



**Marion County
Fire Rescue Emergency Services Advisory
Board Meeting**
March 10, 2009

I. CALL TO ORDER – 4:03 by Chairman Pat Gabriel

Members Present:

Chief Dan Gentry – City of Ocala Fire Chief
Patricia Gabriel, Chairperson
Sam McConnell
Dr. Karen Gold
H. Rex Etheredge, CEO Ocala Regional Medical Center
Thomas Lorio

Absent:

Paul Clark, COO Munroe Regional Medical Center
Dr. Frank Fraunfelder, Medical Director, MCFR EMS
Attendance taken by: Anna Carpenter

II. MEETING ANNOUNCEMENT / MINUTES

Judge Cochran, MC PIO, will publish a blanket statement advising that meetings of this Board will take place on the second Tuesday of each month at 4 PM in the Fire Rescue Conference Room.

Pat Gabriel distributed Minutes of the previous meeting. Sam McConnell moved that the Minutes be accepted as presented; seconded by Rex Etheredge. There was no Old Business to discuss. (Some items are highlighted in red for ease in locating topics.)

III. NEW BUSINESS

A) BUDGET OVERVIEW

Chief McElhanev prepared a Power Point presentation to give the Board members an overview of the Fire/Rescue Budget and where funding is obtained (**Attachment A**). Major points of the presentation are as follows:

1. Funding:

The Fire/Rescue Dept's primary source of funding comes from the MSBU and MSTU funds. These are non-ad valorem based (Multiple Services Benefit Unit – MSBU; Multiple Services Taxing Unit – MSTU), recurring fees paid by each county resident yearly (for First Responder services). The fee is the same per citizen, not based upon real estate value. (Fire/Rescue Fund Account # is 3310.) There are also MSTUs where citizens within a certain area pay (Marion Oaks for example), but other County residents do not. These funds are for use in that particular area only.

The Ambulance Service (Acct. #3355) is funded out of the County's General Fund obtained from the millage rate; currently .4 mil. The County Commissioners have expressed that they do not plan to raise the millage rate next fiscal year.

Both budgets are secondarily funded by fees, although very few fee-based revenue sources on the Fire side. Revenue can be collected by the Fire Dept. for such things as plans inspections, illegal burns, etc. There is also a non-countywide, non-recurring impact fee fund (Acct. #3320) which is supported by fees on new construction.

On the Ambulance side, fees make up a majority of funding. The rest is obtained from the General Fund. Ambulance fees for the 2008/09 fiscal year were projected to generate \$12,165,381. However, the Dept. can only budget to utilize 95% of projected revenues.

Dr. Gold asked if there is a way to obtain more detail on exactly what the revenue funds are. Chief McElhaney referred her to Michael Tomich, Budget Dept of the Clerk's office.

2. Revenues:

Fire/Rescue total revenues and other sources of funds are \$51,661,359 for the 2008/09 fiscal year. Revenues vary year to year. Reserve funds typically are within the \$5 to \$7 million range. Chief McElhaney: "That is what you have to have every year in this fund. You can't borrow against the General Fund or other funds, so you have to carry your own reserves."

The City collects their non-ad valorem assessment on utility bills. Chief Gentry: "Our assessment being on the utility bills covers ALL users, not just property owners."

3. Impact Fees

Chief McElhaney: "Impact fees can only be used as a direct result of growth. More people; need new stations; we can use impact fees to fund that. \$2.8 million is

already committed to Fire Stations that we are going to build or have been building. A lot of the impact fees are slated for Belleview, which won't be started until later this year. The point of this is meant to be something that can be useful, performance metrics, that sort of thing."

4. Expenditures

Fire/Rescue (not Ambulance side) expenditures are \$51,661,359 for f/y '08/09. 12% of that number is reserves (\$6,337,929). Of this adopted budget, \$17,603,675 represents salaries and wages. Overtime is projected to be \$2,694,308. Sam McCloud asked why overtime was so high. Chief McElhaney explained that about half of it is due to the schedule firefighters work. The rest is due to sick and vacation replacement. "At the end of this fiscal year, if we get all of our people hired, we should have enough to cover the overtime issue."

Thomas Lorio: "So when you have full manpower, you will reduce that overtime? Sometimes it's cheaper to have overtime." Chief McElhaney explained that there are 20 positions ready to be filled right now. Due to his concerns about revenue, he's holding off on hiring for them. He may budget those positions for next year and fill them halfway through.

Chief Gentry asked if the County does minimal manning by station or district. Chief McElhaney stated that Marion County does not have a mandatory staffing level however we comply with State rules. For example, the 2-in/2-out rule, which states that if 2 firemen go into a building, 2 must remain outside. If a truck is sent out with only 3 men, their hands are tied. In rural areas, MCFR tries to have a mean staffing level of 4.

The Ambulance Service expenditures (#3355) for FY 08/09 are projected at \$19,394,852. Almost 80% of that amount is delegated to personnel costs (\$14,962,812), while 23% (\$4,432,040) covers operating costs.

Sam McCloud asked why salaries were \$1,000,000 over what had been proposed. Chief McElhaney explained that it was a result of the Collective Bargaining Agreement being adopted.

B. AGENCY ACTIVITY SUMMARY

Chief Azzariti distributed a report with pie charts depicting activity from 10/1/08 through 12/31/08 (**Attachment B**). These charts showed total runs by disposition, by destination, by payer, and by call types. It also includes charts on intra-facility transport numbers and bed delays at the four local hospitals (ORMC, Munroe, West Marion and Timber Ridge).

1. Bed Delays

Chief Azzariti reviewed all charts with the Board. He further explained that the Fire Dept. is working with local hospitals to change procedure in evaluating what actually qualifies as a bed delay. "There could be a number of things which could falsely inflate these numbers."

One procedure being implemented by hospitals to improve issues such as bed delays is appointing a liaison in the emergency room. Chief Azzariti will be compiling monthly reports for the Board on delay times.

Rex Etheredge: "The best thing that could happen in this situation is communicate with each other."

2. Fractile Response Times

Chief Azzariti: "Response time means that 90% of the time we are there within this time frame. Our first quarter report times were an improvement over EMSA, but not where we wanted to be. Current times are much better, right at the 9 minute mark." Rex Etheredge asked if 9 minutes were the standard. Chief Azzariti explained that a report had been compiled a few years ago, the Fitch report. "That became the bar to meet."

Chief McElhaney: "Urban zone is just the City of Ocala. We need to look at expanding the urban boundary." On response time, MCFR is doing very good. They are 50 to 60 employees shy on the ambulance side because of unfilled positions and employees still in Fire school.

3. Computerized Report Writing

Run reports were originally written by hand, then scanned, then typed up, all before the Billing Dept. could even begin working with them. Chief Azzariti explained that there are new electronic report writing software applications whereby the hospitals can receive a run report as its being written from the scene. These will also greatly streamline the billing process.

He has applied for 2 grants. The first is a [State matching grant for \\$157,700](#) (\$118,275 funded by State of Florida and \$39,425 by MCFR). If funded, this money will be used to purchase and upgrade a new electronic reporting system for both Fire and EMS.

The second grant is a [Florida Department of Health grant for \\$74,800](#) (100% funded). It is to be used for EMSTARS (Emergency Medical Services Tracking and

Reporting System). Chief Azzariti had just received notification that this grant has been approved.

To date, the majority of Fire Rescue paramedics have been trained to use the HealthEMS mobile reporting system. Chief Azzariti: "This process would normally take several months to be implemented. We have done it in just a few weeks." So far, 11 laptops have been placed into service. 22 Tough Books will be purchased with award funds.

Ocala Regional, West Marion Community, Munroe Regional and Timber Ridge have all installed the ERA (Emergency Room Assistant) portion of this system. They can receive information from the paramedics in the field instantaneously.

4. Billing

There is a large backlog in the billing process. The Billing Dept. is currently undergoing a transition; switch to electronic processing helping a lot. Previously, each employee had a standard function they performed and then forwarded that bill down the line to be further processed. Faulty system – assembly line; one person can slow everything up. The first part of December was projected time that the Billing Dept. would send out the first Marion County bills. This was delayed by a couple months due to the amount of EMSA's calls which had not been processed; reason for the backlog.

Chief McElhaney stated that various scenarios are being considered in the Billing Dept. transition. Individual bill handling where one person would work a bill from start to finish -- removes obstacles of the assembly line process, streamlines billing by eliminating the necessity of multiple personnel reading the entire run report, and promotes productivity. Consideration is being given to in-house versus outside contracting – possibly just contracting out the management of the Billing Dept. Dr. Gold stated that in her experience, better results are achieved and business expense is considerably less by keeping functions in-house. Chief McElhaney expressed that Board input is welcomed on this issue.

Collection rate was discussed. Chief Azzariti felt that it is a possibility that EMSA's reported collection rate was not completely accurate. MCFR is hoping to produce a 60% collection rate. Chief McElhaney stated that if we had been collecting at the same rate as EMSA, we would be looking at \$12.1 million in revenue at the end of the year. The large backlog is one factor which will delay this. However, what does not come in this year will come in at the start of next fiscal year. Another factor affecting collection rates is the economy. With so many County residents currently unemployed, maintaining their health insurance may be a priority, paying medical bills would not have the same priority.

Chief Gentry: So you don't think you're going to be \$6 million short?
Chief McElhaney: No, more like \$1.5 million.

C. AGENDA ITEMS:

Chief McElhaney told the Board that he has 3 Agenda Items prepared which he wished to present to them. He asked for their approval of the items; unanimous approval was given for all three items.

1. Terminate Interlocal Agreement - Enclave Coverage

Chief Gentry recused himself from this discussion.

The City of Ocala and County entered into an interlocal agreement at the beginning of 2007 for the purpose of supplying fire rescue services to numerous enclave areas adjacent to the City. (These are County areas which are surrounded by or adjoin the City.) The County agreed to pay the City for coverage of these areas.

The City of Ocala has supplied fire rescue service to the enclaves at a cost of \$400,000 the first year and escalating 10% per subsequent year. Cost for the 2008/09 fiscal year was \$440,000; projected cost for 2009/2010 fiscal year is \$484,000.

The interlocal agreement stipulates that either party may terminate the agreement at any time with a 6 month notice. In light of depleting revenues, termination of the agreement will realize a positive financial impact of \$484,000 which can be used to offset expenditures for the coming year. Chief McElhaney has prepared an Agenda Item to this effect to be presented at the March 17th Commissioners Board meeting.

2. Interlocal Agreement for Closeout of EMSA

An interlocal agreement between the City of Ocala and Marion County was signed March 31, 2009. The purpose of this agreement was to distribute the remaining financial assets and obligations of EMSA. It also relieves the City of most remaining obligations of the corporation. Physical assets were distributed per a negotiated agreement in October, 2008.

The estimated cash balance due Marion County is \$1.8 million and receivables of \$450,000. Unemployment claims of \$150,000 would be deducted, and the County's share of outstanding workman's compensation liability of \$584,000 (71%). Total estimated cash to County would be approximately \$1.5 million. Chief McElhaney has prepared an Agenda Item for this closeout also for the March 17th Board meeting.

3. Reallocation of Capital Funds

The fiscal year 2008/09 adopted budget authorizes MCFR to purchase 3 equipped replacement pumpers; estimated cost of \$375,000 each (total \$1,125,000). It has been determined that 8 new ambulances will be needed next year.

Upon reviewing the aging ambulance fleet and the good condition of the pumper fleet, Chief McElhaney would like to reallocate funding for one of the pumpers to be used to purchase 3 new ambulances (not to exceed \$375,000). There would be no budget impact for the current year; potentially a positive impact for the 2009/10 budget by reducing the 8 needed ambulances to 5. This item will also be presented at the March 17th Board of County Commissioners meeting.

D. REVENUE ENHANCEMENT

Discussion was held on various fund raising techniques. For example, Stuart told the Board that a couple years ago money was raised to purchase a thermal imager. Also, in Daytona Beach the Union purchases flu shots once a year. They sell the shots from Fire Stations to the general public. \$1 goes to the Fire/Rescue Dept. and the rest goes to the Union -- very successful fund raising endeavor. Stuart McElhaney: Possibly tie into local communities. Let them know there is a need for a certain piece of equipment or whatever ... targeted capital improvement fund raising in your area.

Dr. Gold offered the idea of a calendar with pictures of older areas of Ocala. Fall River has a very successful calendar fund raiser each year. Chief Gentry stated that Port Orange has done a type of mold clean up to raise additional funds.

Sam McCloud suggested a goal of 1%. Chief Gentry felt that the 1% could be raised fairly easily. Pat Gabriel would like to continue this discussion at the next meeting.

Meeting adjourned at 5:58 pm. The next Advisory Board meeting will take place Tuesday, April 14th at 4 PM.

Minutes submitted by Anna Carpenter.