

CITY OF SEATTLE

ORDINANCE \_\_\_\_\_

COUNCIL BILL 117786

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3  
4 AN ORDINANCE relating to Emergency Medical Services; authorizing execution, pursuant to  
5 the Interlocal Cooperation Act, of an agreement with King County regarding the  
6 imposition and allocation of property tax revenues generated by a six-year, voter-  
7 approved King County-wide tax levy for emergency medical services, and approving  
8 the submittal by King County of a proposition to the voters seeking authority to levy  
9 those additional taxes.

10 WHEREAS, King County desires to place before the qualified electors of King County a ballot  
11 proposition authorizing the County to levy additional regular property taxes in amounts  
12 up to thirty cents per thousand dollars of assessed valuation each year, for exactly six  
13 consecutive years, on all taxable property within King County for the support of  
14 emergency medical services ("EMS"), pursuant to the powers granted to it in RCW  
15 84.52.069; and

16 WHEREAS, RCW 84.52.069 does not permit a county-wide regular tax levy for emergency  
17 medical services to be placed on the ballot until after the legislative authority of every  
18 city having a population in excess of fifty thousand within such county has approved  
19 such action; and

20 ~~WHEREAS, State law allows King County to place on the ballot a proposition to authorize tax~~  
21 ~~levies at less than the maximum tax rate as allowed by law to provide for emergency~~  
22 ~~medical services, thereby allowing the City to impose, with its voters' approval, its own~~  
23 ~~EMS tax levy, if it so desires; and~~

24 WHEREAS, King County proposes to carry out its obligation to provide emergency medical  
25 services on a County-wide basis by, among other actions, making funds available for  
26 expenses incurred in the City's independent emergency medical services program by  
27 allocating and transferring to the City that portion of the tax revenues generated by the  
28 County EMS tax levy that is attributable to taxable property within the City of Seattle,  
with certain minimum amounts established; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The placing before the qualified electors of King County, pursuant to the  
powers granted to King County by RCW 84.52.069, of a ballot proposition on November 5,

1 2013, authorizing the County to levy each year for exactly six (6) consecutive years  
2 commencing in 2014 (for collection beginning in 2014) additional regular property taxes  
3 County-wide in amounts up to thirty three and one half cents (\$0.335) per thousand dollars of  
4 assessed valuation on all taxable property within King County, for the support of emergency  
5 medical services ("EMS"), is hereby approved, conditioned upon the execution by King  
6 County, prior to placement of the measure on the ballot, of the interlocal agreement authorized  
7 by Section 2, and subject to the terms of that agreement.

8 Section 2. The Mayor is hereby authorized to execute, for and on behalf of The City  
9 of Seattle, an agreement with King County substantially in the form of the attached Exhibit A,  
10 "Interlocal Cooperation Agreement for Allocation of Property Tax Revenues between The City  
11 of Seattle and King County;" and No deviation from the form of agreement shown in Exhibit A  
12 may reduce the City's right to receive the minimum amounts shown in Paragraph 2-3 of Exhibit  
13 A.

14 Section 3. Execution by the Mayor of the agreement authorized by Section 2 prior to  
15 the effective date of this ordinance is hereby ratified and confirmed.

16 Section 4. This ordinance shall take effect and be in force the later of: (a) thirty (30)  
17 days from and after its approval by the Mayor or, if not approved and returned by the Mayor  
18 within ten (10) days after presentation, the date of Council passage of this bill over the Mayor's  
19 disapproval; or (b) the date the King County Executive signs, on behalf of King County, the  
20 agreement authorized by Section 2, having first been authorized to do so by ordinance or  
21 motion of the King County Council.  
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1 Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2013, and signed by me in  
2 open session in authentication of its passage this \_\_\_\_ day of \_\_\_\_\_, 2013.

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5 \_\_\_\_\_  
6 President \_\_\_\_\_ of the City Council

7 Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2013.

8  
9 \_\_\_\_\_  
10 Mike McGinn, Mayor

11 Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2013.

12 \_\_\_\_\_  
13 City Clerk

14 (Seal)

15  
16 **Exhibit A:** Interlocal Cooperation Agreement for Allocation of Property Tax Revenues  
17 ~~Between the City of Seattle and King County (2014-2019);~~"

INTERLOCAL COOPERATION AGREEMENT FOR ALLOCATION OF  
PROPERTY TAX REVENUES

BETWEEN THE CITY OF SEATTLE

AND

KING COUNTY

(2014—2019)

THIS AGREEMENT is entered into pursuant to the "Interlocal Cooperation Act," codified as Ch. 39.34 RCW, by and between The City of Seattle ("The City") and King County ("The County"); WITNESSETH:

WHEREAS, the County desires to place before the qualified electors of King County a ballot proposition authorizing the County to levy additional regular property taxes County-wide in amounts up to 33.5 cents per thousand dollars of assessed valuation each year for six consecutive years on all taxable property within King County for the support of emergency medical services ("EMS") pursuant to the powers granted to it in RCW 84.52.069; and

WHEREAS, the City operates and funds an emergency medical services program which is independent from, but coordinated with the County's program; and

WHEREAS, a portion of the revenues to be collected pursuant to the County-wide EMS levy will be attributable to taxable property located within the legal boundaries of the City; and

WHEREAS, the parties hereto desire to reimburse and transfer to the City for the support of its emergency medical services program all revenues to be collected pursuant to the County-wide EMS levy from the taxable property located within the legal boundaries of the City of Seattle; and

WHEREAS, the County has determined that the reimbursement and transfer agreement set forth below will not affect the County's ability to provide emergency medical service throughout the County; and

WHEREAS, RCW 84.52.069 provides that no County-wide EMS levy proposal may be placed on the ballot without approval of the legislative authority of the City;

Now, Therefore, the parties agree as follows:

1. The County shall submit to the qualified electors of King County at a general election to be held on November 5, 2013, a proposition authorizing the County to levy additional regular property taxes each year for exactly six consecutive years beginning in 2013 for collection beginning in 2014 on taxable property within the County in amounts up to thirty-three and five-tenths (33.5) cents per thousand dollars of assessed valuation pursuant to RCW 84.52.069 for expenses incurred in the provision of emergency medical services.
2. This Agreement shall commence upon its signing by both parties. This Agreement shall terminate on the later of December 31, 2019, or when all property taxes levied by King County under this Agreement have been collected and the proper share transferred to the City.
3. Upon approval by the qualified electors of King County of the authority for additional regular property tax levies as set forth in RCW 84.52.069 and paragraph 1 of this Agreement, the County shall transfer to the City each year an amount equal to all revenues collected pursuant to the County-wide EMS levy from taxable property located within the legal boundaries of the City.

The total amount transferred shall not be less than the smaller of the following:

- a) All revenues that could be collected under a County-wide EMS levy from taxable property located within the legal boundaries of the City at a levy rate of thirty three and five tenths (33.5) cents per thousand dollars of assessed valuation, accounting for historical rates of undercollection; or
- b) The amount identified for the corresponding tax collection year as “Seattle EMS Levy with Undercollection” set forth in the “Revised Strategic Plan Financial Plan, Dated April 2013” attached as Exhibit 1 as adopted by the County Council in Ordinance 17578; or
- c) All revenues that could be collected under a County-wide EMS levy from taxable property located within the legal boundaries of the City at the highest levy rate that the county is allowed to impose under state law, accounting for historical rates of undercollection.

In any year in which the County has imposed the highest levy allowed under state law, but the distribution of assessed value growth would result in a net transfer of money from the rest of King County to Seattle under “b” above, then Seattle agrees to receive its transfer under “c” above.

~~3. The County shall transfer to the City all revenues collected pursuant to the County-wide EMS levy from taxable property located within the legal boundaries of the City at the levy rate authorized herein.~~

4. Transfer of the revenues set forth in Paragraph 3 above shall be administered by the King County Finance and Business Operations Division of the Department of Executive Services in the manner and at such times as the County transfers revenues produced pursuant to levies listed in or authorized by RCW 84.52.043, provided if the amount to be transferred requires a payment in excess of the actual EMS levy revenues collected within the legal boundaries of the City, the additional transfer amount shall be distributed in the same manner as King County distributes taxes for an annexation.

5. All revenues received pursuant to the County-wide EMS levy and this Agreement shall be used only for the provision of emergency medical care or emergency medical services as specified in RCW 84.52.069(5) and shall be deposited into a special revenue account established by the City for that purpose.

6. In return for the County's agreement to impose taxes and transfer tax proceeds as set forth in Paragraphs 2 and 3 above, the City gives its approval by ordinance for the submission to the qualified electors of King County of the County-wide multi-year additional property tax levy proposition for emergency medical services described in Section 1 above.

7. Nothing in this Agreement shall be deemed to prohibit the City from levying an annual tax levy pursuant to RCW 84.52.052 or a levy pursuant to RCW 84.52.069 to fund emergency medical services.

8. The parties hereto expressly reserve for themselves the right to amend this Agreement. No amendment hereto will be effective unless it is in writing and signed by the authorized representatives of the parties hereto.

KING COUNTY

THE CITY OF SEATTLE

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Acting under authority of

Acting under authority of

Ordinance \_\_\_\_\_

Ordinance \_\_\_\_\_

Approved as to form:

Approved as to form:

\_\_\_\_\_  
Prosecuting Attorney

\_\_\_\_\_  
City Attorney

Attachments:

Exhibit 1 – Revised Strategic Financial Plan, Dated April 2013



**Revised Strategic Plan Financial Plan, Dated April 2013**  
**EMERGENCY MEDICAL SERVICES LEVY OVERVIEW - 65% CI Programmatic (with Buy-Down)**

*This April 2013 revised financial plan is not consistent with the October 2012 tables elsewhere in the Strategic Plan*

Countywide Assessed Value***	\$324,803,175,035	\$340,210,411,137	\$351,364,756,374	\$362,586,731,933	\$377,936,087,573	\$392,704,813,741
Levy Rate (cents per \$1,000 valuation)	0.33500	0.32659	0.32193	0.31766	0.31035	0.30417

REVENUES	2014	2015	2016	2017	2018	2019	2014-2019 Total
Countywide EMS Levy	\$108,809,064	\$111,110,529	\$113,121,076	\$115,179,591	\$117,293,258	\$119,448,708	
Levy collection rate	99.00%	99.00%	99.00%	99.00%	99.00%	99.00%	
Projected Countywide Undercollection	(\$1,088,091)	(\$1,111,105)	(\$1,131,211)	(\$1,151,796)	(\$1,172,933)	(\$1,194,487)	
<b>Countywide EMS Levy with Undercollection</b>	<b>\$107,720,973</b>	<b>\$109,999,424</b>	<b>\$111,989,865</b>	<b>\$114,027,795</b>	<b>\$116,120,326</b>	<b>\$118,254,221</b>	
Projected Seattle Assessed Valuation	\$122,318,653,178	\$128,601,161,687	\$132,825,117,603	\$136,920,166,407	\$142,238,740,806	\$147,336,527,437	
Proportion to Total County Assessed Valuation	37.66%	37.80%	37.80%	37.76%	37.64%	37.52%	
Seattle EMS Levy	\$40,976,749	\$42,000,311	\$42,760,307	\$43,494,169	\$44,144,092	\$44,815,233	
Seattle Levy collection rate	99.00%	99.00%	99.00%	99.00%	99.00%	99.00%	
Projected Seattle Undercollection	(\$409,767)	(\$420,003)	(\$427,603)	(\$434,942)	(\$441,441)	(\$448,152)	
<b>Seattle EMS Levy with Undercollection</b>	<b>\$40,566,981</b>	<b>\$41,580,308</b>	<b>\$42,332,704</b>	<b>\$43,059,228</b>	<b>\$43,702,651</b>	<b>\$44,367,081</b>	<b>\$255,608,953</b>
Projected Net County Portion EMS Levy (Less Seattle)	\$67,153,992	\$68,419,116	\$69,657,161	\$70,968,567	\$72,417,675	\$73,887,140	\$422,503,650
Projected King County Other Revenue	\$510,730	\$537,702	\$793,702	\$997,702	\$1,111,702	\$1,102,702	\$5,054,240
King County Revenue	\$67,664,722	\$68,956,818	\$70,450,863	\$71,966,269	\$73,529,377	\$74,989,842	\$427,557,890
<b>TOTAL REVENUE</b>	<b>\$108,231,703</b>	<b>\$110,537,126</b>	<b>\$112,783,567</b>	<b>\$115,025,497</b>	<b>\$117,232,028</b>	<b>\$119,356,923</b>	<b>\$683,166,844</b>

EXPENDITURES	2014	2015	2016	2017	2018	2019	2014-2019 Total
Advanced Life Support Services -- Seattle	(\$18,579,568)	(\$19,198,767)	(\$19,844,720)	(\$20,532,981)	(\$21,244,839)	(\$21,989,233)	(\$121,390,108)
Advanced Life Support Services -- King County	(\$40,913,876)	(\$42,462,326)	(\$44,076,832)	(\$45,794,986)	(\$47,596,387)	(\$49,494,128)	(\$270,338,535)
<b>Total Advanced Life Support Services</b>	<b>(\$59,493,444)</b>	<b>(\$61,661,093)</b>	<b>(\$63,921,552)</b>	<b>(\$66,327,967)</b>	<b>(\$68,841,226)</b>	<b>(\$71,483,361)</b>	<b>(\$391,728,643)</b>
Basic Life Support Services -- Seattle	(\$20,607,861)	(\$20,582,195)	(\$20,422,089)	(\$20,233,305)	(\$20,041,324)	(\$19,946,686)	(\$121,833,460)
Basic Life Support Services -- King County	(\$15,801,074)	(\$16,335,150)	(\$16,880,744)	(\$17,453,001)	(\$18,055,130)	(\$18,685,254)	(\$103,210,353)
<b>Total Basic Life Support Services</b>	<b>(\$36,408,935)</b>	<b>(\$36,917,345)</b>	<b>(\$37,302,833)</b>	<b>(\$37,686,306)</b>	<b>(\$38,096,454)</b>	<b>(\$38,631,940)</b>	<b>(\$225,043,813)</b>
Regional Services****	(\$8,448,551)	(\$8,682,422)	(\$9,122,414)	(\$9,276,579)	(\$9,596,621)	(\$9,931,543)	(\$55,058,130)
Strategic Initiatives	(\$529,690)	(\$841,781)	(\$1,007,823)	(\$1,196,833)	(\$1,233,496)	(\$1,264,590)	(\$6,074,213)
Regional CMT Units		(\$363,546)	(\$704,299)	(\$679,502)	(\$1,104,770)	(\$1,091,217)	(\$3,943,334)
KC Audit (Compliance, Programmatic/Performance)		(\$160,000)		(\$160,000)			(\$320,000)
<b>TOTAL EXPENDITURES</b>	<b>(\$104,880,620)</b>	<b>(\$108,626,187)</b>	<b>(\$112,058,921)</b>	<b>(\$115,327,187)</b>	<b>(\$118,872,567)</b>	<b>(\$122,402,651)</b>	<b>(\$682,168,133)</b>

<b>DIFFERENCE</b>	<b>\$3,351,083</b>	<b>\$1,910,939</b>	<b>\$724,646</b>	<b>(\$301,690)</b>	<b>(\$1,640,539)</b>	<b>(\$3,045,728)</b>	<b>\$998,711</b>
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RESERVES*	2014	2015	2016	2017	2018	2019	2014-2019 Total
KC ALS Reserves	(\$4,048,500)	(\$4,048,500)	(\$4,048,500)	(\$4,048,500)	(\$4,966,500)	(\$6,339,500)	(\$6,339,500)
KC CMT Reserves			(\$388,424)	(\$739,897)	(\$1,519,484)	(\$1,519,484)	(\$1,519,484)
KC Assessed Valuation Reserve*****	(\$1,545,305)	(\$1,545,305)	(\$1,545,305)	(\$1,545,305)	(\$1,545,305)	(\$1,545,305)	(\$1,545,305)
KC Required Fund Balance/Reserves**	(\$4,051,338)	(\$4,149,104)	(\$4,250,815)	(\$4,352,114)	(\$4,451,498)	(\$4,539,327)	(\$4,539,327)
<b>TOTAL RESERVES</b>	<b>(\$9,645,143)</b>	<b>(\$9,742,909)</b>	<b>(\$10,233,044)</b>	<b>(\$10,685,816)</b>	<b>(\$12,482,787)</b>	<b>(\$13,943,616)</b>	<b>(\$13,943,616)</b>

\* Seattle Medic One programs are backed by the city General Fund, which provides reserve

\*\* Fund Balance Requirement change to reserve in new King County Financial Policies

\*\*\* Assessed Valuation will change prior to 2014 collection. This version reflects the March 2013 projections.

\*\*\*\* New studies = \$50,000 added in 2014 for new initiatives & \$150,000 is added in 2016 for optimal provider study

\*\*\*\*\* AV Reserve is to account for anticipated carryover of additional fund balance

(\$696,111,749)

**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
OIROffice of Intergovernmental Relations (OIR)	Dave Hennes/684-0537	Melissa Lawrie/684-5805

**Legislation Title:** AN ORDINANCE relating to Emergency Medical Services; authorizing execution, pursuant to the Interlocal Cooperation Act, of an agreement with King County regarding the imposition and allocation of property tax revenues generated by a six-year, voter-approved King County-wide tax levy for emergency medical services, and approving the submittal by King County of a proposition to the voters seeking authority to levy those additional taxes.

**Summary of the Legislation:** This Bill authorizes the execution of an Interlocal Agreement between the City and King County with regard to Medic One/Emergency Medical Services (EMS). Specifically, the Interlocal Agreement gives the County approval to submit a proposition on the November 5, 2013 ballot seeking authority to levy 33.5 cents per thousand dollars of assessed property value in order to fund County-wide emergency medical services. In addition, the Agreement allocates the City of Seattle's share of EMS tax revenue based on the assessed value of taxable property within the city limits.

**Background:** In 2007, King County voters last passed a six-year levy to fund Medic One/Emergency Medical Services throughout the County. The last year for which taxes will be collected on that levy is 2013. Because the City's Medic One operation is separate from the County's EMS program, the City and County have executed Interlocal Agreements, whereby the County transfers to the City a portion of EMS tax revenue based on the assessed value of taxable property within the city limits. The attached proposed Bill authorizes the execution of a new six-year Interlocal Agreement with the County, provides the City's approval for the County to place an EMS tax levy proposition on the November 5 ballot, and details the terms by which the County will allocate the City's portion of tax revenues collected from the EMS levy.

Please check one of the following:

This legislation does not have any financial implications.

This legislation has financial implications.

This legislation has only indirect financial implications. It makes no appropriations and does not

directly change any revenue sources. Both appropriations and levy fund revenues are handled as part of the budget process.

If approved by the voters of King County, the levy is projected to raise a total of \$683.1 million from 2014-2019. Of this, Seattle is projected to receive 37%, or \$255.6 million, which is \$40.6 million in 2014 rising to \$44.4 million in 2019. The levy is slated to cover all of the Seattle Fire Department's costs for advanced life support (ALS) service as well as a share of the cost for basic life support (BLS). The Financial Plan overview, with projected revenue and spending amounts as adopted by the King County Council, is shown in Exhibit 1 to the agreement.

### **Other Implications:**

**a) Does the legislation have indirect financial implications, or long-term implications?**

The City's approval of this legislation signals support and partnership with the county and the other member cities for a county-wide regional system for funding and providing emergency medical services. Withholding support threatens the ongoing funding and governance model of the regional system.

**b) What is the financial cost of not implementing the legislation?**

The City would, beginning in 2014, not receive approximately \$401 million annually, rising to \$44 million over for the six year term of the levy, for emergency medical services. Alternate funding — most likely General Subfund — would need to be identified in order to continue emergency medical services, or severe cuts to the City's Medic One services would need to be imposed.

**c) Does this legislation affect any departments besides the originating department?**

Seattle Fire Department emergency medical services and staff would be affected should the King County Medic One/EMS levy renewal not reach the ballot or fail.

**d) What are the possible alternatives to the legislation that could achieve the same or similar objectives.**

There are no other taxing authorities provided in the RCW specifically to fund Medic One/EMS programs. There are no alternative processes specifically authorized to maintain the King County regional EMS levy and system. This authorizing legislation is required of all cities with population greater than 50,000 per RCW 84.52.069 as partners in the King County Medic One/EMS levy and regional system.

State law does authorize cities to impose their own EMS levies in the absence of a County levy, but both jurisdictions cannot place EMS ballot measures before voters at the same time. Pursuing an independent levy would effectively end the nationally recognized, standard-setting regional system which Seattle helped create. The City could also propose a levy lid lift to pay for these services, but this would use up levy capacity that would otherwise remain available for other lid lift eligible purposes. A final alternative, although very unlikely to be realized, would be to secure the projected levy amounts in annual grant funding. For example, the Medic One Foundation raises money

that already supplements the existing Medic One program that is now funded by the Medic One levy and City General Subfund.- No other potential grant sources are known at this time. In the absence of this or other funding sources, cutting other General Fund programs would need to be imposed to fund emergency medical services.

d)e) \_\_\_\_\_ Is a public hearing required for this legislation?  
No.

e)f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?  
No.

f)g) Does this legislation affect a piece of property?  
No.

g)h) \_\_\_\_\_ Other Issues:

List attachments to the fiscal note below:



City of Seattle  
Office of the Mayor

May 14, 2013

The Honorable Sally J. Clark  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Clark:

I am pleased to transmit the attached proposed Council Bill, which authorizes the execution of an Interlocal Agreement between the City and King County with regard to emergency medical services (EMS). Specifically, the Interlocal Agreement gives the County approval to submit a proposition on the November 5, 2013 ballot seeking authority to levy 33.5 cents per thousand dollars of assessed property value for six consecutive years beginning in 2014 in order to fund County-wide emergency medical services. In addition, the Agreement allocates the City of Seattle's share of EMS tax revenue based on the assessed value of taxable property within the city limits.

In 2007, King County voters last passed a six-year levy to fund emergency medical services throughout the county. That levy expires December 31, 2013. Because the City's Medic One operation is separate from the County's EMS program, the City and County have executed Interlocal Agreements whereby the County transfers to the City a portion of EMS tax revenue based on the assessed value of taxable property within the city limits. The attached proposed Bill authorizes the execution of a new six-year Interlocal Agreement with the County, provides the City's approval for the County to place an EMS tax levy proposition on the November 5 ballot, and details the terms by which the County will allocate the City's portion of tax revenues collected from the EMS levy.

The City's Medic One Program and the County's emergency medical services program save an untold number of lives on a daily basis. The approximate \$676 million in anticipated tax revenues from the EMS levy is needed to fund the region's emergency medical services for the next six years. An estimated \$12 million will be held additionally in reserve. Thank you for consideration of this legislation. If you have any questions, please contact Rob Gala in OIR at 233-0073.

Sincerely,

Mike McGinn  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Mike McGinn, Mayor  
Office of the Mayor  
600 Fourth Avenue, 7<sup>th</sup> Floor  
PO Box 94749  
Seattle, WA 98124-4749

Tel (206) 684-4000  
Fax (206) 684-5360  
TDD (206) 615-0476  
[mike.mcginn@seattle.gov](mailto:mike.mcginn@seattle.gov)

