



TO: T.C. Broadnax, City Manager
FROM: Tadd Wille, Budget Officer
 Andy Cherullo, Finance Director
COPY: City Council and City Clerk
SUBJECT: Request for Ordinance to Approve the EMS Tax Levy on November 19, 2013
DATE: November 1, 2013

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 \$8,286,028.

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 2014:

- 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 2014.
- 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 \$10,218,595 in 2014. 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 2014	2013 Assessed Value	Max Levy Rate (per \$1,000 AV)	Rate Limit (per \$1,000 AV)	Rate Limited Levy
Emergency Medical Services Property Tax	\$10,218,595	\$16,572,055,726	\$0.62	\$0.50	\$8,286,028

Due to the rate limit of \$0.50 per \$1000 in assessed value, this ordinance will set the estimated EMS property tax levy at \$8,286,027.86. This is an increase over last year’s total levy amount of \$8,006,972.85. There is no change in the rate paid by property owners. This revenue amount is consistent with revenues budgeted in 2014.

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 \$8,286,027.86.

FISCAL IMPACT:

There is no fiscal impact.