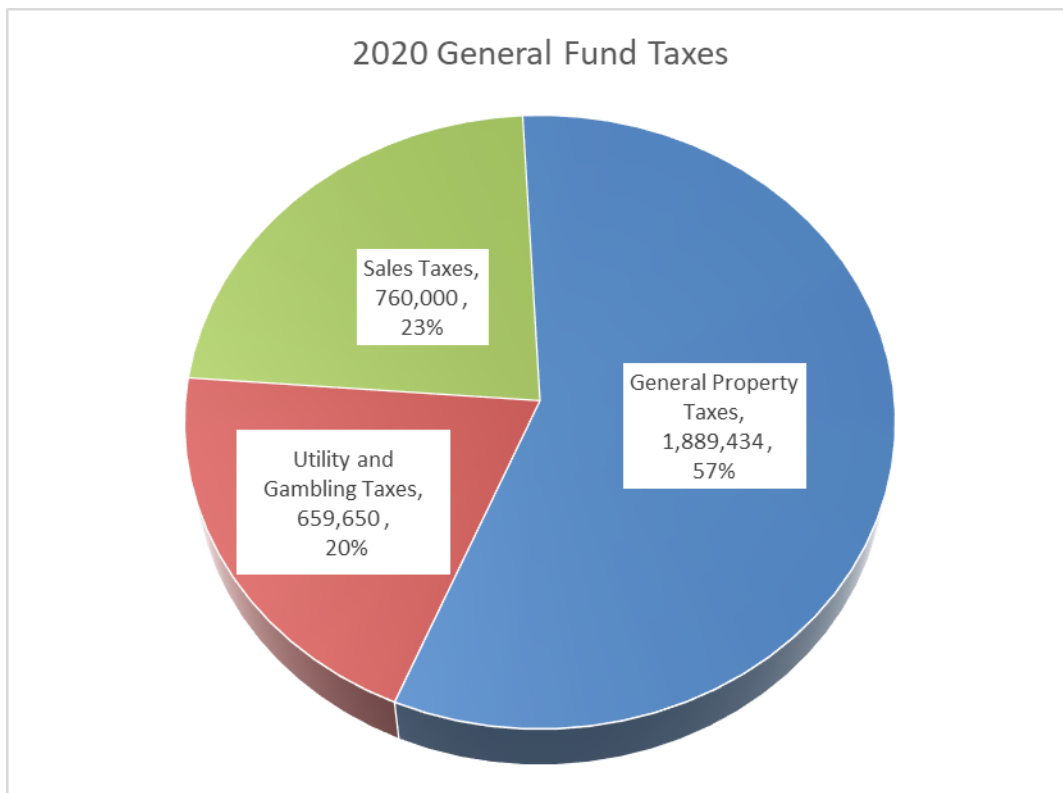


City of Black Diamond Property Taxes

2020

Property taxes make up 57% of the General Fund’s tax revenue and estimated to generate \$1,889,434 in revenue for the city. All revenues from property taxes go directly to the General Fund to support public safety for police, fire protection and emergency services. Black Diamond depends heavily on property tax collections, as the city has a small commercial base for generating sales tax revenue.

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



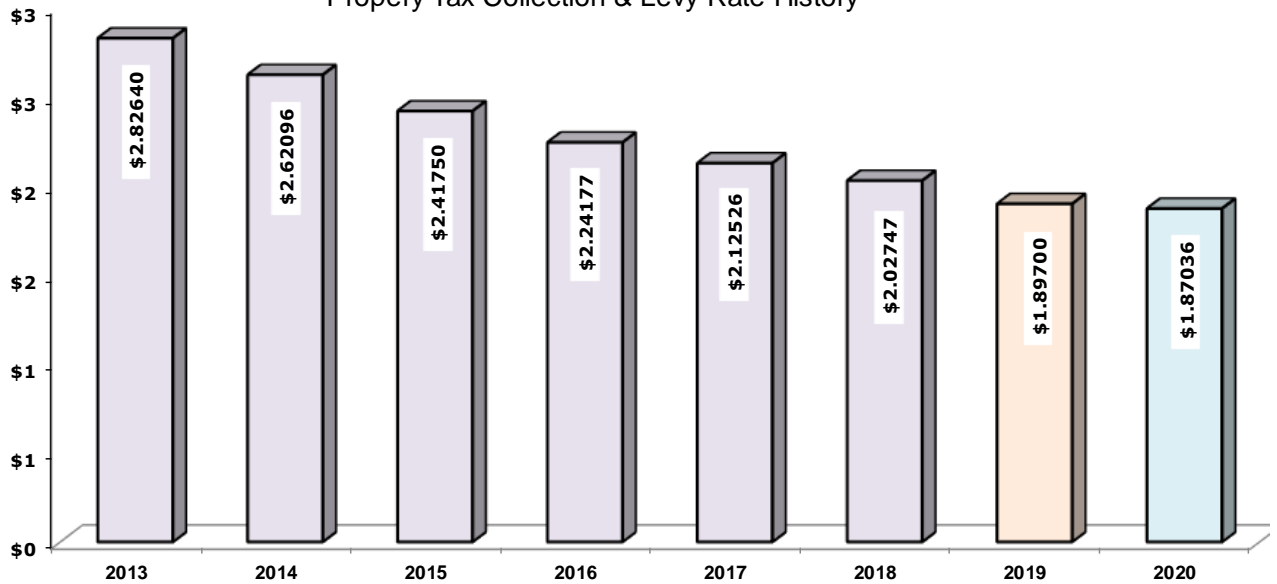
City of Black Diamond General Fund Revenue Projection for 2020		2019			2020		
		Budget	Actuals Thru June	Estimated Year End	Prelim Budget	\$ Budget Change	% Budget Change
REVENUES							
1	Beginning Cash and Investments	1,366,173	1,794,462	1,794,462	2,387,486	1,021,313	74.8%
2	General Property Taxes	1,646,137	852,547	1,704,274	1,889,434	243,297	14.8%
3	Sales Taxes	660,000	398,869	750,000	760,000	100,000	15.2%
4	State Sales Tax Assistance	-	4,670	7,000	5,000	5,000	
5	Utility Tax and Gambling Tax	678,914	340,584	625,150	659,650	(19,264)	-2.8%
6	Cable Franchise Fees	80,000	36,604	74,000	73,000	(7,000)	-8.8%
7	Business License	31,000	16,750	29,000	31,000	0	0.0%
8	Liquor Excise Tax	22,000	11,947	22,900	29,700	7,700	35.0%
9	Liquor Board Profits	36,000	17,773	35,500	36,000	0	0.0%
10	KC EMS Levy, Recycle Grants & Misc	74,000	13,817	81,000	78,700	4,700	6.4%
11	Community Development Rev	902,550	827,604	1,282,550	1,202,550	300,000	33.2%
12	Police Department Revenue	379,900	181,239	340,715	362,300	(17,600)	-4.6%
13	Municipal Court Revenue	151,350	67,959	150,300	145,000	(6,350)	-4.2%
14	Charges for Services	9,050	27	50	9,100	50	0.6%
15	Miscellaneous Revenue	26,880	30,096	64,200	61,200	34,320	127.7%
16	Parks Revenue	35,400	15,592	31,400	35,400	0	0.0%
17	Cemetery Revenue	6,000	14,700	16,200	8,500	2,500	41.7%
18	Funding Agreement - MDRT	829,505	452,177	829,505	906,176	76,671	9.2%
19	Total Operating Revenues	5,568,686	3,282,955	6,043,744	6,292,710	724,024	13.0%
	Developer Reimburse-MDRT						
20	Consultants	1,520,000	559,443	1,520,000	1,835,000	315,000	20.7%
21	TOTAL GENERAL FUND SOURCES	8,454,859	5,636,860	9,358,206	10,515,196	2,060,337	24.4%

City of Black Diamond General Fund Expenditure Projection for 2020		2019			2020		
		Budget	Actuals Thru June	Estimated Year End	Prelim Budget	\$ Budget Change	% Budget Change
EXPENDITURES							
22	Legislative - Council	16,174	6,064	1,490	22,341	6,167	38.1%
23	Executive - Mayor	15,663	7,163	14,750	15,757	94	0.6%
24	Administrative Services	525,746	213,378	511,300	581,476	55,730	10.6%
25	Legal Services	156,500	23,465	160,000	200,000	43,500	27.8%
26	Prosecuting Atty and Public Defender	83,500	28,750	74,800	95,000	11,500	13.8%
27	Municipal Court	276,268	128,948	268,000	322,062	45,794	16.6%
28	Police Department	2,071,435	892,638	2,025,000	2,343,031	271,596	13.1%
29	Fire Department	558,650	285,334	573,575	571,376	12,726	2.3%
30	EMS/Recyl/Anim Cont/Mental Health	32,000	13,369	26,700	42,000	10,000	31.3%
31	Master Development Review Team	829,505	381,305	829,505	906,176	76,671	9.2%
32	Community Development	854,323	223,963	740,000	1,091,399	237,076	27.8%
33	Facilities	127,370	55,795	119,000	186,708	59,338	46.6%
34	Parks Department	101,914	47,632	94,500	128,146	26,232	25.7%
35	Cemetery	13,750	4,926	12,100	28,760	15,010	109.2%
36	Total Operating Expenditures	5,662,798	2,312,730	5,450,720	6,534,232	871,434	15.4%
37	Developer MDRT Consultants	1,520,000	435,267	1,520,000	1,835,000	315,000	20.7%
38	Total Expenditures	7,182,798	2,747,997	6,970,720	8,369,232	1,186,434	16.5%
39	Ending Cash and Investments	1,272,861	2,888,863	2,387,486	2,145,964	873,103	68.6%
40	TOTAL GENERAL FUND USES	8,455,659	5,636,860	9,358,206	10,515,196	2,059,537	24.4%

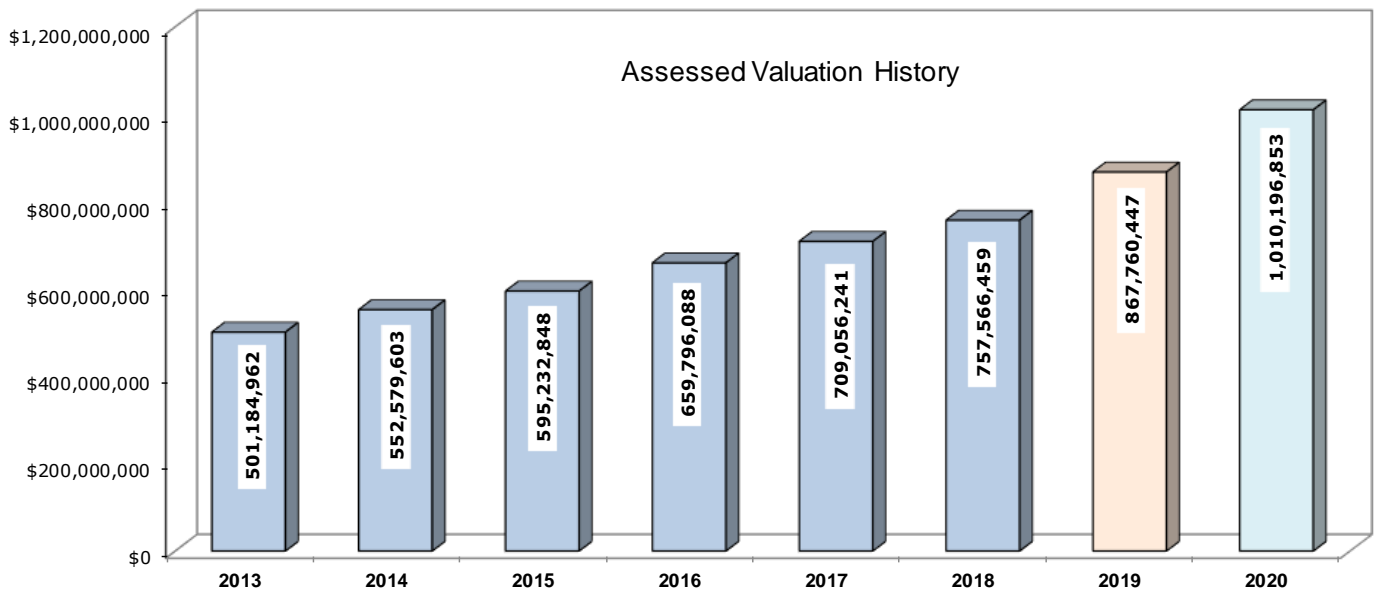
General Fund Functions Supported by Types of Revenue		2019 Budget	2020 Prelim Budget	\$ Change	% Change	Public Safety	General Gov't	MDRT
REVENUES								
1	Beginning Cash and Investments	1,366,173	2,387,486	1,021,313	74.8%	24,000	2,300,486	63,000
2	Public Safety Revenue Funded With:							
3	General Property Taxes	1,646,137	1,889,434	243,297	14.8%	1,889,434		
4	Utility Tax and Gambling Tax	678,914	659,650	(19,264)	-2.8%	659,650		
5	Criminal Justice Sales Tax	135,200	138,000	2,800	2.1%	138,000		
6	Liquor Excise Tax and Profits	58,000	65,700	7,700	13.3%	65,700		
7	Municipal Court Revenue	151,350	145,000	(6,350)	-4.2%	145,000		
8	EMS Levy Taxes	60,000	62,000	2,000	3.3%	62,000		
9	Business License	31,000	31,000	0	0.0%	31,000		
10	Police Charges for Service, Grants, Misc	244,300	224,300	(20,000)	-8.2%	224,300		
11	Total Public Safety Revenue	3,004,901	3,215,084	210,183	7.0%	3,215,084		
12	General Government Funded With:							
13	Sales Taxes	660,000	760,000	100,000	15.2%		760,000	
14	Land Use and Permitting Fees	902,550	1,202,550	300,000	33.2%		1,202,550	
15	Cable Franchise Fees	80,000	73,000	(7,000)	-8.8%		73,000	
16	Sales Tax Assist	-	5,000	5,000			5,000	
17	Grants, Passports, Charges for Svs	50,330	87,000	36,670	72.9%		87,000	
18	Parks Revenue	35,400	35,400	0	0.0%		35,400	
19	Cemetery Revenue	6,000	8,500	2,500	41.7%		8,500	
20	Total General Government Revenue	1,734,280	2,171,450	437,170	25.2%		2,171,450	
21	Funding Agreement - MDRT	829,505	906,176	76,671	9.2%			906,176
22	Total GF Operating Revenue	5,568,686	6,292,710	513,841	9.2%	3,215,084	2,171,450	906,176
23	TOTAL GENERAL FUND SOURCES	6,934,859	8,680,196	1,745,337	25.2%	\$3,239,084	\$4,471,936	\$969,176
EXPENDITURES								
24	Public Safety (Fire, Police, Court, EM.)	3,021,853	3,373,469	351,616	11.6%	3,373,469		
25	Community Development	854,323	1,091,399	237,076	27.8%		1,091,399	
26	Legal	156,500	200,000	43,500	27.8%		200,000	
27	Parks, Cemetery & Building Mtc.	243,034	343,614	100,580	41.4%		343,614	
28	Legislative, Executive, Adm, Tech, CS.	557,583	619,574	61,991	11.1%		619,574	
29	Master Development Review Team MDRT	829,505	906,176	76,671	9.2%			906,176
30	Total Operating Expenditures	5,662,798	6,534,232	871,434	15.4%	3,373,469	2,254,587	906,176
31	Ending Cash and Investments	1,272,861	2,145,964	873,103	68.6%	(134,385)	2,217,349	63,000
32	TOTAL GENERAL FUND USES*	6,935,659	8,680,196	1,744,537	25.2%	\$3,239,084	\$4,471,936	\$969,176

* Analysis doesn't include MDRT Consultant Revenues and Expenses in 2019 or 2020

Property Tax Collection & Levy Rate History

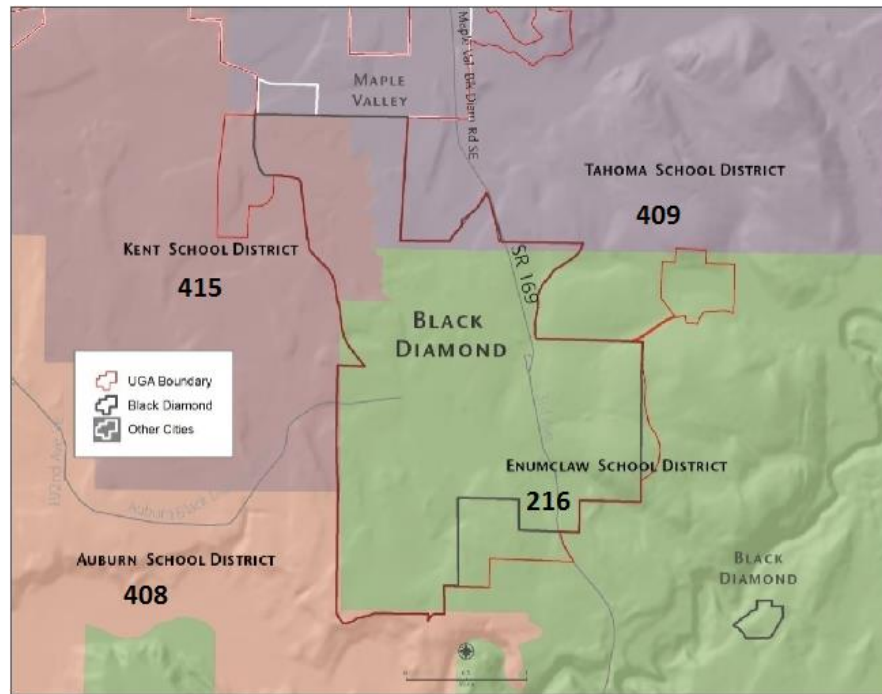


Regular Levy Base	1,373,558	1,400,391	1,438,114	1,462,890	1,481,033	1,475,350	1,535,244	1,653,489
1% Increase	13,736	14,004	14,381	14,629	14,810	14,753	15,352	15,958
New Construction	4,256	11,833	3,145	11,905	13,378	11,470	95,541	219,986
Annexations								
Adjustments	8,841	11,886	5,137	-14,074	-534	698		
Total Property Taxes	\$1,400,391	\$1,438,114	\$1,460,777	\$1,475,350	\$1,508,687	\$1,502,271	\$1,646,137	\$1,889,434
Levy Rate per \$1000 AV	\$ 2.82640	\$ 2.62096	\$ 2.41750	\$ 2.24177	\$ 2.12526	\$ 2.02747	\$ 1.89700	\$ 1.87036
Allowable Levy	3.10	3.10	3.10	3.10	3.10	3.10	3.10	3.10
Assessed Valuation	\$501,184,962	\$552,579,603	\$595,232,848	\$659,796,088	\$709,056,241	\$757,566,459	\$867,760,447	\$1,010,196,853



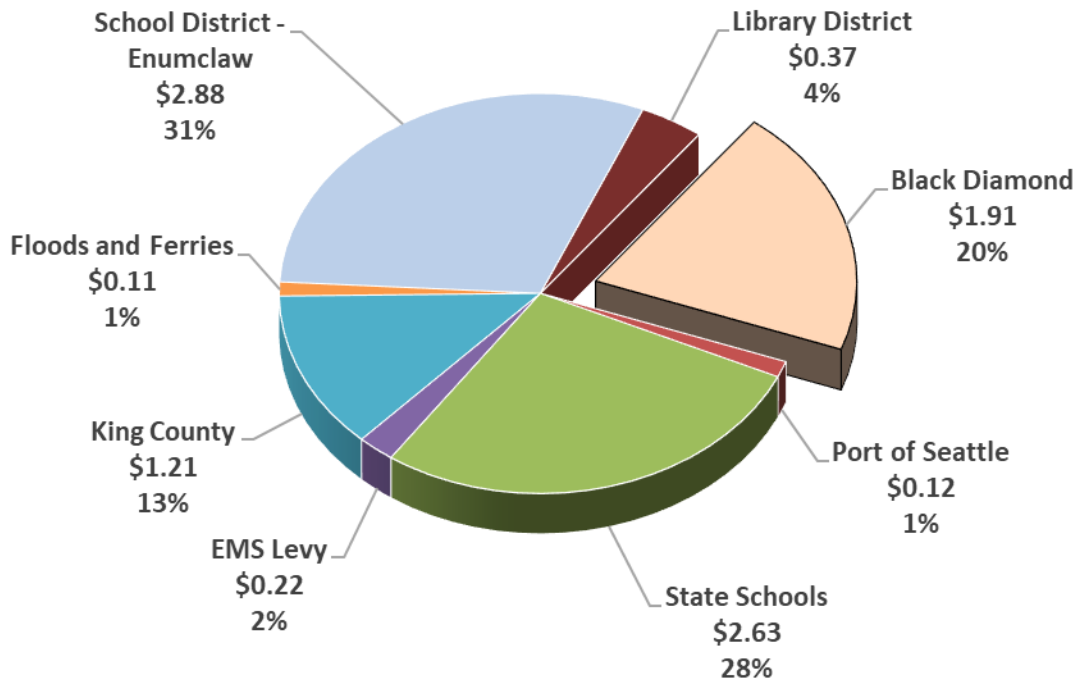
Base Assessed Valuation	501,181,815	552,573,142	595,228,592	659,792,943	709,042,334	757,554,989	867,664,906	1,009,976,867
New Construction	3,147	6,461	4,256	3,145	13,907	11,470	95,541	219,986
Final Assessed Valuation	501,184,962	552,579,603	595,232,848	659,796,088	709,056,241	757,566,459	867,760,447	1,010,196,853
% change from prior year	-7.0%	10.3%	7.7%	10.8%	7.5%	6.8%	14.5%	16.4%
Population	4,160	4,160	4,170	4,200	4,330	4,360	4,360	4,525
Property Tax Levy Rate	2.826	2.621	2.418	2.242	2.125	2.027	1.897	1.870
Increase in Base value	(37,909,810)	51,394,641	42,653,245	64,563,240	49,260,153	97,770,371	158,704,206	301,140,612
Percentage increase in base	-7.0%	10.3%	7.7%	10.8%	7.5%	14.8%	22.4%	42.5%

School Districts in Black Diamond



The total property tax rates in Black Diamond vary because of the four different school districts within our city limits.				
	Enumclaw	Tahoma	Kent	Auburn
2019 Rates				
Local School District	2.88	3.47	3.64	3.81
Washington State for Schools Part 1	1.92	1.92	1.92	1.92
*McCleary Decision for Schools Part 2	0.71	1.01	1.01	1.01
King County	1.21	1.21	1.21	1.21
City of Black Diamond	1.91	1.91	1.91	1.91
Port of Seattle	0.12	0.12	0.12	0.12
Library District	0.37	0.37	0.37	0.37
Emergency Medical Services	0.22	0.22	0.22	0.22
King County Flood Levy	0.11	0.11	0.11	0.11
Total Levy Rate 2019	9.45	10.34	10.51	10.68
* McCleary Part 2 was reduced by State-2019				
Total 2018 Levy Rates	11.45	12.60	11.37	13.48

MONTHLY 2019 Property Tax Rates on a \$386,000 Appraised Home
 Translate to:
Total Monthly Taxes of \$298.18
Black Diamond's Portion: \$55.57



King County Taxing District	Levy Rate per \$1000 in Value	Percent of Property Taxes Collected	2019 Annual Tax on a \$386,000 Home	Monthly Tax on a \$386,000 Home
Port of Seattle	0.12266	1%	\$47.35	\$3.95
State Schools	2.62922	28%	\$1,014.88	\$84.57
EMS Levy	0.21762	2%	\$84.00	\$7.00
King County	1.20894	13%	\$466.65	\$38.89
Floods and Ferries	0.10672	1%	\$41.19	\$3.43
School District - Enumclaw	2.88249	31%	\$1,112.64	\$92.72
Library District	0.37441	4%	\$144.52	\$12.04
Subtotal	7.54206	80%	\$2,911.24	\$242.60
Black Diamond	1.90542	20%	\$666.90	\$55.57
Total	9.44748	100%	\$3,578.13	\$298.18

PRELIMINARY LEVY LIMIT WORKSHEET – 2020 Tax Roll

TAXING DISTRICT: City of Black Diamond

The following determination of your regular levy limit for 2020 property taxes is provided by the King County Assessor pursuant to RCW 84.55.100.

Annexed to Library District (Note 1) Estimated Library rate: 0.32320

Using Limit Factor For District	Calculation of Limit Factor Levy	Using Implicit Price Deflator
1,647,705	Levy basis for calculation: (2019 Limit Factor) (Note 2)	1,647,705
1.0100	x Limit Factor	1.0140
1,664,182	= Levy	1,670,707
115,452,842	Local new construction	115,452,842
0	+ Increase in utility value (Note 3)	0
115,452,842	= Total new construction	115,452,842
1.90542	x Last year's regular levy rate	1.90542
219,986	= New construction levy	219,986
1,884,168	Total Limit Factor Levy	1,890,693
Annexation Levy		
0	Omitted assessment levy (Note 4)	0
1,884,168	Total Limit Factor Levy + new lid lifts	1,890,693
1,010,196,853	÷ Regular levy assessed value less annexations	1,010,196,853
1.86515	= Annexation rate (cannot exceed statutory maximum rate)	1.87161
0	x Annexation assessed value	0
0	= Annexation Levy	0
Lid lifts, Refunds and Total		
0	+ First year lid lifts	0
1,884,168	+ Limit Factor Levy	1,890,693
1,884,168	= Total RCW 84.55 levy	1,890,693
5,265	+ Relevy for prior year refunds (Note 5)	5,265
1,889,433	= Total RCW 84.55 levy + refunds	1,895,958
	Levy Correction: Year of Error (±)	
1,889,434	ALLOWABLE LEVY (Note 6)	1,895,958
Increase Information (Note 7)		
1.87036	Levy rate based on allowable levy	1.87682
1,648,224	Last year's ACTUAL regular levy	1,648,224
15,958	Dollar increase over last year other than N/C – Annex	22,483
0.97%	Percent increase over last year other than N/C – Annex	1.36%
Calculation of statutory levy		
	Regular levy assessed value (Note 8)	1,010,196,853
	x Maximum statutory rate	3.27680
	= Maximum statutory levy	3,310,213
	+Omitted assessments levy	0
	=Maximum statutory levy	3,310,213
	Limit factor needed for statutory levy	Not usable

ALL YEARS SHOWN ON THIS FORM ARE THE YEARS IN WHICH THE TAX IS PAYABLE.
Please read carefully the notes on the reverse side.

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ORDINANCE NO. 19-XXXX

AN ORDINANCE OF THE CITY OF BLACK DIAMOND, WASHINGTON, RELATING TO THE GENERAL PROPERTY TAX LEVY AND SPECIFYING THE INCREASE CALCULATED BY KING COUNTY BASED ON LAST YEARS ACTUAL LEVY COMMENCING ON JANUARY 1, 2020 WITH CERTAIN CHANGES REQUIRED BY KING COUNTY IN THE MANNER IN WHICH THE AMOUNTS ARE CALCULATED. SUCH PROPERTY TAX LEVY SHALL APPLY TO ALL PROPERTY BOTH REAL AND PERSONAL, SUBJECT TO TAXATION, FOR THE PURPOSE OF PROVIDING REVENUE FOR PUBLIC SAFETY FOR THE CITY OF BLACK DIAMOND, ALL AS REQUIRED BY LAW, AND ESTABLISHING THE EFFECTIVE DATE.

WHEREAS, the Council of the City of Black Diamond has met and considered its budget for the calendar year 2020 and

WHEREAS, the Council thereafter gave notice of public hearings and held public hearings on November 21, 2019, and

WHEREAS, the City's actual King County levy amount from the previous actual year base levy of \$1,647.705 is a base increase of **\$15,958 or .97%**; and

WHEREAS, the population of the City is less than 10,000; and

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

Section 1. Levy and Percentage of Increase. An increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2020`tax year. The dollar amount of the increase over the actual base levy amount authorized from King County for the previous year shall be \$15,958, which is a percentage increase of .97% from the previous year. Also adopted is a relevy of \$5,265. These increases are exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, and any increase in the value of state assessed property, and any annexations that have occurred.

Section 2. Severability. Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be preempted by State or Federal law or regulations, such decisions or preemptions shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

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

PASSED by the Council and approved by the Mayor of the City of Black Diamond, Washington, this 21st day of November 2019

Carol Benson, Mayor

Attest:

Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

David A Linehan, City Attorney

Published:

Posted:

Effective Date:

ORDINANCE NO. 19-XXXX

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, LEVYING THE GENERAL PROPERTY TAXES FOR THE CITY FOR THE FISCAL YEAR COMMENCING JANUARY 1, 2020 ON ALL PROPERTY BOTH REAL AND PERSONAL, SUBJECT TO TAXATION, FOR THE PURPOSE OF PROVIDING REVENUE FOR PUBLIC SAFETY FOR THE CITY OF BLACK DIAMOND FOR THE ENSUING YEAR AS REQUIRED BY LAW AND ESTABLISHING THE EFFECTIVE DATE.

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

WHEREAS, the City Council has properly given notice of the Public Hearings held on November 21, 2019 to consider the City's 2020 Property Tax Levy and the Preliminary Budget including the Revenue Sources, pursuant to RCW 84.55.120; and

WHEREAS, the City Council of Black Diamond, Washington has met and considered the Public Safety budgets for the year of 2020; and

WHEREAS, a public hearing was held on November 21, 2019 regarding the 2020 Revenue Sources and Public safety budget and the property tax levy, and

WHEREAS, King County requires that the 2020 Property Tax Levies be submitted by November 30, 2019; and

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

Section 1. Amount. The preliminary assessed valuation of **\$1,010,496,853** is adopted. A regular property tax for 2020 is hereby levied in the maximum amount **\$1,919,433** which includes an additional \$30,000 for any additional King County increases resulting from additional new construction, improvements to property, newly constructed wind turbines, and any increase in the value of state assessed property or any annexations that have occurred after the preliminary worksheets and adjustment made by the county. The final dollar amount of Property Taxes is determined by King County and reduced to the actual amount allowed.

Section 2. Severability. Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be preempted by State or Federal law or regulations, such decisions or preemptions shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

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

PASSED by the Council and approved by the Mayor of the City of Black Diamond, Washington, this 21st day of November 2019.

Carol Benson, Mayor

Attest:

Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

David A. Linehan, City Attorney

Posted:

Published:

Effective Date: