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Washington Department of Revenue Property Tax Division

2019 King 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 King 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 2019 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 used the following information during the review:

- 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: Algona, Bothell, Carnation, Clyde Hill, Duvall, Hunts Point, Kenmore, Kirkland, Medina, North Bend, Redmond, SeaTac, Shoreline, Skykomish, and Tukwila
- Fire Districts: No. 2, No. 10, No. 13, No. 27, No. 31, No. 40, No. 44, No. 50, No. 62, and No. 63
- Hospital District No. 4
- Cemetery District No. 1
- School Districts: Federal Way No. 210, Mercer Island No. 400, Bellevue No. 405, Auburn No. 408, Issaquah No. 411, Shoreline No. 412, and Northshore No. 417
- King County: Port, Ferry, Flood, Emergency Medical Service, and Library
- Misc. Districts: Des Moines Metro Park & Rec, Central Puget Sound Regional Transit Authority, Normandy Park Metro Park, and Vashon Park and Rec

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 eight requirements and two recommendations directed toward improving the accuracy of the levy process.

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

Executive Summary, continued

Requirements

1. The Assessor is required to include the certified refund levy amount in the levy limit calculations.

The Assessor is required to apply a uniform levy rate within the taxing district.

2. The Assessor is required to make the appropriate adjustments to the levy in the succeeding year when a levy error has been made.

The Assessor is required to increase the district's levy by the lesser of the percentage increase or dollar increase over the prior year's levy as adopted by an ordinance or resolution by the district.

The Assessor is required to include the certified refund levy amount in the levy calculations only when requested by the district.

3. The Assessor is required to levy no more than the lesser of the applicable levy limitations.
4. The Assessor is required to levy the lesser of the voter approved levy rate, for the first year of the lid lift, or the taxing districts certified levy request.
5. The Assessor is required to levy the lesser of the regular levy limitations.
6. The Assessor is required to include the certified refund levy amount in the levy limit calculations.
7. The Assessor is required to include the certified refund levy amount in the levy limit calculations.

The Assessor is required to increase the taxing district's prior year's levy by the lesser of the dollar increase or percentage increase stated in the taxing district's resolution/ordinance authorizing an increase over the prior year's levy.

The Assessor is required to increase a levy's highest lawful levy since 1985 by multiplying certain taxable values by the levy's prior year's levy rate or the levy rate that should have been used if a levy error or levy error correction had not occurred in the prior year.

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

Recommendations

1. The Department strongly recommends the Assessor complete the Department's levy limit worksheets, REV 64 0007 for their regular and excess levies and REV 64 0034 for their school excess levies using their final certified levy information.
2. The Department recommends the Assessor notify the King County Council of the statutory deadline of November 30 to certify the levy requests for most taxing districts within King County to the Assessor.

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.

King County Library District

Requirement

The Assessor is required to include the certified refund levy amount in the levy limit calculations.

The Assessor is required to apply a uniform levy rate within the taxing district.

What the law says

Taxing districts, other than the state, may levy a property tax for the purposes of refunds made or to be made, and abated or cancelled taxes offset by supplemented taxes within the preceding 12 months. (RCW 84.69.180)

Most taxing districts must certify to their county legislative authority, for the purpose of levying property taxes, their budgets or estimates of amounts to be raised by taxation within their district to the clerk of the county legislative authority on or before November 30. The City of Seattle is one of the exceptions that certifies their levy request directly to the assessor. (RCW 84.52.020)

The county legislative authority, on or before November 30, must certify the amount of property taxes to be levied within the county to the assessor on behalf of most taxing districts. (RCW 84.52.070)

Washington Supreme Court stated in 1980 that law does not require or authorize assessors to inquire into or certify the legality of taxes that have been properly certified to them. (*Hoppe v. King County*, supra, at p. 339)

All taxes shall be uniform upon the same class of property within the taxing district levying the tax. (Washington State Constitution Article VII Section 1)

What we found

The King County Library District certified a refund levy request in the amount of \$200,000 for their regular levy. The Assessor only included a refund levy amount of \$186,082 in their levy limitation calculations based on the actual amounts refunded as reported by King, Pierce and Snohomish Counties. As stated in *Hoppe v. King County*, the Assessor does not have authority to question what has been certified to him.

The Assessor certified a levy rate of \$0.33419 for the district's regular levy. The levy rate with the \$200,000 refund levy generates a rate of \$0.33423 per \$1,000 assessed value for the district. This incorrect rate also impacts all of the cities' and towns' statutory maximum levy rates that are annexed to the library district.

September 24, 2004, the voters of the library district approved a 20-year bond levy in the amount of \$172,000,000. Following the voted bond debt, the City of Renton and City of Enumclaw annexed into the library district. The Assessor has been calculating a levy rate for the bond levy based on the taxable value of the district's boundaries as of the time of the election for the bond debt, excluding the property located in the City of Renton and City of Enumclaw. The Assessor has corrected the district's taxbase for the 2020 tax year.

The use of an incorrect taxable value for the bond levy does not result in an over or underlevy for the taxing district as the correct amount of revenue was levied for the district. It does result in some taxpayers paying more than they should have and others did not pay any taxes for the bond levy.

A net underlevy of \$12,233.22 occurred for the district's regular levy.

Action needed to meet requirement

The Assessor is required to take the following action(s) for the regular levy:

- Notify the library district of the underlevy. If the district determines the correction of the underlevy in the 2020 tax 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. Since this is an underlevy, the district may choose to not include the underlevy amount in subsequent levy calculations. Even if the district decides not to request the underlevy amount, the Assessor must correct the levy calculations for the 2019 tax year so that the error is not carried forward.
- When calculating the 2020 tax year levy limit calculations, use the levy rate of \$0.33423 per \$1,000 assessed value when determining the additional levy capacity due to new construction, increase in value for state assessed utility value, etc.. This rate is the rate that would have been used if the levy error correction and current year's levy error had not occurred.
- Use the actual amount levied for the 2019 tax year, \$121,552,002.00, in the levy calculations for the 2020 tax year. This amount includes the levy error correction and current year's levy error.
- Recalculate the 2020 tax year levy limits to determine the levy rate that would have been certified as if the levy error correction had not occurred. You will carry that levy rate forward to the 2021 tax year levy calculations.

Due to the timing of the final audit report, if the Assessor did not have time to coordinate these levy error corrections with the taxing district, the corrections may be implemented during the 2020 levy calculations for the 2021 tax year.

Why it's important

To ensure a taxing district is not levying more or less than statutes allow and the taxpayers pay the correct amount of property taxes.

Regional Fire Service Authority No. 63

Requirement

The Assessor is required to make the appropriate adjustments to the levy in the succeeding year when a levy error has been made.

The Assessor is required to increase the district's levy by the lesser of the percentage increase or dollar increase over the prior year's levy as adopted by an ordinance or resolution by the district.

The Assessor is required to include the certified refund levy amount in the levy calculations only when requested by the district.

What the law says

When a levy error has occurred, the assessor is required to make the appropriate adjustments to the levy for the district in the succeeding year. The adjustment includes increasing or decreasing the levy by the amount of the over or underlevy. When calculating the levy limitation under chapter 84.55 RCW for a levy that had a levy error, or has a levy error correction, the assessor must apply a levy rate that does not include the levy error or levy error correction when increasing a taxing district's levy capacity due to new construction, increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, improvements to property, and increase in the assessed value of state-assessed property. (RCW 84.52.085)

Taxing districts, other than the state, must hold a public meeting to discuss increasing their property tax revenue. The percentage of increase and dollar increase in revenue compared to the previous levy must be stated in an ordinance or resolution. (RCW 84.55.120)

Washington Supreme Court stated in 1980 that law does not require or authorize assessors to inquire into or certify the legality of taxes that have been properly certified to them. (Hoppe v. King County, supra, at p. 339)

What we found

A revised 2019 Tax Roll Levy Limit worksheet (Worksheet) was provided to the Department following the Assessor's review of our draft report. This worksheet demonstrates the Assessor used the correct highest lawful levy from 1985 and prior year's levy rate as if the error that occurred in the 2018 tax year calculations had not occurred. The Department agrees with the Assessor's Levy Limitation of \$17,140,344 for the 2019 tax year.

The initial Worksheet provided by the Assessor reflects a \$166,604 increase or 1 percent increase over the previous year's levy. The revised Worksheet reflects a \$251,566 increase or 1.52 percent increase over the previous year's levy. The actual increase approved by the district in Resolution No. 2018-5 is \$443,742 or 2.7 percent. It appears the Assessor is adjusting the authorized increase by the district to balance the amount authorized by this document with the levy's levy limit.

The district certified a levy request in Resolution No. 2018-5 in the amount of \$17,400,000. The district stated the underlevy of \$84,703 was reflected in their levy request of \$17,400,000.

The Department interprets Resolution No. 2018-5 to say the district wishes to increase their levy by the underlevy amount from the prior year. The county's initial Worksheet reflects the 2018 tax year \$84,703 underlevy error adjustment. The revised Worksheet does not reflect this underlevy adjustment.

When applying the authorized increase to the district's prior year's levy, the lesser of the levy limitations, before the adjustment for the underlevy, is the levy limitation \$17,140,344. The addition of the underlevy brings the total allowable levy to \$17,225,047. The Assessor levied \$17,146,098. This amount was determined by using the highest lawful levy and prior year's levy rate that contained the 2018 tax year levy error, the addition of a \$8,058 refund levy not requested by the district, and the addition of \$84,703 the underlevy.

The Assessor's revised Worksheet reflects the corrected highest lawful levy since 1985 and prior year's levy rate, refund levy of \$8,058 not requested by the district, and does not reflect the 2018 tax year \$84,703 underlevy error correction.

These issues resulted in a \$78,949 underlevy.

Action needed to meet requirement

The Assessor is required to take the following action(s):

- Notify the taxing district of the underlevy. If the correction of the error 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.
- Calculate the levy rate for the 2020 tax year as if the levy error correction had not occurred during the 2020 tax year and carry that levy rate forward to the 2021 tax year levy calculations when increasing the district's levy capacity due to new construction, etc. The Assessor may find completing the Department's levy limit worksheet, REV 64 0007, helpful to track the correction and correct levy rate to carry forward to the next tax year.
- Do not levy in excess of any of the statutory levy limitations, which include the certified refund levy request from the taxing district.

Due to the timing of the final audit report, if the Assessor did not have time to coordinate these levy error correction with the taxing district, the correction may be implemented during the 2020 levy calculations for the 2021 tax year.

Why it's important

To ensure a taxing district is not levying more or less than statutes allow and the taxpayers pay the correct amount of property taxes.

School District Levy Limits

Requirement

The Assessor is required to levy no more than the lesser of the applicable levy limitations.

What the law says

When calculating the maximum enrichment levy amount, the assessor must review the district’s certified levy request, the per-pupil levy limit, and statutory maximum levy rate amount. (RCW 84.52.0531)

School district bond levies and capital project levies must be levied in a specific dollar amount. (RCW 84.52.010)

What we found

The Assessor did not provide any detailed levy calculations demonstrating how they arrived at the levy rates for the school district levies.

Based on the taxing district’s certified levy requests, certified taxable values of the district, and the grand total taxes reported in the 2018 Assessments and Levies Due in 2019, adjusted by removing the omit tax amount and adding the joint taxing district levy amounts, the Department found the following underlevies.

Auburn School District No. 408 (joint district with Pierce County) levy information:

Levy Type	Certified Budget Request (includes 2018 underlevy error correction*)	Total Taxable Value of the district	Amount Levied	Underlevy Amount**
Bond	\$29,051,637	\$13,005,654,007	\$26,714,244.55	\$2,337,265.14
Cap. Project	\$ 3,674,539	\$13,005,654,007	\$ 3,374,279.10	\$ 300,208.33

*Underlevy correction amount for the bond levy is \$2,301,014 and \$290,683 for the capital project levy.

** The underlevy amounts includes rounding due to the Assessor’s use of a levy rate extending five digits past the decimal.

Without seeing the Assessor’s detailed calculations for these two levies, it is unclear to the Department what caused the underlevies for the Auburn School District.

Action needed to meet requirement

The Assessor is required to take the following action(s):

- Notify the taxing district of the levy errors. 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.

- When there is an underlevy error, the Department interprets the statutes to give the taxing district the option of adjusting the following year's levy by the underlevy amount.
- When there is an overlevy error, the Assessor must implement the correction starting with the 2020 tax year.

Due to the timing of the final audit report, if the Assessor did not have time to coordinate these levy error corrections with the taxing district, the corrections may be implemented during the 2020 levy calculations for the 2021 tax year.

Why it's important

To ensure a taxing district is not levying more or less than statutes allow and the taxpayers pay the correct amount of property taxes.

City of Bothell – Levy lid lift

Requirement

The Assessor is required to levy the lesser of the voter approved levy rate, for the first year of the lid lift, or the taxing districts certified levy request.

What the law says

The Revised Code of Washington provides the following property tax levy limitations:

- Property tax must be levied or voted in specific amounts. (RCW 85.52.010)
- Growth limit. (RCW 84.55.010 and RCW 84.55.120)
- Statutory maximum rate limit. (RCW 84.52.043 and others)
- \$5.90 aggregate limit. (RCW 84.52.043)
- Constitutional one percent limit. (RCW 84.52.010)

What we found

The voters in the City of Bothell approved a multiple year, temporary levy lid lift that was on the November 27, 2018, ballot. The ballot title states the following:

“If approved, this proposition would increase public safety funding for additional fire and EMS, police officers, mental health professionals, support staff, and other public safety expenses. The maximum 2019 levy would be \$1.96/\$1,000 of assessed value (an estimated \$220 increase on a \$500,000 home). The limit factor on levy increases for the next five years would equal inflation, measured by CPI-W. The 2024 levy would be used to calculate levy limits under state law through 2030.”

This proposition meets the requirement in RCW 84.55.050(2), setting the levy rate for the first year of the lid lift, index used to determine the limit factor for the following five years, and the purpose for the increased revenue. It also expressly states the conditions of the lid lift as referenced in RCW 84.55.050(4), setting levy rate, for the first year of the lid lift, at a rate less than the district’s statutory maximum levy rate and limiting the period in which the increased levy will be made.

The district certified a levy request in the amount of \$21,694,088. The levy amount generated using the voter approved rate of \$1.96 per thousand dollars assessed value generates revenue in the amount of \$22,329,256.88. The lesser of these two limitations is the district’s certified levy request, \$21,694,088. The Assessor levied \$21,715,420.38. This results in an overlevy of \$21,332.38.

Action needed to meet requirement

The Assessor is required to take the following action(s):

- Notify the taxing district of the overlevy. If the correction of the error 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.

- Start the levy error correction process with the 2019 levy calculations for the 2020 tax year by either adding the full amount of the error, one-half of the levy error, or one-third of the levy error to the lesser of the district's levy limitations. When increasing the district's levy capacity due to new construction, etc., use the levy rate that would have been certified if the error had not occurred in the prior year, \$1.90424 per thousand dollars assessed value.
- Calculate the levy rate for the 2020 tax year as if the levy error correction had not occurred during the 2020 tax year and carry that levy rate forward to the 2021 tax year levy calculations when increasing the district's levy capacity due to new construction, etc. The Assessor may find completing the Department's levy limit worksheet, REV 64 0007, helpful to track the correction and correct levy rate to carry forward to the next tax year.

Due to the timing of the final audit report, if the Assessor did not have time to coordinate the levy error correction with the taxing district, the correction may be implemented during the 2020 levy calculations for the 2021 tax year.

Why it's important

The Assessor must acknowledge all of the applicable levy limitations, and not levy in excess of the lesser limitation to ensure the correct amount of property is levied for the taxing district.

Taxing district certified levy requests

Requirement

The Assessor is required to levy the lesser of the regular levy limitations.

What the law says

The Revised Code of Washington provides the following property tax levy limitations:

- Property tax must be levied or voted in specific amounts. (RCW 85.52.010)
- Growth limit. (RCW 84.55.010 and RCW 84.55.120)
- Statutory maximum rate limit. (RCW 84.52.043 and others)
- \$5.90 aggregate limit. (RCW 84.52.043)
- Constitutional one percent limit. (RCW 84.52.010)

What we found

The Assessor levied in excess of the certified levy request or authorized increased amount plus the prior year's levy for the district listed in the table below:

Taxing District	Certified Levy Request	Levy Authorized by District's Adoption of Tax Increase	Amount Levied by Assessor	Overlevy Amount
Fire District No. 13	\$4,683,565.00	\$4,685,449.56	\$4,685,449.41	\$1,884.41

The Levy Specialist explained that they used the information in the district's resolution/ordinance authorizing an increase over their prior year's levy amount to determine the district's budget for the 2019 tax year.

She also stated they provide their taxing districts with an estimated levy limit worksheet in September. These worksheets were also provided to the Department for the levy audit. Since the assessment roll had not been frozen at the time of the calculation for these worksheets, the actual limitations are subject to change. If the taxing district submitted a budget requesting the full amount stated on the estimated worksheet, the Assessor based their actual levy amount, using the frozen assessment information in December/January, as the highest amount allowed.

Action needed to meet requirement

The Assessor is required to take the following action(s):

- Do not levy in excess of any of the statutory levy limitations, which include the certified levy request from the taxing district.
- If the Assessor believes the district's intent is to levy more than the estimated information provided to them early in the levy process, they should obtain written confirmation from the district as to their actual amount intended to levy.
- Notify the taxing district of the overlevy. If the correction of the error 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.
- Start the levy error correction process with the 2019 levy calculations for the 2020 tax year by either adding the full amount of the error, one-half of the levy error, or one-third of the levy error to the lesser of the district's levy limitations. When increasing the district's levy capacity due to new construction, etc., use the levy rate that would have been certified if the error had not occurred in the prior year.
- Calculate the levy rate for the 2020 tax year as if the levy error correction had not occurred during the 2020 tax year and carry that levy rate forward to the 2021 tax year levy calculations when increasing the district's levy capacity due to new construction, etc. The Assessor may find completing the Department's levy limit worksheet, REV 64 0007, helpful to track the correction and correct levy rate to carry forward to the next tax year.

Due to the timing of the final audit report, if the Assessor did not have time to coordinate the levy error correction with the taxing district, the correction may be implemented during the 2020 levy calculations for the 2021 tax year.

Why it's important

The Assessor must acknowledge all of the applicable levy limitations, and not levy in excess of the lesser limitation to ensure the correct amount of property is levied for the taxing district.

Regional Fire Service Authority No. 62

Requirement

The Assessor is required to include the certified refund levy amount in the levy limit calculations.

What the law says

Taxing districts, other than the state, may levy for refunds made or to be made, plus abated or canceled taxes offset by supplemented taxes made within the prior 12 months. The refund levy amount is outside of the levy limit, aka 1 percent growth limit. (RCW 84.69.180)

Washington Supreme Court stated in 1980 that law does not require or authorize assessors to inquire into or certify the legality of taxes that have been properly certified to them. (Hoppe v. King County, supra, at p. 339)

What we found

The lesser of the levy limitations for the district is their levy limit (aka one percent growth limit).

The taxing district did not include a refund levy amount in their levy certification dated November 8, 2018, but the Assessor included a refund levy amount of \$29,629 in their levy limit calculations, for a total levy of \$17,264,674.76. The Assessor should have levied \$17,235,212.64. This results in an overlevy in the amount of \$29,462.12. The difference between the refund levy amount incorrectly included in the levy calculations and the overlevy amount is due to the use of a levy rate extending five digits past the decimal.

Action needed to meet requirement

The Assessor is required to take the following action(s):

- Do not levy in excess of any of the statutory levy limitations, which include the certified refund levy request from the taxing district.
- If the Assessor believes the district's intent is to levy more than the estimated information provided to them early in the levy process, they should obtain written confirmation from the district as to their actual amount intended to levy.
- Notify the taxing of the overlevy. If the correction of the error 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.
- Start the levy error correction process with the 2019 levy calculations for the 2020 tax year by either adding the full amount of the error, one-half of the levy error, or one-third of the levy error to the lesser of the district's levy limitations. When increasing the district's levy capacity due to new construction, etc., use the levy rate that would have been certified if the error had not occurred in the prior year.
- Calculate the levy rate for the 2020 tax year as if the levy error correction had not occurred during the 2020 tax year and carry that levy rate forward to the 2021 tax year levy calculations when increasing the district's levy capacity due to new construction, etc. The Assessor may find completing the Department's levy limit worksheet, REV 64 0007, helpful to track the correction and correct levy rate to carry forward to the next tax year.

Due to the timing of the final audit report, if the Assessor did not have time to coordinate the levy error correction with the taxing district, the correction may be implemented during the 2020 levy calculations for the 2021 tax year.

Why it's important

If the taxing district does not specify a specific amount of funds they wish to levy for refunding purposes, the Assessor does not have the necessary information to know how much to increase the district's levy limit since the funds levied for refunding purposes are outside of the limitations in chapter 84.55 RCW.

Sound Transit

Requirement

The Assessor is required to include the certified refund levy amount in the levy limit calculations.

The Assessor is required to increase the taxing district's prior year's levy by the lesser of the dollar increase or percentage increase stated in the taxing district's resolution/ordinance authorizing an increase over the prior year's levy.

The Assessor is required to increase a levy's highest lawful levy since 1985 by multiplying certain taxable values by the levy's prior year's levy rate or the levy rate that should have been used if a levy error or levy error correction had not occurred in the prior year.

What the law says

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

The county legislative authority is required to certify the amount to be levied for each of the taxing districts, including the county, to the county assessor on or before November 30, of each year. If the certification is made after November 30 and the assessor has certified the assessed values to the taxing districts at least 12 business days before November 30, the assessor may not levy any more than the certified levy amount for the previous year for the taxing district. (RCW 84.52.070)

Washington Supreme Court stated in 1980 that law does not require or authorize assessors to inquire into or certify the legality of taxes that have been properly certified to them. (Hoppe v. King County, supra, at p. 339)

If a taxing district, other than the state, wishes to increase their regular levy they must adopt a separate ordinance or resolution specifically authorizing the increase in terms of both dollars and percentage. This increase does not include an increase due to new construction, increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, improvements to property, and increase in the assessed value of state-assessed property. (RCW 84.55.120)

Taxing districts may levy an additional amount of funds calculated by multiplying the regular property tax levy rate for the preceding year by in the increase in taxable value for new construction, increased value for construction of wind turbine, solar, biomass, and geothermal facilities, improvements to property, and increases in assessed value of sate-assessed property in the current year. When an calculating this increase, if a levy error occurred or a levy error correction occurred in the prior year, the increase is based on what the levy rate would have been if the error or correction had not occurred. (RCW 84.55.010, RCW 84.52.085, and WAC 458-19-005)

What we found

The district requested a refund levy in the amount of \$115,272 in their levy certification to the King County Legislative Authority. The Assessor included a refund levy on behalf of the district in the amount of \$162,386. The Assessor stated the district's refund levy request did not include refunds made within Pierce County, thus they added the additional \$47,114 to the levy calculations.

The district adopted Resolution No. R2018-47 authorizing an increase in the amount of "...\$1,435,886 which is a percentage increase of 0.98 percent from the previous year". The district levied \$145,845,096 for the 2018 tax year (aka prior tax year). A 0.98 percent increase equals \$1,429,282 this is less than the district's dollar increase stated in the resolution. The Assessor increased the district's levy based on the dollar increase stated in Resolution No. R2018-47, \$1,435,886 instead of the lesser increase, which is the percentage increase of 0.98 percent.

Following the Assessor's review of the Department's draft levy audit they provided the Department a corrected copy of their 2018 tax year levy limit worksheet for the district reflecting a levy rate of \$0.22748 that would have been used if a levy error had not occurred during the 2018 tax year. The Assessor also provided the Department with a corrected copy of their 2019 tax year levy limit worksheet. It appears there was a typographical error on the Assessor's corrected 2019 tax year levy worksheet listing the prior year's levy rate at \$0.22749 instead of \$0.22748.

The combination of these errors result in a total overlevy of \$54,066.59.

Action needed to meet requirement

The Assessor is required to take the following action(s):

- Notify the taxing district of the overlevy. If the correction of the error 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.
- Start the levy error correction process with the 2019 levy calculations for the 2020 tax year by either adding the full amount of the error, one-half of the levy error, or one-third of the levy error to the lesser of the district's levy limitations. When increasing the district's levy capacity due to new construction, etc., use the levy rate that would have been certified if the error and levy error correction had not occurred in the 2019 tax year, \$0.2069 per thousand dollars assessed value.
- Calculate the levy rate for the 2020 tax year as if the levy error correction had not occurred during the 2020 tax year and carry that levy rate forward to the 2021 tax year levy calculations when increasing the district's levy capacity due to new construction, etc. The Assessor may find completing the Department's levy limit worksheet, REV 64 0007, helpful to track the correction and correct levy rate to carry forward to the next tax year.
- Do not levy in excess of any of the statutory levy limitations, which include the certified refund levy request from the taxing district.

Due to the timing of the final audit report, if the Assessor did not have time to coordinate the levy error correction with the taxing district, the correction may be implemented during the 2020 levy calculations for the 2021 tax year.

Why it's important

The Assessor must ensure the levy amounts are not exceeded, thus not levying more than the district is entitled to and requiring the taxpayers to pay more property taxes than they are statutorily required to.

Tax roll certification

Requirement

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

What the law says

The assessor must deliver the tax rolls to the treasurer, on or before the fifteenth day of January, taking a receipt from the treasurer. The assessor must also supply the 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 certified the tax roll to the King County Treasurer after the January 15 deadline on January 24, 2019. The certification document did not include a receipt from the King County Treasurer.

Action needed to meet requirement

The Assessor is required to take the following action(s):

- Certify the completed tax roll to the King County Treasurer on or before January 15, including an acknowledgement of receipt from the King County Treasurer.

Why it's important

Statutory deadlines exist to provide a timely, orderly process for property taxation.

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.

Use of the Department's Levy Limit Worksheet

Recommendation

The Department strongly recommends the Assessor complete the Department's levy limit worksheets, REV 64 0007 for their regular and excess levies and REV 64 0034 for their school excess levies using their final certified levy information.

What we found

The Assessor supplied the Department with a similar worksheet for the regular levies that they created using estimated taxable values, but not final values. The Assessor's customized form does not include all of the levy limit information, such as the district's certified levy request.

Action recommended

The Department recommends the Assessor:

- Use the Department's levy limit worksheets to double check with levy limitations with their computer software's limitations.

Why it's important

The use of the Department's levy limit worksheets would provide all of the levy limit information in one location. This will not only be beneficial to the Assessor's staff, but the taxing districts, and provide transparency of the levy limit process.

Certification of levies to the assessor

Recommendation

The Department recommends the Assessor notify the King County Council of the statutory deadline of November 30 to certify the levy requests for most taxing districts within King County to the Assessor.

What we found

The Assessor certified the taxable values of the taxing districts on November 28, 2018. This does not meet the deadline to certify values to the districts at least 12 business days before November 30. (RCW 84.48.130 and RCW 84.52.070)

The King County Council certified the levy requests for King County and taxing districts located within King County to the Assessor using Ordinance 18850. This ordinance was approved by the council on December 10, 2018, and signed by the Clerk of the Council on December 20, 2018.

Since the Assessor did not certify the taxable values to the taxing districts timely and the King County Council did not certify the levy requests to the Assessor timely, the levy consequence in RCW 84.52.070(3) does not apply.

The tax amounts listed in Ordinance 18550 are summed per taxing district rather than listing the individual levy amounts for the district's regular levies, excess levies, and refund levies.

The King County Council adopted Ordinance 2152 requiring the taxing districts located in King County to include their customized levy certification form as part of their formal resolution of the district's governing body. This document provides sections to identify specific levy amounts for the district's regular levies, excess levies, and special levies.

Action recommended

The Department recommends the Assessor:

- Continue educating the King County Council regarding the requirement to certify the levy requests for the taxing districts within King County to the Assessor on or before November 30.

Why it's important

Statutory deadlines exist to provide a timely, orderly process for property taxation. When the levy requests are not certified to the Assessor timely, it could result in a taxing district being limited to the levy amount certified on their behalf from the prior levy year. This limitation may cause a loss of funds for the taxing districts. It also puts the Assessor at risk of not meeting their statutory deadline to certify the tax roll to the county treasurer on or before January 15. When the January 15 deadline is missed it results in delay of receipt of property taxes from the taxpayers and distribution of taxes to the taxing districts.

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 2022. 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
(360) 534-1400
<http://dor.wa.gov>

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, chapter 3
- https://dor.wa.gov/sites/default/files/legacy/Docs/Pubs/Prop_Tax/LevyManual.pdf

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.

References and forms:

- 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.

The county legislative authority must certify the amount to levy or budget estimates 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 and forms:

- 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 levies)
- Port districts
- Public utility districts
- Conservation futures
- Criminal justice
- Emergency medical services
- Affordable housing
- 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
- Only school district enrichment levies are 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
Enrichment	Schools	2-4 years
Maintenance & Operational (M&O)	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 standing timber were taxable as real property for all excess levy calculations.

Components of TAV

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

- Composite tax rate
- County Timber Assessed Value (TAV)
- Total County 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 Enrichment	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: King County Library (Joint with Snohomish & Pierce)												
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?
2018 2019	118,002,523.00	101.00000%	119,182,548.23	5,950,700,506	2,183,371.52	0	0.00	121,365,919.75	363,713,389,116	0.500000000000		
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								
2018 2019	118,213,000.00	0.790%	119,146,882.70	2,183,371.52	0.00	121,330,254.22	200,000.00	122,200,000.00	181,856,694.56	121,565,919.75	121,530,254.22	
Assmt Taxes	Current Year's	Levy Correction	Total Levy	Actual	Actual Levy	Correct	Over/Under	New Highest	Levy Rate			
Year Due	Max Levy		w/ Correction	Amount	Rate	Levy Rate	Levy	Lawful Levy Since	Without Levy	Error & Levy		
				Levied				1985	Error Correction			
2017 2018					.36691							
2018 2019	121,530,254.22	33,981.00	121,564,235.22	121,552,002.00	.33419	.33423	(12,233.22)	121,365,919.75	0.334130000000			

Appendix B

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

Levy Limit Calculation for District: Fire No. 63												
Assmt Taxes	Highest	Limit	Highest	State Assd	Tax Added	Annexed	Tax Added	Levy	Assd	Stat	<input type="checkbox"/> Annexed to Library? <input type="checkbox"/> Annexed to Fire? <input type="checkbox"/> Firemen's Pension? <input type="checkbox"/> Lid Lift?	
Year Due	Lawful Levy	Factor	Lawful plus Increase	New Const	for State Assd New Const	Value	for Annex.	Limit	Value	Rate Max.		
Since 1985*												
2018 2019	16,686,307.00	101.00000%	16,853,170.07	311,421,232	287,173.97	0	0.00	17,140,344.04	20,530,236,409	1.000000000000		
Actual Levy:							Refund		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 Increase	for State Assd New Const	for Annex.	Levy by Res.		Budget	Stat. Rate Maximum	Plus Refund	Levy By Res. Plus Refund	
Levy												
2018 2019	16,601,604.00	\$443,742.00	17,045,346.00	287,173.97	0.00	17,332,519.97	0.00	17,146,098.00	20,530,236.41	17,140,344.04	17,332,519.97	
Assmt Taxes	Current Year's	Levy Correction	Total Levy	Actual	Actual Levy	Correct	Over/Under	New Highest		Levy Rate		
Year Due	Max Levy		w/ Correction	Amount Levied	Rate	Levy Rate	Levy	Lawful Levy Since 1985	Without Levy Error or Levy Error Correction			
2017 2018					.92214							
2018 2019	17,140,344.04	84,703.00	17,225,047.04	17,146,098.00	.83532	.83515	(78,949.04)	17,140,344.04	0.834880000000			

Appendix C

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

Excess Levy Calculation: Auburn No. 408 (King and Pierce)														
Ballot Data Type & 1st Year	Budget	Refund	Total Levy Per Budget	Per Pupil Limit	\$1.50 Max. Limit	Lesser Levy Limit	Real & Personal Taxable Value	TAV	Total Value	Levy Rate	Total County AV x Rate	County Levy Rate	County Levy	Over/Under
Bond*	29,015,408.00	36,229.00	29,051,637.00	n/a	n/a	29,051,637.00	13,005,581,647	72,360	13,005,654,007	2.233760000000	29,051,509.69	2.054060000000	26,714,244.55	(2,337,265.14)
Cap. Proj.**	3,665,000.00	9,539.00	3,674,539.00	n/a	n/a	3,674,539.00	13,005,581,647	72,360	13,005,654,007	0.282530000000	3,674,487.43	0.259450000000	3,374,279.10	(300,208.33)
Enrichment	45,400,000.00	65,182.00	45,465,182.00	40,519,650.00	19,508,836.72	19,508,836.72	13,005,581,647	309,501	13,005,891,148	1.500000000000	19,508,836.72	1.500000000000	19,508,619.52	(217.20)
*\$29,015,408 levy request plus \$2,301,014 levy error correction from 2018 tax year.								Pierce no TAV						
** \$3,665,000 levy request plus \$290,683 levy error correctin from 2018 tax year.														

Appendix D

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

Levy Limit Calculation for District: City of Bothell											
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	<input checked="" type="checkbox"/> Annexed to Library? <input type="checkbox"/> Annexed to Fire? <input type="checkbox"/> Firemen's Pension? <input type="checkbox"/> Lid Lift?	
2018 2019									11,392,477,998	1.960000000000	
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 Lid Lift Rate	Levy Limit Plus Refund	Authorized Levy By Res. Plus Refund
2018 2019							7,413.00	21,694,088.00	22,329,256.88		
Assmt Taxes Year Due	Current Year's Max Levy	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Over/Under Levy						
2017 2018			0								
2018 2019	21,694,088.00	21,715,420.38	1.906120000000	1.90424	21,332.38						

Appendix E

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

Levy Limit Calculation for District: Fire No. 13												
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 checked="" type="checkbox"/>	Lid Lift?
2018 2019	4,395,028.00	106.000000%	4,658,729.68	12,278,375	18,417.56	0	0.00	4,677,147.24	3,272,820,963	1.500000000000		
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								
2018 2019	4,395,039.00	\$263,702.00	4,658,741.00	18,417.56	0.00	4,677,158.56	8,291.00	4,683,565.00	4,909,231.44	4,685,438.24	4,685,449.56	
Assmt Taxes	Current Year's	Levy Correction	Total Levy	Actual	Actual Levy	Correct	Over/Under		New Highest	Levy Rate	Without Levy	
Year Due	Max Levy		w/ Correction	Amount	Rate	Levy Rate	Levy		Lawful Levy Since	Error or Levy	Error Correction	
				Levied					1985			
2017 2018					1.5							
2018 2019	4,683,565.00	0.00	4,683,565.00	4,685,449.41	1.43162	1.43104	1,884.41		4,677,147.24	1.431040000000		

Appendix F

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

Levy Limit Calculation for District: Fire No. 62														
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?
2018 2019	16,856,234.00	101.00000%	17,024,796.34	272,782,585	210,416.30	0	0.00	17,235,212.64	24,427,481,454	1.000000000000				
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			
2018 2019	16,909,625.00	2.300%	17,298,546.38	210,416.30	0.00	17,508,962.68	0.00	17,264,841.00	24,427,481.45	17,235,212.64	17,508,962.68			
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	New Highest Lawful Levy Since 1985	Levy Rate Without Levy Error or Levy Error Correction					
2017 2018					.77137									
2018 2019	17,235,212.64	0.00	17,235,212.64	17,264,674.76	.70632	.70556	29,462.12	17,235,212.64	0.705560000000					

Appendix G

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

Levy Limit Calculation for District: Sound Transit														
Assmt Taxes	Highest	Limit	Highest	State Assd	Tax Added	Annexed	Tax Added	Levy	Assd	Stat	<input type="checkbox"/> Annexed to Library? <input type="checkbox"/> Annexed to Fire? <input type="checkbox"/> Firemen's Pension? <input type="checkbox"/> Lid Lift?			
Year Due	Lawful Levy	Factor	Lawful plus Increase	New Const	for State Assd New Const	Value	for Annex.	Limit	Value	Rate Max.				
Since 1985*														
2018	2019	145,843,930.00	101.00000%	147,302,369.30	13,761,198,634	3,130,397.47	0	0.00	150,432,766.77	727,386,289,152	0.250000000000			
Actual Levy:										Summary of Levy Limits:				
Assmt Taxes	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			
2018	2019	145,845,096.00	0.980%	147,274,377.94	3,130,397.47	0.00	150,404,775.41	115,272.00	151,500,000.00	181,846,572.29	150,548,038.77	150,520,047.41		
Assmt Taxes	Current Year's Max Levy	Levy Correction	Total Levy w/ Correction	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Over/Under Levy	New Highest Lawful Levy Since 1985	Levy Rate Without Levy Error or Levy Error Correction					
2017	2018				.22748									
2018	2019	150,520,047.41	21,176.00	150,541,223.41	150,595,290.00	0.20700	.20696	54,066.59	150,432,766.77	0.206930000000				