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Washington Department of Revenue Property Tax Division

2018 Douglas County Levy Audit A Summary Report



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Overview

Purpose

The primary purpose of this review by the Department of Revenue (Department) is to assist the Douglas County Assessor (Assessor) in their processes and procedures to ensure compliance with state statutes and regulations.

Method of Calculation

The Department calculated the levy limitations and levy rate for several of the taxing districts for the 2018 tax year. To determine whether an error occurred, the Department compared the amount levied for the district with the lesser of the levy limit, the statutory rate limit, the amount authorized by each district's resolution, and the levy amount certified by the district.

Information Reviewed

The Department reviewed the following information:

- Resolutions/Ordinances adopted by the districts
- Levy certification from the county legislative authority (RCW 84.52.070)
- Tax roll certification to the county treasurer and abstract of the tax roll to the county auditor
- Ballot measures
- Levy limit worksheets
- \$5.90 aggregate and 1 percent constitutional limits

We do not review every taxing district's levy. We audited approximately 40 percent of the taxing districts. The scope of the audit did not include the review of earmarked funds.

Taxing Districts Selected

The Department reviewed the following taxing district levies:

- City/Towns: Bridgeport, East Wenatchee, and Waterville
- Fire Districts: 1, 3, 5, and J15
- Hospital Districts: 1 and 3
- Cemetery Districts: 2 and 3
- School Districts: Orondo No. 13, Bridgeport No. 75, and Coulee-Hartline No. 151J
- Douglas County Port District
- Eastmont Metropolitan Park District

Executive Summary

Introduction

The primary purpose of a levy audit by the Department is to assist the county assessor in successfully performing the duties associated with levying property taxes for the districts within the county.

An effective audit of levy calculations consists of gathering information from the assessor's office to determine the level of compliance with laws and rules, the accuracy of levy calculations, and the effectiveness of record keeping.

Categories of Results

The Department has completed its review and grouped the results into two categories:

- The first category, *Requirements*, is of the greatest urgency for effective administration by the assessor. A change is required to adhere to the law.
- The second category, *Recommendations*, requires the attention of the assessor. The Department believes the assessor could improve their performance and service to the public by making voluntary changes in procedures.

The Department bases requirements and recommendations in our reports on our review of the administrative procedures employed, existing state statutes and regulations, and areas we saw opportunities to improve processes, procedures, and communication.

Results

The Department identified five requirements and one recommendation directed toward improving the accuracy of the levy process.

We have listed a summary of these items in the Requirements and Recommendation sections.

Requirements

1. The Assessor is required to certify the completed tax roll to the Treasurer on or before January 15, and provide an abstract of the tax rolls to the Auditor listing the total amount of collectible taxes for each taxing district.
2. The Assessor is required to calculate the levy limit by applying the appropriate limit factor to the taxing district's highest lawful levy, based on the district's population and resolutions authorizing an increase in property tax.
3. The Assessor is required to determine each taxing district's levy limit based on the district's highest lawful levy increased by the levy limit factor and any increases due to new construction, increases in assessed value due to construction of wind turbines, biomass, and geothermal facilities, increases in state assessed property values, and improvements to property.

The Assessor is required to calculate the statutory maximum levy amount for a port district based on a rate of \$.45 per thousand dollars of assessed value.

4. The Assessor is required to levy a uniform rate throughout a taxing district, including districts with boundaries that include more than one county. The county with the greater amount of assessed value in the taxing district will calculate the levy rate and certify that rate to all of the counties within the taxing district.

The Assessor is required to calculate a levy rate based on the dollar amount certified by a taxing district, including levy certification amounts for refunds.

5. The Assessor is required to determine whether the total of all tax levies, with the exception of levies made by port and public utility districts, applied to real and personal property within the county exceeds one percent of the true and fair market value.

Recommendations

1. The Department recommends the Assessor provide education to Cemetery District No. 2 regarding their ability to levy excess levies.

Requirements

For the items listed as “Requirements,” the Assessor must make changes in procedure to comply with law.

This section contains the requirements we identified.

Tax Roll Certification

Requirement

The Assessor is required to certify the completed tax roll to the Treasurer on or before January 15, and provide an abstract of the tax rolls to the Auditor listing the total amount of collectible taxes for each taxing district.

What the law says

The county assessor must deliver the tax rolls to the county treasurer, on or before the fifteenth day of January, taking a receipt from the treasurer. The assessor must also supply the county auditor with an abstract of the tax roll showing the total amount of tax collection for each taxing district. (RCW 84.52.080)

What we found

The Assessor did not certify the extension of the tax roll to the Treasurer on or before January 15.

The Grant County Assessor is responsible for calculating and certifying levy rates to the Assessor for several joint taxing districts. The Assessor received a letter from Grant County certifying the levy rates for the joint districts, on January 22, 2018. After receiving the certification letter from Grant County, the Assessor certified the extension of the tax roll to the Treasurer on January 22, 2018.

Action needed to meet requirement

The Assessor is required to take the following action:

- Certify the completed tax roll to the Treasurer on or before January 15, including an acknowledgement of receipt from the Treasurer.
- Encourage any adjoining counties that calculate the levy rates for joint taxing districts to certify levy rates to you timely.

Why it's important

State law directs the county assessor to formally certify the tax roll to the county treasurer, with a receipt taken from the county treasurer. The use of this format enhances the transparency of levying property tax.

Cemetery District No. 3

Requirement

The Assessor is required to calculate the levy limit by applying the appropriate limit factor to the taxing district's highest lawful levy, based on the district's population and resolutions authorizing an increase in property tax.

What the law says

No increase in property tax revenue may be authorized without a public hearing and an ordinance or resolution that specifically states the increase in revenue, in both dollars and percentage of change. Exceptions to this requirement are increases of revenue due to the following additions: new construction, construction of wind turbines, solar, biomass and geothermal facilities, improvements, and state assessed property. (RCW 84.55.120)

A majority of the legislative authority of a taxing district must approve the ordinance or resolution authorizing an increase in the taxing district's levy. (WAC 458-19-020)

When a taxing district with a population of 10,000 or more makes a finding of substantial need they may use a limit factor in excess of 100 percent plus inflation, but the limit factor cannot exceed 101 percent. (RCW 84.55.0101 and WAC 458-19-020)

What we found

The Assessor calculated the levy limit for Cemetery District No. 3 (CD) using a limit factor of 101 percent. The CD did not provide the Assessor with a resolution authorizing a dollar and percentage of increase from the previous year's levy amount. Without this resolution, the Assessor may not increase the levy limit for the CD with the exception of additions due to new construction, wind turbines, solar, biomass and geothermal facilities, improvements, and state assessed property.

The incorrect limit factor resulted in an incorrect highest lawful levy dollar amount.

Action needed to meet requirement

The Assessor is required to take the following action:

- Calculate the levy limit with a limit factor of 100 percent if a taxing district has not adopted a dollar and percentage of change resolution.
- When calculating the levy limit for the 2019 tax year, use the correct highest lawful levy amount provided in Appendix A.

Why it's important

To ensure the taxing districts do not levy more or less than their maximum levy amount allowed by law and the taxpayers pay the correct amount of property tax.

Douglas County Port District

Requirement

The Assessor is required to determine each taxing district's levy limit based on the district's highest lawful levy increased by the levy limit factor and any increases due to new construction, increases in assessed value due to construction of wind turbines, biomass, and geothermal facilities, increases in state assessed property values, and improvements to property.

The Assessor is required to calculate the statutory maximum levy amount for a port district based on a rate of \$.45 per thousand dollars of assessed value.

What the law says

The highest lawful levy since 1985 can be increased by the district's levy limit factor and additional funds for increases due to new construction, increases in assessed value due to construction of wind turbines, biomass, and geothermal facilities, increases in state assessed property values, and improvements to property. (RCW 84.55.010 and 84.55.092)

A port district may levy, for general port purposes, a total regular property tax up to \$.45 per thousand dollars of assessed value. This rate may be exceeded for bond repayment.

Statutes allow port districts to levy an additional \$.45 per thousand dollars of assessed value for dredging and \$.45 per thousand dollars of assessed value for dissolution purposes. (RCW 53.36.020, 53.36.030, 53.36.070 and 53.47.030)

When port districts levy for general port purposes, bond repayment, and or dredging, the dollar amount for these levies are combined and the levy limit is calculated as one. (WAC 458-19-050(6)(a))

Ports may levy a separate industrial development district levy not to exceed \$.45 per thousand dollars of assessed value for industrial and harbor development. (RCW's 53.36.100 and 53.36.160)

What we found

The Assessor did not calculate the Douglas County Port District (Port) levy limit correctly, for the 2018 tax year. He used an incorrect previous year's state assessed property value to calculate the increase in the state assessed property value, for the levy limit. It appears the incorrect value may have been a typographical error. This resulted in an overlevy error of \$1,903.56.

The Assessor calculated the statutory maximum rate limit for the Port using a levy rate of \$2.25 per thousand dollars of assessed value instead of the correct rate of \$.45 per thousand dollars of assessed value, since they are only levying for general purposes, as statute requires.

Douglas County Port District, continued

Action needed to meet requirement

The Assessor is required to take the following actions:

- Recalculate the Port levy limit for the 2018 tax year, using the correct previous year's state assessed property value.
- Recalculate the Port statutory dollar maximum rate for the 2018 tax year, using a rate of \$.45 per thousand dollars of assessed value.
- Correct the overlevy of \$1,903.56 for the Port in the levy calculations for the 2019 tax year.
- Notify the taxing district of the levy error. If the correction in the succeeding year will cause a hardship for either the taxing district or taxpayers, the district may request the correction be made on a proportional basis over a period of no more than three years.
- Use the corrected highest lawful levy amount and levy rate, provided in Appendix B, for the 2019 tax year levy calculations as if the error had not occurred.

Why it's important

The Assessor must determine the levy limit and statutory maximum limit as required by statute to provide fair and equitable taxation for taxing districts and taxpayers.

Bridgeport School District No. 75J and Coulee-Hartline School District No. 151J

Requirement

The Assessor is required to levy a uniform rate throughout a taxing district, including districts with boundaries that include more than one county. The county with the greater amount of assessed value in the taxing district will calculate the levy rate and certify that rate to all of the counties within the taxing district.

The Assessor is required to calculate a levy rate based on the dollar amount certified by a taxing district, including levy certification amounts for refunds.

What the law says

The Washington State Constitution states in article VII, section 2, *all taxes shall be uniform upon the same class of property within the territorial limits of the authority levying the tax.*

Washington law allows a taxing district to levy for refunds without regard to the levy limit. (WAC 458-19-085)

Most taxing districts are required to certify a budget or a budget estimate to the county legislative authority on or before November 30 for levying taxes. (RCW 84.52.020)

What we found

The boundary of Bridgeport School District No. 75J (Bridgeport) includes Douglas and Okanogan Counties. Douglas County is responsible for calculating the levy rate and certifying that rate to the Okanogan County Assessor. The Assessor certified levy rates for Bridgeport that contained more digits past the decimal point than the rates levied by the counties. This resulted in a non-uniform rate within the Bridgeport.

The Assessor did not levy the refund amount of \$285.38 for capital projects, as certified by Bridgeport. This resulted in an underlevy of \$285.38.

The Coulee-Hartline School District No. 151J (CH) boundary includes Douglas and Grant Counties. The Grant County Assessor is responsible for calculating the levy rates for CH. The Grant County Assessor certified a levy rate for CH to the Assessor consisting of 10 digits past the decimal point; however, the Assessor applied the rate using only six digits past the decimal point. This resulted in a non-uniform rate within the CH.

Bridgeport School District No. 75J and Coulee-Hartline School District No. 151J, continued

Action needed to meet requirement

The Assessor is required to take the following actions:

- Levy the same levy rate he certifies to adjoining counties for joint taxing districts.
- Levy the rate certified to you by the county responsible for calculating the levy rate of a joint taxing district.
- If your software system will only accommodate a levy rate with six digits past the decimal point, notify the Grant County Assessor of this limitation. Request the Grant County Assessor certify a levy rate within this parameter for the 2019 tax year and thereafter. This will ensure the levy rate is uniform in taxing district when it crosses county boundaries.
- Calculate the levy rate for a taxing district using the dollar amount certified by the district, including refund amounts.
- Notify Bridgeport of the underlevy error of \$285.38. (Appendix C)
- The Department interprets the statutes to give the taxing district the option of adjusting the following year's levy by the underlevy amount in the subsequent year.
- If the correction in the succeeding year will cause a hardship for either the taxing district or taxpayers, the district may request the correction be made on a proportional basis over a period of no more than three years.

Why it's important

The Washington State Constitution requires fair and equitable taxation for all taxpayers within a taxing district, and a uniform levy rate within a taxing district ensures taxpayers are paying the correct amount of property tax.

1 Percent Constitutional Limit

Requirement

The Assessor is required to determine whether the total of all tax levies, with the exception of levies made by port and public utility districts, applied to real and personal property within the county exceeds one percent of the true and fair market value.

What the law says

The aggregate of all regular tax levies, with the exception of levies made by port and public utility districts, upon real and personal property by the state and all taxing districts shall not exceed one percent of the true and fair value of such property. (RCW 84.52.050)

The assessor must calculate the one percent limit maximum effective levy rate, by dividing ten dollars by the higher of the real or personal property ratio of the county, for the assessment year in which the levy is made. (WAC 458-19-075)

What we found

The Assessor did not use the higher of the real and personal property ratios to calculate the maximum effective rate for the one percent constitutional limit. The Department calculated and provided the Assessor with a real property ratio of 94.2 percent and a personal property ratio of 98 percent, for the assessment year 2017, tax year 2018. It appears the Assessor may have used the 2016 ratio, 95.7 percent, when calculating the maximum effective rate of \$10.460251 for the 2018 tax year.

Action needed to meet requirement

The Assessor is required to take the following action:

- Calculate the one percent constitutional limit using the higher of the real and personal property ratios to determine whether the limit was exceeded.

Why it's important

To ensure a taxing district is not levying more or less than their maximum levy amount allowable by law and the taxpayers pay the correct amount of property tax.

Recommendations

For the items listed as “Recommendations,” the Department believes the Assessor could improve by making voluntary changes in procedure.

This section contains the recommendations we identified.

Cemetery District No. 2

Recommendation

The Department recommends the Assessor provide education to Cemetery District No. 2 regarding their ability to levy excess levies.

What we found

The voters of Cemetery District No. 2 approved a three-year maintenance and operations (M&O) excess levy for tax years 2016, 2017, and 2018.

With the exception of fire and school districts, RCW 84.52.052 requires the election for an excess levy to be made in the year in which the district levies the tax. Thus, Cemetery District No. 2 does not have authority to levy a three year M&O levy.

Action recommended

The Department recommends the Assessor:

- Contact Cemetery District No. 2 to educate them with regard to excess levies. Direct the district to RCW 84.52.052, as it appears they are unaware that an excess levy can only be authorized for one year.
- Encourage taxing districts to share ballot language with the Assessor, before the ballot is presented to the voters. This will give the district the opportunity to address any concerns the Assessor may have with the ballot language, before the ballot is delivered to the auditor.

Why it's important

Providing guidance to taxing districts regarding the types of levies they may lawfully levy will ensure the taxpayers pay the correct amount of property tax.

Next Steps

Follow-up

The Department is committed to the success of the Assessor by ensuring the levies comply with state statutes and regulations.

The Department will conduct a follow-up review in February 2019. This will give the Assessor an opportunity to implement the required changes, recommended changes, and to provide information to the Department about any issues they encountered during the implementation process.

Questions

For questions about specific requirements or recommendations in our report, please contact the Property Tax Division at (360) 534-1400.

For additional information contact:

Washington State Department of Revenue
Property Tax Division
PO Box 47471
Olympia, WA 98504-7471
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Appendix – General Information

Introduction

General information provided to assist all assessors and taxing districts.

Contents

This section contains the following topics:

- Regular Levy Limitation
- Refunds
- Excess Levy
- Timber Assessed Value (TAV)
- Assessor Guidelines

Regular Levy Limitations

What are the statutory limitations?

Regular property tax levies are generally considered to be those levies that are subject to several statutory limitations.

The assessor must adhere to the following statutory limitations:

- Levy limit (a.k.a., 101 percent)
- Statutory dollar rate limit
- Amount authorized by resolution/ordinance
- District budget
- \$5.90 aggregate limit
- 1 percent constitutional limit

Levy Limit

The amount of regular property taxes a taxing district can levy, other than the state and port district industrial development levies, is limited to an amount that will not exceed the amount resulting from the following calculation:

- The highest amount that could have been lawfully levied by the taxing district in any year since 1985 for 1986 collection, multiplied by the limit factor; plus
- A dollar compensation calculated by multiplying the district's levy rate for the preceding year, or the last year the district levied taxes, by the increase in assessed value of the district from the previous year attributable to:
 1. New construction
 2. Increases in assessed value due to wind turbine, solar, biomass, and geothermal facilities (if the facilities generate electricity)
 3. Improvements to property
 4. Any increase in assessed value of state assessed property.

If an error occurred or an error correction was made in the previous year, use the levy rate that would have been levied had no error occurred.

The limit factor used in calculating the levy limit is defined in RCW 84.55.005 and WAC 458-19-005.

Regular Levy Limitations, continued

If the district's population is...	Then the limit factor is...
less than 10,000	101 percent.
greater than 10,000 and a finding of substantial need was made	the lesser of the substantial need factor or 101 percent.
for all other taxing districts	the lesser of 101 percent or 100 percent plus inflation.

Reference:

- RCW 84.55.010
- RCW 84.55.0101
- WAC 458-19-020

Statutory Rate Limit

The statutory rate limit varies by district. These limits are found in the various statutes for each type of district and in the *Property Tax Levies Operations Manual*. The levy amount for each district cannot exceed the statutory maximum rate. The statutory dollar rate limits for senior taxing districts can be found in RCW 84.52.043(1). The statutory dollar rate limits for all taxing districts can be found in the levy manual, chapter 3.

Reference:

- RCW 84.52.043
- Property Tax Levies Operation Manual,
https://dor.wa.gov/sites/default/files/legacy/Docs/Pubs/Prop_Tax/LevyManual.doc, chapter 3

Truncating Levy Rates

The final certified levy rate cannot result in a levy amount that exceeds the statutory limitations. To ensure that the final levy rate results in a levy amount at or below the statutory levy limit for each taxing district the assessor must truncate the rate at the last digit (not round).

If truncating the levy rate for a bond levy results in a levy amount less than the amount requested by the district, the levy rate must be rounded up to ensure sufficient funds are levied for the repayment of the debt.

Regular Levy Limitations, continued

Resolutions/Ordinances

The amount authorized by a district in its resolution or ordinance is another limitation on taxation. If a district does not adopt a resolution/ordinance compliant with RCW 84.55.120, the district cannot levy more than it received in the previous year, other than the increase amount resulting from the following:

1. New Construction
2. Improvements to property
3. Wind turbines
4. Solar, biomass, and geothermal facilities (if the facilities generate electricity)
5. Increases in state-assessed property

The resolution or ordinance must state the increase over the previous year's levy in terms of percentage and dollars. The resolution is separate from the budget certification.

Reference:

- RCW 84.55.120

<https://dor.wa.gov/legacy/Docs/forms/PropTx/Forms/OrdinanceResolution.doc>

Regular Levy Limitations, continued

Levy Certification (Budget)

Taxing districts that wish to levy must certify a budget or budget estimate to the county legislative authority by November 30 of the assessment year. (**Note:** the November 30 deadline does not apply if the assessor has not certified assessed values to the taxing district at least twelve working days prior to November 30).

The county legislative authority must certify the amount to levy for each of the taxing districts, including the county, to the assessor on or before November 30 of each year. However, the county legislative authority may elect to conduct its budget hearing on the first Monday in December, as permitted by RCW 36.40.071.

Reference:

- RCW 84.52.020
- RCW 84.52.070
- <https://dor.wa.gov/legacy/Docs/forms/PropTx/Forms/LevyCertf.doc>

\$5.90 Limit

The \$5.90 limit applies to the total of most regular levies in each tax code area. The aggregate of the junior and senior taxing districts (excluding the state levy and a few others) cannot exceed \$5.90 per \$1,000 of assessed value.

RCW 84.52.010 provides the order in which taxing districts rates are prorated, in order to bring the aggregate rate down to \$5.90. The \$5.90 limitation does not apply to levies made by or for:

- The support of common schools (state levy)
- Port districts
- Public utility districts
- Conservation futures
- Criminal justice
- Emergency medical services
- Affordable housing
- Metropolitan parks (if voters protect a portion of the levy from this limit)
- County ferry districts
- County transit
- Regional transit authority

Reference:

- RCW 84.52.043

Regular Levy Limitations, continued

1 Percent Constitutional Limit

The 1 percent constitutional limit is based on true and fair value, unlike the \$5.90 limit, which is based on assessed value.

In 1972, the voters adopted a constitutional limit of 1 percent. This limits the amount of property taxes that may be imposed on an individual parcel (real or personal) of property without voter approval of 1 percent of its true and fair value.

The 1 percent limit applies to all regular levies (except port and public utility district levies). It does not apply to excess levies approved by the voters.

Reference:

- RCW 84.52.050
- RCW 84.52.010
- Article 7, Section 2 of Washington Constitution

Refunds

Types of Refunds

There are two types of refunds:

- Adjudicated (court ordered)
- Administrative

Use this table to decide how to levy for a refund

If the refund is an...	Then...	And...
Adjudicated refund	the district is required to levy the refund	the refund is added to the district's levy.
Administrative refund	the refund levy is optional	the refund may be added to the levy only if the district requests the refund in its levy certification or budget.

Note: the statutory limit cannot be exceeded when adding a refund to the levy.

Reference:

- RCW 84.68.040 (adjudicated refund)
- RCW 84.69.180 and RCW 84.69.020 (administrative refund)
- WAC 458-19-085 (adjudicated and administrative refunds)

Excess Levy

What is an Excess Levy

Excess levies are over and above the regular property tax levies.

- Excess levies require voter approval
- Duration of excess levies is subject to limitations
- Excess levies are not subject to the statutory limitations placed on regular levies

Type of Levy	Taxing District	Duration
Bond	Most districts	Long term debt, usually 15-20 years
Maintenance & Operational (M&O)	School and fire districts	2-4 years
General	Most districts except school and fire districts	1 year
Technology	School	2-6 years
Transport Vehicle	School	2 years
Construction/Modernization/Remodeling	School and fire districts	2-6 years

Reference:

- RCW 84.52.052
- RCW 84.52.053
- RCW 84.52.056
- RCW 84.52.130

<https://dor.wa.gov/get-form-or-publication/ballot-measure-requirements>

Timber Assessed Value (TAV)

What is Timber Assessed Value?

Timber assessed value determines each taxing district's share of the timber excise tax revenue and in setting property tax levy rates. It serves as a substitute for the value that would be carried on the assessment roll if timber were taxable as real property for all bond and excess levy calculations.

Components of TAV

Based on taxes levied, acreage, and assessed value of property in the Designated Forest Land Program (DFL) from the prior tax year, and the estimated public acreage available for timber harvesting (RCW 84.33.089), the assessor calculates the following values:

- Composite tax rate
- Forest land assessed value (FLAV)
- Average assessed value per acre on privately owned DFL

After making these calculations, the assessor has all the information necessary to complete the Timber Tax Distribution Priority 1, 2, and 3 worksheets. The priority worksheets list the individual taxing district's TAV that is to be added to the district's taxable value for levy calculations.

Tax Base

The assessor must ensure that the appropriate amount of TAV is included in the tax base for calculating excess levies.

If the levy type is...	Then use this percentage of TAV in the tax base...
Bond	100 percent
Capital Project	100 percent
Transportation Vehicle	100 percent
School M&O	50 percent of TAV or 80 percent of the 1983 timber roll, whichever is greater
All other excess levies	100 percent

Reference:

- RCW 84.52.080(2)

Assessor Guidelines

Introduction

The assessor generally calculates the property tax levy rate necessary to collect the amount of taxes levied for each district, within the limitations provided by law (WAC 458-19-010). Listed below are some of the guidelines for the assessor based on the taxing district's adopted documentation.

Determine the authorized levy amount

Use the table below to determine the authorized levy amount given certain situations.

When the taxing district submits...	Then...
a certified levy request to the county legislative authority, but does not adopt a resolution/ordinance authorizing an increase over the prior year's levy	the district's levy is the lesser of the following: <ol style="list-style-type: none"> 1. Previous year's levy plus <i>any</i> increase resulting from new construction, improvements to property, wind turbines, solar, biomass, and geothermal facilities (if the facilities generate electricity), and the increased value of state-assessed property. 2. Current year's certified levy request. 3. Levy limit (with a 100% limit factor). 4. Statutory maximum amount.
a resolution/ordinance authorizing an increase over the prior year's levy, but no certified levy request to the county legislative authority	the assessor does not have the statutory authority to levy on behalf of the taxing district.
a certified levy request to the county legislative authority and a resolution/ordinance authorizing an increase over the prior year's levy	the district's levy is the lesser of the following: <ol style="list-style-type: none"> 1. Previous year's levy <i>plus</i> the percentage increase authorized by the resolution <i>plus</i> any increase resulting from new construction, improvements to property, wind turbines, solar, biomass, and geothermal facilities (if the facilities generate electricity), and the increased value of state-assessed property. 2. Current year's certified levy request. 3. Levy limit (with a limit factor up to 101% depending on the district's population). 4. Statutory maximum amount.
neither a certified levy request nor a resolution/ ordinance authorizing an increase over the prior year's levy	the assessor does not have the statutory authority to levy on behalf of a taxing district.

Appendix A

The following worksheets contain regular levy calculations for the districts with errors in this audit.

Levy Limit Calculation for District: Cemetery District No. 3											
Assmt Taxes	Highest	Limit	Highest	State Assd	Tax Added	Annexed	Tax Added	Levy	Assd	Stat	<input type="checkbox"/> Annexed to Library?
Year Due	Lawful Levy	Factor	Lawful plus	New Const	for	Value	for	Limit	Value	Rate	<input type="checkbox"/> Annexed to Fire?
	Since 1985*		Increase		State Assd		Annex.			Max.	<input type="checkbox"/> Firemen's Pension?
					New Const						<input type="checkbox"/> Lid Lift?
2017 2018	3,229.84	0.00000%	3,229.84	96,600	5.91	0	0.00	3,235.75	46,239,667	0.112500000000	
Actual Levy:							Summary of Levy Limits:				
Assmt Taxes	Previous	Lesser of	Previous Yr's	Tax Added	Tax Added	Authorized	Refund	Certified	Limit Per	Levy Limit	Authorized
Year Due	Year's	Resolution's \$ or %	Levy plus	for	for	Levy by Res.		Budget	Stat. Rate	Plus Refund	Levy By Res.
	Levy		Increase	State Assd	Annex.				Maximum		Plus Refund
				New Const							
2017 2018	2,733.00	\$0.00	2,733.00	5.91	0.00	2,738.91	0.00	2,760.00	5,201.96	3,235.75	2,738.91
Assmt Taxes	Current Year's	Levy Correction	Total Levy	Actual	Actual Levy	Correct	Over/Under				
Year Due	Max Levy		w/ Correction	Amount	Rate	Levy Rate	Levy				
				Levied							
2016 2017					.061194						
2017 2018	2,738.91	\$0.00	2,738.91	2,738.87	.059232	.059232	(0.04)				

Appendix B

The following worksheets contain regular levy calculations for the districts with errors in this audit.

Levy Limit Calculation for District: Douglas Co Port Dist												
Assmt Taxes Year Due	Highest Lawful Levy Since 1985*	Limit Factor	Highest Lawful plus Increase	State Assd New Const	Tax Added for State Assd New Const	Annexed Value	Tax Added for Annex.	Levy Limit	Assd Value	Stat Rate Max.	<input type="checkbox"/> Annexed to Library? <input type="checkbox"/> Annexed to Fire? <input type="checkbox"/> Firemen's Pension? <input type="checkbox"/> Lid Lift?	
2017 2018	957,057.54	1.00000%	966,628.12	151,013,607	28,750.12	0	0.00	995,378.24	5,442,637,929	0.450000000000		
Actual Levy:							Summary of Levy Limits:					
Assmt Taxes Year Due	Previous Year's Levy	Lesser of Resolution's \$ or %	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Authorized Levy by Res.	Refund	Certified Budget	Limit Per Stat. Rate Maximum	Levy Limit Plus Refund	Authorized Levy By Res. Plus Refund	
2017 2018	957,080.61	1.000%	966,651.42	28,750.12	0.00	995,401.54	0.00	1,000,508.77	2,449,187.07	995,378.24	995,401.54	
Assmt Taxes Year Due	Current Year's Max Levy	Levy Correction	Total Levy w/ Correction	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Over/Under Levy					
2016 2017					.190381							
2017 2018	995,378.24	\$0.00	995,378.24	997,281.80	.183235	.182885	1,903.56					

Appendix C

The following worksheets contain regular levy calculations for the districts with errors in this audit.

Excess Levy Calculation: Bridgeport School District No. 75 (Joint District with Okanogan County)												
Ballot Data Type & 1st Year	Budget	Refund	Total Levy	Real & Personal Taxable Value	TAV	Total Value	Levy Rate	Total County AV x Rate	County Levy Rate	County Levy	Over/Under	
Bond 2018	311,000.00	72.11	311,072.11	157,037,515.00	6,554.00	157,044,069.00	1.980795021300	311,072.11	1.980795000000	311,071.42	(0.69)	
Cap Proj 2016		285.38	285.38	157,037,515.00	6,554.00	157,044,069.00	0.001817196929	285.38		0.00	(285.38)	
M & O	282,311.00	354.15	282,665.15	157,037,515.00	3,277.00	157,040,792.00	1.799947302863	282,665.15	1.799947300000	282,664.68	(0.47)	
Douglas County- 125,241,827 Okanogan - 31,795,688 Okanogan TAV- 6,554												