As mandated by County Council Ordinance No. 15862, the King County Auditor’s Office completed the 2010 Emergency Medical Services Levy Financial and Compliance Audit. The purpose of the audit was to determine whether the EMS Division managed the 2010 EMS Levy funds in accordance with the adopted 2010 financial plan and policies, including the use of restricted reserve and contingency funds. The audit also assessed the cost of EMS dispatch services provided primarily by two independently operated dispatch agencies, and determined whether the 2010 dispatch fee schedules were based on an acceptable methodology. In addition, the audit confirmed whether the annual dispatch cost increases can be funded by the EMS Levy for the duration of the six-year cycle.

The audit concludes that the EMS Division managed the 2010 Levy resources and financial activities in accordance with the 2010 EMS Levy financial plan and policies. The EMS Division also established a designated reserve in the EMS Levy financial plan to ensure continued funding for dispatch services for the duration of the 2008 to 2013 levy cycle. Due to the complexity of the fee schedule and billings for one of the two primary dispatch agencies, however, the audit recommended that the EMS Division develop and implement policies to strengthen the accounting and transparency of the dispatch service costs.

**Background**
King County’s Medic One/Emergency Medical Services (EMS) system provides internationally recognized out-of-hospital patient care, including life-saving medical assistance, to the 1.9 million residents throughout the County. The EMS System is funded principally by a voter-approved, six-year EMS Levy. The 2008 to 2013 EMS Levy provides an average of approximately $63 million annually for advanced life support (ALS), basic life support, regional medical services, and strategic initiatives.

**Audit Objectives**
1. Assess the EMS Division’s management of the implementation of the 2010 EMS Levy, including the annual review of EMS revenues, expenditures and designated reserve and contingency accounts to ensure compliance with the 2010 EMS Levy policies and financial plan.
2. Determine the cost and impact of the dispatch fee schedules established by the two independently operated dispatch agencies, whether the 2010 fee schedules were based on an acceptable methodology, and whether sufficient EMS Levy resources are available to fund ALS dispatch services for the duration of the 2008 to 2013 levy cycle.

**Audit Findings**
The EMS Division managed its financial activities in accordance with the 2010 EMS Levy financial plan. Actual revenues exceeded the adopted budget by $2.2 million and expenditures were less than the budget by $1.9 million resulting in a $4.1 million positive operating variance. The ending fund balance was above the six-percent threshold set in Ordinance 15861 adopting the voter-approved EMS Levy.

The dispatch fee schedules established by independent agencies were based on an acceptable methodology and reflected the dispatch agencies’ respective operating costs. However, the revised fee schedule for one dispatch agency resulted in significant dispatch cost increases beginning in 2009 and for the duration of the current levy cycle. The EMS Division responded effectively to the cost increases by establishing a designated reserve to fully fund ALS dispatch and communication services through 2013.

**Opportunities for Improvement and Recommendations**
The audit also identified opportunities to improve the precision of the current and future dispatch fee schedule by establishing and monitoring dispatch productivity standards for EMS dispatch services. Such standards will ensure that processing times for call taking and dispatching tasks are available and can be used to allocate costs equitably among EMS/Fire/Police user agencies in developing future fee schedules. In addition, the audit determined that the documentation provided by the ALS Providers for EMS Levy reimbursement of dispatch services could be improved to verify that reimbursement requests are justified based on the actual volume and cost of ALS services provided.

**Executive Response**
The County Executive concurred with the audit findings and recommendations.