



**TO:** T.C. Broadnax, City Manager  
**FROM:** *rw* Tadd Wille, Budget Director  
 Andy Cherullo, Finance Director *AR*  
**COPY:** City Council and City Clerk  
**SUBJECT:** Request for Ordinance to Approve the EMS Tax Levy on November 17, 2015  
**DATE:** October 28, 2015

**SUMMARY:**

The City of Tacoma is required by state law to annually approve the Emergency Medical Services (EMS) levy on property taxes. Staff recommends that the City Council set the amount of revenue from the EMS property tax levy at \$9,438,164.29.

**STRATEGIC POLICY PRIORITY:**

- Strengthen and maintain a strong fiscal management position.

**BACKGROUND:**

Pursuant to RCW 84.52.020 and RCW 84.52.070, the City of Tacoma must pass an ordinance that identifies the estimated revenues raised by taxation on the assessed valuation of the property in the city.

**ISSUE:**

The City of Tacoma must take two actions to set the EMS property tax levy for 2016:

- Approve the total EMS levy amount to be collected – State law requires that the City adopt an ordinance that states how much in property taxes the City is requesting to collect in 2016.
- Approve the percentage and dollar increase over the prior year’s actual EMS levy – State law requires that the City Council approve a separate ordinance or resolution that states the percentage and dollar increase of this year’s levy request over the prior year’s actual levy. This action establishes the City’s highest allowable levy amount.

The City has the authority to increase the total EMS levy amount to \$10,142,815.45 in 2016. However, the assessed values in the EMS property tax boundary have declined in recent years and increased the EMS property tax levy’s rate above the maximum rate of \$0.50 per \$1,000 of assessed value (see table below).

	Maximum Levy Allowed in 2016	2015 Assessed Value	Max Levy Rate (per \$1,000 AV)	Rate Limit (per \$1,000 AV)	Rate Limited Levy
Emergency Medical Services Property Tax	\$10,142,815.45	\$18,876,328,585	\$0.55	\$0.50	\$9,438,164.29

Due to the rate limit of \$0.50 per \$1000 in assessed value, this ordinance will set the estimated EMS property tax levy at \$9,438,164.29. This is an increase of \$494,578.76 (+5.5%) over last year’s levy



amount of \$8,943,585.53. There is no change in the rate paid by property owners. This revenue amount is consistent with revenues budgeted for 2016.

**ALTERNATIVES:**

Pursuant to RCW 84.52.020 and RCW 84.52.070 the City of Tacoma is required to pass an ordinance to set the amount of revenue from the EMS property tax levy; therefore, staff has not identified an alternative.

**RECOMMENDATION:**

Staff recommends that the City Council approve the ordinance to set the estimated amount of revenue from the EMS property tax levy at \$9,438,164.29.

**FISCAL IMPACT:**

EMS property tax of \$9,438,164.29 is consistent with the property tax projected in the 2015-2016 Proposed Budget. In 2016, staff anticipated property tax revenues to be approximately \$9 million due to historical collection rates of 95%.

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
<b>TOTAL</b>			

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
1155- TFD EMS Special Revenue Fund	609100 - TFD EMS Spec Rev	4311100 – Property Tax	\$8,966,256
<b>TOTAL</b>			<b>\$8,966,256</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** None

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** Yes