CITY OF BLACK DIAMOND

December 1, 2014 Special Meeting Agenda - REVISED

25510 Lawson St., Black Diamond, Washington

7:00 P.M. – CALL TO ORDER, FLAG SALUTE, ROLL CALL

PUBLIC COMMENTS: Persons wishing to address the City Council regarding items of new business are encouraged to do so at this time. When recognized by the Mayor, please come to the podium and clearly state your name and address. Please limit your comments to 3 minutes. If you desire a formal agenda placement, please contact the City Clerk at 360-886-5700. Thank you for attending.

PUBLIC HEARINGS:

1) **AB14-113** – Final 2015 Budget — Ms. Miller

APPOINTMENTS, PRESENTATIONS, ANNOUNCEMENTS:

Discussion and Appointment of Mayor

UNFINISHED BUSINESS:

NEW BUSINESS:

2) **AB14-114** – Ordinance Adopting 2015 Budget — Ms. Miller
3) **AB14-115** – Ordinance Regarding KC Metro 2015 Sewer Rate Increase — Ms. Miller
4) **AB14-116** – Resolution Authorizing Addendum to Valley Communications Agreement — Chief Kiblinger
5) **AB14-117 –** Resolution Authorizing 2nd Addendum to City of Auburn Inter Local Agreement — Ms. Martinez

DEPARTMENT REPORTS:

MAYOR'S REPORT:

COUNCIL REPORTS:

A. Council Standing Committees and Regional Committees

- Councilmember Benson - Budget, Finance, Administration Committee; South County Area Transportation Board SCATBd); South East Area Transportation Solutions (SEATS) Coalition; Mental Illness and Drug Dependency Oversight Committee
- Councilmember Edelman - Planning and Community Service Committee; Public Issues Committee (PIC)
- Councilmember Deady - Cemetery and Parks Committee; Growth Management Planning Council (GMPC)
- Councilmember Taylor, Chair - Public Works Committee; Public Safety Committee
- Councilmember Morgan - Water Resource Inventory Area Committee (WRIA 9)

ATTORNEY REPORT:

PUBLIC COMMENTS:

CONSENT AGENDA:

EXECUTIVE SESSION:

ADJOURNMENT:

CITY COUNCIL AGENDA BILL

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

ITEM INFORMATION

SUBJECT: **AB14-113** **Public hearing on 2015 proposed Budget including both Revenues and Expenditures.**	**Agenda Date: December 1, 2014**		**AB14-113**
		Mayor Dave Gordon	
		City Administrator	
		City Attorney Carol Morris	
		City Clerk – Brenda L. Martinez	
		Com Dev/Nat Resource– Aaron Nix	
		Finance – May Miller	**X**
		MDRT/Ec Dev – Andy Williamson	
Cost Impact (see also Fiscal Note):		Parks/Natural Resources –	
Fund Source: Various		Police – Chief Kiblinger	
Timeline: Public Hearing		Public Works – Seth Boettcher	
		Court Administrator – Stephanie Metcalf	

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

Attachments: Ordinance No. 14-1038. Proposed 2015 Budget and Exhibit A - 2015 Salary Schedule

SUMMARY STATEMENT:

This is the final public hearing on the proposed 2015 Budget for the revenues and expenditures for all funds. The preliminary budget is in balance for all operating and capital funds. The General Fund uses $24,412 of the ending cash and investment balance, but still was able to increase the budgeted balance by $79,627 above the 2014 budgeted ending fund balance. The 2015 budgeted General Fund operating ending fund balance is $645,080, which is $233,947 over the 10% recommended by city policy.

Council has reviewed the 2015 Budget at workstudies on October 2, 2014, October 16, 2014, and October 23, 2014. October 30, 2014 and at a public hearing on November 20, 2014.

Public participation and input are encouraged throughout the process. The 2015 proposed Budget document can be viewed at the city's website and is also available at the front counter of City Hall for viewing.

The proposed Ordinance adopting the 2015 Budget, the proposed Budget document and Exhibit A- 2015 Salary Schedule are attached.

FISCAL NOTE (Finance Department):

The Mayor's proposed 2015 budget document includes balanced sources and uses for each operating and capital fund.

COUNCIL COMMITTEE REVIEW AND RECOMMENDATION: the Finance Committee will reviewed the 2015 Proposed Budget Document at their November 25, 2014 Finance Committee Meeting.

RECOMMENDED ACTION: **Public Hearing on the 2015 Budget**.

RECORD OF COUNCIL ACTION

Meeting Date	*Action*	*Vote*
December 1, 2014		

ORDINANCE NO. 14-1038

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, ADOPTING THE BUDGET FOR CALENDAR YEAR 2015

WHEREAS, the Preliminary Budget was submitted to the City Council by the Mayor on October 2, 2014; and

WHEREAS, the City Council held public hearings on November 20, 2014, and December 1, 2014 and work studies on October 2, 16, 23 and 30, 2014; 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 2015 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 2015.

Section 2. The total estimated revenue from all sources and expenditures by fund as set forth in the 2015 budget document adopted by reference, are as follows:

Fund #	Fund Name	Estimated Revenues	Estimated Expenditures
001	General Fund	5,446,414	5,446,414
101	Street Fund	302,446	302,446
107	Fire Impact Fund	15,000	15,000
310	Capital Fund-General Government	246,186	246,186
311	REET Fund-General Government	277,271	277,271
320	Capital Fund-Street Projects	80,000	80,000
321	REET Fund-Street Projects	246,857	246,857
401	Water Fund	904,210	904,210
402	Water Capital Facility Fund	190,000	190,000
404	Water Capital Fund	470,027	470,027
407	Wastewater Fund	937,983	937,983
408	Wastewater Capital Fund	756,053	756,053
410	Stormwater Fund	440,392	440,392
410	Stormwater Capital Fund	30,000	30,000
510	Equipment Reserve Funds	694,207	694,207
Total		**11,037,046**	**11,037,046**

Section 3. This Ordinance shall include the 2015 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 1st day of December, 2014.

Passed by a majority of the City Council at a meeting held on the 1st day of December, 2014.

_____
Mayor Dave Gordon

Attest:

_____
Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

_____
Carol Morris, City Attorney

Published: _____
Posted: _____
Effective Date: _____

City of Black Diamond

2015 Preliminary Budget

January 1, 2015 through December 31, 2015

The budget and information contained herein remain provisional to the extent they are subject to mandatory bargaining with the City's collectively bargained employees as required by Washington law.

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Mayor's Budget Message

November 3, 2014

Honorable City Council and Citizens
City of Black Diamond
24301 Robert Drive
Black Diamond, Washington

Dear City Council and Citizens of Black Diamond:

As my first year as Mayor, it is with great pleasure that I present to you a balanced 2015 Preliminary Budget. My proposed budget retains the municipal services our citizens have enjoyed in past years and I appreciate the opportunity to present this information for your consideration.

Although the economy seems to be improving, the coming year will pose many of the same challenges as previous years and we need to still be cautious. The proposed budget continues to honor the adopted Financial Management Policy of the City that recommends that at least 10% of expenditures remains in the fund balance. The Budget projects the 2015 ending fund balance of $645,080 or $79,627 higher than 2014. This is $233,947 higher than the 10% recommended in City policy.

The 2015 Preliminary Budget has expected General Fund revenues of $4,566,922 which is a decrease of $578,641 from 2014. In October the City received a limited wind-down notice from YarrowBay, which will take effect March 19, 2015. This funding reduction will result in $520,917 reduced revenue in 2015. This was a $466,071 reduction to the General Fund and $54,846 to the Public Works Funds, a significant reduction to achieve in one year.

In preparing my proposed preliminary budget I focused on balancing the budget with the least impacts on level of service. Some of the balancing examples include utilizing the additional $76,430 in General Fund revenues, plus using the savings from the current vacant City Administrator, Natural Resources Director and Permit Technician Supervisor positions. Keeping these positions vacant in 2015 will help offset the allocation of other core funding agreement positions to the general fund and enterprise funds. In addition, the technology budget was reduced by another $37,820 to the current 2014 expenditure level. Savings were also achieved by increasing the furlough days from 2 to 10 in 2015, not including step or COLA increases. It was also decided to vacate the current City Hall building by March 31, 2015 when funding for the building costs end. City Hall staff will move into one of the leased modular buildings. Staff did a great job in reducing many line item budgets and the Hearing Examiner budget was reduced to $10,000.

Currently the City is negotiating contracts for the Black Diamond Police Officers Association along with two newly formed bargaining units; Public Works Group and Professional Group. Since negotiations are still underway any budget impacts will come back to Council for a budget amendment. The 2015 budget includes a 2% COLA increase for Fire District 44. For 2015, the City's liability insurance is budgeted to increase by 10%, medical benefits by 5%, dental by 8% and retirement by 9.9% for PERS.

Public Safety continues to be the largest allocation for the general fund. Approximately 57% of the City's approximate $4.1 million dollar general fund budget is allocated toward public safety services. Although Public Safety cost increases for 2015 were held at a minimum, the costs for these services have increased at a rate of approximately 8%, since 2013. In this budget I am recommending the City Council once again approve the allowable 1% increase to the City of Black Diamond regular property tax levy for 2015 to help offset these anticipated increase in costs for public safety. The result of the 1% increase would be $14,338 added to the amount of property tax Black Diamond will receive in 2015. In 2015, a home owner of a $275,000 home is expected to pay approximately $664 or $55 a month. The balance of the property tax bill or 81.4% goes to schools, King County and Special Districts.

Black Diamond operates three utilities: Water, Sewer and Stormwater, each with its own budget. In 2015 a portion of the Public Works Administrative Assistant will be allocated to Capital Projects for grant administration and billing. In addition a portion of the Public Works Director will be covered by the Capital budget for the Comprehensive Water Plan update in 2015 and 2016. New in 2015 are the allocations of approximately 10% of the Finance Director and Deputy Finance Director positions to the utility funds to cover financial related costs. The utility funds were able to absorb this portion of the finance allocation with the 2015 savings from keeping the City Administrator position vacant and by also covering part of the Public Works Director's salary in the Capital budget. Also included are the associated capital projects for the public works funds that were adopted in the 2015-2020 Capital Improvement Plan. Customers are budgeted to see a pass through Metro Sewer rate increase of 5.6%, a City inflationary sewer rate increase of 2.3% and the third 15% increase to water rates in 2015. The water and City sewer rate increases were previously approved by Council in 2013. The pass through Metro rate is before Council in November and December 2014. The rate study model for all utility funds is planned to be updated and reviewed in the first quarter of 2015 to ensure that revenue is keeping pace with the increased operating costs.

In addition to the three utilities, the Public Works Department also manages City streets. The 2015 budget for the Street fund continues with revenue at approximately $90,000 a year and expenditures of approximately $200,000. The short-fall is balanced by transferring $50,000 from Real Estate Excise Tax II and reducing the beginning fund balance. The Street fund is expected to end 2015 with $87,655 in reserves. At current pace the Street fund reserves may be depleted if new revenues or drastic level of service reductions are not in place before the 2016 budget process. The City was fortunate to receive several grants in 2014 which helped fund projects such as the Lawson Street Sidewalk Project and we continue to rely on grants for most capital projects.

In closing I would like to thank staff for all their creativity and hard work in assisting me in presenting a balanced budget. I continue to be honored at having the opportunity to serve this fine community.

Sincerely,

Dave Gordon
Mayor

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, 2014

MAYOR DAVE GORDON
FOUR-YEAR TERM EXPIRING 12/31/17

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

ERIKA MORGAN
POSITION 2
FOUR-YEAR TERM
EXPIRES 12/31/17

JANIE EDELMAN
POSITION 3
TWO-YEAR TERM
EXPIRES 12/31/15

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 2015 Budget with Ordinance 14-1038 on December 1, 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.

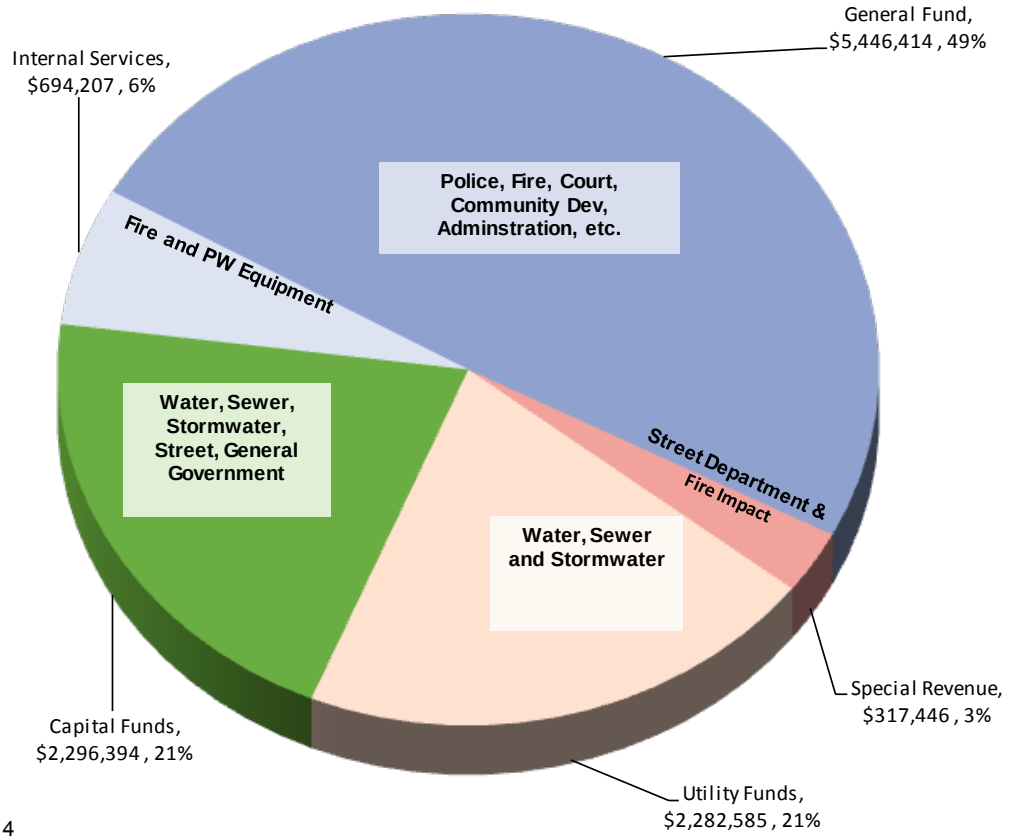
Public Works Committee
Chair - Council Member Taylor
Council Member Benson
The Public Works Committee in conjunction with City Staff may consider matters related to water, sewer, solid waste, recycling, utility franchises, stormwater management, transportation, capital improvement program, transit, streets,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

Budget Summary

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

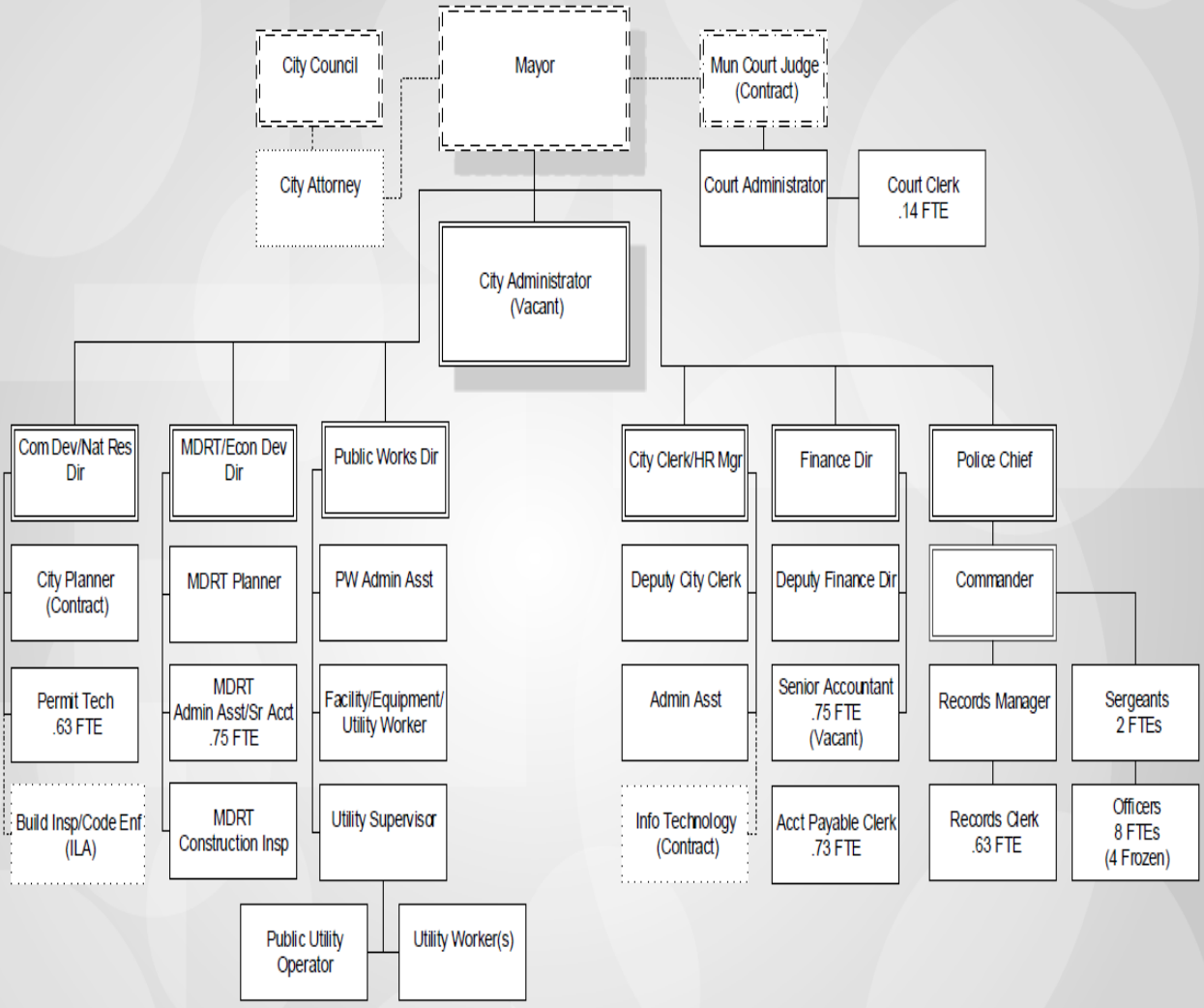
All Funds 2015 Budget - Combined Operating Statement

	Beginning Fund Balance	2015 Revenue	Total Sources	2015 Expend-itures	Ending Fund Balance	Total Uses
General Fund 001	879,492	4,566,922	5,446,414	4,591,334	855,080	5,446,414
Special Revenue Fund			-			-
101 Street Fund	142,222	160,224	302,446	214,781	87,665	302,446
107 Fire Impact Fee Fund	5,000	10,000	15,000	10,000	5,000	15,000
Utility Funds						
401 Water Fund	129,219	774,991	904,210	785,193	119,017	904,210
407 Sewer Fund	118,383	819,600	937,983	849,136	88,847	937,983
410 Stormwater Fund	106,292	334,100	440,392	343,574	96,818	440,392
Capital Funds						
310 General Government CIP fund	100,409	145,777	246,186	246,186	-	246,186
320 Street CIP Fund	-	80,000	80,000	80,000	-	80,000
402 Water Supply and Facility Fund	70,000	120,000	190,000	120,000	70,000	190,000
404 Water Capital Fund	292,027	178,000	470,027	247,000	223,027	470,027
408 Sewer Capital Fund	703,353	52,700	756,053	105,000	651,053	756,053
410 Stormwater Capital Fund		30,000	30,000	30,000		30,000
311 REET Fund - General Govt	202,121	75,150	277,271	133,277	143,994	277,271
321 REET Fund - Street Projects	171,357	75,500	246,857	130,000	116,857	246,857
Internal Service Fund 510						
1 Fire Equipment Reserve Fund	73,950	375,000	448,950	395,000	53,950	448,950
2 Street Equipment Reserve Fund	170,710	47,200	217,910	60,000	157,910	217,910
3 Police Equipment Reserve Fund	27,347	-	27,347	9,800	17,547	27,347
Grand Total All Funds	**3,191,882**	**7,845,164**	**11,037,046**	**8,350,281**	**2,686,765**	**11,037,046**



Total Budget $11,037,046

Proposed 2015 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

2015 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	1.00		1.00				
Court Clerk	0.29		0.29				
Total Court	**1.29**		**1.29**	**0.0**	**0.0**	**0.0**	**0.0**
Administration							
City Administrator (Vacant)							
Admin Assistant I	1.00		0.10		0.30	0.30	0.30
Total Administration	**1.00**		**0.10**	**0.00**	**0.30**	**0.30**	**0.30**
City Clerk							
City Clerk/Assistant City Administrator	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		0.70	0	0.10	0.10	0.10
Deputy Finance Director	1.00		0.72	0	0.09	0.10	0.09
Accounts Payable Clerk	0.73		0.45	0.04	0.08	0.08	0.08
Total Finance	**2.73**		**1.87**	**0.04**	**0.27**	**0.28**	**0.27**
Information Services							
Information Services Manager (Vacant)	0.00						
Total Information Services	**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**		**9.63**	**0.00**	**0.00**	**0.00**	**0.00**
Community Development							
Community Devel./Natural Resource Director	0.50		0.50				
Permit Technician Supervisor (Vacant)							
Permit Technician	0.60		0.60				
Total Community Development	**1.10**		**1.10**				
Master Development Review Team (MDRT)							
MDRT Exconomic Development Director	1.00	1.00					
Community Devel./Natural Resource Director	0.50	0.50					
Utilities Construction Supervisor	1.00	1.00					
Senior Planner	0.75	0.75					
Senior Accountant	0.75	0.75					
Total Economic Development	**4.00**	**4.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Facilities Department							
Facilities Equipment Coordinator	1.00		0.80	0.05	0.05	0.05	0.05
Total Facilities	**1.00**		**0.80**	**0.05**	**0.05**	**0.05**	**0.05**
Stewardship							
Stewardship Director (Vacant)							
Total Stewardship	**0.00**		**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Public Works							
Public Works Director	1.00			0.25	0.25	0.25	0.25
Admin Assistant III	1.00			0.25	0.25	0.25	0.25
Utilities Supervisor	1.00		0.04	0.30	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	**5.12**		**0.30**	**1.12**	**1.24**	**1.22**	**1.24**
Grand Total Budget Positions (FTE's)	**27.87**	**5.00**	**15.69**	**1.25**	**1.98**	**1.97**	**1.98**

General Fund

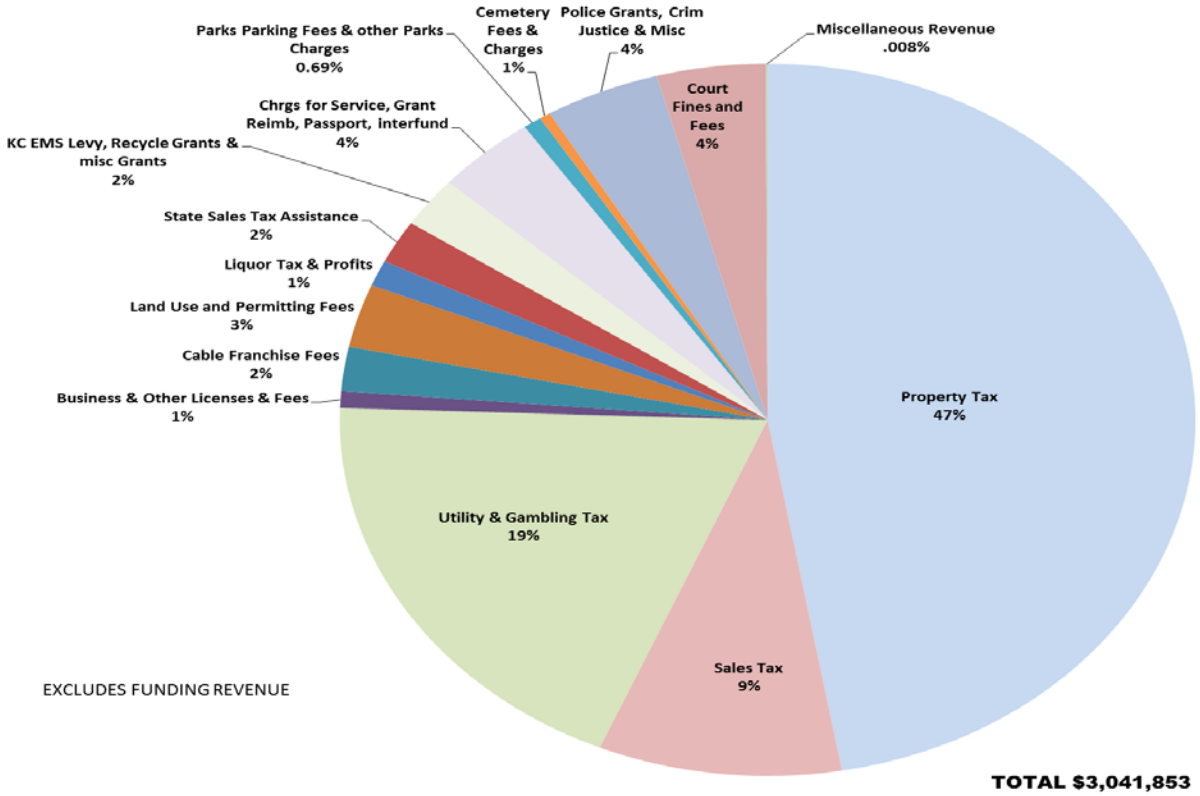
Historic Union Stump (Located on Morgan Street next to Cemetery)

2015 Proposed General Fund Budget with Funding Agreement-Limited wind-down

DRAFT

	2013 Actuals	2014 Adj Budget	2014 Est Dec. Actual	2015 Budget	Inc/Dec	Budget % Inc/Dec
REVENUE						
Property Tax	1,400,391	1,421,983	1,386,433	1,436,203	14,220	1.00%
Sales Tax	290,796	280,000	272,000	280,000	0	0.00%
Utility & Gambling Tax	546,510	579,100	576,700	581,400	2,300	0.40%
Business & Other Licenses & Fees	23,070	23,700	22,000	23,500	(200)	-0.84%
Cable Franchise Fees	61,563	55,000	61,000	61,000	6,000	10.91%
Land Use and Permitting Fees	80,068	66,295	80,000	86,970	20,675	31.19%
Liquor Tax & Profits	40,278	37,500	40,000	35,700	(1,800)	-4.80%
State Sales Tax Assistance	61,645	49,000	59,000	60,000	11,000	22.45%
KC EMS Levy, Recycle Grants & misc	70,630	70,625	70,625	70,125	(500)	-0.71%
Chrgs for Svs, Passport	88,393	93,560	95,000	114,430	20,870	22.31%
Parks Parking Fees & other Parks Chg	16,313	12,700	21,000	21,000	8,300	65.35%
Cemetery Fees & Charges	9,128	13,500	10,000	12,700	(800)	-5.93%
Police Grants, Crim Justice & Misc	162,180	153,310	132,000	131,850	(21,460)	-14.00%
Court Fines and Fees	104,826	106,500	116,000	125,000	18,500	17.37%
Miscellaneous Revenue	8,676	2,650	2,200	1,975	(675)	-25.47%
Subtotal Operating Revenue	**2,964,467**	**2,965,423**	**2,943,958**	**3,041,853**	**76,430**	**2.58%**
Funding Agreement-MDRT		**632,570**		**714,381**	81,811	12.93%
Funding Agreenent-Core		**878,570**		**330,688**	(547,882)	-62.36%
Funding Agreement Contribution	1,412,069		1,274,140		0	
Total General Fund Op Revenue	**4,376,536**	**4,476,563**	**4,218,098**	**4,086,922**	**(389,641)**	**-8.70%**
Developer Reimb-SEPA legal	51,420	84,000	15,000	10,000	(74,000)	-88.10%
Developer Reimb-MDRT Consultants	270,325	485,000	230,000	470,000	(15,000)	-3.09%
Developer Reimb-Makers Consulting	79,400	100,000	71,376		(100,000)	-100.00%
Developer-Dup Plat & Land Use Fees				0		
Grand Total Revenue	**4,777,681**	**5,145,563**	**4,534,474**	**4,566,922**	**(578,641)**	**-11.25%**
Beg Cash & Inv Bal General Govt	397,817	644,198	644,198	601,492	(42,706)	#REF!
Beg Cash & Investment Ba Deve	261,219	299,129	299,129	278,000	(21,129)	#REF!
Total Sources	**5,436,717**	**6,088,890**	**5,477,801**	**5,446,414**	**(642,476)**	**-10.55%**
EXPENDITURES						
Legislative	3,876	14,709	14,709	14,702	(7)	-0.05%
Executive	13,924	14,876	14,876	14,450	(426)	-2.86%
Administration	105,545	125,031	113,000		(125,031)	-100.00%
Asst City Administrator/City Clerk/HR	238,595	228,749	225,749	220,309	(8,440)	-3.69%
Finance	243,879	271,891	264,813	173,477	(98,414)	-36.20%
Information Services	143,454	87,520	40,000	49,700	(37,820)	-43.21%
Legal Service	66,564	70,000	70,000	75,400	5,400	7.71%
Legal Services-2014 Investigation/Other		157,950	160,000		(157,950)	-100.00%
Legal-Pros Atty & Pub Defender	24,000	60,000	60,000	61,250	1,250	2.08%
Municipal Court	151,901	147,399	140,445	160,208	12,809	8.69%
Police Department	1,553,562	1,632,382	1,601,385	1,639,816	7,434	0.46%
Fire Department	448,264	474,711	453,000	483,526	8,815	1.86%
Natural Resources-Recycle & Air Quality	168,077	94,901	91,300	17,300	(77,601)	-81.77%
Master Development Review Team	451,226	632,571	480,000	714,381	81,810	12.93%
Hearing Examiner-SEPA	2,791	30,000	10,000	10,000	(20,000)	-66.67%
Community Development	168,143	197,180	185,000	202,072	4,892	2.48%
Economic Development	1,084	1,550	1,200	1,500	(50)	-3.23%
Facilities-staff & Misc	98,239	87,894	87,894	82,322	(5,572)	-6.34%
Facilities Bldg Mtc-FA-Core	112,222	112,322	109,322	75,236	(37,086)	-33.02%
Animal Control	8,659	9,293	9,293	10,000	707	7.61%
Emergency Management	3,714	2,500	2,500	2,500	0	0.00%
Parks	46,394	56,225	53,225	57,365	1,140	2.03%
Cemetery	15,768	14,428	13,000	15,285	857	5.94%
Cntrl Svs Reimb-Paper, Post, Print Cks	27,073	31,226	40,000	30,535	(691)	0.00%
Three month Insurance -all depts			27,000		0	0.00%
Total General Fund Op Exp	**4,096,955**	**4,555,308**	**4,267,711**	**4,111,334**	**(443,974)**	**-9.75%**
Developer Exp-GFC-Makers	106,705	100,000	75,598		(100,000)	0.00%
Developer MDRT-Consultants	245,220	485,000	250,000	470,000	(15,000)	0.00%
Developer Legal SEPA Reimb	44,511	84,000	5,000	10,000	(74,000)	0.00%
Developer Refunds						
Total Expenditures	**4,493,390**	**5,224,308**	**4,598,309**	**4,591,334**	**(632,974)**	**-12.12%**
Ending Cash & Inv Bal Gen Govt	644,198	565,453	601,492	645,080	**79,627**	14.08%
Ending Cash & Inv Bal Developer	299,129	299,129	278,000	210,000	**(89,129)**	-29.80%
Total Uses	**5,436,717**	**6,088,890**	**5,477,801**	**5,446,414**	**(642,476)**	**-10.55%**

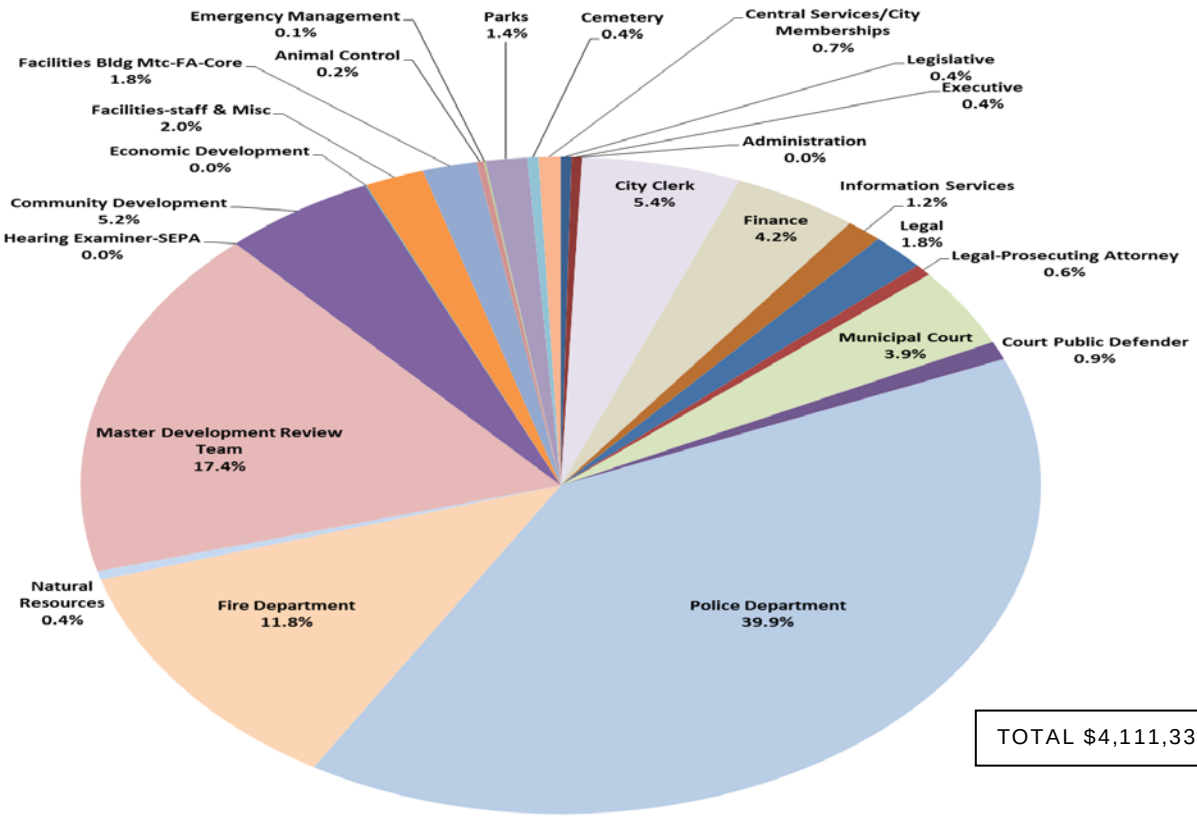
2015 GENERAL FUND OPERATING REVENUE



EXCLUDES FUNDING REVENUE

TOTAL $3,041,853

2015 GENERAL FUND EXPENDITURES



TOTAL $4,111,334

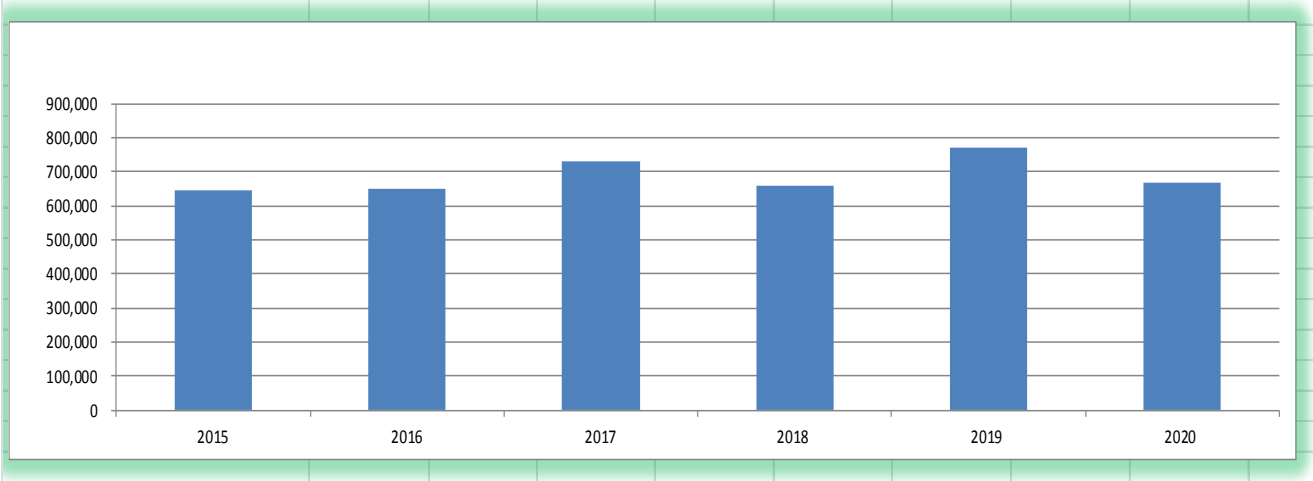
CITY OF BLACK DIAMOND

2015 General Fund Preliminary Budget — **Basic forecast with ongoing deficit**

DRAFT

Six Years with NO Funding Reduction — **no new Revenue from Growth or increases**

General Fund Revenue	2013 actual	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget	
Property Tax	1,400,391	1,421,983	1,436,203	1,450,565	1,465,071	1,465,071	1,479,721	1,494,518	1%
Sales Tax	290,796	280,000	280,000	285,600	291,312	291,312	297,138	300,110	2%
Utility Taxes	546,510	579,100	581,400	593,028	604,889	604,889	616,986	623,156	2%
Other Revenue **	726,770	684,340	744,250	759,135	774,318	789,804	805,600	821,712	2%
Fund Agree MDRT	450,461	632,570	714,381	728,669	743,242	774,318	789,804	805,600	2%
Fund Agree Core Revenue	961,608	878,570	330,688	330,688	330,688	330,688	330,688	330,688	
Total Operating Revenue	4,376,536	4,476,563	4,086,922	4,147,684	4,209,519	4,256,081	4,319,938	4,375,784	
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%	
Public Safety	2,190,100	2,326,285	2,362,700	2,409,954	2,458,153	2,507,316	2,557,462	2,608,612	2%
Comm Deve-Gen Govt	340,095	323,631	230,872	235,489	240,199	245,003	249,903	254,901	2%
Comm Deve-MDRT	451,226	632,571	714,381	728,669	743,242	789,804	805,600	821,712	2%
Support Services-Clk, HR, Fin, CS	482,442	531,866	424,321	432,807	441,464	450,293	459,299	468,485	2%
Mtc Bldgs. Grds, Equip	416,077	358,389	279,908	285,506	291,216	297,041	302,981	309,041	2%
Legal Services	66,595	216,365	70,000	71,400	72,828	74,285	75,770	77,286	2%
Leg & Administration	150,450	166,201	29,152	29,735	30,330	30,330	30,330	30,936	2%
Continue Prior Year Reductions					(50,000)	(150,000)	(150,000)	(200,000)	
Total Operating Spending	4,096,985	4,555,308	4,111,334	4,193,561	4,227,432	4,244,071	4,331,346	4,370,973	
Cumulative Rev Inc/Exp Red				(50,000)	(100,000.0)		(50,000.0)		
Total Op Exp after Cuts	4,096,985	4,555,308	4,111,334	4,143,561	4,127,432	4,244,071	4,281,346	4,370,973	
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	
Change in Reserves	279,551	(78,745)	(24,412)	4,123	82,087	12,010	38,592	4,812	
Ending Reserves	**644,198**	**565,453**	**645,080**	**649,203**	**731,290**	**661,213**	**769,883**	**666,025**	
	15.72%	12.41%	15.69%	15.48%	17.30%	15.58%	17.77%	15.24%	



** 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,

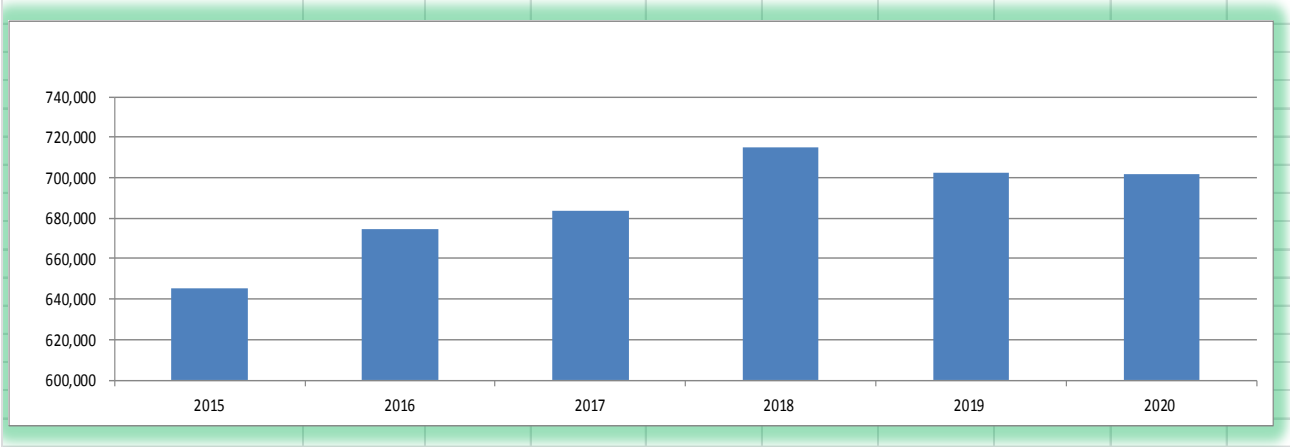
Model assumes no growth, no new revenue and continued Funding Revenue at 2014 level. The model assumes 2% Revenue Growth, except Property Tax,which is limited at 1%. Expenditures are assumed to grow at 2%. This model demonstrates that even without the funding Reductions, a deficit occurs, due to the large percentage of Public Safety Expenditures, with their primary revenue of Property Tax, continuing to be limited to a 1% increase. Due to this ongoing deficit, either Revenues will need to increase or expenditures need to be reduced by approximately $200,000 between 2016 and 2020. Line 21 shows potential amounts and years of needed revenue or reductions.

10/23/2014

CITY OF BLACK DIAMOND
2015 Preliminary Budgetg

General Fund Ending Fund Balance Forecast — **Shows impact on budget-with no further funding reduction** — DRAFT
Six Years with NO Funding Reduction — **Opportunities with New additional Revenue**

General Fund Revenue	2013 actual	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget	
Property Tax	1,400,391	1,421,983	1,436,203	1,450,565	1,465,071	1,465,071	1,479,721	1,494,518	1%
Sales Tax	290,796	280,000	280,000	285,600	291,312	291,312	297,138	300,110	2%
Utility Taxes	546,510	579,100	581,400	593,028	604,889	604,889	616,986	623,156	2%
Add UT on BD Res-wtr dist			20,000	20,400	20,808	21,224	21,649	22,082	
Add UT- 2% Wtr, Swr, Stm			34,000	34,680	35,374	36,081	36,803	37,539	
Other Revenue **	726,770	684,340	744,250	759,135	774,318	789,804	805,600	821,712	2%
Increase CD-Bldg/Plan Ck fees 25%			20,000	20,400	20,808	21,224	21,649	22,082	
Fund Agree MDRT	450,461	632,570	714,381	728,669	743,242	774,318	789,804	805,600	2%
Fund Agree Core Revenue	961,608	878,570	330,688	330,688	330,688	330,688	330,688	330,688	
Total Operating Revenue	4,376,536	4,476,563	4,160,922	4,223,164	4,286,508	4,334,611	4,400,038	4,457,486	
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%	
Public Safety	2,190,100	2,326,285	2,362,700	2,409,954	2,458,153	2,507,316	2,557,462	2,608,612	2%
Comm Deve-Gen Govt	340,095	323,631	230,872	235,489	240,199	245,003	249,903	254,901	2%
Comm Deve-MDRT	451,226	632,571	714,381	728,669	743,242	789,804	805,600	821,712	2%
Support Services-Clk, HR, Fin, CS	482,442	531,866	424,321	432,807	441,464	450,293	459,299	468,485	2%
Mtc Bldgs. Grds, Equip	416,077	358,389	279,908	285,506	291,216	297,041	302,981	309,041	2%
Legal Services	66,595	216,365	70,000	71,400	72,828	74,285	75,770	77,286	2%
Leg & Administration	150,450	166,201	29,152	29,735	30,330	30,330	30,330	30,936	2%
Continue Prior Year Reductions							(100,000)		
Total Operating Spending	4,096,985	4,555,308	4,111,334	4,193,561	4,277,432	4,394,071	4,381,346	4,570,973	
Cumulative Rev Inc/Exp Red						(100,000.0)		(100,000.0)	
Total Op Exp after Cuts	4,096,985	4,555,308	4,111,334	4,193,561	4,277,432	4,294,071	4,381,346	4,470,973	
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	
Change in Reserves	279,551	(78,745)	49,588	29,603	9,076	40,539	18,692	(13,486)	
Ending Reserves	**644,198**	**565,453**	**645,080**	**674,683**	**683,760**	**715,223**	**702,452**	**701,736**	
	15.72%	12.41%	15.69%	16.09%	15.99%	16.28%	16.03%	15.35%	



** 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,

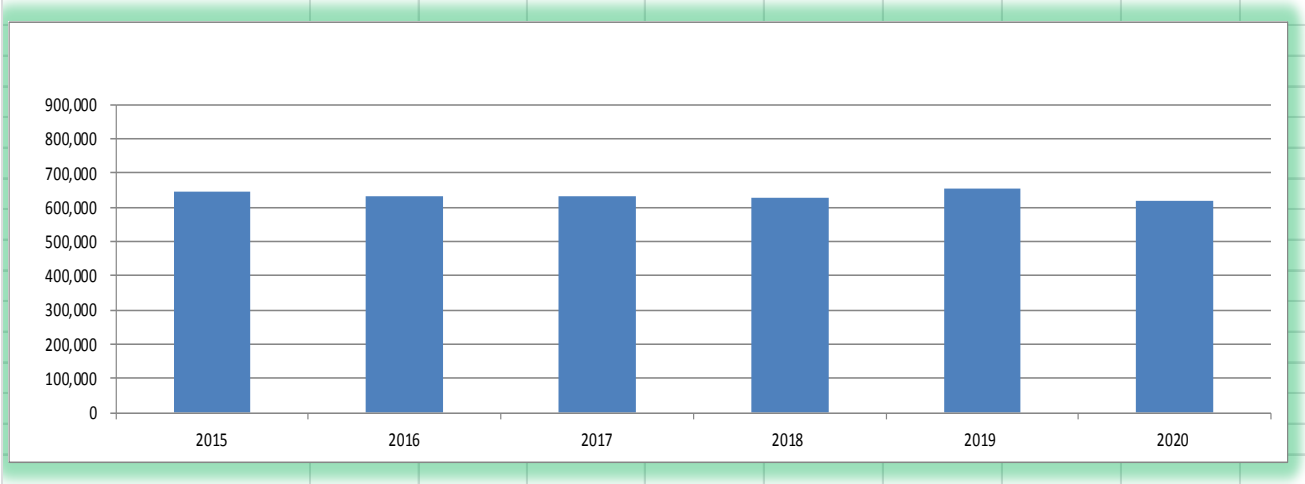
Model assumes no growth, but opportunities for revenue options to partially offset built-in deficit if now new growth occurs.
The 2% Utility Tax increase would cost a home owner approximately $2.80 per month, or $33.60 per year. Developers would pay Permit Fees.
This deficit occurs as Public Safety Costs are forcast a 2% expenditure increase and Property Tax is limited at 1% increase.
Even with a $100,000 reduction in 2018, if growth does not occur, the deficit would re-occur and cause the need for further reductions
or a new voted property Tax - lid lift would need to be put before the voters, or further reductions would need to be made,
10/22/2015

CITY OF BLACK DIAMOND

2015 General Fund Preliminary Budget DRAFT

Six Years with Funding Reduction **no new Revenue from Growth or increases** **WORST CASE**

General Fund Revenue	2013 actual	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget	
Property Tax	1,400,391	1,421,983	1,436,203	1,450,565	1,465,071	1,465,071	1,479,721	1,494,518	1%
Sales Tax	290,796	280,000	280,000	285,600	291,312	291,312	297,138	300,110	2%
Utility Taxes	546,510	579,100	581,400	593,028	604,889	604,889	616,986	623,156	2%
Other Revenue **	726,770	684,340	744,250	759,135	774,318	789,804	805,600	821,712	2%
Fund Agree MDRT	450,461	632,570	714,381	728,669	743,242	774,318	789,804	805,600	2%
Fund Agree Core Revenue	961,608	878,570	330,688	163,117	0	0	0		
Total Operating Revenue	4,376,536	4,476,563	4,086,922	3,980,113	3,878,831	3,925,393	3,989,250	4,045,096	
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%	
Public Safety	2,190,100	2,326,285	2,362,700	2,409,954	2,458,153	2,507,316	2,557,462	2,608,612	2%
Comm Deve-Gen Govt	340,095	323,631	230,872	235,489	240,199	245,003	249,903	254,901	2%
Comm Deve-MDRT	451,226	632,571	714,381	728,669	743,242	774,318	789,804	805,600	2%
Support Services-Clk, HR, Fin, CS	482,442	531,866	424,321	432,807	441,464	450,293	459,299	468,485	2%
Mtc Bldgs. Grds, Equip	416,077	358,389	279,908	285,506	291,216	297,041	302,981	309,041	2%
Legal Services	66,595	216,365	70,000	71,400	72,828	74,285	75,770	77,286	2%
Leg & Administration	150,450	166,201	29,152	29,735	30,330	30,330	30,330	30,936	2%
Continue Prior Year Reduction					(200,000)	(400,000)	(450,000)	(500,000)	
Total Operating Spending	4,096,985	4,555,308	4,111,334	4,193,561	4,077,432	3,978,585	4,015,550	4,054,861	
Additional annual Rev & Reduct			0.0	(200,000)	(200,000)	(50,000)	(50,000)		
Total Op Exp after Cuts	4,096,985	4,555,308	4,111,334	3,993,561	3,877,432	3,928,585	3,965,550	4,054,861	
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	
Change in Reserves	279,551	(78,745)	(24,412)	(13,448)	1,399	(3,192)	23,700	(9,764)	
Ending Reserves	**644,198**	**565,453**	**645,080**	**631,632**	**633,031**	**628,440**	**656,732**	**618,676**	
	15.72%	12.41%	15.69%	15.06%	15.53%	15.80%	16.35%	15.26%	



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WORST CASE

Model assumes no growth, no new revenue and continued Funding Revenue reduction until only MDRT is Funded. The model assumes 2% in Revenue and Expenditure Growth, with the exception of Property Tax, which is limited to 1%. This model shows the combined revenue increases or reduction that will need to be made between 2016 and 2020 to maintain fund Balance. Line 21 shows the potential amounts and years the reductions may need to be made to offset the $200,000 ongoing deficit and approximate $300,000 Funding Reduction over the next few years.

10/23/2014

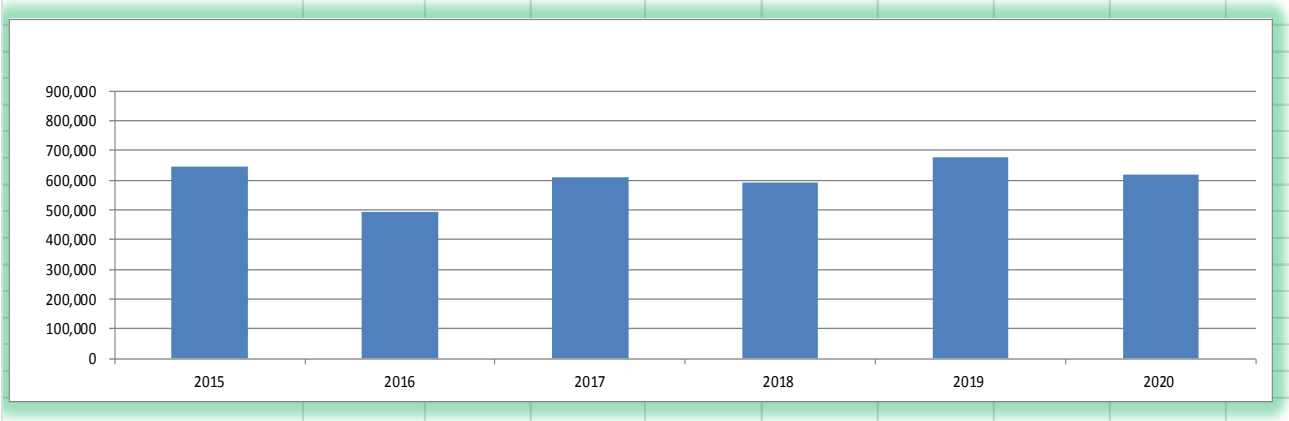
CITY OF BLACK DIAMOND

2015 Preliminary Budgetg

General Fund Ending Fund Balance Forecast — **Shows impact on budget-with a reduction to Fiscal amount** DRAFT

Six Years with Fiscal Funding Reduction — **Opportunities with New additional Revenue-slow growth**

General Fund Revenue	2013 actual	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget	
Property Tax	1,400,391	1,421,983	1,436,203	1,450,565	1,465,071	1,465,071	1,479,721	1,494,518	1%
Property Tax-100 home sold						75,600	76,356	77,120	1%
Sales Tax	290,796	280,000	280,000	285,600	291,312	291,312	297,138	300,110	2%
New Const Sales Tax-100 homes					300,000	306,000	312,120	318,362	2%
Utility Taxes	546,510	579,100	581,400	593,028	604,889	604,889	616,986	623,156	2%
Add UT on BD Res-wtr dist			20,000	20,400	20,808	21,224	21,649	22,082	2%
Add UT- 2% Wtr, Swr, Stm			34,000	34,680	35,374	36,081	36,803	37,539	2%
Other Revenue **	726,770	684,340	744,250	759,135	774,318	789,804	805,600	821,712	2%
Increase CD-Bldg/Plan Ck fees 25%			20,000	20,400	20,808	21,224	21,649	22,082	2%
Fund Agree MDRT	450,461	632,570	714,381	728,669	743,242	774,318	789,804	805,600	2%
Fund Agree Core Revenue	961,608	878,570	330,688	151,331	136,758	105,682	90,196	74,400	
Total Operating Revenue	4,376,536	4,476,563	4,160,922	4,043,807	4,392,578	4,491,205	4,548,022	4,596,680	
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%	
Public Safety	2,190,100	2,326,285	2,362,700	2,409,954	2,458,153	2,507,316	2,557,462	2,608,612	2%
Comm Deve-Gen Govt	340,095	323,631	230,872	235,489	240,199	245,003	249,903	254,901	2%
Comm Deve-MDRT	451,226	632,571	714,381	728,669	743,242	789,804	805,600	821,712	2%
Support Services-Clk, HR, Fin, CS	482,442	531,866	424,321	432,807	441,464	450,293	459,299	468,485	2%
Mtc Bldgs. Grds, Equip	416,077	358,389	279,908	285,506	291,216	297,041	302,981	309,041	2%
Legal Services	66,595	216,365	70,000	71,400	72,828	74,285	75,770	77,286	2%
Leg & Administration	150,450	166,201	29,152	29,735	30,330	30,330	30,330	30,936	2%
Continue Prior Year Reductions									
Total Operating Spending	4,096,985	4,555,308	4,111,334	4,193,561	4,277,432	4,394,071	4,481,346	4,570,973	
Total Op Exp after Cuts	4,096,985	4,555,308	4,111,334	4,193,561	4,277,432	4,394,071	4,481,346	4,570,973	
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	
Change in Reserves	279,551	(78,745)	49,588	(149,754)	115,146	97,133	66,676	25,708	
Ending Reserves	**644,198**	**565,453**	**645,080**	**495,326**	**610,473**	**592,460**	**677,149**	**618,167**	
	15.72%	12.41%	15.69%	11.81%	14.27%	13.48%	15.11%	13.52%	

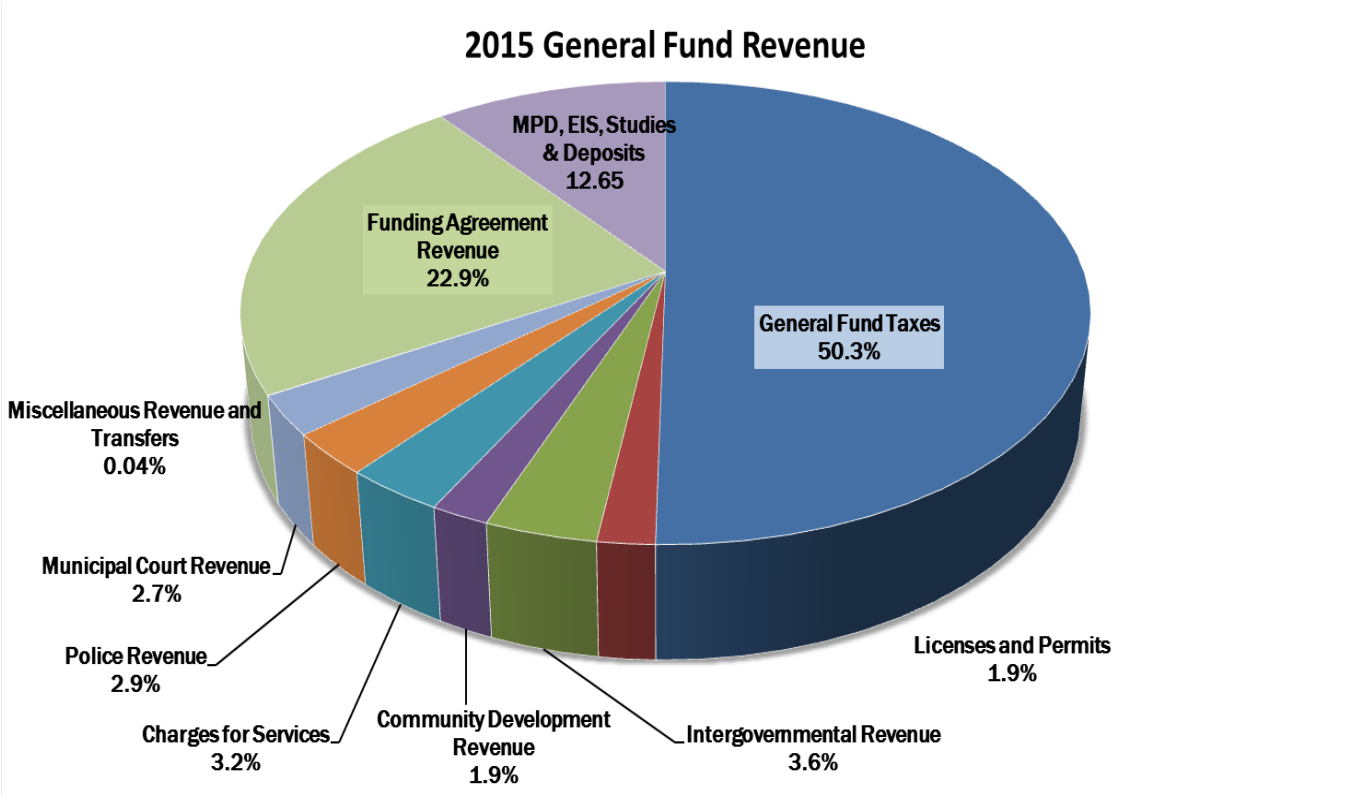


** Other Revenue includes Cable Franchise Fees, Business Licenses, Permits & Land Use Fees, Police Criminal Justice Sales Tax & other Police Fees & Grants, Liquor Tax & Profits, State Tax Assistance, Lake Sawyer Parking Fees, Cemetery Fees, Court Fines,

Model assumes that Funding Agreement will be reducted to Fiscal amount of approximately $880,000 per year.
Model assumes new construction of new homes or infastrucure beginning in 2017 and continuing to build 100 homes a year. Property Taxes will increase after homes are sold. Opportunity exists to offset shortfall from built-in deficit and continues Funding Agreement reductions if Utility Taxes on city Water, Sewer and Stormwater increased by 2%. This would cost a resident approximately $2.80 per month or $33.64 a year. Aslo included is an approximate Community Development Permit and Plan Check fees of 25%. This will be paid by the Property Developers. Although this model shows a reduction in 2016, Revenue from building 100 homes restores Fund Balance in 2017.
10/21/2014

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	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
General Fund Taxes	2,237,697	2,281,083	1,355,699	2,297,603	16,520	0.7%
Licenses and Permits	84,633	80,000	67,932	84,500	4,500	5.6%
Intergovernmental Revenue	172,552	157,125	124,981	165,825	8,700	5.5%
Community Development Revenue	85,068	64,295	63,212	86,970	22,675	35.3%
Charges for Services	113,835	119,760	95,382	148,130	28,370	23.7%
Police Revenue	162,180	153,310	97,632	131,850	(21,460)	-14.0%
Municipal Court Revenue	104,826	106,500	79,973	125,000	18,500	17.4%
Miscellaneous Revenue and Transfers	8,676	3,350	7,749	1,975	(1,375)	-41.0%
Subtotal Operating Revenue	**2,969,467**	**2,965,423**	**1,892,560**	**3,041,853**	**76,430**	**2.58%**
Funding Agreement Revenue	1,412,070	1,511,141	812,051	1,045,069	**(466,072)**	**-30.84%**
Total Operating Revenue	**4,381,537**	**4,476,564**	**2,704,611**	**4,086,922**	**(389,642)**	**-8.70%**
MPD, EIS, Studies and Deposits	396,145	669,000	277,190	480,000	(189,000)	-28.3%
General Fund Total Revenue	**4,777,682**	**5,145,564**	**2,981,801**	**4,566,922**	**(578,642)**	**-11.2%**
Beginning Fund Cash & Investments (City)	397,816	644,197	644,197	601,492	(42,705)	-6.6%
Beginning Fund Cash & Investments (Funding)	261,219	299,129	299,129	278,000	(21,129)	-7.1%
Total Beginning Fund Cash and Investments	659,035	943,326	943,326	879,492	(63,834)	-7.1%
Total Sources	**5,436,718**	**6,088,890**	**3,925,128**	**5,446,414**	**(642,476)**	**-10.6%**

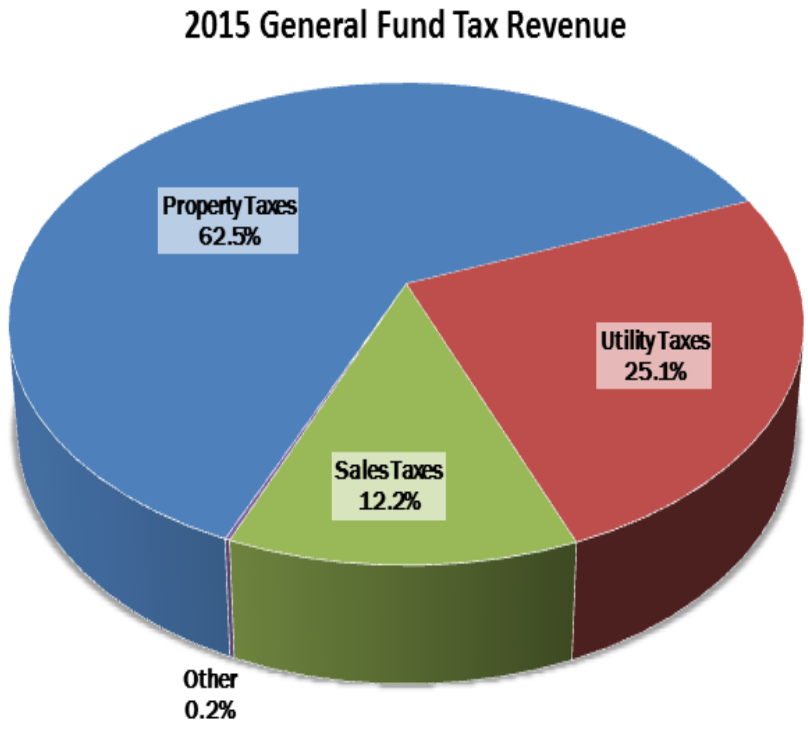


Total General Fund Revenue $5,446,414

General Fund Taxes

Locally levied taxes represent Black Diamond's largest portion of revenues of $2,297,603 or 42% 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 $16,520 is anticipated in 2015. Telephone utility tax revenue is expected to continue trending down. Stormwater rates increased from 12 to 18 percent.

Tax Revenue - General Fund	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
General Property Taxes	1,400,391	1,421,983	763,078	1,436,203	14,220	1.0%
Sales Taxes	290,796	280,000	186,203	280,000		
B & O Tax						
Solid Waste Utility Tax	35,624	30,600	18,972	32,500	1,900	6.2%
Cable TV Utility Tax	56,580	72,600	47,555	70,500	(2,100)	-2.9%
Telephone Utility Tax	114,818	115,000	73,044	105,000	(10,000)	-8.7%
Gas Utility Tax	337	500	286	500		
Electrical Utility Tax	217,881	215,000	168,232	225,000	10,000	4.7%
Water Utility Tax	31,603	35,000	24,780	39,000	4,000	11.4%
Stormwater Utility Tax	40,764	61,700	41,977	60,000	(1,700)	-2.8%
Wastewater Utility Tax	44,329	44,300	28,857	44,900	600	1.4%
Pull Tabs and Punch Board Tax	4,573	4,400	2,715	4,000	(400)	-9.1%
Total General Fund Taxes	**2,237,697**	**2,281,083**	**1,355,699**	**2,297,603**	**16,520**	**0.7%**

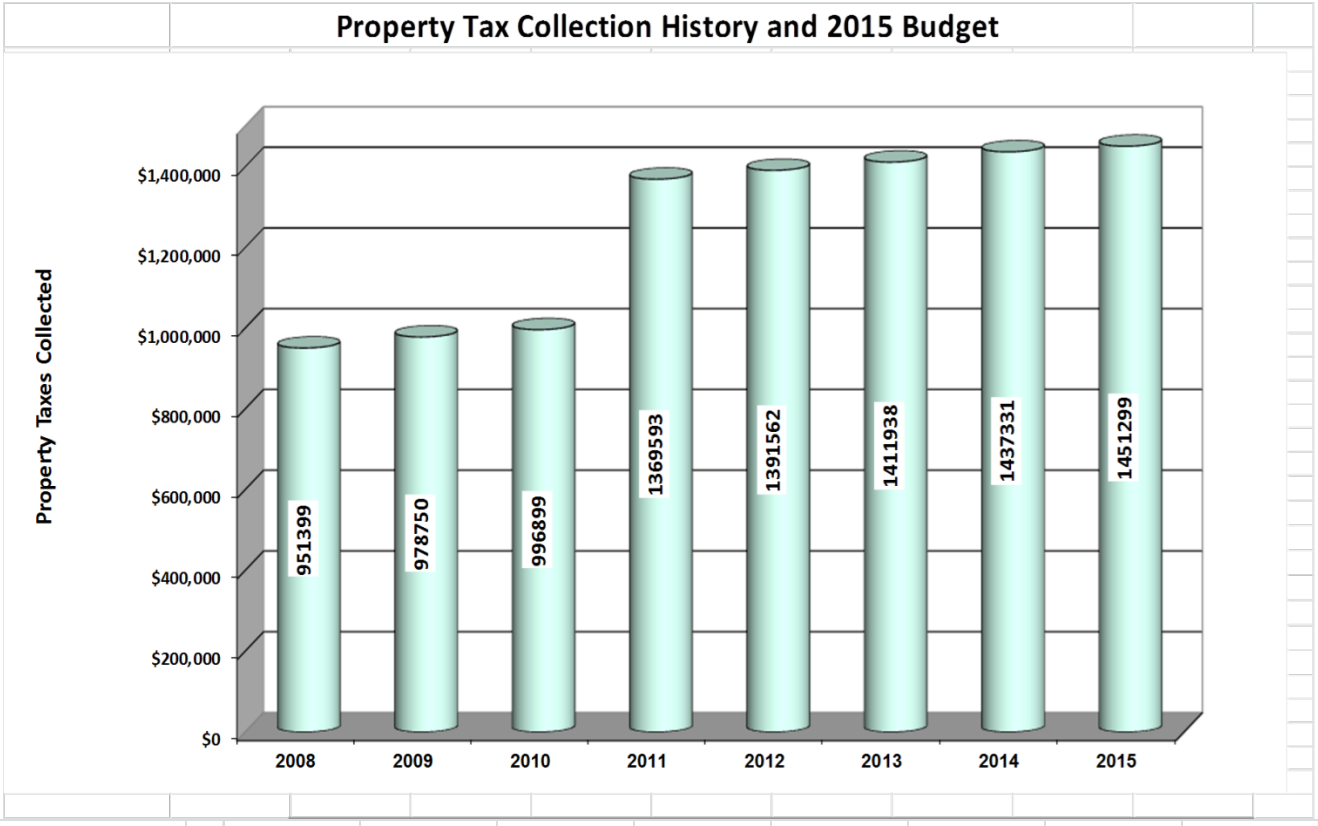


Total Tax Revenue $2,297,603

Property taxes make up 62.5% of the General Fund's tax revenue and are budgeted to generate $1,436,203 in revenue for the City in 2015. The City's levy rate in 2015 is $2.42 per each $1,000 of assessed value, a 20 cent decrease from 2014. 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 sales tax base.

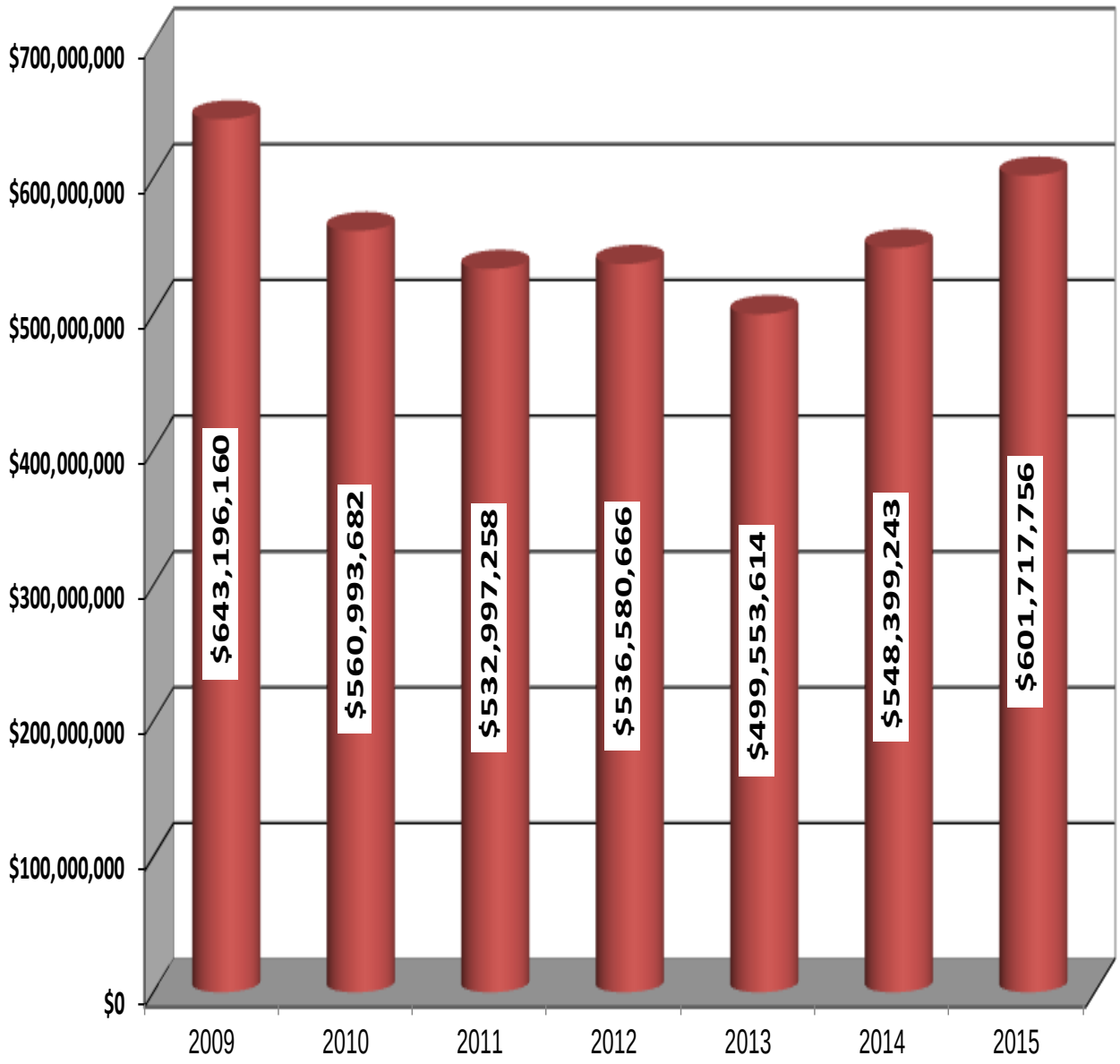
In Washington cities such as Black Diamond, property tax increases are limited to a 1% total dollar annual increase per year unless voters approve a lid-lift or larger percent increases. King County sets assessed valuation and calculates levy rates.

In Black Diamond the total tax levy rates range between $12.96 and $14.72 per thousand dollars in assessed valuation, depending on the school district in your neighborhood. Of that amount Black Diamond receives $2.42 per thousand of a property's value, or 18.6% of the total. Property taxes provide 60% of the City's public safety revenue. The City's portion of the property tax bill on a $275,000 Black Diamond home will cost approximately $55 dollars per month in 2015.



Regular Levy Base	926,593	951,399	978,750	1,360,227	1,369,593	1,389,750	1,407,904	1,433,816
1% Increase	9,266	9,514	9,788	0	13,696	13,898	14,079	14,338
New Construction	13,451	17,837	4,167	3,147	6,461	4,256	11,833	3,145
Annexations	0		1,163	0				
Adjustments	2,089	0	3,031	6,219	1,812	4,034	3,515	0
Total Property Taxes	**$951,399**	**$978,750**	**$996,899**	**$1,369,593**	**$1,391,562**	**$1,411,938**	**$1,437,331**	**$1,451,299**
Levy Rate	**1.65059**	**1.52072**	**1.77702**	**2.57000**	**2.59339**	**2.82640**	**2.62096**	**2.41750**
Allowable Levy				3.10	3.10	3.10	3.10	3.10
		505393337		643196160				
Assessed Valuation	**$575,006,069**	**$643,196,160**	**$560,993,682**	**$532,997,258**	**$536,580,666**	**$499,553,614**	**$548,399,243**	**$600,330,427**

Assessed Valuation History

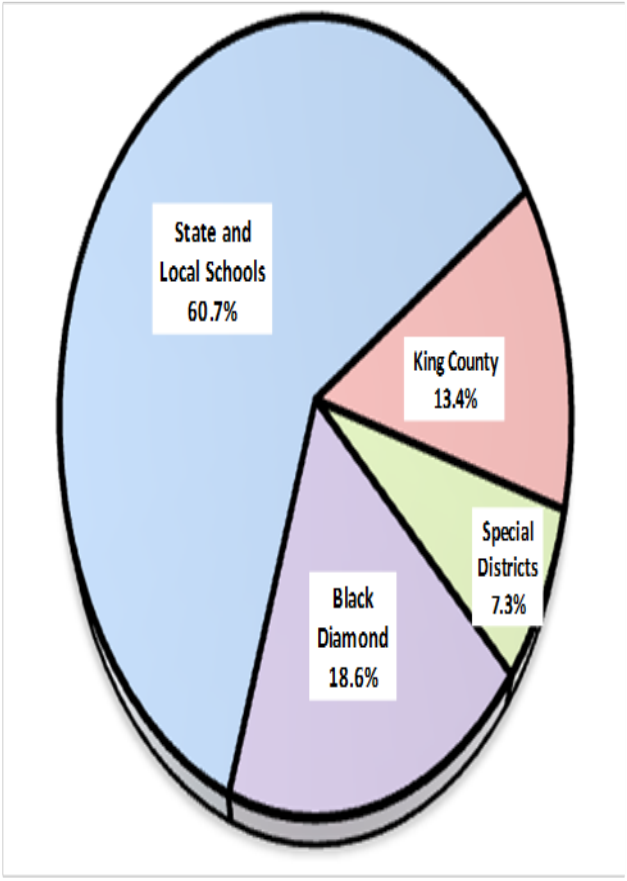


	2009	2010	2011	2012	2013	2014	2015
Base Assessed Valuati	427,240,702	446,214,893	497,642,229	560,299,568	626,088,991	552,382,312	529,857,064
New Construction	4,372,118	3,578,995	2,397,737	7,314,478	10,806,265	8,611,370	3,058,528
Final Assessed Vaulation	**$ 643,196,160**	**$ 560,993,682**	**$ 532,997,258**	**$ 536,580,666**	**$ 499,553,614**	**$ 548,399,243**	**$ 601,717,756**
% change from prior year	11.9%	-12.8%	-5.0%	0.7%	-6.9%	9.8%	9.5%
Population	4,120	4,155	4,180	4,190	4,160	4,160	4,170
Property Tax Rate	**1.52072**	**1.77702**	**2.57**	**2.59339**	**2.8264**	**2.62096**	**2.4211**

King County

For a $275,000

Appraised Black Diamond Home in 2015

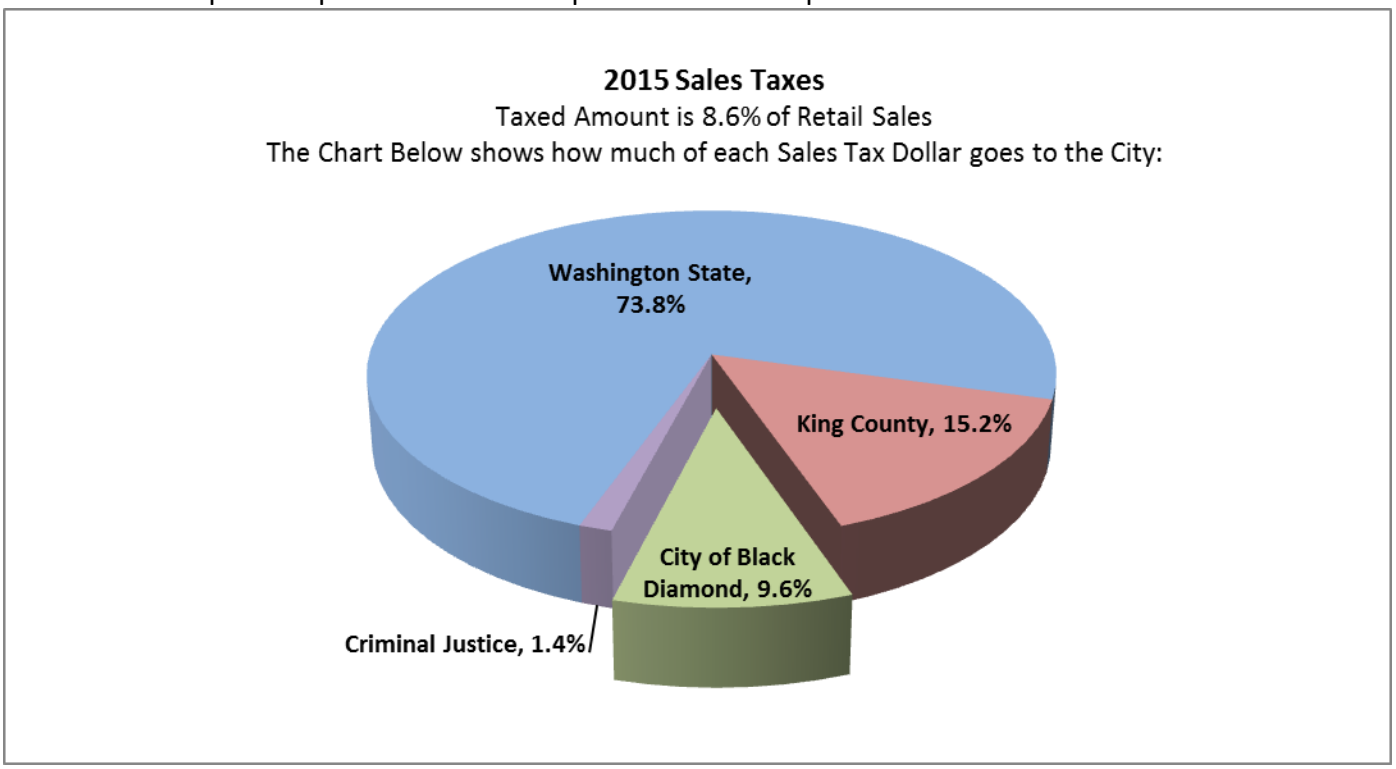


*Example shows Enumclaw School District levy rate of of $5.41 (Kent's school rate is $5.74 and Tahoma's school rate is $7.22)

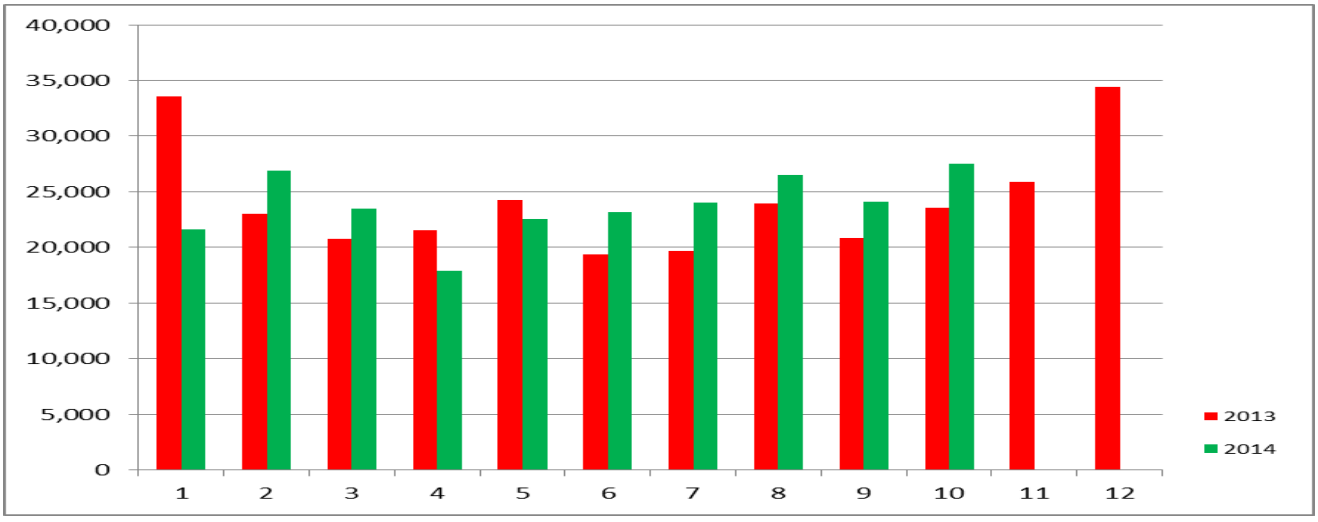
Taxing Entity	2015 Levy Rate per $1,000	Annual Property Tax on a $275,000 home	Monthly Property Tax on a $275,000 home
School District (Enumclaw)	$5.41	$1,487	$124
State Schools	$2.47	$679	$57
Black Diamond	***$2.42***	***$664***	***$55***
King County	$1.85	$509	$42
Port of Seattle	$0.22	$59	$5
Library District	$0.45	$123	$10
Floods and Ferries	$0.16	$43	$4
Total Property Taxes	**$12.96**	**$3,565**	**$297**

Sales tax revenue for the 2015 budget is $280,000 or 12% of General Fund tax revenue. For every $100 spent in Black Diamond, $8.60 is collected by the State and is shared by various jurisdictions. These jurisdictions include our city, Washington State, King County and Criminal Justice programs. Black Diamond receives a bit less than 10% of the total.

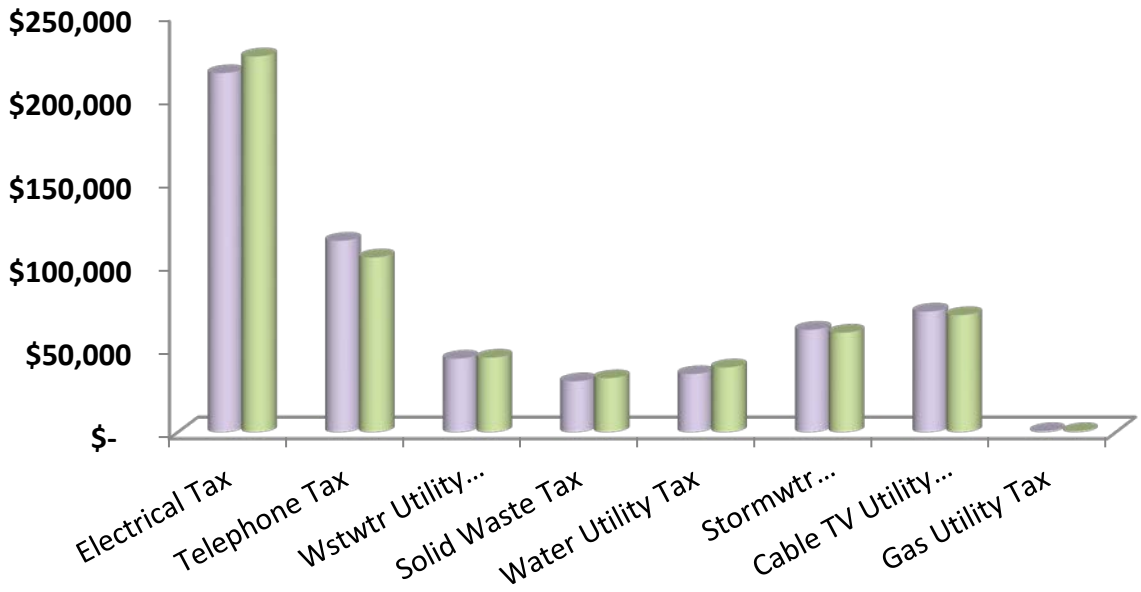
Black Diamond's sales tax revenues are dependent on retail sales of products and services sold or delivered to Black Diamond, as well as tax on new construction. In July 2009 sales tax streamlining went into effect in Washington State. This law shifts sales tax collections to the *delivered destination* rather than the place of purchase. This has provided some improved sales tax collections here.



Sales Tax Monthly Data Analysis 2013 & 2014



Utility & Gambling taxes for Black Diamond in 2015 are projected to be $581,400 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 Stormwater and increases in electricity, water and solid waste.



Grey = 2014
Green = 2015

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 2014 budget.

Business License and Cable Franchise Fee Revenue	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
Business Licenses	23,070	23,000	21,590	23,000		
Cable Franchise Fees	61,563	55,000	46,342	61,000	6,000	10.9%
Tree Permit Inspection Fee		2,000		500	(1,500)	100.0%
Total Gen Fund Bus. License & Cable Fee Revenue	**84,633**	**80,000**	**67,932**	**84,500**	**4,500**	**5.6%**

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	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
Permitting Revenue						
Building Permit Fees	31,979	25,000	19,155	32,000	7,000	0%
Special Events Permits	1,723	600	5,400	2,000	1,400	233.3%
Grading & Clearing Permits	3,915	5,000	55	5,000		
Mechanic Permits	3,301	2,500	2,760	4,000	1,500	60.0%
Plumbing Permits	2,215	2,000	2,464	3,000	1,000	50.0%
Demolition Permits	720	360	120	360		
Sprinkle/Alarm, Firework Permit	835	500	415	600	100	20.0%
Permit Fee Cost Recovery Increase	1,767	850	2,376	2,600	1,750	205.9%
Sign Permits	240	500	145	300	(200)	-40.0%
Total Permitting Revenue	**46,695**	**37,310**	**32,890**	**49,860**	**12,550**	**0.34**
Land Use Fees						
TDR Application/Credit		300		300		
Various Land Use Fees	1,051	2,000	1,996	2,000		
Various Shoreline Fees	625	525	630	1,000	475	90.5%
Watchperson Fees	210	210	105	210		
SEPA Fees and Appeals	788	750	1,733	2,000	1,250	63%
Total Land Use Fees	**2,674**	**3,785**	**4,464**	**5,510**	**1,725**	**45.6%**
Plan Check Fees						
Plan Check Review Fees	15,904	16,500	18,328	25,000	8,500	0%
Fire Plan Check Fees	1,535	1,500	650	1,500		
Total Plan Check Fees	**17,438**	**18,000**	**18,978**	**26,500**	**8,500**	**47.2%**
Other Community Dev. Revenue						
King County Rec. fees & code fines, etc.	70		40			
Copying Services	238	200	49	100	(100)	-50.0%
CD Reimbursement Revenue		4,000	3,055	4,000		0%
Community Development Deposits	17,953		3,044			
Hearing Examiner Fees		1,000	692	1,000		0%
Total Other Community Dev	**18,261**	**5,200**	**6,880**	**5,100**	**(100)**	**-1.9%**
Total Community Development Rev	**85,068**	**64,295**	**63,212**	**86,970**	**22,675**	**35.3%**

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	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
Police Intergovernmental Revenue						
Marine Grant-USCG 97-012/Wa Parks	26,839					
WTSC- X52 Speeding						0%
St. training CJ Grant	3,080	2,500	440	500	(2,000)	
WASPC Traffic Safety Equip-Radar	1,275	1,000	526	2,000	1,000	100.0%
WTSC- X52DUI/DHGN	744	1,000			(1,000)	-100.0%
WTSC- Nighttime Seat Belt Enforce	698	1,000	625	1,000		
Police CETED ST EQ Grant						0%
Vessel Registration Boat Safety	11,260	11,260	12,391	12,000	740	0%
WASPC/DOJ Bulletproof Vest Grant (CFDA16.607)	382					
Vessel Reg. Boat Safety Carryover		10,000			(10,000)	100%
Total Police Intergovernmental Revenue	**44,278**	**26,760**	**13,981**	**15,500**	**(11,260)**	**-0.42**
Police Charges for Service						
Police Traffic School Fee	11,800	15,000	8,018	10,000	(5,000)	0%
Police Overtime Reimb	1	2,000	2,740	2,600	600	23%
Police Traffic Reimb	1,463	2,500			(2,500)	
Police Finger Print Fee	200	200	145	150	(50)	
Police Records and Services	530	700	324	500	(200)	-40%
Police-DUI Cost Recovery	3,737	4,100	1,823	3,000	(1,100)	-26.8%
DRE-Drug Recognition Expert Services						-100%
Electronic Home Monitoring	200	250	507	800	550	220.0%
Work Crew Screening and per Day State Fee	610	900	55	200	(700)	-77.8%
Reimbursement from Labor & Industries						
Total Police Charges for Service	**18,540**	**25,650**	**13,612**	**17,250**	**(8,400)**	**-32.7%**
Police Confiscated, Donation, DARE, etc.						
Donation for Marine						
Gun Permits and Fingerprinting	2,042	2,600	899	1,400	(1,200)	-46.2%
DARE Donations from Private Sources	663	2,500	605	600	(1,900)	-76.0%
K-9 Donation	(1,561)					
Unclaimed/ Found Property	136					
Total Police Confiscated, Donated Revenue	**1,280**	**5,100**	**1,504**	**2,000**	**(3,100)**	**-60.8%**
Police Criminal Justice Revenue						
Local Criminal Justice Funds	92,567	90,500	64,185	92,000	1,500	1.7%
Criminal Justice - Violent Crimes/Population	1,025	1,000	824	1,000		
Criminal Justice Dcd 1		200			(200)	-100.0%
Criminal Justice - Special Programs	3,733	3,500	2,960	3,500		
DUI and Other Criminal Justice Assistance	758	600	565	600		
Total Criminal Justice Revenue	**98,083**	**95,800**	**68,534**	**97,100**	**1,300**	**1.4%**
Total Police General Fund Revenue	**162,180**	**153,310**	**97,632**	**131,850**	**(21,460)**	**-14.0%**

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)	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
Sales Tax Assistance from State	61,645	49,000	30,515	60,000	11,000	22.4%
Recycle Grants, King County and State	15,926	15,925	15,944	15,925		
Liquor Excise Tax	2,794		5,793			
Liquor Board Profits	37,484	37,500	18,542	35,700	(1,800)	-4.8%
KC EMS VLS Contract	54,704	54,700	54,187	54,200	(500)	0%
Total Intergovernmental Rev	**172,552**	**157,125**	**124,981**	**165,825**	**8,700**	**5.5%**

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	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
Misc Charges for Services	1,387	2,100	17		(2,100)	-100.0%
Passport Fee	15,200	14,600	15,974	20,300	5,700	0%
Grant Reimbursements and Other						
Lake Sawyer Parking Fee	15,186	11,000	18,330	19,200	8,200	74.5%
Parks Special Events	1,127	1,700	1,045	1,800	100	100.0%
Cemetery Revenue	9,128	13,500	9,321	12,700	(800)	-5.9%
Central Service & GF Allocations	71,807	76,860	50,696	94,130	17,270	22.5%
Total Charges for Service (non-police)	**113,835**	**119,760**	**95,382**	**148,130**	**28,370**	**23.7%**

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	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
Court Mand. Insurance Costs	2,887	3,000	1,222	3,000		
Court Traffic Infractions	64,089	62,000	40,929	70,000	8,000	12.9%
Court Other Non Traffic Infr.	8					0%
Court Parking Fines	2,580	2,100	5,475	6,400	4,300	204.8%
Court DUI Fines	2,372	3,200	3,010	4,500	1,300	40.6%
Court Criminal Traffic Misd.	4,431	5,500	6,051	9,100	3,600	65.5%
Nontraffic Fees and Infractions	9,043	10,200	5,363	7,700	(2,500)	-24.5%
Administration/Correction Fees	14,929	16,800	13,717	18,000	1,200	7.1%
Court Interest and Miscellaneous Fees	4,486	3,700	4,206	6,300	2,600	70.3%
Total Municipal Court Revenue	**104,826**	**106,500**	**79,973**	**125,000**	**18,500**	**17.4%**

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	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
LGIP Investment and Misc. Interest	1,876	2,300	569	1,075	(1,225)	-53.3%
Surplus GF Equipment	600					0%
Animal Control	2,061					0%
Misc Revenue	4,140	1,050	7,180	900	(150)	-14.3%
Total Miscellaneous Revenue	**8,676**	**3,350**	**7,749**	**1,975**	**(1,375)**	**-41.0%**

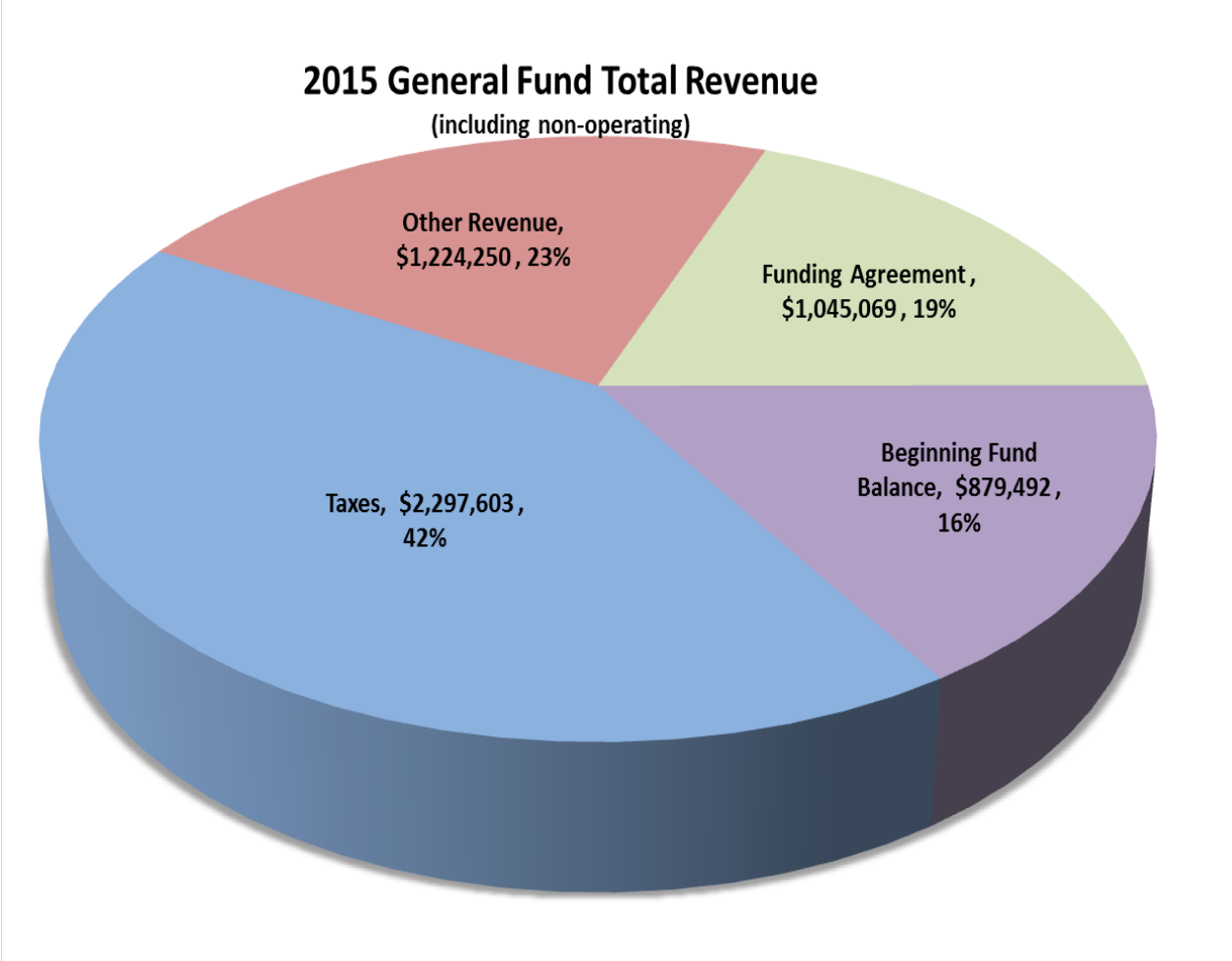
Funding Agreement revenue includes the General Fund portion of the Funding Agreement of ongoing costs for 2014 of $1,511,140 and the Master Planned Development (MPD) for Lawson Hills and the Villages of $669,000.

Funding Agreement Revenue - General Fund	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
Partner-Funding Agreement	1,412,069	1,511,140	812,050	1,045,069	(466,071)	-30.84%
Total Operating General Fund Revenue	**2,969,467**	**2,965,423**	**1,892,560**	**3,041,853**	**76,430**	**2.58%**

Funding Agreement-SEPA	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
MPD/Dev Agree-Misc Reimbursements	46,420	84,000	2,908	10,000	(74,000)	-88.1%
Gen Facility-Makers Reimbursement	79,400	100,000	92,233		(100,000)	-100.0%
Total Operating General Fund Revenue	**125,820**	**184,000**	**95,141**	**10,000**	**(174,000)**	**-94.57%**

Funding Agreement-Consultants	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
MDRT-Consultant Deposit						
MDRT-Fiscal Reimbursements	31,089	60,000	24,553	10,000	(50,000)	-83.3%
MDRT-Civil Engineering Reimbursements	177,510	200,000	127,527	250,000	50,000	25.0%
MDRT-Traffic Reimbursements	11,044	50,000	9,763	30,000	(20,000)	-40.0%
MDRT-Legal Reimbursements	16,823	60,000	6,833	50,000	(10,000)	-16.7%
MDRT-Environmental Reimbursements	18,357	55,000	7,042	30,000	(25,000)	-45.5%
MDRT-Geotech Reimbursements		30,000	6,331	50,000	20,000	66.7%
MDRT-Surveyor Reimbursements		30,000		20,000	(10,000)	-33.3%
MDRT-GFC Reimbursement						
MDRT-Hearing Examiner Reimbursement	15,502			30,000	30,000	
Misc Reimbursemets						
Total MPD & EIS/SEPA Dev Reimbursements	**270,325**	**485,000**	**182,049**	**470,000**	**(15,000)**	**-3.1%**

Beginning Fund Balance - General Fund	2013 Actual	2014 Amended Budget	2014 August Actual	2015 Final Budget	14 to 15 Budget Change	% Budget Change
Beginning Cash & Investments (City)	397,817	644,198	644,198	601,492	(42,706)	-6.6%
Beginning Cash & Investments (Developer)	261,219	299,129	299,129	278,000	(21,129)	-7.1%
Total Beginning Cash and Investments	**659,036**	**943,327**	**943,327**	**879,492**	**(63,835)**	**-6.8%**
Grand Total General Fund Revenue	**5,436,718**	**6,088,890**	**3,925,128**	**5,446,414**	**(642,476)**	**-10.6%**



Total Revenue $5,446,414

General Fund Summary - Preliminary					2015 Detail by Category			
DRAFT	2014 Budget	2015 Budget	Chg $ 2014-2015	Change %	Public Safety	General Govt	Yarrow Ba to Gen Govt	YB MDRT
REVENUE								
Public Safety Revenue support							DRAFT	
Property Taxes	1,421,983	1,436,423	14,440	1.0%	1,436,423			
Utility & Gambling Taxes	579,100	581,400	2,300	0.4%	581,400			
Criminal Justice Sales Tax	95,800	97,100	1,300	1.4%	97,100			
Liquor Tax	0	0	0	0.0%	0			
Liquor Profits	37,500	35,700	-1,800	-4.8%	35,700			
Court Fines and Fees	106,500	125,000	18,500	17.4%	125,000			
Fire EMS Taxes	54,700	54,200	-500	-0.9%	54,200			
Police Grants & Charges for Service & Misc.	57,610	34,750	-22,860	-39.7%	34,750			
Subtotal Public Safety Revenue	**2,353,193**	**2,364,573**	**11,380**	**0.5%**	**2,364,573**			
General Government Support								
Sales Tax	280,000	280,000	0	0.0%		280,000		
Land Use and Permitting Fees	66,295	86,970	20,675			86,970		
State Assistance	49,000	60,000	11,000	22.4%		60,000		
Recycle Grants & Misc. Grants	15,925	15,925	0			15,925		
Cable Franchise Fee	55,000	61,000	6,000			61,000		
Parks & Cemetary Fees	26,200	33,700	7,500	28.6%		33,700		
Passport Fees	14,600	20,300	5,700	39.0%		20,300		
Alloc for software Mtc, Cr Card Fees, TR/AP post-pr	24,930	24,130	-800	-3.2%		24,130		
Alloc for code update. It, Fin, Permit Mtc-non YB	51,930	70,000	18,070	34.8%		70,000		
Other Misc Revenue	28,350	25,255	-3,095	-10.9%		25,255		
Subtotal General Government Revenue	**612,230**	**677,280**	**65,050**	**10.6%**		**677,280**		
Subtotal Operating Revenue	**2,965,423**	**3,041,853**	**76,430**	**2.6%**				
YarrowBay Funding Agreement - MDRT	632,570	714,381	81,811	12.9%				714,381
YarrowBay Funding Agreement - Core	878,570	330,716	-547,854	-62.4%			330,688	
Total General Fund Operating Revenue	**4,476,563**	**4,086,950**	**-389,613**	**-8.7%**	**2,364,573**	**677,280**	**330,688**	**714,381**
EXPENDITURES								
Public Safety Expenditures								
Police Department	1,632,382	1,639,816	7,434	0.5%	1,639,816			
Fire Department	474,711	483,526	8,815	1.9%	483,526			
Municipal Court	147,399	160,208	12,809	8.7%	160,208			
Court Public defender	36,000	37,250	1,250	3.5%	37,250			
Court Prosecution	24,000	24,000	0	0.0%	24,000			
Animal Control	9,293	10,000	707	7.6%	10,000			
Emergency Management	2,500	2,500	0	0.0%	2,500			
Subtotal Public Safety Expenditures	**2,326,285**	**2,357,300**	**31,015**	**1.3%**	**2,357,300**			
Executive	14,876	14,450	-426	-2.9%		14,450		
Legislative	14,709	14,702	-7	0.0%		14,702		
Administration	125,031	0	-125,031	-100.0%		0		
City Clerk	228,749	220,309	-8,440	-3.7%		73,493	146,816	
Finance	271,891	173,477	-98,414	-36.2%		112,752	60,725	
Information Services	87,520	49,700	-37,820	-43.2%		36,715	12,985	
Legal	227,950	75,400	-152,550	-66.9%		75,400		
Natural Resources/Parks	94,901	17,300	-77,601	-81.8%		17,300		
Master Development Review Team	632,571	714,381	81,810	12.9%				714,381
Community Development	197,180	202,072	4,892	2.5%		150,215	51,857	
Hearing Examiner(including SEPA Appeal)	30,000	10,000	-20,000	-66.7%		10,000		
Economic Development	1,550	1,500	-50	-3.2%		1,500		
Facilities-staff & Misc	87,894	82,322	-5,572	-6.3%		57,517	24,805	
Facilities Bldg Mtc-Funding agreement	112,322	75,236	-37,086	-33.0%		41,736	33,500	
Parks	56,225	57,365	1,140	2.0%		57,365		
Cemetery	14,428	15,285	857	5.9%		15,285		
Central Services and Employee Recognition	31,226	30,535	-691	-2.2%		30,535		
Subtotal General Government	**2,229,023**	**1,754,034**	**-474,989**	**-21.3%**		**708,965**	**330,688**	
Total General Fund Operating Expenditures	**4,555,308**	**4,111,334**	**-443,974**	**-9.7%**	**2,362,700**	**708,965**	**330,688**	**714,381**
Surplus / Decrease	**-78,745**	**-24,384**			**7,273**	**-31,685**	**0**	**0**

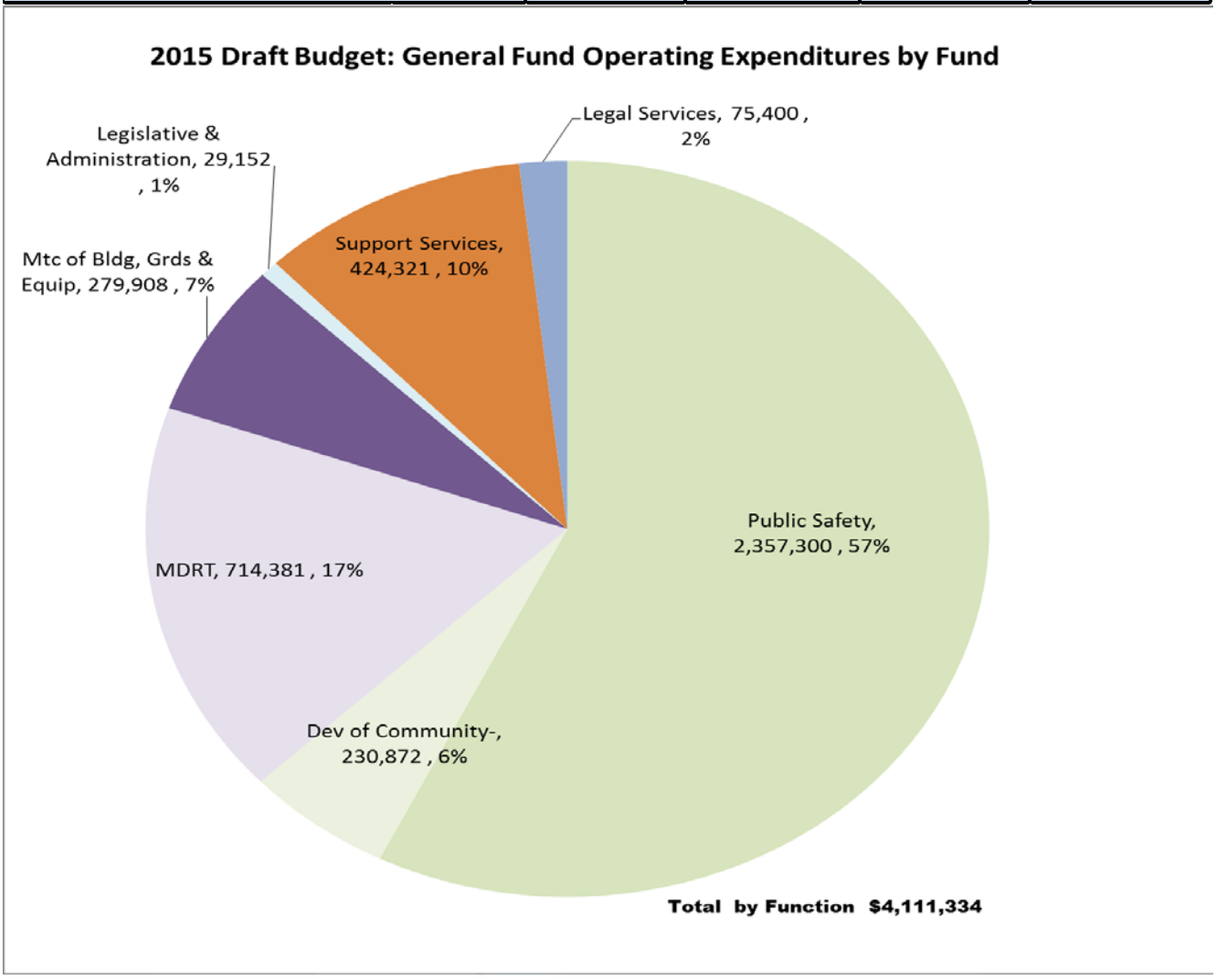
2015 Preliminary Budget — DRAFT

Funding Agreement-Limited Wind-down- with proposed 10 days Furlough

MDRT	2015 Funded FTE	2014 Adjsted Budget	2015 Request w/no 2015 reduction	2015 Taget Core @2.65 months	2015 Budget-MDRT & Core Funding w/Limited	2016 senerio with possible full core wind down
MDRT & Ec Deve Dir	1.00	143,563	146,509	146,509	**146,509**	**146,509**
Comm Dev Director-FT -Jan-June 2014		58,270				
Comm Dev/Nat Res Dir.-50% -July-Dec 2014	0.50	37,308	**75,842**	**75,842**	**75,842**	**75,842**
Utilities/Const Sup-	1.00	123,745	143,681	143,681	**143,681**	**143,681**
Add MDRT Sr Planner-75% position	0.75	71,160	95,226	95,226	**95,226**	**95,226**
MDRT Senior Accountant/Adm Asst	0.75	73,736	75,419	75,419	**75,419**	**75,419**
Subtotal MDRT Staff	4.00	507,782	536,677	536,677	**536,677**	**536,677**
MDRT-Expenses		33,659	32,500	32,500	32,500	32,500
MDRT-Alloc PW Dir, Asst CA, Finance			30,000	30,000	**30,000**	30,000
MDRT one Vehicle		30,000	50,000	50,000	**50,000**	50,000
FF&E-4 MDRT Emp @ $16,301= $65,204		61,129	65,204	65,204	**65,204**	65,204
Total MDRT	4.00	632,570	714,381	714,381	714,381	714,381
Core-Limited Wind down funded position-w 10 Day Furlough						
City Clerk/Resources Manager	1.00	148,117	146,816	146,816	**146,816**	0
City Clerk/Res Mgr-FF&E-one employee			16,301	16,301	16,301	0
Sub total MDRT & one Funded Position	**5.00**	**780,687**	**877,498**	**877,498**	**877,498**	**714,381**
Balance of Core Agreement (254)						
Core positions w 10 day furlough						
Public Works Director		74,620	74,620		**19,774**	
Natural ResParks Dir-Jan-June 2014		74,616				
Comm Dev/Hr Director-50% July-Dec 2014		37,308	73,540		**19,488**	
Information Svs-Contracted		92,176	49,000		**12,985**	
Finance Director		123,725	119,477		**31,661**	
Deputy Finance Director		111,990	109,674		**29,064**	
Permit Center Supervisor 2014 Budget		103,041				
Re-allocate vacant Permit Center Supervisor		(94,977)				
Core Planner -Contract thru 3/19/14		52,200	80,168		**21,246**	
Add Permit Center Tech-Feb-Dec 2014		37,636	41,978		**11,123**	
Facilities Equipment Coordinator		80,418	93,605		**24,805**	
Sub Total Core balance @ 2.65 months		692,753	642,062	170,146	**170,146**	0
Core 2015 FF&E-limited wind-down @ 2.65 Months		112,320	64,899	17,199	**17,199**	
Total Core balance @ 2.65 months		**805,073**	**706,961**	**187,345**	**187,345**	**0**
Total Funding Agree Op Costs-Funding Revenue		**1,585,760**	**1,584,459**	**1,064,843**	**1,064,843**	**714,381**
MDRT Legal & Consulant Reimb		485,000	470,000	470,000	**470,000**	470,000
Grand Total Funding Agreement	**5.00**	**2,070,760**	**2,054,459**	**1,534,843**	**1,534,843**	**1,184,381**
* RECAP:						
2013 City Budget		1,844,306				
YB Feb 2013 Cost Inspec		123,745				
2013 Base Budget		1,968,051				
less 2014 reduction		-360,000				
Change in MDRT Exp Red		-22,291				
Total Funding wo Consultants		**1,585,760**				
General Fund MDRT		632,753			714,381	714,383
General Fund-Core		878,387			330,688	0
Public Works funds		74,620			19,774	0
Total Funding Budget-wo contultants		1,585,760			1,064,843	714,383
recap						
Base Funding Revenue					**1,585,760**	**1,064,843**
Less 2015 Funding Revenue Total with Limited Wind-down-2016 Possible Full Core wind-dow					**(1,064,843)**	**(714,383)**
Total 2015 limited wind-down reduction /2016 possible Core additional reduction					**520,917**	**350,460**

City of Black Diamond				
2015 Preliminary Budget with Funding Reduction				DRAFT
General Fund Budget Comparison 2013 2014 and 2015				
Function	**2013 Actual**	**2014 Bud**	**2015 Budget**	**net Change**
Public Safety				
Police	1,553,562	1,632,382	1,639,816	7,434
Fire	448,264	474,711	483,526	8,815
Municipal Court	129,851	147,399	160,208	12,809
Court Public Defender	22,050	36,000	37,250	1,250
Prosecuting Attorney	24,000	24,000	24,000	0
Animal Control	8,659	9,293	10,000	707
Emergency Management	3,714	2,500	2,500	0
Total Public Safety	**2,190,100**	**2,326,285**	**2,357,300**	**31,015**
Dev of Community-				
Com Development/Nat Res	170,934	227,180	212,072	(15,108)
Economic Develop	1,084	1,550	1,500	(50)
Natural Resources	168,077	94,901	17,300	(77,601)
Master Dev Rev Team	451,226	632,571	714,381	81,810
Total Dev of Comm	**791,321**	**956,202**	**945,253**	**(10,949)**
Mtc of Bldg, Grds & Equip				
Bldgs & Grnds Mtc.	210,461	200,216	157,558	(42,658)
Parks Maintenance	46,394	56,225	57,365	1,140
Cemetery Maintenance	15,768	14,428	15,285	857
Information Technology	143,454	87,520	49,700	(37,820)
Total Mtc of Bled, Grd, Eq	**416,077**	**358,389**	**279,908**	**(78,481)**
Legislative & Administration				
Legislative-Council	3,876	14,709	14,702	(7)
Executive Mayor	13,924	14,876	14,450	(426)
City Administrator	132,650	136,616	0	(136,616)
Total Legislative & Administration	**150,450**	**166,201**	**29,152**	**(137,049)**
Support Services				
Adm Asst/City Clerk/Human Res	211,490	228,749	220,309	(8,440)
Finance	243,879	271,891	173,477	(98,414)
Central Services	27,073	31,226	30,535	(691)
Total Support Services	**482,442**	**531,866**	**424,321**	**(107,545)**
Legal Services				
General Legal Services	43,936	50,000	50,000	0
Public Disclosure Legal Review	3,244	2,500	4,000	1,500
Labor Contract & Employee Legal	15,035	17,500	17,400	(100)
Misc specific Enforcement -Code	4,380		4,000	4,000
Subtotal Legal Services	66,595	70,000	75,400	5,400
BC- Legal Investigation	0	97,800	0	(97,800)
Extra '14 Neg -Pol-Teams, Employmen	0	48,565	0	(48,565)
Total Legal Services	**66,595**	**216,365**	**75,400**	**(140,965)**
Total General Fund	**4,096,985**	**4,555,308**	**4,111,334**	**(443,974)**

2015Prelminary Budget-General Fund Functional Comparisons 2013, 2014, 2015				DRAFT
	2013 Actual	2014 Budget	2015 Budget	2014/2015 Changes
Public Safety	2,190,100	2,326,285	2,357,300	31,015
Development of Community	791,321	956,202	945,253	(10,949)
Maint of Bldgs, Grds, Equip	416,077	358,389	279,908	(78,481)
Legislative & Administration	150,450	166,201	29,152	(137,049)
Support Services	482,442	531,866	424,321	(107,545)
Legal Services	68,595	216,365	75,400	(140,965)
Total General Fund-Operations	**4,098,985**	**4,555,308**	**4,111,334**	**(443,974)**



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.

City of Black Diamond

2015 Budget

Legislative (110)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages	0	2,080	10,080	5,040	10,080	0	0%
Benefits[1]	0	169	828	415	822	-6	-1%
Wages & Benefits Subtotal	**0**	**2,249**	**10,908**	**5,455**	**10,902**	**-6**	**0%**
Services[2]	2,500	1,628	3,800	866	3,800	0	0%
Legislative Total	**2,500**	**3,876**	**14,708**	**6,320**	**14,702**	**-6**	0%

[1]The only change in 2015 is a reduction in the City's Industrial Insurance Premium rate.

[2] Includes $3,500 for training related costs.

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

2015 Budget

Executive (130)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages	12,000	12,000	12,000	8,000	12,000	0	0%
Benefits [1]	986	957	986	662	980	-6	-1%
Wages & Benefits Subtotal	**12,986**	**12,957**	**12,986**	**8,662**	**12,980**	**-6**	**0%**
Supplies	100	0	100	8	100	0	0%
Services[2]	600	967	1,790	1,076	1,370	-420	-23%
Executive Total	**13,686**	**13,924**	**14,876**	**9,746**	**14,450**	**-426**	-3%

[1]The only change in 2015 is a reduction in the City's Industrial Insurance Premium rate.

[2] Includes telephone & $600 subsistance for meetings. Training cut from budget.

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. The City Administrator position is vacant and unfilled for 2015.

City of Black Diamond

2015 Budget

Administration (135)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages	112,528	145,088	98,974	95,359	0	**-98,974**	NoBudget
Benefits	44,689	43,573	15,099	14,754	0	**-15,099**	NoBudget
Wages & Benefits Subtotal	**157,217**	**188,661**	**114,073**	**110,112**	**0**	**-114,073**	**NoBudget**
Supplies	200	220	200	87	0	**-200**	NoBudget
Services	102,928	38,355	10,758	1,801	0	**-10,758**	NoBudget
Administration Total	**260,345**	**227,236**	**125,031**	**112,000**	**0**	**-125,031**	NoBudget
Executive Administration position has been left vacant for 2015 and Executive Administrative costs eliminated.							

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, business licensing and also maintaining and developing the City's website.

This department includes the City Clerk/HR Manager and Deputy City Clerk. The Deputy City Clerk is allocated 60% to the General Fund and 40% to Public Works funds. Also reflected in this budget are expenses for voter costs, code updates, advertising and other Clerk related expenditures.
The City Clerk is 100% reimbursed per the funding agreement.

City of Black Diamond

2015 Budget

City Clerk (137)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages[1]	36,275	62,160	140,278	93,513	125,921	-14,357	-10%
Benefits[2]	19,248	30,008	64,177	42,003	66,830	2,653	4%
Wage & Benefit Subtotal	**55,523**	**92,168**	**204,455**	**135,516**	**192,751**	**-11,704**	**-6%**
Supplies	250	28	250	70	200	-50	-20%
Services[3]	25,605	24,708	24,044	14,597	27,358	3,314	14%
City Clerk Total	**81,378**	**116,904**	**228,749**	**150,184**	**220,309**	**-8,440**	**-4%**

[1]Wage reduction due to increased furlough days (2 to 10) and $10,000 MDRT Allocation. Clerk/Human Resource Manager position is 100% reimbursed by the Funding Agreement.

[2]Benefit increase from Medical premium and Department of Retirement contribution increases.

[3]Services includes $15,000 election costs, $4,000 code updates, advertising, $1,200 passport postage and $2,910 membership and training.

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, 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, Deputy Finance Director and Accounts Receivable Clerk. The Finance Director and Deputy Finance Director salaries and benefits are reimbursed for 2.65 months by the Funding Agreement. The AP Clerk is allocated 45% to the General Fund, 4 % to Street and 8% each to Water, Sewer and Stormwater Funds.

City of Black Diamond

2015 Budget

Finance (140)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages[1]	198,817	198,798	219,193	143,432	124,274	-94,919	-43%
Benefits[2]	42,965	33,155	37,252	24,070	28,798	-8,454	-23%
Wage & Benefit Subtotal	**241,782**	**231,953**	**256,445**	**167,502**	**153,072**	**-103,373**	**-40%**
Supplies[3]	400	213	300	50	300	0	0%
Services[4]	16,155	11,714	15,146	8,153	20,107	4,961	33%
Finance Total	**258,337**	**243,879**	**271,891**	**175,704**	**173,479**	**-98,412**	**-36%**

[1]Wage reduction due to increased furlough days from 2 - 10 and $10,000 allocation to MDRT. Also includues allocation of a percent of Finance to Water, Sewer, and Stormwater to cover utility fund costs of budgeting, CIP, Annual Reporting, Payroll, Accounts Payable and monthly reporting. Finance positions reimbursable in Funding Agreement through 3/19/2015.

[2]Benefits related to salaries.

[3]Office Supplies.

[4]Includes $10,590 audit costs (every other year), advertising, insurance advertising, tax service and training.

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. 2015 technology costs are reimbursed for 2.65 months by funding agreement.

City of Black Diamond

2015 Budget

Information Services (145)	Budget `	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages	101,025	104,556	0	0	0	0	NoBudget
Benefits	34,790	33,561	0	-99	0	0	NoBudget
Wage & Benefit Subtotal	**135,815**	**138,117**	**0**	**-99**	**0**	**0**	**NoBudget**
Supplies	300	291	50	39	200	150	300%
Services[1]	7,994	5,046	87,470	25,234	49,500	-37,970	-43%
Finance Total	**144,109**	**143,454**	**87,520**	**25,175**	**49,700**	**-37,820**	-43%

[1]Reductions resulting from lower IT Info-Tech services costs from the City of Auburn and Vision Software. Technology services reimbursed through the Funding Agreement through 3-19-2014.

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 reimbursed for 2.65 months by the Funding Agreement.

City of Black Diamond

2015 Budget

Facilities (181)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages[1]	69,236	69,221	56,373	40,065	54,205	-2,168	-4%
Benefits[2]	25,483	24,592	24,046	15,888	21,322	-2,724	-11%
Wage & Benefit Subtotal	**94,719**	**93,812**	**80,419**	**55,953**	**75,527**	**-4,892**	-6%
Supplies[3]	3,100	1,105	3,000	1,133	1,780	-1,220	-41%
Services[4]	4,284	3,321	4,475	3,208	5,015	540	12%
Finance Total	**102,103**	**98,239**	**87,894**	**60,294**	**82,322**	**-5,572**	-6%

[1]Reduction from furlough increase from 2 - 10 days, facilities salary & benefits are funded through the Funding Agreement through 3-19-2015.

[2]Benefit increase from Medical premium and Department of Retirement contribution increases.

[3]Building supplies, fuel, uniforms and small tools. The 2015 budget is reduced due to budget cuts.

[4]Vechicle maintenance costs, telephone, insurance and training. 2015 increase for insurance increase.

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

2015 Budget

Legal (150)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Legal Services-All[1]	62,750	64,496	227,950	184,109	75,400	-152,550	-202%
Declaritory Judgement & Capital	0	0	0	0	0	0	NoBudget
Facilities	0	2,068	0	0	0	0	NoBudget
Legal Total	**62,750**	**66,564**	**227,950**	**184,109**	**75,400**	**-152,550**	**-202%**

The General Fund portion of Legal Services are a percentage of Legal Services, the balance of Legal Service costs are, as in the past, charged to the Street, Water, Sewer or Stormwater Funds. The 2015 Budget is proposed at a 19% increase over 2014 level. The 2015 Budget includes $50,000 for General Services, $17,400 for Union and employment services, $4,000 for public disclosure and $4,000 for miscellaneous services. The decrease from 2014 Budget is a result of not rebudgeting the 2014 investigation and high level of negotiating for the Police and Teamsters contracts.

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 Friday from 8:30 a.m. to 5:00 p.m.

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

City of Black Diamond

2015 Budget

Municipal Court (120)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages[1]	61,783	61,223	72,039	48,971	82,810	10,771	15%
Benefits[2]	19,058	18,946	21,442	14,118	24,053	2,611	12%
Total Wage & Benefits	**80,841**	**80,169**	**93,481**	**63,089**	**106,863**	**13,382**	**14%**
Supplies [3]	1,600	1,579	1,470	746	1,600	130	9%
Services [4]	42,881	40,161	42,448	21,875	41,745	-703	-2%
Police Security Overtime [5]	6,806	7,943	10,000	4,887	10,000	0	0%
Total Municipal Court	**132,128**	**129,851**	**147,399**	**90,597**	**160,208**	**12,809**	9%

[1] Wages includes increase from 85% to 100% less reduction due to furlough days increase from 2 - 10 days. Court Revenue covers increased cost.

[2]Benefit increase from Medical premium and Department of Retirement contribution increases.

[3]Operating Supplies.

[4] Includes $24,000 for judge, $2,000 Court Interpreter, priniting forms, postage, advertising, insurance & training.

[5] Police Security Overtime.

City of Black Diamond

2015 Budget

Court Legal (151)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Prosecutor[1]	25,600	24,000	24,000	16,000	24,000	0	0%
Public Defender[2]	15,000	22,050	36,000	21,000	37,250	1,250	3%
Legal Total	**40,600**	**46,050**	**60,000**	**37,000**	**61,250**	**1,250**	**2%**

[1]2015 Budget for Court Prosecution charges.

[2]2015 Budget for state mandated court Public Defense for indigent clients and $1250 for interpreters and investigation assistance for indigent clients.

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 2014. The police department also has a full time records manager and a part-time records clerk.

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

2015 Budget Development

Police Department (210)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Opertions							
Wages[1]	907,840	885,077	922,520	631,852	922,176	-344	0%
Benefits[2]	338,129	315,062	353,619	221,584	343,930	-9,689	-3%
Wage & Benefits Subtotal	1,245,969	1,200,139	1,276,139	853,436	1,266,106	-10,033	-1%
Supplies[3]	57,650	46,687	51,100	35,653	47,750	-3,350	-7%
Services	88,690	61,857	75,163	18,814	76,220	1,057	1%
Operating Total	1,392,309	1,308,683	1,402,402	907,903	1,390,076	-12,326	-1%
Police Safety Equipment							
Police Safety Equipment	1,000	998	1,000	17	9,000	8,000	800%
Jail Expenses							
Jail Costs	29,300	48,565	33,800	18,138	33,800	0	0%
Police Facilities							
Police Bldg Mtc Sup	23,298	21,616	22,880	13,367	22,990	110	0%
Civil Service							
Civil Service Test Supplies	2,550	3,776	2,950	503	1,900	-1,050	-36%
Communication							
Communication [4]	122,100	135,283	123,100	68,676	144,000	20,900	17%
Marine Policing							
Marine Staff Reimbursement VRF [5]	36,000	14,951	17,800	14,562	13,750	-4,050	-23%
Criminal Justice							
CJ Education Supplies [6]	23,850	19,691	28,450	17,057	24,300	-4,150	-15%
Police Department Total	**1,630,407**	**1,553,562**	**1,632,382**	**1,040,223**	**1,639,816**	**7,434**	**0%**

[1]Wage reduction due to Support Staff furlough day expansion from 2 to 10.

[2]Benefits reduction a result of lower estimated unfilled 2014 position medical costs and actual known personnel in the 2015 Budget.

[3]Police uniforms, fuel, firearms. Reductions due to 2015 budget cuts.

[4]Communication cost increase a result of higher ValleyCom Dispatch rates and growth in dispatcher.

[5]Reductions in Marine Overtime & Training costs.

[6]Spillman maintenance costs $11,800, proficiency training $7,500, lexipole $3,000 and miscellaneous.Reductions due to cuts and elimination of Tiberon system maintenance.

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 - City Clerk

2015 Budget

Fire (530)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Fire Dist 44 Prof Svcs[1]	455,569	442,300	469,236	224,956	478,621	9,385	2%
PR Svcs KC Fire Investigation[2]	1,503	3,620	2,800	0	2,000	-800	-29%
Other Operating Costs[3]	1,657	2,344	2,675	1,633	2,905	230	9%
Fire Total	**458,729**	**448,264**	**474,711**	**226,589**	**483,526**	**8,815**	2%

[1]Fire District contract 2% increase due to CPI.

[2]King County Fire Insvestigation.

[3]King County Property tax $1200, City utilities at old Station 99.

Animal Control

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

City of Black Diamond

2015 Budget

Animal Control (182)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Animal Control Prof Svcs	8,368	8,659	9,293	9,293	10,000	707	8%
Animal Control Total	**8,368**	**8,659**	**9,293**	**9,293**	**10,000**	**707**	8%

Increase cost represents possible King County pass through cost incease.

Emergency Management expenditures go toward the purchase emergency supplies.

Emergency Management (191)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Supplies[1]	0	0	0	184	1,000	1,000	100%
EMS MGMT Repeater	2,500	2,884	0	0	0	0	NoBudget
Training[2]	2,500	830	2,500	0	1,500	-1,000	-40%
Emergency Management Total	**5,000**	**3,714**	**2,500**	**184**	**2,500**	**0**	**0%**

[1]Supplies are for emergency management supplies.

[2]Training reduction for 2015 due to budget cuts.

Community Development/Natural Resources 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 one half a position as Director Community Development/Natural Resources and a part-time Permit Technician. The Senior Planner position is funded for 2.65 months. 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 reimbursed for 2.65 months 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

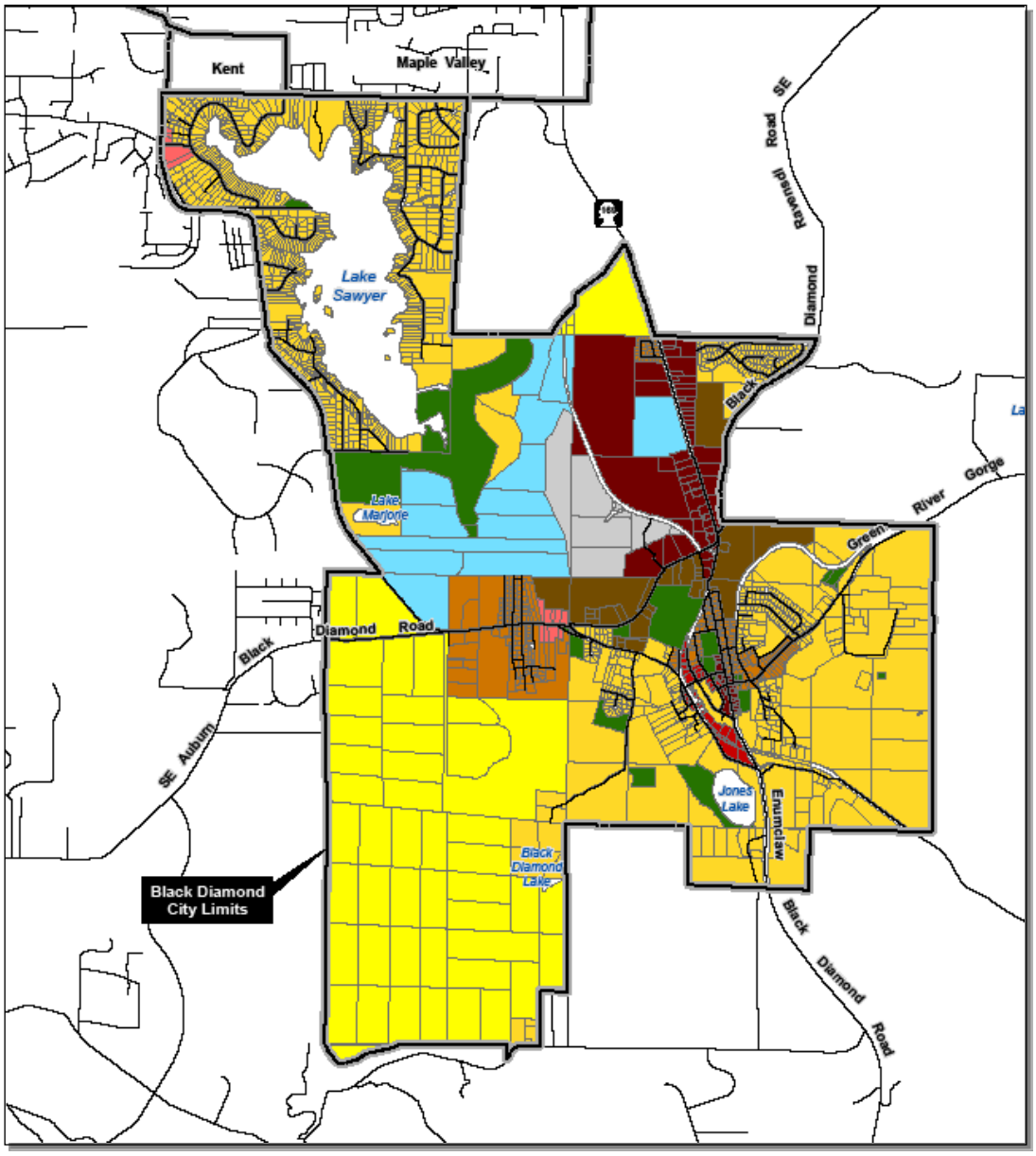
2015 Budget

Community Development (240)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Planning	**7,408**	**8,744**	**82,316**	**11,773**	**79,080**	**(3,236)**	**-4%**
Permitting	**128,857**	**156,880**	**114,864**	**74,129**	**122,992**	**8,128**	**7%**
Code Enforcement	**773**	**2,518**	**-**	**-**	**-**	**-**	**#DIV/0!**
Hearing Examiner	**13,100**	**2,791**	**30,000**	**145**	**10,000**	**(20,000)**	**-67%**
Community Development Total	**150,138**	**170,934**	**227,180**	**86,047**	**212,072**	**(15,108)**	**-7%**
Planning							
Wages[1]	-	-	18,207	6,069	35,285	**17,078**	48%
Benfits[2]	-	-	7,909	2,624	16,124	**8,215**	51%
Wage & Benefits Subtotal	**-**	**-**	**26,116**	**8,693**	**51,409**	**25,293**	**49%**
Supplies	300	185	-	582	-	**-**	NoBudget
Services	7,108	8,560	56,200	2,498	27,669	**(28,531)**	-103%
Planning Total	**7,408**	**8,744**	**82,316**	**11,773**	**79,078**	**(3,238)**	**-4%**
Permitting							
Wages	79,430	79,475	46,363	29,695	50,166	3,803	8%
Benfits	21,737	22,474	10,534	5,582	13,845	3,311	24%
Wage & Benefits Subtotal	**101,167**	**101,949**	**56,897**	**35,277**	**64,011**	**7,114**	**11%**
Supplies	2,050	2,079	1,700	426	1,250	(450)	-36%
Services[3]	25,640	52,852	56,267	38,426	57,731	1,464	3%
Permitting Total	**128,857**	**156,880**	**114,864**	**74,129**	**122,992**	**8,128**	**7%**
Code Enforcement							
Wages	-	-	-	-	-	-	NoBudget
Benfits	-	-	-	-	-		NoBudget
Wage & Benefits Subtotal	**-**	**-**	**-**	**-**	**-**		**NoBudget**
Supplies	50	15	-	-	-		NoBudget
Services	723	2,503	-	-	-		NoBudget
Code Enforcement Total	**773**	**2,518**	**-**	**-**	**-**		**NoBudget**
Hearing Examiner							
Prof Serv-Hearing Examiner	**13,100**	**2,791**	**30,000**	**145**	**10,000**	**(20,000)**	**-67%**

[1]Community Development includes 50% Community Development/Natural Resources Director and 60% Part-Time Permit Technician. Funding agreement reimburses both through 3-19-2015. The Community Development/Natural Resources Director savings from furloulgh from 2 - 5 days.

[2]Benefit increase from Medical premium and Department of Retirement contribution increases.

[3]Permitting includes #44,000 for ILA with the City of Covington for plan checking and permitting. Also includes $9,000 permit software maintenance, merchant card fees, insurance and training.



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, the 2015 Budget includes two grants. One for Puget Sound Clean Air Assessment and one for Recycle Grants. The Natural Resource/Parks Director position is left vacant. Natural Resource functions transferred to Community Development.

City of Black Diamond

2015 Budget

Natural Resources (230)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages[1]	102,719	110,849	56,000	56,000	0	-56,000	NoBudget
Benefits[1]	44,735	36,271	18,609	18,748	0	-18,609	NoBudget
Total Wage & Benefits	**147,454**	**147,120**	**74,609**	**74,748**	**0**	**-74,609**	**NoBudget**
Supplies	100	142	50	9	0	-50	NoBudget
Services[2]	6,103	5,889	3,771	1,697	2,300	-1,471	-64%
Recycle Grant[3]	15,920	14,926	15,000	14,944	15,000	0	0%
Total	**169,577**	**168,077**	**93,430**	**91,398**	**17,300**	**-76,130**	**-81%**

[1]Natural Resources Director position remains vacant for 2015.

[2]Puget Sound Clean Air Assessment $2,300.

[3]Recycle Cost $15,000 are reimbursed by Grants.

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. The 2015 Budget includes only advertising costs.

City of Black Diamond

2015 Budget

Economic Development (245)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages	0	0	0	0	0	0	NoBudget
Benefits	0	84	300	9	300	0	0%
Total Wage & Benefits	**0**	**84**	**300**	**9**	**300**	**0**	**0%**
Supplies	500	0	200	0	200	0	0%
Services[1]	550	1,000	1,050	999	1,000	-50	-5%
Total	**1,050**	**1,084**	**1,550**	**1,008**	**1,500**	**-50**	-3%

[1]Service costs are for the Maple Valley/Black Diamond Chamber of Commerce brochure advertising.

City of Black Diamond

2015 Budget

MDRT (246)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages[1]	284,891	276,799	307,941	156,149	361,639	53,698	17%
Benefits[2]	97,409	97,298	128,682	59,649	175,038	46,356	36%
Total Wage & Benefits	**382,300**	**374,097**	**436,623**	**215,798**	**536,677**	100,054	23%
Supplies [3]	2,400	3,496	4,400	1,108	5,000	600	14%
Services [4]	26,050	16,841	101,890	6,212	57,500	-44,390	-44%
FF&E Allocation [5]	57,857	56,027	61,129	0	65,204	4,075	7%
Capital [6]	45,000	765	30,000	0	50,000	20,000	67%
Total	**513,607**	**451,226**	**634,042**	**223,118**	**714,381**	**80,339**	13%

[1]Includes removal of all furlough days for MDRT team, upgrade to Level 4 Utilities Construction Supervisor wage $19,936 and increase for Senior Planner to 75% for full year, 2014 Budget only included July - December.

[2]Benefits related to above changes, plus increase in medical costs due to 5% rate increase and for employees with full family coverages.

[3]Office and operating supplies, fuel.

[4]MDRT allocation of $10,000 each for City Clerk/HR, Finance Director and Public Works Director. Postage and advertising of $15,000, vehicle repairs and maintenance $1,000, vehicle and City liability insurance $12,000, training related costs of $7,500.00

[5]FF&E allocation increase due to .25% employee addition.

[6]Vehicle cost increased from $30,000 to $50,000.

City of Black Diamond

2015 Budget

MDRT Consultants (257)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Legal Services	60,000	12,214	60,000	7,513	50,000	-10,000	-17%
Fiscal Analysis-Henderson & Young	50,000	31,283	60,000	29,520	10,000	-50,000	-83%
Civil Engineering-RH2	200,000	184,930	200,000	121,887	250,000	50,000	25%
Traffic Engineering-Parametrix	55,000	3,808	50,000	12,430	30,000	-20,000	-40%
Environmental Consulting-Perteet	30,000	11,365	55,000	10,282	30,000	-25,000	-45%
Geotech-HWA Geosources	30,000	0	30,000	6,331	50,000	20,000	67%
Surveyor Parametrix	50,000	1,620	30,000	0	20,000	-10,000	-33%
Hearing Examiner	0	0	0	0	30,000	30,000	
MDRT Consultant Cost	**475,000**	**245,219**	**485,000**	**187,962**	**470,000**	**-5,000**	-1%

All MDRT consultant costs are 100% reimbursed under Funding Agreement.

City of Black Diamond

2015 Budget

Funding Agreement SEPA (255)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Funding Agreement SEPA Costs	59,000	41,452	84,000	4,784	10,000	-74,000	-88%
Capital Facilities District	25,000	3,059	0	0	0	0	NoBudget
General Facilities Costs-Makers[1]	200,000	106,705	100,000	75,598	0	-100,000	NoBudget
Deposit Refunds	0	0	0	5,000	0	0	NoBudget
Funding Agreement SEPA Total	**284,000**	**151,217**	**184,000**	**85,381**	**10,000**	**-174,000**	-95%

[1]Reduction due to completion of projects.

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

2015 Budget

Parks (270)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages[1]	14,901	11,397	15,049	10,761	15,940	891	6%
Benefits[2]	5,919	4,873	6,054	3,549	6,259	205	3%
Total Wage & Benefits	**20,820**	**16,270**	**21,103**	**14,310**	**22,199**	1,096	5%
Supplies[3]	5,378	6,641	7,829	3,574	7,653	-176	-2%
Services 4	20,741	23,484	27,293	8,824	27,513	220	1%
Total	**46,939**	**46,394**	**56,225**	**26,708**	**57,365**	**1,140**	2%

[1]Wage & Benefits increase resulting from increased summer help hours budgeted to 4 months.

[2]Related to wages.

[3]Community event supplies reduced $200 due to budget cuts. Parks supplies, fuel, uniforms and tools.

[4]Portable restrooms $3,265, Lake Sawyer Pay Station $3,200, balance utilities, waste disposal, Parks share of vehicle maintenance and shop costs, insurance, training and miscellaneous.

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

2015 Budget

Cemetery (280)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Wages[1]	8,410	9,265	7,464	6,825	7,541	77	1%
Benefits[1]	3,983	4,195	3,633	2,877	3,774	141	4%
Total Wage & Benefits	**12,393**	**13,460**	**11,097**	**9,702**	**11,315**	218	2%
Supplies[2]	**1,270**	**1,190**	**1,420**	**1,600**	**1,822**	402	28%
Services[3]	1,294	935	1,611	746	1,948	337	21%
Taxes/Transfers/Other 4	400	183	300	125	200	-100	-33%
Total	**15,357**	**15,768**	**14,428**	**12,173**	**15,285**	**857**	6%

[1]Wage & Benefit Increase due to increased Summer Help hours and Retirement system contribution increase.

[2]Vaults-liners $750 are billed and reimbursed, fuel, tools, uniforms, supplies.

[3]Utilites, waste disposal, Cemetery share vehicle and shop costs, insurance, training and miscellaneous.

[4]Cemetery excise tax.

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

City of Black Diamond

2015 Budget

Central Services (180)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Supplies[1]	5,476	4,597	8,000	5,711	8,500	500	6%
Services[2]	30,184	21,537	21,726	17,311	20,535	-1,191	-5%
KC Mental Health	1,300	939	1,500	398	1,500	0	0%
Central Services Total	**36,960**	**27,073**	**31,226**	**23,420**	**30,535**	**-691**	**-2%**

[1]Central Services costs for supplies includes copy machine paper, envelopes and other general office and building supplies that benefit all departments. Reduction due to trend and cost cutting.

[2]Services includes printing of receipts, vouchers, checks and other forms, shredding service, merchant card fees, bank fees, advertising, postage for mailing voucher checks, W2's and other City mail, postage machine rental and ink, a portion of vision software maintenance, pool car maintenance and gas and insurance, council retreat and employee recognition as well as PS Regional Council membership, Sound Cities membership, MRSC Small works roster, AWC membership and other miscellaneous costs. 2015 decrease includes reduction of Council retreat training budget from $3,000 to $500 and elimination of $500 employee recognition event.

Capital Facilities Department

The Capital Facilities Department provides for City Hall, Public Works land and building leases, and the associated utility and building costs. These costs are provided through the Funding Agreement for 2.65 months plus the annual amount for the City Clerk/Human Resources Position.

City of Black Diamond

2015 Budget

Capital Facilities (254)	Budget 2013	Actual 2013	Budget 2014	Actual thru August 2014	Budget Request 2015	Budget Increase/ (Decrease) $	Budget Increase/ (Decrease) %
Supplies	4,333	0	1,031	0	1,000	-31	-3%
Services[1]	113,810	108,274	106,291	105,779	70,836	-35,455	-33%
Capital Outlay	4,000	3,948	5,000	0	3,400	-1,600	-32%
Central Services Total	**122,143**	**112,222**	**112,322**	**105,779**	**75,236**	**-37,086**	-33%

[1]Service cost reductions related to City Hall core employees moving into modules by 3-31-2015. Savings on City Hall lease, utilities and custodial costs.

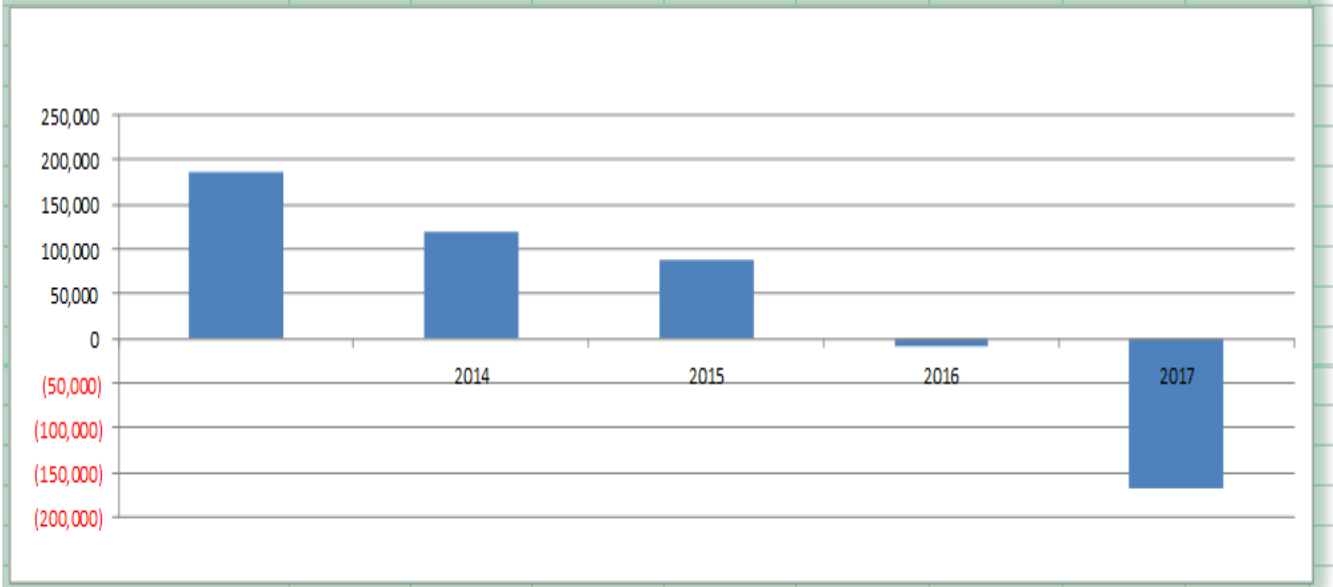
Special Revenue Funds

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.

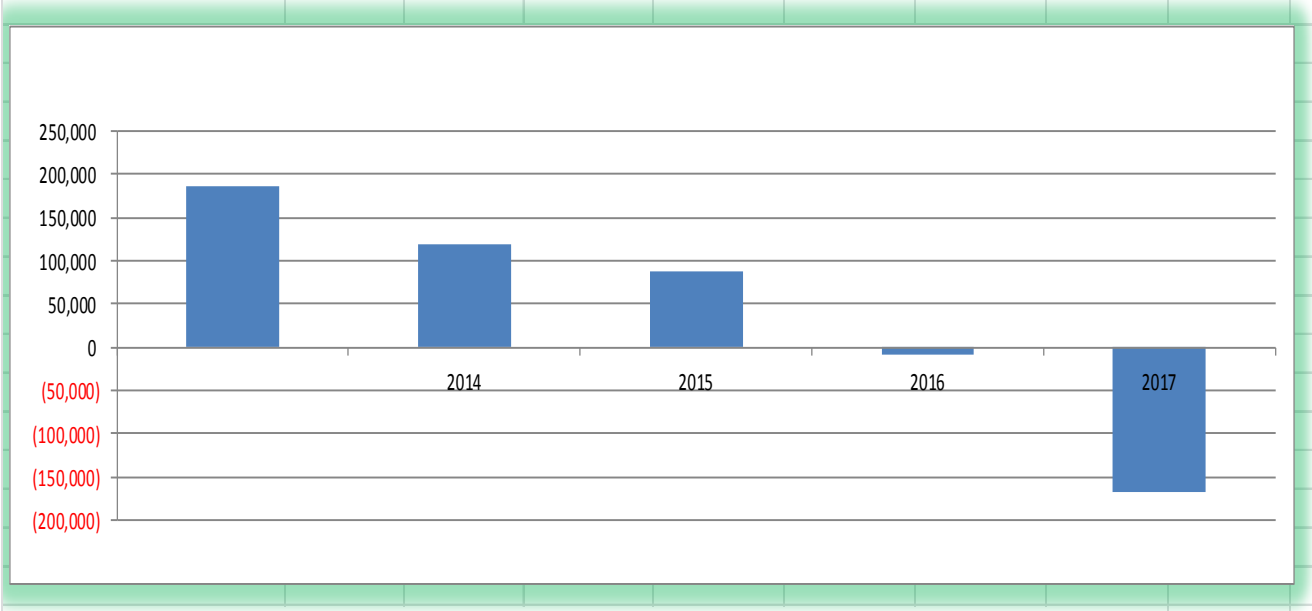
101 Street Fund 2015 Preliminary Budget						DRAFT
	Dec 31, 2013 Actuals	2014 Budget	August 2014 Actuals	2014 Est Act	2015 Budget	2014/2015 Difference
STREET FUND REVENUE						
Street Gas Tax	86,206	85,700	55,387	83,000	84,600	(1,100)
Annex-Diverted Road Tax						0
Street/Sidewalk cut/Curb variance	300	1,000				(1,000)
Right of way permit	2,784	3,600	5,260	5,200	5,200	1,600
Grant Reim. Proj mgmt						0
Charges for service/Civil Inspect	8,033	600	550	550	550	(50)
Operating Revenue	**97,323**	**90,900**	**61,197**	**88,750**	**90,350**	**(550)**
YarrowBay-Sal & Ben Reimb	36,697	18,655	10,886	18,655	19,774	1,119
Investment Interest	351	600	105	100	100	(500)
Transfer in REET II		50,000	50,000	50,000	50,000	0
Total Other Revenue	**37,048**	**69,255**	**60,991**	**68,755**	**69,874**	**619**
Total All Revenue	**134,371**	**160,155**	**122,188**	**157,505**	**160,224**	**69**
Beginning C & I Bal	262,584	186,952	186,952	186,952	142,222	(44,730)
Total Sources	**396,955**	**347,107**	**309,140**	**344,457**	**302,446**	**(44,661)**
STREET FUND EXPENDITURES						
Salaries	96,080	101,736	68,254	101,736	116,112	14,376
Grant Reim. Proj mgmt	(14,746)	(20,000)		(31,000)	(26,830)	(6,830)
Seth -Wtr Comp Plan Alloc					(10,000)	(10,000)
MDRT Allocation					(2,500)	(2,500)
Benefits	40,584	42,292	27,027	41,023	46,772	4,480
Total Salaries and Benefits	**121,918**	**124,028**	**95,281**	**111,759**	**123,554**	**(474)**
Allocated Office Supplies, Copies,	1,289	1,996	1,328	1,996	2,050	54
Operating Supplies & Uniforms	2,576	2,010	623	1,300	1,500	(510)
Sand & Salt	81	1,300	280	600	1,300	0
Fuel	2,699	4,000	1,795	3,600	3,840	(160)
Small Tools and Equipment	1,301	1,265	239	500	1,210	(55)
Total Supplies	**7,946**	**10,571**	**4,265**	**7,996**	**9,900**	**(671)**
Insurance	7,612	8,487		10,600	6,001	(2,486)
Telephone/Postage (communications)	1,034	1,600	582	1,280	1,300	(300)
Prof Services-	4,224	8,200		0		(8,200)
Mtc Software & GPS	1,425	1,475	1,702	1,750	1,660	185
Traffic Signal Maintenance	3,555	3,600	2,378	3,600	3,600	0
Street Lights	31,426	31,000	17,275	27,900	31,000	0
Travel, Memberships and Training	916	2,100	379	1,000	2,124	24
Advertising/Bank Chgs	915	700	1,068	1,500	1,400	700
Vehicle & Shop Mtc & Misc	2,948	2,659	4,908	4,000	4,340	1,681
Proj Vehicle Mtc reimb	(3,155)					0
Utilities (elect, gas, water, sewer, etc.)	2,537	3,270	1,244	2,500	2,660	(610)
Legal costs	9,764	13,000	7,356	11,000	9,800	(3,200)
Audit - share of costs	1,298	2,170	2,168	2,170	2,542	372
Cost Alloc- Administration	5,640	5,180	3,456	5,180	4,900	(280)
Total Services & Charges	**70,139**	**83,441**	**42,516**	**72,480**	**71,327**	**(12,114)**
Total Operating Expenses	**200,003**	**218,040**	**142,062**	**192,235**	**204,781**	**(13,259)**
Transfer back from RR Ave Project						
Transfer to 310 Fund						
Transfer for Equipment-CIP	10,000	10,000	10,000	10,000	10,000	0
Transfer out Abrams						
Total Other Expenditures	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**0**
Total All Expenditures	**210,003**	**228,040**	**152,062**	**202,235**	**214,781**	**(13,259)**
Three Months Cash and Investments	56,202	54,600	54,600	48,184	51,195	372
Unreserved C&I Balance	130,750	64,467	102,478	94,038	36,470	47,159
Total Ending Cash & Investments	186,952	119,067	157,078	142,222	87,665	(31,402)
Total Uses	**396,955**	**347,107**	**309,140**	**344,457**	**302,446**	**(44,661)**

City of Black Diamond, Washington Street Fund Six Year Forecast		draft 10/30/2014				MODEL A			
General Fund Revenue	2013 Actual Act	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget	
Gas Tax (31.60 per capita)	86,206	85,700	84,600	85,446	86,300	86,300	87,163	88,035	1%
Right of Way Permits	2,784	3,600	5,200	5,304	5,410	5,518	5,629	5,741	2%
Other Revenue	8,684	2,200	650	663	676	690	704	718	2%
Fund Agreement	36,697	18,655	19,774						
Transfer In-REET II **		50,000	50,000	50,000					
Total Operating Revenue	134,371	160,155	160,224	141,413	92,387	92,509	93,496	94,494	0
Street Fund Expenditures									
Salaries	96,080	101,736	116,112	118,434	120,803	120,803	123,219	125,683	2%
Benefits	40,584	42,292	46,772	49,111	51,566	54,144	56,852	59,694	5%
Grant/Proj Adm -alloc	(14,746)	(20,000)	(39,330)	(25,000)	(20,000)	(21,000)	(22,050)	(23,153)	5%
Supplies	7,946	10,571	9,900	10,395	10,915	11,460	12,034	12,635	5%
Street Lights	31,426	31,000	31,000	32,550	34,178	35,886	37,681	39,565	5%
Other Services & Charges	38,713	52,441	40,327	42,343	44,461	46,684	49,018	51,469	5%
Transfers to Cap Equip	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Total Operating Spending	210,003	228,040	214,781	237,833	251,922	257,978	266,753	275,894	
Change in Reserves	(75,632)	(67,885)	(54,557)	(96,420)	(159,535)	(165,469)	(173,257)	(181,400)	
Ending Reserves	**186,952**	**119,067**	**87,665**	**(8,755)**	**(168,290)**	**(333,759)**	**(507,016)**	**(688,416)**	
	89.02%	52.21%	40.82%	-3.68%	-66.80%	-129.38%	-190.07%	-249.52%	
Policy Reserves-10%	21,000	22,804	21,481	22,154	22,856	23,087	23,829	24,601	



** REET II transfer for Capital Operating Costs legislation expires in 2016. Unknow if this will be re-authorized by State Legislators.

City of Black Diamond, Washington Street Fund Six Year Forecast		draft 10/30/2014			MODEL B				
General Fund Revenue	2013 Actual Act	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget	
Gas Tax (31.60 per capita)	86,206	85,700	84,600	85,446	86,300	87,163	88,035	88,915	1%
Gas Tax Increase w growth					3,160	6,446	13,150	26,826	1%
Right of Way Permits	2,784	3,600	5,200	5,304	5,410	5,518	5,629	5,741	2%
Other Revenue	8,684	2,200	650	663	676	690	704	718	2%
Fund Agreement	36,697	18,655	19,774						
Transfer In-REET II **		50,000	50,000	50,000	50,000	50,000	50,000	50,000	
Add $20 car tab-% for M&O				45,000	46,100	47,022	47,962	48,922	2%
New Revenue source ??					60,000	60,000	60,000	60,000	
Total Operating Revenue	134,371	160,155	160,224	186,413	251,647	256,840	265,480	281,122	0
Street Fund Expenditures									
Salaries	96,080	101,736	116,112	118,434	120,803	120,803	123,219	125,683	2%
Benefits	40,584	42,292	46,772	49,111	51,566	51,566	54,144	56,852	5%
Grant/Proj Adm -alloc	(14,746)	(20,000)	(39,330)	(25,000)	(20,000)	(21,000)	(22,050)	(23,153)	5%
Supplies	7,946	10,571	9,900	10,395	10,915	11,460	12,034	12,635	5%
Street Lights	31,426	31,000	31,000	32,550	34,178	35,886	37,681	39,565	5%
Other Services & Charges	38,713	52,441	40,327	42,343	44,461	46,684	49,018	51,469	5%
Transfers to Cap Equip	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	
Total Operating Spending	210,003	228,040	214,781	237,833	251,922	255,399	264,045	273,051	
Change in Reserves	(75,632)	(67,885)	(54,557)	(51,420)	(275)	1,440	1,434	8,071	
Ending Reserves	**186,952**	**119,067**	**87,665**	**36,245**	**35,970**	**37,410**	**38,844**	**46,915**	
	89.02%	52.21%	40.82%	15.24%	14.28%	14.65%	14.71%	17.18%	
Policy Reserves-10%	21,000	22,804	21,481	22,154	22,856	23,087	23,829	24,601	



** REET II transfer for Capital Operating Costs legislation expires in 2016. Assumes Legislature will re-authorize in 2016.

107 Fire Impact Fees	Actual 2013	2014 Amended Budget	2014 Actual	2015 Budget	14 to 15 Budget Change	% Budget Change
REVENUE						10/16/2014
Fire Impact Fees	10,366	15,000	8,916	10,000		
LGIP Investment Interest						
Subtotal Fire Impact Fees Revenue	**10,366**	**15,000**	**8,916**	**10,000**		
Beg Cash & Investments		10,366	10,366	5,000		
Total Fire Impact Fees Fund Sources	**10,366**	**25,366**	**19,282**	**15,000**	**(10,366)**	**100.0%**
EXPENDITURES						
Transfer to Fire Equipment Reserves		25,366	15,366	10,000		
Total Fire Impact Fees Expenditures		**25,366**	**15,366**	**10,000**		
Ending Cash & Investments	10,366			5,000	5,000	
Total Fire Impact Fees Fund Uses	**10,366**	**25,366**	**15,366**	**15,000**	**15,000**	**100.0%**

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 2013	2014 Amended Budget	2014 Actual	2015 Budget	14 to 15 Budget Change	% Budget Change
REVENUE						10/16/2014
Transfer from Fire Impact Fees		25,366	15,366	10,000		
LGIP Investment Interest Fire Equipment	28	99	6			
Transfer in REET I		69,219	69,219			
Sale of Fire Surplus Vehicles	2,201			125,000		
Loan Proceeds				240,000	240,000	
Subtotal Revenue	**2,229**	**94,684**	**84,591**	**375,000**	**240,000**	
Beg Cash & Invest Unreserved - Fire Equip	1,378	3,506	3,507	73,950		
Total Fire Equipment Revenue	**3,607**	**98,190**	**88,098**	**448,950**	**350,760**	**357.2%**
EXPENDITURES						
Repairs & Maintenance - Surplusing	100	500				
Replace Primary Engine				365,000		
Fire Equipment Repair		72,690	4,141	10,000		
Replace SCBA Bottles (Air Bottles)				20,000		
Future Fire Bldg/Equip		25,000				
Subtotal Fire Expenditures	**100**	**98,190**	**4,141**	**395,000**		
Ending Cash & Investments - Fire	3,506			53,950		
Subtotal 510 Fire Equipment Uses	**3,606**	**98,190**	**4,141**	**448,950**	**350,760**	**357.2%**

510 -2 PW Equipment Replacement	Actual 2013	2014 Amended Budget	2014 Actual	2015 Budget	14 to 15 Budget Change	% Budget Change
REVENUE						10/16/2014
LGIP Investment Interest City Equipment	198	300	110	200	(100)	-33.3%
Sale of PW Equip	472		5,600			
Subtotal Interest & Other Revenue	**670**	**300**	**5,710**	**200**	**(100)**	
Transfer in from REET II (Parks & Cemetery)				7,000	7,000	
Transfer in from Water Fund	10,000	10,000	10,000	10,000		
Transfer in from Sewer 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**	**47,000**	**7,000**	**17.5%**
Subtotal 510 Fund Revenue	**40,670**	**40,300**	**45,710**	**47,200**	**6,900**	**17.1%**
Beg Cash & Invest Unreserved - City Equip	150,321	150,321	153,793	170,710		
Total 510 Fire Equip. Fund Sources	**190,991**	**190,621**	**199,503**	**217,910**	**27,289**	**14.3%**
EXPENDITURES						
Grader Engine Repair		10,000				
Grass mower Deck or Attachment		13,793		15,000		
Shop Generator	3,531					
Utility Truck Purchase	32,707					
Ford 2000 4 wheel drive				45,000		
Pw Utility Trailer						
Radios for Utilities	838	5,000				
Surplus Costs	123		244			
Subtotal City Equipment Expenditures	**37,199**	**28,793**	**244**	**60,000**		
Ending Cash & Investments - City	153,793	165,300	199,259	157,910		
Total 510 City Equip. Fund Sources	**190,992**	**194,093**	**199,503**	**217,910**	**23,817**	**12.3%**

510 -3 Police Vehicle Replacement	Actual 2013	2014 Amended Budget	2014 Actual	2015 Budget	14 to 15 Budget Change	% Budget Change
REVENUE						10/16/2014
LGIP Interest Income	**8**		6			
Transfer in REET I	10,000	20,000	20,000			
Police Sale of Surplus Equipment	1,641	6,900	6,875		(6,900)	
Subtotal Police Vehicle Revenue	**11,649**	**26,900**	**26,881**			
Beginning Cash & Investments	11,051	21,993	21,993	27,347		
Total Police Equipment Revenue	**22,700**	**48,893**	**48,874**	**27,347**	**(21,546)**	**100%**
EXPENDITURES						
Police Vehicles Conversion Costs		10,893				
Replace Police Radios		37,500	5,871	9,300		
Surplus Costs Police	707	500	50	500		
Subtotal Police Vehicle Expenditure	**707**	**48,893**	**5,921**	**9,800**		
Ending Cash & Investments - City	21,993			**17,547**	17,547	
Total Police Vehicle Expenditures	**23,408**	**97,786**	**11,843**	**27,347**	**(70,439)**	**100%**

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.

401 Water Operating Fund Preliminary Budget

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	2013 Actual thru Dec 31, 2013	2014 Budget	Aug 2014 Actual	Dec Est Actual	2015 Budget	2015 Budget
WATER FUND REVENUE						
User Charges	459,234	580,300	379,927	575,000	642,000	61,700
Late Charges & Name Changes	17,068	16,000	12,245	18,000	18,000	2,000
Subtotal Operating Revenue	**476,302**	**596,300**	**392,172**	**593,000**	**660,000**	**63,700**
YarrowBay PW Reimbursement	39,520	18,655	10,885	18,655		(18,655)
Deposits and Reimbursements/Misc	1,755	1,000	5,880	5,880		(1,000)
Civil Insp Fee	7,016					
New water meter setting	2,000	2,000	4,015	5,800	6,000	4,000
Investment Interest	137	130	68	100	100	(30)
Insurance Reimbursement						
Debt Service-Developer Contribution	669,596	99,833	99,362	99,362	98,891	(942)
Transfer from Water Capital Fund	150,000	80,000	80,000	80,000	10,000	(70,000)
Subtotal Other Revenue	**870,024**	**201,618**	**200,210**	**209,797**	**114,991**	**(86,627)**
Total Revenue	**1,346,326**	**797,918**	**592,382**	**802,797**	**774,991**	**(22,927)**
Total Cash & Investment	107,982	125,340	125,340	125,340	129,219	3,879
Total Sources	**1,454,308**	**923,258**	**717,722**	**928,137**	**904,210**	**(19,048)**
WATER FUND EXPENDITURES						
Salary	120,684	133,086	89,384	134,077	147,815	14,729
MDRT Allocation					-2,500	(2,500)
Water Comp Plan Pj. Allocation					-10,000	(10,000)
Grant/Proj Mgmt Credit	(14,028)	(15,000)		(15,000)	(16,430)	(1,430)
Benefits	52,388	54,952	35,744	53,616	60,375	5,423
Total Salaries and Benefits	**159,044**	**173,038**	**125,128**	**172,693**	**179,260**	**6,222**
Operating & Office Supplies/Uniforms	5,552	8,000	2,779	5,558	6,034	(1,966)
Supplies, Copies, Post, Sys Mtc - Alloc	4,718	7,628	4,920	4,920	6,150	(1,478)
Caustic (potassium hydroxide)	10,092	12,500	8,823	12,500	12,500	
Fuel	3,049	3,500	1,723	3,400	3,260	(240)
Small tools & Safety Supplies	996	1,265	1,035	1,265	1,210	(55)
Total Supplies	**24,407**	**32,893**	**19,280**	**27,643**	**29,154**	**(3,739)**
Insurance	30,570	37,689	0	41,486	28,335	(9,354)
Telephone/DSL/Radios	2,914	2,850	1,672	2,500	2,200	(650)
Professional Services	3,412	5,500			6,000	500
Water Testing	1,972	1,500	453	1,100	1,500	
Health Dept Permit/City Permit	1,232	2,100	1,484	1,484	1,600	(500)
Health Dept Survey Fee	918	1,000				(1,000)
Repairs & Maintenance/locates/misc.	11,655	12,585	11,702	14,000	11,150	(1,435)
Proj Mgmt/Grant Equip Reimb	(1,052)	0				
Travel, Memberships and Training	855	2,900	99	1,000	2,156	(744)
Electricity/Gas	33,475	32,000	17,135	28,500	35,000	3,000
Water, Sewer, Stormwater and Garbage	1,287	1,662	900	1,400	1,490	(172)
Legal Services	15,034	21,200	12,047	18,000	15,000	(6,200)
Postage/Printing/Advertising/CC costs	3,531	2,010	2,452	3,500	3,800	1,790
Software Mtc	3,081	2,175	3,408	3,500	3,360	1,185
Audit - Share of costs	3,172	5,300	5,300	5,300	9,743	4,443
Cost Allocation	16,908	15,580	10,384	15,580	21,700	6,120
Taxes Utility	31,603	37,000	24,780	36,500	39,000	2,000
Taxes B&O	21,687	29,000	21,248	27,600	32,000	3,000
Total Services & Charges	**182,254**	**212,051**	**113,064**	**201,450**	**214,034**	**1,983**
Total Operating Expenditures	**365,705**	**417,982**	**257,472**	**401,786**	**422,448**	**4,466**
Transfer for Equipment-CIP	10,000	10,000	10,000	10,000	10,000	
Wind Damage Poles						
Transfer to Water portion Comp Plan		5,000	5,000	5,000		(5,000)
WW Interfund Loan for Meters	46,221	46,920		46,920	46,460	(460)
Debt Services	907,042	336,090	335,212	335,212	306,285	(29,805)
Subtotal Other Expenditures	**963,263**	**398,010**	**350,212**	**397,132**	**362,745**	**(35,265)**
Total Expenditures	**1,328,968**	**815,992**	**607,684**	**798,918**	**785,193**	**(30,799)**
Three Months Cash and Investments	91,426	104,496	104,496	104,496	104,935	439
Unreserved C&I Balance	33,914	2,770	5,572	24,723	14,082	11,312
Total Ending Cash & Investments	125,340	107,266	110,038	129,219	119,017	11,751
Total Uses	**1,454,308**	**923,258**		**928,137**	**904,210**	**(19,048)**

City of Black Diamond, Washington **NO MPD Growth** 11/3/2014
Water Utility Fund DRAFT MODEL A
Six Year Forecast

Water Fund Rate Increase	2013 Actual 2 yr-15%	2014 Budget 01/14 15%	2015 Budget 01/15 15%	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2020 Budget
Operating Begin Cash Bal	107,982	125,340	129,219	119,017	119,740	74,256	32,557	(708)
Operating Revenue	459,234	580,300	642,000	654,840	667,937	681,296	694,921	708,820
Misc. Revenue	27,976	19,130	24,100	24,582	25,074	25,575	26,087	26,608
Funding Reimbursement	39,520	18,655	0	0	0	0	0	0
Developer Debt Reimb	669,596	99,833	98,891	97,902	97,902	96,923	95,954	94,995
Transfer from Reserve	150,000	80,000	10,000					
Total Water Revenue	1,346,326	797,918	774,991	777,324	790,912	803,794	816,962	830,423
Water Fund Expenditures								
Salaries & Bene	120,942	133,086	147,815	150,771	153,787	156,862	160,000	163,200
Allocation to Capt Projects	(14,028)	(15,000)	(28,930)	(22,000)	(18,000)	(18,000)	(18,000)	(18,000)
Benefits	52,388	54,952	60,375	62,790	65,302	67,914	67,914	70,630
Caustic	10,092	12,500	12,500	13,000	13,520	14,061	14,623	15,208
Supplies	14,315	20,393	16,654	16,987	17,327	17,673	18,027	18,387
Electricity & Utilities	33,932	33,662	37,156	37,899	38,657	39,430	40,219	41,023
Insurance	30,570	37,689	28,335	29,752	31,239	32,801	34,441	36,163
Services & Charges	64,204	74,700	77,543	79,482	81,469	83,505	83,505	85,593
B&O & Util Tax	53,290	66,000	71,000	72,420	73,868	75,346	76,853	78,390
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	375,705	432,982	432,448	451,101	467,169	479,593	487,582	500,595
Tacoma Water Debt	569,764							
PWTF Debt Svs	337,278	336,090	306,285	325,500	328,788	325,500	322,245	319,023
Water Meters- Sewer Loan	46,221	46,920	46,460					
New Debt Ser-Res Paint					40,400	40,400	40,400	40,400
Sub total Debt Service	953,263	383,010	352,745	325,500	369,188	365,900	362,645	359,423
Total Water Fund Uses	1,328,968	815,992	785,193	776,601	836,357	845,493	850,227	860,018
Change in Cash & Inv	17,358	(18,074)	(10,202)	723	(45,444)	(41,699)	(33,265)	(29,595)
Ending Cash & Invest Bal	**125,340**	**107,266**	**119,017**	**119,740**	**74,296**	**32,557**	**(708)**	**(30,303)**

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

Either growth or rate increases will be needed by 2017 to cover maintence and debt costs. Forecast does not include and funds for water line replacement or any capital projects. Existing PWTF debt will not be paid off until 2024.

City of Black Diamond, Washington **NO MPD Growth** 11/3/2014
Water Utility Fund DRAFT MODEL B
Six Year Forecast

Water Fund Rate Increase	2013 Actual 2 yr-15%	2014 Budget 01/14 15%	2015 Budget 01/15 15%	2016 Budget	2017 Budget 10%	2018 Budget	2019 Budget	2020 Budget
Operating Begin Cash Bal	107,982	125,340	129,219	119,017	119,740	141,075	167,490	203,702
Operating Revenue	459,234	580,300	642,000	654,840	667,937	681,296	694,921	708,820
Misc. Revenue	27,976	19,130	24,100	24,582	25,074	25,575	26,087	26,608
Funding Reimbursement	39,520	18,655	0	0	0	0	0	0
Developer Debt Reimb	669,596	99,833	98,891	97,902	97,902	96,923	95,954	94,995
Transfer from Reserve	150,000	80,000	10,000					
Possible Rate increase-					66,779	68,115	69,477	70,866
Total Water Revenue	1,346,326	797,918	774,991	777,324	857,691	871,908	886,439	901,290
Water Fund Expenditures								
Salaries & Bene	120,942	133,086	147,815	150,771	153,787	156,862	160,000	163,200
Allocation to Capt Projects	(14,028)	(15,000)	(28,930)	(22,000)	(18,000)	(18,000)	(18,000)	(18,000)
Benefits	52,388	54,952	60,375	62,790	65,302	67,914	67,914	70,630
Caustic	10,092	12,500	12,500	13,000	13,520	14,061	14,623	15,208
Supplies	14,315	20,393	16,654	16,987	17,327	17,673	18,027	18,387
Electricity & Utilities	33,932	33,662	37,156	37,899	38,657	39,430	40,219	41,023
Insurance	30,570	37,689	28,335	29,752	31,239	32,801	34,441	36,163
Services & Charges	64,204	74,700	77,543	79,482	81,469	83,505	83,505	85,593
B&O & Util Tax	53,290	66,000	71,000	72,420	73,868	75,346	76,853	78,390
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	375,705	432,982	432,448	451,101	467,169	479,593	487,582	500,595
Tacoma Water Debt	569,764							
PWTF Debt Svs	337,278	336,090	306,285	325,500	328,788	325,500	322,245	319,023
Water Meters- Sewer Loan	46,221	46,920	46,460					
New Debt Ser-Res Paint					40,400	40,400	40,400	40,400
Sub total Debt Service	953,263	383,010	352,745	325,500	369,188	365,900	362,645	359,423
Total Water Fund Uses	1,328,968	815,992	785,193	776,601	836,357	845,493	850,227	860,018
Change in Cash & Inv	17,358	(18,074)	(10,202)	723	21,335	26,415	36,212	41,272
Ending Cash & Invest Bal	**125,340**	**107,266**	**119,017**	**119,740**	**141,075**	**167,490**	**203,702**	**244,974**

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

Note Beginning Cash & Investment Balance

Either growth or rate increases will be needed by 2017 to cover maintence and debt costs. Forecast does not include and funds for water line replacement or any capital projects. Existing PWTF debt will not be paid off until 2024.

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 2014.

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 2013	2014 Amended Budget	2014 Actual	2015 Budget	14 to 15 Budget Change	% Budget Change
REVENUE						10/16/2014
DT Wtr Repl-Grant Match						
LGIP Investment Interest	625	900	258	600		
Water Connection Charges	23,906	20,000	20,463	20,400		
Developer Contributions		12,253				
Transfer In WSFFA Corr	2,515					
CDBG Grant 5th Avenue Water Main	146,857					
Transfer In REET II-5th Ave Wtr	15,000					
Transfer In Grant Matching	32,000					
Transfer in REET II-Paint Reservoir	15,000					
Loan to Paint Water Tower				157,000		
Downtown Water Line Replacement Grant		225,000				
Downtown Water Line Replacement Grant		25,000				
Subtotal Water Capital Fund Revenue	**235,903**	**283,153**	**20,721**	**178,000**		
Beg Cash & Investment Unreserved	504,127	441,809	441,809	292,027		
Total Water Capital Fund Sources	**740,029**	**724,962**	**462,530**	**470,027**	**(254,935)**	**-35.2%**
EXPENDITURES						
EFB Water Design Proj	21,254					
5th Ave Water Main Replacement	139,843	21,254	2,345			
5th Ave Water Main Retainage	5,810		858			
Water Comprehensive Plan Update				80,000		
New Water Meters		5,000				
Water Design Study		1,281				
Reservoir Painting & Mtc.		40,000	9,846	157,000		
Water Rate Study	2,767					
Replace Poles at Springs		23,000	22,797			
Transfer out to Water Fund 401-for debt	150,000	80,000	80,000	10,000		
Downtown Water Line Replacement		250,000	44			
Subtotal Water Capital Fund Expenditures	**319,674**	**420,535**	**115,890**	**247,000**		
Ending Cash & Investments	420,554	304,427		223,027		
Total Water Capital Fund Uses	**740,228**	**724,962**	**115,890**	**470,027**	**(254,935)**	**-35.2%**

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* *Water Supply Facility Funding Agreement	Actual 2013	2014 Amended Budget	2014 Actual	2015 Budget	14 to 15 Budget Change	% Budget Change
REVENUE						10/16/2014
Developer Contribution Springs/Task 3	13,997	3,132	3,136	120,000		
Springs/Task 3		102,197	25,256		(102,197)	
LGIP Investment Interest	131		40			
Subtotal WSFFA Revenue	**14,128**	**105,329**	**28,432**	**120,000**		
Beg Cash & Investments	120,011	59,851	59,851	70,000		
Total WSFFA Fund Sources	**134,139**	**165,180**	**88,283**	**190,000**	**24,820**	**15.0%**
EXPENDITURES						
Reservior Construction-Tacoma Water						
Springs/Task 3- Engineering	57,028	95,180	19,257	120,000		
WSFFA Legal Services	517		132			
WSFFA-BD Staff Cost Alloc	13,869					
WSFFA other costs	359					
Transfer Corr to 404 Acct	2,515					
Total WSFFA Expenditures	**74,288**	**95,180**	**19,389**	**120,000**		
Ending Cash & Investments Unreserved	59,851	70,000		70,000		
Total WSFFA Fund Uses	**134,139**	**165,180**	**19,389**	**190,000**	**24,820**	**15.0%**

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 Sewer 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 Sewer department.

407 Sewer Fund - 2015 Preliminary Budget

Draft

	December 31, 2013 Actual	2014 Budget	August 31,2014 Actuals	2014 Dec Est Actual	2015 Budget	2014/2015 Difference
SEWER FUND REVENUE						
User Charges	692,136	694,750	468,421	700,000	737,000	42,250
Operating Revenue	**692,136**	**694,750**	**468,421**	**700,000**	**737,000**	**42,250**
Other Revenues						
Misc Reimb	7,797	1,825	1,595	2,500	2,500	675
YarrowBay PW Director Reimburse	38,199	18,655	10,885	18,655		(18,655)
Investment Interest	108	100	67	100	100	
Insurance Recovery/Civil Insp Fee	595	0				
Transfer from Capital or Operating	85,000	80,000	80,000	80,000	80,000	
Total Other Revenue	**131,699**	**100,580**	**92,547**	**101,255**	**82,600**	**(17,980)**
Total Revenue	**823,835**	**795,330**	**560,968**	**801,255**	**819,600**	**24,270**
Total Beg Cash and Investments	87,738	126,682	126,682	126,682	118,383	(8,299)
Total Sources	**911,573**	**922,012**	**687,650**	**927,937**	**937,983**	**15,971**
SEWER EXPENDITURES						
Salaries	119,570	129,986	87,793	129,986	142,638	12,652
MDRT Allocation					(2,500)	(2,500)
Allocation of Seth to Wtr Comp Plan					(10,000)	(10,000)
Grant & Proj Wage reimb	(2,313)	(15,000)		(15,000)	(14,680)	320
Benefits	52,126	54,325	35,563	54,325	60,654	6,329
Total Salaries & Benefits	**169,383**	**169,311**	**123,356**	**169,311**	**176,112**	**6,801**
Office and Operating Supplies	1,552	1,817	904	1,600	1,432	(385)
Sup, Copies, Post, sys mtc (allocated)	4,718	7,628	4,920	7,628	6,150	(1,478)
Safety Sup & Uniforms, tools	1,809	1,565	665	1,200	1,562	(3)
Fuel	2,958	3,500	1,853	2,900	3,040	(460)
Total Supplies	**11,037**	**14,510**	**8,342**	**13,328**	**12,184**	**(2,326)**
Insurance	11,302	12,864	0	16,080	14,622	1,758
Prof Services - Printing & Advertising	5,564	2,200	968	2,000	2,200	
Repairs & Maintenance	6,809	7,100	2,601	4,800	9,390	2,290
Proj & Grant equip-Credit	(1,052)					
Travel, Memberships and Training	308	2,110	99	750	2,024	(86)
Electricity & Gas	2,211	2,200	1,599	2,400	2,200	
Utilities	4,274	2,354	1,656	3,900	2,665	311
Tele, Postage, Mer Card & Misc.	3,846	5,540	4,308	4,850	5,260	(280)
Software & GPS Maint	1,425	1,475	1,703	1,800	1,660	185
Legal Services	14,727	22,000	11,937	17,900	15,000	(7,000)
Audit - share of costs	3,172	5,300	5,300	5,300	9,319	4,019
Cost Allocations	16,908	15,580	10,384	15,580	21,000	5,420
Taxes Utility	44,329	44,120	28,857	43,275	44,200	80
Taxes B&O	7,823	8,500	7,596	10,080	9,600	1,100
Total Services & Charges	**121,646**	**131,343**	**77,008**	**128,715**	**139,140**	**7,797**
Subtotal Operating Expenses	**302,066**	**315,164**	**208,706**	**311,354**	**327,436**	**12,272**
Other Expenses						
King County Metro	472,825	474,600	319,872	483,200	511,700	37,100
Transfer for Sewer Comp Plan						
Total Payment Sewer Treatment	472,825	474,600		483,200	511,700	37,100
Total Operating Expenditures	**774,891**	**789,764**	**528,578**	**794,554**	**839,136**	**49,372**
Capital Expenses						
Transfer for Equipment-CIP	10,000	10,000	10,000	10,000	10,000	
Transfer for Sewer Comp Plan	-	5,000	5,000	5,000		(5,000)
Manhole Rehabilitation	-					
Subtotal Other Expenditures	10,000	15,000	15,000	15,000	10,000	(5,000)
Total Expenses	**784,891**	**804,764**	**543,578**	**809,554**	**849,136**	**44,372**
Three Months Cash and Investments	75,517	75,416	75,416	75,416	81,859	6,443
Unreserved C&I Balance	51,165	41,832	68,656	42,967	6,988	(34,844)
Total Ending Cash and Investments	126,682	117,248	144,072	118,383	88,847	(28,401)
Total Uses	**911,573**	**922,012**	**687,650**	**927,937**	**937,983**	**15,971**

City of Black Diamond, Washington
Sewer Loan and repayment schedule

Loan year	purpose	Fund	Amount	Reason
2007	Gen Fund	1	75000	Capital Furniture
2008	Tech-Police	310	200000	Capital Police Software
2008	SW Start up	410	100000	Start up
2009	SW start up	410	50000	Start up
2010	Wtr meters	404	230000	Capital -Water Meter Project
2015	wtr-Paint Res	404	214000	Capital-Water-Paint Reservoir
	Total		**869000**	

Sewer **Repayment Schedule**

	2007	**2008**	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**Total**
General Fund		75000												$75,000
Tech police			$40,000	$40,000	$40,000	$40,000	$40,000							$200,000
SW 2008			$20,000	$20,000	$20,000	$20,000	$20,000							$100,000
SW 2009				$10,000	$10,000	$10,000	$10,000	$10,000						$50,000
Wtr Meters					$46,000	$46,000	$46,000	$46,000	$46,000					$230,000
Wtr-Paint Res										$42,800	$42,800	$42,800	$42,800	$171,200
Total Principal		75000	60000	70000	116000	116000	116000	$56,000	$46,000	$42,800	$42,800	$42,800	$42,800	$826,200

10/21/2014

	Interest rate Est				0.0015	0.0025	0.01	0.02	0.03	0.04	0.05	0.05	
Tech Police		2000	800	1500	120	100							
Drg 2008		400	400	1000	60	50							
Drg 2009			250	500	45	50	200						
Wtr Meters				2875	276	345	920	920					
WStr-Paint Res									5136	5136	4180	2140	

City of Black Diamond, Washington **No MPD Growth** Draft
Sewer Utility Operating Fund 11/3/2014 Model A
Six Year Forecast-2015

Sewer Fund	**2013 Budget**	**2014 Budget**	**2015 Budget**	**2016 Budget**	**2017 Budget**	**2018 Budget**	**2019 Budget**	**2020 Budget**	
City Monthly Sewer Rate	**19.16**	**19.52**	**19.97**	**20.37**	**20.78**	**21.20**	**21.62**	**21.62**	
Operating Begin Cash Bal	87,738	126,682	118,383	88,847	27,451	(39,581)	(192,719)	(342,187)	
Operating Revenue-City	219,311	220,150	225,300	229,806	234,402	239,090	243,872	248,749	2%
Operating Revenue-Metro	472,825	474,600	511,700	511,700	544,960	554,769	565,864	577,182	
Operating possible Rate Inc.									
Misc Revenue	8,500	1,925	2,600	2,678	2,758	2,841	2,841	2,926	
Funding Reimbursement	38,199	18,655	0	0	0	0	0	0	
Transfer in from Reserves	85,000	80,000	80,000	80,000	80,000				
Total Sewer Fund Sources	823,835	795,330	819,600	824,184	862,120	796,700	812,577	828,858	
Sewer Fund Expenditures									
Salaries & Bene	119,570	129,986	142,638	146,917	151,325	155,864	155,864	160,540	
Benefits	52,126	54,325	56,498	58,758	61,108	63,553	63,553	66,095	
Allocation to Capital Proj	(2,313)	(15,000)	(27,180)						
Supplies	11,037	14,510	12,184	12,671	13,178	13,705	13,705	14,254	
Services & Charges	69,494	78,723	89,496	91,733	94,027	96,377	96,377	98,787	
B&O & Util Tax	52,152	52,620	53,800	53,800	54,555	55,570	56,681	57,815	
Metro Reimbursement	472,825	474,600	511,700	511,700	544,960	554,769	565,864	577,182	
Transfers to Cap Equip	10,000	15,000	10,000	10,000	10,000	10,000	10,000	10,000	
Sub Total Operating Uses	784,891	804,764	849,136	885,580	929,153	949,839	962,045	984,672	
Change in Cash & Inv	38,944	(9,434)	(29,536)	(61,396)	(67,032)	(153,138)	(149,468)	(155,814)	
Ending Cash & Invest Bal	**126,682**	**117,248**	**88,847**	**27,451**	**(39,581)**	**(192,719)**	**(342,187)**	**(498,001)**	

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

Growth or rate increases will need to be in place for city portion of Sewer rates by 2016 City portion of rate needs to be increases to cover the cost of State and City Utility Taxes, which are paid from city share of rates. Rate reviews need to be updated in spring of 2015.

City of Black Diamond, Washington **No MPD Growth** Draft
Sewer Utility Operating Fund 11/3/2014 Model B
Six Year Forecast-2015

Sewer Fund	**2013 Budget**	**2014 Budget**	**2015 Budget**	**2016 Budget**	**2017 Budget**	**2018 Budget**	**2019 Budget**	**2020 Budget**	
City Monthly Sewer Rate	**19.16**	**19.52**	**19.97**	**20.37**	**20.78**	**21.20**	**21.62**	**21.62**	
Operating Begin Cash Bal	87,738	126,682	118,383	88,847	80,451	88,619	86,895	89,569	
Operating Revenue-City	219,311	220,150	225,300	229,806	234,402	239,090	243,872	248,749	2%
Operating Revenue-Metro	472,825	474,600	511,700	511,700	544,960	554,769	565,864	577,182	
Operating possible Rate Inc.									
Misc Revenue	8,500	1,925	2,600	2,678	2,758	2,841	2,841	2,926	
Funding Reimbursement	38,199	18,655	0	0	0	0	0	0	
Transfer in from Reserves	85,000	80,000	80,000	80,000	80,000	50,000	25,000		
City Share Rate Inc 15%				35,000	35,700	36,414	37,142	37,885	
Growth of 100 homes yr					24,500	50,000	75,000	100,000	
Total Sewer Fund Sources	823,835	795,330	819,600	859,184	922,320	933,114	949,719	966,743	
Sewer Fund Expenditures									
Salaries & Bene	119,570	129,986	142,638	146,917	151,325	155,864	155,864	160,540	
Benefits	52,126	54,325	56,498	58,758	61,108	63,553	63,553	66,095	
Allocation to Capital Proj	(2,313)	(15,000)	(27,180)	(18,000)	(15,000)	(15,000)	(15,000)	(15,000)	
Supplies	11,037	14,510	12,184	12,671	13,178	13,705	13,705	14,254	
Services & Charges	69,494	78,723	89,496	91,733	94,027	96,377	96,377	98,787	
B&O & Util Tax	52,152	52,620	53,800	53,800	54,555	55,570	56,681	57,815	
Metro Reimbursement	472,825	474,600	511,700	511,700	544,960	554,769	565,864	577,182	
Transfers to Cap Equip	10,000	15,000	10,000	10,000	10,000	10,000	10,000	10,000	
Sub Total Operating Uses	784,891	804,764	849,136	867,580	914,153	934,839	947,045	969,672	
Change in Cash & Inv	38,944	(9,434)	(29,536)	(8,396)	8,168	(1,724)	2,674	(2,929)	
Ending Cash & Invest Bal	**126,682**	**117,248**	**88,847**	**80,451**	**88,619**	**86,895**	**89,569**	**86,640**	

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

Growth or rate increases will need to be in place for city portion of Sewer rates by 2016 City portion of rate needs to be increases to cover the cost of State and City Utility Taxes, which are paid from city share of rates. Rate reviews need to be updated in spring of 2015. Rates do not include any capital projects.

Sewer Capital Fund 408 services include the budget for those Sewer 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 sewer pump station in 2013.

408 Sewer Capital Fund	Actual 2013	2014 Amended Budget	2014 Actual	2015 Budget	14 to 15 Budget Change	% Budget Change
REVENUE						10/21/2014
Connection/Hook up Fees	6,400	6,000	5,731	6,000		
Loan Repay - Stormwater	30,064	10,000				
Loan Repay - Technology	40,064					
Loan Repay - Water Meters	46,221	46,000		46,000		
Loan repay, Interfund			24			
LGIP Investment Interest	1,273	2,000	536	700		
Sale of Scrap pipe-Lagoon Proj			758			
Insurance Claim recovery						
Trans in from Sewer Projects						
Subtotal Sewer Capital Revenue	**124,022**	**64,000**	**7,049**	**52,700**		
Beginning Cash & Investments	870,554	900,858	900,858	703,353		
Total Sewer Capital Sources	**994,576**	**964,858**	**907,907**	**756,053**	**(208,805)**	**-21.6%**
EXPENDITURES						
Infiltration & Inflow		30,000	7,168	25,000		
Lawson Lift Station Engineering		50,000	24,168			
Preserve Sewer Treatment Plant	5,951	18,505	1,998			
Professional Services						
Sewer Storage Project/RH2 Engineering						
Sewer Rate Study	2,767	3,000				
Morganville Sewer Lift Station		80,000	27,329			
Transfer to Sewer Operating Fund	85,000	80,000	80,000	80,000		
Internal Loan - Paint Water Reservoir						
Subtotal Sewer Capital Expenditures	**93,718**	**261,505**	**140,663**	**105,000**		
Ending Cash & Investments	900,858	703,353		651,053		
Total Sewer Capital Fund Uses	**994,576**	**964,858**	**140,663**	**756,053**	**(208,805)**	**-21.6%**

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.

410 Stormwater Fund - Preliminary Budget						Draft
	December 31, 2013 Actual	2014 Budget	August 2014 Actual	12/31/2014 Estimated Actual	2015 Budget	2014/2015 Difference
REVENUE						
Stormwater Charges	293,430	334,000	221,012	330,200	334,000	
Operating Revenue	**293,430**	**334,000**	**221,012**	**330,200**	**334,000**	**0**
Other Revenue						
Civil Insp Fee	3,508		1,430			
2009/2010 DOE Grant						
2010/2011 DOE Grant						
YarrowBay-PW Dir Reimburse	41,720	18,655	10,730	18,655		(18,655)
Misc Rev	990					
Investment Interest	60	50	52	60	100	50
Total Other Revenue	**46,278**	**18,705**	**12,212**	**18,715**	**100**	**(18,605)**
Total Revenue	**339,708**	**352,705**	**233,224**	**348,915**	**334,100**	**(18,605)**
Beginning C&I Balance	82,200	81,657	81,657	81,657	106,292	24,635
Total Sources	**421,908**	**434,362**	**314,881**	**430,572**	**440,392**	**6,030**
EXPENDITURES						
Salaries	120,168	123,067	88,906	125,000	139,051	15,984
Seth Allocation to MDRT					(2,500)	(2,500)
Seth Allocation to Wtr Comp Plan					(10,000)	(10,000)
Grant/Proj Mgmt-Credit	(7,033)	(10,000)		(15,000)	(20,829)	(10,829)
Benefits	52,238	53,830	35,709	53,560	59,784	5,954
Total Salaries & Benefits	**165,373**	**166,897**	**124,615**	**163,560**	**165,506**	**(1,391)**
Operating Supplies and Uniforms	2,286	3,537	1,843	2,600	3,034	(503)
Office Supplies, Copies, Postage, Sys M	4,716	7,628	4,920	7,628	6,150	(1,478)
Fuel	3,036	2,296	1,872	2,200	3,200	904
Small Tools and Equipment	911	1,265	143	500	1,210	(55)
Total Supplies	**10,949**	**14,726**	**8,778**	**12,928**	**13,594**	**(1,132)**
Insurance	4,548	5,244		6,975	6,651	1,407
KC-Water Quality Testing	8,358	7,000			8,500	1,500
Repairs & Maintenance/Security	6,286	4,909	2,342	4,500	6,390	1,481
Professional Services/WIRA	10,181	7,500	2,563	3,000	5,110	(2,390)
DOE & Stowmwater Permits	1,117	2,000	1,117	1,117	1,200	(800)
Travel, memberships and training	340	2,000	120	500	2,024	24
Tele, DSL, Radio, Post, Advertising & Mi	5,183	3,705	4,112	5,500	7,550	3,845
Utilities (elect, gas, water, sewer, etc)	1,287	1,801	1,106	1,620	1,930	129
Street Sweeping-non grant	3,371			0		
Stormwater rate study	2,767			0		
Software & GPS Maint	1,425	4,960	998	1,500	1,660	(3,300)
Legal Services	14,646	20,300	11,035	13,000	15,000	(5,300)
Audit - share of costs	3,172	5,300	5,300	5,300	9,319	4,019
Cost Allocation- Administration	16,908	15,580	10,384	15,580	21,000	5,420
Stormwater-Grant Reimb for Op costs	(1,052)					
Utility Tax	40,764	63,487	41,977	56,000	60,140	(3,347)
Taxes Excise B&O	4,565	8,350	4,625	8,000	8,000	(350)
Total Service & Charges	**123,866**	**152,136**	**85,679**	**122,592**	**154,474**	**2,338**
Total Operating Expenses	**300,188**	**333,759**	**219,072**	**299,080**	**333,574**	**(185)**
Transfer for Equipment-CIP	10,000	10,000	10,000	10,000	10,000	
Debt repayment-100,000	20,054					
Debt Repayment-50,000	10,010	10,200		10,200		(10,200)
Transfer for SW portion Comp Plan		5,000	5,000	5,000		(5,000)
Roberts Road-Storm Improvements						
DOE Gran09/10 Catch Basin Clg/GPS						
DOE Grant 2010/2011 Exp						
Total Other Expenditures	**40,064**	**25,200**	**15,000**	**25,200**	**10,000**	**(15,200)**
Total Expenditures	**340,252**	**358,959**	**234,072**	**324,280**	**343,574**	**(15,385)**
Reserved C&I Balance	75,047	83,440	83,440	83,440	83,393	(47)
Unreserved C&I Balance	6,609	(8,037)	(2,631)	22,852	13,425	21,462
Total Ending Cash & Investments	81,656	75,403	80,809	106,292	96,818	21,415
Total Uses	**421,908**	**434,362**	**314,881**	**430,572**	**440,392**	**6,030**

City of Black Diamond, Washington | **No MPD Growth** | **NO Rate Increase** | Model A

Stormwater Utility Fund

Six Year Financial Forecast | **10/30/2014 DRAFT**

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	81,656	106,292	96,816	36,458	(32,380)	(104,438)	(179,855)	
Operating Revenue-City	293,430	334,000	334,000	340,680	347,494	354,443	361,532	368,763	2%
Misc Revenue	4,558	50	100	100	100	100	100	100	
Funding Reimbursement	41,720	18,655	0	0	0	0	0	0	
Total Stormwater Fund Source	339,708	352,705	334,100	340,780	347,594	354,543	361,632	368,863	
Stormwater Fund Expenditures									
Salaries & Bene	120,168	123,067	139,051	141,832	144,669	147,562	150,513	153,524	2%
Proj Mgmt-S&B allocation	(7,033)	(10,000)	(33,329)	(25,000)	(20,000)	(20,400)	(20,808)	(21,224)	2%
Benefits	52,238	53,830	59,784	62,175	64,662	67,249	69,939	72,736	4%
Supplies	10,949	14,726	13,594	14,138	14,703	15,291	15,903	16,539	4%
Services & Charges	78,537	80,299	86,334	88,492	90,705	92,972	95,297	97,679	2.50%
Add St Clng & Mtc.				40,000	40,800	41,616	42,448	43,297	2.00%
B&O & Util Tax	45,329	71,837	68,140	69,503	70,893	72,311	73,757	75,232	2%
Transfers to Cap Equip/Comp	10,000	15,000	10,000	10,000	10,000	10,000	10,000	10,000	0
Sub Total Operating Uses	310,188	348,759	343,574	401,140	416,432	426,601	437,049	447,783	
Debt Svs-Sewer Loan	30,064	10,200							
Total Stormwater Fund Uses	340,252	358,959	343,574	401,140	416,432	426,601	437,049	447,783	
Change in Cash & Inv	(544)	(6,254)	(9,474)	(60,360)	(68,838)	(72,058)	(75,417)	(78,920)	
Ending Cash & Invest Bal	**81,656**	**75,402**	**96,818**	**36,456**	**(32,380)**	**(104,438)**	**(179,855)**	**(258,775)**	

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.

2016 assumes Stormwater will need to pick up street sweeping and cleaning costs. No Capital Projects are included.

Without growth, a series of rate increases will be needed to fund operating costs.

City of Black Diamond, Washington | **Modest Growth-2018** | Model B
Stormwater Utility Fund
Six Year Financial Forecast | **10/30/2014 DRAFT**

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**	**18.00**	**20.00**	**20.00**	**20.00**	**20.00**	
Operating Begin Cash Bal	82,200	81,656	106,292	96,818	68,324	64,405	73,349	84,755	
Operating Revenue-City	293,430	334,000	334,000	340,680	347,494	354,443	361,532	368,763	2%
Growth @ 100 Sold Homes-yr						23,630	48,000	72,000	
Rate inc 2016 & 2017				42,500	83,600	83,600	83,600	83,600	
Misc Revenue	4,558	50	100	100	100	100	100	100	
Funding Reimbursement	41,720	18,655	0	0	0	0	0	0	
Total Stormwater Fund Source:	339,708	352,705	334,100	383,280	431,194	461,773	493,232	524,463	
Stormwater Fund Expenditures									
Salaries & Bene	120,168	123,067	139,051	141,832	144,669	147,562	150,513	153,524	2%
Proj Mgmt-S&B allocation	(7,033)	(10,000)	(33,329)	(25,000)	(20,000)	(20,400)	(20,808)	(21,224)	2%
Benefits	52,238	53,830	59,784	62,175	64,662	67,249	69,939	72,736	4%
Supplies	10,949	14,726	13,594	14,138	14,703	15,291	15,903	16,539	4%
Services & Charges	78,537	80,299	86,334	88,492	90,705	92,972	95,297	97,679	2.50%
B&O & Util Tax	45,329	71,837	68,140	71,837	73,274	74,739	76,234	77,759	2%
Transfers to Cap Equip/Comp	10,000	15,000	10,000	10,000	10,000	10,000	10,000	10,000	0
Add Street Clng & Mtc				40,000	40,800	41,616	42,448	43,297	2%
Add State & City UT Tax				8,300	16,300	19,800	24,300	28,700	
Add Growth expense						4,000	8,000	16,000	
Sub Total Operating Uses	310,188	348,759	343,574	411,774	435,113	452,830	471,826	495,010	
Debt Svs-Sewer Loan	30,064	10,200							
Total Stormwater Fund Uses	340,252	358,959	343,574	411,774	435,113	452,830	471,826	495,010	
Change in Cash & Inv	(544)	(6,254)	(9,474)	(28,494)	(3,919)	8,944	21,406	29,453	
Ending Cash & Invest Bal	**81,656**	**75,402**	**96,818**	**68,324**	**64,405**	**73,349**	**94,755**	**114,208**	

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. Model assumes rates will need to cover street cleaning costs beginning in 2016
A possible rate increase to 18.00 a month will be needed by 2016 to cover basic costs.
If approximately 100 new homes are sold a year beginning in 2018, revenues & expenditures will both increase.
No capital projects are included in Models, and if added will need increased growth or rate increases.

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 2013	2014 Amended Budget	2014 Actual	2015 Budget	14 to 15 Budget Change	% Budget Change
REVENUE						10/16/2014
Department of Ecology Grant #2	113,171					
DOE 2014/15 Grant		50,000		30,000		
Design Stormwater Pond - Grant		120,000				
Transfer In - Storm Pond Gr Mtc		60,000	60,000			
Transfer from Stormwater operating for capital						
Total Stormwater Capital Revenue	**113,171**	**230,000**	**60,000**	**30,000**		
Beginning Cash & Investments	(53,014)					
Total Stormwater Capital Sources	**60,156**	**230,000**	**60,000**	**30,000**	**(200,000)**	**-87.0%**
EXPENDITURES						
DOE Grant 14/15 Grant Exp		50,000	**3,052**	30,000		
Dept of Ecology Grant #2	36,805					
DOE Grant #2 Street Sweeping	23,351					
Stormwater Pond Parametrix Design		126,000	11,686			
Storm Pond Other Costs		54,000				
Total Stormwater Capital Expenditures	**60,156**	**230,000**	**14,738**	**30,000**		
Ending Cash & Investments						
Total Stormwater Capital Uses	**60,156**	**230,000**	**14,738**	**30,000**	**(200,000)**	**-87.0%**

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 2015 are on the next page.

311-000 REET I Gen Gov't Fund	Actual 2013	2014 Amended Budget	2014 Actual	2015 Budget	14 to 15 Budget Change	% Budget Change
REVENUE						10/20/2014
R1 1/4% REET	57,929	56,000	36,692	75,000		
LGIP Investment Interest	381	500	129	150	(350)	-70.0%
Transfer in from REET II						
Subtotal Revenue	**58,310**	**56,500**	**36,821**	**75,150**	**(350)**	**-0.6%**
Beginning Cash & Investments	283,984	229,143	229,144	202,121		
Total REET I 104 Fund Sources	**342,294**	**285,643**	**265,964**	**277,271**	**(8,372)**	**-2.9%**
EXPENDITURES						
Transfer to 310 Gen Govt Capital Fund	103,150	55,173	55,173	126,277		
Trans 510 Fund - Police & Fire Equipment	10,000	45,000	45,000	7,000		
Subtotal Expenditures	**113,150**	**100,173**	**100,173**	**133,277**		
Ending Cash & Investments	229,144	185,470		143,994		
Total REET I 104 Fund Uses	**342,294**	**285,643**	**100,173**	**277,271**	**(8,372)**	**-2.9%**

General Government Capital Fund 310 provides the 2015 budget for the General Government portion of the Capital plan for year 2014. 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 2013	2014 Amended Budget	2014 Actual	2015 Budget	14 to 15 Budget Change	% Budget Change
REVENUE						10/20/2014
Transfer In REET I	103,150	76,173	76,173	126,277		
Transer In - Water, Sewer, Storm for Comp Plan		15,000	15,000			
Comp Plan Update Grant		9,000	9,000	9,000		
King Co Parks Tax Levy	8,579	8,000	4,928	10,000		
Tree Mitigation		1,000		500		
RCO Boat Launch Grant						
DOE Grant for Lake Sawyer Weed Management	2,984					
King Co Regional Park Environmental Grant						
Environmental Grant						
In Kind Grant Matching		15,000				
KC Conservation Grant-Cultural						
DOE Grant for Shoreline MP						
Conservation Grant-Futures						
Future Fire Eq/Bldg In Kind Donation						
Subtotal Revenue	**114,714**	**124,173**	**105,101**	**145,777**		
Beginning Cash & Investments	261,546	302,399	287,017	100,409		
Total 310 Govt Capital Fund Sources	**376,259**	**426,572**	**392,118**	**246,186**	**(180,386)**	**-42.3%**
EXPENDITURES						
Grant Matching		33,892		2,500		
Comp Plan Update		74,000	12,483	157,487		
Capital Project Allocation				15,200		
Cemetery Shed-update		1,500				
Police Roof Replacement	24,000	7,500				
City Campus Improvements		5,000	4,823			
General Government technology	23,841	39,430	3,762	33,909		
Council Chambers, Police & Court Building Remodel	214	50,000	12,568			
Police Technology	5,679	25,000	1,385	26,590		
King County Trail Project				10,000		
Trf to In-city forest Pjt		15,000	15,000			
Tree Mitigation	1,187	1,539	426	500		
Captial Fees Study & Consulting		20,500				
Captial Facility Plan & Charge-Gen Govt		6,000	3,311			
Lake Sawyer Acuatic Weed Mgmt Plan	2,939	27,129				
Ginder Creek Trail Restoration		35,363	4,463			
St. Pond-Ginder Wetland Asemt		7,500	7,444			
St Pond KC Trails Survey		7,000				
Trf to Fire Eq Repl Fd		44,219	44,219			
Trf Makers Gen Gov GFC prj		6,000	6,000			
Court Technology			519			
In-Forest Open Space Land	147	15,000	5,905			
Police Tiberon required revision-added	11,050					
Police record system loan payment - principal fund 2013	40,000					
Police record system loan - interest	64					
Fire Station 99 study & design	870					
Caryy Over Park Signs		5,000				
Subtotal General Govt Capital Projects	**109,991**	**426,572**	**122,308**	**246,186**		
Ending Cash & Investments	266,269					
Total 310 Gen Govt Capital Fund Uses	**376,259**	**426,572**	**122,308**	**246,186**	**(180,386)**	**-42.3%**
* Note that fire and police vehicles and equipment are funded out of the 510 Fund						

Real Estate Excise Tax II authorized by RCW 8245.010 can be used for capital projects. This part of the real estate excise tax may only be levied by cities that plan under the Growth Management Act.

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

Midyear in 2011 the Washington State Legislature authorized for five years the usage of up to $100,000 of REET monies for the maintenance of capital assets. REET II monies in Black Diamond are transferred to Fund 320 for Street and Public Works capital projects.

For detailed projects, see the 320 Fund section on the next page.

321-000 REET II Public Works Capital Projects	Actual 2013	2014 Amended Budget	2014 Actual	2015 Budget	14 to 15 Budget Change	% Budget Change
REVENUE						10/20/2014
R2 1/4% REET Tax	57,929	56,000	36,692	75,000		
LGIP Investment Interest	453	1,000	147	500		
Subtotal REET II Fund Revenue	**58,382**	**57,000**	**36,839**	**75,500**		
Beg Cash & Investments	329,674	278,057	278,056	171,357		
Total REET II Fund Sources	**388,056**	**335,057**	**314,895**	**246,857**	**(88,200)**	**-26.3%**
EXPENDITURES						
Transfer to REET I						
Transfer to Rock Cr Br Pj		53,700	53,700			
Transfer to Makers GFC Pj		6,000	6,000			
Transfer out 320 PW Capital	80,000	70,000	70,000	80,000		
Transfer out to 404 Water Projects	30,000					
Transfer out to Street		50,000	50,000	50,000		
Total REET I Fund Expenditures	**110,000**	**179,700**	**179,700**	**130,000**		
Ending Cash & Investments	278,056	155,357		116,857		
Total REET II Fund Uses	**388,056**	**335,057**	**179,700**	**246,857**	**(88,200)**	**-26.3%**

Public Works Capital Fund 320 provides the 2015 budget for the Public Works portion of the Capital plan for year 2014. 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 2013	2014 Amended Budget	2014 Actual	2015 Budget	14 to 15 Budget Change	% Budget Change
REVENUE						10/20/2014
Misc. Overlays	143,507					
Transfers REET II	80,000	195,453	195,453	80,000		
Roberts Sidewalk TIB Grant	69,802					
Reflective Street Signs Grant		20,857	20,431			
Lawson TIB Grant		264,691	42,381			
Rock Creek Bridge - Grant		474,300				
Rock Creek Bridge - Developer Contribution		46,000				
Grant Matching	14,000					
FEMA Disaster Clean up	250					
Misc. Contribution		600				
Sale of Scrap Signs			771			
Subtotal PW Capital Fund Revenue	**307,559**	**1,001,901**	**259,035**	**80,000**		
Beginning Cash & Investments	181,022	158,546	158,544			
Total PW Capital Fund Sources	**488,581**	**1,160,447**	**417,579**	**80,000**	**(1,080,447)**	**-93.1%**
EXPENDITURES						
St Mtc, Asphalt, Chip Seal, Striping, Signs	13,572	87,536	8,942	30,000		
Grant Matching				40,000		
Capital Project Allocation				10,000		
Abrams		17,417	17,417			
Lawson Sidewalk Mtc		23,931	23,931			
St. Pond Match		60,000	60,000			
Transfer from GR Mtc to 188th	14,000					
Transfer from GR Mtc to 5th Ave	32,200					
Roberts-Trf out Abrams prj		24,405	24,405			
Rock Creek Bridge-Eng		110,000				
Rock Creek Bridge-Const Cost		417,000				
Rock Creek Bridge-Mgmt Cost		47,000				
Reflective Street Signs	8,027	12,830	1,848			
Abrahms project costs	8,426	45,000	1,114			
Lawson Creek Sidewalks Project		278,622	45,873			
Lawson Sidewalk-Prj Mgmt		10,000				
288th Street Overlay	152,079					
288th Project Mgmt-Labor Allocation	8,403	7,025				
Roberts Sidewalk/ Morgan St to KC Library	78,993					
Roberts Drive Lighting	2,930					
Capital Facility Plan & Charge-PW		6,000	3,311			
FEMA Disaster Clean up	11,408					
Subtotal PW Capital Fund Projects	**330,037**	**1,146,766**	**186,840**	**80,000**		
Ending Cash & Investments Unreserved	158,544	13,681	230,739		(13,681)	
Total PW Capital Fund Uses	**488,581**	**1,160,447**	**417,579**	**80,000**	**(1,080,447)**	**-93.1%**

City of Black Diamond

Capital Improvement Plan

2015 – 2020

Capital Improvement Plan 2015 – 2020

(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

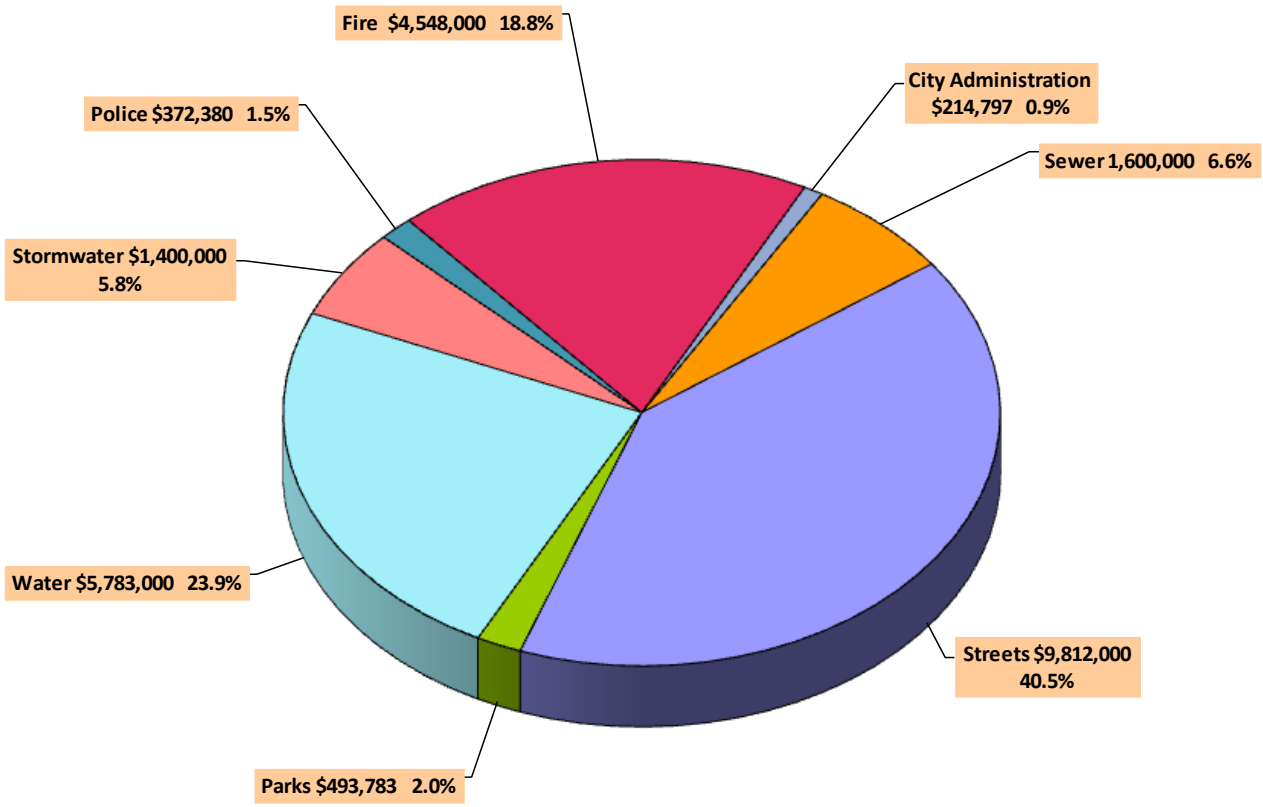
Capital Improvement Plan 2015 - 2020

Total Summary by Department (includes debt payments)

CAPITAL PROJECTS

Departments	Total $ Project 2015 - 2020	2015	2016	2017	2018	2019	2020
Street Department	9,812,000	517,000	1,420,000	209,000	366,000	2,150,000	5,150,000
Water Department	5,783,000	367,000	590,000	2,381,000	65,000	1,120,000	1,260,000
Sewer Department	1,600,000	35,000	35,000	70,000	330,000	555,000	575,000
Stormwater Department	1,400,000	10,000	160,000	1,110,000	10,000	50,000	60,000
Parks and Recreation	493,783	82,783	10,500	32,000	26,500	79,000	263,000
Police Department	372,380	36,290	37,041	73,551	67,018	77,339	81,141
Fire Department	4,548,000	385,000	20,000	18,000	125,000	4,000,000	
City Administration	214,797	33,909	30,068	31,418	60,959	29,184	29,259
TOTAL Project COSTS	**$24,223,960**	**$1,466,982**	**$2,302,608**	**$3,924,969**	**$1,050,478**	**$8,060,523**	**$7,418,400**

Total CIP: 24,223,960

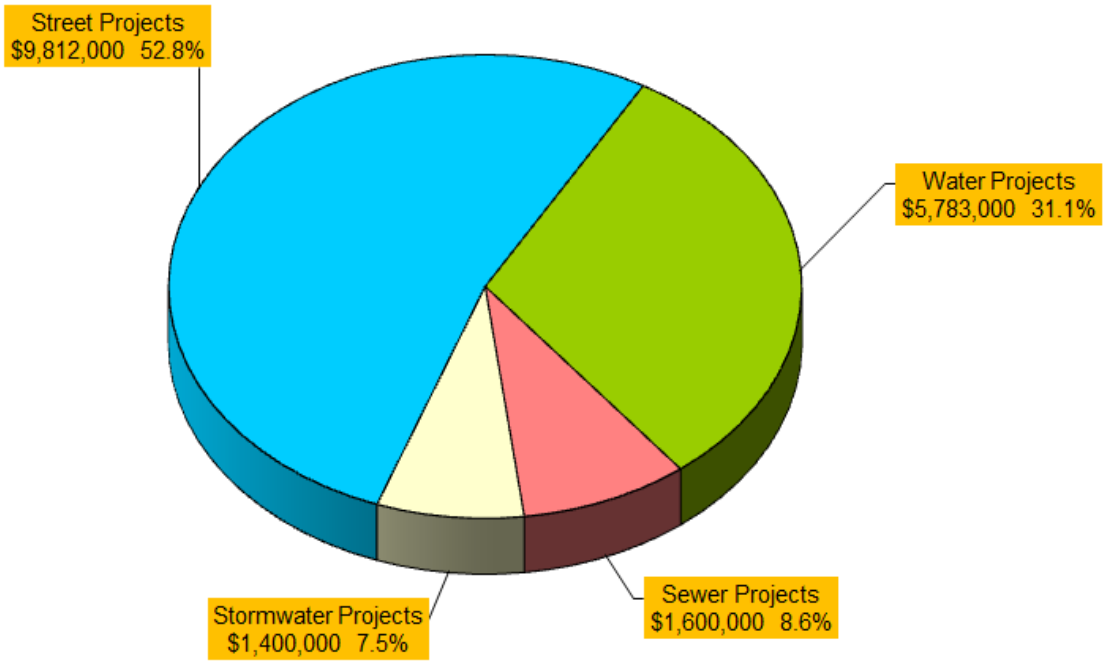


Public Works Fund Summary

Capital Improvement Plan 2015 - 2020

Funds	Total $ Project 2015 - 2020	2015	2016	2017	2018	2019	2020
Street Projects	9,812,000	517,000	1,420,000	209,000	366,000	2,150,000	5,150,000
Water Projects	5,783,000	367,000	590,000	2,381,000	65,000	1,120,000	1,260,000
Sewer Projects	1,600,000	35,000	35,000	70,000	330,000	555,000	575,000
Stormwater Projects	1,400,000	10,000	160,000	1,110,000	10,000	50,000	60,000
TOTAL Project COSTS	**$ 18,595,000**	**$929,000**	**$2,205,000**	**$3,770,000**	**$771,000**	**$3,875,000**	**$7,045,000**

Public Works CIP by Fund
Total: $18,595,000



CIP Public Works Summary
Capital Improvement Plan 2015 - 2020

		Total $ Project 2015 - 2020	2015	2016	2017	2018	2019	2020
	STREET PROJECTS							
T1	General Street Improvement	180,000	30,000	30,000	30,000	30,000	30,000	30,000
T2	Roberts Drive/State Rt 169 Roundabout	7,070,000				210,000	1,790,000	5,070,000
T3	Roberts Drive Rehabilitation	1,520,000	305,000	1,215,000				
T4	Grant Matching Fund	240,000	40,000	40,000	40,000	40,000	40,000	40,000
T5	Lawson Street Sidewalk Phase II	356,000				76,000	280,000	
T6	Jones Lake Road	122,000	122,000					
T7	228th & 224th & 216th Chip Seal	129,000			129,000			
T10	Sidewalk Safety	135,000	10,000	125,000				
(T)ER	Equipment Replacement	60,000	10,000	10,000	10,000	10,000	10,000	10,000
	STREET PROJECTS	**9,812,000**	**517,000**	**1,420,000**	**209,000**	**366,000**	**2,150,000**	**5,150,000**
	WATER PROJECTS							
W1	Springs & Transmission Reconstruction	2,916,000	120,000	480,000	2,316,000			
W3	Salmon Enhancement & Green Energy	1,415,000		45,000	55,000	55,000	210,000	1,050,000
W4	Fire Flow Loop - North Commercial Area	800,000					800,000	
W6	Water Comprehensive Plan Update	135,000	80,000	55,000				
W7	4.3 Mil Gal Tank Maintenance & Repairs	30,000					30,000	
W8	Asbestos Water Main Replacement Program	270,000					70,000	200,000
W9	0.5 MG Water Reservoir Recoat	157,000	157,000					
(W)ER	Equipment Replacement	60,000	10,000	10,000	10,000	10,000	10,000	10,000
	WATER PROJECTS	**5,783,000**	**367,000**	**590,000**	**2,381,000**	**65,000**	**1,120,000**	**1,260,000**
	SEWER PROJECTS							
S1	Infiltration and Inflow Reduction Program	150,000	25,000	25,000	25,000	25,000	25,000	25,000
S2	Public Works Facilities and Equipment	600,000					500,000	100,000
S3	Morganville Force Main Reroute	460,000					20,000	440,000
S4	Cedarbrook Sewer Main	330,000			35,000	295,000		
(S)ER	Equipment Replacement	60,000	10,000	10,000	10,000	10,000	10,000	10,000
	SEWER PROJECTS	**1,600,000**	**35,000**	**35,000**	**70,000**	**330,000**	**555,000**	**575,000**
	STORMWATER PROJECTS							
D1	Cov. Creek Culvert; Safety and Salmon Imp.	320,000		70,000	250,000			
D2	North Commercial and SR 169 Stormwater Treatment Pond	870,000		20,000	850,000			
D4	Ginder Creek Headwall	90,000					40,000	50,000
D6	Lawson Hills Estates Storm Pond	60,000		60,000				
(D)ER	Equipment Replacement	60,000	10,000	10,000	10,000	10,000	10,000	10,000
	STORMWATER PROJECTS	**1,400,000**	**10,000**	**160,000**	**1,110,000**	**10,000**	**50,000**	**60,000**
TOTAL PUBLIC WORKS CAPITAL PROJECTS		**18,595,000**	**929,000**	**2,205,000**	**3,770,000**	**771,000**	**3,875,000**	**7,045,000**

CIP Public Works Summary

FUNDING SUMMARY

	Capital Improvement Plan 2015 - 2020	Total $ Project 2015 - 2020	2015	2016	2017	2018	2019	2020
	REET II Funding							
T1	General Street Improvement	180,000	30,000	30,000	30,000	30,000	30,000	30,000
T4	Grant Matching Fund	240,000	40,000	40,000	40,000	40,000	40,000	40,000
W9	0.5 MG Water Reservoir Recoat	10,000	10,000					
	Total REET II Funding	**430,000**	**80,000**	**70,000**	**70,000**	**70,000**	**70,000**	**70,000**
	Water Rates							
W6	Water Comprehensive Plan Update	80,000	80,000					
W7	4.3 Mil Gal Tank Maintenance & Repairs	30,000					30,000	
	Total Water Rates	**110,000**	**80,000**				**30,000**	
	Water Connection Fees							
W4	Fire Flow Loop - North Commercial Area	800,000					800,000	
	Total Water Connection Fees	**800,000**					**800,000**	
	Sewer Connection Fees/Reserves							
S1	Infiltration and Inflow Reduction Program	150,000	25,000	25,000	25,000	25,000	25,000	25,000
S3	Morganville Force Main Reroute	20,000					20,000	
	Total Sewer Connection Fees/Reserves	**170,000**	**25,000**	**25,000**	**25,000**	**25,000**	**45,000**	**25,000**
	Stormwater Funding							
D4	Lawson Hills Estates Storm Pond	60,000		60,000				
	Total Stormwater Funding	**60,000**		**60,000**				
	Developer, Impact Fees and/or SEPA							
T2	Roberts Drive/State Rt 169 Roundabout	3,535,000				210,000	1,060,000	2,265,000
T5	Lawson Street Sidewalk Phase II	41,000				21,000	20,000	
W6	Water Comprehensive Plan Update	55,000		55,000				
	Total Developer, Street Impact and/or SEPA Fees	**3,631,000**		**55,000**		**231,000**	**1,080,000**	**2,265,000**
	WSFFA							
W1	Springs & Transmission Reconstruction	2,916,000	120,000	480,000	2,316,000			
	Total WSFFA	**2,916,000**	**120,000**	**480,000**	**2,316,000**			
	Museum In-Kind Contribution							
T10	Sidewalk Safety	30,000		30,000				
	Total Museum In-Kind Contribution	**30,000**		**30,000**				

	FUNDING SUMMARY CONT.	Total $ Project 2015 - 2020	2015	2016	2017	2018	2019	2020
	Grants (TIB,CDBG,DOE, etc)							
T2	Roberts Drive/State Rt 169 Roundabout	3,535,000					730,000	2,805,000
T3	Roberts Drive Rehabilitation	1,314,800	229,225	1,085,575				
T5	Lawson Street Sidewalk Phase II	165,000				55,000	110,000	
T5	Lawson Street Sidewalk Phase II	150,000					150,000	
T6	Jones Lake Road	110,000	110,000					
T7	228th & 224th & 216th Chip Seal	116,000			116,000			
T10	Sidewalk Safety	5,000		5,000				
T10	Sidewalk Safety	80,000		80,000				
W3	Grant (Green Energy)	550,000				40,000		510,000
W3	Grant (Salmon mitigation)	540,000						540,000
D1	Cov. Creek Culvert; Safety and Salmon Imp.	320,000		70,000	250,000			
D2	North Commercial and SR 169 Stormwater Treatment Pond	850,000			850,000			
	Total Grants	**7,735,800**	**339,225**	**1,240,575**	**1,216,000**	**95,000**	**990,000**	**3,855,000**
	Grant Matching							
T3	Roberts Drive Rehabilitation	205,200	35,775	169,425				
T6	Jones Lake Road	12,000	12,000					
T7	228th & 224th & 216th Chip Seal	13,000			13,000			
T10	Sidewalk Safety	20,000	10,000	10,000				
D2	North Commercial and SR 169 Stormwater Treatment Pond	20,000		20,000				
D4	Ginder Creek Headwall	90,000					40,000	50,000
	Total Grant Matching	**360,200**	**57,775**	**199,425**	**13,000**		**40,000**	**50,000**
	Public Works Trust Fund Loans							
W3	Salmon Enhancement & Green Energy	325,000	40,000	5,000	55,000	15,000	210,000	
W8	Asbestos Water Main Replacement Program	270,000					70,000	200,000
W9	0.5 MG Water Reservoir Recoat	147,000	147,000					
S3	Morganville Force Main Reroute	440,000						440,000
S4	Cedarbrook Sewer Main	330,000			35,000	295,000		
	Total PWTF Loans	**1,512,000**	**187,000**	**5,000**	**90,000**	**310,000**	**280,000**	**640,000**
	Loans or Bonding Funding							
S2	Public Works Facilities and Equipment	600,000					500,000	100,000
	Total Loans or Bonding Funding	**600,000**					**500,000**	**100,000**
	Equipment Replacement Schedule							
(T)ER	Street	60,000	10,000	10,000	10,000	10,000	10,000	10,000
(W)ER	Water	60,000	10,000	10,000	10,000	10,000	10,000	10,000
(S)ER	Sewer	60,000	10,000	10,000	10,000	10,000	10,000	10,000
(D)ER	Stormwater	60,000	10,000	10,000	10,000	10,000	10,000	10,000
	Total Equipment Replacement Schedule Funding	**240,000**	**40,000**	**40,000**	**40,000**	**40,000**	**40,000**	**40,000**
Grand Total Public Works CIP Funding		**18,595,000**	**929,000**	**2,205,000**	**3,770,000**	**771,000**	**3,875,000**	**7,045,000**

Loan Service Schedule								
		-						
		-						
W2	Reservoir Painting and Maintenance	189,814		37,963	37,963	37,963	37,963	37,963
	Total Developer Funded	-						
Public W		-						
S2	Public Works Facilities and Equipment	2,500,000						2,500,000
Total Loan Service Expenditure		**2,689,814**	**-**	**37,963**	**37,963**	**37,963**	**37,963**	**2,537,963**

REET II ANALYSIS SUMMARY (Fund 320)

Capital Improvement Plan 2015 - 2020

REET II - REVENUE	Total $ Project 2015 - 2020	Capital Improvement Plan 2015 - 2020					
		2015	2016	2017	2018	2019	2020
Beg Fund Balance 321	180,741	180,741	113,241	60,241	66,179	76,804	104,804
REET Revenue (annual)							
1/4 of 1% REET - Existing Property	450,938	59,500	63,000	68,438	75,000	90,000	95,000
1/4 of 1% REET - Other new homes	37,125	3,000	4,000	7,500	5,625	8,000	9,000
Subtotal REET II Revenue	488,063	62,500	67,000	75,938	80,625	98,000	104,000
TOTAL Avail. Balance for Gen Govt Projects	668,804	243,241	180,241	136,179	146,804	174,804	208,804

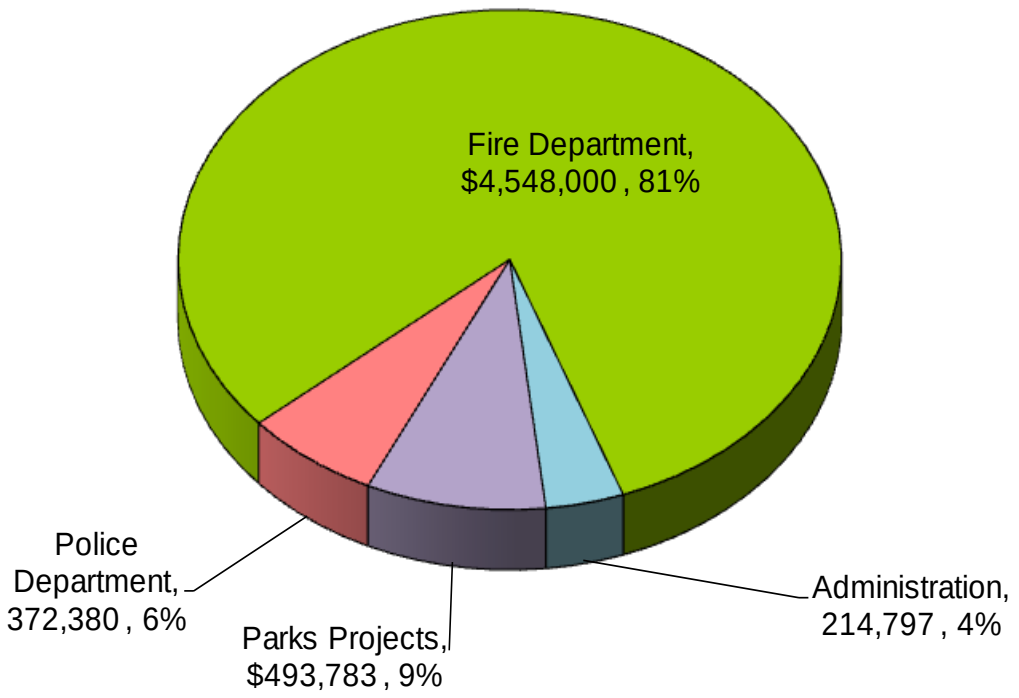
REET II - PROJECT EXPENDITURES	Total $ Project 2015 - 2020	Capital Improvement Plan 2015 - 2020					
		2015	2016	2017	2018	2019	2020
Street Projects							
T1 General Street Improvement	180,000	30,000	30,000	30,000	30,000	30,000	30,000
T4 Grant Matching Fund	240,000	40,000	40,000	40,000	40,000	40,000	40,000
W9 0.5 MG Water Reservoir Recoat	10,000	10,000					
Total REET II Projects	430,000	80,000	70,000	70,000	70,000	70,000	70,000
Total Transfer to Street Fund	100,000	50,000	50,000				
TOTAL REET II	530,000	130,000	120,000	70,000	70,000	70,000	70,000
REET II left for next year (Ending Balance)	138,804	113,241	60,241	66,179	76,804	104,804	138,804
REET based on Houses sold		2015	2016	2017	2018	2019	2020
Existing Property Sales (in 000's)		69 @$336	70 @$340	72 @$350	75 @$365	80 @$375	90 @400
Other new home sales (in 000's)		2 @$336	2 @$340	3 @$350	4 @$365	6 @$375	8 @$400

General Government Department Summary

Capital Improvement Plan 2015 - 2020

	Total $ Project 2015 - 2020	2015	2016	2017	2018	2019	2020
Parks Department	**493,783**	**82,783**	**10,500**	**32,000**	**26,500**	**79,000**	**263,000**
Public Safety							
Police Department (incl Tech)	372,380	36,290	37,041	73,551	67,018	77,339	81,141
Fire Department	4,548,000	385,000	20,000	18,000	125,000	4,000,000	-
Subtotal	**4,920,380**	**421,290**	**57,041**	**91,551**	**192,018**	**4,077,339**	**81,141**
General Government							
City Technology (not Police)	189,797	33,909	30,068	31,418	35,959	29,184	29,259
Reroof Police Building	25,000	-	-	-	25,000	-	-
Subtotal	**214,797**	**33,909**	**30,068**	**31,418**	**60,959**	**29,184**	**29,259**
TOTAL Projected Expenditures	**$ 5,628,960**	**$ 537,982**	**$ 97,608**	**$ 154,969**	**$ 279,478**	**$ 4,185,523**	**$ 373,400**

General Government CIP by Type of Funding Total: $5,628,960



Capital Improvement Plan 2015 - 2020

CIP General Government Summary of Projects

		Total $ Project 2015 - 2020	2015	2016	2017	2018	2019	2020
POLICE PROJECTS								
L1	Police Technology	135,811	26,990	24,641	12,455	17,105	26,178	28,444
L2	Patrol Car Replacement Plan	202,469			48,696	49,914	51,162	52,697
L3	Police Radio Replacement	34,100	9,300	12,400	12,400			
TOTAL POLICE PROJECTS		**372,380**	**36,290**	**37,041**	**73,551**	**67,018**	**77,339**	**81,141**
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)	3,215,000				125,000	3,090,000	
F6	Replace SCBA Bottles (Air Bottles)	58,000	20,000	20,000	18,000			
TOTAL FIRE PROJECTS		**4,548,000**	**385,000**	**20,000**	**18,000**	**125,000**	**4,000,000**	
PARKS PROJECTS								
P1	Ginder Creek Trail and Site Restoration	31,283	31,283					
P2	Grant Matching Funds	35,000	2,500	2,500	5,000	5,000	10,000	10,000
P3	Tree Planting Program	84,500	2,000	1,000	20,000	14,500	22,000	25,000
P4	Regional Trail System	240,000					40,000	200,000
P5	Lake Sawyer Mitigation Bank Improvements	10,000						10,000
P6	Pond to Parks Improvement (Eagle Creek)	11,000						11,000
P7	Parks Equipment and Upgrades	42,000	7,000	7,000	7,000	7,000	7,000	7,000
P8	Park's Plan Update	40,000	40,000					
TOTAL PARKS PROJECTS		**493,783**	**82,783**	**10,500**	**32,000**	**26,500**	**79,000**	**263,000**
ADMINSTRATION & CITY PROJECTS								
A1	City Technology Upgrades	189,797	33,909	30,068	31,418	35,959	29,184	29,259
A2	Reroof Police Building	25,000				25,000		
TOTAL ADMINISTRATION & CITY PROJECTS		214,797	33,909	30,068	31,418	60,959	29,184	29,259
TOTAL GENERAL GOVT CAPITAL PROJECTS		**5,628,960**	**537,982**	**97,608**	**154,969**	**279,478**	**4,185,523**	**373,400**

CIP General Government FUNDING Summary (Continued)								
	Capital Improvement Plan 2013 - 2018	Total $ Project 2015 - 2020	2015	2016	2017	2018	2019	2020
	REET I FUNDING							
L1	Police Technology	135,811	26,990	24,641	12,455	17,105	26,178	28,444
L2	Patrol Car Replacement Plan	202,469			48,696	49,914	51,162	52,697
P2	Grant Matching Funds	35,000	2,500	2,500	5,000	5,000	10,000	10,000
P5	Lake Sawyer Mitigation Bank Improvements	10,000						10,000
P7	Parks Equipment and Upgrades	42,000	7,000	7,000	7,000	7,000	7,000	7,000
A1	City Technology Upgrades	189,797	33,909	30,068	31,418	35,959	29,184	29,259
A2	Reroof Police Building	25,000				25,000		
Total REET I Funding for Gen Govt CIP PROJECTS		**640,077**	**70,399**	**64,208**	**104,569**	**139,978**	**123,523**	**137,400**
	PROJECT FUND BALANCE FUNDING							
L3	Police Radio Replacement	34,100	9,300	12,400	12,400			
F6	Replace SCBA Bottles (Air Bottles)	58,000	20,000	20,000	18,000			
Total Project Fund Balance Use		**92,100**	**29,300**	**32,400**	**30,400**			
	LOANS TO FINANCE PROJECTS							
F1	Engine 98 Replace (10 yr)	240,000	240,000					
	Total Loans to Finance Projects	**240,000**	**240,000**					
	FUNDING FROM GROWTH OR BOND SALES							
F3	**Replace Aid Car (12 yr)**	225,000					225,000	
F4	**Replace Brush Truck Chassis (5 yr)**	82,000					82,000	
F2	**Replace Reserve Engine**	600,000					600,000	
F5	**New Fire Station and Equipment**	3,215,000				125,000	3,090,000	
	Total Funding from Growth or Bond Sales	**4,122,000**				**125,000**	**3,997,000**	
	FUNDING FROM SURPLUS SALES							
F1	**Replace Engine 98 (Surplus Funding)**	125,000	125,000					
F4	**Brush Truck Chassis (Surplus Funding)**	3,000					3,000	
	Total Funding From Surplus Sales	**128,000**	**125,000**				**3,000**	
	KING COUNTY CONSERVATION DISTRICT FUNDING							
P6	Pond to Parks Improvement (Eagle Creek)	11,000						11,000
	Total King County Conservation District Funding	**11,000**						**11,000**
	KING COUNTY PARKS & RECREATION COST SHARE							
P5	Regional Trail System	200,000						200,000
	Total KC Parks & Recreation Cost Share	**200,000**						**200,000**
	TREE MITIGATION FUND							
P3	Tree Planting Program	84,500	2,000	1,000	20,000	14,500	22,000	25,000
	Total Tree Mitigation Fund	**84,500**	**2,000**	**1,000**	**20,000**	**14,500**	**22,000**	**25,000**
	COUNTY TAX LEVY FOR PARKS							
P1	**Ginder Creek Trail and Site Restoration**	31,283	**31,283**					
P4	**Regional Trail System**	40,000					**40,000**	
	Total County Levy Fund	**71,283**	**31,283**				**40,000**	
	UNKNOWN FUNDING SOURCE							
P8	**Park's Plan Update**	**40,000**	**40,000**					
	TOTAL GENERAL GOVT CAPITAL PROJECTS	**5,628,960**	**537,982**	**97,608**	**154,969**	**279,478**	**4,185,523**	**373,400**
	LOAN PAYMENTS REET I							
F1	Replace Primary Fire Engine 98	96,538		19,308	19,308	19,308	19,308	19,308
	LOAN PAYMENTS Fire Impact Fees							
F1	Replace Primary Fire Engine (2000)	50,000		10,000	10,000	10,000	10,000	10,000
Total Funding for Loan Payments (not in total)		**146,538**		**29,308**	**29,308**	**29,308**	**29,308**	**29,308**

REET I ANALYSIS SUMMARY (Fund 310)

Capital Improvement Plan 2015 - 2020

REET I - REVENUE	Total $ Project 2015 - 2020	Capital Improvement Plan 2015 - 2020					
		2015	2016	2017	2018	2019	2020
Beg Fund Balance 104	**187,770**	**187,770**	**179,871**	**153,355**	**95,417**	**6,756**	**(48,075)**
REET Revenue (annual)							
1/4 of 1% REET - Existing Property	450,938	59,500	63,000	68,438	75,000	90,000	95,000
1/4 of 1% REET - Other new homes	37,125	3,000	4,000	7,500	5,625	8,000	9,000
Subtotal REET I Revenue	**488,063**	**62,500**	**67,000**	**75,938**	**80,625**	**98,000**	**104,000**
Reet II Transfer							
TOTAL Avail. Balance for Gen Govt Projects	**675,833**	**250,270**	**246,871**	**229,293**	**176,042**	**104,756**	**55,925**

REET I - PROJECT EXPENDITURES		Total $ Project 2015 - 2020	Capital Improvement Plan 2015 - 2020					
			2015	2016	2017	2018	2019	2020
General Government								
A1	City Technology Upgrades	189,797	33,909	30,068	31,418	35,959	29,184	29,259
A2	Reroof Police Building	25,000				25,000		
	Subtotal General Government	**214,797**	**33,909**	**30,068**	**31,418**	**60,959**	**29,184**	**29,259**
Parks								
P2	Grant Matching Funds	35,000	2,500	2,500	5,000	5,000	10,000	10,000
P5	Lake Sawyer Mitigation Bank Improvements	10,000						10,000
P7	Parks Equipment and Upgrades	42,000	7,000	7,000	7,000	7,000	7,000	7,000
	Subtotal Parks	**87,000**	**9,500**	**9,500**	**12,000**	**12,000**	**17,000**	**27,000**
Public Safety								
L1	Police Technology	135,811	26,990	24,641	12,455	17,105	26,178	28,444
L2	Patrol Car Replacement Plan	202,469			48,696	49,914	51,162	52,697
	Total Public Safety	**338,280**	**26,990**	**24,641**	**61,151**	**67,018**	**77,339**	**81,141**
Total REET I Projects		**640,077**	**70,399**	**64,208**	**104,569**	**139,978**	**123,523**	**137,400**
Total REET I Debt		**146,538**		**29,308**	**29,308**	**29,308**	**29,308**	**29,308**
TOTAL REET I		**786,615**	**70,399**	**93,516**	**133,876**	**169,285**	**152,831**	**166,708**
REET I left for next year (Ending Balance)		**(110,782)**	**179,871**	**153,355**	**95,417**	**6,756**	**(48,075)**	**(110,782)**

REET based on Houses sold	2015	2016	2017	2018	2019	2020
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

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/ltfp - ltfp@gfoa.org.

Maintenance of Facilities and Equipment

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

Sustainable Revenue Sources

Ongoing operating program costs will not exceed the amount of ongoing revenue to finance those costs. The ongoing revenue will be identified along with new program costs. Cash balances in excess of the amount required to maintain strategic reserves will be used to fund one-time or non-recurring

costs. In the event a fund has an emergency or economic downturn, resources from reserves may be used provided that they are replaced with in the next five years.

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

Fund Balance Reserve Policies

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

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

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

Date: 12/12/11

CITY OF BLACK DIAMOND

_____
Rebecca Olness, Mayor

Date: 12/15/11

Attest:

_____
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

2014 Calendar for 2015 Budget

	Process	Internal Due Date	Committee Meeting	Workstudy Meeting	City Council Meeting	State Law Limitations
1	Budget requests and instructions go out to all departments	July 30				Sept 8
2	Finance prepares revenue sources and preliminary expenditures for salaries and benefits	Aug 15				N/A
3	Departments provide budget requests to City Administrator's Office	Aug 15				N/A
4	Estimates to be filed with the City Clerk and Administration	Sept 11				Sept 22
5	City Clerk submits to CAO the proposed preliminary budget setting forth the complete financial program	Sept 26				Oct 1
6	CAO provides Council with current info on Revenue from all sources as adopted in 2014 Budget, and provides the Clerk's proposed Preliminary budget Totals for 2015 at 6:00 pm	Sept 24		Oct 2		Oct 6
7	Finance Committee Meeting Special 4:00 pm		Oct 6			Oct 31
8	Community Development Comm. -Canceled Public Safety Committee Meeting 6:00 Parks and Cemetery Committee -Canceled Public Works Committee Meeting- 4:00 Finance Committee Meeting 4:00 PM		Oct 14 Oct 15 Oct 16 Oct 17 Oct 30			Oct 31
9	Mayor and department heads review General Fund Revenue & expenditure budgets with Council 6:00 PM	Oct 2		Oct 16 Oct 23		Oct 31
10	Council workstudy - Public Works budgets for revenue and expenditures for all Public Works budgets including Street, Water, Sewer, Stormwater, REET 1 & 2 and Gen Govt, Utilities & Capital Projects. 6:00 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 24 and Nov 1				Nov 3-14
12	Copies of preliminary budget made available to public					Nov 20
13	Public Hearing of Property Tax for 2015				Nov 6	Nov 3-28
14	Preliminary 2015 Budget Document Ready. City Council holds 1st public hearing on revenue sources and expenditures for the upcoming budget year including possible increases in property tax revenue/Adopt Property Tax 2014				Nov 20	Nov 3-28
15	City Council holds final public hearing on 2014 Budget – Special Meeting 7:00 PM				Dec 1	Dec 1
16	City Council adopts Final 2014 Budget and transmits to the State Auditor's Office (plus possible amendment to property taxes) –Special Meeting				Dec 18	Dec 31

City of Black Diamond 2015 Budget Ordinance 14-1038 Exhibit "A"					
2015 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
Accounts Payable Clerk (Hourly)	17.91	19.34	20.89	22.56	24.93
MDRT & Economic Director	7,498	7,899	8,301	8,703	9,104
City Attorney	8,161	8,569	8,997	9,447	9,919
City Clerk/HR Manager	7,498	7,899	8,301	8,703	9,104
Deputy City Clerk	4,499	4,814	5,128	5,443	5,757
Finance Director	7,498	7,899	8,301	8,703	9,104
Deputy Finance Director	6,631	7,013	7,396	7,778	8,161
Utility Clerk	3,213	3,481	3,749	4,017	4,284
Senior Accountant 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	8,259	8,533	8,810	9,084	9,402
Police Sergeant	8,292	8,757	-	-	-
Police Officer	5,037	5,645	6,255	6,863	7,440
Police Records Coordinator	4,499	4,814	5,128	5,443	5,757
Police Clerk 62.5% (hourly)	15.05	16.51	17.96	18.98	20.87
Facilities Equipment Coordinator	4,499	4,814	5,128	5,443	5,757
Human Resources Director	7,498	7,899	8,301	8,703	9,104
Community Dev/Natural Resources Dir	7,498	7,899	8,301	8,703	9,104
Permit Center Supervisor	5,891	6,159	6,427	6,694	6,962
Permit Technician	4,499	4,814	5,128	5,443	5,757
Permit Technician (Hourly)	25.96	27.77	29.59	31.40	33.22
Compliance Officer	4,499	4,814	5,128	5,443	5,757
Senior Planner	5,355	5,622	5,903	6,198	6,508
Planner	4,499	4,814	5,128	5,443	5,757
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
Construction Inspector	6,962	7,364	7,766	8,167	8,569
Public Utilities Operator	4,713	4,794	4,889	4,982	5,076
Public Works Administrative Asst 3	4,250	4,463	4,686	4,920	5,167
Utility Worker-Facility/Eq/Utility Work	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 **Work Session followed by a Town Hall Meeting**
County: King 2nd Thu Beginning at 6PM

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

Year	Sales Taxes
2000	178,553
2001	171,913
2002	202,713
2003	178,703
2004	230,263
2005	227,760
2006	289,613
2007	305,497
2008	286,610
2009	249,526
2010	265,177
2011	297,333
2012	262,974
2013	290,795

	Assessed Valuation	New Construction	Final Assessed Valuation	Levy Rate
2000	294,620,050	8,162,011	302,782,061	2.206
2001	322,721,666	11,613,750	334,335,416	2.196
2002	353,992,917	4,667,520	358,660,437	2.097
2003	356,571,798	2,394,661	358,966,459	1.981
2004	401,497,572	1,943,946	403,441,518	1.904
2005	427,240,702	4,372,118	431,612,820	2.032
2006	446,214,893	3,578,995	449,793,888	2.003
2007	497,642,229	2,397,737	500,039,966	1.839
2008	560,299,568	7,314,478	567,614,046	1.651
2009	626,088,991	10,806,265	636,895,256	1.521
2010	552,382,312	2,739,869	555,122,181	1.777
2011	529,857,064	3,058,528	532,915,592	2.570
2012	536,580,666	2,514,106	539,094,772	2.593
2013	499,553,614	1,641,937	501,195,551	2.830
2014	548,399,243	4,187,903	552,587,146	2.620
2015	600,330,427	1,198,061	601,528,488	2.425

CITY COUNCIL AGENDA BILL

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

ITEM INFORMATION

SUBJECT:	Agenda Date: December 1, 2014	AB14-114
AB14-114 **Ordinance No. 14-1038 adopting the 2015 Budget**	Mayor Dave Gordon	
	City Administrator	
	City Attorney Carol Morris	
	City Clerk – Brenda L. Martinez	
	Community Development/Natural Resource– Aaron Nix	
	Finance – May Miller	X
	MDRT & Economic Development – Andy Williamson	
Cost Impact (see also Fiscal Note):	Parks/Natural Resources –	
Fund Source: Various	Police – Chief Kiblinger	
Timeline: 2015 Budget	Public Works – Seth Boettcher	
	Court Administrator – Stephanie Metcalf	

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

Attachments: Ordinance No. 14-1038, 2015 Budget document and Exhibit A - 2015 Salary Schedule

SUMMARY STATEMENT:

Per State RCW 34A.21.0793 guidelines, the City of Black Diamond council held public hearings on the 2015 Budget on November 20, 2014 and December 1, 2014. Council workstudies were held on October 2, 2014, October 16, 2014, October 23, 2014 and October 30, 2014.

The Mayor's proposed 2015 budget document is in balance for all operating and capital funds.

The Ordinance adopting the 2015 Budget, 2015 Budget document and Exhibit A- 2015 Salary Schedule are attached.

FISCAL NOTE (Finance Department):
The Mayor's proposed 2015 budget document includes balanced sources and uses for each operating and capital fund.

COUNCIL COMMITTEE REVIEW AND RECOMMENDATION: the Finance Committee will reviewed the 2015 Proposed Budget Document at their November 25, 2014 Finance Committee Meeting.

RECOMMENDED ACTION: **MOTION to approve Ordinance No. 14-1038, adopting a budget for the year 2015.**

RECORD OF COUNCIL ACTION

Meeting Date	*Action*	*Vote*
December 1, 2014		

ORDINANCE NO. 14-1038

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, ADOPTING THE BUDGET FOR CALENDAR YEAR 2015

WHEREAS, the Preliminary Budget was submitted to the City Council by the Mayor on October 2, 2014; and

WHEREAS, the City Council held public hearings on November 20, 2014, and December 1, 2014 and work studies on October 2, 16, 23 and 30, 2014; 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 2015 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 2015.

Section 2. The total estimated revenue from all sources and expenditures by fund as set forth in the 2015 budget document adopted by reference, are as follows:

Fund #	Fund Name	Estimated Revenues	Estimated Expenditures
001	General Fund	5,446,414	5,446,414
101	Street Fund	302,446	302,446
107	Fire Impact Fund	15,000	15,000
310	Capital Fund-General Government	246,186	246,186
311	REET Fund-General Government	277,271	277,271
320	Capital Fund-Street Projects	80,000	80,000
321	REET Fund-Street Projects	246,857	246,857
401	Water Fund	904,210	904,210
402	Water Capital Facility Fund	190,000	190,000
404	Water Capital Fund	470,027	470,027
407	Wastewater Fund	937,983	937,983
408	Wastewater Capital Fund	756,053	756,053
410	Stormwater Fund	440,392	440,392
410	Stormwater Capital Fund	30,000	30,000
510	Equipment Reserve Funds	694,207	694,207
Total		**11,037,046**	**11,037,046**

Section 3. This Ordinance shall include the 2015 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 1st day of December, 2014.

Passed by a majority of the City Council at a meeting held on the 1st day of December, 2014.

_____
Mayor Dave Gordon

Attest:

_____
Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

_____
Carol Morris, City Attorney

Published: _____
Posted: _____
Effective Date: _____

City of Black Diamond 2015 Budget Ordinance 14-1038 Exhibit "A"

2015 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
Accounts Payable Clerk (Hourly)	17.91	19.34	20.89	22.56	24.93
MDRT & Economic Director	7,498	7,899	8,301	8,703	9,104
City Attorney	8,161	8,569	8,997	9,447	9,919
City Clerk/HR Manager	7,498	7,899	8,301	8,703	9,104
Deputy City Clerk	4,499	4,814	5,128	5,443	5,757
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Senior Accountant 75% (hourly)	25.79	27.08	28.43	29.86	31.35
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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	8,259	8,533	8,810	9,084	9,402
Police Sergeant	8,292	8,757	-	-	-
Police Officer	5,037	5,645	6,255	6,863	7,440
Police Records Coordinator	4,499	4,814	5,128	5,443	5,757
Police Clerk 62.5% (hourly)	15.05	16.51	17.96	18.98	20.87
Facilities Equipment Coordinator	4,499	4,814	5,128	5,443	5,757
Human Resources Director	7,498	7,899	8,301	8,703	9,104
Community Dev/Natural Resources Dir	7,498	7,899	8,301	8,703	9,104
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Permit Technician	4,499	4,814	5,128	5,443	5,757
Permit Technician (Hourly)	25.96	27.77	29.59	31.40	33.22
Compliance Officer	4,499	4,814	5,128	5,443	5,757
Senior Planner	5,355	5,622	5,903	6,198	6,508
Planner	4,499	4,814	5,128	5,443	5,757
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
Construction Inspector	6,962	7,364	7,766	8,167	8,569
Public Utilities Operator	4,713	4,794	4,889	4,982	5,076
Public Works Administrative Asst 3	4,250	4,463	4,686	4,920	5,167
Utility Worker-Facility/Eq/Utility Worker	3,323	3,644	3,965	4,287	4,629
Utility Worker Seasonal (hourly)	13.24	-	-	-	-

CITY COUNCIL AGENDA BILL

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

ITEM INFORMATION		
SUBJECT: **AB14-115** **Ordinance No. 14-1039 adopting the Pass through King County Metro 2015 Sewer Rate Increase.**	**Agenda Date: December 1, 2014**	**AB14-115**
	Mayor Dave Gordon	
	City Administrator	
	City Attorney Carol Morris	
	City Clerk – Brenda L. Martinez	
	Community Development/Natural Resource– Aaron Nix	
	Finance – May Miller	X
	MDRT & Economic Development – Andy Williamson	
Cost Impact (see also Fiscal Note):	Parks/Natural Resources –	
Fund Source: Sewer	Police – Chief Kiblinger	
Timeline: Effective January 1, 2015	Public Works – Seth Boettcher	
	Court Administrator – Stephanie Metcalf	

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

Attachments: Ordinance No. 14-1039; Metro KC Council letter and Ordinance 17825, King County rate increase schedule, Black Diamond rate comparison

SUMMARY STATEMENT:

A Public Hearing was held on November 20, 2014 to review the 2015 pass through Metropolitan King County Sewer rate increase of $2.24 per month per residential Equivalent (ERU) effective January 1, 2015.

The Metropolitan King County Council sent a letter of notice to the city that their pass through residential Sewer rates will increase from $39.79 to $42.03 per month effective January 1, 2015. This is a pass through rate increase that Metropolitan King County has imposed for all of their Sewer system customers to recover their cost off operating their collection system which takes sewer from each area through their treatment process. The new rate of $42.03 per month is collected by the city from each customer and remitted monthly to Metro per our contract. The Metropolitan King County Council approved the Sewer rate increase per their ordinance 17825 on June 2, 2014.

The Metropolitan King County Sewer rate is proposed to cover both 2015 and 2016 with the next Metro rate increase not planned until 2017.

The City portion of the Sewer rate is not included in this ordinance but will also increase effective January 1, 2015 per Ordinance 13-1007 that was adopted in 2013. The City portion will increase by the July Western Region 2014 CPI-U at 2.3% or 45 cents per month from $19.52 to $19.97. The city currently has and proposed to continue to offer the Lifeline discount to our Senior Low Income or disabled Sewer customers for only the city portion of the Sewer rate. The Current Lifeline eligible customers receive a 50% discount on the city share of the Sewer rate, which will increase 23 cents a month from $9.76 to 9.99 effective January 1, 2015.

A City of Black Diamond Utility rate worksheet for 2015 is attached, showing the comparison of rates from 2014 to 2015.

FISCAL NOTE (Finance Department): The Metro pass through Sewer rate increase of 5.6% is remitted to King County Metro to cover their cost. The previously approved city share of the rate will increase by the inflationary increase 0f 2.3%. This covers sewer maintenance costs and is included in the 2015 Preliminary Budget.
COUNCIL COMMITTEE REVIEW AND RECOMMENDATION: the Finance Committee reviewed the Sewer rate increases at their October 30, 2014 Finance Committee Meeting.
RECOMMENDED ACTION: **ADOPT ORDINANCE NO. 14-1039, APPROVING THE PASS THROUGH KING COUNTY METRO 2015 SEWER RATE INCREASE.**

RECORD OF COUNCIL ACTION

Meeting Date	*Action*	*Vote*
December 1, 2014		

ORDINANCE NO. 14-1039

AN ORDINANCE OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, RELATING TO ADJUSTMENTS TO SEWER CHARGES; AMENDING SECTION 13.24.010 OF THE BLACK DIAMOND MUNICIPAL CODE TO INCREASE THE SEWER RATE COMMENSURATE WITH THE INCREASE IMPOSED BY KING COUNTY METRO ON ITS CUSTOMERS; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the Metropolitan King County Council approved a sewer rate increase on June , 2014, with Ordinance 17825 for their contracting customers effective January 1, 2015; and

WHEREAS, a public hearing was held on November 20, 2014, to receive public input regarding the Metropolitan King County sewer pass through rate increase; and

WHEREAS, in order to meet contract obligations to pay Metropolitan King County for our contracted collection and treatment services, the City is in need of increasing its pass through sewer rate by the amount of the Metropolitan King County sewer rate increase to be effective January 1, 2015;

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

Section 1. Section 13.24.010 of the Black Diamond Municipal Code is hereby amended to read as follows:

> 13.24.010 Monthly Rates Designated. Effective January 1, 2015 sewer service charges shall be as follows:
>
> A. For residential customers served by a single meter to the residence, $62.00;
>
> B. For residential customers served by a single meter who have been approved under the Lifeline Utility Program, will receive a discount on the city share of the sewer rate as shown in the City fee schedule.
>
> C. For all other users, including but not limited to commercial users, multi-family residences and mobile home parks, served by a single water meter, $62.00 per month for the first unit, plus $10.56 for each additional unit served by that water meter, plus $6.99 for each 100 cubic feet of water consumed per month in excess of 750 cubic feet. For purposes of this section, the word "unit" shall be defined as any dwelling unit, home, condominium, mobile home, manufactured home or location at which business is conducted.

D. Any user subject to an overage charge may apply to the City for installation of a separate meter to monitor water usage solely for irrigation and landscaping purposes. The individual or entity requesting such a meter shall pay the City for the cost of the meter and cost of installation. Water consumed for these purposes shall not be subject to the overage charge.

E. For purposes of this chapter home occupations shall not be considered a second use.

F. Federal, State and local taxes, where applicable, shall be added to the sums as set forth above.

Section 2. This Ordinance shall be effective at 12:01 a.m. on January 1, 2015., which is more than five days after the date of publication. A summary of this Ordinance may be published in lieu of publishing the Ordinance in its entirety.

Section 3. If any provision of this Ordinance is determined to be invalid or unenforceable for any reason, the remaining provisions of this Ordinance shall remain in force and effect.

Introduced the 1st day of December, 2014.

Passed by a majority of the City Council at a special meeting held on the 1st day of December, 2014.

_____
Mayor Dave Gordon

Attest:

_____
Brenda L. Martinez, City Clerk

APPROVED AS TO FORM:

_____
Carol Morris, City Attorney

Published: _____
Posted: _____
Effective Date: _____

King County
Metropolitan King County Council
Anne Noris, *Clerk of the Council*
King County Courthouse
516 Third Avenue, Room E-1204
Seattle, WA 98104-3272
Tel: 206.477.1020
Fax: 206.205.8165
Email: anne.noris@kingcounty.gov
TTY 296-1024
Web: www.kingcounty.gov/council/clerk

June 16, 2014

Ms. Brenda Martinez, Asst. City Administrator
City of Black Diamond
P.O. Box 599
Black Diamond, WA 98010

Dear Ms. Martinez,

Monetary Requirements for 2015

The Metropolitan King County Council approved the sewer rate for 2015 and the sewage treatment capacity charge for 2015 with the adoption of Ordinance 17825 on June 2, 2014. A copy of Ordinance 17825 is enclosed for your information.

If you have any questions, please call the Clerk of the Council's Office at our new number 206 477-1020.

Sincerely,

Anne Noris
Clerk of the Council

Enclosure

King County

KING COUNTY

Signature Report

June 2, 2014

Ordinance 17825

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Proposed No. 2014-0168.1 Sponsors McDermott

AN ORDINANCE determining the monetary requirements for the disposal of sewage for the fiscal year beginning January 1, 2015, and ending December 31, 2015; setting the sewer rate for the fiscal year beginning January 1, 2015, and ending December 31, 2015, and approving the amount of the sewage treatment capacity charge for 2015, in accordance with RCW 35.58.570; and amending Ordinance 12353, Section 2, as amended, and K.C.C. 4A.670.100 and Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 12353, Section 2, as amended, and K.C.C. 4A.670.100 are each hereby amended to read as follows:

A. Having determined the monetary requirements for the disposal of sewage, the council hereby adopts a ((~~2014~~)) 2015 sewer rate of ((~~thirty-nine dollars and seventy-nine~~)) forty-two dollars and three cents per residential customer equivalent per month. Once a sewer rate ordinance becomes effective, the clerk of the council is directed to deliver a copy of that ordinance to each agency having an agreement for sewage disposal with King County.

B. The King County council approves the application of Statement of Financial Accounting Standards No. 71 (FAS 71) to treat pollution remediation obligations and RainWise Program expenditures as regulatory assets, and establish a rate stabilization reserve for the purpose of leveling rates between years.

C. As required for FAS 71 application, amounts are to be placed in the rate stabilization reserve from operating revenues and removed from the calculation of debt service coverage. The reserve balance shall be an amount at least sufficient to maintain a level sewer rate between ((~~2013~~)) 2015 and ((~~2014~~)) 2016, and shall be used solely for the purposes of: maintaining the level sewer rate in ((~~2014~~)) 2016; and if additional reserve balance is available, moderating future rate increases beyond ((~~2014~~)) 2016. The estimated amount of the reserve, as shown in the financial forecast, Attachment A to ((~~Ordinance 17606~~)) this ordinance, shall be revised in accordance with the ((~~2014~~)) 2015 adopted budget and financial plan. If the reserve needs to be reduced to meet debt service coverage requirements for ((~~2013~~)) 2014, the county executive shall notify the council of the change by providing an updated financial forecast.

((~~D. The executive shall provide monthly cost reports to the council on Brightwater as outlined in K.C.C. 28.86.165.~~))

SECTION 2. Monetary requirements for the disposal of sewage as defined by contract with the component sewer agencies for the fiscal year beginning January 1, 2015, and ending December 31, 2015. The council hereby determines the monetary requirements for the disposal of sewage as follows:

Administration, operating, maintenance repair and replace (net of other income): $69,126,693.

Establishment and maintenance of necessary working capital reserves: ($12,615,608).

Requirements of revenue bond resolutions (not included in above items and net of interest income): $307,400,794.

TOTAL: $363,911,880.

SECTION 3. Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055 are each hereby amended as follows:

A. The amount of the metropolitan sewage facility capacity charge adopted by K.C.C. 28.84.050.O. that is charged monthly for fifteen years per residential customer or residential customer equivalent shall be:

1. Seven dollars for sewer connections occurring between and including January 1, 1994, and December 31, 1997;

2. Ten dollars and fifty cents for sewer connections occurring between and including January 1, 1998, and December 31, 2001;

3. Seventeen dollars and twenty cents for sewer connections occurring between and including January 1, 2002, and December 31, 2002;

4. Seventeen dollars and sixty cents for sewer connections occurring between and including January 1, 2003, and December 31, 2003;

5. Eighteen dollars for sewer connections occurring between and including January 1, 2004, and December 31, 2004;

6. Thirty-four dollars and five cents for sewer connections occurring between and including January 1, 2005, and December 31, 2006;

7. Forty-two dollars for sewer connections occurring between and including January 1, 2007, and December 31, 2007;

8. Forty-six dollars and twenty-five cents for sewer connections occurring between and including January 1, 2008, and December 31, 2008;

9. Forty-seven dollars and sixty-four cents for sewer connections occurring between and including January 1, 2009, and December 31, 2009;

10. Forty-nine dollars and seven cents for sewer connections occurring between and including January 1, 2010, and December 31, 2010;

11. Fifty dollars and forty-five cents for sewer connections occurring between and including January 1, 2011, and December 31, 2011;

12. Fifty-one dollars and ninety-five cents for sewer connections occurring between and including January 1, 2012, and December 31, 2012;

13. Fifty-three dollars and fifty cents for sewer connections occurring between and including January 1, 2013, and December 31, 2013; ((~~and~~))

14. Fifty-five dollars and thirty-five cents for sewer connections occurring between and including January 1, 2014, and December 31, 2014; and

15. Fifty-seven dollars for sewer connections occurring between and including January 1, 2015, and December 31, 2015.

B.1. In accordance with adopted policy FP-15.3.d. in the Regional Wastewater Services Plan, K.C.C. 28.86.160.C., it is the council's intent to base the capacity charge upon the costs, customer growth and related financial assumptions used in the Regional Wastewater Services Plan.

B.2. In accordance with adopted policy FP- 6 in the Regional Wastewater Services Plan, K.C.C. 28.86.160.C, the council hereby approves the cash balance and reserves as contained in the attached financial plan for ((~~2014~~)) 2015.

B.3. In accordance with adopted policy FP- 15.3.c., King County shall pursue changes in state legislation to enable the county to require payment of the capacity charge

92 in a single payment, while preserving the option for new ratepayers to finance the
93 capacity charge.
94 10 days prior, official paper
95 Publish: Wednesday, May 21st
96 Public Hearing: Renton City Hall, 6/2/14
97

Ordinance 17825 was introduced on 5/5/2014 and passed by the Metropolitan King County Council on 6/2/2014, by the following vote:

Yes: 8 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague, Ms. Lambert, Mr. McDermott, Mr. Dembowski and Mr. Upthegrove
No: 0
Excused: 1 - Mr. Dunn

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Larry Phillips, Chair

ATTEST:

Anne Noris, Clerk of the Council

APPROVED this 5th day of June, 2014

Dow Constantine, County Executive

RECEIVED
2014 JUN -6 PM 3:49
KING COUNTY
CLERK
COUNTY COUNCIL

Attachments: A. Wastewater Treatment Division Financial Plan for the 2015 Proposed Sewer Rate

ATTACHMENT A: Wastewater Treatment Division Financial Plan for the 2015 Proposed Sewer Rate

17625

	2013 Unaudited	2014 Forecast	2015 Forecast	2016 Forecast	2017 Forecast	2018 Forecast	2019 Forecast	2020 Forecast
CUSTOMER EQUIVALENTS (RCEs)	718.19	721.25	724.35	727.46	730.61	733.75	736.90	741.47
MONTHLY RATE	$39.79	$39.79	$42.03	$42.03	$44.75	$45.57	$46.47	$47.36
% Increase	10.2%	0.0%	5.6%	0.0%	6.5%	1.8%	2.0%	1.9%
BEGINNING OPERATING FUND	74,094	63,951	44,183	33,100	14,139	14,705	15,293	16,016
OPERATING REVENUE:								
Customer Charges	342,850	344,382	365,333	366,904	392,316	401,200	410,947	421,377
Investment Income	2,333	1,424	1,734	2,027	5,222	8,010	10,997	13,639
Capacity Charge	58,649	49,239	54,484	60,252	66,270	72,590	79,506	85,982
Rate Stabilization *	10,350	20,750	11,900	19,600	0	0	0	0
Other Income	9,608	11,048	11,387	11,711	11,945	12,304	12,673	13,053
TOTAL OPERATING REVENUES	423,790	426,842	444,837	460,493	475,753	494,103	514,123	534,051
OPERATING EXPENSE	(117,011)	(126,834)	(134,997)	(141,394)	(147,050)	(152,931)	(160,164)	(167,291)
DEBT SERVICE REQUIREMENT PARITY DEBT	(216,023)	(219,294)	(223,152)	(228,048)	(238,154)	(247,833)	(258,671)	(270,395)
SUBORDINATE DEBT SERVICE	(14,601)	(19,726)	(22,176)	(26,564)	(29,061)	(32,138)	(35,136)	(36,399)
DEBT SERVICE COVERAGE RATIO PARITY DEBT **	1.42	1.37	1.39	1.40	1.38	1.38	1.37	1.36
DEBT SERVICE COVERAGE RATIO TOTAL PAYMENTS	1.33	1.15	1.15	1.15	1.15	1.15	1.15	1.15
INTER-FUND LOAN REPAYMENTS	(20,336)	0	0	0	0	0	0	0
LIQUIDITY RESERVE CONTRIBUTION	(207)	(982)	(816)	(640)	(566)	(588)	(723)	(713)
TRANSFERS TO CAPITAL	(55,612)	(60,006)	(63,696)	(63,847)	(60,922)	(60,612)	(59,429)	(59,254)
RATE STABILIZATION RESERVE *	52,250	31,500	19,600	0	0	0	0	0
OPERATING LIQUIDITY RESERVE BALANCE	11,701	12,683	13,500	14,139	14,705	15,293	16,016	16,729
OPERATING FUND ENDING BALANCE	63,951	44,183	33,100	14,139	14,705	15,293	16,016	16,729
CONSTRUCTION FUND								
BEGINNING FUND BALANCE	107,282	98,145	31,408	9,601	5,000	5,000	5,001	5,001
REVENUES:								
Parity Bonds	50,000	0	50,000	58,887	139,727	133,958	150,148	161,971
Variable Debt Bonds	0	0	15,000	0	0	20,198	10,842	11,727
Grants & Loans	19,857	22,918	20,000	47,500	0	0	0	0
Other	10,197	500	6,500	500	500	500	500	500
Transfers From Operating Fund	55,612	60,006	63,696	63,847	60,922	60,612	59,429	59,254
TOTAL REVENUES	135,666	83,423	155,196	170,735	201,149	215,268	220,919	233,452
CAPITAL EXPENDITURES	(163,482)	(148,309)	(170,183)	(177,447)	(187,100)	(201,576)	(206,074)	(218,250)
DEBT ISSUANCE COSTS	(322)	0	(1,075)	(1,178)	(2,795)	(2,780)	(3,057)	(3,298)
BOND RESERVE TRANSACTIONS	(2,991)	(0)	(3,632)	6,022	(10,151)	(9,732)	(10,908)	(11,767)
ADJUSTMENTS	21,992	(1,851)	(2,113)	(2,733)	(1,104)	(1,179)	(879)	(137)
ENDING FUND BALANCE	98,145	31,408	9,601	5,000	5,000	5,001	5,001	5,001
CONSTRUCTION FUND RESERVES								
Bond & Loan Reserves	183,822	185,673	191,417	188,129	199,384	210,295	222,082	233,986
Policy Reserves	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
TOTAL FUND RESERVES	198,822	200,673	206,417	203,129	214,384	225,295	237,082	248,986
CONSTRUCTION FUND BALANCE	296,967	232,081	216,019	208,129	219,384	230,295	242,083	253,987

* This revenue is accounted for as a regulatory asset to be deferred to future years in accordance with the Statement of Financial Accounting Standards No 71 (FAS-71).

** This includes a Regulatory Asset for a $57.9M estimate of Environmental Remediation Liability in accordance with FAS-71 (amortized over a 30-year average bond term).

City of Black Diamond
2015 Monthly Utility Rates
Rate Increase Comparison 2014-2015

Rate Comparison for 1000 cu ft. Water **2015**

	Jan-14	Jan-15	Increase	Ordinance	Percentage
Water	$56.42	$64.87	**$8.45**	13-1005	15%
Metro Sewer	$39.79	$42.03	$2.24	14-XXXX	5.60%
City Sewer	$19.52	$19.97	$0.45	13-1007	2.30%
Stormwater	$16.00	$16.00	**$0.00**		
Total	$131.73	$142.87	**$11.14**		8.50%
Total monthly	**Increase of 36 cents a day**				

Rate Comparison for 1000 cu ft. Lifeline customer

	Jan-14	Jan-15	Increase		
Water	$28.21	$32.43	**$4.22**	13-1005	15%
Metro Sewer	$39.79	$42.03	$2.24	14-XXXX	5.60%
City Sewer	$9.76	$9.99	$0.23	13-1007	2.30%
Stormwater	$8.00	$8.00	**$0.00**		
Total	$85.76	$92.45	**$6.69**		7.80%
Total monthly	**Increase of 22 cents a day**				

mm/Oct 29, 2014

CITY COUNCIL AGENDA BILL

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

ITEM INFORMATION

SUBJECT:	**Agenda Date: December 1, 2014**	**AB14-116**
AB14-116	Mayor Dave Gordon	
	City Administrator	
	City Attorney Carol Morris	
Resolution Adopting yearly addendum to the Valley Communications Agreement for dispatch services	City Clerk – Brenda L. Martinez	
	Com Dev/Nat Res – Aaron Nix	
	Finance – May Miller	
	MDRT/Eco Dev – Andy Williamson	
Cost Impact (see also Fiscal Note): $3.17 per call	Police – Chief Kiblinger	X
Fund Source: General Fund	Public Works – Seth Boettcher	
Timeline: Jan 2015	Court – Stephanie Metcalf	

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

Attachments: Resolution No. 14-993; addendum

SUMMARY STATEMENT:

This is our yearly addendum to our contract with Valley Communications for dispatch services. There is an increase from $37.38 per call to $40.65 per call; a $3.17 increase per call.

FISCAL NOTE (Finance Department):
The 2015 Budget includes the increased per call amount based on an average number of calls, if the number of calls increase beyond this, a future budget change may be necessary.

COUNCIL COMMITTEE REVIEW AND RECOMMENDATION: The Finance Committee reviewed this at their November 25, 2014 meeting.

RECOMMENDED ACTION: **MOTION to adopt Resolution No. 14-993, authorizing the Mayor to sign the yearly addendum to our Valley Communications Agreement.**

RECORD OF COUNCIL ACTION

Meeting Date	*Action*	*Vote*
December 1, 2014		

RESOLUTION NO. 14-993

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE AN ADDENDUM TO THE AGREEMENT FOR POLICE SERVICE FOR VALLEY COMMUNICATIONS FOR 2015

WHEREAS, the City is authorized by Chapter 39.34 RCW to enter into agreements with other governmental jurisdictions; and

WHEREAS, currently the City of Black Diamond Police Department contracts with Valley Communications for Dispatch Services;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The Mayor is hereby authorized to execute an Addendum to the Emergency Dispatch Agreement for Police Service with Valley Communications for 2014 in the form as attached hereto as Exhibit A.

PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A SPECIAL MEETING THEREOF, THIS 1ST DAY OF DECEMBER, 2014.

CITY OF BLACK DIAMOND:

_____
Dave Gordon, Mayor

Attest:

_____
Brenda L. Martinez, City Clerk

EXHIBIT "A"
to the
AGREEMENT
by and between
VALLEY COMMUNICATIONS CENTER
and
BLACK DIAMOND POLICE DEPARTMENT

This **EXHIBIT** is supplemental to the **AGREEMENT** between **VALLEY COMMUNICATIONS CENTER** and **BLACK DIAMOND POLICE DEPARTMENT**

This appendix shall remain in effect from **January 1, 2015** thru **December 31, 2015.**

A.1 The rate shall be **Forty Dollars and sixty Five Cents ($40.65)** for each dispatchable call.

A.2 ACCESS user fees will be charged on a quarterly basis determined by user agency transaction count. Transactions for any given calendar year are used to determine fees for two years past the year when the transaction count was taken.

Signed this **6th** day of **November, 2014.**

LORA UELAND
EXECUTIVE DIRECTOR

MAYOR

CITY COUNCIL AGENDA BILL

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

ITEM INFORMATION

SUBJECT:	Agenda Date: December 1, 2014	AB14-117
AB14-117	Department/Committee/Individual	
	Mayor Dave Gordon	
Resolution authorizing the Mayor to execute the second addendum to the ILA with the City of Auburn for IT Services	City Administrator –	
	City Attorney –Carol Morris	
	City Clerk – Brenda L. Martinez	X
	Finance – May Miller	
	Com Dev/Nat Res– Aaron Nix	
Cost Impact:	MDRT/Ec. Dev. – Andy Williamson	
Fund Source: General Fund	Police – Jamey Kiblinger	
Timeline: 2015 Budget	Court – Stephanie Metcalf	
	Public Works. – Seth Boettcher	

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

Attachments: Resolution No. 14-994; Proposed Second Addendum to ILA; Resolution No. 13-891; Resolution No. 14-913

SUMMARY STATEMENT:

BACKGROUND

The City of Black Diamond contracted with the City of Auburn for contract information technology services for the Police Department earlier in Budget Year 2013. In early 2014 the City Council expanded information technology services to cover general city-wide IT services, including police IT services based on the current agreement already approved by the City

POLICY CONSIDERATION

The attached second addendum to the Interlocal Agreement between the City of Black Diamond and the City of Auburn for IT services extends our agreement for three (3) years, and Exhibit B identifies the CPI increase for 2014-2015 that is built into the contract. The base agreement remains in effect as previously approved, but is amended by this addendum, including Exhibit B as attached to the addendum.

FISCAL CONSIDERATION

Monthly base services, including one on-site day per week, will be at the rate of $3366 per month. Hourly time will be billed beyond this general coverage at the rate of $110 per hour. Mileage will be billed per IRS rates. The 2015 City of Black Diamond draft budget is scaled to cover both these costs.

COMMITTEE REVIEW AND RECOMMENDATION:

The Finance Committee reviewed the second addendum to the ILA with the City of Auburn for IT Services on November 25, 2014, and forwarded the second addendum to the ILA for further consideration by the City Council. The Finance Committee recommends approval as presented, including 'Exhibit B' as attached.

RECOMMENDED ACTION: **MOTION to approve Resolution No. 14-994, authorizing the Mayor to execute the second addendum for city-wide IT services with the City of Auburn as presented.**		
RECORD OF COUNCIL ACTION		
Meeting Date	***Action***	***Vote***
December 1, 2014		

RESOLUTION NO. 14-994

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON AUTHORIZING THE MAYOR TO EXECUTE THE SECOND ADDENDUM TO THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF AUBURN AND THE CITY OF BLACK DIAMOND FOR IT SERVICES

WHEREAS, on October 3, 2013 the City entered into an Interlocal Agreement with the City of Auburn to provide the police department with IT services; and

WHEREAS, in January of 2014 the City Council expanded information services to cover general city-wide IT services, including police IT services based on the current agreement already approve by the City Council; and

WHEREAS, it is the desire of the City Council to have the City of Auburn continue providing city-wide information services;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The Mayor is hereby authorized to the second addendum to the Interlocal Agreement between the City of Auburn and the City of Black Diamond for city-wide information services, in the form substantially attached hereto as Exhibit A.

PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A SPECIAL MEETING THEREOF, THIS 1ST DAY OF DECEMBER, 2014.

CITY OF BLACK DIAMOND:

_____

Dave Gordon, Mayor

Attest:

_____

Brenda L. Martinez, City Clerk

SECOND ADDENDUM TO INTERLOCAL AGREEMENT
BETWEEN THE CITY OF BLACK DIAMOND AND
THE CITY OF AUBURN RELATING TO
INFORMATION TECHNOLOGY

THIS SECOND ADDENDUM to the Interlocal Agreement for Information Services Technology (dated September 16, 2013, the First Addendum being executed on December 16, 2013) is entered into this ___ day of _____, by and between the City of Black Diamond (hereinafter referred to as "Black Diamond") and the City of Auburn (hereinafter referred to as "Auburn"), both of which are municipal corporations organized under the laws of the State of Washington, under the Interlocal Cooperation Act, chapter 39.34 RCW.

RECITALS:

WHEREAS, the parties have entered into the Interlocal Agreement and the First Addendum described above; and

WHEREAS, the parties wish to make certain minor amendments and to extend the termination date of the Interlocal and First Addendum;

NOW, THEREFORE, in consideration of the covenants and conditions set forth below, the parties agree as follows:

Section 1. Section 7 of the Interlocal Agreement is amended to read as follows:

7. TIME FOR PERFORMANCE AND TERM OF AGREEMENT.

Auburn shall perform the services provided for herein in accordance with the direction and scheduling provided in Exhibit A, unless otherwise agreed to in writing by the parties. The ~~initial~~ term shall be three (3) years from the date of execution of this Addendum ~~twelve (12) months~~ and may be extended thereafter by written agreement by the Parties sixty (60) days prior to term end. It is provided however, that either party may cancel this Agreement upon sixty (60) days written notice to the other party.

Section 2. Section 11 of the Interlocal Agreement is amended to read as follows:

11. ADMINISTRATION OF AGREEMENT.

This Agreement shall be administered by ~~Ron Tiedeman,~~ Innovation & Technology Director or designee on behalf of Auburn, and by _____ ~~Mark E. Hoppen, City Administrator,~~ _____ or designee on behalf of Black Diamond. Any written notices required by the terms of this Agreement shall be served on or mailed to the following addresses:

CITY OF AUBURN	CITY OF BLACK DIAMOND
Innovation & Technology	City Administration
~~Ron Tiedeman~~	_____ ~~Mark E. Hoppen~~
25 W Main Street	24301 Roberts Drive
Auburn, WA 98001-4998	Black Diamond, WA 98010
Phone: 253-288-3160	(360) 886-5700
E-mail: ~~rtiedeman@auburnwa.gov~~	~~mhoppen@ciblackdiamond.wa.us~~

Section 3. Remaining Terms Unchanged. All remaining terms and conditions of the Interlocal and the Addendum No. 1 to the Interlocal remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written:

CITY OF AUBURN	CITY OF BLACK DIAMOND
By _____	By _____ Dave Gordon, Mayor
ATTEST:	ATTEST:
_____	_____ Brenda L. Martinez, Black Diamond City Clerk
APPROVED AS TO FORM:	APPROVED AS TO FORM:
_____ Daniel B. Heid Auburn City Attorney	_____ Carol A. Morris Black Diamond City Attorney

EXHIBIT B – 2014/2015 IT SERVICES EXTENSION
COST OF SERVICES

Support Function	Operating Hours	Billing rate	Monthly cost
General Network and desktop maintenance and support including operating system patch management, virus system software management, general troubleshooting and problem resolution that can be via remote access/phone and minimal Black Diamond Auburn office visits where deemed possible allowing equipment drop off and minimal hands on configuration support.	M - F, 7 a.m. - 5 p.m. excluding holidays	$3366.00 / month effective November, 2014 and monthly thereafter	$3366.00
Network and desktop repair and maintenance that require onsite support.	M - F, 7 a.m. - 5 p.m. excluding holidays	Included. Mileage billed separately and based on IRS standard mileage rates	Per hour as required
All support responses by City of Auburn technical support staff. **Note:** COA technical support staff will not respond without authorization from City of Black Diamond Mayor, Police Chief or City Administrator.	Non business hours, afterhours, emergency response	$110.00 / hour with one hour minimum plus mileage based on IRS standard mileage rate	Per incident as required
Netmotion Client Software	n/a	Evaluation Option	Per Client
Virus Protection Software	n/a	Evaluation Option	Yearly

Brenda Martinez

From: Ron Tiedeman <rtiedeman@auburnwa.gov>
Sent: Thursday, November 13, 2014 3:47 PM
To: Brenda Martinez
Cc: Melissa Medisch
Subject: Auburn IT Services - 3 year Extension Agreement
Attachments: EXHIBIT B 2014-2015.docx; Auburn IT 3 yr Extension Agreement 2014-2017.docx

Hi Brenda,

Per our conversation last week, here are the updated documents we discussed. The first document extends our agreement 3 years, and the second is our Exhibit B which identifies the CPI increase for 2014-2015 built into the contract.

Please let me know if you have any questions. Although the agreement identifies signature in "counterpart", we will wait until your next council and get the originals so I can hand deliver them to our Mayor and avoid and delay. Please let me know if you would like me in attendance when the council meeting is scheduled.

Thank you!

Ron

The information contained in this electronic communication is personal, privileged and/or confidential information intended only for the use of the individual(s) or entity(ies) to which it has been addressed. If you read this communication and are not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication, other than delivery to the intended recipient is strictly prohibited. If you have received this communication in error, please immediately notify the sender by reply e-mail. Thank you.

RESOLUTION NO. 13-891

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON AUTHORIZING THE MAYOR TO EXECUTE AN INTERLOCAL AGREEMENT WITH THE CITY OF AUBURN FOR POLICE IT SERVICES

WHEREAS, the Black Diamond Police Department seeks professional information technology services; and

WHEREAS, the City of Auburn utilizes most, if not all, of the same operating systems and has on-site staff who are specifically familiar with their functions, capabilities, and maintenance; and

WHEREAS, the City of Auburn has the requisite skills, resources, and experience necessary to provide such services and is willing and agreeable to provide such services;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The Mayor is hereby authorized to execute an Interlocal Agreement between the City of Auburn and the City of Black Diamond for Police Information Services Technology in the form substantially attached hereto as Exhibit A.

PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 3RD DAY OF OCTOBER, 2013.

CITY OF BLACK DIAMOND:

Rebecca Olness, Mayor

Attest:

Brenda L. Martinez, City Clerk

EXHIBIT A

CITY OF AUBURN – CITY OF Black Diamond
INTERLOCAL AGREEMENT FOR
INFORMATION SERVICES TECHNOLOGY

THIS INTERLOCAL AGREEMENT made and entered into, pursuant to the Interlocal Cooperation Act, Chapter 39.34 of the Revised Code of Washington, on the 16th day of September, 2013, by and between the CITY OF AUBURN, a municipal corporation of the State of Washington (hereinafter referred to as "Auburn"), and the CITY OF Black Diamond, a municipal corporation of the State of Washington (hereinafter referred to as "Black Diamond"),

WITNESSETH:

WHEREAS, Black Diamond seeks professional information technology ("IT") services; and

WHEREAS, Auburn has the requisite skills, resources and experience necessary to provide such services and is willing and agreeable to provide such services upon the terms and conditions herein contained.

NOW THEREFORE in consideration of their mutual covenants, conditions and promises, the parties hereto do hereby agree as follows:

1. SCOPE OF SERVICES

Auburn agrees to perform for Black Diamond, in a good and professional manner the tasks specific to support the Black Diamond Police Department ("BDPD") described on Exhibit A which is attached hereto and by this reference made a part of this Agreement. (The tasks described on Exhibit A shall be individually referred to as a "task," and collectively referred to as the "services.") Auburn shall perform the services as an independent contractor and shall not be deemed, by virtue of this Agreement and the performance thereof, to have entered into any partnership, joint venture, employment or other relationship with Black Diamond. Auburn shall perform the services described in Exhibit A which is attached hereto and by this reference made a part of this Agreement.

2. AMENDMENT REQUIRED FOR ADDITIONAL SERVICES

In the event additional IT services are required by Black Diamond beyond those specified in Exhibit A and the compensation listed in this Agreement, and further provided that Auburn has the time and resources to provide such additional services and is willing to provide such services, a contract amendment shall be set forth in writing and shall be executed by the respective parties prior to Auburn's performance of the additional IT services, except as may be provided to the contrary in Section 3 of this Agreement. Upon proper completion and execution of an Amendment for additional services, such Amendment shall be incorporated into this Agreement and shall have the same force and effect as if the terms of such Amendment were a part of this

Agreement as originally executed. The performance of services pursuant to an Amendment shall be subject to the terms and conditions of this Agreement except where the Amendment provides to the contrary, in which case the terms and conditions of any such Amendment shall control. In all other respects, any Amendment shall supplement and be construed in accordance with the terms and conditions of this Agreement.

3. PERFORMANCE OF ADDITIONAL SERVICES PRIOR TO EXECUTION OF AN AMENDMENT

The parties hereby agree that situations may arise in which IT services other than those described on Exhibit A are desired by Black Diamond and the time period for the completion of such services makes the execution of Amendment impractical prior to the commencement of Auburn's performance of the requested services. Auburn hereby agrees that it shall perform such services upon the request of an authorized representative of Black Diamond at a rate of compensation to be mutually negotiated in connection therewith. Any such additional IT services shall be memorialized in a written amendment in accordance with Section 2 of this Agreement. The invoice procedure for any such additional services shall be as described in Section 6 of this Agreement.

4. Black Diamond'S RESPONSIBILITIES

Black Diamond shall do the following in a timely manner so as not to delay the services of Auburn:

a. Designate in writing a person to act as Black Diamond's representative with respect to the services described in Exhibit A. Black Diamond's designee shall have complete authority to transmit instructions, receive information, interpret and define Black Diamond's policies and decisions with respect to the services, except in the event of an emergency as described in Exhibit A.

b. Furnish Auburn with all information, criteria, objectives, schedules and standards for the services provided for herein.

c. Arrange for access to the property or facilities as required for Auburn to perform the services provided for herein.

d. Examine and evaluate all studies, reports, memoranda, plans, sketches, and other documents prepared by Auburn and render decisions regarding such documents in a timely manner to prevent delay of the services.including passwords, facility access and data systems to which Black Diamond is requesting support. Auburn shall use "remote access" technology to support Black Diamond systems where possible to limit onsite costs. Such examples include Firewall, router, computer, Domain controller, active directory, Spillman and secured/ encrpyted access to systems designated by Black Diamond to be supported by Auburn.

f. BDPD must complete, and authorize necessary state documents related to "Agency Authorization" designating City of Auburn as IT Technical contact and complete a "Management Control Agreement" filed with WSPthat will allow Auburn IT staff to work with CJIS and ACCESS information including SSID, Mneumonics and ORI informaiton to support the system.

5. ACCEPTABLE STANDARDS

Auburn shall be responsible to provide, in connection with the services contemplated in this Agreement, work products and services of a quality and professional standard acceptable to Black Diamond.

6. COMPENSATION

Compensation for Auburn's performance of the services provided for herein are attached as Exhibit B . Annual sum shall be increased January 1, 2014 with advance notice given to Black Diamond, and each January 1 thereafter, by an amount equal to 2% or the most recent Seattle-Tacoma-Bremerton Consumer Price Index - U whichever is greater for the term of this Agreement.

Auburn shall submit to Black Diamond a monthly invoice and Black Diamond shall process the invoice or statement in the next billing/claim cycle following receipt of the invoice or statement, and shall remit payment to Auburn thereafter in the normal course, subject to any conditions or provisions in this Agreement or Amendment.

7. TIME FOR PERFORMANCE AND TERM OF AGREEMENT

Auburn shall perform the services provided for herein in accordance with the direction and scheduling provided in Exhibit A, unless otherwise agreed to in writing by the parties. The initial term of this agreement shall be twelve (12) months and may be extended thereafter by written agreement of the Parties 60 days prior to term end. It is provided, however, that either party may cancel this Agreement upon sixty (60) days written notice to the other party.

8. OWNERSHIP AND USE OF DOCUMENTS

All documents, reports, memoranda, diagrams, sketches, plans, design calculations, working drawings and any other materials created or otherwise prepared by Auburn as part of its performance of this Agreement (the "Work Products") shall be owned by and become the property of Black Diamond, and may be used by Black Diamond for any purpose beneficial to Black Diamond. Public records requests shall be the responsibility of Black Diamond, however Auburn may assist at Black Diamond request at hourly rates provided under exhibit B for onsite support.

9. RECORDS INSPECTION AND AUDIT

All compensation payments shall be subject to the adjustments for any amounts found upon audit or otherwise to have been improperly invoiced, and all records and books of accounts pertaining to any work performed under this Agreement shall be subject to inspection and audit by Black Diamond for a period of up to three (3) years from the final payment for work performed under this Agreement.

10. CONTINUATION OF PERFORMANCE

In the event that any dispute or conflict arises between the parties while this Contract is in effect, Auburn agrees that, notwithstanding such dispute or conflict, Auburn shall continue to make a good faith effort to cooperate and continue work toward successful completion of assigned duties and responsibilities. Provided that if Black Diamond fails to pay for the services provided by Auburn, Auburn can cease providing such services until payment is made.

11. ADMINISTRATION OF AGREEMENT

This Agreement shall be administered by Ron Tiedeman, Innovation & Technology Director or designee on behalf of Auburn, and by Mark E. Hoppen, City Administrator or designee on behalf of Black Diamond. Any written notices required by the terms of this Agreement shall be served on or mailed to the following addresses:

CITY OF AUBURN	CITY OF BLACK DIAMOND
Innovation & Technology	City Administration
Ron Tiedeman	Mark E. Hoppen
25 W Main St	24301 Roberts Drive
Auburn, WA 98001-4998	Black Diamond, WA 98010
Phone: 253-288-3160	(360) 886-5700
Fax: 253-804-3116	
E-mail: rtiedeman@auburnwa.gov	mhoppen@ci.blackdiamond.wa.us

12. NOTICES

All notices or communications permitted or required to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person or deposited in the United States mail, postage prepaid, for mailing by certified mail, return receipt requested, and addressed, if to a party of this Agreement, to the address for the party set forth above.

Either party may change his, her or its address by giving notice in writing, stating

his, her or its new address, to the other party, pursuant to the procedure set forth above.

13. INSURANCE

Black Diamond shall maintain in full force throughout the duration of this Agreement comprehensive general liability insurance with a minimum coverage of $1,000,000.00 per occurrence/aggregate for personal injury and property damage. This requirement shall be deemed satisfied by evidence of Black Diamond's membership in a municipal self-insurance pool, including evidence of limits of coverages, exclusions and limits of liability satisfactory to Auburn.

Auburn shall maintain in full force throughout the duration of this Agreement comprehensive general liability insurance with a minimum coverage of $1,000,000.00 per occurrence/aggregate for personal injury and property damage. This requirement shall be deemed satisfied by evidence of Auburn's membership in a municipal self-insurance pool, including evidence of limits of coverages, exclusions and limits of liability satisfactory to Black Diamond.

14. INDEMNIFICATION

a. Black Diamond shall indemnify and hold Auburn and its agents, employees, and/or officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against Auburn arising out of, in connection with, or incident to the execution of this Agreement and/or Black Diamond's performance or failure to perform any aspect of this Agreement; provided, however, that if such claims are caused by or result from the concurrent negligence of Auburn, its agents, employees, and/or officers, this indemnity provision shall be valid and enforceable only to the extent of the negligence of Black Diamond; and provided further, that nothing herein shall require Black Diamond to hold harmless or defend Auburn, its agents, employees and/or officers from any claims arising from the sole negligence of Auburn, its agents, employees, and/or officers. No liability shall attach to Auburn by reason of entering into this Agreement except as expressly provided herein.

b. Auburn shall indemnify and hold Black Diamond and its agents, employees, and/or officers, harmless from and shall process and defend at its own expense any and all claims, demands, suits, at law or equity, actions, penalties, losses, damages, or costs, of whatsoever kind or nature, brought against Black Diamond arising out of, in connection with, or incident to the execution of this Agreement and/or Auburn's performance or failure to perform any aspect of this Agreement; provided, however, that if such claims are caused by or result from the concurrent negligence of Black Diamond, its agents, employees, and/or officers, this indemnity provision shall be valid and enforceable only to the extent of the

negligence of Auburn; and provided further, that nothing herein shall require Auburn to hold harmless or defend Black Diamond, its agents, employees and/or officers from any claims arising from the sole negligence of Black Diamond, its agents, employees, and/or officers. No liability shall attach to Black Diamond by reason of entering into this Agreement except as expressly provided herein.

15. WAIVER OF SUBROGATION

Black Diamond and Auburn hereby mutually release each other from liability and waive all right of recovery against each other for any loss caused by fire or other perils which can be insured against under fire insurance contracts including any extended coverage endorsements thereto which are customarily available from time to time in the State of Washington, provided, that this paragraph shall be inapplicable to the extent that it would have the effect of invalidating any insurance coverage of Black Diamond or Auburn.

16. COMPLIANCE WITH REGULATIONS AND LAWS

The parties shall comply with all applicable rules and regulations pertaining to them in connection with the matters covered herein.

17. ASSIGNMENT

The parties shall not assign this Agreement or any interest, obligation or duty therein without the express written consent of the other party.

18. ATTORNEYS' FEES

If either party shall be required to bring any action to enforce any provision of this Agreement, or shall be required to defend any action brought by the other party with respect to this Agreement, and in the further event that one party shall substantially prevail in such action, the losing party shall, in addition to all other payments required therein, pay all of the prevailing party's reasonable costs in connection with such action, including such sums as the court or courts may adjudge reasonable as attorney's fees in the trial court and in any appellate courts.

19. NONDISCRIMINATION

Each of the parties, for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that it will comply with pertinent statutes, Executive Orders and such rules as are promulgatedto assure that no person shall, on the grounds of race, creed, color, national origin, sex, sexual orientation, age, or the presence of any sensory, mental or physical handicap be discriminated against or receive discriminatory treatment by reason thereof.

20. MISCELLANEOUS

a. All of the covenants, conditions and agreements in this Agreement shall extend to and bind the legal successors and assigns of the parties hereto.

b. This Agreement shall be deemed to be made and construed in accordance with the laws of the State of Washington. Jurisdiction and venue for any action arising out of this Agreement shall be in King County, Washington.

c. The captions in this Agreement are for convenience only and do not in any way limit or amplify the provisions of this Agreement.

d. Unless otherwise specifically provided herein, no separate legal entity is created hereby, as each of the parties is contracting in its capacity as a municipal corporation of the State of Washington. The identity of the parties hereto is as set forth hereinabove.

e. The performances of the duties of the parties provided hereby shall be done in accordance with standard operating procedures and customary practices of the parties. Semi-annual operational review and service meetings shall be held with representatives from both cities to review and discuss service and support delivery.

f. No provision of this Agreement shall relieve either party of its public agency obligations and or responsibilities imposed by law.

g. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be held to be invalid or unenforceable by a final decision of any court having jurisdiction on the matter, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and shall continue in full force and effect, unless such court determines that such invalidity or unenforceability materially interferes with or defeats the purposes hereof, at which time either party shall have the right to terminate the Agreement.

h. This Agreement constitutes the entire agreement between the parties. There are no terms, obligations, covenants or conditions other than those contained herein. No modifications or amendments of this Agreement shall be valid or effective unless evidenced by an agreement in writing signed by both parties.

i. Copies of this Agreement shall be listed by the parties on their websites as provided for in RCW 39.34.040.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF AUBURN

Peter B. Lewis
Auburn Mayor

Attest:

Danielle Daskam,
Auburn City Clerk

Approved as to form:

Daniel B. Heid
Auburn City Attorney

CITY OF Black Diamond

Rebecca Olness
Black Diamond Mayor

Attest:

Brenda L. Martinez,
Black Diamond City Clerk

Approved as to form:

Print Name:_____
Title: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

ON THIS 16th day of September, ~~2011~~ 2013, before me personally appeared Pete Lewis and _____ to me known to be the Mayor and _____ of The City of Auburn, a municipal corporation, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument, and the seat of said municipal corporation is affixed hereon.

WITNESS my hand and official seal hereto the day and year in this certificate first above written.

SHAWN K. CAMPBELL NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES 4-09-16

NOTARY PUBLIC in and for the State of Washington, residing at King County
My Commission Expires: 4/9/2016

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

ON THIS 9th day of October, ~~2011~~ 2013, before me personally appeared Rebecca Olness and _____ to me known to be the Mayor and _____ of the City of Black Diamond, a municipal corporation, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument, and the seat of said municipal corporation is affixed hereon.

WITNESS my hand and official seal hereto the day and year in this certificate first above written.

RACHEL J. PITZEL NOTARY PUBLIC STATE OF WASHINGTON MY COMM. EXPIRES AUG. 13, 2016

Rachel J. Pitzel
NOTARY PUBLIC in and for the State of Washington, residing at Blk. Diamond

My Commission Expires: 8/13/16

EXHIBIT A
SCOPE OF SERVICES

Services Provided:

- General network and desktop support
- Application and software end user support
- Operating system patch management
- Technical recommendations

Requesting support:

All requests for service should be emailed to helpdesk@auburnwa.gov. The request will be forwarded to City of Auburn technical staff for resolution. Persons authorized to request support on a non-emergency basis are City of Black Diamond Police Department staff and designees.

Service levels:

For requests e-mailed Monday through Friday from 7:00 am to 5:00 pm, we will try to respond within 30 minutes. During high call volumes, we will assist you as soon as possible.

With authorization of Mayor, City Administrator or Police Chief, support outside regular business hours will be provided on an emergency basis. If you need an immediate response during off hours and have the appropriate authorization, please email helpdesk@auburnwa.gov with the name of authorizing person and nature of issue or call 253-876-1947. Your issue will be forwarded to the on-call technician for resolution.

Service Limitations:

- City of Auburn will assist and provide recommendations on network security but security remains the responsibility of City of Black Diamond.
- City of Auburn will document, and present information relevant to technical audits however compliance will be the responsibility of Black Diamond, including CJIS and ACCESS Audits.
- City of Auburn will assist and provide recommendations on hardware and software purchases. All hardware and software purchases are the responsibility of City of Black Diamond.
- Unless otherwise specified via addendum or SOW "additional services" identified below will be the responsibility of Black Diamond.

Additional Services:

Current IT support is based on needs and requests of Black Diamond Police. City of Auburn may provide City-wide support based on same hourly rate, however all non-police department support will be in addition to the basic services and support payment. Black Diamond representatives may negotiate to add interim city-wide support services or additional services to this ILA through an addendum process in the event additional ongoing services are needed while both parties seek appropriate Mayor and Council approval.

Additional services include but are not limited to:
GIS Services
Spillman hosting and support
Licensing Support : Netmotion and Virus Protection
Web Application and Design Services
Publishing and Design Services
Multimedia/ Film Services

Billing:

All service will be billed monthly according to Exhibit B. Services that are billed on an hourly basis will include a brief description of the service and the department where the service was performed. Monthly charges for service are based on an estimated 100 helpdesk requests annually. In the event annual helpdesk requests exceed 100 tickets, City of Black Diamond agrees to negotiate these additional services which may include mutually agreed adjustments to monthly service charges.

EXHIBIT B
COST OF SERVICES

Support Function	Operating Hours	Billing rate	Monthly cost
Project Specific one-time start-up Fees: Evaluation of current needs identifies upfront hours of support to stabilize Police services, software and systems. We estimate approximately 20-30 hours of onsite work to accomplish specific requests in a timely fashion. Estimate includes: Firewall and VPN configuration, Vehicle MDC reimaging, profile updates, State Link activation, and network administration	Staff will coordinate with Black Diamond on appropriate times to accomplish work onsite. Billing will be based on time spent, and billed for actual hours as they occur.	$1500.00 - $2250.00 plus mileage. First month will be prorated based on completion of 20-30 hours.	n/a
General Network and desktop maintenance and support including operating system patch management, virus system software management, general troubleshooting and problem resolution that can be via remote access/phone and minimal Black Diamond Auburn office visits where deemed possible allowing equipment drop off and minimal hands on configuration support.	M - F, 7 a.m. - 5 p.m. excluding holidays	$400.00 / month effective October 1, 2013 and monthly thereafter	$400.00
Network and desktop repair and maintenance that require onsite support.	M - F, 7 a.m. - 5 p.m. excluding holidays	$75.00 / hour plus mileage based on IRS standard mileage rate	Per hour as required
All support responses by City of Auburn technical support staff. **Note:** COA technical support staff will not respond without authorization from City of Black Diamond Mayor, Police Chief or City Administrator.	Non business hours, afterhours, emergency response	$110.00 / hour with one hour minimum plus mileage based on IRS standard mileage rate	Per incident as required
Netmotion Client Software	n/a	n/a	Per event
Virus Protection Software	n/a	n/a	Yearly

RESOLUTION NO. 14-913

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, KING COUNTY, WASHINGTON AUTHORIZING THE MAYOR TO EXECUTE ADDENDUM NO. 1 TO THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF AUBURN AND THE CITY OF BLACK DIAMOND FOR IT SERVICES

WHEREAS, on October 3, 2013 the City entered into an Interlocal Agreement with the City of Auburn to provide the police department with IT services; and

WHEREAS, during the 2014 budget process City Council eliminated the Information Services position from the budget: and

WHEREAS, it is the desire of the City Council to have the City of Auburn provide city-wide information services;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The Mayor is hereby authorized to execute Addendum No. 1 to the Interlocal Agreement between the City of Auburn and the City of Black Diamond for city-wide information services, in the form substantially attached hereto as Exhibit A.

PASSED BY THE CITY COUNCIL OF THE CITY OF BLACK DIAMOND, WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 2ND DAY OF JANUARY, 2014.

CITY OF BLACK DIAMOND:

Dave Gordon, Mayor

Attest:

Brenda L. Martinez, City Clerk

EXHIBIT A

ADDENDUM NO. 1

ADDENDUM TO INTERLOCAL AGREEMENT
BETWEEN THE CITY OF BLACK DIAMOND AND THE CITY OF AUBURN
RELATING TO INFORMATION TECHNOLOGY

THIS ADDENDUM is made and entered into this 16th day of December, 20 13, by and between **CITY OF BLACK DIAMOND** ("Black Diamond"), a municipal corporation of the State of Washington, and the **CITY OF AUBURN**, a municipal corporation of the State of Washington (hereinafter referred to as "Auburn"), as an addendum to the Agreement between the parties for Information Technology Services executed on September 16, 2013, ("Original Agreement") pursuant to the Interlocal Cooperation Act, Chapter 39.34 of the Revised Code of Washington (RCW).

RECITALS:

1. The parties entered into an Interlocal Agreement for Information Technology Services to be provided by Auburn to Black Diamond for Black Diamond's Police Department.

2. Black Diamond wishes to expand the information technology services provided by Auburn.

NOW THEREFORE in consideration of their mutual covenants, conditions and promises, the PARTIES HERETO HEREBY AGREE as follows:

1. Section 2 of the Original Agreement is amended to read as follows:

2. AMENDMENT REQUIRED FOR ADDITIONAL SERVICES

In the event additional IT services are required by Black Diamond or reduction in services are necessary beyond those specified in Exhibit A and the compensation listed in this Agreement, and further provided that Auburn has the time and resources to provide such additional services and is willing to provide such services, a contract amendment shall be set forth in writing and shall be executed by the respective parties prior to Auburn's performance of the additional IT services, except as may be provided to the contrary in Section 3 of this Agreement. Upon proper completion and execution of an Amendment for additional services, such Amendment shall be incorporated into this Agreement and shall have the same force and effect as if the terms of such Amendment were a part of this Agreement as originally executed. The performance of services pursuant to an Amendment shall be subject to the terms and conditions of this Agreement except where the Amendment

provides to the contrary, in which case the terms and conditions of any such Amendment shall control. In all other respects, any Amendment shall supplement and be construed in accordance with the terms and conditions of this Agreement.

2. Sections 1 and 4(f) of the Original Agreement are amended to strike the reference to the Black Diamond Police Department or "BDPD," and to insert "Black Diamond" in its place.

3. Exhibits A and B of the Original Agreement are replaced with Exhibits A and B to this Addendum.

4. REMAINING TERMS UNCHANGED: That all other provisions of the Original Agreement shall remain unchanged, and in full force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

CITY OF AUBURN

Peter B. Lewis
Auburn Mayor

Attest:

Danielle Daskam,
Auburn City Clerk

Approved as to form:

Daniel B. Heid
Auburn City Attorney

CITY OF BLACK DIAMOND

Black Diamond Mayor

Attest:

Brenda L. Martinez,
Black Diamond City Clerk

Approved as to form:

Print Name:_____
Title: _____

EXHIBIT A
SCOPE OF SERVICES

Services Provided:

- Onsite Auburn IT Staff Presence: Auburn primary support function will be via remote access and administration with primary contact and support provided through email: helpdesk@auburnwa.gov and phone support. Remote login and various technical configuration management will be utilized to minimize onsite and travel charges. Under this service level, City of Black Diamond will be allotted "onsite presence" 1 day (7.5 hours) per week hours per month or up to 416 hours per year specific to meeting support and technical requirements. Auburn IT staff will also respond onsite to all technical matters not repairable remotely, and will attempt to respond to non-critical items in multiples to minimize trips where possible.
- General network and desktop support
- GIS and Mapping Services shall be provided on a per project basis, with printing costs the responsibility of Black Diamond based on current Auburn rate schedules.
- Maintenance and management of Servers and "back-end" equipment to include:
    - Telephones, sound equipment, servers, network equipment (routers, firewalls, switches)
    - Server administration, including user setup, access, email and help desk functionality
- Public Meetings: (set-up and attendance at meetings to run equipment included in monthly fee "on-site presence" not to exceed 416 total hours in a year)
- Purchasing: Recommendations, quotes, vendor discussions. Purchasing, purchase orders and requisitions will be the responsibility of Black Diamond.
    - Black Diamond can be added to certain City of Auburn software and hardware agreements to receive similar cost savings where applicable. Such areas including Microsoft volume licensing, Spillman, Sharepoint, Antivirus protection, Netmotion and others.
- Web Services –
    - Website updates, postings, and monitoring
    - Meeting audio conversion and website upload
    - Website design recommendations and future planning
- Backup operations, offsite storage and disaster recovery
    - Auburn will evaluate current backup and disaster contingency plans and make recommendations. Typically this includes weekly offsit storage which is paid for by customer, and daily incremental and differential backups.
    - Disaster recovery may result in an addition of services, or evaluation and recommendation to enhance business continuity and operations based on current procedures.
- Application and software end user support
- Vendor coordination and management as needed
- Operating system, and software patch management

- Limited GIS services and consulting with printed material at cost
- Technical recommendations including:
    - Long and short term strategic planning
    - Disaster recovery and business continuity planning
    - Technology budget recommendations and planning
    - Audit documentation and assistance with CJIS and WCIA annual audits

Requesting support:

All requests for service should be emailed to helpdesk@auburnwa.gov. Phone calls will be accepted as well, however tracking tickets and support via our help desk system is preferred with a follow up phone call from Auburn staff. The request will be forwarded to City of Auburn technical staff for resolution. Persons authorized to request support on a non-emergency basis are City of Black Diamond employees or their designee.

Service levels:

For requests e-mailed Monday through Friday from 7:00 am to 5:00 pm, we will try to respond within 30 minutes. During high call volumes, we will assist you as soon as possible.

With authorization of Mayor, City Administrator or Police Chief, support outside regular business hours will be provided on an emergency basis. If you need an immediate response during off hours and have the appropriate authorization, please email helpdesk@auburnwa.gov with the name of authorizing person and nature of issue or call 253-876-1947. Your issue will be forwarded to the on-call technician for resolution.

Service Limitations:

- City of Auburn will assist and provide recommendations on network security but security remains the responsibility of City of Black Diamond.

- City of Auburn will document, and present information relevant to technical audits however compliance will be the responsibility of Black Diamond, including CJIS and ACCESS Audits.

- City of Auburn will assist and provide installation and recommendations on hardware and software purchases. All hardware and software purchases are the responsibility of City of Black Diamond.

Additional Services:
City of Auburn may provide additional services, or alter existing services through the appropriate approval process and addendum.

Additional services include but are not limited to:
GIS Services
Licensing Support : Netmotion and Virus Protection

Web Application and Design Services
Publishing and Design Services
Multimedia/ Film Services

Billing:

All service will be billed monthly according to Exhibit B. Services that are billed on an hourly basis will include a brief description of the service and the department where the service was performed. Monthly charges for service are based on an estimated 400 helpdesk requests annually. In the event annual helpdesk requests exceed 400 tickets, City of Black Diamond agrees to negotiate these additional services which may include mutually agreed adjustments to monthly service charges.

EXHIBIT B
COST OF SERVICES

Support Function	Operating Hours	Billing rate	Monthly cost
General Network and desktop maintenance and support including operating system patch management, virus system software management, general troubleshooting and problem resolution that can be via remote access/phone and minimal Black Diamond Auburn office visits where deemed possible allowing equipment drop off and minimal hands on configuration support.	M - F, 7 a.m. - 5 p.m. excluding holidays	$3300.00 / month effective January 2, 2014 and monthly thereafter	$3300.00
Network and desktop repair and maintenance that require onsite support.	M - F, 7 a.m. - 5 p.m. excluding holidays	Included. Mileage billed separately and based on IRS standard mileage rates	Per hour as required
All support responses by City of Auburn technical support staff. **Note:** COA technical support staff will not respond without authorization from City of Black Diamond Mayor, Police Chief or City Administrator.	Non business hours, afterhours, emergency response	$110.00 / hour with one hour minimum plus mileage based on IRS standard mileage rate	Per incident as required
Netmotion Client Software	n/a	Evaluation Option	Per Client
Virus Protection Software	n/a	Evaluation Option	Yearly