



**TO:** Elizabeth Pauli, City Manager  
**FROM:** Reid Bennion, Budget Officer, Office of Management and Budget  
Andy Cherullo, Director of Finance  
**COPY:** City Council and City Clerk  
**SUBJECT:** Ordinance - Dollar and Percent Increase for the 2024 EMS Tax Levy – November 21, 2023  
**DATE:** October 18, 2023

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**SUMMARY AND PURPOSE:**

The City of Tacoma is required by state law to annually approve the Emergency Medical Services (EMS) levy on property taxes. In August 2023, voters approved a levy of \$0.50 per \$1000 assessed property tax to fund improvements to the Emergency Medical Services (EMS). Staff recommends that the City Council authorizes a 74.27204% or \$9,089,651.14 dollar increase to the City’s actual levy from 2023, based on voter approval. By authorizing the increase, the City is allowing the regular levy be set at the highest allowable levy amount.

**BACKGROUND:**

**This Department’s Recommendation is Based On:** In order to increase the City’s highest lawful EMS levy, the City is required to pass an ordinance that authorizes the percent and dollar increase over the district’s actual levy from the previous year.

The City of Tacoma must take two actions to set the EMS property tax levy for 2024:

- 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 2024.
- 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.

This ordinance will allow the EMS levy to be set at the highest allowable amount under statutory rate limitation, \$21,327,972.68. The highest allowable levy is a 74.27204% or \$9,089,651.14. increase over the previous year’s actual levy of \$12,073,041.41. With changes to state valuation of \$527.32, EMS property tax is estimated at \$21,328,500.00, which is consistent with the 2024 Mid-Biennium Modification property tax projection.

The assessed values in the EMS property tax boundary have increased since 2012 and the current valuation is \$42,655,945,369.00. The EMS levy rate, approved by voters for the year 2024, is \$0.50 per \$1,000 in assessed value, which is the maximum rate under statutory rate limitation.

**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

A public hearing will be held on November 21, 2023.



**2025 STRATEGIC PRIORITIES:**

**Equity and Accessibility**

The City’s budget is one of the most basic and important ways that we demonstrate our commitment to the community. In the budget development process, and with this Budget Modification, we are honoring City Council Resolution No. 40622, which directs staff to keep anti-racism as a top priority in budget development and to prioritize anti-racism in the planning of an economic recovery strategy.

**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. .

**EVALUATION AND FOLLOW UP:**

The Office of Management and Budget will continue to produce reports for budget versus actuals in the 2023-2024 biennium and provide quarterly updates to City Council.

**STAFF/SPONSOR RECOMMENDATION:**

Staff recommends that the City Council authorize an \$9,254,931.27 increase to the City’s actual EMS Levy amount from 2023, which is a percentage increase of 76.66%

**FISCAL IMPACT:**

EMS property tax of \$21,327,972.68 is consistent with the EMS property tax projected in the 2024 Proposed Mid Biennium Budget modification. With change in stat assessed valuation of \$527.32, EMS property tax is estimated at \$21,328,500.00 which is consistent with the EMS property tax projected in the 2024 Proposed Mid Biennium Budget modification. In 2024, staff anticipated property tax revenues to be approximately \$20.8 million due to historical collection rates of 97.5%.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1155- TFD EMS Special Revenue Fund	609100 - TFD EMS Spec Rev	4311100 – Property Tax	\$ 20,795,288
<b>TOTAL</b>			



City of Tacoma

City Council Action Memorandum

**What Funding is being used to support the expense?**

Revenues collected from Property tax and EMS

**Are the expenditures and revenues planned and budgeted in this biennium's current budget?**

**NO, PLEASE EXPLAIN BELOW**

This Ordinance adopts expenditures and revenues for next year.

**Are there financial costs or other impacts of not implementing the legislation?**

**YES**

Failing to adopt the 2024 Budget will result in the City being out of compliance with RCW 35.34.

**Will the legislation have an ongoing/recurring fiscal impact?**

**YES**

**Will the legislation change the City's FTE/personnel counts?**

**NO**

**ATTACHMENTS:**

None