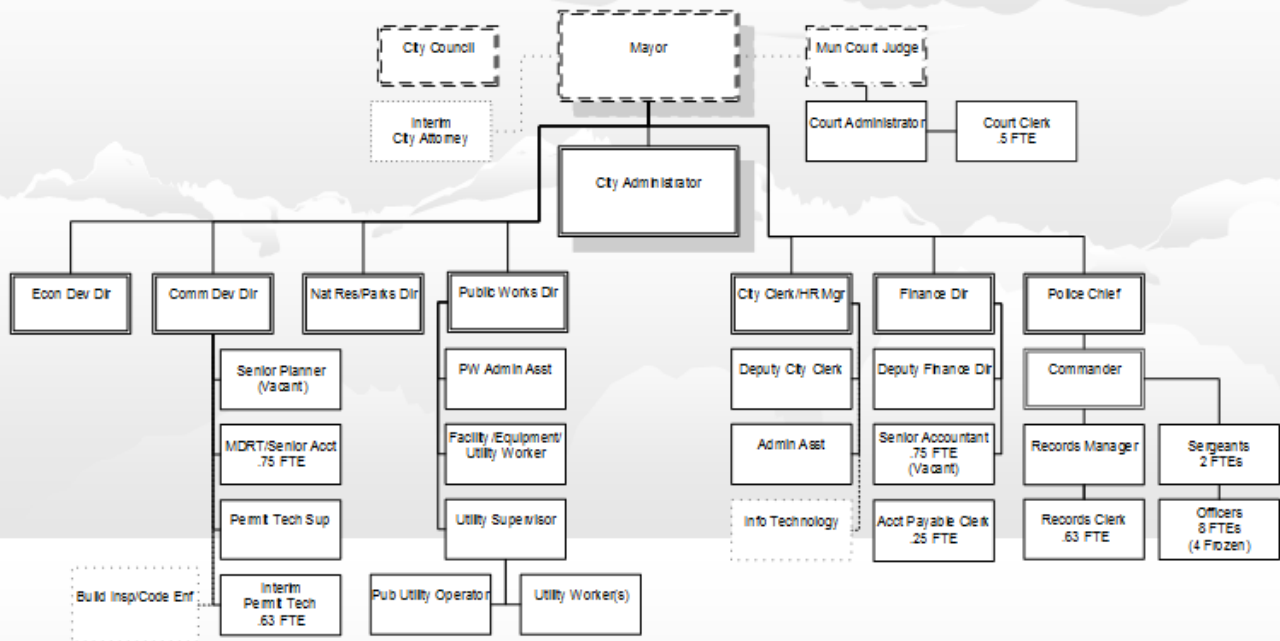
All Funds 2014 Budget - Combined Operating Statement

	Beginning Fund Balance	2014 Revenue	Total Sources	2014 Expend- itures	Ending Fund Balance	Total Uses
General Fund 001	671,787	5,145,563	5,817,350	5,060,418	756,932	5,817,350
Special Revenue Fund			-			-
101 Street Fund	186,087	160,155	346,242	222,560	123,682	346,242
107 Fire Impact Fee Fund	5,000	15,000	20,000	20,000	-	20,000
Utility Funds						
401 Water Fund	137,772	797,918	935,690	802,792	132,898	935,690
407 Sewer Fund	138,409	795,330	933,739	791,264	142,475	933,739
410 Stormwater Fund	98,456	352,705	451,161	350,459	100,702	451,161
Capital Funds						
310 General Government CIP fund	228,297	88,173	316,470	316,470	-	316,470
320 Street CIP Fund	162,080	305,000	467,080	467,080	-	467,080
402 Water Supply and Facility Fund	105,180	-	105,180	35,180	70,000	105,180
404 Water Capital Fund	146,527	709,900	856,427	552,000	304,427	856,427
408 Wastewater Capital Fund	805,767	64,000	869,767	441,000	428,767	869,767
410 Stormwater Capital Fund		193,000	193,000	193,000		193,000
311 REET Fund - General Govt	272,768	56,500	329,268	100,173	229,095	329,268
321 REET Fund - Street Projects	276,418	57,000	333,418	120,000	213,418	333,418
Internal Service Fund 510						
1 Fire Equipment Reserve Fund	47,724	45,100	92,824	92,824	-	92,824
2 Street Equipment Reserve Fund	140,000	40,300	180,300	15,000	165,300	180,300
3 Police Equipment Reserve Fund	17,500	20,000	37,500	37,500	-	37,500
Grand Total All Funds	3,439,772	8,845,644	12,285,416	9,617,720	2,667,696	12,285,416



Total Budget \$12,285,416

City of Black Diamond Department FTEs



Notes: Each position filled by 1 FTE, unless otherwise noted
Black Diamond is served by King County Fire District #44

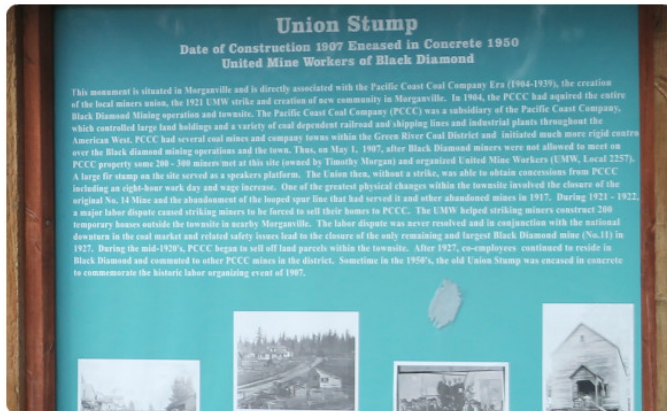


Triangle Park (Located on Hwy. 169 and Roberts Drive)

2014 Employee Allocations by Funding Source

Positions	Full Time Equivalent (FTE)	Funding Agreement	General Fund	Street Fund	Water Fund	Sewer Fund	Storm water Fund
Municipal Court							
Court Administrator	0.85		0.85				
Court Clerk	0.14		0.14				
Total Court	0.99	0.00	0.99	0.0	0.0	0.0	0.0
Administration							
City Administrator	1.00		0.60	0.04	0.12	0.12	0.12
Admin Assistant I	1.00		0.10		0.30	0.30	0.30
Total Administration	2.00		0.70	0.04	0.42	0.42	0.42
City Clerk							
City Clerk	1.00	1.00					
Deputy City Clerk	1.00		0.60	0.04	0.12	0.12	0.12
Total City Clerk	2.00	1.00	0.60	0.04	0.12	0.12	0.12
Finance Department							
Finance Director	1.00	1.00					
Deputy Finance Director	1.00	1.00					
Total Finance	2.00	2.00					
Information Services							
Information Services Manager	0.00	0.00					
Total Information Services	0.00	0.00	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	2.00		2.00				
Police Officers	4.00		4.00				
Police Records Coordinator	1.00		1.00				
Police Clerk	0.63		0.63				
Total Police Department	9.63	0.00	9.63	0.00	0.00	0.00	0.00
Community Development							
Permit Technician Supervisor	1.00	1.00					
Total Community Development	1.00	1.00					
Master Development Review Team (MDRT)							
Executive Director Public Works/MDRT	1.00	1.00					
Exec Dir Community Development	1.00	1.00					
Utilities Construction Supervisor	1.00	1.00					
Senior Accountant	0.75	0.75					
Total Economic Development	3.75	3.75	0.00	0.00	0.00	0.00	0.00
Facilities Department							
Facilities Equipment Coordinator	0.80	0.80					
Total Facilities	0.80	0.80	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 - 1/2 Funding	1.00	0.50		0.125	0.125	0.125	0.125
Admin Assistant III	1.00			0.25	0.25	0.25	0.25
Total Funding	2.00		0.00	0.375	0.375	0.375	0.375
Utilities Supervisor	1.00		0.04	0.3	0.22	0.22	0.22
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	0.12		0.06	0.02	0.02	0.00	0.02
Total Public Works	3.12	0.50	0.30	0.62	0.74	0.72	0.74
Grand Total Budget Positions (FTE's)	28.29	10.05	12.22	1.08	1.66	1.64	1.66

General Fund

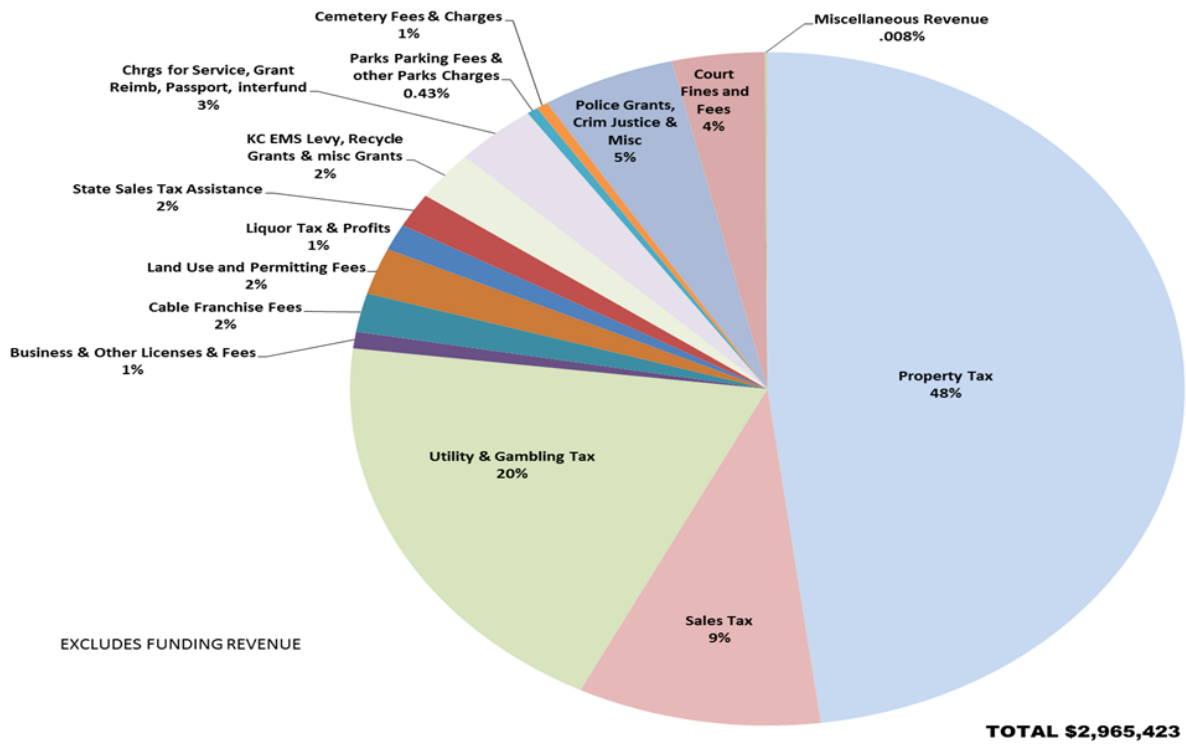


Historic Union Stump (Located on Morgan Street next to Cemetery)

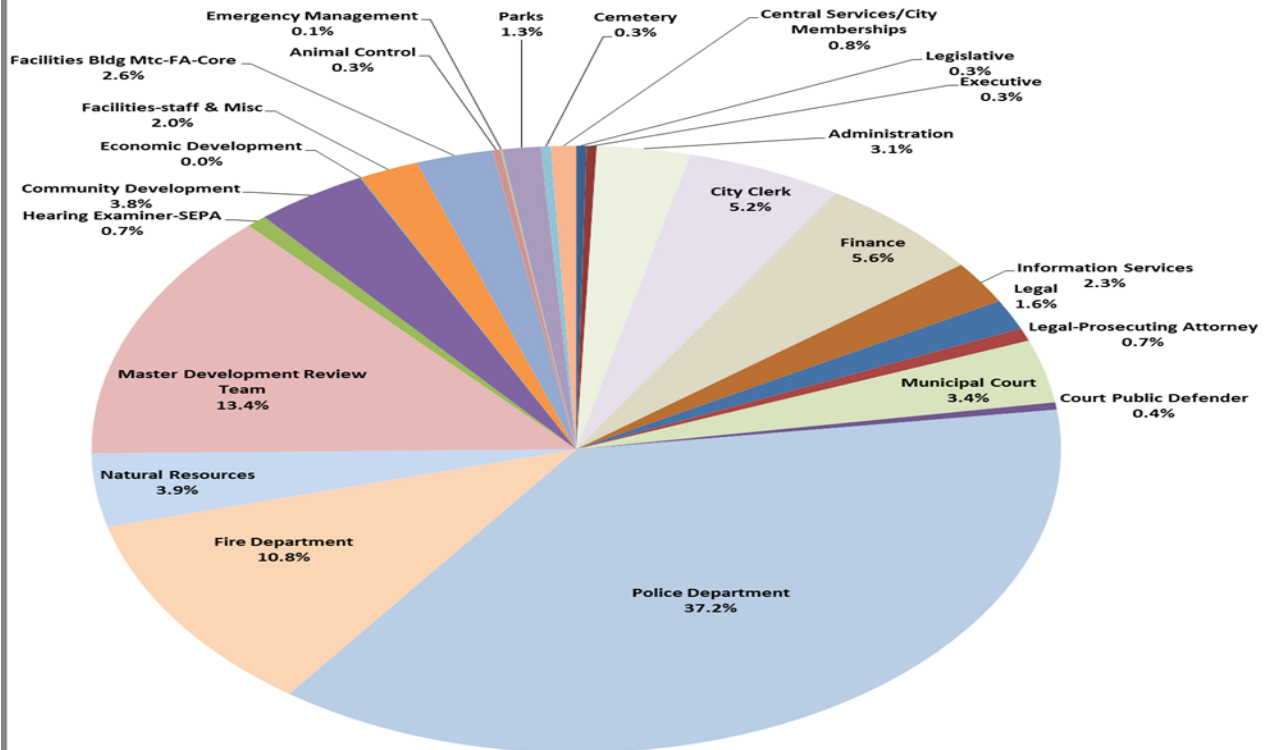
General Fund Summary

	2012 Actual	2013 Budget	2013 Actual	2014 Budget	Chg \$ Org- Prel.	Change %
REVENUE						
Property Tax	1,373,558	1,403,648	1,400,391	1,421,983	18,335	1.3%
Sales Tax	262,973	270,000	290,796	280,000	10,000	0.0%
Utility & Gambling Tax	468,797	532,150	546,510	579,100	46,950	8.8%
Business License, Cable Fran & Misc.	81,895	82,000	84,633	78,700	(3,300)	-4.0%
Land Use and Permitting Fees	68,631	70,290	80,068	66,295	(3,995)	-5.7%
Intergovernmental Revenue	174,525	143,120	172,553	157,125	14,005	9.8%
Charges for Service & Grant Reimb	158,448	122,549	113,834	119,760	(2,789)	-2.3%
Police Grants, Crim Justice & Misc	175,840	164,920	162,180	153,310	(11,610)	-7.0%
Court Fines and Fees	96,682	105,000	104,826	106,500	1,500	1.4%
Miscellaneous Revenue	7,850	2,425	8,676	2,650	225	9.3%
Subtotal Operating Revenue	2,869,199	2,896,102	2,964,467	2,965,423	69,321	2.4%
Funding Agreement	1,434,752	1,513,440	1,412,069	1,511,140	(2,300)	-0.2%
Total General Fund Oper Revenue	4,303,951	4,409,542	4,376,536	4,476,563	67,021	1.5%
Developer-Dup Plat & Land Fees						
Developer Reimbursement	508,738	759,000	401,145	669,000	(90,000)	-11.9%
Grand Total Revenue	4,812,689	5,168,542	4,777,681	5,145,563	(22,979)	-0.4%
Beg Cash & Inv. Balance Genl Gov	424,469	397,817	397,817	545,287	147,470	37.1%
Beg Cash & Inv Developer	497,145	261,219	261,219	126,500	(134,719)	-51.6%
Total Sources	5,734,304	5,827,578	5,436,718	5,817,350	(10,228)	-0.2%
EXPENDITURES						
					0	
Executive	13,276	13,686	13,924	14,876	1,190	8.7%
Legislative	12,374	2,500	3,876	14,709	12,209	488.3%
Administration	216,679	260,345	227,236	136,616	(123,729)	-47.5%
City Clerk	72,703	81,378	116,904	228,749	147,371	181.1%
Finance	247,137	258,337	243,879	246,136	(12,201)	-4.7%
Information Services	141,330	144,109	143,454	100,143	(43,966)	-30.5%
Legal	58,440	62,750	66,564	70,500	7,750	12.4%
Legal-Prosecuting Attorney	35,200	25,600	24,000	30,000	4,400	17.2%
Municipal Court	169,695	147,128	151,901	164,399	17,271	11.7%
Police Department	1,756,830	1,630,407	1,553,562	1,632,382	1,975	0.1%
Fire Department	446,609	458,729	448,264	474,711	15,982	3.5%
Natural Resources	163,198	169,577	168,077	171,291	1,714	1.0%
Master Development Review Team	226,363	513,607	451,226	588,352	74,745	14.6%
Hearing Examiner Appeals	37,155	13,100	2,791	30,000	16,900	129.0%
Community Development	276,016	137,038	168,143	165,008	27,970	20.4%
Economic Development	45,345	1,050	1,084	1,550	500	47.6%
Facilities-Staff & Misc	93,903	102,103	98,239	87,894	(14,209)	-13.9%
Facilities Bldg Mtc-Funding Agreement	177,343	122,143	112,222	112,322	(9,821)	-8.0%
Animal Control	11,988	8,368	8,659	11,900	3,532	42.2%
Emergency Management	4,880	5,000	3,714	2,500	(2,500)	-50.0%
Parks	67,031	46,939	46,394	56,227	9,288	19.8%
Cemetery	19,619	15,357	15,768	14,428	(929)	-6.0%
Central Services	35,547	36,960	27,073	36,726	(234)	-0.6%
Total Gen Fund Ope Expenditures	4,328,661	4,256,211	4,096,954	4,391,418	135,207	3.2%
Developer Consultants	746,607	475,000	245,220	485,000	10,000	2.1%
SEPA		84,000	44,511	84,000	0	0.0%
Makers EFC Constultants	0	200,000	106,705	100,000	(100,000)	-50.0%
Grand Total Expenditures	5,075,268	5,015,211	4,493,391	5,060,418	45,207	0.9%
End Cash & Inv Gen Gov	397,417	551,248	644,198	630,432	79,184	14.4%
End Cash & Inv- Developer	261,619	261,119	299,129	126,500	(134,619)	-51.6%
Total Uses	5,734,304	5,827,578	5,436,718	5,817,350	(10,228)	-0.2%

2014 GENERAL FUND OPERATING REVENUE



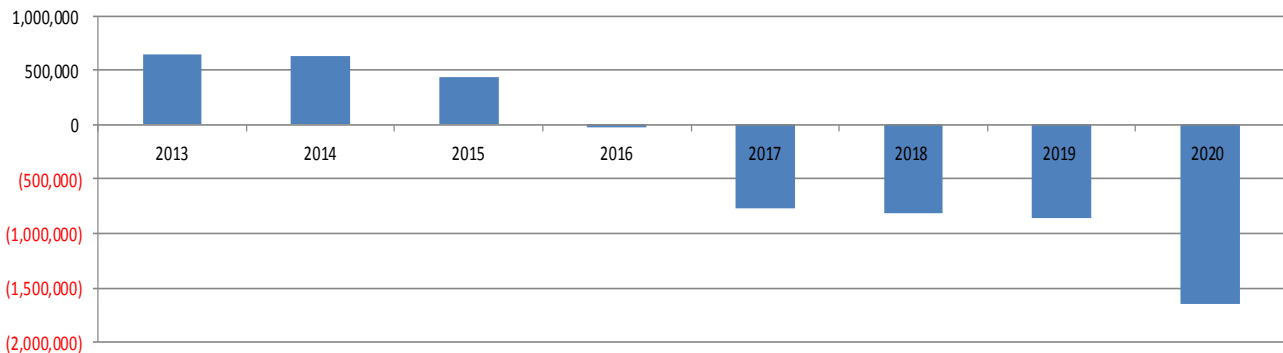
2014 GENERAL FUND EXPENDITURES



CITY OF BLACK DIAMOND

General Fund Ending Fund Balance Forecast Continued Funding Revenue Reduction with no additional Staff Cuts and
Six Years with Funding Reduction no new Revenue from Growth

	2013	2014	2015	2016	2017	2018	2019	2020	
General Fund Revenue	Actual	Budget	Budget	Budget	Budget	Budget	Budget	Budget	
Property Tax	1,400,391	1,421,983	1,436,203	1,450,565	1,465,071	1,479,721	1,494,518	1,509,464	1%
Sales Tax	290,796	280,000	285,600	291,312	297,138	303,081	309,143	315,325	2%
Utility Taxes	546,510	579,100	590,682	602,496	614,546	626,836	639,373	652,161	2%
Other Revenue **	726,770	684,340	698,027	711,987	726,227	740,752	755,567	770,678	2%
Fund Agree MDRT	513,607	588,351	600,118	600,118	600,118	600,118	600,118	600,118	0%
Fund Agree Core Revenue	964,962	1,113,804	1,113,804	1,113,804	1,113,804	1,113,804	1,113,804	1,113,804	
Funding Agree reductions									
1st Yr Reduction-GF Only	(66,500)								
2nd Yr Reduction-GF Only		(191,015)							
3rd Yr Reduction-GF Only			(431,015)						
4th Yr Reduction-GF Only				(671,015)					
5th & 6th Yr Red-GF Only					(898,167)	(898,167)	(898,167)	(898,167)	
Total Operating Revenue	4,376,536	4,476,563	4,293,419	4,099,267	3,918,736	3,966,145	4,014,356	4,063,383	
General Fund Expenditures		P/S 3%	P/S 2%	P/S 2%	P/S 2%	P/S 2%	P/S 2%	P/S 2%	
Police & Fire	2,001,826	2,107,093	2,149,235	2,192,220	2,236,064	2,280,785	2,326,401	2,372,929	2%
Other General Fund	2,095,128	2,284,326	2,330,013	2,376,613	2,424,145	2,472,628	2,522,080	2,572,522	2%
Reclassify Deve Exp to Gen Gov									
Additional Funding Reductions*			0	0	0	0	0	0	
Total Operating Spending	4,096,954	4,391,419	4,479,247	4,568,832	4,660,209	4,753,413	4,848,481	4,945,451	
Police Staff Reduction	2								
Other Staff Reduction	0.5	2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	2013	2014	2015	2016	2017	2018	2019	2020	
Change in Reserves	279,582	85,144	(185,829)	(469,565)	(741,473)	(787,268)	(834,125)	(882,068)	
Ending Reserves	644,128	630,432	444,603	(24,962)	(766,435)	(812,230)	(859,088)	(1,648,503)	
	15.72%	14.36%	9.93%	-0.55%	-16.45%	-17.09%	-17.72%	-33.33%	



** Other Revenue includes Cable Franchise Fees, Business Licenses, Permits & Land Use Fees, Police Criminal Justice Sales Tax & other Police Fees & Grants, Liquor Tax & Profits, State Tax Assistance, Lake Sawyer Parking Fees, Cemetery Fees, Court Fines,

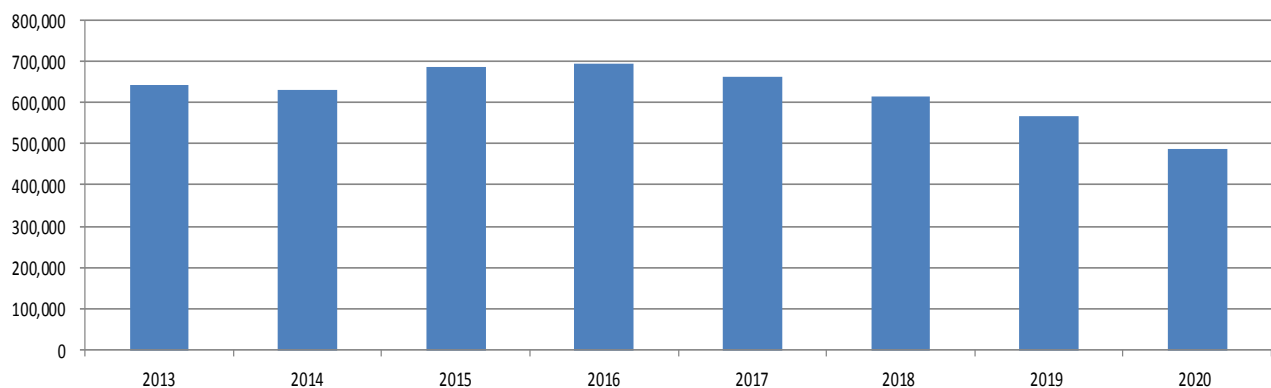
Model assumes no growth, no new revenue and continued Funding Revenue reduction. This Model forecasts no Funding Cost reductions, and instead continues to utilize the entire Fund Balance until the balance is all used by 2016. This scenario would never occur as Mayors and Council would need to balance the budget each year without putting the city's financial viability in jeopardy.

CITY OF BLACK DIAMOND

General Fund Ending Fund Balance Foreca Finance Conservative Forecast

Six Years with Funding Reduction

	2013	2014	2015	2016	2017	2018	2019	2020	
General Fund Revenue	Actual	Budget	Budget	Budget	Budget	Budget	Budget	Budget	
Property Tax	1,400,391	1,421,983	1,436,203	1,450,565	1,465,071	1,479,721	1,494,518	1,509,464	1%
Sales Tax	290,796	280,000	285,600	291,312	297,138	303,081	309,143	315,325	2%
Utility Taxes	546,510	579,100	590,682	602,496	614,546	626,836	639,373	652,161	2%
Other Revenue **	726,770	684,340	698,027	711,987	726,227	740,752	755,567	770,678	2%
Fund Agree MDRT	513,607	588,351	600,118	600,118	600,118	600,118	600,118	600,118	0%
Fund Agree Core Revenue	964,962	1,113,804	1,113,804	1,113,804	1,113,804	1,113,804	1,113,804	1,113,804	
Funding Agree reductions									
1st Yr Reduction-GF Only	(66,500)								
2nd Yr Reduction-GF Only		(191,015)							
3rd Yr Reduction-GF Only			(431,015)						
4th Yr Reduction-GF Only				(671,015)					
5th & 6th Yr Red-GF Only					(898,167)	(898,167)	(898,167)	(898,167)	
Total Operating Revenue	4,376,536	4,476,563	4,293,419	4,099,267	3,918,736	3,966,145	4,014,356	4,063,383	
General Fund Expenditures	PS 3%	P/S 3%	P/S 2%	P/S 2%	P/S 2%	P/S 2%	P/S 2%	P/S 2%	
Police & Fire	2,001,826	2,107,093	2,149,235	2,192,220	2,236,064	2,280,785	2,326,401	2,372,929	2%
Other General Fund	2,095,128	2,284,326	2,330,013	2,376,613	2,424,145	2,472,628	2,522,080	2,572,522	2%
Reclassify Deve Exp to Gen Gov									
Additional Funding Reductions*			(240,000)	(480,000)	(707,152)	(707,152)	(707,152)	(707,152)	
Total Operating Spending	4,096,954	4,391,419	4,239,247	4,088,832	3,953,057	4,046,261	4,141,329	4,238,299	
* Police Officer Reduction	2								
* Approximate # F/A Staff Red	0.5	2	2.0	2.0	1.8				5.8
	2013	2014	2015	2016	2017	2018	2019	2020	
Change in Reserves	279,582	85,144	54,171	10,435	(34,321)	(80,116)	(126,973)	(174,916)	
Ending Reserves	644,128	630,432	684,603	695,038	660,717	614,922	568,064	485,801	
	15.72%	14.36%	16.15%	17.00%	16.71%	15.20%	13.72%	11.46%	



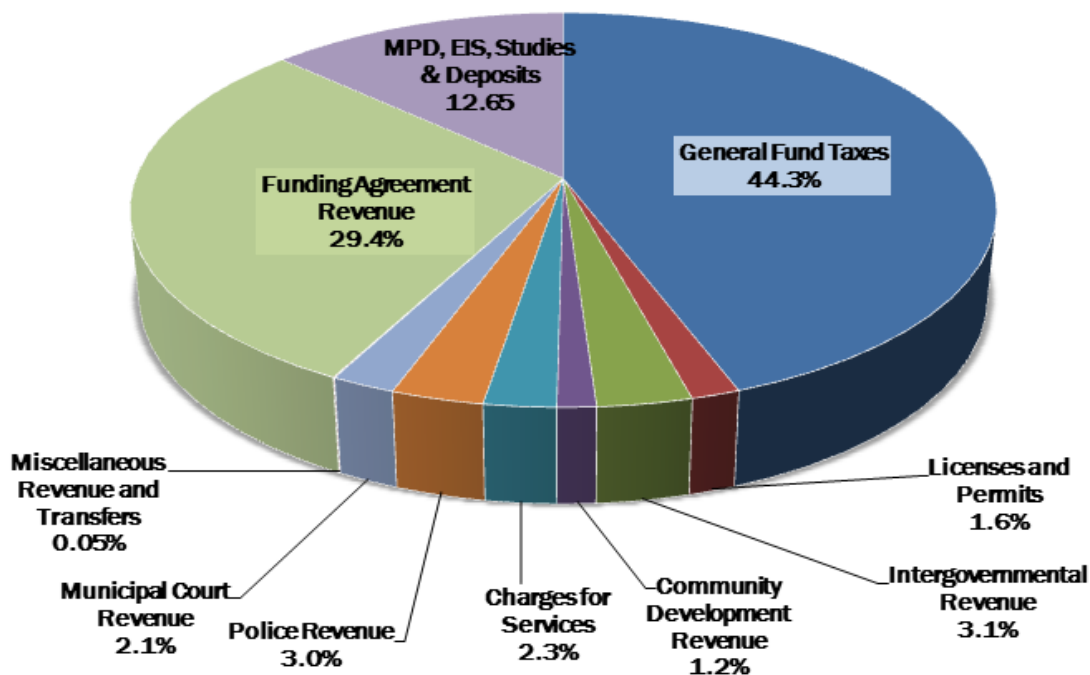
** Other Revenue includes Cable Franchise Fees, Business Licenses, Permits & Land Use Fees, Police Criminal Justice Sales Tax & other Police Fees & Grants, Liquor Tax & Profits, State Tax Assistance, Lake Sawyer Parking Fees, Cemetery Fees, Court Fines,

Model assumes no growth and no new revenue. Model forecasts the continual reduction revenue for the 6.8 core Funding Agreement positions. Reduction amounts could be covered by several options including reducing FF&E costs as well as any other General Fund staff costs that would be needed to cover the loss of Funding Revenue. Any growth would change this model.

General Fund Revenue sources in 2014 are estimated to be \$5,817,350. There is a slight increase in operating revenue overall to the 2013 Amended Budget. The pie chart below shows total operating revenue of \$4,476,563 in 2014. Each revenue area will be discussed in the pages that follow.

General Fund Revenue Summary	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
General Fund Taxes	2,105,328	2,205,798	2,237,697	2,281,083	75,285	3.4%
Licenses and Permits	81,895	82,000	85,273	80,700	(1,300)	-1.6%
Intergovernmental Revenue	174,526	143,120	176,411	157,125	14,005	9.8%
Community Development Revenue		66,740	80,068	64,295	(2,445)	-3.7%
Charges for Services	158,447	122,549	113,835	119,760	(2,789)	-2.3%
Police Revenue	165,440	164,920	162,180	153,310	(11,610)	-7.0%
Municipal Court Revenue	106,681	105,000	104,826	106,500	1,500	1.4%
Miscellaneous Revenue and Transfers	8,250	5,975	4,178	2,650	(3,325)	-55.6%
Subtotal Operating Revenue	2,800,568	2,896,102	2,964,467	2,965,423	69,321	2.39%
Funding Agreement Revenue	1,434,752	1,513,440	1,412,069	1,511,140	(2,300)	-0.15%
Total Operating Revenue	4,235,320	4,409,542	4,376,536	4,476,563	67,021	1.52%
MPD, EIS, Studies and Deposits	508,738	759,000	401,145	669,000	(90,000)	-11.9%
General Fund Total Revenue	4,744,059	5,168,542	4,777,681	5,145,563	(22,979)	-0.4%
Beginning Fund Cash & Investments (City)	424,469	397,817	397,817	54	Total \$4,391,419	37.1%
Beginning Fund Cash & Investments (Funding)	497,145	261,219	261,219	126,500		(134,719)
Total Beginning Fund Cash and Investments	921,614	659,036	659,036	671,787	12,751	-51.6%
Total Sources	5,665,672	5,827,578	5,436,717	5,817,350	(10,228)	-0.2%

2014 General Fund Revenue



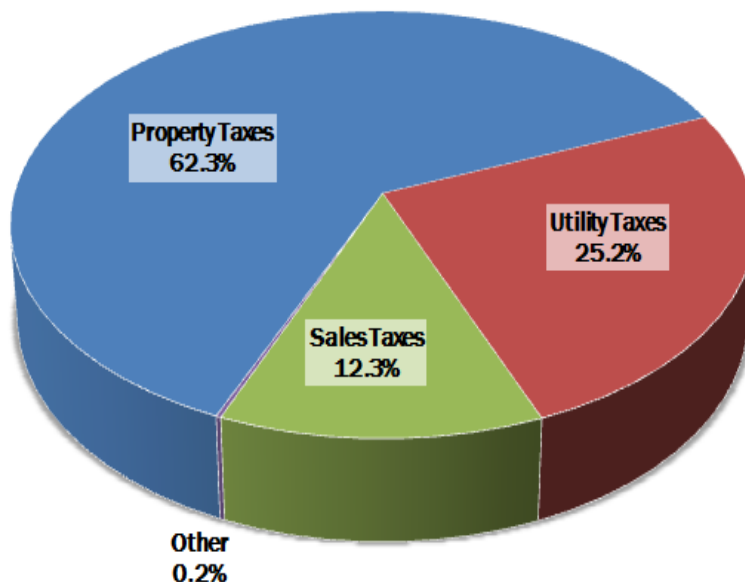
Total General Fund Revenue \$5, 817,350

General Fund Taxes

Locally levied taxes represent Black Diamond's largest portion of revenues of \$2,281,083 or 44.3% 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. An increase of \$75,285 is anticipated in 2014. Telephone utility tax revenue is expected to continue trending down. Stormwater rates increased from 12 to 18 percent.

Tax Revenue - General Fund	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
General Property Taxes	1,373,558	1,403,648	1,400,391	1,421,983	18,335	1.3%
Sales Taxes	262,973	270,000	290,796	280,000	10,000	3.7%
B & O Tax						
Solid Waste Utility Tax	32,968	28,500	35,624	30,600	2,100	7.4%
Cable TV Utility Tax	10,387	58,100	56,580	72,600	14,500	25.0%
Telephone Utility Tax	124,173	122,000	114,818	115,000	(7,000)	-5.7%
Gas Utility Tax	553	750	337	500	(250)	-33.3%
Electrical Utility Tax	215,284	220,000	217,881	215,000	(5,000)	-2.3%
Water Utility Tax	27,169	26,800	31,603	35,000	8,200	30.6%
Stormwater Utility Tax	16,967	30,300	40,764	61,700	31,400	103.6%
Wastewater Utility Tax	38,054	42,700	44,329	44,300	1,600	3.7%
Pull Tabs and Punch Board Tax	3,242	3,000	4,573	4,400	1,400	46.7%
Total General Fund Taxes	2,105,328	2,205,798	2,237,697	2,281,083	75,285	3.4%

2014 General Fund Tax Revenue



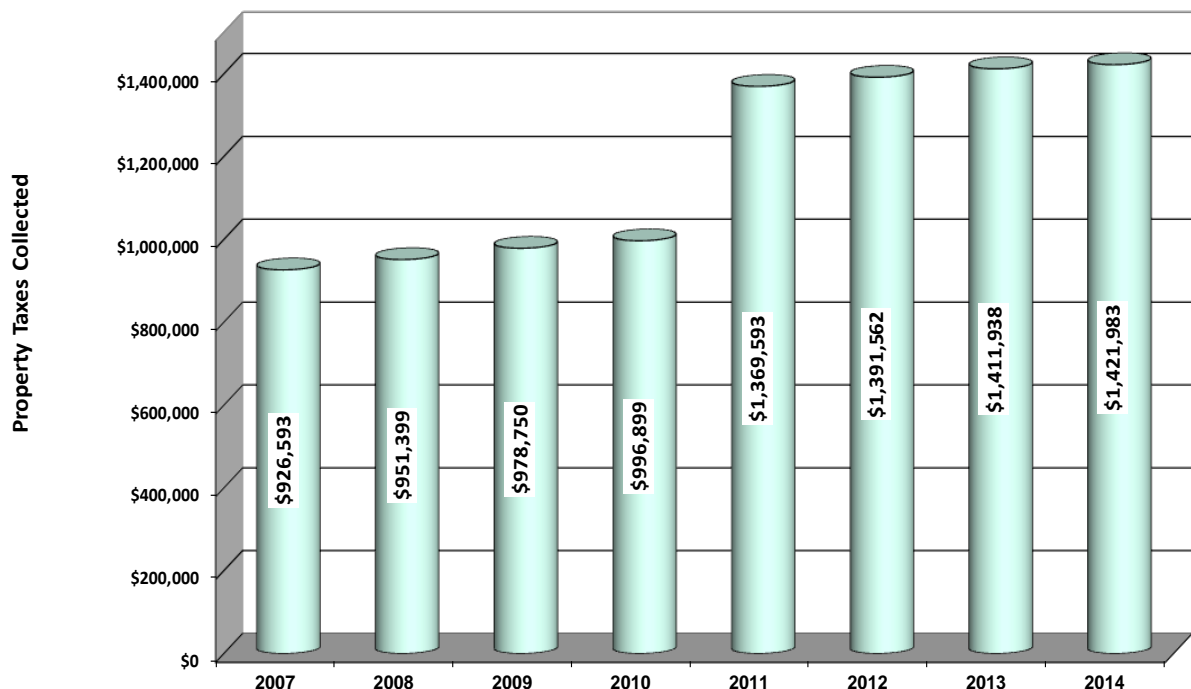
Total Tax Revenue \$2,205,798

Property taxes make up 62.3% of the General Fund's tax revenue and are expected to generate \$1,421,983 in revenue for the City in 2014. The City's levy rate in 2014 is \$2.62 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 \$14.06 and \$14.69 per thousand dollars in assessed valuation, depending on the school district in your neighborhood. Of that amount Black Diamond receives \$2.62 per thousand of a property's value, or 18.6% of the total. All of that money is used to support Black Diamond's Fire, Police and Emergency Services. Property taxes provide 60% 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 \$55 dollars per month in 2014.

Property Tax Collection History and 2014 Budget

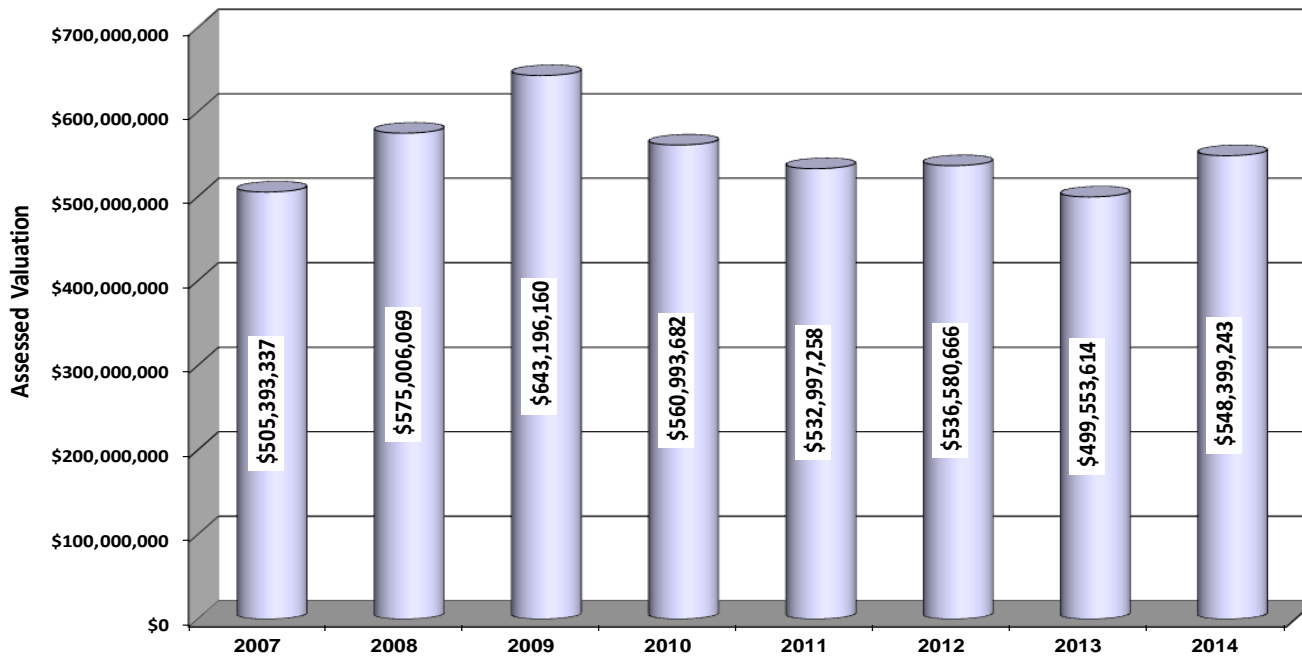


Regular Levy Base	901740	926593	951399	978750	1360227	1369593	1389750	1407904
1% Increase	9017	9266	9514	9788	0	13696	13898	14079
New Construction	4802	13451	17837	4167	3147	6461	4256	11833
Annexations	13100	0		1163	0			
Adjustments	-2066	2089	0	3031	6219	1812	4034	3515
Total Property Taxes	926593	951399	978750	996899	1369593	1391562	1411938	1437331
Levy Rate	1.83902	1.65059	1.52072	1.77702	2.57	2.59339	2.8264	2.62096
Allowable Levy					3.1	3.1	3.1	3.1
Assessed Valuation	505393337	575006069	643196160	560993682	532997258	536580666	499553614	548399243

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

Assessed Valuation History

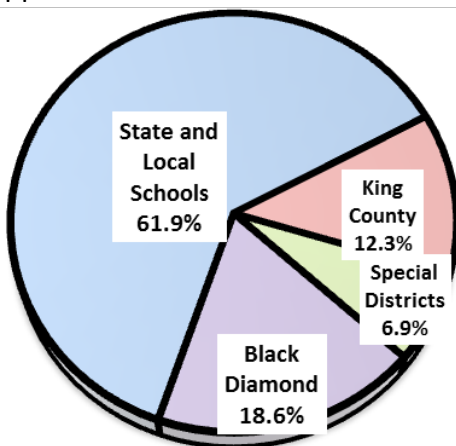
Assessed Valuation History



Final Assessed Valuation	\$ 505,393,337	\$ 575,006,069	\$ 643,196,160	\$ 560,993,682	\$ 532,997,258	\$ 536,580,666	\$ 499,553,614	\$ 548,399,243
% change from prior year		13.8%	11.9%	-12.8%	-5.0%	0.7%	-6.9%	9.8%
Population	4,085	4,120	4,155	4,180	4,190	4,160	4,160	4,161
Total Assessed Valuation	\$505,393,337	\$575,006,069	\$643,196,160	\$560,993,682	\$532,997,258	\$536,580,666	\$499,553,614	\$548,399,243
% change from prior year		13.8%	11.9%	-12.8%	-5.0%	0.7%	-6.9%	9.8%
Population	4,080	4,085	4,120	4,155	4,180	4,190	4,160	4,170

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

For a \$250,000 Appraised Black Diamond Home in 2014



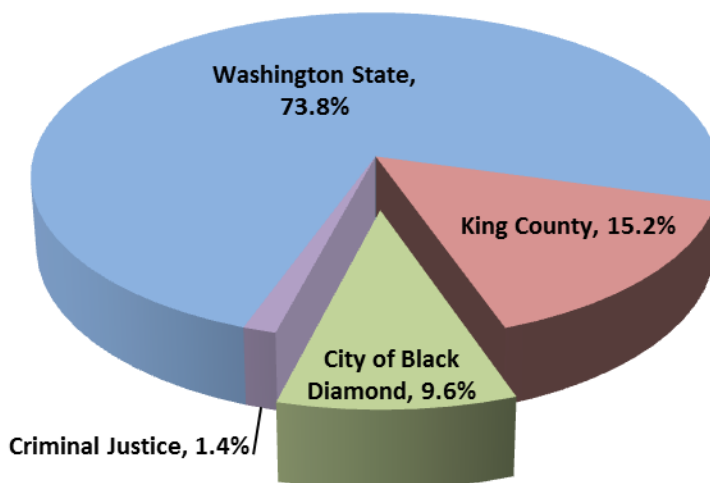
Taxing Entity	2013 Levy Rate per \$1,000	Annual Property Tax on a \$250,000 home	Monthly Property Tax on a \$250,000 home
School District (Enumclaw)	\$6.16	\$1,541	\$128
State Schools	\$2.54	\$636	\$53
Black Diamond	\$2.62	\$655	\$55
King County	\$1.52	\$381	\$32
Port of Seattle	\$0.23	\$57	\$5
Library District	\$0.56	\$141	\$12
Floods and Ferries	\$0.42	\$105	\$9
Total Property Taxes	\$14.06	\$3,516	\$293

Property taxes owed on a \$250,000 home in the City is approximately \$3,516 per year, with \$655, or 18.6% coming back to Black Diamond to support local police, fire and EMS services.

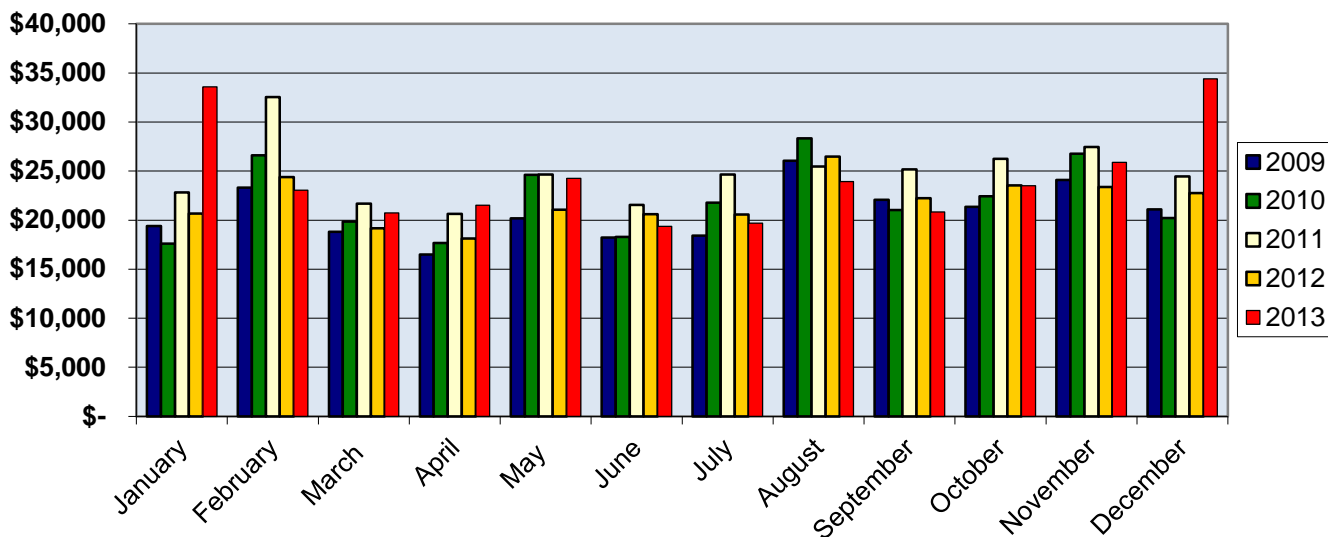
Sales tax revenue for the 2014 budget is \$280,000 or 12.3% of General Fund tax revenue. For every \$100 spent in Black Diamond, \$8.60 is collected by the State and is shared by various jurisdictions. These jurisdictions include our city, Washington State, King County and Criminal Justice programs. 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 revenue is expected to increase slightly in 2014.

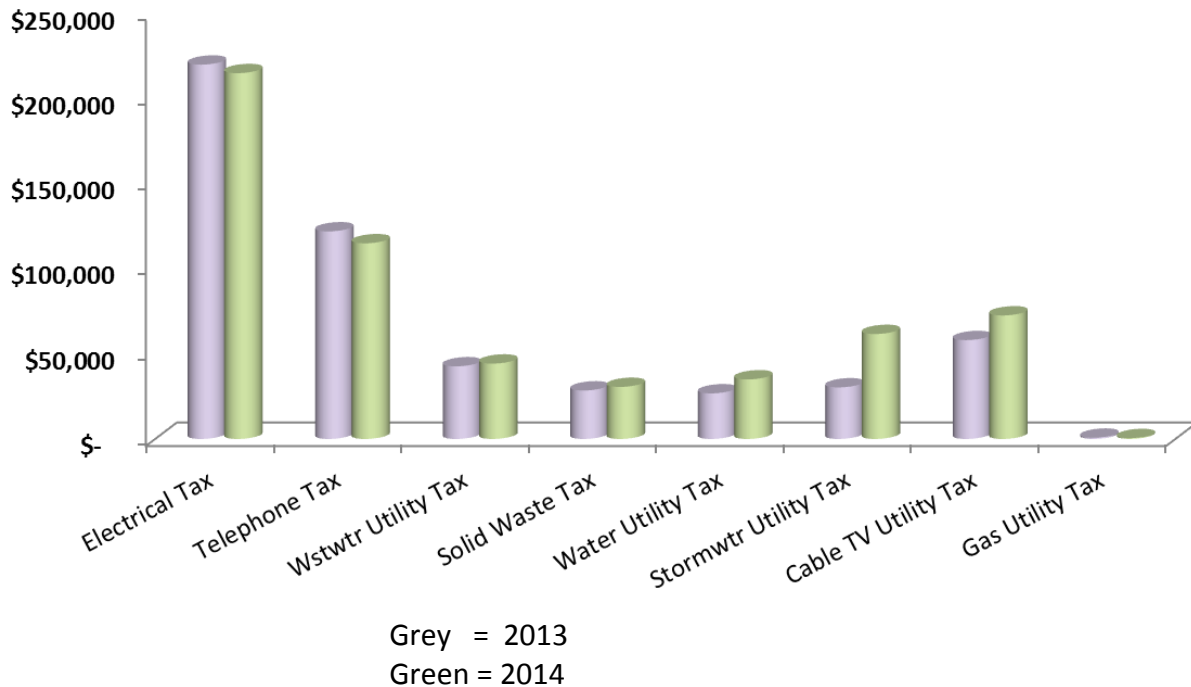
2014 Sales Taxes
 Taxed Amount is 8.6% of Retail Sales
 The Chart Below shows how much of each Sales Tax Dollar goes to the City:



Sales Tax Monthly Data Analysis 2009 – 2013



Utility & Gambling taxes for Black Diamond in 2014 are projected to be \$579,100 or 25.2% of General Fund tax revenue, which is all used to support public safety. Black Diamond levies a 6% utility tax on all utilities except Stormwater which is 18%. Projected revenues include decreases in telephone and water and increases in stormwater and cable TV.








Cable Franchise Fees and Business License revenue comes from a 5% cable franchise fee. Business license revenue helps cover the cost of administration, inspection and other services for those occupations, trades and activities regulated by the City. Tree Permit Inspection fees were added in the 2013 budget.

Business License and Cable Franchise Fee Revenue	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
Business Licenses	23,445	22,500	23,710	23,700	1,200	5.3%
Cable Franchise Fees	58,450	57,500	61,563	55,000	(2,500)	-4.3%
Tree Permit Inspection Fee		2,000		2,000		100.0%
Total Gen Fund Bus. License & Cable Fee Revenue	81,895	82,000	85,273	80,700	(1,300)	-1.6%

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. Revenue does not include Master Plan Development.

Community Development Revenue	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
Permitting Revenue						
Building Permit Fees	23,575	25,000	31,979	25,000	▼	0%
Special Events Permits			1,723	600		
Grading & Clearing Permits	8,131	4,600	3,915	5,000	400	9%
Mechanic Permits	2,102	1,590	3,301	2,500	910	57.2%
Plumbing Permits	1,577	1,450	2,215	2,000	550	37.9%
Demolition Permits	360	250	720	360	110	44.0%
Sprinkle/Alarm, Firework Permit	500	500	835	500		
Permit Fee Cost Recovery Increase		5,450	1,767	850		
Sign Permits	565	600	240	500	(100)	-16.7%
Total Permitting Revenue	36,810	39,440	46,695	37,310	1,870	0.05
Land Use Fees						
TDR Application/Credit	271	300		300		
Various Land Use Fees	1,925	2,000	1,051	2,000		
Various Shoreline Fees	1,100	500	625	525	25	5.0%
Watchperson Fees	100	100	210	210		
SEPA Fees and Appeals	1,050	500	788	750	250	33%
Total Land Use Fees	4,446	3,400	2,674	3,785	275	8.1%
Plan Check Fees						
Plan Check Review Fees	21,245	17,000	15,904	16,500	(500) ▼	0%
Fire Plan Check Fees	1,436	1,000	1,535	1,500	500	50.0%
Total Plan Check Fees	22,680	18,000	17,438	18,000		
Other Community Dev. Revenue						
King County Rec. fees & code fines, etc.	256	300	70		(300)	
Copying Services	492	600	238	200	(400) ▼	-66.7%
CD Reimbursement Revenue	1,920	4,000		4,000		0%
Community Development Deposits	2,027		12,953			
Hearing Examiner Fees		1,000		1,000		0%
Total Other Community Dev	4,695	5,900	13,261	5,200	(700)	-11.9%
Total Community Development Rev	68,631	66,740	80,068	64,295	1,445	2.2%

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	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
Police Intergovernmental Revenue						
Marine Grant-USCG 97-012/Wa Parks	16,630	21,000	26,839		(21,000) 	-100.0%
WTSC- X52 Speeding						0%
St. training CJ Grant			3,080	2,500	2,500	
WASPC Traffic Safety Equip-Radar	940	1,000	1,275	1,000		
WTSC- X52DUI/DHGN	742	1,000	744	1,000		
WTSC- Nighttime Seat Belt Enforce	738		698	1,000	1,000 	
Police CETED ST EQ Grant	419	1,000	382		(1,000) 	0%
Police DUI Emphasis Grant						
Vessel Registration Boat Safety	15,006	15,000	11,260	11,260	(3,740) 	0%
King County Program for Mentally Ill	440					
Vessel Reg. Boat Safety Carryover				10,000	10,000	100%
Total Police Intergovernmental Revenue	34,915	39,000	44,278	26,760	(12,240)	-0.31
Police Charges for Service						
Police Traffic School Fee	18,026	20,000	11,800	15,000	(5,000) 	0%
Police Overtime Reimb	10,317	2,500	192	2,000	(500)	-25%
Police Traffic Reimb	1,343	1,000	1,463	2,500	1,500	60%
Police Finger Print Fee			200	200	200	
Police Records and Services	653	500	530	700	200	29%
Police-DUI Cost Recovery	3,623	4,690	3,737	4,100	(590)	-12.6%
DRE-Drug Recognition Expert Services						-100%
Electronic Home Monitoring	160	200	200	250	50	25.0%
Work Crew Screening and per Day State Fee	75	200	418	900	700	350.0%
Reimbursement from Labor & Industries	75	100			(100)	-100.0%
Total Police Charges for Service	34,271	29,190	18,540	25,650	(3,540)	-12.1%
Police Confiscated, Donation, DARE, etc.						
Donation for Marine		500			(500)	
Gun Permits and Fingerprinting	2,412	1,800	2,042	2,600	800	44.4%
DARE Donations from Private Sources	500	2,500	(898)	2,500		
K-9 Donation						
L & I Reimbursement	2,431					
Unclaimed/ Found Property			136			
Confiscated and Forfeited Property						
Total Police Confiscated, Donated Revenue	5,343	4,800	1,280	5,100	300	6.3%
Police Criminal Justice Revenue						
Local Criminal Justice Funds	86,010	86,500	92,567	90,500	4,000	4.6%
Criminal Justice - Violent Crimes/Population	1,000	1,040	1,025	1,000	(40)	-3.8%
Criminal Justice Dcd 1	199	400		200	(200)	-50.0%
Criminal Justice - Special Programs	3,525	3,590	3,733	3,500	(90)	-2.5%
DUI and Other Criminal Justice Assistance	578	400	758	600	200	50.0%
Total Criminal Justice Revenue	91,312	91,930	98,083	95,800	3,870	4.2%
Total Police General Fund Revenue	165,841	164,920	162,180	153,310	(11,610)	-7.0%

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 State has diverted the City share of Excise Tax for 2014 to their General Fund.

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.

Intergovernmental Revenue (non-police)	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
Sales Tax Assistance from State	41,769	32,000	61,645	49,000	17,000	53.1%
Recycle Grants, King County and State	15,919	15,920	15,926	15,925	5	0.0%
Liquor Excise Tax	15,322	5,000	2,794		(5,000)	-100.0%
Liquor Board Profits	41,496	36,500	37,484	37,500	1,000	2.7%
KC EMS VLS Contract	53,689	53,700	54,704	54,700	1,000	0%
Total Intergovernmental Rev	168,196	143,120	172,552	157,125	14,005	9.8%

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.

Charges for Services (non-police) - General Fund	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
Misc Charges for Services	9,351	1,900	101	100	(1,800)	-94.7%
Passport Fee	6,938	8,000	15,200	14,600	6,600	0%
Grant Reimbursements and Other		12,000	1,286	2,000	(10,000)	-83.3%
Lake Sawyer Parking Fee	12,593	17,500	15,186	11,000	(6,500)	-37.1%
Parks Special Events			1,127	1,700	1,700	100.0%
Cemetery Revenue	22,917	8,400	9,128	13,500	5,100	60.7%
Central Service & GF Allocations	106,649	74,749	71,807	76,860	2,111	2.8%
Total Charges for Service (non-police)	158,447	122,549	113,835	119,760	(2,789)	-2.3%

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	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
Court Mand. Insurance Costs	2,539	2,900	2,887	3,000	100	3.4%
Court Traffic Infractions	57,781	64,000	64,089	62,000	(2,000)	-3.1%
Court Other Non Traffic Infr.	7		8			0%
Court Parking Fines	1,975	2,000	2,580	2,100	100	5.0%
Court DUI Fines	3,092	3,200	2,372	3,200		
Court Criminal Traffic Misd.	5,868	6,600	4,431	5,500	(1,100)	-16.7%
Nontraffic Fees and Infractions	7,231	8,100	9,043	10,200	2,100	25.9%
Administration/Correction Fees	14,417	14,800	14,929	16,800	2,000	13.5%
Court Interest and Miscellaneous Fees	3,772	3,400	4,486	3,700	300	8.8%
Total Municipal Court Revenue	96,681	105,000	104,826	106,500	1,500	1.4%

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	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
LGIP Investment and Misc. Interest	2,547	1,650	1,804	2,300	650	39.4%
Surplus GF Equipment	46		600			0%
Animal Control (one-time refund)	6,330		3,859			0%
Misc Revenue	15,658	4,325	1,773	350	(3,975)	-91.9%
Total Miscellaneous Revenue	24,580	5,975	8,036	2,650	(3,325)	-55.6%

Funding Agreement revenue includes the General Fund portion of the Funding Agreement of ongoing costs for 2014 of \$1,511,140 and the Master Planned Development (MPD) for Lawson Hills and the Villages of \$669,000.

Funding Agreement Revenue - General Fund	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
Partner-Funding Agreement	1,434,751	1,513,440	1,412,069	1,511,140	(2,300)	-0.15%
Total Operating General Fund Revenue	4,304,951	4,409,542	4,376,536	4,476,563	67,021	1.52%

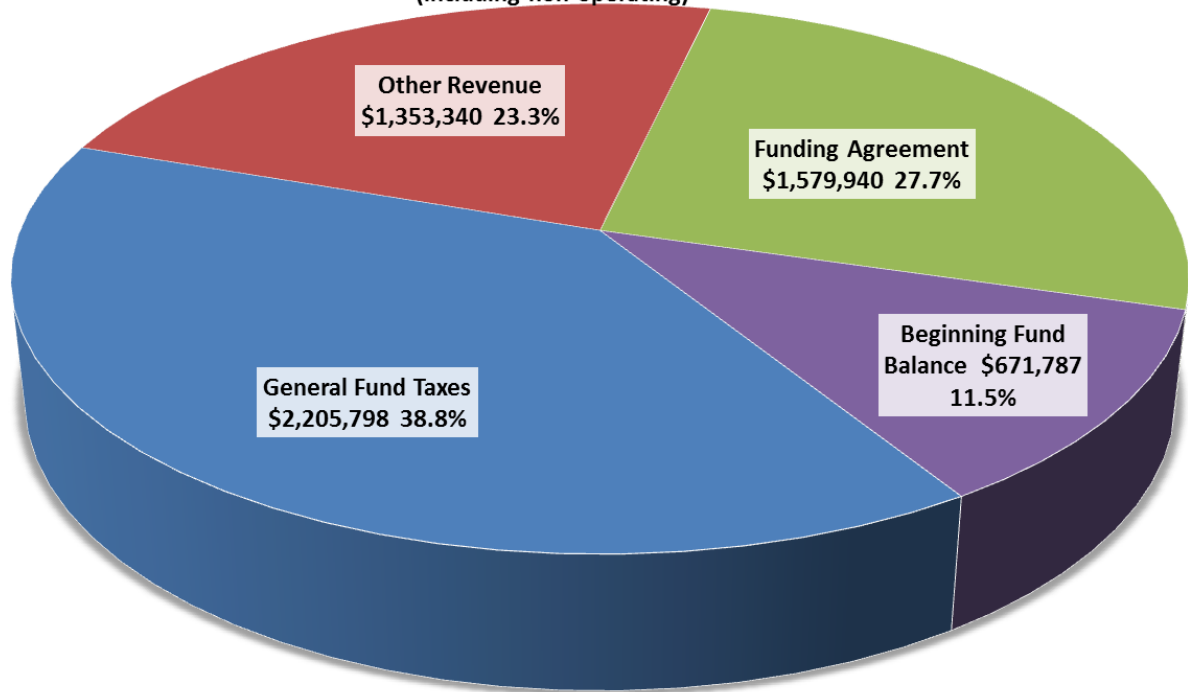
Funding Agreement-SEPA	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
MPD-Lawson Reimbursement	28,795					
MPD-Villages Reimbursement	37,192					
MPD/Dev Agree-Misc Reimbursements	86,431	25,000	46,420	84,000	59,000	236.0%
MPD/LUPA Coping Reimbursement	16,708	59,000			(59,000)	-100.0%
MDRT-Vehicle Reimbursements	19,718					
Gen Facility-Makers Reimbursement		200,000	79,400	100,000	(100,000)	-50.0%
Yarrow Bay Plat Refund-adm	58,800					
Total Operating General Fund Revenue	247,645	284,000	125,820	184,000	(100,000)	-35.21%

Funding Agreement-Consultants	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
MDRT-Consultant Deposit	50,000		5,000			
MDRT-Fiscal Reimbursements	66,774	50,000	31,089	60,000	10,000	20.0%
MDRT-Civil Engineering Reimbursements	80,604	200,000	177,510	200,000		
MDRT-Traffic Reimbursements	10,590	55,000	11,044	50,000	(5,000)	-9.1%
MDRT-Legal Reimbursements	32,309	60,000	16,823	60,000		
MDRT-Environmental Reimbursements	18,957	30,000	18,357	55,000	25,000	83.3%
MDRT-Geotech Reimbursements		30,000		30,000		
MDRT-Surveyor Reimbursements	1,858	50,000		30,000	(20,000)	-40.0%
MDRT-GFC Reimbursement						
MDRT-Hearing Examiner Reimbursement			15,502			
Misc Reimbursements						
Total MPD & EIS/SEPA Dev Reimbursements	261,094	475,000	275,325	485,000	10,000	2.1%

Beginning Fund Balance - General Fund	2012 Actual	2013 Amended Budget	2013 Actual	2014 Final Budget	13 to 14 Budget Change	% Budget Change
Beginning Cash & Investments (City)	424,465	397,817	397,817	545,287	147,470	37.1%
Beginning Cash & Investments (Developer)	497,145	261,219	261,219	126,500	(134,719)	-51.6%
Total Beginning Cash and Investments	921,610	659,036	659,036	671,787	12,751	1.9%
Grand Total General Fund Revenue	5,735,299	5,827,578	5,436,717	5,817,350	(10,228)	-0.2%

2014 General Fund Total Revenue

(including non-operating)



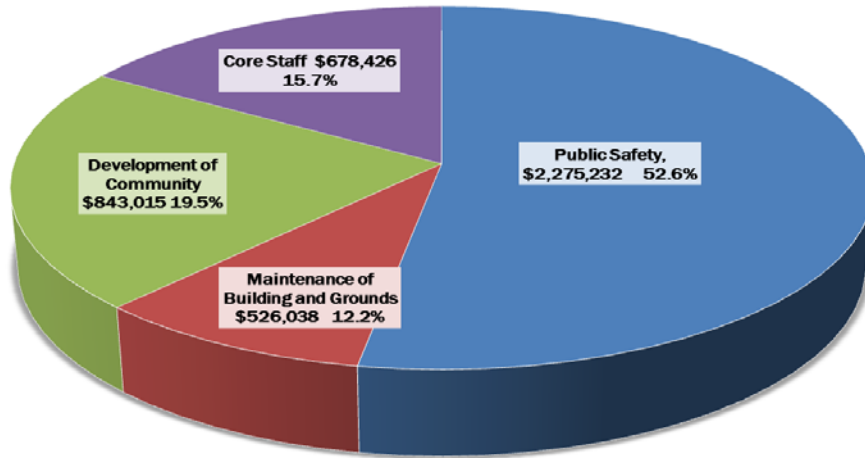
Total Revenue \$5,817,350

General Fund Summary - Preliminary					2014 Detail by Category		
	2013 Budget	2014 Budget	Chg \$ 2013- 2014	Change %	Public Safety	General Govt	Yarrow Bay
REVENUE							
Public Safety Revenue support							
Property Taxes	1,403,648	1,421,983	18,335	1.3%	1,421,983		
Utility & Gambling Taxes	532,150	579,100	46,950	8.8%	579,100		
Criminal Justice Sales Tax	91,930	95,800	3,870	4.2%	95,800		
Liquor Tax	5,000	0	-5,000	-100.0%	0		
Liquor Profits	36,500	37,500	1,000	2.7%	37,500		
Court Fines and Fees	105,000	106,500	1,500	1.4%	106,500		
Fire EMS Taxes	53,700	54,700	1,000	1.9%	54,700		
Police Grants & Charges for Service & Misc.	72,990	57,510	-15,480	-21.2%	57,510		
Subtotal Public Safety Revenue	2,300,918	2,353,093	52,175	2.3%	2,353,093		
General Government Support							
Sales Tax	270,000	280,000	10,000	3.7%		280,000	
Land Use and Permitting Fees	70,290	66,295	-3,995			66,295	
State Assistance	32,000	49,000	17,000	53.1%		49,000	
Recycle Grants & Misc. Grants	15,920	15,925	5			15,925	
Cable Franchise Fee	57,500	55,000	-2,500			55,000	
Parks & Cemetary Fees	27,600	26,200	-1,400	-5.1%		26,200	
Passport Fees	8,000	14,600	6,600	82.5%		14,600	
Alloc for software Mtc, Cr Card Fees, TR/AP post-pr	18,400	24,930	6,530	35.5%		24,930	
Alloc for code update. It, Fin, Permit Mtc-non YB	56,349	51,930	-4,419	-7.8%		51,930	
Other Misc Revenue	39,125	28,450	-10,675	-27.3%		28,450	
Subtotal General Government Revenue	595,184	612,330	17,146	2.9%		612,330	
Subtotal Operating Revenue	2,896,102	2,965,423	69,321	2.4%			
YarrowBay Funding Agreement - Preliminary	1,513,440	1,511,140	-2,300	-0.2%			1,511,140
Total General Fund Operating Revenue	4,409,542	4,476,563	67,021	1.5%	2,353,093	612,330	1,511,140
EXPENDITURES							
Public Safety Expenditures							
Police Department	1,630,407	1,632,382	1,975	0.1%	1,632,382		
Fire Department	458,729	474,711	15,982	3.5%	474,711		
Municipal Court	132,128	147,399	15,271	11.6%	147,399		
Court Public defender	15,000	17,000	2,000	13.3%	17,000		
Court Prosecution	25,600	30,000	4,400	17.2%	30,000		
Animal Control	8,368	11,900	3,532	42.2%	11,900		
Emergency Management	5,000	2,500	-2,500	-50.0%	2,500		
Subtotal Public Safety Expenditures	2,275,232	2,315,892	40,660	0	2,315,892		
Executive	13,686	14,876	1,190	8.7%		14,876	
Legislative	2,500	14,708	12,208	488.3%		14,708	
Administration	260,345	136,616	-123,729	-47.5%		136,616	
City Clerk	81,378	228,749	147,371	181.1%		80,632	148,117
Finance	258,337	246,136	-12,201	-4.7%		10,423	235,713
Information Services	144,109	100,143	-43,966	-30.5%		7,967	92,176
Legal	62,750	70,500	7,750	12.4%		70,500	
Natural Resources/Parks	169,577	171,291	1,714	1.0%		20,291	151,000
Master Development Review Team	513,607	588,352	74,745	14.6%		0	588,352
Community Development	137,038	165,008	27,970	20.4%		61,967	103,041
Hearing Examiner(including SEPA Appeal)	13,100	30,000	16,900	129.0%		30,000	
Economic Development	1,050	1,550	500	47.6%		1,550	
Facilities-staff & Misc	102,103	87,894	-14,209	-13.9%		7,475	80,419
Facilities Bldg Mtc-Funding agreement	122,143	112,322	-9,821	-8.0%		0	112,322
Parks	46,939	56,227	9,288	19.8%		56,227	
Cemetery	15,357	14,428	-929	-6.0%		14,428	
Central Services and Employee Recognition	36,960	36,726	-234	-0.6%		36,726	
Subtotal General Government	4,256,211	2,075,526	94,547	2.2%		564,386	1,511,140
Total General Fund Operating Expenditures	4,256,211	4,391,418	135,207	3.2%	2,315,892	564,386	1,511,140
Surplus		85,145			39,745	47,944	0

General Fund Expenditure Summary	2013 Amended Budget	2013 Actuals	2014 Budget	13 to 14 Budget Change	% Budget Change
Public Safety					
Prosecuting Attorney	25,600	24,000	30,000	4,400	17.2%
Municipal Court	147,128	151,901	164,399	17,271	11.7%
Police Department	1,630,407	1,553,562	1,632,382	1,975	0.1%
Fire Department	458,729	448,264	474,711	15,982	3.5%
Animal Control	8,368	8,659	11,900	3,532	42.2%
EMS Management	5,000	3,714	2,500	(2,500)	-50.0%
Total Public Safety	2,275,232	2,190,100	2,315,892	40,660	1.8%
Maintenance of Building and Grounds					
Information Services	144,109	143,454	100,143	(43,966)	-30.5%
Capital Facilities , Maint and Operations	224,246	210,461	200,216	(24,030)	-10.7%
Parks	46,939	46,394	56,227	9,288	19.8%
Cemetery	15,357	15,768	14,428	(929)	-6.0%
Central Services	36,960	27,073	36,726	(234)	-0.6%
Total Maintenance of Building and Grounds	467,611	443,150	407,740	(59,871)	-12.8%
Development of Community					
Community Development	150,138	170,934	195,008	44,870	29.9%
Natural Resources	169,577	168,077	171,291	1,714	1.0%
Economic Development	1,050	1,084	1,550	500	47.6%
Master Development Review Team	513,607	451,226	588,352	74,745	14.6%
Total Development of community	834,372	791,321	956,201	121,829	14.6%
Core Staff					
Executive - Mayor	13,686	13,924	14,876	1,190	8.7%
Legislative- City Council	2,500	3,876	14,707	12,207	488.3%
Administration	260,345	227,236	136,617	(123,728)	-47.5%
City Clerk	81,378	116,904	228,749	147,371	181.1%
Finance	258,337	243,879	246,136	(12,201)	-4.7%
Legal General	62,750	66,564	70,500	7,750	12.4%
Total Core Staff	678,996	672,383	711,585	32,589	4.8%
Total Operating General Fund	4,256,211	4,096,954	4,391,418	135,207	3.2%
One-time-only expenditures-Development	759,000	396,436	669,000	(90,000)	-11.9%
Total General Fund Expenditures	5,015,211	4,493,390	5,060,418	45,207	0.9%
Ending Cash and Investments General Govt.	551,248	644,198	630,432	79,184	14.4%
Ending Cash and Investments-Development	261,119	299,129	126,500	(134,619)	-51.6%
Total Ending C&I Balance	812,367	943,327	756,932	(55,435)	-6.8%
Total Uses General Fund	5,827,578	5,436,717	5,817,350	(10,228)	-0.2%

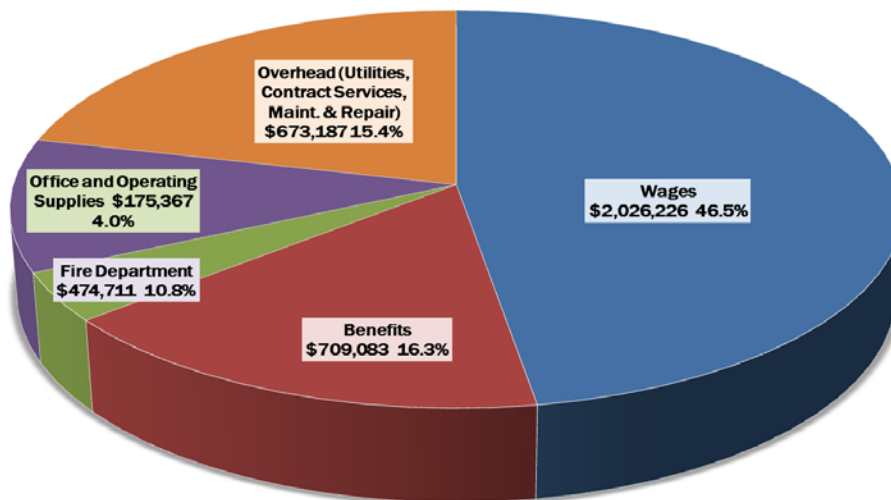
General Fund NET Operating Summary	2014 Final Budget	Less Funding Agreement	NET Expenditures
Public Safety			
Prosecuting Attorney	30,000		30,000
Municipal Court	164,399		164,399
Police Department	1,632,382		1,632,382
Fire Department	474,711		474,711
Animal Control	11,900		11,900
EMS Management	2,500		2,500
Total Public Safety	2,315,892		2,315,892
Maintenance of Building and Grounds			
Information Services	100,143	(92,176)	7,967
Capital Facilities , Maint and Operations	200,216	(192,739)	7,477
Parks	56,227		56,227
Cemetery	14,428		14,428
Central Services	36,726		36,726
Total Maintenance of Building and Grounds	407,740	(284,915)	122,825
Development of Community			
Community Development	195,008	(103,041)	91,967
Natural Resources	171,291	(151,000)	20,291
Economic Development	1,550		1,550
Master Development Review Team	588,352	(588,352)	-
Total Development of community	956,201	(842,393)	113,808
Core Staff			
Executive - Mayor	14,876		14,876
Legislative- City Council	14,707		14,707
Administration	136,617		136,617
City Clerk	228,749	(148,117)	80,632
Finance	246,136	(235,715)	10,421
Legal General	70,500		70,500
Total Core Staff	711,585	(383,832)	327,753
Total Operating General Fund	4,391,418	(1,511,140)	2,880,278

**2014 General Fund Operating Expenditures by
Type of Program**



**Total Operating Expenditures
\$4,391,418**

**2014 General Fund Operating Expenditures by
Type of Cost**



Total Operating Expenditures: \$4,391,418

2014 Preliminary Budget Funding Agreement

Version (e)

MDRT	FTE	Salaries	Benefits	2014
Exec Dir-EC Dev & Eng Svs	1.00	102,600	40,963	143,563
Comm Development Director	1.00	96,053	26,467	122,519
Utilities/Construction Supervisor	1.00	84,019	39,726	123,745
MDRT Senior Accountant/Adm Asst	0.75	48,826	24,910	73,736
Subtotal MDRT Staff	3.75	331,498	132,066	463,564
MDRT-Expenses				33,659
MDRT Computers/Vehicle				30,000
FF&E				61,129
Total MDRT	3.75	331,498	132,066	588,352
Core Agreement (254)				
City Clerk/Resources Manager	1.00	103,635	44,482	148,117
Public Works Director	0.49	52,487	22,133	74,620
Natural Resources/Parks Director	1.00	104,779	46,221	151,000
Information Services Manager	Contracted	92,176		92,176
Finance Director	0.80	113,590	10,135	123,725
Deputy Finance Director	1.00	87,152	24,838	111,990
Permit Center Supervisor	1.00	79,587	23,454	103,041
Facilities Equipment Coordinator	0.80	56,372	24,046	80,418
SubTotal Core Salary & Benefits	6.09	689,779	195,309	885,088
Core FF&E				112,320
Total Core	9.84	689,779	195,309	997,408
Total Funding Agreement Operating Cost *		1,021,276	327,375	1,585,760
Other MDRT Legal & Consultant Reimbursables				485,000
Grand Total Funding Agreement		1,021,276	327,375	2,070,760
* RECAP:			Savings	
2013 City Budget	1,844,306		Code Enforce	16,500
YB Feb 2013 Cost Inspec	123,745		MDRT Sr. Plan	94,460
2013 Base Budget	1,968,051		Util Adm Asst	94,365
less 2014 reduction	-360,000		1/2 PW Dir	74,620
less 2014 MDRT Exp Red	-22,291		Information Technology	42,357
Total 2014 Funding *	1,585,760		Ffinance Director	7,902
			City Clerk	9,032
General Fund	1,511,140		Fac Cood	14,213
Public Works funds	74,620		FF&E	6,551
Total 2014 Budget	1,585,760			360,000

City of Black Diamond, Washington
Funding Agreement Budget Reductions 2013-2014

	Original 2013 Budget	2013 Funding Cuts		2014 Funding Cuts Continued and additional cuts	
General Fund					
MDRT Staff 3.75	\$440,237	(\$50,000)	1/2 yr planner	(\$94,460)	Vacant MDRT Sr. Plan
MDRT Other Exp	\$85,950				
Total MDrt Budget	\$526,187	(\$50,000)		(\$94,460)	
Core Staff 7.25	\$894,514	(\$16,500)	Absorb Code	(\$16,500)	Absorb code
				(\$42,357)	Contract Technology
				(\$9,032)	Red Asst CA to Clerk
				(\$7,902)	Dec Fin Dir Reti to actual
				(\$14,213)	Rec Fac to 80%
FF&E MDRT & Core	\$180,000			(\$6,551)	Red Fac Mtc FF&E Costs
Total General Fund	\$1,600,701	(\$66,500)		(\$191,015)	General Fund Red.
Public Work funds					
Core Staff 2.0	\$243,604	(\$53,500)	1/2 Yr Adm As	(\$94,365)	Util Abs.PW Adm Ast.
				(\$74,620)	Util Abs 1/2 PW Dir
Total Public Works	\$243,604	(\$53,500)		(\$168,985)	Public Works Red
Total Funding Budget	\$1,844,305	(\$120,000)		(\$360,000)	Total 2014 Red
Recap					
*Base Funding Agreement				\$1,844,305	
Reduction				(\$360,000)	
Base 2013 Funding Budget				\$1,484,305	
Yarrow Bay added					
Construction Inspector				\$123,745	
Less MDRT Costs 2014				(\$22,290)	
Net 2014 addition				\$101,455	
Total 2014 Funding Budget				\$1,585,760	
General Fund				\$1,511,140	
Public Works Funds				\$74,620	
Total 2014 Funding Revenue				\$1,585,760	
*(See page 34 in 2013 Budget Document)					

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 work studies 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 may receive a stipend of \$160 per month, with the Mayor Pro Tem eligible to receive \$200 per month. The 2013 Council Budget includes no stipend (wages) for Council Members or Mayor Pro Tem as a result of voluntary action by Council Members. The 2014 Budget added back stipend wages and an increase for training.

City of Black Diamond 2014 Budget Development						
Legislative	Actual 2012	Budget 2013	Actual 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Wages	10,080	-	2,080	10,080	10,080	100.00%
Benefits	820	-	169	829	829	100.00%
Wages & Benefits Subtotal	10,900	-	2,249	10,909	10,909	100.00%
Services (1)	1,474	2,500	1,628	3,800	1,300	52.00%
TOTAL	12,374	2,500	3,876	14,709	12,209	488.36%
(1) Wage increase due to reinstating full year salary & benefits after 2013 voluntary reduction.						



Skate Park (Located on Park Street)

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.

City of Black Diamond - Executive						
2014 Budget Development						
Executive	Actual 2012	Budget 2013	Actual 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Wages (1)	12,000	12,000	12,000	12,000	0	0.00%
Benefits	962	986	957	986	(0)	-0.01%
Wage & Benefit Subtotal	12,962	12,986	12,957	12,986	(0)	0.00%
Supplies	29	100	-	100	0	0.00%
Services (2)	285	600	967	1,790	1,190	198.33%
-	13,276	13,686	13,924	14,876	1,190	8.69%
(1) Wages for the Mayor are unchanged for 2014.						
(2) Services include phone costs not previously budgeted in this account.						



Swings adjacent to Skate Park (Located on Park Street)

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 expenditures for the contract City Administrator and are budgeted here with a portion allocated to Street and Utility Funds.

City of Black Diamond						
2014 Budget Summary						
Administration	Actual	Budget	Actual	Budget	Budget Increase (Decrease)	Budget Increase (Decrease)
	2012	2013	2013	2014	\$	%
Wages (1)	111,684	112,528	145,088	110,559	(1,969)	-1.75%
Benefits (2)	41,814	44,689	43,573	15,100	(29,589)	-66.21%
Wages & Benefits Subtotal	153,498	157,217	188,661	125,659	(31,558)	-20.07%
Supplies	342	200	220	200	0	0.00%
Services (3)	62,840	102,928	38,355	10,757	(92,171)	-89.55%
-	216,679	260,345	227,236	136,616	(123,729)	-47.53%
(1) Wages reflect the net impact of moving the City Administrator from contract services to employee and moving the City Clerk/Asst. City Administrator to City Clerk/Human Resources.						
(2) Benefits Include mandatory employer costs (taxes, retirement, which represents the majority of the increase & medical with 0% increase).						
(3) Services reduced to move City Administrator contracted services to employee costs for 2014.						



Lake Sawyer Regional Park

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, and 10% of the Administrative Assistant. Also reflected in this budget are expenses for voter costs, code updates, advertising and other Clerk related expenditures.

City of Black Diamond						
2014 Budget Development						
City Clerk / Human Resources Manager	Actual 2012	Budget 2013	Actual 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Wages (1)	35,759	36,275	62,160	140,278	104,003	286.71%
Benefits (2)	18,369	19,248	30,008	64,176	44,928	233.42%
Wage & Benefit Subtotal	54,128	55,523	92,168	204,454	148,931	268.23%
Supplies	199	250	28	250	0	0.00%
Services (3)	18,375	25,605	24,708	24,045	-1,560	-6.09%
City Clerk Total	72,703	81,378	116,904	228,749	147,371	181.09%
(1) Wages include 1% COLA increase and two Furlough Day deductions. Salaries & Benefits increase represent move of the City Clerk/Human Resource Manager from Administration, 6% of the Deputy City Clerk and 10% of the Administrative Assistant.						
(2) Benefits include mandatory employer costs (taxes, retirement (which represents the majority of the increase) and medical (no increase)).						
(3) Services include \$6,800 2014 election costs paid in 2014 and \$4,000 for a city code update.						

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. The finance director and deputy finance director salaries and benefits are 100% reimbursed by the Funding Agreement. The decrease is due to the frozen unfunded Senior Accountant Position.

City of Black Diamond						
2014 Budget Development						
Finance	Actual 2012	Budget 2013	Actual thru August 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Wages (1)	203,150	198,817	198,798	200,743	1,926	0.97%
Benefits (2)	36,472	42,965	33,155	34,972	(7,993)	-18.60%
Wage & Benefit Subtotal	239,621	241,782	231,953	235,715	(6,067)	-2.51%
Supplies	218	400	213	300	(100)	-25.00%
Services (3)	7,297	16,155	11,714	10,121	(6,034)	-37.35%
-	247,137	258,337	243,879	246,136	(12,201)	-4.72%
(1) Wages include 1% COLA increase and two Furlough Days deducted. Finance Director and Deputy Finance Director salary and benefits 100% reimbursed through the funding agreement.						
(2) Benefits include mandatory employer costs (taxes, retirement & medical). Decrease due to removing provision for Finance Director retirement.						
(3) 2014 costs reduction due to the semi annual audit (cost occurs every other year).						

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. In the 2014 budget Council eliminated the Information Technology position and outsourced the technology services to the City of Auburn and Vision Technology & Accounting Services.

City of Black Diamond - Information Services						
2014 Budget Development						
Information Services	Actual 2012	Budget 2,013	Actual 2,013	Budget 2,014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Wages (1)	99,276	101,025	104,556	0	-101,025	-100.00%
Benefits (2)	32,892	34,790	33,561	0	-34,790	-100.00%
Wage & Benefit Subtotal	132,168	135,815	138,117	0	-135,815	-100.00%
Supplies	79	300	291	300	0	0.00%
Services (3)	9,082	7,994	5,046	99,843	91,849	1148.98%
Total Information Services	141,329	144,109	143,454	100,143	-43,966	-30.51%
(1) Wage elimination reflects the move from employee to contract services for IS.						
(2) Benefit elimination reflects the move from employee to contract services for IS.						
(3) Services include \$75,220 for City of Auburn technology contract services and \$12,000 for Vision Accounting technology services.						

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. This position was reduced to 80% time in the 2014 Budget.

City of Black Diamond						
2014 Budget Development						
Facilities	Actual 2012	Budget 2013	Actual thru August 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Wages (1)	68,030	69,236	69,221	56,373	-12,863	-18.58%
Benefits (2)	22,600	25,483	24,592	24,047	-1,436	-5.64%
Wage & Benefit Subtotal	90,630	94,719	93,812	80,419	-14,300	-15.10%
Supplies (3)	803	3,100	1,105	3,000	-100	-3.23%
Services (4)	2,469	4,284	3,321	4,475	191	4.45%
Total Facility Costs	93,903	102,103	98,239	87,894	-14,209	-13.92%
(1) Wages include 1% Cola increase and two Furlough Days deducted. Salaries & Benefits are 100% reimbursed through the Funding Agreement. Reduction of full time to 80% time FTE.						
(2) Benefits include mandatory employer costs (taxes, retirement and medical, reduced to 80 % FTE.						
(3) Supplies include fuel & tools.						
(4) Services include vehicle costs.						

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.

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.

City of Black Diamond - Legal						
2014 Budget Development						
Legal	Actual 2012	Budget 2013	Actual 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Legal Services - All (1)	47,228	62,750	62,216	70,500	7,750	12.35%
Declaratory Judgement & Capital Facilities Cost	11,212	-	4,348	-		
Total Legal	58,440	62,750	66,564	70,500	7,750	12.35%
Prosecutor						
Prosecuting Attorney	35,200	25,600	24,000	30,000	4,400	17.19%
Total	93,640	88,350	90,564	100,500	12,150	13.75%
(1) Largest area of increase is legal services for contract negotiations of Police contract..						



Ball Field (Located next to Skate Park and Black Diamond Elementary)

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 and 4th Wednesday of each month. The Court office is open Monday through Thursday from 8:30 a.m. to 5:00 p.m.

Budget for the Court includes a 85% part-time Court Administrator, one part- time Court Clerk and contracted services provided by a judge, and public defender. Budget is also needed for security and other miscellaneous expenses such as interpreters, office supplies, training and credit card fees.

City of Black Diamond						
2014 Budget Development						
Municipal Court	Actual 2012	Budget 2013	Actual thru August 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Wages (1)	79,850	61,783	61,223	72,039	10,256	16.60%
Benefits (2)	20,236	19,058	18,946	21,443	2,385	12.51%
Wages & Benefits Subtotal	100,085	80,841	80,169	93,482	12,641	15.64%
Supplies (3)	1,150	1,600	1,579	1,470	-130	-8.13%
Services (4)	47,223	42,881	40,161	42,447	-434	-1.01%
Police Security O/T	8,636	6,806	7,943	10,000	3,194	46.93%
Total Court	157,095	132,128	129,851	147,399	15,271	11.56%
Court-Public Defender	12,600	15,000	22,050	17,000	2,000	13.33%
TOTAL	169,695	147,128	151,901	164,399	17,271	11.74%
(1) Wages include a 1% COLA and Increase to 85% time for the Court Administrator.						
(2) Benefits include mandatory employer costs (taxes, retirement (which represents the majority of the increase) and medical (no increase)).						
(3) Supplies-operating supplies.						
(4) Services include telephone, security, court interpreters, witness costs as well as printing of forms, insurance and credit card processing costs for receiving court payments.						

Police Department

The Black Diamond Police Department is currently operating with a chief, commander, two patrol sergeants and four patrol officers. Four additional positions remain unfunded in 2013. The police department also has a full time records manager and a part-time records clerk. The 9.6 % overall reduction in the Police Operating Budget in 2013 was due to the reduction of two police officers.

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

City of Black Diamond
2014 Budget Development

Police Department	Actual 2012	Budget 2013	Actual 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Operating						
Wages (1)	1,030,181	907,840	885,077	922,520	14,680	1.62%
Benefits (2)	349,173	338,129	315,062	353,619	15,490	4.58%
Wages & Benefits Subtotal	1,379,354	1,245,969	1,200,139	1,276,139	30,170	2.42%
Supplies (3)	57,652	57,650	46,687	51,100	-6,550	-11.36%
Services (4)	81,115	88,690	61,857	75,163	-13,527	-15.25%
-	1,518,121	1,392,309	1,308,683	1,402,402	10,093	0.72%
Communication						
Communication Expense (5)	125,905	122,100	135,283	123,100	1,000	0.82%
Safety Equipment						
Safety Equipment Total	940	1,000	998	1,000	0	0.00%
Jail						
Jail Total	16,503	29,300	48,565	33,800	4,500	15.36%
Police Facilities						
Facilities Total	25,361	23,298	21,616	22,880	-418	-1.79%
Civil Service						
Civil Service Total	2,510	2,550	3,776	2,950	400	15.69%
Marine Grant						
Marine Grant Total	39,160	36,000	14,951	17,800	-18,200	-50.56%
Criminal Justice						
Criminal Justice (6)	28,331	23,850	19,691	28,450	4,600	19.29%
Total Department						
Police Department Total	1,756,830	1,630,407	1,553,561	1,632,382	1,975	0.12%
(1) Wages include Step Increases (\$7,248) & 3% Cola for represented personnel, 1% for non-represented.						
(2) Benefits include mandatory employer costs such as taxes, L&I (represents the largest increase) retirement and medical (no increase).						
(3) Supplies includes \$32,000 for fuel, \$6,900 for uniforms and \$7,000 for fire arms.						
(4) Services includes \$44,079 for liability, building & vehicle insurance, a \$12,984 decrease over 2013 and \$14,200 vehicle maint.						
(5) Communication increase due to increased Valley Comm fees and an increase in calls for service.						
(6) Cost increase due to Tiburon Software Maintenance cost.						

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 2014 budget recognizes the cost of services agreed to in the 2008 Interlocal Agreement between the City and Fire District.

City of Black Diamond						
2014 Budget Development						
Fire Department	Actual 2,012	Budget 2,013	Actual thru August 2,013	Budget 2,014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Fire Dist 44 Prof Serv (1)	442,300	455,569	442,300	469,236	13,667	3.00%
PR Svcs KC Fire Investigation	2,649	1,503	3,620	2,800	1,297	86.29%
Other Operating cost	1,660	1,657	2,344	2,675	1,018	61.44%
0	446,609	458,729	448,263	474,711	15,982	3.48%
(1) 2014 Contract Services for Fire District 44 include a 3% CPI estimate.						

Animal Control

Expenditures represent the payment to King County for providing animal control services.

City of Black Diamond						
2014 Budget Development						
Animal Control	Actual 2012	Budget 2013	August 2013	Budget 2014	Budget Request Increase (Decrease) \$	Budget Request Increase (Decrease) %
Animal Control Prof Svcs	11,988	8,368	8,659	11,900	3,532	42.21%
Animal Control Total	11,988	8,368	8,659	11,900	3,532	42.21%

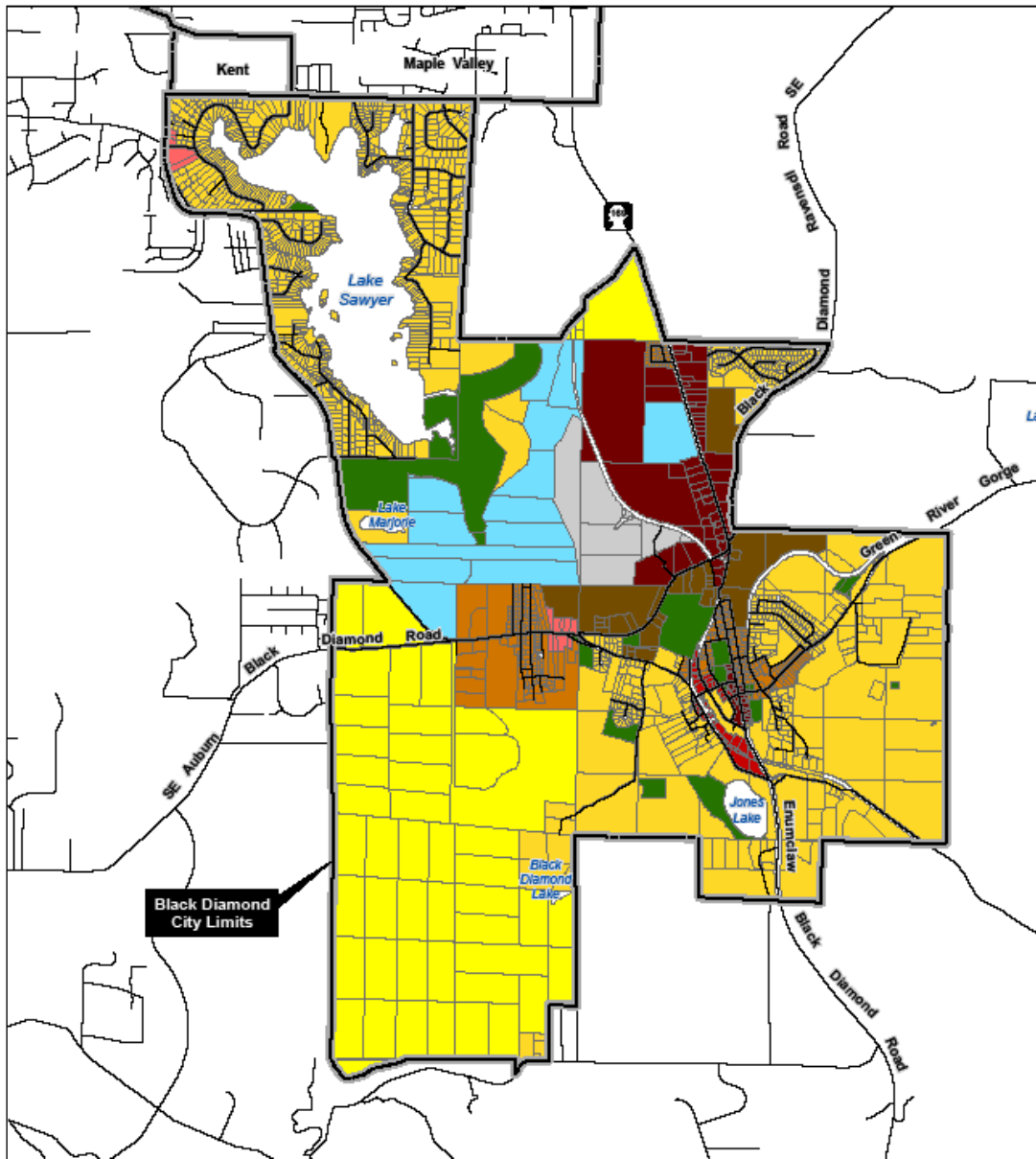
Emergency Management expenditures go toward the purchase emergency supplies.

Emergency Management	Actual 2012	Budget 2013	August 2013	Budget 2014	Budget Request Increase \$	Budget Request Increase %
Emergency Management Training	89	2,500	830	2,500	-	0.00%
EMS MGMT Operating Supplies	4,791	2,500	2,884	-	(2,500)	-100.00%
Emergency Management Total	4,880	5,000	3,714	2,500	(2,500)	-50.00%
Decrease due to radios being purchased in 2013.						

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 a Director and a Permit Supervisor. The Senior Planner was left vacant and unfunded for the 2014 Budget. 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.

City of Black Diamond						
2014 Budget Development						
Community Development	Actual 2012	Budget 2013	Actual 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Planning	89,520	7,408	8,744	-	0.0%	(7,408)
Permitting	154,553	128,857	156,880	165,008	28.1%	36,151
Code Enforcement	31,943	13,273	2,518	-	-100.0%	(13,273)
Hearing Examiner Appeals	37,155	13,100	2,791	30,000	129.0%	16,900
Community Development Total	313,171	162,638	170,934	195,008	19.9%	32,370
Planning						
Wages (1)	61,504	-	-	-		
Benefits (2)	15,983	-	-	-		
Wage & Benefit Subtotal	77,487	-	-	-		
Supplies	686	300	185	-	-300	-100.00%
Services	11,347	7,108	8,560	-	-7,108	-100.00%
Total Planning	89,520	7,408	8,744	-	-7,408	-100.00%
Permitting						
Wages (1)	93,871	79,430	79,475	79,587	157	0.20%
Benefits (2)	24,602	21,737	22,474	23,454	1,717	7.90%
Wage & Benefit Subtotal	118,473	101,167	101,949	103,041	1,874	1.85%
Supplies	372	2,050	2,079	1,700	-350	-17.07%
Services (3)	35,708	25,640	52,852	60,267	34,627	135.05%
Total Permitting	154,553	128,857	156,880	165,008	36,151	28.06%
Code Enforcement						
Wages (1)	10,789	12,500	-	-	-12,500	0.00%
Benefits (2)	2,550	-	-	-		
Wage & Benefit Subtotal	13,339	12,500	-	-	-12,500	0.00%
Supplies	-	50	15	-	-50	-100.00%
Services (4)	18,604	723	2,503	-	-723	-100.00%
Total Code Enforcement	31,943	13,273	2,518	-	-13,273	-100.00%
Hearing Examiner						
Hearing Examiner/Appeals	37,155	13,100	2,791	30,000	16,900	129.01%
Total Hearing Examiner	37,155	13,100	2,791	30,000	16,900	129.01%
(1) Wages include 1% COLA increase and two Furlough Days deducted. Salaries & Benefit costs for all personnel 100% reimbursed through the funding agreement.						
(2) Benefits include mandatory employer costs (taxes, retirement (which represents the majority of the increase) and medical (no increase)).						
(3) Permitting Services include \$39,100 Inspection Service cost & \$9,000 Permit Software maintenance cost.						
(4) Code Enforcement Services have been assumed by other staff.						



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.

City of Black Diamond 2014 Budget Development						
Natural Resources	Actual 2012	Budget 2013	Actual 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Wages (1)	102,251	102,719	102,971	104,779	2,060	2.01%
Benefits (2)	40,840	44,735	44,007	46,224	1,489	3.33%
Wages & Benefits Subtotal	143,091	147,454	146,978	151,003	3,549	2.41%
Supplies	33	100	142	-	(100)	-100.00%
Services (3)	20,075	22,023	20,957	20,291	(1,732)	-7.87%
Total Natural Resources	163,198	169,577	168,077	171,293	1,716	1.01%
(1) Wages include a 1% COLA and two Furlough Days deducted.						
All Wages and benefits are 100% fully funded through the Funding Agreement.						
(2) Benefits include mandatory employer costs (taxes, retirement (which represents the majority of the increase) and medical (no increase).						
(3) Services include recycling costs of \$15,000.						



Lake Sawyer Regional Park

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.

City of Black Diamond						
2014 Budget Development						
Economic Development	Actual 2012	Budget 2013	Actual thru August 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Wages (1)	32,768	-	-	-		
Benefits (2)	12,036	-	-	-		
Wage & Benefit Subtotal	44,804	-	-	-		
Supplies	25	500	84	500		
Services (3)	517	550	1,000	1,050		
-	45,345	1,050	1,084	1,550	500	47.62%
(1) Economic Development Wage costs have been relocated to the Master Plan Development Team.						
(2) Economic Development Benefit costs have been relocated to the Master Plan Development Team.						
(3) Increase due to addition of advertising costs.						

City of Black Diamond						
2014 Budget Development						
Master Development Review Team	Actual 2012	Budget 2013	Actual 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Wages (1)	165,396	284,891	277,437	331,498	46,607	16.36%
Benefits (2)	45,620	97,409	97,298	132,066	34,657	35.58%
Wages & Benefits Subtotal	211,016	382,300	374,735	463,564	81,264	21.26%
Supplies (3)	1,148	2,400	3,496	4,400	2,000	83.33%
Services (4)	12,918	26,050	16,841	29,258	3,208	12.32%
Capital (5)	1,281	45,000	765	30,000	(15,000)	-33.33%
FF&E Allocation	-	57,857	55,389	61,129	3,272	100.00%
Total MDRT	226,363	513,607	451,226	588,351	74,744	14.55%
All Master Plan Development Team costs are 100% fully reimbursed through the Funding Agreement.						
(1) Wages include a 1% COLA increase and two Furlough Days deducted. Increase for 2014 reflects the addition of a Construction Superintendent to the Master Plan Review Team (MDRT).						
(2) Benefits include mandatory employer costs (taxes, retirement (which represents the majority of the increase) and medical (no increase). The major increase to benefits are a result of adding the Construction Superintendent.						
(3) Supplies includes fuel, postage and supplies						
(4) Services include vehicle insurance & maintenance as well as memberships and training & other operating costs.						
(5) Capital includes the acquisition of a vehicle for \$30,000.						
(6) FF&E allocation for 3.75 employees - 100% reimbursed.						

City of Black Diamond
2014 Budget Development

MDRT Consultants	Actual	Budget	Actual thru August	Budget	Budget Increase (Decrease)	Budget Increase (Decrease)
	2012	2013	2013	2014	\$	%
FA/MDRT Legal Services	51,107	60,000	12,214	60,000	0	0.00%
MDRT Fiscal Analysis-Henderson & Young	67,574	50,000	31,283	60,000	10,000	20.00%
MDRT Civil Engineering-RH2 Engineering	114,521	200,000	184,930	200,000	0	0.00%
MDRT Traffic Engineering-Parametrix	21,456	55,000	3,808	50,000	-5,000	-9.09%
MDRT Enviromental Consultant-Perteet	26,407	30,000	11,365	55,000	25,000	83.33%
MDRT Geotech-Sub Terra	0	30,000	0	30,000	0	0.00%
MDRT Surveyor Parametrix	1,858	50,000	1,620	30,000	-20,000	-40.00%
MDRT Consultant Cost (1)	282,923	475,000	245,219	485,000	10,000	2.11%
MDRT Vehicle	19,718	0	0	0		
MDRT Total	302,641	475,000	245,219	485,000	10,000	2.11%

(1) All Costs are 100% Reimbursed through the Funding Agreement.

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.

City of Black Diamond
2014 Budget Development

Funding Agreement SEPA	Actual	Budget	Actual	Budget	Budget Increase (Decrease)	Budget Increase (Decrease)
	2012	2013	2013	2014	\$	%
Funding Agreement SEPA Costs	138,648	84,000	44,512	84,000	0	0.00%
General Facilities Costs-Makers		200,000	106,705	100,000	-100,000	-50.00%
Refund Application Fees	305,318	0	0	0	0	
Funding Agreement SEPA Total	443,966	284,000	151,217	184,000	-100,000	-35%

All costs are 100% reimbursed through the Funding Agreement.

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 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 costs were reduced to 4%. Parking fees were increased in 2013 to help cover costs.

City of Black Diamond						
2014 Budget Development						
Parks	Actual 2,011	Budget 2012	Actual 2012	Budget 2013	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Wages (1)	26,790	14,901	11,397	15,049	148	0.99%
Benefits (2)	10,163	5,919	4,873	6,055	136	2.29%
Wages & Benefits Subtotal	36,953	20,820	16,270	21,104	284	1.36%
Supplies	7,624	3,665	6,340	6,104	2,439	66.55%
Services	22,453	22,454	23,784	29,017	6,563	29.23%
-	67,030	46,939	46,394	56,225	9,286	19.78%
(1) Wages include 1% COLA increase and two Furlough Days deducted for non Public Works personnel.						
(2) Benefits include mandatory employer costs (taxes, retirement (which represents the majority of the increase) and medical (no increase)).						
(3) Supplies include fuel and operating supplies.						
(4) Services include the annual cost of the venue pay station (\$3,000), parks share of shop costs, insurance, utility costs as well as Museum and Community Center insurance. Insurance and Utilities and the cost of the boat launch paystation have increased for 2014.						



Lake Sawyer Boat Launch area

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 @ 2%.

City of Black Diamond						
2014 Budget Development						
Cemetery	Actual 2012	Budget 2013	Actual 2013	Budget 2014	Budget Request Increase (Decrease) \$	Budget Request Increase (Decrease) %
Wages (1)	10,166	8,410	9,265	7,463	(947)	-11.26%
Benefits (2)	4,334	3,983	4,195	3,633	(350)	-8.78%
Wage & Benefit Subtotal	14,500	12,393	13,460	11,096	(1,297)	-10.46%
Supplies (3)	1,259	1,270	1,190	1,420	150	11.81%
Services (4)	3,596	1,294	935	1,611	317	24.53%
Taxes/Transfers/Other (5)	264	400	183	300	(100)	-25.00%
Total	19,619	15,357	15,768	14,428	(929)	-6.05%
(1) Wages include 1% COLA increase and two Furlough Days deducted for non Public Works personnel.						
(2) Benefits include mandatory employer costs (taxes, retirement which represents the majority of the increase) & medical (no increase).						
(3) Supplies include fuel, safety equipment & tools.						
(4) Services include share of insurance, shop & vehicle maintenance & security costs.						
(5) Excise taxes.						

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.

City of Black Diamond - Central Services						
2014 Budget Development						
Central Services	Actual 2012	Budget 2013	Actual 2013	Budget 2014	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Supplies (1)	6,589	5,476	4,597	7,500	2,024	36.96%
Services (2)	28,063	30,184	21,537	27,726	-2,458	-8.14%
KC Mental Health	895	1,300	939	1,500	200	15.38%
Central Services Total	35,547	36,960	27,073	36,726	(234)	-0.63%

(1) Supplies include \$3,500 for postage & \$1,997 for General Insurance, supplies for all Departments.

(2) Services include city wide memberships such as Suburban Cities, AWC, Software maintenance, Banking costs, newsletter costs, postage & printing of vouchers, checks & receipts.

Capital Facilities Department

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.

City of Black Diamond						
2014 Budget Development						
Funding Agreement	Actual	Budget	Actual	Budget Request	Budget Increase (Decrease) \$	Budget Increase (Decrease) %
Core FF&E	2011	2012	2012	2013		
Funding Agreement Facility Cost (1)	177,343	122,143	112,222	112,322	-9,821	-8.04%
Total Funding Agreement Facility Costs	177,343	122,143	112,222	112,322	-9,821	-8.04%
(1) Yarrow Bay facilities costs includes rental of land & buildings, modules, utilities, maintenance and of general facility costs at City Hall site. These costs are 100% reimbursed through the Funding Agreement.						

Special Revenue Funds



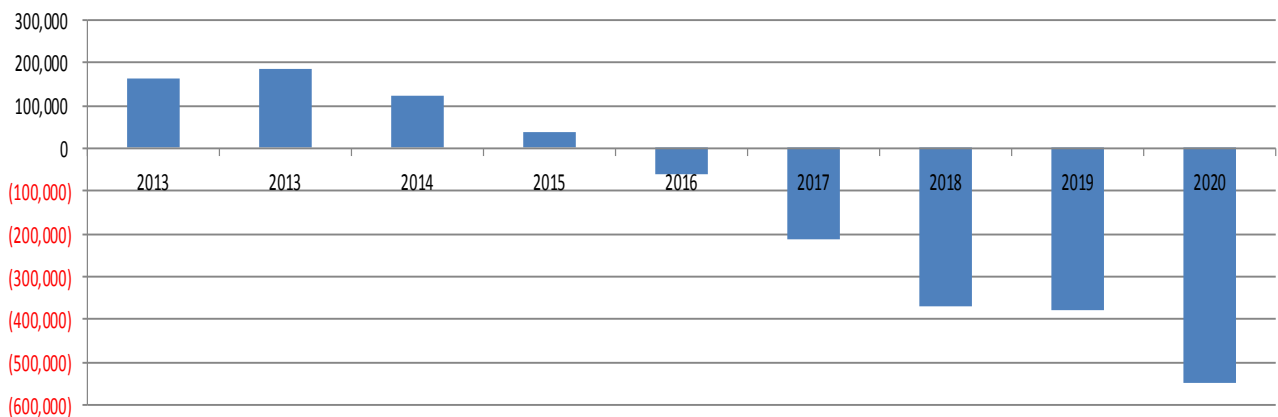
Lake Sawyer

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.

2014 Budget-Street Fund						
STREET FUND REVENUE	2012 Actual	2013 Adj Budget	2013 Actual	2014 Budget	2014 - 2013 NET CHANGE \$	2014 - 2013 NET CHANGE %
Street Gas Tax	85,007	84,000	86,206	85,700	1,700	2.0%
Transfer In-REET II				50,000	50,000	
Street/Sidewalk cut/Curb variance			300	1,000	1,000	
Street Civil Inspection Fees			7,017	0	0	
Right of way permit	3,650	1,000	2,784	3,600	2,600	260.0%
Grant Reim. Proj mgmt					0	
Charges for service/Misc	30		1,017	600	600	
Operating Revenue	88,687	85,000	97,323	140,900	5,900	6.9%
YarrowBay-Sal & Ben Reimb	44,116	47,590	36,697	18,655	(28,935)	-60.8%
Investment Interest	554	600	351	600	0	0.0%
Total Other Revenue	44,670	48,190	37,048	19,255	(28,935)	-60.0%
Total All Revenue	133,357	133,190	134,371	160,155	(23,035)	-17.3%
Beginning Cash & Invest. Balance -Unreserved	328,145	262,584	262,584	186,087	(76,497)	-29.1%
Total Sources	461,502	395,774	396,956	346,242	(99,532)	-25.1%
STREET FUND EXPENDITURES						
Total Salaries & Benefits	96,488	139,872	121,918	123,090	(17,194)	-12.3%
Total Supplies	8,292	9,790	7,946	10,572	781	8.0%
Total Services & Charges	64,138	75,147	70,139	78,898	4,164	5.5%
Total Operating Expenses	168,918	224,809	200,004	212,560	(12,249)	-5.4%
Transfer out-CIP Street Preservation						
Transfer back from RR Ave Project						
Transfer to 310 Fund						
Transfer for Equipment-CIP	10,000	10,000	10,000	10,000	0	0.0%
Transfer out Abrams	20,000					
Total Other Expenditures	30,000	10,000	10,000	10,000	0	0.0%
Total All Expenditures	198,918	234,809	210,004	222,560	(12,249)	-5.2%
Total Ending Cash & Investments	262,584	160,965	186,952	123,682	(37,283)	-23.2%
Total Uses	461,502	395,774	396,956	346,242	(49,532)	-12.5%

City of Black Diamond, Washington
Street Fund Six Year Forecast

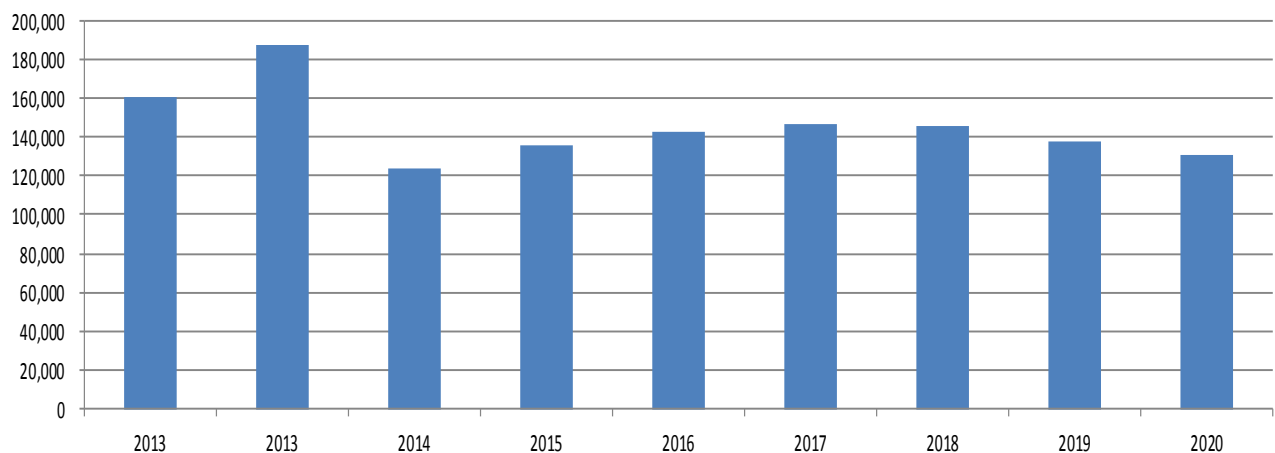
	2013	2013	2014	2015	2016	2017	2018	2019	2020
General Fund Revenue	Budget	Actual	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Gas Tax (31.60 per capita)	84,000	86,206	85,700	86,557	87,423	88,297	89,180	90,072	90,972
Right of Way Permits	1,000	575	1,000	1,020	1,040	1,061	1,082	1,104	1,126
Transfer In-REET II			50,000	50,000	50,000				
Other Revenue	600		4,800	4,896	4,994	5,094	5,196	5,300	5,406
Fund Agreement	60,965	60,965	60,965	60,965					
1st Yr Reduction	(13,375)	(13,375)							
2nd Yr Reduction			(42,310)						
3rd Yr Reduction				(60,965)					
Total Operating Revenue	133,190	134,371	160,155	142,473	143,457	94,452	95,458	96,475	97,504
Street Fund Expenditures									
Salaries	97,568	96,080	100,396	102,404	104,452	106,541	108,672	110,845	113,062
Benefits	42,304	40,584	42,292	44,407	46,627	48,958	51,406	53,976	56,675
Grant/Proj Adm		(14,746)	(20,000)	(21,000)	(22,050)	(23,153)	(24,310)	(25,526)	(26,802)
Supplies	9,790	7,946	10,571	11,100	11,655	12,237	12,849	13,492	14,166
Street Lights	28,500	31,426	31,000	32,550	34,178	35,886	37,681	39,565	41,543
Other Services & Charges	46,647	38,713	48,301	50,716	53,252	55,914	58,710	61,646	64,728
Transfers to Cap Equip & ot	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Total Operating Spending	234,809	210,003	222,560	230,176	238,113	246,385	255,008	263,998	273,373
Change in Reserves	(101,619)	(75,632)	(62,405)	(87,703)	(94,656)	(151,933)	(159,550)	(167,523)	(175,869)
Ending Reserves	160,965	186,952	123,682	35,979	(58,677)	(210,610)	(370,160)	(378,133)	(546,029)
	68.55%	89.02%	55.57%	15.63%	-24.64%	-85.48%	-145.16%	-143.23%	-199.74%



City of Black Diamond, Washington

Street Fund six Year Foreca: With Forecast New Revenue Option

	2013	2013	2014	2015	2016	2017	2018	2019	2020
General Fund Revenue	Budget	Actual	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Gas Tax (31.60 per capita)	84,000	86,206	85,700	86,557	87,423	88,297	89,180	90,072	90,972
Right of Way Permits	1,000	575	1,000	1,020	1,040	1,061	1,082	1,104	1,126
Transfer In-REET II			50,000						
Other Revenue	600		4,800	4,896	4,994	5,094	5,196	5,300	5,406
Fund Agreement	60,965	60,965	60,965	60,965					
1st Yr Reduction	(13,375)	(13,375)							
2nd Yr Reduction			(42,310)						
3rd Yr Reduction				(60,965)					
Transfer of Rev or Growth				150,000	153,000	156,060	159,181	159,181	162,365
Total Operating Revenue	133,190	134,371	160,155	242,473	246,457	250,512	254,639	255,656	259,869
Street Fund Expenditures									
Salaries	97,568	96,080	101,047	103,068	105,129	107,232	109,377	111,564	113,795
Benefits	42,304	40,584	42,306	44,421	46,642	48,974	51,423	53,994	56,694
Grant/Proj Adm		(14,746)	(20,000)	(21,000)	(22,050)	(23,153)	(24,310)	(25,526)	(26,802)
Supplies	9,790	7,946	10,571	11,100	11,655	12,237	12,849	13,492	14,166
Street Lights	28,500	31,426	31,000	32,550	34,178	35,886	37,681	39,565	41,543
Other Services & Charges	46,647	38,713	48,311	50,727	53,263	55,926	58,722	61,658	64,741
Transfers to Cap Equip	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Total Operating Spending	234,809	210,003	223,235	230,865	238,817	247,104	255,742	264,748	274,138
Change in Reserves	(101,619)	(75,632)	(63,080)	11,608	7,640	3,408	(1,103)	(9,091)	(14,269)
Ending Reserves	160,965	186,952	123,872	135,480	143,120	146,528	145,426	137,437	131,156
	68.55%	89.02%	55.49%	58.68%	59.93%	59.30%	56.86%	51.91%	47.84%



107 Fire Impact Fees	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
Fire Impact Fees		7,000	10,366	15,000	8,000	114.3%
Subtotal Fire Impact Fees Revenue		7,000	10,366	15,000		
Beg Cash & Investments				5,000		
Total Fire Impact Fees Fund Sources		7,000	10,366	20,000	13,000	185.7%
EXPENDITURES						
Transfer to Fire Equipment Reserves				20,000		
Total Fire Impact Fees Expenditures				20,000		
Ending Cash & Investments		7,000	10,366		(7,000)	
Total Fire Impact Fees Fund Uses		7,000	10,366	20,000	13,000	185.7%

Internal Service Funds



Lake Sawyer Boat Launch

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 Replacement	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
Transfer from Fire Impact Fees				20,000	20,000	100.0%
LGIP Investment Interest Fire Equipment	77		28	100	100	100.0%
Transfer in REET I	36,165			25,000	25,000	100.0%
Sale of Fire Surplus Vehicles		10,000	2,201		(10,000)	-100.0%
Subtotal Revenue	36,242	10,000	2,229	45,100	35,100	351.0%
Beg Cash & Invest Unreserved - Fire Equip	34,636	1,378	1,378	47,724	46,346	3363.3%
Total Fire Equipment Revenue	70,878	11,378	3,607	92,824	81,446	715.8%
EXPENDITURES						
Repairs & Maintenance - Surplusing		1,378		500	(878)	-64%
Fire Equipment Replacement	69,500		100	67,324	67,324	100%
Future Fire Bldg/Equip				25,000	25,000	100%
Subtotal Fire Expenditures	69,500	1,378	100	92,824	91,446	6636%
Ending Cash & Investments - Fire	1,378	10,000	3,507		(10,000)	-100%
Subtotal 510 Fire Equipment Uses	70,878	11,378	3,607	92,824	81,446	715.8%

510 -2 PW Equipment Replacement	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
LGIP Investment Interest City Equipment	253	300	198	300		
Sale of PW Equip	9,500		472			
Subtotal Interest & Other Revenue	9,753	300	670	300		
Transfer in from Water Fund	10,000	10,000	10,000	10,000		
Transfer in from Wastewater Fund	10,000	10,000	10,000	10,000		
Transfer in from Stormwater Fund	10,000	10,000	10,000	10,000		
Transfer in from Street Fund	10,000	10,000	10,000	10,000		
Subtotal 510 Fund Transfers	40,000	40,000	40,000	40,000		
Subtotal 510 Fund Revenue	49,753	40,300	40,670	40,300		
Beg Cash & Invest Unreserved - City Equip	134,578	150,321	150,321	140,000	(10,321)	-6.9%
Total 510 Fire Equip. Fund Sources	184,331	190,621	190,992	180,300	(10,321)	-5.4%
EXPENDITURES						
Grader Engine Repair				10,000	10,000	100.0%
Grass mower Deck or Attachment		6,500		5,000	(1,500)	-23%
Shop Generator			3,531			100%
Utility Truck Purchase	25,761	37,943	32,707		(37,943)	-100%
Pw Sander/Snow Plow	2,785					
Pw Utility Trailer	4,735					
Radios for Utilities		5,000	838		(5,000)	-100%
Surplus Costs	730	1,500	123		(1,500)	-100%
Subtotal City Equipment Expenditures	34,011	50,943	37,199	15,000	(35,943)	-70.6%
Ending Cash & Investments - City	150,321	139,678	153,793	165,300	25,622	18.3%
Total 510 City Equip. Fund Sources	184,331	190,621	190,992	180,300	(10,321)	-5.4%

510 -3 Police Vehicle Replacement	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
LGIP Interest Income			8			
Transfer in REET I	45,000	10,000	10,000	20,000	10,000	100.0%
Police Sale of Surplus Equipment	11,050		1,641			
Subtotal Police Vehicle Revenue	56,050	10,000	11,649	20,000	10,000	100%
Beginning Cash & Investments		11,051	11,051	17,500	6,449	58.4%
Total Police Equipment Revenue	56,050	21,051	22,700	37,500	16,449	78%
EXPENDITURES						
Police Vehicles	44,999	1,500	707		(1,500)	-100.0%
Replace Police Radios		19,551		37,500	17,949	91.8%
Subtotal Police Equipment Expenditures	44,999	21,051	707	37,500	16,449	78.1%
Ending Cash & Investments - City	11,051		21,993			
Total Police Vehicle Expenditures	56,050	21,051	22,700	37,500	16,449	78.1%

BMX Bike Track (Located on Lawson Street across from the Gym)

Utility Funds



Lake Sawyer Regional Park Trail
(Parking lot is located on Lake Sawyer Road SE with cross street being 312th Street)

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.

2014 BUDGET- Water Operating Fund

WATER FUND REVENUE	2012 Actual	2013 Budget	2013 Actual	2014 Budget	2014-2013 NET CHANGE \$	2014-2013 NET CHANGE %
User Charges	436,916	438,500	459,233	580,300	141,800	32.3%
Civil Inspections Fee			7,017	0	0	0.0%
Late Charges & Name Changes	17,455	16,500	17,068	16,000	-500	-3.0%
Subtotal Operating Revenue	454,371	455,000	483,319	596,300	141,300	31.1%
YarrowBay PW Reimbursement	65,558	47,550	39,520	18,655	-28,895	-60.8%
Deposits and Reimbursements/Misc	1,098	100	1,755	1,000	900	900.0%
New water meter setting	2,085	2,000	2,000	2,000	0	0.0%
Investment Interest	121	125	136	130	5	4.0%
Insurance Reimbursement	5,006				0	0.0%
Transfer from Water Capital Fund	150,000	150,000	150,000	80,000	-70,000	-46.7%
Debt Reimb from Developer	677,101	671,063	669,597	99,833	-571,230	-85.1%
Subtotal Other Revenue	900,969	870,838	863,007	201,618	-669,220	-76.8%
Total Revenue	1,355,340	1,325,838	1,346,326	797,918	-527,920	-39.8%
Beg Cash and Investment Balance - Reserved	89,620	99,392	99,392	98,104	-1,288	-1.3%
Beg C&I Balance - Unreserved	18,077	8,590	8,590	39,668	31,078	361.8%
Total Beg Cash & Investment	107,697	107,982	107,982	137,772	29,790	27.6%
Total Sources	1,463,037	1,433,820	1,454,308	935,690	-498,130	-34.7%
WATER FUND EXPENDITURES						
Total Salaries and Benefits	177,538	169,593	159,044	169,238	-355	-0.2%
Total Supplies	29,560	31,050	24,407	32,893	1,843	5.9%
Total Services & Charges	173,975	184,626	182,254	202,651	18,025	9.8%
Total Operating Expenditures	381,073	385,269	365,705	404,782	19,513	5.1%
Transfer for Equipment-CIP	10,000	10,000	10,000	10,000	0	0.0%
Transfer for Water Comp Plan update				5,000	5,000	
WW Interfund Loan for Meters	46,000	46,000	46,000	46,920	920	2.0%
Debt Services	934,275	920,453	907,263	336,090	-584,363	-63.5%
Subtotal Other Expenditures	927,982	976,453	963,263	398,010	-568,443	-58.8%
Total Expenditures	1,355,055	1,361,722	1,328,968	802,792	-550,430	-40.7%
Total Ending Cash & Investments	107,982	72,098	125,340	132,898	60,800	84.3%
Total Uses	1,463,037	1,433,820	1,454,308	935,690	-498,130	-34.7%

City of Black Diamond, Washington
Water Utility Fund
Six Year Cash Forecast

NO MPD Growth

Water Fund	2013 Act	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget
Possible Rate Increase	12/31/2013	01/14 15%	01/15 15%					
Operating Begin Cash Bal	107,982	137,772	122,095	124,826	127,637	127,638	130,530	133,509
Capital & Reserve Cash Bal	624,136	251,707	501,660	372,804	326,456	331,093	325,972	222,333
Total Beg Cash & Inv.	732,118	389,479	623,755	497,630	454,093	458,731	456,502	355,842
Operating Revenue	483,319	580,300	650,000	650,000	650,000	650,000	650,000	650,000
Misc Revenue-Wtr Op	3,891	19,130	19,704	20,295	20,904	21,531	21,531	22,177
Misc Revenue-Wtr Res	49,468	900	927	55,955	57,634	59,363	59,363	61,144
Funding Reimbursement	39,520	18,655	0	0	0	0	0	0
Connection Charges	23,906	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Trf fr REET II Capt Proj	30,000	25,000						
CBDG Grant 4th Ave Wtr Main	146,857	225,000						
Interfund Loan Paint res		214,000						
Downtown Wtr Main Repl		225,000						
Total Water Fund Sources	776,961	1,327,985	690,631	746,250	748,538	750,894	750,894	753,320
Water Fund Expenditures								
Salaries & Bene	120,684	129,286	149,372	152,359	155,407	158,515	161,685	164,919
Benefits	52,388	54,952	66,450	69,108	71,872	74,747	77,737	80,847
Proj Mgmt Credit	(14,029)	(15,000)	(15,300)	(15,606)	(15,918)	(16,236)	(16,236)	(16,561)
Supplies	24,407	32,893	34,209	35,577	37,000	38,480	38,480	40,019
Services & Charges	128,964	136,651	140,067	143,569	147,158	150,837	154,608	158,473
B&O & Util Tax	53,290	66,000	75,000	75,000	75,000	75,000	75,000	75,000
Transfers to Equip Repl/Comp	10,000	15,000	10,000	10,000	10,000	10,000	10,000	10,000
Sub Total Operating Uses	375,704	419,782	459,798	470,007	480,519	491,343	501,274	512,697
PWTF Net Debt Svs	237,446	236,257	230,500	217,700	216,300	214,700	203,200	203,200
Water Meters- Sewer Loan	46,221	46,920	46,460					
New Debt Ser-Paint Res.				47,080	47,080	47,080	47,080	47,080
Sub total Debt Service	283,667	283,177	276,960	264,780	263,380	261,780	250,280	250,280
5th Ave Water Main	145,653							
Paint Res		214,000						
Down Town Wtr Line Repl		250,000						
Springs Project	74,288	35,180						
Water Line Replacement							70,000	
4.3 Res Repaint							30,000	
Misc Prof Svs & Meters	2,767	8,000						
Water Comp Plan update			80,000	55,000				
Total Water Fund Uses	882,079	1,210,139	816,758	789,787	743,899	753,123	851,554	762,977
Change in Cash & Inv	(105,118)	117,846	(126,127)	(43,537)	4,638	(2,229)	(100,660)	(9,656)
Ending Cash & Invest Bal	627,000	507,325	497,628	454,093	458,731	456,502	355,842	346,186
Cash & Investment Balance needs to cover three months of operating expenditures per city resolutions No. #08-850 & 13-866.								
Note Beginning Cash & Investment Balance								
Capital and Reserve Cash & Investment Balance should be maintained to cover next years debt payment per best practices and fiscal responsibility. Note Beginning cash & Investment Balance.								
If growth or future rate increases are added, funds will be available to begin replacing old water lines at a faster pace. Current plan is to fund replacement with Grants.								

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 2013.

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	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
DT Wtr Repl-Grant Match		15,000	15,000	25,000	10,000	66.7%
LGIP Investment Interest	742		625	900	900	100.0%
Water Connection Charges	17,929	20,000	23,906	20,000		
CDBG Grant 5th Ave Water Main	9,143	187,150	146,857	225,000	37,850	20.2%
Downtown Water Line Replacement - Grant				225,000	225,000	100.0%
REET II		15,000	15,000			
Paint Reservoir - Interfund Loan				214,000	214,000	100.0%
Transfer reimb from Developer Contribution	281,115	32,200	34,715		(32,200)	-100.0%
Subtotal Water Capital Fund Revenue	308,930	269,350	236,103	709,900	440,550	163.6%
Beg Cash & Investment Unreserved	392,225	504,125	504,125	146,527	(357,598)	-70.9%
Total Water Capital Fund Sources	701,155	773,475	740,228	856,427	82,952	10.7%
EXPENDITURES						
5th Ave Water Main Replacement	36,293	207,200	145,653		(207,200)	-100%
New Water Meters	541	5,519		5,000	(519)	-9%
Reservoir Painting & Mtc.		15,000		214,000	199,000	1327%
Replace Poles at Springs		20,000			(20,000)	-100%
Transfer out to Water Fund 401-for debt	150,000	150,000	150,000	80,000	(70,000)	-47%
Professional Services - Water	3,719	1,281	2,767	3,000	1,719	134%
Downtown Water Line Replacement				250,000	250,000	100%
Previous year WSFFA Transfer	6,476					
Subtotal Water Capital Fund Expenditures	197,030	399,000	298,420	552,000	153,000	38.3%
Ending Cash & Investments	504,126	374,475	441,809	304,427	(70,048)	-18.7%
Total Water Capital Fund Uses	701,155	773,475	740,228	856,427	82,952	10.7%

Water Debt Payment Schedule

WSFFA 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 WSFFA Fund*	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
*Water Supply Facility Funding Agreement						
REVENUE						
Developer Contribution Springs/Task 3	66,467	225,000	13,997		(225,000)	-100%
Springs/Task 3	22,844					
LGIP Investment Interest	77		131			
Subtotal WSFFA Revenue	89,388	225,000	14,128		(225,000)	-100.0%
Beg Cash & Investments	33,261	120,011	120,011	105,180	(14,831)	-12.4%
Total WSFFA Fund Sources	122,649	345,011	134,139	105,180	(239,831)	-69.5%
EXPENDITURES						
Springs/Task 3- Engineering	2,639	225,035	57,028	35,180	(189,855)	-84.4%
WSFFA Legal Services			876			
WSFFA-BD Staff Cost Alloc			16,384			
Total WSFFA Expenditures	2,639	225,035	74,288	35,180	(189,855)	-84.4%
Ending Cash & Investments Unreserved	120,011	119,976	59,851	70,000	(49,976)	-41.7%
Total WSFFA Fund Uses	122,650	345,011	134,139	105,180	(239,831)	-69.5%

Sewer 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.

2014 Budget - Sewer Fund

SEWER FUND REVENUE	2012 Actual	2013 Adj. Budget	2013 Actual	2014 Budget	2014 - 2013 Net Change \$	2014 - 2013 Net Change %
User Charges	637,938	693,000	692,136	694,750	1,750	0.3%
Operating Revenue	637,938	693,000	692,136	694,750	1,750	0.3%
Other Revenues						
Civil Inspection Fee			5,847	-	-	-
Misc Reimb	1,420	1,500	2,545	1,825	325	21.7%
YarrowBay PW Director Reimburse	65,558	47,550	38,199	18,655	(28,895)	-60.8%
Investment Interest	84	100	108	100	-	0.0%
Insurance Recovery	1,975	1,974		-	(1,974)	-100.0%
Transfer from Capital or Operating	50,000	85,000	85,000	80,000	(5,000)	-5.9%
Total Other Revenue	119,037	136,124	131,699	100,580	-35,544	-26.1%
Total Revenue	756,975	829,124	823,835	795,330	-33,794	-4.1%
Beg Cash & Investments - Unreserved	52,507	87,738	87,738	138,409	50,671	57.8%
Beg C&I Bal-Reserved	29,378					
Total Beg Cash and Investments	81,885	87,738	87,738	138,409	50,671	57.8%
Total Sources	838,860	916,862	911,573	933,739	16,877	1.8%
SEWER FUND EXPENDITURES						
Total Salaries & Benefits	177,240	168,067	169,383	167,336	-2,756	-1.6%
Total Supplies	15,588	13,350	11,037	14,510	1,160	8.7%
Total Services & Charges	116,394	136,897	121,647	119,818	-15,054	-11.0%
Subtotal Operating Expenses	309,222	318,314	302,066	301,664	-16,650	-5.2%
Other Expenses						
King County Metro	431,900	494,000	472,825	474,600		
Total Payment Sewer Treatment	431,900	494,000	472,825	474,600		
Total Operating Expenditures	741,122	812,314	774,891	776,264	-36,050	-4.4%
Capital Expenses						
Transfer for Equipment-CIP	10,000	10,000	10,000	10,000		
Transfer for Sewer portion Comp PI		0	-	5,000		
Subtotal Other Expenditures	10,000	10,000	10,000	15,000		
Total Expenses	751,122	822,314	784,891	791,264	-31,050	-3.8%
Total Ending Cash and Investments	87,738	94,548	126,682	142,475	47,927	50.7%
Total Uses	838,860	916,862	911,573	933,739	16,877	1.8%

City of Black Diamond, Washington **No MPD Growth**
Sewer Utility Operating and capital reserve Fund
Six Year Forecast

Sewer Fund	2013 Actual	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget
City Monthly Sewer Rate		19.45	19.84	20.24	20.64	21.05	21.05	21.48
Operating Begin Cash Bal	87,738	138,409	142,475	145,325	148,231	151,196	154,220	38,846
Capital & Reserve Cash Bal	870,554	805,767	428,767	371,612	262,874	149,796	32,194	
Total Beg Cash & Inv.	958,292	944,176	571,242	516,937	411,105	300,992	186,414	38,846
Operating Revenue-City	219,311	220,150	224,553	229,044	233,625	238,297	238,297	243,063
Operating Revenue-Metro	472,825	474,600	501,178	501,178	533,755	533,755	544,430	544,430
Operating possible Rate Inc.								
Misc Revenue	8,500	1,925	1,983	2,042	2,103	2,167	2,167	2,232
Misc Proj Interest	1,273							
Funding Reimbursement	38,199	18,655	0	0	0	0	0	0
Connection Charges	6,400	6,000	3,200	3,200	3,200	3,200	3,200	3,200
PWTF Loan Cedarbrook						330,000		
PWTF Loan Morganville								440,000
Total Sewer Fund Sources	746,508	721,330	730,914	735,464	772,683	1,107,419	788,094	1,232,925
Sewer Fund Expenditures								
Salaries & Bene	119,570	125,986	146,006	148,926	151,905	154,943	158,042	161,202
Benefits	52,126	54,325	65,798	68,430	71,167	74,014	76,974	80,053
Project Management	(2,313)	(15,000)	(15,300)	(15,606)	(15,918)	(16,236)	(16,236)	(16,561)
Supplies	11,037	14,510	15,090	15,694	16,322	16,975	16,975	17,654
Services & Charges	69,494	69,223	70,954	72,727	74,546	76,409	78,319	80,277
B&O & Util Tax	52,152	52,620	53,672	54,746	55,841	56,958	56,958	58,097
Metro Reimbursement	472,825	474,600	501,178	501,178	533,735	533,735	544,430	544,430
Transfers to Cap Equip	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Transfer to Sewer Comp Plan		5,000						
Sub Total Operating Uses	784,891	791,264	847,398	856,095	897,597	906,797	925,461	935,152
Loan Income-Technology	(40,064)							
Loan Income-Stormwater	(30,064)	(10,200)						
Loan Income-Water Meters	(46,221)	(47,800)	(47,380)					
Loan Income-Wtr Paint Res.		214,000	(42,800)	(42,800)	(42,800)	(42,800)	(42,800)	
New Debt Ser-Cedarbrook.							25,000	25,000
New Debt Ser-Morganville								
Sub total Debt Service	(116,349)	156,000	(90,180)	(42,800)	(42,800)	(42,800)	(17,800)	25,000
Infiltration & Inflow		30,000	25,000	25,000	25,000	25,000	25,000	25,000
Decommission Old Lagoon	5,951	24,000						
Lawson Pump Station		10,000						
MorganPump Station	0	80,000						
Morganville Force Main								440,000
Cedarbrook Sewer Main						330,000		
Misc Prof Svs/Trf	2,767	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Sub total Capital Proj	8,718	147,000	28,000	28,000	28,000	358,000	28,000	468,000
Total Water Fund Uses	677,260	1,094,264	785,218	841,295	882,797	1,221,997	935,661	1,428,152
Change in Cash & Inv	69,248	(372,934)	(54,305)	(105,831)	(110,113)	(114,577)	(147,567)	(195,227)
Ending Cash & Invest Bal	1,027,540	571,242	516,937	411,105	300,992	186,414	38,846	(156,381)
Cash & Investment Balance needs to cover three months of operating expenditures per city resolutions No. #08-850 & 13-866.								
Note Beginning Cash & Investment Balance								
Council authorized an annual inflationary increase each year beginning in 2014. This provides a very minimal increase that does not provide revenue to cover operating expenditures and will continue to decrease the Cash & Investment reserves until the amount has used all available funds. Either new revenue from Growth or future rates increases will need to be added to keep This fund solvent in the future.								

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

The 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 2013.

408 Sewer Capital Fund	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
Connection/Hook up Fees	4,800	6,000	6,400	6,000		
Loan Repay - Stormwater	30,000			10,000	10,000	100.0%
Loan Repay - Technology	40,000					
Loan Repay - Water Meters	46,000			46,000	46,000	100.0%
Loan repay, Interfund	1,840	116,000	116,000		(116,000)	-100.0%
LGIP Investment Interest	3,014	3,780	1,622	2,000	(1,780)	-47.1%
Insurance Claim recovery	37,367					
Subtotal Wastewater Capital Revenue	163,021	125,780	124,022	64,000	(61,780)	-49.1%
Beginning Cash & Investments	765,050	870,554	870,554	805,767	(64,787)	-7.4%
Total Wastewater Capital Sources	928,071	996,334	994,576	869,767	(126,567)	-12.7%
EXPENDITURES						
Infiltration & Inflow	2,640	30,000		30,000		
Lawson Lift Station Engineering		50,000		10,000	(40,000)	-80%
Decommision Old Lagoon		24,456	5,951	24,000	(456)	-2%
Professional Services	3,381	4,108	2,767	3,000	(1,108)	-27%
Emergency Repairs	1,495					
Morganville Sewer Lift Station		80,000		80,000		
Transfer to Sewer Operating Fund	50,000	85,000	85,000	80,000	(5,000)	-6%
Internal Loan - Paint Water Reservoir				214,000	214,000	100%
Subtotal Wastewater Capital Expenditures	57,517	273,564	93,718	441,000	167,436	61.2%
Ending Cash & Investments	870,554	722,770	900,858	428,767	(294,003)	-40.7%
Total Wastewater Capital Fund Uses	928,071	996,334	994,576	869,767	(126,567)	-12.7%

Stormwater Fund 410 utility services help to protect the natural environment from the impacts of stormwater runoff by properly 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.

2014 BUDGET-Stormwater Fund-Operation						
STORMWATER REVENUE FUND	2012 Actual	2013 Adj. Budget	2013 Actual	2014 Budget	2014 - 2013 NET CHANGE \$	2014 - 2013 NET CHANGE %
REVENUE						
Stormwater Charges	284,647	303,000	293,430	334,000	31,000	10.2%
Operating Revenue	284,647	303,000	293,430	334,000	31,000	13.2%
Other Revenue						
Civil Inspection Fees			3,508			
YarrowBay-PW Dir Reimburse	65,558	47,550	41,720	18,655	(28,895)	-60.8%
Miscellaneous Revenue			990			
Insurance recovery	1,975				0	
Investment Interest	90	100	60	50	(50)	-50.0%
Total Other Revenue	67,623	47,650	46,278	18,705	(28,945)	(1)
Total Revenue	352,270	350,650	339,708	352,705	2,055	0.6%
Beg Cash & Inv Bal-Unreserved	57,826	82,200	82,200	98,456	16,256	19.8%
Total Sources	410,097	432,850	421,908	451,161	18,311	4.2%
EXPENDITURES						
Total Salaries & Benefits	179,426	166,553	165,373	166,897	344	0.2%
Total Supplies	14,069	14,000	10,949	14,726	726	5.2%
Total Service & Charges	93,742	126,541	123,865	143,636	34,649	27.4%
Total Operating Expenses	287,237	307,094	300,188	325,259	35,719	11.6%
Transfer for Equipment-CIP	10,000	10,000	10,000	10,000	0	0.0%
Debt repayment-100,000	30,660	20,300	30,064	0	(20,300)	-100.0%
Debt Repayment-50,000	0	10,200		10,200	0	0.0%
Grant Expenditures					0	
Comp Plan				5,000	5,000	
Total Other Expenditures	40,660	40,500	40,064	25,200	(15,300)	-37.8%
Total Expenditures	327,897	347,594	340,252	350,459	20,419	5.9%
Total Ending Cash & Investments	82,200	85,256	81,656	100,702	15,446	18.1%
Total Uses	410,097	432,850	421,908	451,161	35,865	8.3%

City of Black Diamond, Washington **No MPD Growth**

Stormwater Utility Fund

Six Year Financial Forecast

Stormwater Fund	2013 Actual	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget
Possible Monthly Rates	14.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00
Operating Begin Cash Bal	82,200	98,456	100,702	65,945	3,468	(66,958)	(145,568)	(230,151)
Capital & Reserve Cash Bal	(53,015)	0						
Total Beg Cash & Inv.	29,185	98,456	100,702	65,945	3,468	(66,958)	(145,568)	(230,151)
Operating Revenue-City	293,430	334,000	334,000	334,000	334,000	334,000	334,000	334,000
Operating possible Rate Inc.								
Misc Revenue	4,558	50	100	100	100	100	100	100
Funding Reimbursement	41,720	18,655	0	0	0	0	0	0
DOE Grant	113,171	33,000	17,000					
Design Stormwater Pond Gr		120,000						
Transfer in Gr Mtg or REET II		40,000						
Total Stormwater Fund Source:	452,879	545,705	351,100	334,100	334,100	334,100	334,100	334,100
Stormwater Fund Expenditures								
Salaries & Bene	120,168	123,067	143,028	145,889	148,806	151,782	154,818	157,914
Proj Mgmt-S&B allocation	(7,033)	(10,000)	(10,200)	(10,404)	(10,612)	(10,824)	(10,824)	(11,041)
Benefits	52,238	53,830	65,283	67,894	70,610	73,434	76,372	79,427
Supplies	10,949	14,726	15,315	15,928	16,565	17,227	17,227	17,916
Services & Charges	78,537	71,799	73,594	75,434	77,320	79,253	79,253	81,234
B&O & Util Tax	45,329	71,837	71,837	71,837	71,837	71,837	71,837	71,837
Transfers to Cap Equip/Comp	10,000	15,000	10,000	10,000	10,000	10,000	10,000	10,000
Sub Total Operating Uses	310,188	340,259	368,857	376,577	384,526	392,710	398,683	407,288
Debt Svs-Sewer Loan	30,064	10,200						
Sub total Debt Service	30,064	10,200	0	0	0	0	0	0
Street Sweep/Cln/Debre dis	23,351	33,000	17,000	20,000	20,000	20,000	20,000	20,000
DOE Grant	36,805		0	0	0	0	0	0
Design Stormwater Pond		160,000						
Grant & Capital Proj Exp	60,156	193,000	17,000	20,000	20,000	20,000	20,000	20,000
Total Stormwater Fund Uses	400,408	543,459	385,857	396,577	404,526	412,710	418,683	427,288
Change in Cash & Inv	52,471	2,246	(34,757)	(62,477)	(70,426)	(78,610)	(84,583)	(93,188)
Ending Cash & Invest Bal	81,656	100,702	65,945	3,468	(66,958)	(145,568)	(230,151)	(323,339)
Cash & Investment Balance needs to cover three months of operating expenditures per city resolutions No. #08-850 & 13-866.								
Note Beginning Cash & Investment Balance								
Stormwater Scenario includes the adopted 2014 rates @ 16.00 per month. A DOE Grant will cover the Street								
Sweeping/Debris Disposal costs through 2015. If future DOE Grants are not continued the Stormwater Fund will need								
Growth or rate increases to cover operating cost deficit and Street Cleaning costs in 2015 and beyond. Approximately								
\$2.00 of the increase will be needed to cover the Catch basin Cleaning, Street Sweeping, storage and disposal that had been								
covered by a DOE grant in the past. Future Capital Projects will need to be covered by Grants and are not included.								

City of Black Diamond, Washington **With DOE Grant/No MPD Growth**

Stormwater Utility Fund

Six Year Financial Forecast

Stormwater Fund	2013	2014	2015	2016	2017	2018	2019	2020
Possible Monthly Rates	Actual	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	14.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00
Operating Begin Cash Bal	82,200	98,456	100,702	65,045	22,568	(27,858)	(86,468)	(151,051)
Capital & Reserve Cash Bal	(53,015)	0						
Total Beg Cash & Inv.	29,185	98,456	100,702	65,045	22,568	(27,858)	(86,468)	(151,051)
Operating Revenue-City	293,430	334,000	334,000	334,000	334,000	334,000	334,000	334,000
Operating possible Rate Inc.								
Misc Revenue	4,558	50	100	100	100	100	100	100
Funding Reimbursement	41,720	18,655	0	0	0	0	0	0
DOE Grant	113,171	33,000	17,000	30,000	30,000	30,000	30,000	30,000
Design Stormwater Pond Gr		120,000						
Transfer in Gr Mtg or REET II		40,000						
Total Stormwater Fund Source:	452,879	545,705	351,100	364,100	364,100	364,100	364,100	364,100
Stormwater Fund Expenditures								
Salaries & Bene	120,168	123,067	143,028	145,889	148,806	151,782	154,818	157,914
Proj Mgmt-S&B allocation	(7,033)	(10,000)	(10,200)	(10,404)	(10,612)	(10,824)	(10,824)	(11,041)
Benefits	52,238	53,830	65,283	67,894	70,610	73,434	76,372	79,427
Supplies	10,949	14,726	15,315	15,928	16,565	17,227	17,227	17,916
Services & Charges	78,537	71,799	73,594	75,434	77,320	79,253	79,253	81,234
B&O & Util Tax	45,329	71,837	71,837	71,837	71,837	71,837	71,837	71,837
Transfers to Cap Equip/Comp	10,000	15,000	10,000	10,000	10,000	10,000	10,000	10,000
Sub Total Operating Uses	310,188	340,259	368,857	376,577	384,526	392,710	398,683	407,288
Debt Svs-Sewer Loan	30,064	10,200						
Sub total Debt Service	30,064	10,200	0	0	0	0	0	0
Street Sweep/Cln/Debris dis	23,351	33,000	17,000	30,000	30,000	30,000	30,000	30,000
DOE Grant	36,805		0	0	0	0	0	0
Design Stormwater Pond		160,000						
Grant & Capital Proj Exp	60,156	193,000	17,000	30,000	30,000	30,000	30,000	30,000
Total Stormwater Fund Uses	400,408	543,459	385,857	406,577	414,526	422,710	428,683	437,288

Change in Cash & Inv	52,471	2,246	(34,757)	(42,477)	(50,426)	(58,610)	(64,583)	(73,188)
Ending Cash & Invest Bal	81,656	100,702	65,945	22,568	(27,858)	(86,468)	(151,051)	(224,239)

Cash & Investment Balance needs to cover three months of operating expenditures per city resolutions No. #08-850 & 13-866.

Note Beginning Cash & Investment Balance

Stormwater Scenario includes the adopted 2014 rates @ 16.00 per month. A DOE Grant will cover the Street Sweeping/Debris Disposal costs through 2015. If future DOE Grants are not continued the Stormwater Fund will need Growth or rate increases to cover operating cost deficit and Street Cleaning costs in 2015 and beyond. Approximately \$2.00 of the increase will be needed to cover the Catch basin Cleaning, Street Sweeping, storage and disposal that had been covered by a DOE grant in the past. Future Capital Projects will need to be covered by Grants and are not included.

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 continue to be used to make improvements at the Public Works Facility south of Lawson Street.

410 Stormwater Capital Fund	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
Department of Ecology Grant #3				33,000	33,000	100%
Department of Ecology Grant #2	17,406	130,276	113,171		(130,276)	-100.0%
Design Stormwater Pond - Grant				120,000	120,000	100.0%
Transfer In - Grant Matching				40,000	40,000	100.0%
Total Stormwater Capital Revenue	17,406	130,276	113,171	193,000	62,724	48.1%
Beginning Cash & Investments		(53,015)	(53,014)		53,015	-100.0%
Total Stormwater Capital Sources	17,406	77,261	60,156	193,000	115,739	149.8%
EXPENDITURES						
Design Stormwater Pond - Grant				160,000	160,000	100.0%
Dept of Ecology Grant #2	70,420	42,261	36,805		(42,261)	-100.0%
DOE Grant #2 Catch Basin Cleaning		35,000	23,351		(35,000)	-100.0%
Dept of Ecology Grant #3				33,000	33,000	100.0%
Total Stormwater Capital Expenditures	70,420	77,261	60,156	193,000	115,739	149.8%
Ending Cash & Investments	(53,014)					
Total Stormwater Capital Uses	17,406	77,261	60,156	193,000	115,739	149.8%

Capital Project Funds



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 on General Government projects for 2014 are on the next page.

311-000 REET I Gen Gov't Fund	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
R1 1/4% REET	43,456	42,500	57,929	56,000	13,500	31.8%
LGIP Investment Interest	529	500	381	500		
Transfer in from REET II	93,500					
Subtotal Revenue	137,485	43,000	58,310	56,500	13,500	31.4%
Beginning Cash & Investments	325,164	283,984	283,984	272,768		
Total REET I 104 Fund Sources	462,649	326,984	342,294	329,268	2,284	0.7%
EXPENDITURES						
Transfer to 310 Gen Gov't Capital Fund	97,500	103,150	103,150	55,173	(47,977)	-46.5%
Trans 510 Fund - Police & Fire Equipment	81,166	10,000	10,000	45,000	35,000	350.0%
Subtotal Expenditures	178,666	113,150	113,150	100,173	(12,977)	-11.5%
Ending Cash & Investments	283,984	213,834	229,144	229,095	15,261	7.1%
Total REET I 104 Fund Uses	462,649	326,984	342,294	329,268	2,284	0.7%

General Government Capital Fund 310 provides the 2014 budget for the General Government portion of the Capital plan for year 2013. For more detail on these projects please refer to the Capital Improvement Plan summary toward the end of this document.

310 Government Capital Fund	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change
REVENUE					
Transfer in REET I	97,500	103,150	103,150	55,173	(47,977)
Transfer in - Water, Sewer, Storm for Comp Plan				15,000	15,000
Comp Plan Update Grant				9,000	9,000
King Co Parks Tax Levy	8,728	8,000	8,579	8,000	
Tree Mitigation		1,000		1,000	
RCO Boat Launch Grant		85,000			(85,000)
DOE Grant for Lake Sawyer Weed Management		25,000	2,984		(25,000)
Environmental Grant		10,000			(10,000)
In Kind Grant Matching		80,000			(80,000)
KC Conservation Grant-Cultural		15,000			(15,000)
DOE Grant for Shoreline MP	13,776				
Conservation Grant-Futures		165,000			(165,000)
Future Fire Eq/Bldg In Kind Donation		25,000			(25,000)
Subtotal Revenue	120,004	517,150	114,714	88,173	(428,977)
Beginning Cash & Investments	250,304	261,592	261,546	228,297	(33,295)
Total 310 Govt Capital Fund Sources	370,308	778,742	376,259	316,470	(462,272)
EXPENDITURES					
Cemetery Mower Purchase	3,046				
Comp Plan Update				74,000	74,000
Trails Projects-Ginder Creek		33,283			(33,283)
Police Roof Replacement				24,000	24,000
General Government technology	17,029	22,095	23,841	20,173	(1,922)
Council Chambers, Police & Court Building Remodel	4,880	39,469	214	40,000	531
Gen Gov Facility Plan and Analysis		17,500			(17,500)
Police Technology	14,501	21,092	5,679	25,000	3,908
Parks Signs	1,984	11,484		5,000	(6,484)
Tree Mitigation	1,283	2,727	1,187	3,700	973
Lake Sawyer Boat Launch Improvement		115,000			(115,000)
Lake Sawyer Aquatic Weed Mgmt Plan	45	40,000	12,825		(40,000)
Ginder Creek Easement		30,000			(30,000)
Ginder Creek ROW Acquisition		150,000			(150,000)
Ginder Creek Trail Restoration		28,000		49,300	21,300
Mine Hazard Assessment Study/Map		15,000			(15,000)
Lake Sawyer Regional Park bulkhead		10,000			(10,000)
Shoreline Master Plan	11,537				
Grant Matching	749	84,769		54,797	(29,972)
Police Tiberon required revision-added		15,250	11,050		(15,250)
Police record system loan payment - principal fund 2013	40,000	40,000	40,000		(40,000)
Police record system loan - interest	800	1,600	64		(1,600)
Fire Station 99 study & design	12,908	25,000	870	20,500	(4,500)
Way Finding Signs		24,000			(24,000)
In-Forest Open Space Land			147		
Subtotal General Govt Capital Projects	108,762	726,269	95,877	316,470	(409,799)
Ending Cash & Investments	261,546	52,473	280,382		(52,473)
Total 310 Gen Govt Capital Fund Uses	370,308	778,742	376,259	316,470	(462,272)

* Note that fire and police vehicles and equipment are funded 0

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.

321-000 REET II Public Works Capital Projects	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
R2 1/4% REET Tax	43,456	42,500	57,929	56,000	13,500	31.8%
LGIP Investment Interest	716	2,000	453	1,000	(1,000)	-50.0%
Subtotal REET II Fund Revenue	44,172	44,500	58,382	57,000	12,500	28.1%
Beg Cash & Investments	487,785	329,674	329,674	276,418	(53,256)	-16.2%
Total REET II Fund Sources	531,957	374,174	388,056	333,418	(40,756)	-10.9%
EXPENDITURES						
Transfer to REET I	93,500					
Transfer out 320 PW Capital	108,783	80,000	80,000	70,000	(10,000)	-12.5%
Transfer out to 404 Water Projects		30,000	30,000		(30,000)	-100.0%
Transfer out to Street				50,000	50,000	100.0%
Total REET I Fund Expenditures	202,283	110,000	110,000	120,000	(40,000)	-36.4%
Ending Cash & Investments	329,674	264,174	278,056	213,418	(50,756)	-19.2%
Total REET II Fund Uses	531,957	374,174	388,056	333,418	(40,756)	-10.9%

Public Works Capital Fund 320 provides the 2014 budget for the Public Works portion of the Capital plan for year 2013. 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	Actual 2012	2013 Amended Budget	2013 Actual	2014 Budget	13 to 14 Budget Change	% Budget Change
REVENUE						
TIB Grants - Jones Lake Road	203,790	199,802	213,309	110,000		
Transfers REET II	108,783	80,000	80,000	70,000		
Reflective Street Signs Grant		20,857				
Transfers Street Fund	20,000					
Rock Creek Bridge - Grant				112,500		
Grant Matching		14,000	14,000	12,500		
FEMA Disaster Clean up	84,475	250	250			
Insurance Recovery	5,554					
Grant Matching and Reimbursements		10,000				
Subtotal PW Capital Fund Revenue	422,602	324,909	307,559	305,000		
Beginning Cash & Investments	170,635	181,022	181,022	162,080		
Total PW Capital Fund Sources	593,236	505,931	488,581	467,080	(38,851)	-7.7%
EXPENDITURES						
Jones Lake Road				122,000		
St Mtc, Asphalt, Chip Seal, Striping, Signs	81,933	88,274	13,572	119,869		
Grant Matching - Streets		103,211	46,200	100,211		
Abrahms preliminary engineering	8,397	11,603	8,426			
Lawson & Misc Street paving	1,773					
288th Street Overlay		164,000	160,482			
Roberts Sidewalk/ Morgan St to KC Library	224,904	106,328	81,923			
Street Sign Replacement		20,857	8,027			
Rock Crk Bridge prelim engr (grant matching)	16,587			125,000		
FEMA Disaster Clean up	78,621	11,658	11,408			
Subtotal PW Capital Fund Projects	412,214	505,931	330,037	467,080		
Ending Cash & Investments Unreserved	181,022		158,544			
Total PW Capital Fund Uses	593,236	505,931	488,581	467,080	(38,851)	-7.7%



City of Black Diamond



Capital Improvement Plan 2014 – 2019

(Summarized Version)

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 2014-2019 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 storm water 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, work study sessions and a public hearing are held, the proposed plan is brought before Council for approval. The Capital Improvement Calendar for 2014 – 2019 is part of this document in the appendix section.



Aerial view of Lake Sawyer

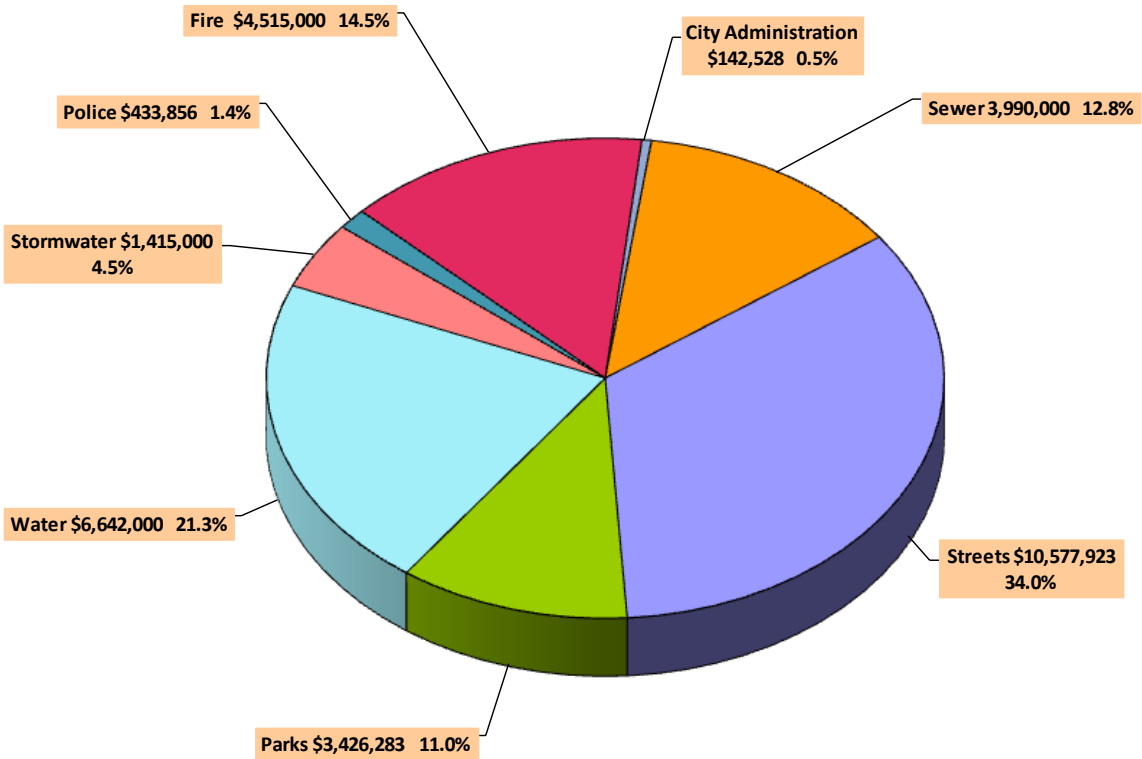
Capital Improvement Plan 2014 - 2019

Total Summary by Department

CAPITAL PROJECTS

Departments	Total \$ Project 2014 - 2019	2014	2015	2016	2017	2018	2019
Street Department	10,577,923	432,923	2,586,000	6,522,000	143,000	595,000	299,000
Water Department	6,642,000	1,429,000	2,340,000	672,000		890,000	1,311,000
Sewer Department	3,990,000	30,000	30,000	300,000	570,000	530,000	2,530,000
Stormwater Department	1,415,000	40,000	150,000	1,000,000		95,000	130,000
Parks and Recreation	3,426,283	56,283	15,000	90,000	265,000	365,000	2,635,000
Police Department	433,856	24,360	124,180	128,125	68,339	70,407	18,445
Fire Department	4,515,000	390,000	600,000		125,000	450,000	2,950,000
City Administration	142,528	45,113	19,763	19,713	18,513	19,713	19,713
TOTAL Project COSTS	\$31,142,590	\$2,447,679	\$5,864,943	\$8,731,838	\$1,189,852	\$3,015,120	\$9,893,158

Total CIP: \$31,142,590



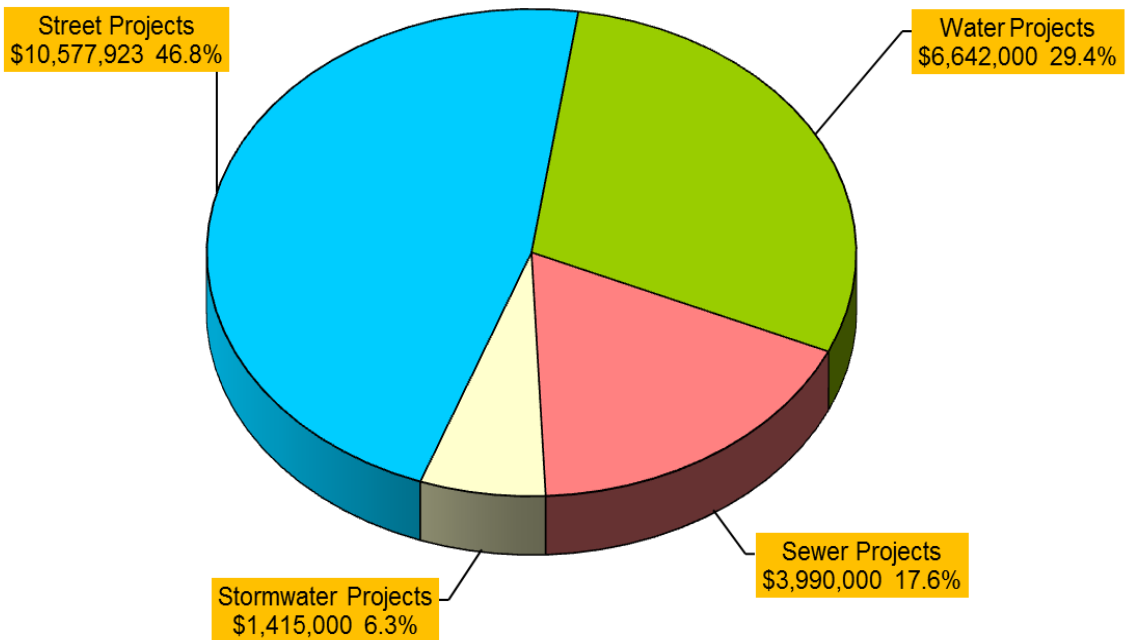
Public Works Fund Summary

Capital Improvement Plan 2014 - 2019

Funds	Total \$ Project 2014 - 2019	2014	2015	2016	2017	2018	2019
Street Projects	10,577,923	432,923	2,586,000	6,522,000	143,000	595,000	299,000
Water Projects	6,642,000	1,429,000	2,340,000	672,000		890,000	1,311,000
Sewer Projects	3,990,000	30,000	30,000	300,000	570,000	530,000	2,530,000
Stormwater Projects	1,415,000	40,000	150,000	1,000,000		95,000	130,000
TOTAL Project COSTS	\$ 22,624,923	\$1,931,923	\$5,106,000	\$8,494,000	\$713,000	\$2,110,000	\$4,270,000

Public Works CIP by Fund

Total: \$22,624,923

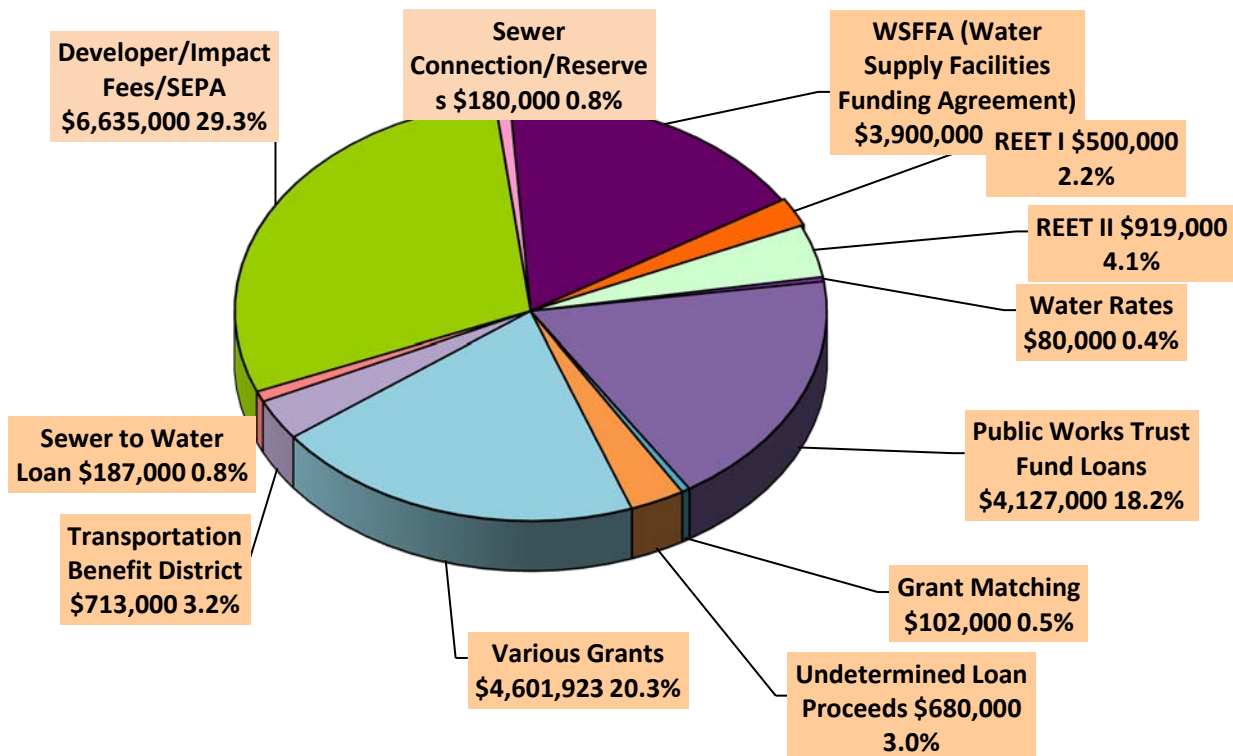


CIP Public Works Revenue Summary

Capital Improvement Plan 2014 - 2019

REQUESTED FUNDING <i>Includes Debt Repayments</i>	Total \$ Project 2014 - 2019	2014	2015	2016	2017	2018	2019
Various Grants	4,601,923	180,923	2,062,000	2,178,000		98,000	83,000
Developer/Impact Fees/SEPA	6,635,000	240,000	205,000	5,330,000	20,000	820,000	20,000
Public Works Trust Fund Loans	4,127,000		366,000	250,000	440,000		3,071,000
Sewer Connection/Reserves	180,000	30,000	30,000	30,000	30,000	30,000	30,000
WSFFA (Water Supply Facilities Funding Agreement)	3,900,000	1,175,000	1,925,000			90,000	710,000
REET I	500,000					500,000	
REET II	919,000	107,000	120,000	152,000	185,000	145,000	210,000
Water Rates	80,000		80,000				
Grant Matching	102,000	12,000	16,000	54,000		10,000	10,000
Undetermined Loan Proceeds	680,000		140,000	540,000			
Transportation Benefit District	713,000		122,000		38,000	417,000	136,000
Sewer Loan to Water	187,000	187,000					
TOTAL SOURCES	\$22,624,923	\$1,931,923	\$5,066,000	\$8,534,000	\$713,000	\$2,110,000	\$4,270,000

Public Works CIP by Type of Funding Total: \$22,624,923



CIP Public Works Summary Capital Improvement Plan 2014 - 2019

		Total \$ Project 2014 - 2019	2014	2015	2016	2017	2018	2019
STREET PROJECTS								
T1	General Street Improvement	180,000	30,000	30,000	30,000	30,000	30,000	30,000
T3	Roberts Drive/State Rt 169 Roundabout	7,070,000	220,000	1,750,000	5,100,000			
T4	Roberts Drive Rehabilitation	366,000		366,000				
T5	Grant Matching Fund	240,000	40,000	40,000	40,000	40,000	40,000	40,000
T6	Rock Creek Bridge	291,000		93,000	198,000			
T7	Lawson Street Sidewalk	850,000		105,000	745,000			
T8	Jones Lake Road	122,000	122,000					
T9	228th & 224th & 216th Chip Seal	129,000			129,000			
T10	5th Ave Reconstruction	267,000				38,000	229,000	
T11	232nd Ave Overlay	143,000				35,000	108,000	
T12	216th Ave SE Overlay	136,000						136,000
T13	1st Ave & RR Ave N & Miner Street	188,000		-	-		188,000	
T14	Pacific St & 5th St Improvement	93,000						93,000
T15	Street Signs Replacement	20,923	20,923					
T16	Sidewalk Extension	360,000		80,000	280,000			
T17	Morgan Creek Road Preservation	97,000		97,000				
T18	Plass Road Rehabilitation	25,000		25,000				
STREET PROJECTS		10,577,923	432,923	2,586,000	6,522,000	143,000	595,000	299,000
WATER PROJECTS								
W1	Springs & River Crossing Rehab. Project	3,100,000	1,175,000	1,925,000				
W2	Reservoir Painting and Maintenance	199,000	199,000					
W3	Expanded Power Generation	680,000		140,000	540,000			
W4	Fire Flow Loop - North Commercial Area	800,000					800,000	
W5	Downtown Water Main Replacement	250,000	55,000	195,000				
W6	Springs Trans Main Replacement	800,000					90,000	710,000
W8	Water Comprehensive Plan Update	130,000		80,000	50,000			
W9	4.3 Mil Gal Tank Maintenance & Repairs	30,000						30,000
W10	Water Main Replacement Morgan Street	653,000			82,000			571,000
WATER PROJECTS		6,642,000	1,429,000	2,340,000	672,000		890,000	1,311,000
SEWER PROJECTS								
S1	Infiltration and Inflow Reduction Program	180,000	30,000	30,000	30,000	30,000	30,000	30,000
S2	Public Works Facilities and Equipment	3,100,000				100,000	500,000	2,500,000
S3	Morganville Force Main Reroute	460,000			20,000	440,000		
S4	Cedarbrook Sewer Main	250,000			250,000			
SEWER PROJECTS		3,990,000	30,000	30,000	300,000	570,000	530,000	2,530,000
STORMWATER PROJECTS								
D1	Lake Sawyer Road Culvert and Guardrail	320,000		70,000	250,000			
D2	North Commercial and SR 169 Stormwater Treatment Pond	870,000	40,000	80,000	750,000			
D3	5th Ave Reconstruction	75,000					75,000	
D4	Ginder Creek Headwall	70,000					20,000	50,000
D5	1st Ave & RR Ave & Miner Street	80,000						80,000
STORMWATER PROJECTS		1,415,000	40,000	150,000	1,000,000		95,000	130,000
TOTAL PUBLIC WORKS CAPITAL PROJECTS		22,624,923	1,931,923	5,106,000	8,494,000	713,000	2,110,000	4,270,000

CIP Public Works Summary FUNDING SUMMARY

Capital Improvement Plan 2014 - 2019

	Total \$ Project 2014 - 2019	2014	2015	2016	2017	2018	2019
REET II Funding							
T1 General Street Improvement	60,000	10,000	10,000	10,000	10,000	10,000	10,000
T5 Grant Matching Fund	240,000	40,000	40,000	40,000	40,000	40,000	40,000
W2 Reservoir Painting and Maintenance	12,000	12,000					
W5 Downtown Water Main Replacement	25,000	5,000	20,000				
W9 4.3 Mil Gal Tank Maintenance & Repairs	30,000						30,000
W10 Water Main Replacement Morgan Street	82,000			82,000			
T11 232nd Ave Overlay	35,000				35,000		
S2 Public Works Facilities and Equipment	100,000				100,000		
S3 Morganville Force Main Reroute	20,000			20,000			
D1 Lake Sawyer Road Culvert and Guardrail	30,000		30,000				
D2 North Commercial and SR 169 Stormwater Treatment Pond	60,000	40,000	20,000				
D3 5th Ave Reconstruction	75,000					75,000	
D4 Ginder Creek Headwall	70,000					20,000	50,000
D5 1st Ave & RR Ave & Miner Street	80,000						80,000
Total REET II Funding	919,000	107,000	120,000	152,000	185,000	145,000	210,000
Water Rates							
W8 Water Comprehensive Plan Update	80,000		80,000				
Total Water Rates	80,000		80,000				
Sewer Loan to Water							
W2 Reservoir Painting and Maintenance	187,000	187,000					
Total Water Rates	187,000	187,000					
Sewer Connection Fees/Reserves							
S1 Infiltration and Inflow Reduction Program	180,000	30,000	30,000	30,000	30,000	30,000	30,000
Total Sewer Connection Fees/Reserves	180,000	30,000	30,000	30,000	30,000	30,000	30,000
Developer, Impact Fees and/or SEPA							
T1 General Street Improvement	120,000	20,000	20,000	20,000	20,000	20,000	20,000
T3 Roberts Drive/State Rt 169 Roundabout	5,070,000	220,000		4,850,000			
T6 Rock Creek Bridge	130,000		20,000	110,000			
T7 Lawson Street Sidewalk	305,000		105,000	200,000			
W4 Fire Flow Loop - North Commercial Area	800,000					800,000	
W8 Water Comprehensive Plan Update	50,000			50,000			
D2 North Commercial and SR 169 Stormwater Treatment Pond	160,000		60,000	100,000			
Total Developer, Street Impact and/or SEPA Fees	6,635,000	240,000	205,000	5,330,000	20,000	820,000	20,000
WSFFA							
W1 Springs & River Crossing Rehab. Project	3,100,000	1,175,000	1,925,000				
W6 Springs Trans Main Replacement	800,000					90,000	710,000
Total WSFFA	3,900,000	1,175,000	1,925,000			90,000	710,000
Transportation Benefit District							
T10 5th Ave Reconstruction	267,000				38,000	229,000	
T12 216th Ave SE Overlay	136,000						136,000
T13 1st Ave & RR Ave N & Miner Street	188,000					188,000	
T17 Morgan Creek Road Preservation	97,000		97,000				
T18 Plass Road Rehabilitation	25,000		25,000				
Total Transportation District	713,000		122,000		38,000	417,000	136,000

			Capital Improvement Plan 2014 - 2019					
FUNDING SUMMARY CONT.		Total \$ Project 2014 - 2019	2014	2015	2016	2017	2018	2019
Grants (TIB,CDBG,DOE, etc)								
T3	Roberts Drive/State Rt 169 Roundabout	2,000,000		1,750,000	250,000			
T6	Rock Creek Bridge	140,000		25,000	115,000			
T7	Lawson Street Sidewalk	395,000			395,000			
T7	Lawson Street Sidewalk	150,000			150,000			
T8	Jones Lake Road	110,000	110,000					
T9	228th & 224th & 216th Chip Seal	116,000			116,000			
T11	232nd Ave Overlay	98,000					98,000	
T14	Pacific St & 5th St Improvement	83,000						83,000
T15	Street Signs Replacement	20,923	20,923					
T16	Sidewalk Extension	324,000		72,000	252,000			
W5	Downtown Water Main Replacement	225,000	50,000	175,000				
D1	Lake Sawyer Road Culvert and Guardrail	290,000		40,000	250,000			
D2	North Commercial and SR 169 Stormwater Treatment Pond	650,000			650,000			
Total Grants		4,601,923	180,923	2,062,000	2,178,000		98,000	83,000
Grant Matching								
T6	Rock Creek Bridge	21,000		8,000	13,000			
T8	Jones Lake Road	12,000	12,000					
T9	228th & 224th & 216th Chip Seal	13,000			13,000			
T11	232nd Ave Overlay	10,000					10,000	
T14	Pacific St & 5th St Improvement	10,000						10,000
T16	Sidewalk Extension	36,000		8,000	28,000			
Total Grant Matching		102,000	12,000	16,000	54,000		10,000	10,000
Public Works Trust Fund Loans								
T4	Roberts Drive Rehabilitation	366,000		366,000				
W10	Water Main Replacement Morgan Street	571,000						571,000
S2	Public Works Facilities and Equipment	2,500,000						2,500,000
S3	Morganville Force Main Reroute	440,000				440,000		
S4	Cedarbrook Sewer Main	250,000			250,000			
Total PWTF Loans		4,127,000		366,000	250,000	440,000		3,071,000
Undetermined Loan								
W3	Expanded Power Generation	680,000		140,000	540,000			
Total Undertimined Loan		680,000		140,000	540,000			
Transfer In From REET I								
S2	Public Works Facilities and Equipment	500,000					500,000	
Total Transfer In From REET I		500,000					500,000	
Grand Total Public Works CIP Funding		22,624,923	1,931,923	5,066,000	8,534,000	713,000	2,110,000	4,270,000
Loan Service Schedule								
T4	Roberts Drive Rehabilitation	37,614						37,614
W2	Reservoir Painting and Maintenance	189,814		37,963	37,963	37,963	37,963	37,963
W3	Expanded Power Generation	113,047				37,682	37,682	37,682
S2	Public Works Facilities and Equipment	38,791					5,542	33,249
S3	Morganville Force Main Reroute	48,765					24,383	24,383
S4	Cedarbrook Sewer Main	41,561				13,854	13,854	13,854
Total Loan Service Expenditure		469,593	-	37,963	37,963	89,499	119,423	184,745

REET II ANALYSIS SUMMARY (Fund 320)

Capital Improvement Plan 2014 - 2019

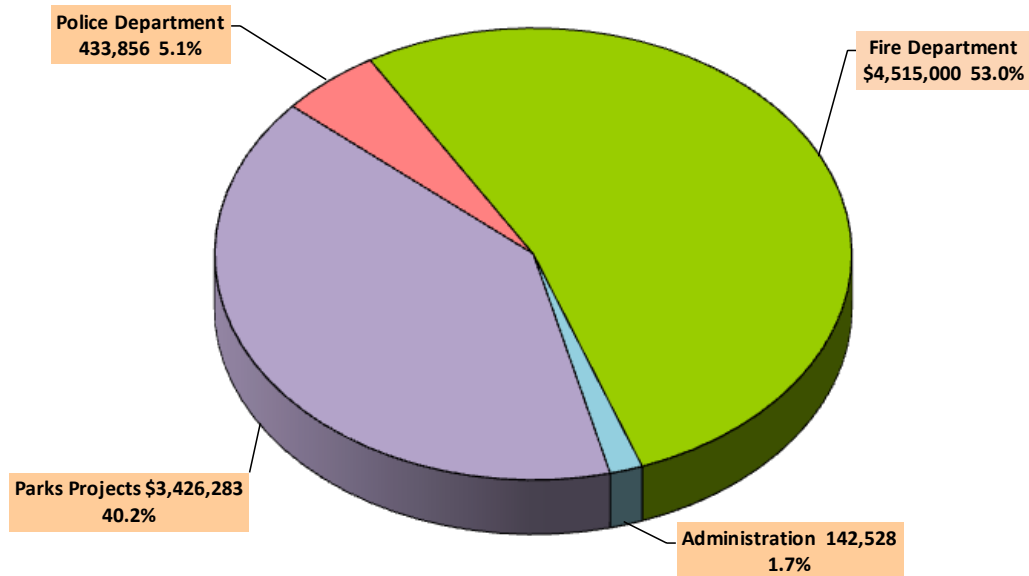
REET II - REVENUE		Capital Improvement Plan 2014 - 2019					
	2014-2019 Summary Total	2014	2015	2016	2017	2018	2019
Beg Fund Balance 104		294,174	278,555	407,122	770,684	1,376,248	1,993,687
REET Revenue (annual)							
1/4 of 1% REET - Existing Property	383,875	40,625	47,813	55,250	62,938	81,000	96,250
1/4 of 1% REET - Other new homes	43,075	3,125	6,375	6,500	7,288	8,100	11,688
1/4 of 1% REET - Phase 1A	2,708,394	59,631	194,379	446,812	585,339	683,339	738,894
Subtotal REET II Revenue	3,135,344	103,381	248,567	508,562	655,564	772,439	846,832
TOTAL Avail. Balance for Gen Govt Projects	3,135,344	397,555	527,122	915,684	1,426,248	2,148,687	2,840,518
REET II - PROJECT EXPENDITURES		Capital Improvement Plan 2014 - 2019					
	2014-2019 Summary Total	2014	2015	2016	2017	2018	2019
Street Projects							
T1 General Street Improvement	60,000	10,000	10,000	10,000	10,000	10,000	10,000
T5 Grant Matching Fund	240,000	40,000	40,000	40,000	40,000	40,000	40,000
T8 Jones Lake Road	12,000	12,000					
T9 228th & 224th & 216th Chip Seal	13,000			13,000			
T11 232nd Ave Overlay	10,000					10,000	
Subtotal Street Projects with REET II	335,000	62,000	50,000	63,000	50,000	60,000	50,000
Water Projects							
W2 Reservoir Painting and Maintenance	12,000	12,000					
W5 Downtown Water Main Replacement	25,000	5,000	20,000				
W9 4.3 Mil Gal Tank Maintenance & Repairs	30,000						30,000
W10 Water Main Replacement Morgan Street	82,000			82,000			
Subtotal Water Projects with REET II	149,000	17,000	20,000	82,000			30,000
Sewer Projects							
S3 Morganville Force Main Reroute	20,000			20,000			
Subtotal Sewer Projects with REET II	20,000			20,000			
Stormwater Projects							
D1 1st Ave & RR Ave & Miner Street	30,000		30,000				
D2 North Commercial and SR 169 Stormwater Treatment	60,000	40,000	20,000				
D3 5th Ave Reconstruction	75,000					75,000	
D4 Ginder Creek Headwall	70,000					20,000	50,000
D5 1st Ave & RR Ave & Miner Street	80,000						80,000
Subtotal Stormwater Projects with REET II	315,000	40,000	50,000			95,000	130,000
Total REET II Projects	819,000	119,000	120,000	145,000	50,000	155,000	210,000
Total REET II Debt							
TOTAL REET II	819,000	119,000	120,000	145,000	50,000	155,000	210,000
REET II left for next year (Ending Balance)	2,316,344	278,555	407,122	770,684	1,376,248	1,993,687	2,630,518
REET based on Houses sold		2014	2015	2016	2017	2018	2019
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)		5 @\$250	10 @\$255	10 @\$260	11 @\$265	12 @\$270	17 @\$275
MPD Phase 1 Resulting Sales - Per Fiscal Analysis		59,631	194,379	446,812	585,339	683,339	738,894

General Government Department Summary

Capital Improvement Plan 2014 - 2019

	Total \$ Project 2014 - 2019	2014	2015	2016	2017	2018	2019
Parks Department	3,426,283	56,283	15,000	90,000	265,000	365,000	2,635,000
Public Safety							
Police Department (incl Tech)	433,856	24,360	124,180	128,125	68,339	70,407	18,445
Fire Department	4,515,000	390,000	600,000	-	125,000	450,000	2,950,000
Subtotal	4,948,856	414,360	724,180	128,125	193,339	520,407	2,968,445
General Government							
City Technology (not Police)	117,528	20,113	19,763	19,713	18,513	19,713	19,713
Reroof Police Building	25,000	25,000	-	-	-	-	-
Subtotal	142,528	45,113	19,763	19,713	18,513	19,713	19,713
TOTAL Projected Expenditures	\$ 8,517,667	\$ 459,473	\$ 743,943	\$ 147,838	\$ 211,852	\$ 540,120	\$ 2,988,158

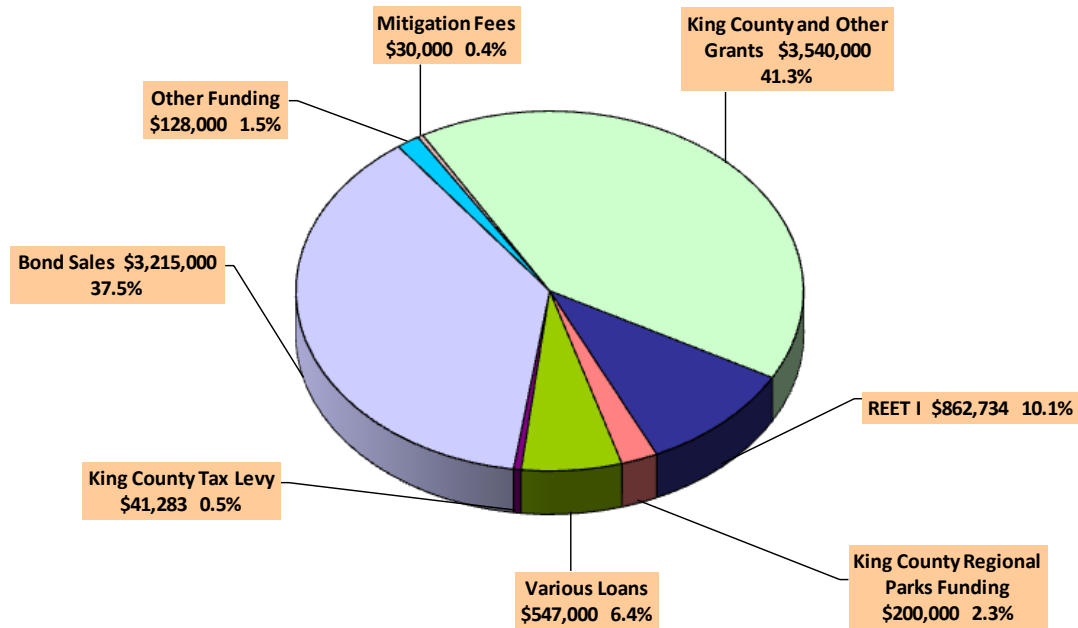
General Government CIP by Type of Funding Total: \$8,517,667



CIP General Government Funding Summary

Capital Improvement Plan 2014 - 2019

REQUESTED FUNDING <i>Includes Debt Repayments</i>	Total \$ Project 2014 - 2019	2014	2015	2016	2017	2018	2019
King County and Other Grants	3,540,000		540,000			250,000	2,750,000
REET I - Direct	862,734	150,823	213,943	157,838	171,852	100,120	68,158
King County Regional Parks Funding	200,000					100,000	100,000
Various Loans	547,000	240,000				307,000	
King County Tax Levy	41,283	41,283					
Bond Sales	3,215,000				125,000	140,000	2,950,000
Other Funding	128,000	125,000				3,000	
Mitigation Fees	30,000	5,000	5,000	5,000	5,000	5,000	5,000
TOTAL SOURCES	\$8,564,017	\$562,106	\$758,943	\$162,838	\$301,852	\$905,120	\$5,873,158



Ongoing Maintenance and Operating Costs

	Total \$ Requested	2014	2015	2016	2017	2018	2019
Trails Improvement Project - Salaries	20,000					10,000	10,000
City Wide Tech Maint. & Subscriptions	199,470	33,245	33,245	33,245	33,245	33,245	33,245

CAPITAL IMPROVEMENT PLAN 2014 - 2019

CIP General Government Summary of Projects								
	Total \$ Project 2014 - 2019	2014	2015	2016	2017	2018	2019	
POLICE PROJECTS								
L1 Police Technology	106,270	15,060	16,763	18,333	18,425	19,245	18,445	
L2 Patrol Car Replacement Plan	293,486		95,018	97,393	49,914	51,162		
L3 Police Radio Replacement	34,100	9,300	12,400	12,400				
TOTAL POLICE PROJECTS	433,856	24,360	124,180	128,125	68,339	70,407	18,445	
FIRE DEPARTMENT PROJECTS								
F1 Replace Primary Fire Engine 98	365,000	365,000						
F2 Replace Reserve Engine	600,000		600,000					
F3 Replace Aid Car	225,000					225,000		
F4 Replace Brush Truck Chassis	85,000					85,000		
F5 New Fire Station and Equipment (Growth)	3,240,000	25,000			125,000	140,000	2,950,000	
TOTAL FIRE PROJECTS	4,515,000	390,000	600,000		125,000	450,000	2,950,000	
PARKS PROJECTS								
P2 Ginder Creek Trail Construction	41,283	41,283						
P3 Grant Matching Funds	60,000	10,000	10,000	10,000	10,000	10,000	10,000	
P4 Forestry Management (Tree Fund)	30,000	5,000	5,000	5,000	5,000	5,000	5,000	
P5 Regional Trail System	200,000					100,000	100,000	
P6 Lake Sawyer Regional Park Enhancements	3,075,000			75,000	250,000	250,000	2,500,000	
P7 Union Stump Memorial Parking	20,000						20,000	
TOTAL PARKS PROJECTS	3,426,283	56,283	15,000	90,000	265,000	365,000	2,635,000	
ADMINISTRATION & CITY PROJECTS								
A1 City Technology Upgrades	117,528	20,113	19,763	19,713	18,513	19,713	19,713	
A2 Reroof Police Building	25,000	25,000						
TOTAL ADMINISTRATION & CITY PROJECTS	142,528	45,113	19,763	19,713	18,513	19,713	19,713	
TOTAL GENERAL GOVT CAPITAL PROJECTS	8,517,667	515,756	758,943	237,838	476,852	905,120	5,623,158	

CIP General Government FUNDING Summary							
Capital Improvement Plan 2013 - 2018	Total \$ Project 2014 - 2019	2014	2015	2016	2017	2018	2019
REET I FUNDING							
L1 Police Technology	106,270	15,060	16,763	18,333	18,425	19,245	18,445
L2 Patrol Car Replacement Plan	339,836	46,350	95,018	97,393	49,914	51,162	
L3 Police Radio Replacement	34,100	9,300	12,400	12,400			
F2 Replace Reserve Engine	60,000		60,000				
F5 New Fire Station Study	25,000	25,000					
P3 Grant Matching Funds	60,000	10,000	10,000	10,000	10,000	10,000	10,000
P6 Lake Sawyer Regional Park Improvements	75,000				75,000		
P7 Union Stump Memorial Park	20,000						20,000
A1 City Technology Upgrades	117,528	20,113	19,763	19,713	18,513	19,713	19,713
A2 Reroof Police Building	25,000	25,000					
Total REET I Funding for Gen Govt CIP PROJECTS	862,734	150,823	213,943	157,838	171,852	100,120	68,158
LOANS FOR FINANCING							
F1 Engine 98 Replace (Loan Payment 10 yr)	240,000	240,000					
F3 Replace Aid Car (Loan Payment 12 yr)	225,000					225,000	
F4 Replace Brush-Truck Chassis	82,000					82,000	
Total Loans	547,000	240,000				307,000	
GRANT FUNDING							
F2 Replace Reserve Engine	540,000		540,000				
P6 Lake Sawyer Regional Park Improvements	3,000,000					250,000	2,750,000
Total Grant Funding	3,540,000		540,000			250,000	2,750,000
KING COUNTY CONSERVATION DISTRICT FUNDING							
P5 Regional Trail Systems	200,000					100,000	100,000
Total King County Conservation District Funding	200,000					100,000	100,000

CIP General Government FUNDING Summary (Continued)							
Capital Improvement Plan 2013 - 2018	Total \$ Project 2013 - 2018	2013	2014	2015	2016	2017	2018
DEVELOPER/MITIGATION							
P4 Forestry Management Funds	30,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Developer/Mitigation Funding	30,000	5,000	5,000	5,000	5,000	5,000	5,000
BOND SALES							
F5 New Fire Station and Equipment	3,215,000				125,000	140,000	2,950,000
Total Bond Sales	3,215,000				125,000	140,000	2,950,000
COUNTY TAX LEVY FOR PARKS							
P2 Ginder Creek Trail Construction	41,283	41,283					
Total County Tax Levy For Parks	41,283	41,283					
OTHER FUNDING							
F1 Replace Engine 98 (Surplus Funding)	125,000	125,000					
F4 Brush Truck Chassis (Surplus Funding)	3,000					3,000	
Total Other Funding	128,000	125,000				3,000	
TOTAL GEN GOV CIP FUNDING (less REET I Loan Payments)	8,564,017	562,106	758,943	162,838	301,852	905,120	5,873,158
LOAN PAYMENTS (REET I) *							
F1 Engine 98 Replace (Loan Payment 10 yr)	152,760		30,552	30,552	30,552	30,552	30,552
F3 Replace Aid Car (Loan Payment 12 yr)	24,972						24,972
F4 Replace Brush-Truck Chassis	16,647						16,647
Total REET I Funding for Loan Payments	194,379		30,552	30,552	30,552	30,552	72,171

REET I ANALYSIS SUMMARY (Fund 310)

Capital Improvement Plan 2014 - 2019

REET I - REVENUE

			Capital Improvement Plan 2014 - 2019					
	2013 REET I Budgeted & Funded	2014-2019 Summary Total	2014	2015	2016	2017	2018	2019
Beg Fund Balance 104	170,890		170,890	194,798	258,870	579,041	1,032,201	1,673,968
REET Revenue (annual)								
1/4 of 1% REET - Existing Property		383,875	40,625	47,813	55,250	62,938	81,000	96,250
1/4 of 1% REET - Other new homes		43,075	3,125	6,375	6,500	7,288	8,100	11,688
1/4 of 1% REET - Phase 1A		2,708,394	59,631	194,379	446,812	585,339	683,339	738,894
Subtotal REET I Revenue		3,135,344	103,381	248,567	508,562	655,564	772,439	846,832
Reet II Transfer								
TOTAL Avail. Balance for Gen Govt Projects	170,890	3,135,344	274,271	443,365	767,432	1,234,605	1,804,640	2,520,800

REET I - PROJECT EXPENDITURES

			Capital Improvement Plan 2014 - 2019					
	2013 REET I Budgeted & Funded	2014-2019 Summary Total	2014	2015	2016	2017	2018	2019
General Government								
A1 City Technology Upgrades		117,528	20,113	19,763	19,713	18,513	19,713	19,713
A2 Reroof Police Building		25,000	25,000					
Subtotal General Government	-	142,528	45,113	19,763	19,713	18,513	19,713	19,713
Parks								
P3 Grant Matching Funds		60,000	10,000	10,000	10,000	10,000	10,000	10,000
P6 Lake Sawyer Regional Park Improvements		75,000				75,000		
P7 Union Stump Memorial Park		20,000						20,000
Subtotal Parks Projects with REET I		155,000	10,000	10,000	10,000	85,000	10,000	30,000
Public Safety								
L1 Police Technology		106,270	15,060	16,763	18,333	18,425	19,245	18,445
L2 Patrol Car Replacement Plan		293,486		95,018	97,393	49,914	51,162	
L3 Police Radio Replacement		34,100	9,300	12,400	12,400			
Subtotal Police		433,856	24,360	124,180	128,125	68,339	70,407	18,445
F2 Replace Reserve Engine		60,000		60,000				
F5 New Fire Station Study		25,000	25,000					
Subtotal Fire		85,000	25,000	60,000				
Subtotal Public Safety Proj. with REET I		518,856	49,360	184,180	128,125	68,339	70,407	18,445
Public Works Projects								
S2 Public Works Facilities and Equipment		500,000					500,000	
SUBTOTAL PUBLIC WORKS		500,000					500,000	
Total REET I Projects		1,018,856	79,473	153,943	157,838	171,852	100,120	68,158
Total REET I Debt		194,379		30,552	30,552	30,552	30,552	72,171
TOTAL REET I		1,213,235	79,473	184,495	188,390	202,404	130,672	140,329
REET I left for next year (Ending Balance)	170,890	2,116,488	194,798	258,870	579,041	1,032,201	1,673,968	2,380,471
REET based on Houses sold			2014	2015	2016	2017	2018	2019
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)			5 @\$250	10 @\$255	10 @\$260	11 @\$265	12 @\$270	17 @\$275
MPD Phase 1 Resulting Sales - Per Fiscal Analysis			59,631	194,379	446,812	585,339	683,339	738,894

Appendix



Basketball and Tennis Courts, Ball Field, Swings and Skate Park (Located on Park Street)

ORDINANCE NO. 13-1018

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
BLACK DIAMOND, KING COUNTY, WASHINGTON, ADOPTING
THE BUDGET FOR CALENDAR YEAR 2014

WHEREAS, the Preliminary Budget was submitted to the City Council by the Mayor on October 10, 2013; and

WHEREAS, the City Council held public hearings on November 21, 2013, and December 2, 2013 and work studies on August 15, 2013, October 10, 2013; October 30, 2013; November 7, 2013; December 5, 2013; 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 2014 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 2014.

Section 2. The total estimated revenue from all sources and expenditures by fund as set forth in the 2014 budget document adopted by reference, are as follows:

Fund Name	Estimated Revenues	Estimated Expenditures
General Fund	5,817,350	5,817,350
Street Fund	346,242	346,242
Fire Impact Fund	20,000	20,000
Capital Fund-General Government	645,738	645,738
Capital Fund-Street Projects	800,498	800,498
Water Fund	935,690	935,690
Water Capital Facility Fund	105,180	105,180
Water Capital Fund	856,427	856,427
Wastewater Fund	933,739	933,739
Wastewater Capital Fund	869,767	869,767
Stormwater Fund	451,161	451,161
Stormwater Capital Fund	193,000	193,000
Equipment Reserve Funds	310,624	310,624
	12,285,416	12,285,416

Section 3. This Ordinance shall include the 2014 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 12th day of December, 2014.

Passed by a majority of the City Council at a meeting held on the 12th day of December, 2013.

Mayor Rebecca Olness

Attest:

Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

Chris Bacha, City Attorney

Published: _____

Posted: _____

Effective Date: _____



City of Black Diamond Financial Management Policies

Per Resolution 08-560

Updated for Long Term Planning Per Resolution 13-866

Background and Purpose

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

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

Operating Budget Policies

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

Citizen Involvement

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

Service Level Determinations

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

Conservative Budgeting

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

Long Term Financial Planning

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

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

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

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

Maintenance of Facilities and Equipment

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

Sustainable Revenue Sources

Ongoing operating program costs will not exceed the amount of ongoing revenue to finance those costs. The ongoing revenue will be identified along with new program costs. Cash balances in excess of the amount required to maintain strategic reserves will be used to fund one-time or non-recurring costs. In the event a fund has an emergency or economic downturn, resources from reserves may be used provided that they are replaced 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, or approximately \$201,866 for Black Diamond in 2012.

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 councilmatic or non-voted debt (1.5% of property values) and Local Option Capital Asset Lending – a financing contract with the Office of the State Treasurer (39.94 RCW). Revenue bonds rely on a funding source, such as utility revenues, for debt repayment.

Interfund Loans

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

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

Bond Rating

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

Cash Management and Investment Policies

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

Cash Sufficiency

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

Investment Goals

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

Allocation of Investment Income

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

Alternative Financing Schemes and Derivative Products

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

Capital Projects and Planning Policies

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

Capital Improvement Plan

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

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

Capital Improvement Plan (CIP) Participation

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

- a) The Capital Improvement Plan shall be provided to the City Council in a timely manner to allow time for the Council members to review the proposal with constituents before it is considered for adoption
- b) Council study sessions on the Capital Improvement Plan will occur during the budget deliberations and shall be open to the public and advertised sufficiently in advance of the meetings to allow for the attendance of interested citizens.
- c) Prior to the adoption of the budget and Capital Improvement Plan, the City Council shall hold noticed public hearings to provide opportunities for citizens to express their opinions on the proposed plan.

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

Internal Consistency

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

Funding Sources

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

Relationship between Operating Budget and Capital Improvement Plan

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

Accounting, Financial Reporting and Auditing Policies

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

Accounting and Budgeting System

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

Financial Reporting

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

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

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

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

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

Audit Policy

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

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

EXHIBIT C
CITY STAFF POSITIONS & DESIGNATIONS

CORE STAFF

- Asst. City Administrator/City Clerk
- Community Development Director
- Economic Development Director
- Associate Planner (MPD Planner)

ESSENTIAL STAFF

- Public Works Director
- Stewardship Director
- Finance Director
- Permit Technician Supervisor

SUPPORT STAFF

- Deputy Finance Director
- Public Works Administrative Asst.
- IS Manager
- Facilities Coordinator
- Code Enforcement/Building Inspector

CITY OF BLACK DIAMOND

2013 Calendar for 2014 Budget-Final

	Process	Internal Due Date	Workstudy	City Council Meetings	State Law Limitations
1	Budget requests and instructions go out to all departments	July 30			Sep 9
2	Finance prepares revenue sources and preliminary expenditures for salaries and benefits	Aug 21			N/A
3	Introduction to the 2014 budget process – 5:30 PM		Aug 15		
4	Departments provide budget requests to City Administrator's office	Aug 15			N/A
5	Estimates to be filed with the City Clerk and Administration	Sept 11			Sep 23
6	City Clerk submits to CAO the proposed preliminary budget setting forth the complete financial program	Sept 25			Oct 1
7	CAO provides Council with current info on revenue from all sources as adopted in 2013 budget, and provides the Clerk's proposed preliminary budget setting forth the proposed General Fund revenues	Oct 1	Oct 10		Oct 7
8	Mayor and department heads review General Fund expenditure budgets with Council. 5:30 PM		Oct 10		
9	Council reviews Public Works budgets for revenues and expenditures for all Public Works budgets including street, water, sewer, stormwater and all associated fund. 5:30 PM		Oct 30		Nov 2
10	Council workstudy - REET 1 & 2 and Gen Govt, Utilities & Capital Projects. 5:30 PM		Oct 30		
11	City Clerk publishes notice of public hearing on 2014 Budget and filing of preliminary budget – once a week for two consecutive weeks – Draft budget submittal ready	Oct 25 and Nov 1			Nov 1-15
12	Copies of preliminary budget made available to public				Nov 19
13	Public Hearing of Property Tax for 2014			Nov 7	Nov 30
14	City Council holds 1 st public hearing on revenue sources and expenditures for the upcoming budget year including possible increases in property tax revenue/Adopt Property Tax 2014			Nov 21	Nov 4-30
15	City Council holds final public hearing on 2014 Budget – Special Meeting 7:00 PM			Dec 2	Dec 2
16	City Council Work Study- Final Budget Review		Dec 5		
17	City Council adopts Final 2014 Budget and transmits to the State Auditor's Office (plus possible amendment to property taxes) – Special Meeting			Dec 12	Dec 31

City of Black Diamond 2013 Budget Ordinance 13-1018 Exhibit "A"

2014 Salary Schedule	Step 1	Step 2	Step 3	Step 4	5 & On
City Administrator	9,345	9,649	10,112	10,478	10,848
Assistant City Administrator	8,033	8,435	8,837	9,238	9,640
Court Administrator	5,891	6,159	6,427	6,694	6,962
Interim Court Administrator	5,305	-	-	-	-
Court Clerk (50% hourly)	18.54	20.09	21.63	23.18	24.72
Exec Dir Econ Dev & Eng Svcs	7,498	7,899	8,301	8,703	9,104
Natural Resources/Parks Director	7,498	7,899	8,301	8,703	9,104
City Attorney	8,161	8,569	8,997	9,447	9,919
City Clerk/HR Manager	7,498	7,899	8,301	8,703	9,104
Deputy City Clerk	4,499	4,814	5,128	5,443	5,757
Finance Director	7,498	7,899	8,301	8,703	9,104
Deputy Finance Director	6,631	7,013	7,396	7,778	8,161
Utility Clerk	3,213	3,481	3,749	4,017	4,284
Senior Accountant 75% (hourly)	25.79	27.08	28.43	29.86	31.35
Accountant 1 Journey (hourly)	17	17	18	19	20
Administrative Assistant 2	3,213	3,481	3,749	4,017	4,284
Administrative Assistant 1	2,356	2,544	2,731	2,919	3,106
Information Services Manager	6,962	7,364	7,766	8,167	8,569
Police Chief	10,236	10,585	11,008	11,287	11,692
Police Commander	8,422	8,702	8,984	9,264	9,588
Police Sergeant	8,292	8,757	-	-	-
Police Officer	5,037	5,645	6,255	6,863	7,440
Police Records Coordinator	4,499	4,814	5,128	5,443	5,757
Police Clerk 62.5% (hourly)	15.05	16.51	17.96	18.98	20.87
Facilities Equipment Coordinator	4,499	4,814	5,128	5,443	5,757
Human Resources Director	7,498	7,899	8,301	8,703	9,104
Exec Dir Community Development	7,498	7,899	8,301	8,703	9,104
Permit Center Supervisor	5,891	6,159	6,427	6,694	6,962
Permit Technician	4,499	4,814	5,128	5,443	5,757
Compliance Officer	4,499	4,814	5,128	5,443	5,757
Senior Planner	5,355	5,622	5,903	6,198	6,508
Planner	4,499	4,814	5,128	5,443	5,757
Associate Planner	4,482	4,707	4,942	5,189	5,448
Assistant Planner	4,181	4,391	4,610	4,840	5,082
Building Official	6,962	7,364	7,766	8,167	8,569
Parks Department Director	7,498	7,899	8,301	8,703	9,104
Public Works Director	7,498	7,899	8,301	8,703	9,104
Utilities Superintendent	6,962	7,364	7,766	8,167	8,569
Public Utilities Operator	4,713	4,794	4,889	4,982	5,076
Public Works Administrative Asst 3	4,250	4,463	4,686	4,920	5,167
Utility Worker-Facility/Eq/Utility Worker	3,323	3,644	3,965	4,287	4,629
Utility Worker Seasonal (hourly)	13.24	-	-	-	-

City of Black Diamond Statistics

City Hall Address:

24301 Roberts Drive
PO Box 599
Black Diamond, WA 98010

Phone: (360) 886-5700

Fax: (360) 886-2592

Class: Code

Form of Government: Mayor-Council

Model Traffic Ordinance: No

Wards: No

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

Town Hall Meeting 2nd 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 4,170 (2014). The amount of land area in Black Diamond is 5.207 sq. miles. The amount of surface water is 0.132 sq. miles. Black Diamond elevation is 628 feet above sea level.

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

CITY OF BLACK DIAMOND SALES TAX HISTORY	
<u>YEAR</u>	<u>TAXES</u>
2000	\$178,553
2001	\$171,913
2002	\$202,713
2003	\$178,703
2004	\$230,263
2005	\$227,760
2006	\$289,613
2007	\$305,497
2008	\$286,610
2009	\$249,526
2010	\$265,177
2011	\$297,333
2012	\$262,974
2013	\$290,795

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
2013	499,553,614	1,641,937	501,195,551	2.830
2014	548,399,243	4,187,903	552,587,146	2.620