

**CITY OF MARYSVILLE AGENDA BILL**

**EXECUTIVE SUMMARY FOR ACTION**

**CITY COUNCIL MEETING DATE: 2/9/15**

<b>AGENDA ITEM:</b> Marysville Fire District - Contract Amendment	
<b>PREPARED BY:</b> Sandy Langdon, Finance Director/City Clerk <b>DEPARTMENT:</b> Finance	<b>DIRECTOR APPROVAL:</b>
<b>ATTACHMENTS:</b> 1. Second Amendment to Agreement for Joint Operation of Fire And Emergency Medical Protection Facilities 2. First Amendment to Agreement for Joint Operation of Fire And Emergency Medical Protection Facilities dated 6/14/10 3. Agreement for Joint Operation of Fire And Emergency Medical Protection Facilities dated 8//25/2003	
<b>BUDGET CODE:</b>	<b>AMOUNT:</b>
<b>SUMMARY:</b>	

The proposed second amendment to Agreement for Joint Operation of Fire and Emergency Medical Protection Facilities would amend existing language affecting the 2015 financial contribution to the Marysville Fire District.

The City and District 12 met to review the current and proposed financial contribution formulas and agreed to adjust the current formula for the 2015 contribution year.

<b>RECOMMENDED ACTION:</b> City Staff and Marysville Fire District staff recommend that Council approve the proposed Second Amendment to Agreement for Joint Operation of Fire And Emergency Medical Protection Facilities.
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## **DRAFT**

### **SECOND AMENDMENT TO AGREEMENT FOR JOINT OPERATION OF FIRE AND EMERGENCY MEDICAL PROTECTION FACILITIES**

This Amendment to that certain Agreement between the parties hereto dated August 25, 2003 is entered into between SNOHOMISH COUNTY FIRE PROTECTION DISTRICT NO. 12, a municipal corporation, hereafter referred to as “District 12”, and the CITY OF MARYSVILLE, a municipal corporation, hereafter referred to as “City” as follows:

WHEREAS, the City completed a Fire and Emergency Medical Protection Services Study which recommended adjustment of the “Financial Contribution by City”; and

WHEREAS, the City and District 12 met to review current and proposed financial contribution formulas, and

WHEREAS, the City and District 12 recognize that the financial contribution by the City should be adjusted, NOW, THEREFORE,

The Agreement between the City and District 12 dated August 25, 2003 is hereby amended as follows:

1. Section 12.2 entitled “Financial Contribution By City” is hereby amended to read as follows:

For the period beginning January 1, 2015 to December 31, 2015 the City shall contribute to District 12 an amount calculated as follows:

The City shall contribute annually to District 12 an amount equal the prior year’s contribution multiplied by the percent change (rounded to the nearest tenth) in levy amount calculated as if the City and District 12 were combined. The calculation will follow the Department of Revenue formula. For description purposes the calculation will begin with the combining of the prior year levy amounts for the City and District 12, as determined by the Snohomish County Assessor, to determine the “base amount”. The base amount may be increased by 1% or Implicit Price Deflator (IPD), whichever is lower. In addition, new construction and state assessed property increase will be included with the assessed values for new construction multiplied by the prior year agreement levy rate and the current year’s state assessed property value less last year’s state assessed property value with the remainder multiplied by the prior year agreement levy rate. The agreement calculation will follow any and all limitations to property tax levies regulated by the State. Refunded amounts less than or equal to ten thousand dollars (\$10,000) may be included in the agreement levy rate. Refunded amounts over

ten thousand dollars (\$10,000) will be consider by the City upon requested by District 12 to the City's executive office. Exhibit A provides for the calculation of the City's contribution for the 2015 tax collection period. The City's contribution shall be paid to District 12 in equal monthly installments.

2. The term of the second amendment to the agreement for joint operation of fire and emergency medical protection facilities will begin for the tax collection year beginning January 1, 2015 and remain in effect until termination of the original agreement.
3. Except as provided herein, all other provisions of the agreement between the parties dated August 25, 2003 shall remain in full force and effect, unchanged.

IN WITNESS WHEREOF, the parties have executed this Second Amendment this \_\_\_\_ day of February, 2015.

CITY OF MARYSVILLE

SNOHOMISH COUNTY FIRE  
PROTECTION DISTRICT NO. 12

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Chairperson

Attest:

\_\_\_\_\_  
Deputy City Clerk

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

Approved as to form:

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

\_\_\_\_\_  
Fire District Secretary

## EXHIBIT A

### Calculation of the City's Contribution for the 2015 Tax Collection Period

PROPERTY TAX MODEL-Fire w/MSVL AV	2012	2013	2014	2015	2016	2017
<b>ASSESSED VALUATION</b>	Actual	Actual	Actual	10/22/2014	10/23/2014	10/24/2014
<b>AV ADJUSTMENTS</b>						
<b>Previous Year AV</b>	1,694,902,877	6,270,690,696	5,888,528,927	6,385,411,332	7,184,856,551	7,593,099,379
Reassessment %	-11.4%	-7.4%	7.4%	11.8%	5.0%	5.0%
Reassessment Value	(193,687,653)	(461,178,569)	433,986,482	752,848,080	359,242,828	379,654,969
Appeals						
<b>Reassessed AV</b>	1,501,215,224	5,809,512,127	6,322,515,409	7,138,259,411	7,544,099,379	7,972,754,348
<b>Other AV Adjustments</b>						
New Construction	57,277,036	79,016,800	60,759,049	46,597,140	49,000,000	49,000,000
State Assessed Utilities	10,276,128		2,136,874			
Annexations	4,701,922,308					
Other Adjustments						
<b>Total Other AV Adjustments</b>	4,769,475,472	79,016,800	62,895,923	46,597,140	49,000,000	49,000,000
<b>CURRENT YEAR AV</b>	6,270,690,696	5,888,528,927	6,385,411,332	7,184,856,551	7,593,099,379	8,021,754,348
<b>BASE TAX COLLECTIONS</b>						
	<b>2,368,537</b>	<b>9,406,036</b>	<b>8,832,793</b>	<b>9,015,465</b>	<b>9,171,410</b>	<b>9,325,672</b>
Bank Increase (not to exceed 1.06)	1.01	1.01	1.01	1.01	1.01	1.01
Bank Base Collection Limit Prior to AV adj	2,392,222	9,500,096	8,921,121	9,105,620	9,263,124	9,418,929
New Construction @ Prior Levy	80,042	159,982	91,139	65,790	62,548	60,181
St. Assessed Utilities @ Prior Levy	14,360	-	3,205	-	-	-
Annexations	7,452,926					
<b>Subtotal Base Collections</b>	<b>9,939,550</b>	<b>9,660,079</b>	<b>9,015,465</b>	<b>9,171,410</b>	<b>9,325,672</b>	<b>9,479,109</b>
Refunds						
<b>Total Base Levy Collections</b>	<b>9,939,550</b>	<b>9,660,079</b>	<b>9,015,465</b>	<b>9,171,410</b>	<b>9,325,672</b>	<b>9,479,109</b>
Previous Year Levy Rate	1.397	1.500	1.500	1.412	1.276	1.228
Unlimited New Levy Rate	1.585	1.640	1.412	1.276	1.228	1.182
<b>New Base Levy (not to exceed 1.50)</b>	<b>1.5000</b>	<b>1.5000</b>	<b>1.4119</b>	<b>1.2765</b>	<b>1.2282</b>	<b>1.1817</b>
<b>Total Allowable Collections</b>	<b>9,406,036</b>	<b>8,832,793</b>	<b>9,015,465</b>	<b>9,171,410</b>	<b>9,325,672</b>	<b>9,479,109</b>
<b>EMS LEVY</b>						
Base	853,178	3,135,345	2,944,264	3,005,155	3,058,505	3,112,151
Increase (not to exceed 1.06)	1.01	1.01	1.01	1.01	1.01	1.01
EMS Collection Limit Prior to AV adj	861,710	3,166,699	2,973,707	3,035,207	3,089,090	3,143,273
New Construction @ Prior Levy	28,639	39,508	30,380	23,299	23,061	20,859
St. Assessed Utilities @ Prior Levy	5,138	-	1,068	-	-	-
Annexations	2,350,961					
<b>Subtotal Base Collections</b>	<b>3,246,447</b>	<b>3,206,207</b>	<b>3,005,155</b>	<b>3,058,505</b>	<b>3,112,151</b>	<b>3,164,131</b>
Refunds						
<b>Total 1.06 EMS Levy Collections</b>	<b>3,246,447</b>	<b>3,206,207</b>	<b>3,005,155</b>	<b>3,058,505</b>	<b>3,112,151</b>	<b>3,164,131</b>
Prior Year EMS Levy Rate	0.50	0.50	0.50	0.50	0.47	0.43
<b>EMS Levy Rate (not to exceed .50)</b>	<b>0.500</b>	<b>0.500</b>	<b>0.471</b>	<b>0.426</b>	<b>0.410</b>	<b>0.394</b>
<b>Total EMS Levy Collections</b>	<b>3,135,345</b>	<b>2,944,264</b>	<b>3,005,155</b>	<b>3,058,505</b>	<b>3,112,151</b>	<b>3,164,131</b>

<b>LEVY RATE SUMMARY</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Regular Levy	1.500	1.500	1.412	1.276	1.228	1.182
<b>Total Regular Levy</b>	<b>1.500</b>	<b>1.5000</b>	<b>1.412</b>	<b>1.276</b>	<b>1.228</b>	<b>1.182</b>
Special Levies						
EMS Levy	0.50	0.50	0.47	0.43	0.41	0.39
94 G.O. Refund	-	-	-	-	-	-
<b>Total Special Levies</b>	<b>0.5000</b>	<b>0.5000</b>	<b>0.4706</b>	<b>0.4257</b>	<b>0.4099</b>	<b>0.3944</b>
<b>TOTAL LEVIES</b>	<b>2.000</b>	<b>2.000</b>	<b>1.883</b>	<b>1.702</b>	<b>1.638</b>	<b>1.576</b>
<b>COLLECTIONS SUMMARY</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Regular Levy Collections						
Total Regular Levy Collections	9,406,036	8,832,793	9,015,465	9,171,410	9,325,672	9,479,109
Special Levy Collections						
EMS Levy	3,135,345	2,944,264	3,005,155	3,058,505	3,112,151	3,164,131
Voted GO Debt Service	-	-	-	-	-	-
<b>Total Special Levy Collections</b>	<b>3,135,345</b>	<b>2,944,264</b>	<b>3,005,155</b>	<b>3,058,505</b>	<b>3,112,151</b>	<b>3,164,131</b>
<b>TOTAL ESTIMATED COLLECTION</b>	<b>12,541,381</b>	<b>11,777,058</b>	<b>12,020,620</b>	<b>12,229,915</b>	<b>12,437,823</b>	<b>12,643,240</b>
		-6.1%	2.1%	1.7%	1.7%	1.7%
	Actual	Actual	Actual	Estimate	Estimate	Estimate
City Fire Payment	9,538,951	8,953,050	9,224,313	9,381,126	9,540,605	9,702,796
Fire 12 Taxes Assessed	3,006,377	2,827,493	2,900,448	2,967,343		
Total	12,545,328	11,780,543	12,124,761	12,348,469	9,540,605	9,702,796
Difference	(3,946)	(3,485)	(104,140)	(118,554)		