



Pend Oreille County Levy Audit

A Summary Report

03/08/2013
Department of Revenue, Property Tax Division

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Overview

Purpose

The primary purpose of a levy audit by the Department of Revenue (Department) is to assist the county assessor in successfully performing the duties associated with levying 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.

Method of Calculation

The Department calculated the levy limits and levy rate for several of the taxing districts for the 2013 tax year. To determine whether an error occurred, the Department compared the amount levied for the districts with the levy limit, the statutory rate limit, the amount authorized by each districts' resolution, and the levy amount certified by the districts.

Information Reviewed

Below is the information that the Department reviewed for the 2013 tax year.

- Resolutions adopted by the districts
- Levy certificates (budgets)
- Ballot measures
- Levy limit worksheets
- The State levy letter

The scope of the audit did not include the review of earmarked funds.

Taxing Districts Selected

Below are the taxing districts that the Department reviewed for the 2013 tax year:

- ❖ Pend Oreille County and Road
- ❖ City/Towns: Newport, Cusick, and Metaline Falls
- ❖ Fire Districts: 2, 4, and 6
- ❖ Hospital District No.1
- ❖ Cemetery Districts Nos. 1 and 3
- ❖ Pend Oreille Library
- ❖ Sacheen Lake Sewer and Water
- ❖ School Districts: Newport, Cusick, and Selkirk

Executive Summary

Introduction This report contains the results of the Department's audit of Pend Oreille County Assessor's levy calculations for the 2013 tax year.

Objectives The objectives of the audit are to assist the Pend Oreille County Assessor (Assessor) in the levy process, to ensure that taxing districts levy the correct amount of property tax revenues, and to ensure that limits have not been exceeded.

Audit Results The following items were discovered in the Department's audit:

- The regular levies were within the limitations governing property taxes.
- The excess levies were within the limitations governing property taxes.
- The Assessor's levy paperwork was both organized and detailed, which reduces the possibility of errors in the levy calculations.
- Pend Oreille County General Fund:
 1. The county legislative authority resolution did not comply with RCW 84.55.120.
 2. It is unclear what amount the county legislative authority intended to levy for the 2013 tax year.
- It is apparent that the Assessor takes great care in ensuring that the levy calculations are within the limits of the law.

Within the scope of this audit, the Assessor has calculated the levies correctly.

Findings and Recommendations

Pend Oreille County General Fund

During the levy audit, we discovered the following:

1. The county legislative authority resolution did not comply with RCW 84.55.120.
2. It is unclear what amount the county legislative authority intended to levy for the 2013 tax year.

Resolutions: RCW 84.55.120 states in part: “*the ordinance shall specifically state for each year the dollar increase and percentage change in the levy from the previous year.*”

On December 3, 2012, the county legislative authority adopted Resolution No. 2012-31, which lists the dollar amount and percentage increase over the highest lawful levy rather than the previous year’s actual levy. The Assessor however explained that the county legislative authority’s dollar amount excludes the prior year’s road shift of \$600,000.

The Resolution is a public disclosure of the amount of increase over the previous year’s actual levy. The prior year’s actual levy should include the road shift.

Budgets/Levy Certification: RCW 84.52.020 requires most taxing districts to certify a budget or budget estimate on or before November 30. Provided that the assessor has not certified assessed values as required by RCW 84.48.130 at least twelve working days prior to November 30. 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.

The budget is the first and most important limit on taxation. A taxing district that intends to levy a property tax must certify an amount to levy.

The following table displays the budget data provided by the county legislative authority for the Pend Oreille County General Fund:

Date	Document	Budget Amount
December 3, 2012	Levy Certification	\$1,820,000
January 2, 2013	Resolution No. 2012-31	\$1,812,742

It is unclear what amount the county legislative authority intended to levy for the 2013 tax year. If the county legislative authority adopts additional certified budget information which is contradictory to the levy certificate, contact the district and verify what amount is to be used during the levy process.

Continued on next page

Findings and Recommendations, Continued

Pend Oreille County General Fund *continued*

Moreover; the Assessor listed \$1,776,187, as the certified levy amount in his levy computation worksheet. During the levy process the Assessor excluded the amounts for the Veterans and Mental Health earmarked funds from the total certified budget amount as listed in Resolution No. 2012-31.

Earmarked funds are levies created for very specific purposes or services. Earmarked funds come from within a district's regular levy. From the County General levy, funds are directed to specific programs such as Veterans' Assistance and County Mental Health.

Once the County General levy is calculated, the Assessor allocates revenue to the earmarked funds based on the budget amount and statutory limitations.

1. The earmarked funds should be included in the calculation for the County General Fund.
2. The Assessor should not calculate separate levy limits for the Veterans' Assistance Fund or County Mental Health Fund.
3. The Assessor's Levy Calculation Summary Report (levy computation worksheet) label should list County General Fund rather than County Current Expense.

Conclusion

The Assessor's method of calculation did not result in taxpayers paying an incorrect amount of tax overall for the County General levy.

Recommendation

The Department recommends the Assessor take the following actions:

- Continue educating taxing districts regarding the requirements for increasing their levies over the previous year's levy amount. Specifically, resolutions authorizing increases should state both the dollar increase and the percentage increase in terms of the previous year's levy.
- If the certified budget information is unclear contact the taxing district, note the date, time and who you spoke with authorizing the change.
- Do not calculate separate levy limits for the earmarked funds.
- On the Levy Calculation Summary Report (levy computation worksheet) change the title of the taxing district's name from County Current Expense to County General Fund.

Reference

RCW 84.55.120
RCW 71.20.110
RCW 73.08.080

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 that can be levied by a taxing district, other than the state, 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 component calculated by multiplying the increase in assessed value of the district from the previous year attributable to new construction, improvements to property, wind turbines and any increase in the assessed value of state assessed property, by the actual regular property tax levy rate of that district for the preceding year, or the last year the taxing district levied taxes.

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

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

Reference

RCW 84.55.010
RCW 84.55.0101
WAC 458-19-020

Statutory

The statutory rate limit varies by district. These limits are found in the

Rate Limit various statutes for each type of district. *The Property Tax Levies Operation Manual* also provides the statutory maximum rate for each type of district. 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) and in the levy manual, chapter 3.

Reference

RCW 84.52.043
Property Tax Levy Operation Manual,
http://dor.wa.gov/Docs/Pubs/Prop_Tax/LevyManual.doc, (chapter 3)

**Resolutions/
Ordinances**

The amount authorized by a district in its resolution or ordinance is another limitation on taxation.

- 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.
- If a district does not adopt a resolution, the district cannot levy more than it received in the previous year, other than the amount resulting from new construction, improvements to property, newly constructed wind turbines, and increases in state-assessed property.

Reference

RCW 84.55.120
<http://dor.wa.gov/docs/forms/PropTx/Forms/OrdinanceResolution>

**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:* this 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 county 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
<http://dor.wa.gov/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 to be prorated, in the 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 purposes

Reference

RCW 84.52.043

1 Percent Constitution 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, a Constitutional limit of 1 percent was adopted by the voters. 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 PUD levies). It does not apply to excess levies approved by the voters.

Reference

RCW 84.52.050

RCW 84.52.010

Article 7 § 2 Washington State Constitution

Refunds

Types of Refunds

There are two types of refunds :

- Adjudicated
- Administrative

Use this table to decide how to levy for a refund.

If the refund is a...	Then...	And...
adjudicated refund (court ordered)	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: When adding a refund to the levy, the statutory rate limit cannot be exceeded.

Reference

RCW 84.68.040 (Adjudicated refund)

WAC 458-19-085 (Adjudicated and administrative)

RCW 84.69.180 and RCW 84.69.020 (Administrative refund)

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 are subject to limitations
 - Excess levies are not subject to the statutory limitations placed on regular levies
-

Excess Levies

This table lists types of excess levies:

Type of Levy	Taxing District	Duration
Bond	Most districts	Long term debt usually 15 – 20 years
Maintenance & Operation (M&O)	School and Fire Districts	2 – 4 years
General	Most districts except school and fire districts	1 year
Technology	School	2 – 6 years
Transportation 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

DOR Publication: [Ballot Measure Requirements for Voted Levies](#)

Timber Assessed Value (TAV)

What is Timber Assessed Value

Timber assessed value is used both to determine 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 was 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

Once these calculations have been made, 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 should 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%
Capital Project	100%
Transportation Vehicle	100%
School M&O	50% of TAV or 80% of the 1983 timber roll, whichever is greater
All other excess levies	100%

Reference

RCW 84.52.080 (2)

Assessor Guidelines

Introduction According to WAC 458-19-010 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. 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 budget but no resolution	the district's levy is the lesser of the following: <ol style="list-style-type: none"> 1. Previous year's levy <i>plus</i> any increase resulting from new construction, improvements to property, newly constructed wind turbines, and the value of state-assessed property, 2. Current year's certified budget, 3. Levy limit (zero percent increase), 4. Statutory maximum amount.
a resolution, but no budget or levy certificate	the assessor does not have the statutory authority to levy on behalf of the taxing district.
a certified budget and resolution	the districts 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, newly constructed wind turbines, and the value of state-assessed property values, 2. Current year's certified budget, 3. Levy limit (up to 1 percent depending on the population of the district), 4. Statutory maximum amount.
neither a certified budget nor a resolution	the assessor does not have the statutory authority to levy on behalf of a taxing district.

Appendix

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

Highest Lawful Levy Calculation: Pend Oreille County General Fund																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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.	Limit Per Stat. Rate Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2011	2012														2,355,848	1.7425590022	
2012	2013	1,755,848	1%	1,773,406	22,574,605	39,338	-	-	1,812,744	1,359,055,615	1.800000	2,446,300	1,812,744	-	2,212,744	1.6281484625	
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res. Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Road Shift	Actual Amount Levied	Correct Levy Amount	Correct Levy Rate	Under/Over Levy
2012	2013	2,355,848	0.74529%	2,373,406	39,338	-	0	2,412,743	1,812,744	1,812,742	2,446,300	1,812,742	400,000	2,212,744	2,212,742	1.6281467627	2

Highest Lawful Levy Calculation: Pend Oreille County Road																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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.	Limit Per Stat. Rate Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2011	2012														1,175,677	0.9968856549	
2012	2013	1,775,677	1%	1,793,434	20,163,341	20,101	-	-	1,813,535	1,190,977,588	2.250000	2,679,700	1,813,535	-	1,413,535	1.1868693452	
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res, Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Road Shift	Actual Amount Levied	Correct Levy Amount	Correct Levy Rate	Under/Over Levy
2012	2013	1,775,677	1%	1,793,434	20,101	-	0	1,813,535	1,813,535	1,820,000	2,679,700	1,813,535	400,000	1,413,535	1,413,535	1.1868693452	0

Highest Lawful Levy Calculation: City of Newport																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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.	Limit Per Stat. Rate Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2011	2012														260,701	2.0945639728	
2012	2013	260,701	1%	263,308	2,071,073	4,338	-	-	267,646	119,826,042	3.243277	388,629	267,646	-	267,646	2.2336201341	
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res, Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Under/Over Levy	
2012	2013	260,701	1%	263,308	4,338	-	0	267,646	267,646	280,000	388,629	267,646	267,646	2.2336201341	2.2336201341	0	

\$3.60 than annexed to the Library at a rate of \$.356722

Highest Lawful Levy Calculation: Town of Cusick																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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.	Limit Per Stat. Rate Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2011	2012														27,254	2.2353390330	
2012	2013	27,265	1%	27,538	-	-	-	-	27,538	11,984,822	3.243277	38,870	27,538	-	27,527	2.2968167571	
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res, Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Under/Over Levy	
2012	2013	27,254	1%	27,527	-	-	0	27,527	27,538	28,000	38,870	27,527	27,527	2.2968167571	2.2968167571	0	

\$3.60 than annexed to the Library at a rate of \$.356722

Highest Lawful Levy Calculation: Town of Metaline Falls																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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.	Limit Per Stat. Rate Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2011	2012														21,999	1.9763863681	
2012	2013	21,999	1%	22,219	-	-	-	-	22,219	10,907,221	3.243277	35,375	22,219	-	22,219	2.0370633363	
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res, Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Under/Over Levy	
2012	2013	21,999	1%	22,219	-	-	0	22,219	22,219	24,000	35,375	22,219	22,219	2.0370633363	2.0370633363	0	

\$3.60 than annexed to the Library at a rate of \$.356722

Highest Lawful Levy Calculation: Fire District 2																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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.	Limit Per Stat. Rate Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2011	2012														102,952	0.5115894943	
2012	2013	106,439	1%	107,504	3,134,502	1,604	-	-	109,107	200,913,158	1.500000	301,370	109,107	-	105,585	0.5255248638	
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res, Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Under/Over Levy	
2012	2013	102,952	1%	103,981	1,604	-	0	105,585	109,107	108,000	301,370	105,585	105,585	0.5255248638	0.5255248638	0	

Highest Lawful Levy Calculation: Fire District 4																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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.	Limit Per Stat. Rate Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2011	2012														251,964	1.0403047178	
2012	2013	252,313	1%	254,837	766,588	797	-	-	255,634	243,024,003	1.500000	364,536	255,634	-	255,281	1.0504345120	
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res, Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Under/Over Levy	
2012	2013	251,964	1%	254,483	797	-	0	255,281	255,634	260,000	364,536	255,281	255,281	1.0504345120	1.0504345120	0	

Highest Lawful Levy Calculation: Fire District 6																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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.	Limit Per Stat. Rate Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2011	2012																
2012	2013	75,843	1%	76,602	2,272,335	1,208	-	-	77,810	144,748,948	1.500000	217,123	77,810	-	75,627	0.5317100046	
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res. Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Under/Over Levy	
2012	2013	75,627	1%	76,383	1,208	-	0	77,592	77,810	78,000	217,123	77,592	77,592	0.5360425832	0.5360425832	0	

Highest Lawful Levy Calculation: Hospital District 1																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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.	Limit Per Stat. Rate Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2011	2012																
2012	2013	407,287	1%	411,360	19,621,625	7,037	-	-	418,396	1,137,099,337	0.750000	852,825	418,396	-	404,832	0.3586136859	
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res. Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Under/Over Levy	
2012	2013	404,832	1%	408,880	7,037	-	0	415,917	418,396	420,000	852,825	415,917	415,917	0.3657698465	0.3657698465	0	

Highest Lawful Levy Calculation: Pend Oreille Cemetery District 1																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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.	Limit Per Stat. Rate Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2011	2012																
2012	2013	111,578	1%	112,693	19,621,625	1,939	-	-	114,633	1,137,099,337	0.112500	127,924	114,633	-	111,577	0.0988391491	0.1008114914
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res. Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Under/Over Levy	
2012	2013	111,578	1%	112,693	1,939	-	0	114,633	114,633	120,000	127,924	114,633	114,633	0.1008114914	0.1008114914	0	

Highest Lawful Levy Calculation: Pend Oreille Cemetery District 3																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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.	Limit Per Stat. Rate Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2011	2012																
2012	2013	6,689	1%	6,756	2,849,697	117	-	-	6,873	158,730,687	0.112500	17,857	6,873	-	6,414	0.0408929298	0.0415455897
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res. Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Under/Over Levy	
2012	2013	6,414	1%	6,478	117	-	0	6,595	6,873	6,700	17,857	6,595	6,595	0.0415455897	0.0415455897	0	

Highest Lawful Levy Calculation: Pend Oreille County Library District																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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.	Limit Per Stat. Rate Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2011	2012																
2012	2013	474,840	1%	479,589	22,574,602	7,885	-	-	487,473	1,359,055,615	0.500000	679,528	487,473	-	472,199	0.3492728655	0.3567221640
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res. Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Under/Over Levy	
2012	2013	472,198	1%	476,920	7,885	-	0	484,805	487,473	490,000	679.528	484,805	484,805	0.3567221640	0.3567221640	0	

Highest Lawful Levy Calculation: Pend Oreille County State Levy																	
Assmt Year	Taxes Due	Highest Lawful Levy Since 1985*	% Increase Authorized	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	Levy Rate	Limit Per State Letter Maximum	Highest Lawful Levy	Refund	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate
2012	2013	-	-	-	-	-	-	-	-	1,359,055,615	-	-	-	-	3,379,216	2.4864442358	
Actual Levy																	
Assmt Year	Taxes Due	Previous Year's Levy	% Increase Authorized	Previous Yr's Levy plus Increase	Tax Added for State Assd New Const	Tax Added for Annex.	Refund Amount	Authorized Levy by Res. Plus Refund	Levy Limit Plus Refund	Certified Budget	Limit Per Stat. Rate Maximum	Current Year's Max Levy	Actual Amount Levied	Actual Levy Rate	Correct Levy Rate	Under/Over Levy	
2012	2013	-	-	-	-	-	-	-	-	3,379,216	-	3,379,216	3,379,216	2.4864442358	2.4864442358	0	

The following worksheet contains excess levy calculations for the districts in this audit.

Excess Levy Calculation: Sacheen Lake Sewer and Water District												
Ballot Data		Department Calculations										
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	
M & O	2013	60,545	-	60,545	72,885,230	-	72,885,230	0.8306895650	60,545	0.8306895650	60,545	-
Excess Levy Calculation: Newport School District No. 56/415 (joint district w/Spokane) Pend Oreille is the parent												
Ballot Data		Department Calculations										
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	2005	550,000	-	550,000	764,490,193	25,977,240	790,467,433	0.6957908410	550,000	0.6957908410	550,000	-
M & O	2012	1,410,240	-	1,410,240	764,490,193	12,988,620	777,478,813	1.8138629329	1,410,240	1.8138629329	1,410,240	-
Excess Levy Calculation: Cusick School District No. 59												
Ballot Data		Department Calculations										
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	
M & O	2012	294,300	-	294,300	314,093,490	28,504,104	342,597,594	0.8590252972	294,300	0.8590252972	294,300	-
Excess Levy Calculation: Selkirk School District No. 70												
Ballot Data		Department Calculations										
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	
M & O	2013	499,500	-	499,500	216,645,363	28,431,983	245,077,346	2.0381320761	499,500	2.0381320761	499,500	-