City of Sequim
Adopted Budget 2024



Last updated 11/28/23

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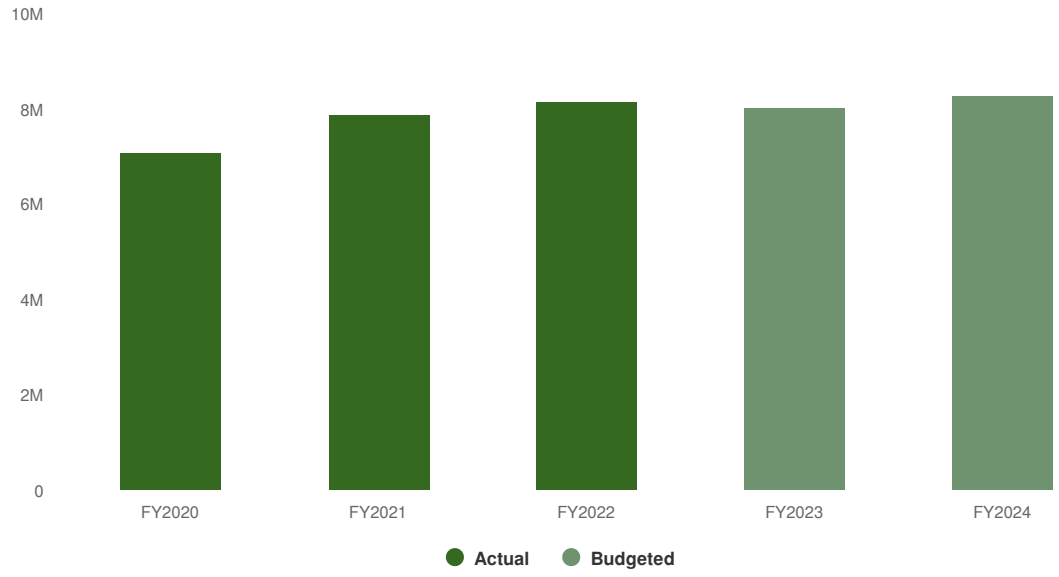
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FUNDING SOURCES

General Fund Revenues - Taxes Including B&O

$8,280,019 $257,505
(3.21% vs. prior year)

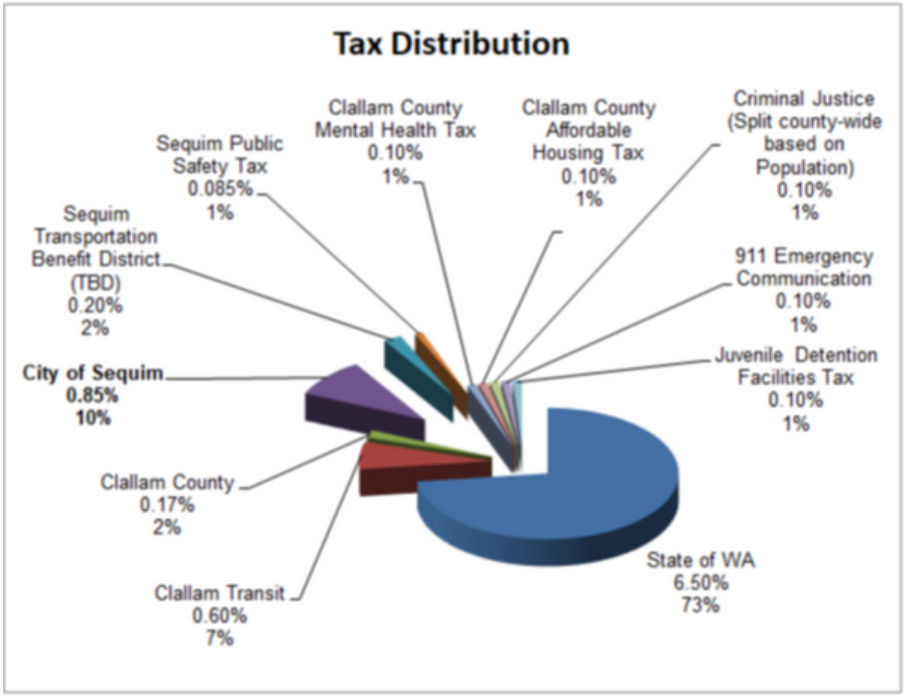
General Fund Revenues Proposed and Historical Budget vs. Actual



Revenues by Source

Name	FY2020 Actuals	FY2021 Actuals	FY2022 Actuals	FY2023 Adopted	FY2024 Budgeted	FY2023 Adopted vs. FY2024 Budgeted ($ Change)	FY2023 Adopted vs. FY2024 Budgeted (% Change)
Revenue Source							
Taxes							
All City & General Fund Summary							
Real & Personal Property Tax	$1,600,665	$1,667,891	$1,714,954	$1,755,080	$1,818,840	$63,760	3.6%
Sales & Use Tax	$3,557,529	$4,224,238	$4,372,721	$4,192,431	$4,320,017	$127,586	3%
WATER B&O	$201,532	$212,129	$223,401	$217,336	$228,843	$11,507	5.3%
SEWER B&O	$356,741	$372,459	$378,491	$399,838	$405,000	$5,162	1.3%
Electric-BusinessOccTax	$684,322	$712,713	$761,168	$744,033	$804,940	$60,907	8.2%
Garbage-BusinessOccTa	$212,032	$227,946	$239,993	$234,259	$245,620	$11,361	4.8%
Cable-BusinessOccTax	$103,482	$119,317	$86,062	$88,437	$86,062	-$2,375	-2.7%
Telephone-Business Occ Tax	$159,573	$110,810	$129,102	$161,300	$130,000	-$31,300	-19.4%
Leasehold Excise Tax	$48,438	$51,082	$55,313	$51,872	$53,955	$2,083	4%
Interest on Excise Tax		$0				$0	N/A
Total All City & General Fund Summary:	**$6,924,314**	**$7,698,584**	**$7,961,203**	**$7,844,586**	**$8,093,277**	**$248,691**	**3.2%**
Police Department							
Criminal Justice Tax	$137,132	$169,555	$185,093	$177,928	$186,742	$8,814	5%
Total Police Department:	**$137,132**	**$169,555**	**$185,093**	**$177,928**	**$186,742**	**$8,814**	**5%**
Total Taxes:	**$7,061,446**	**$7,868,139**	**$8,146,297**	**$8,022,514**	**$8,280,019**	**$257,505**	**3.2%**
Total Revenue Source:	**$7,061,446**	**$7,868,139**	**$8,146,297**	**$8,022,514**	**$8,280,019**	**$257,505**	**3.2%**

8.90% Sales Tax Distribution - Within the City Limits



Distribution of Sales Tax Dollars		Estimated Annual Sequim Sales	Estimated Tax Revenue Generated
Total Tax %	**8.90%**	***$508,237,294***	***$45,233,119***
State of WA	6.50%		*33,035,424*
Clallam Transit	0.60%		*3,049,424*
Clallam County	0.17%		*838,592*
City of Sequim	**0.85%**		***4,320,017***
Sequim Transportation Benefit District (TBD)	0.20%		*1,016,475*
Sequim Public Safety Tax	0.085%		*432,002*
Clallam County Mental Health Tax	0.10%		*508,237*
Clallam County Affordable Housing Tax	0.10%		*508,237*
Criminal Justice (Split county-wide based on Populatic	0.10%		*508,237*
911 Emergency Communication	0.10%		*508,237*
Juvenile Detention Facilities Tax	0.10%		*508,237*

2023 Example of Sales Tax Collection

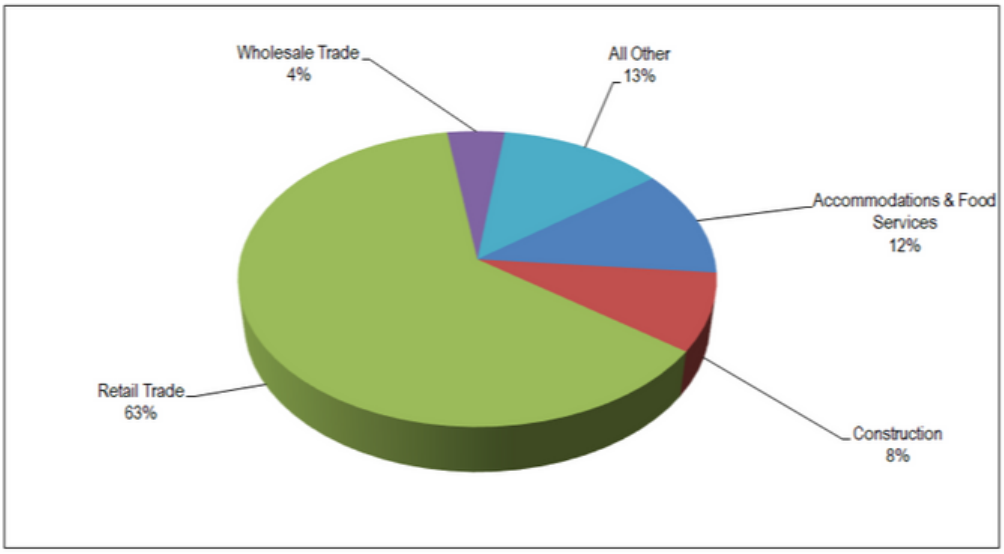


Sequim Sale	Total Sales Tax	State Share	All Other Share	City Of Sequim Share
$1,000	*$89*	*$65*	*$13*	***$11***
$5,000	*$445*	*$325*	*$63*	***$57***
$10,000	*$890*	*$650*	*$127*	***$114***
$25,000	*$2,225*	*$1,625*	*$316*	***$284***

The taxable base includes all retail sales of personal property to state residents and some types of professional services. Exclusions are food products consumed off the premises and prescription services drugs. Sales taxes are remitted by the retailers to the WA State Department of Revenue by the 25th of the month following sales (for most taxpayers). The Department of Revenue distributes the local government's share (less administrative fees) on the last day of the month following remittance to the State.

Annual Sales Tax by Industry - Estimate based on 2023 Forecast

Annual Sales Tax by Industry - Estimate based on 2023 Forecast



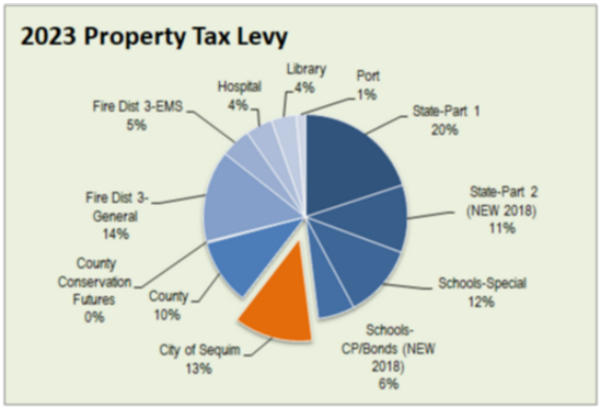
	2019 Actual	2020 Actuals	2021 Actuals	2022 Actuals	2023 Forecast	2024 Budget	2024-2023 Amount	%
Accommodations & Food Services	434,965	379,028	475,437	516,988	503,181			
Construction	438,049	293,034	425,159	409,737	365,559	Budget detail		
Retail Trade	2,218,391	2,370,048	2,675,324	2,690,394	2,692,231	by Industry not		
Wholesale Trade	130,115	120,375	124,503	189,685	189,230	available		
All Other	397,784	420,230	542,908	575,241	541,887			
State Adjustments	(29,201)	(25,186)	(19,095)	(9,325)	8,601			
Total	**$ 3,590,102**	**$ 3,557,529**	**$ 4,224,237**	**$ 4,372,720**	**$ 4,300,689**	**$ 4,320,017**	**$ 19,328**	**0.45%**
Estimated Annual Sequim Sales	*$ 422,364,941*	*$ 418,532,824*	*$ 496,969,059*	*$ 514,437,647*	*$ 505,963,412*	*$ 508,237,294*		

Distribution of Sequim Property Tax Dollars

	2021			2022			2023		
Taxing District	Levy Rate per $1,000 Valuation	Percent of Levy	Tax on a $250k Home	Levy Rate per $1,000 Valuation	Percent of Levy	Tax on a $250k Home	Levy Rate per $1,000 Valuation	Percent of Levy	Tax on a $250k Home
State-Part 1	1.900	20%	475	1.793	23%	448	1.562	20%	390
State-Part 2 (NEW 2018)	1.022	11%	256	0.966	12%	241	0.835	11%	209
Schools-Special	1.226	13%	306	1.109	14%	277	0.903	12%	226
Schools-CP/Bonds (NEW 2018)		0%	-	0.562	7%	141	0.455	6%	114
City of Sequim	**1.273**	**14%**	**318**	**1.148**	**15%**	**287**	**0.977**	**12%**	**244**
County	1.083	12%	271	0.988	13%	247	0.813	10%	203
County Conservation Futures	0.026	0%	6	0.023	0%	6	0.019	0%	5
Fire Dist 3-General	1.346	14%	336	1.279	16%	320	1.132	14%	283
Fire Dist 3-EMS	0.500	5%	125	0.453	6%	113	0.370	5%	93
Hospital	0.446	5%	112	0.406	5%	102	0.334	4%	84
Library	0.412	4%	103	0.376	5%	94	0.309	4%	77
Port	0.150	2%	37	0.137	2%	34	0.113	1%	28
Total Levy	**9.384**	**100%**	**2,346**	**9.241**	**118%**	**2,310**	**7.822**	**100%**	**1,956**

Property Taxes (RCW 84.52)

The County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Taxes are levied in November on the property value listed as of the prior May 31, and becomes a lien as of January 1. Assessed values are established by the County Assessor at 100% of the fair market value and are adjusted each year by the County Assessor based on market value changes. A physical verification of each property is made at least once every six years and the estimated assessed value is then changed to reflect the physical verification.



Taxes are due in two equal installments on April 30th and October 31st. Collections are remitted the month following collection to the appropriate taxing district by the County Treasurer.

A City is permitted by law to levy up to $3.60 per $1,000 of assessed valuation for general governmental services. This amount does not include voter approved special levies, and may be reduced for any of the following reasons:

A. The Washington State Constitution limits the total regular property taxes to 1% of assessed value, of which a city may levy up to $3.60 per $1,000 of assessed value. If the taxes of all districts exceed this amount, each is proportionately reduced until the total is at or below the 1% limit.

B. Growth of the regular property tax levy before new construction and annexations is currently limited to 1% for cities with a population of less than 10,000. Prior to 2001, Washington State law (RCW 84.55.010) limited the growth of regular property taxes to 6% per year, before adjustments for new construction and annexations.

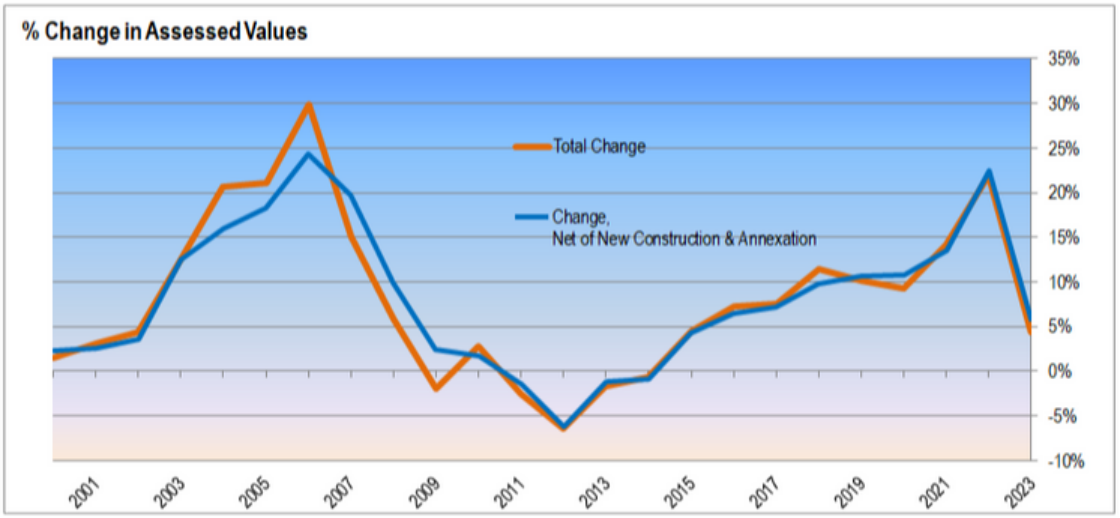
C. The City may levy taxes below the legal limit. Special levies approved by the voters are not subject to the above limitations.

D. Library Districts (North Olympic Library System) are entitled to $.50 per $1,000 of assessed valuation. Fire Districts (Fire District 3-General) are entitled to $1.50 per $1,000 of assessed valuation.

The Library and Fire District levies are deducted from the $3.60 maximum available to cities. Any year in which the Library or the Fire District do not utilize their full levy, a city may assess the unused portion subject to the limitations listed above.

Assessed Values

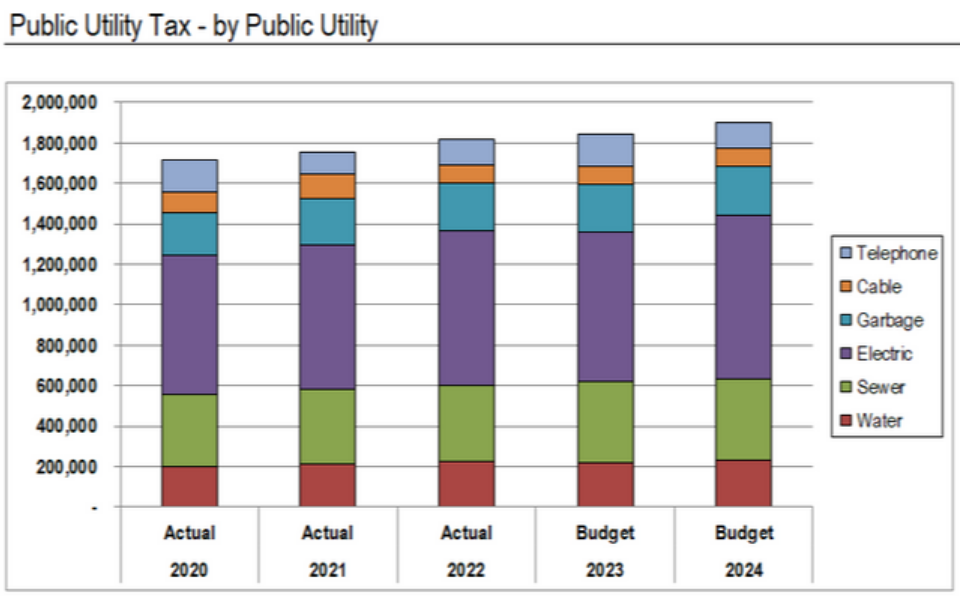
Assessment Yr.	Collection Yr.	Total Tax Collections	Total Assessed Valuation (incl. New Construction & Annexation)	New Construction	Annexation	Total Change	Change, Net of New Construction & Annexation
2023	2024	1,818,840	1,900,000,000	16,665,000		4.39%	5.62%
2022	2023	1,778,659	1,820,084,367	36,914,025	-	21.89%	22.51%
2021	2022	1,714,128	1,493,196,143	37,649,354	-	14.15%	13.51%
2020	2021	1,664,763	1,308,100,815	25,769,571	-	9.31%	10.76%
2019	2020	1,611,688	1,196,659,049	38,898,334	-	10.20%	10.69%
2018	2019	1,538,503	1,085,922,040	39,986,813	-	11.50%	9.78%
2017	2018	1,462,655	973,941,010	21,181,704	-	7.49%	7.12%
2016	2017	1,413,614	906,086,629	16,658,560	-	7.33%	6.45%
2015	2016	1,379,800	844,245,082	8,524,443	201,044	4.55%	4.26%
2014	2015	1,354,031	807,498,734	6,118,573	-	-0.63%	-0.92%
2013	2014	1,359,320	812,601,422	3,760,106	-	-1.66%	-1.16%
2012	2013	1,342,846	826,359,277	8,030,406	-	-6.48%	-6.20%
2011	2012	1,338,578	883,664,857	11,284,939	-	-2.60%	-1.45%
2010	2011	1,385,322	907,241,564	20,457,733	1,585,754	2.75%	1.69%
2009	2010	1,233,066	882,919,973	11,496,585	970,739	-1.91%	2.51%
2008	2009	1,160,061	900,145,266	46,458,065	4,529,465	5.75%	9.89%
2007	2008	1,096,381	851,183,997	66,253,363	12,228,125	15.07%	19.70%
2006	2007	1,039,810	739,682,945	84,711,905	9,418,060	29.85%	24.32%
2005	2006	876,384	569,637,795	48,311,540	2,050,930	21.07%	18.24%
2004	2005	793,783	470,495,733	29,855,770	1,475,195	20.70%	16.03%
2003	2004	774,707	389,806,532	11,312,760	-	12.48%	12.59%
2002	2003		346,554,900	8,022,745	2,358,590	4.36%	3.58%
2001	2002		332,077,932	7,521,730	-	3.03%	2.59%
2000	2001		322,322,567	5,324,205	636,155	1.48%	2.36%
1999	2000		317,636,346	8,142,335	422,570		



Property Tax

The statutory maximum increase of the tax levy without voter approval is 1%
plus
the taxable value of new construction and improvements, annexations and increases in State of Washington assessed utility values.

Public Utility Tax - by Public Utility



Tax Rate*	Public Utility	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2024 Budget	2024-2023 Amount	%
8%	Water	201,532	212,129	223,401	217,336	228,843	11,507	5%
8%	Sewer	356,741	372,459	378,491	399,838	405,000	5,162	1%
6%	Electric	684,322	712,713	761,168	744,033	804,940	60,907	8%
8%	Garbage	212,032	227,946	239,993	234,259	245,620	11,361	5%
5%	Cable	103,482	119,317	86,062	88,437	86,062	(2,375)	-3%
6%	Telephone	159,573	110,810	129,102	161,300	130,000	(31,300)	-19%
	Total	$ 1,717,682	$ 1,755,373	$ 1,818,216	$ 1,845,203	$ 1,900,465	$ 55,262	3%

*The tax rate is imposed upon the public utility's gross receipts.