

## EMERGENCY MEDICAL SERVICES LEVY FINANCIAL PLAN

|   | 2006                | 2007                | 2008                | 2009                | 2010                | 2011                | 2012                | 2013                |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | Actuals             | Estimated           | Proposed            | Proposed            | Proposed            | Proposed            | Proposed            | Proposed            |
| <b>BEGINNING FUND BALANCE</b>             | <b>10,733,241</b>   | <b>9,296,940</b>    | <b>6,070,111</b>    | <b>7,478,574</b>    | <b>9,530,365</b>    | <b>12,298,857</b>   | <b>13,976,201</b>   | <b>14,467,537</b>   |
| <b>REVENUES</b>                           |                     |                     |                     |                     |                     |                     |                     |                     |
| Property Taxes                            | 38,112,894          | 39,324,543          | 62,349,590          | 64,065,620          | 65,813,748          | 67,630,570          | 69,508,371          | 71,460,527          |
| State Grants                              | 1,463               | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   |
| Intergovernmental Payment                 | 278                 | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   |
| Charges for Services                      | 80,571              | 82,950              | 52,000              | 54,340              | 56,785              | 59,341              | 62,011              | 64,801              |
| Interest Earnings/Miscellaneous Revenue   | 1,352,798           | 483,574             | 306,541             | 366,450             | 457,458             | 571,897             | 649,893             | 672,740             |
| Other Financing Sources                   | 9,059               | 5,040               | 4,503               | 3,567               | 3,179               | 2,831               | 2,621               | 2,457               |
| Transfer from Current Expense Subfund     | 375,000             | 375,000             | 375,000             | 375,000             | 375,000             | 375,000             | 375,000             | 375,000             |
| <b>EMS REVENUE TOTAL</b>                  | <b>39,932,064</b>   | <b>40,271,107</b>   | <b>63,087,633</b>   | <b>64,864,978</b>   | <b>66,706,170</b>   | <b>68,639,638</b>   | <b>70,597,895</b>   | <b>72,575,526</b>   |
| <b>EXPENDITURES</b>                       |                     |                     |                     |                     |                     |                     |                     |                     |
| Advanced Life Support Services            | (27,445,965)        | (27,945,082)        | (34,558,361)        | (36,100,374)        | (37,869,114)        | (40,021,655)        | (42,274,793)        | (45,408,597) (a)    |
| Bellevue Fire Department                  | (5,719,090)         | (6,210,085)         | (7,368,004)         | (7,602,457)         | (7,870,564)         | (8,237,859)         | (8,631,040)         | (9,048,314)         |
| King County Medic One                     | (12,456,489)        | (11,783,566)        | (14,080,283)        | (14,795,608)        | (15,189,092)        | (15,880,326)        | (16,620,212)        | (17,405,389)        |
| Redmond Fire Department                   | (4,233,568)         | (4,780,238)         | (5,345,018)         | (5,776,283)         | (5,902,923)         | (6,178,394)         | (6,473,280)         | (6,786,235)         |
| Shoreline Fire Department                 | (3,659,425)         | (3,758,230)         | (4,840,864)         | (4,689,502)         | (4,919,102)         | (5,148,662)         | (5,394,400)         | (5,655,196)         |
| Skykomish/King County Fire District 50    | (60,000)            | (60,000)            | (170,058)           | (178,911)           | (187,592)           | (196,243)           | (205,509)           | (215,346)           |
| Vashon Fire Department                    | (1,317,393)         | (1,352,963)         | (1,603,505)         | (1,688,221)         | (1,770,877)         | (1,853,518)         | (1,941,984)         | (2,035,871)         |
| New Units/Unallocated                     | N/A                 | N/A                 | (907,463)           | (937,900)           | (1,579,607)         | (2,059,465)         | (2,522,081)         | (3,755,693) (b)     |
| Outlying Area Service Levels              | N/A                 | N/A                 | (243,167)           | (431,491)           | (449,356)           | (467,189)           | (486,285)           | (506,554) (c)       |
| Basic Life Support Services               | (9,420,513)         | (9,674,868)         | (14,390,254)        | (14,886,717)        | (15,333,319)        | (15,738,118)        | (16,163,048)        | (16,599,450) (d)    |
| Auburn Fire Department                    | (360,914)           | (371,121)           | (574,225)           | (594,040)           | (611,863)           | (628,018)           | (644,976)           | (662,392)           |
| Bellevue Fire Department                  | (1,164,786)         | (1,208,884)         | (1,862,757)         | (1,927,035)         | (1,984,852)         | (2,037,257)         | (2,092,268)         | (2,148,765)         |
| Black Diamond Fire Department             | (48,770)            | (50,087)            | (63,976)            | (66,184)            | (68,170)            | (69,970)            | (71,859)            | (73,799)            |
| Bothell Fire Department                   | (190,302)           | (201,298)           | (316,243)           | (327,156)           | (336,972)           | (345,869)           | (355,208)           | (364,800)           |
| Duvall Fire Department                    | (110,372)           | (110,372)           | (145,444)           | (150,463)           | (154,977)           | (159,069)           | (163,364)           | (167,775)           |
| Eastside Fire and Rescue                  | (949,850)           | (949,850)           | (1,328,850)         | (1,374,704)         | (1,415,950)         | (1,453,334)         | (1,492,578)         | (1,532,881)         |
| Enumclaw Fire Department                  | (230,549)           | (230,549)           | (285,744)           | (295,604)           | (304,473)           | (312,512)           | (320,951)           | (329,617)           |
| Kent Fire and Life Safety                 | (759,340)           | (775,056)           | (1,190,773)         | (1,231,863)         | (1,268,823)         | (1,302,323)         | (1,337,489)         | (1,373,605)         |
| King County Fire District 2               | (227,173)           | (239,292)           | (374,201)           | (387,114)           | (398,729)           | (409,256)           | (420,307)           | (431,656)           |
| King County Fire District 20              | (106,458)           | (112,317)           | (164,387)           | (170,059)           | (175,161)           | (179,786)           | (184,641)           | (189,627)           |
| King County Fire District 27              | (67,418)            | (69,238)            | (92,176)            | (95,357)            | (98,218)            | (100,811)           | (103,533)           | (106,329)           |
| King County Fire District 40              | (210,667)           | (210,667)           | (299,191)           | (309,515)           | (318,801)           | (327,218)           | (336,054)           | (345,128)           |
| King County Fire District 44              | (252,271)           | (252,271)           | (324,765)           | (335,972)           | (346,052)           | (355,189)           | (364,780)           | (374,630)           |
| King County Fire District 47              | (18,705)            | (19,210)            | (23,051)            | (23,846)            | (24,561)            | (25,209)            | (25,890)            | (26,589)            |
| King County Fire District 49 (51)         | (18,354)            | (18,850)            | (22,909)            | (23,700)            | (24,411)            | (25,056)            | (25,733)            | (26,428)            |
| King County Fire District 50              | (32,348)            | (33,221)            | (40,921)            | (42,333)            | (43,603)            | (44,754)            | (45,962)            | (47,203)            |
| Kirkland Fire Department                  | (495,286)           | (512,252)           | (789,132)           | (816,362)           | (840,855)           | (863,056)           | (886,361)           | (910,295)           |
| Maple Valley Fire and Life Safety         | (304,293)           | (304,293)           | (409,441)           | (423,570)           | (436,278)           | (447,797)           | (459,889)           | (472,307)           |
| Mercer Island Fire Department             | (235,416)           | (244,629)           | (376,189)           | (389,170)           | (400,846)           | (411,429)           | (422,539)           | (433,949)           |
| Milton Fire Department                    | (14,104)            | (14,889)            | (20,320)            | (21,021)            | (21,652)            | (22,224)            | (22,824)            | (23,440)            |
| North Highline Fire Department            | (271,067)           | (280,748)           | (404,954)           | (418,928)           | (431,497)           | (442,890)           | (454,849)           | (467,131)           |
| Northshore Fire Department                | (203,896)           | (211,146)           | (326,232)           | (337,489)           | (347,615)           | (356,793)           | (366,427)           | (376,321)           |
| Pacific Fire Department                   | (36,000)            | (36,972)            | (51,115)            | (52,879)            | (54,466)            | (55,904)            | (57,414)            | (58,964)            |
| Pierce County Fire District 27            | (1,500)             | (1,500)             | (1,500)             | (1,500)             | (1,500)             | (1,500)             | (1,500)             | (1,500)             |
| Redmond Fire Department                   | (539,880)           | (574,375)           | (863,640)           | (893,442)           | (920,248)           | (944,545)           | (970,050)           | (996,244)           |
| Renton Fire Department                    | (492,082)           | (514,465)           | (801,932)           | (829,604)           | (854,495)           | (877,056)           | (900,739)           | (925,061)           |
| Sea Tac Fire Department                   | (213,386)           | (221,407)           | (343,637)           | (355,495)           | (366,161)           | (375,829)           | (385,977)           | (396,399)           |
| Shoreline Fire Department                 | (376,181)           | (380,055)           | (580,829)           | (600,872)           | (618,900)           | (635,240)           | (652,393)           | (670,009)           |
| Snoqualmie Fire Department                | (52,033)            | (53,702)            | (82,646)            | (85,498)            | (88,063)            | (90,388)            | (92,829)            | (95,336)            |
| South King Fire and Rescue                | (772,172)           | (787,067)           | (1,210,071)         | (1,251,827)         | (1,289,386)         | (1,323,429)         | (1,359,165)         | (1,395,866)         |
| Tukwila Fire Department                   | (224,182)           | (231,283)           | (357,958)           | (370,310)           | (381,420)           | (391,490)           | (402,061)           | (412,918)           |
| Vashon Fire Department                    | (129,619)           | (129,619)           | (180,435)           | (186,661)           | (192,261)           | (197,337)           | (202,666)           | (208,139)           |
| Woodinville Fire and Life Safety District | (311,139)           | (324,180)           | (480,561)           | (497,144)           | (512,060)           | (525,580)           | (539,772)           | (554,347)           |
| Regional Services                         | (3,826,680)         | (4,798,846)         | (6,102,144)         | (6,478,134)         | (6,838,366)         | (7,197,262)         | (7,578,964)         | (7,945,012)         |
| Strategic Initiatives                     | (674,484)           | (867,040)           | (1,246,580)         | (1,491,275)         | (1,253,878)         | (1,239,355)         | (1,195,153)         | (1,114,543)         |
| Encumbrance Carryover                     | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   | 0                   |
| ALS Salary and Wage Contingency           | 0                   | 0                   | (2,104,452)         | (2,199,152)         | (2,298,114)         | (2,401,529)         | (2,509,598)         | (2,622,530) (e)     |
| EMS 2002-2007 Reserves                    | (723)               | (212,100)           | 0                   | 0                   | 0                   | 0                   | 0                   | 0 (f)               |
| Disaster Response Contingency             | 0                   | 0                   | (3,216,379)         | (4,809,156)         | (5,085,682)         | (5,378,109)         | (5,687,350)         | (6,014,373) (g)     |
| Prior Disaster Response Underexpenditure  | 0                   | 0                   | 0                   | 3,216,379           | 4,809,156           | 5,085,682           | 5,378,109           | 5,687,350 (h)       |
| King County Auditor's Office              |                     |                     | (61,000)            | (64,759)            | (68,360)            | (71,947)            | (75,763)            | (79,822)            |
| <b>EMS EXPENDITURE TOTAL</b>              | <b>(41,368,365)</b> | <b>(43,497,936)</b> | <b>(61,679,170)</b> | <b>(62,813,187)</b> | <b>(63,937,677)</b> | <b>(66,962,294)</b> | <b>(70,106,560)</b> | <b>(74,096,976)</b> |

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|   | 2006               | 2007               | 2008               | 2009               | 2010               | 2011               | 2012                | 2013               |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|--------------------|
|   | Actuals            | Estimated          | Proposed           | Proposed           | Proposed           | Proposed           | Proposed            | Proposed           |
| <b>ENDING FUND BALANCE</b>                  | 9,296,940          | 6,070,111          | 7,478,574          | 9,530,365          | 12,298,857         | 13,976,201         | 14,467,537          | 12,946,087         |
| <b>RESERVES AND DESIGNATIONS</b>            |                    |                    |                    |                    |                    |                    |                     |                    |
| Encumbrances                                | (977,521)          | (977,521)          | (977,521)          | (977,521)          | (977,521)          | (977,521)          | (977,521)           | (977,521)          |
| Reappropriation                             | (25,000)           | (25,000)           | (25,000)           | (25,000)           | (25,000)           | (25,000)           | (25,000)            | (25,000)           |
| <b>Designations</b>                         |                    |                    |                    |                    |                    |                    |                     |                    |
| Prepayment                                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                   | 0                  |
| ALS Provider Balances                       | 0                  | (1,022,900)        | (1,022,900)        | (1,022,900)        | (1,022,900)        | (1,022,900)        | (1,022,900)         | (1,022,900) (i)    |
| ALS Provider Loans                          | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  | 0                   | 0                  |
| <b>Reserves for Unanticipated Inflation</b> |                    |                    |                    |                    |                    |                    |                     |                    |
| Diesel Cost Stabilization                   | 0                  | 0                  | (756,000)          | (1,512,000)        | (2,457,000)        | (2,897,541)        | (2,933,280)         | (1,613,304) (j)    |
| Pharmaceuticals/Medical Equipment           | 0                  | 0                  | (230,000)          | (506,000)          | (828,000)          | (1,097,000)        | (877,600)           | (447,576) (k)      |
| Call Volume/Utilization Reserve             | 0                  | 0                  | (244,000)          | (488,000)          | (732,000)          | (1,159,800)        | (1,220,000)         | (832,000) (l)      |
| <b>Reserves</b>                             |                    |                    |                    |                    |                    |                    |                     |                    |
| Chassis Obsolescence                        | 0                  | 0                  | (375,000)          | (375,000)          | (562,500)          | (562,500)          | (562,500)           | (562,500) (m)      |
| Risk Abatement                              | 0                  | 0                  | 0                  | (565,000)          | (565,000)          | (565,000)          | (565,000)           | (565,000) (n)      |
| Millage Reduction                           | 0                  | 0                  | 0                  | 0                  | (1,000,000)        | (1,500,000)        | (2,000,000)         | (2,500,000) (o)    |
| <b>TOTAL RESERVES AND DESIGNATIONS</b>      | <b>(1,002,521)</b> | <b>(2,025,421)</b> | <b>(3,630,421)</b> | <b>(5,471,421)</b> | <b>(8,169,921)</b> | <b>(9,807,262)</b> | <b>(10,183,801)</b> | <b>(8,545,801)</b> |
| <b>ENDING UNDESIGNATED FUND BALANCE</b>     | <b>8,294,419</b>   | <b>4,044,690</b>   | <b>3,848,153</b>   | <b>4,058,944</b>   | <b>4,128,936</b>   | <b>4,168,939</b>   | <b>4,283,736</b>    | <b>4,400,286</b>   |
| <b>Fund Balance as % of Revenue</b>         | <b>N/A</b>         | <b>N/A</b>         | <b>6.10%</b>       | <b>6.26%</b>       | <b>6.19%</b>       | <b>6.07%</b>       | <b>6.07%</b>        | <b>6.06%</b>       |
| <b>EXCESS OVER/UNDER 6% MINIMUM</b>         | <b>N/A</b>         | <b>N/A</b>         | <b>62,895</b>      | <b>167,045</b>     | <b>126,566</b>     | <b>50,561</b>      | <b>47,862</b>       | <b>45,754</b>      |

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**FOOTNOTES TO EMERGENCY MEDICAL SERVICES LEVY FINANCIAL PLAN**

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(a) For 2008-2013, ALS provider allocation estimates are shown based on the 2007 distribution of units.

(b) Funding assumes the schedule for new King County units in the strategic plan (cumulative):

|      |           |
|------|-----------|
| 2008 | 0.5 units |
| 2009 | 0.5 units |
| 2010 | 1.0 units |
| 2011 | 1.0 units |
| 2012 | 1.5 units |
| 2013 | 2.0 units |

New units and/or fractional units will be allocated based on a thorough regional analysis using the established criteria for paramedic units. The major unit indicators include the following:

- Unit workload;
- Unit response time;
- Availability in primary service area and dependence on backup;
- Frequency and service impact of multiple alarms; and
- Paramedic exposure to critical skill sets.

Consistent with this criteria, new unit allocations will be recommended by the EMS Advisory Committee and appropriated by the King County Council.

(c) Funding is included to address paramedic service level disparities in Vashon and Skykomish (including potential elimination of paramedic transport fees). Expenditure of these funds requires approval by the EMS Advisory Committee in addition to appropriation by the King County Council.

(d) For 2008-2013, BLS provider allocation estimates are shown for illustration purposes only. Provider allocation levels were adjusted based on 2005 call volumes and 2007 assessed valuation; actual 2008 allocations will be based on data that is not yet available in accordance with the BLS allocation formula.

(e) ALS Salary and Wage contingency is considered a reserve under the restrictions of sections 10 and 11 of the Medic One emergency medical services levy ordinance. This annual contingency is equal to a one percent increase over assumed paramedic COLA levels. Pursuant to the ordinance, expenditure of this reserve is linked to the consumer price index, subject further to appropriation by the King County Council. These funds can also be used to replenish other reserves for unanticipated inflation (also subject to the provisions of sections 10 and 11 of the Medic One emergency medical services levy ordinance), or can be made available for millage rate reduction.

(f) Reserves for the 2002-2007 levy, in particular for Regional Services in 2007, are listed here as an expenditure in anticipation of a supplemental appropriation over the course of 2007.

(g) Disaster Response Contingency is phased in between 2008 and 2009. Funding is equal to the cost of full mobilization of the Medic One paramedic system for a period of three weeks. This contingency is subject to the restrictions in section 9 of the Medic One emergency medical services levy ordinance.

(h) Although appropriated, Disaster Response Contingency funds are not assumed to be expended, reflected as a credit in the following year. In the event of a disaster that depletes these funds, the County Executive, EMS Advisory Committee, and County Council will work collaboratively to rebalance the financial plan for the remainder of the levy period.

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**FOOTNOTES TO EMERGENCY MEDICAL SERVICES LEVY FINANCIAL PLAN**

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- (i) ALS Provider Balances are funds that have been allocated to specific providers, but not yet appropriated. These funds are banked for future capital costs, or to cover future collective bargaining obligations.
- (j) The EMS Levy Financial Plan assumes diesel price of \$2.38 per gallon. As of May 1, 2007, the average diesel fuel price in the Seattle metropolitan area is \$3.04 per gallon. This reserve is adequate to fund ALS operations at up to \$3.38 per gallon for a period of 18 months; for 2013, coverage is reduced to 9 months. This reserve is subject to the restrictions under sections 10 and 11 of the Medic One emergency medical services levy ordinance. Pursuant to the ordinance, expenditure of this reserve is linked to the average price of diesel fuel, as reported by the US Department of Energy. These funds can also be used to replenish other reserves for unanticipated inflation (also subject to the provisions of sections 10 and 11 of the Medic One emergency medical services levy ordinance).
- (k) The pharmaceutical/medical equipment reserve mitigates unanticipated medical cost inflation. A buffer of 2.5 percent is achieved through 2010, staged to 1.0 percent by 2013. This reserve is subject to the restrictions under sections 10 and 11 of the Medic One emergency medical services levy ordinance. These funds can also be used to replenish other reserves for unanticipated inflation (also subject to the provisions of sections 10 and 11 of the Medic One emergency medical services levy ordinance).
- (l) The call volume/utilization reserve provides limited funding to address unanticipated demands on the Medic One emergency medical services system. These funds are intended to augment service levels or otherwise mitigate the demand for emergency medical services. This reserve is subject to the restrictions under sections 10 and 11 of the Medic One emergency medical services levy ordinance. Pursuant to the ordinance, expenditure of this reserve is linked to call volumes and other criteria listed in footnote b, as reviewed by the EMS advisory committee. These funds can also be used to replenish other reserves for unanticipated inflation (also subject to the provisions of sections 10 and 11 of the Medic One emergency medical services levy ordinance).
- (m) Disruption to the six-year vehicle replacement cycle may occur with discontinuation of chassis models that facilitate reuse of vehicle components and equipment. The chassis obsolescence reserve designates funds to partially offset potentially higher vehicle replacement costs.
- (n) The Medic One program faces substantial operational risks. A risk management reserve is established to ensure the continuity of smaller providers in the event of significant loss. Any assistance provided from this reserve will be limited, and will require consideration by the EMS Advisory Committee.
- (o) Beginning in 2010, provision is made to potentially reduce the effective levy rate. While the primary purpose of this reserve is to receive unexpended contingency funds for outyear levy reduction, these funds are also available to replenish other reserves.