

AMBULANCE OPERATIONS FUND

GENERAL INFORMATION:

Through June 30, 2000, ambulance service for the City of Muscatine and surrounding townships was provided by a private ambulance service under contracts between the City and each respective township, and the ambulance service. The agreement with the previous ambulance provider expired on June 30, 2000. This agreement provided for a City subsidy to the ambulance service of \$90,500 per year and subsidies from the townships that totaled \$24,500 per year.

In August of 1998, the City contracted with an outside consultant to provide a thorough analysis of the City's system of pre-hospital care involving the Muscatine Fire Department and Muscatine Ambulance, Inc. The consultant's report was used as a basis for development of specifications and a request for proposals (RFP) for potential providers of ambulance services upon the expiration of the ambulance contract on June 30, 2000. After reviewing two proposals, the City Council selected the Muscatine Fire Department to provide this service. In order to account for revenues and expenditures of the Fire Department Ambulance Service, this operation was established as an enterprise fund of the City.

In 1999/2000, \$289,690 was expended for purchasing and equipping three (3) new ambulances and purchasing the necessary supplies to begin providing services effective July 1, 2000. The original budget for the 2000/2001 fiscal year included costs and cost allocations to fund this new operation. Five new firefighter positions, one-half of a Fire Mechanic position and a half-time equivalent clerical position were included in this budget. Additionally as part of the Ambulance Operation's administrative fee, 50% of an Assistant Fire Chief and 25% of the Fire Chief's costs were also charged to this budget. The budget also included funds for supplies and services associated with this service including funds to contract for ambulance billing services.

Since the ambulance service became a city operation in 2000, the city has been able to allocate the cost of firefighters and administrative positions to this operation. This amount has varied based upon revenues generated and fund balances at the end of each fiscal year. This allows the city to relieve the General Fund of these expenses.

Effective for the 2007/2008 year, the City made a number of changes to employee allocations to address decreases in fund balance in the Ambulance Fund as well as assisting with balancing the General Fund budget. These changes included transferring the 6.5 fulltime equivalent firefighter/mechanic positions from the Ambulance Fund to the Fire Department budget in the General Fund. Funding transfers are now being made from the Ambulance Fund to the General Fund for a percentage of the total wage and benefit costs for the overall fire department staff. Benefit costs for these positions are funded from the Employee Benefits tax levy for General Fund Employees. Also in 2007/2008, a decision was made to use bond financing for the refurbishment of two ambulances (\$160,000).

A rate increase was implemented April 1, 2006 which increased the base rate from \$450 to \$485. This was the first increase in the base rate since the Fire department began providing ambulance services in 2000. Rates were again increased effective April 1, 2007 due to reduced revenues to the Ambulance Fund. Under the new rate structure fees vary by level of ambulance service with the BLS rate increasing to \$525, the ALS1 to \$575 and the ALS2 to \$675. Rates were again adjusted in January, 2009. The rates for ALS1 increased from \$575 to \$586 and for Skilled Care Transport from \$775 to \$1,002. Effective July 1, 2010 the rates for ALS1 increased to \$616, ALS2 to \$891, and skill care transports to \$1,053. Effective July 1, 2011, the base rate was increased to \$560, ALS1 increased to \$665, ALS2 increased to \$962 and SCT increased to \$1,137. The mileage rate and "ALS Services with no Transport" rates

changed effective July 1, 2012; the other rates continued at their 2011 levels. These rate adjustments corresponded to the increases in the amounts allowed by Wellmark for these types of transports.

CURRENT TRENDS AND ISSUES:

Beginning in 2008/2009 and continuing through 2013/2014, personnel costs in the Fire Department budget are being allocated to the Ambulance budget on a percentage basis rather than by computing a specific number of fire positions and position allocations. This percentage was 25.5% for 2012/2013 and that same percentage is budgeted for 2013/2014. While the percentage remained the same, with increased wage and pension contribution costs, the amount of the transfer will increase from \$839,000 in 2012/2013 to \$885,300 in 2013/2014, an increase of \$46,300 (5.5%). As 90% or more of Fire department calls are medical, this percentage allocation is appropriate and at the same time maintains an adequate balance in the Ambulance fund.

The revised estimated expenditures for 2012/2013 are \$38,200 higher than the original budget. Commodities increased by \$12,000 due to increases in medical supplies, vehicle maintenance supplies, and fuel. Contractual services costs increased by \$13,800 due to increases in billing service fees and vehicle repair and maintenance services. Capital outlay increased by \$10,300 due to the addition of \$10,000 for Cardiac Enzymes Testing equipment which was 100% funded through a grant.

The budgeted expenditures for 2013/2014 are \$175,100 (14.1%) higher than the 2012/2013 budget. The capital outlay allocation increased by \$98,700 compared to 2012/2013. The major capital purchase for 2013/2014 is the refurbishment of an ambulance for \$99,000. This purchase will be subject to a further review of revenues and available funds prior to it being authorized. The budget also includes the \$46,300 increase in funding transfers for 25.5% of fire department personnel costs as discussed above. The budget continues the increased allocations for medical supplies, vehicle maintenance, billing services, and fuel.

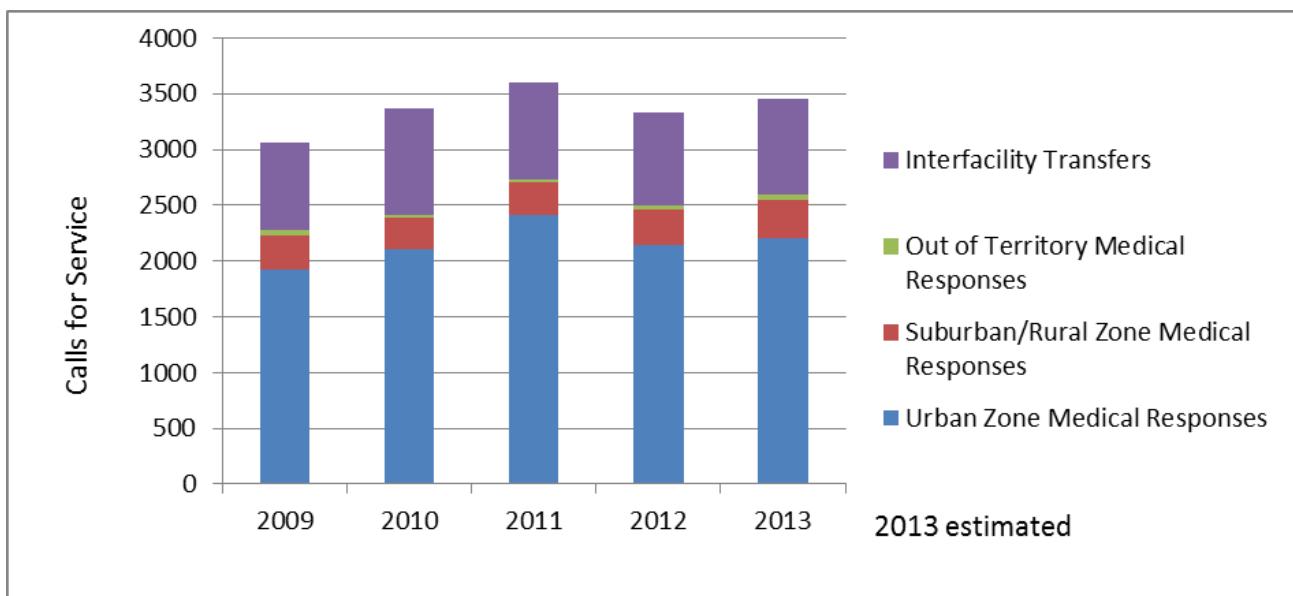
Ambulance service fees are estimated at \$1,250,000 for both 2012/2013 and 2013/2014. Usage and revenues have fluctuated in recent years and staff continues to monitor trends in these areas. The fund balance at the end of 2013/2014 is projected at \$108,144.

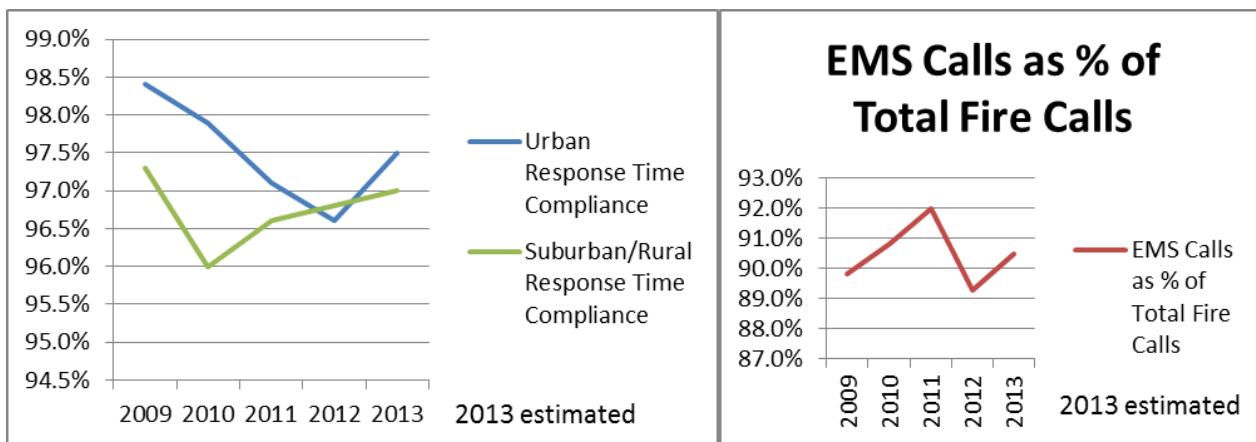
GOAL STATEMENT:

To provide high performance paramedic transport services in the Muscatine area, responding to all emergency calls with a transport unit in less than 9 minutes on not less than 95% of all response requests within the “Urban Zone” and less than 15 minutes on not less than 95% of all response requests within the “Suburban/Rural Zone.”

PERFORMANCE MEASURES

	Actual 2009	Actual 2010	Actual 2011	Actual 2012	Estimated 2013
Urban Zone Medical Responses	1,929	2,106	2,413	2,016	2,350
Suburban/Rural Zone Medical Responses	302	278	292	301	350
Out of Territory Medical Responses	48	32	25	38	50
Interfacility Transfers	787	951	872	816	850
Total EMS Calls	3,066	3,367	3,602	3,171	3,600
EMS Calls as % of Total Fire Calls	89.8%	90.8%	92.0%	82.1%	90%
EMS Training Hours	2,719	1,983	1,174	1,480	1,800
Urban Response Time Compliance (8:59 minutes or less on at least 90% of calls)	98.4%	97.9%	97.1%	96.6%	98%
Suburban/Rural Response Time Compliance (14:59 minutes or less on at least 90% of calls)	97.3%	96.0%	96.6%	96.8%	98%





RECENT ACCOMPLISHMENTS:

Fire department staff has been involved with the IEMSA (Iowa Emergency Medical Services Association) conference and also continues to provide for the EMS Saturday event each year. Muscatine is looked to as a leader in the county by offering countywide classes and also providing the training portion of the three mutual aid meetings held this past year. Staff also presented at the Mercy Iowa City annual cardiac care conference.

The department is viewed as a leader in STEMI bypass protocols for cardiac patients. The department has also “pushed the envelope” with services such as the new hypothermia treatment, implemented stroke bypass protocols, and by acting as a test/research site for a cardiac enzyme implementation and the Coverdell stroke program.

In November the department was recognized for being the Career EMS Service of the Year by the Iowa EMS Association. This is the second time the department received this award with the first being in 2002. The department is only the second EMS organization to be recognized twice for the Service of the Year award.

Muscatine is looked to as a leader in the arena of fire-based ambulance services in the region. The way the service is run is recognized as efficient and effective. Because of this, the department often receives inquiries from other agencies that are looking to improve their processes. In the last year, multiple EMS agencies, including other fire departments, have contacted our department and visited in order to see how things are done in Muscatine. This has had a positive impact on other communities.

The department was made aware of a grant opportunity from the NFPA Slip, Trip, and Fall program for seniors. This grant was applied for in partnership with Senior Resources and we were successful in obtaining the funding. This grant covered the travel expenses and registration costs to send one firefighter and one Senior Resources employee to Boston for training in the delivery of in-home safety presentations. As part of the agreement, Senior Resources will provide four staff members who will give in-home one-on-one presentations and site evaluations to identify potential safety hazards in a senior's home. Hazards identified will include such things as smoke alarms, the use of grab handles, and fall hazards. The Fire department will provide expert assistance as needed for the in-home program. In addition, Fire personnel provide group training for seniors at locations such as senior meal sites. This is an enhancement to the programs already provided by department staff. The partnership and coordination with Senior Resources will provide for a better and more targeted hazard identification and elimination program and assist in efforts to reduce injuries in the elderly population.

OBJECTIVES TO BE ACCOMPLISHED IN 2013/2014:

- * To explore the need for developing a contingency plan for providing EMS outside the present district boundaries and begin the preparation of such a plan if needed.
- * To review the concept of integrating a countywide standardization plan to address medical protocol issues, medication stocking and use, and response protocols.
- * To explore opportunities to support other response agencies in the county in regard to state regulations and record keeping.

Ambulance Operations

Fund Statement

	Actual 2010/2011	Actual 2011/2012	Budget 2012/2013	Revised Estimate 2012/2013	Budget 2013/2014
Beginning Balance, July 1	\$ 281,293	\$ 458,463	\$ 254,033	\$ 214,444	\$ 242,744
Revenues					
Ambulance Fees	\$ 1,245,636	\$ 1,140,432	\$ 1,200,000	\$ 1,250,000	\$ 1,250,000
Ambulance Fees (Prior Year Amount Over (Under) Accrual)	75,716	(24,789)	0	0	0
Township Subsidies	31,400	31,400	31,400	30,000	30,000
Donations	7,737	20,000	0	10,000	0
Interest	632	375	600	300	200
Local Grant/Reimbursement	0	0	0	13,200	0
Reimbursement of Damages	160	0	0	2,500	0
Other	0	0	0	200	0
Transfer In:					
Ambulance Refurbishment Capital Project Fund	0	12,482	0	0	0
Total Revenues	<u>\$ 1,361,281</u>	<u>\$ 1,179,900</u>	<u>\$ 1,232,000</u>	<u>\$ 1,306,200</u>	<u>\$ 1,280,200</u>
Funds Available	\$ 1,642,574	\$ 1,638,363	\$ 1,486,033	\$ 1,520,644	\$ 1,522,944
Expenditures (1)	<u>1,184,111</u>	<u>1,423,919</u>	<u>1,239,700</u>	<u>1,277,900</u>	<u>1,414,800</u> (2)
Ending Balance, June 30	<u><u>\$ 458,463</u></u>	<u><u>\$ 214,444</u></u>	<u><u>\$ 246,333</u></u>	<u><u>\$ 242,744</u></u>	<u><u>\$ 108,144</u></u>
Increase (Decrease) in Fund Balance	\$ 177,170	\$ (244,019)	\$ (7,700)	\$ 28,300	\$ (134,600)

1. Expenditures include changes in compensated absences and other post-employment benefits.
2. The 2013/2014 budgeted expenditures include \$99,000 for the refurbishment of one ambulance. This purchase is subject to review of revenues and funding availability prior to being authorized.

Explanation of Changes in Fund Balances:

Fluctuations in the Ambulance fund balance are primarily due to the number and amount of capital outlay purchases each year. The fund balance decrease in 2011/2012 was primarily due to the purchase of an additional ambulance at a cost of \$160,000 and various other capital items totaling \$81,700. The 2013/2014 decrease is primarily due to \$104,500 in capital outlay items including \$99,000 to refurbish one ambulance.

Function:
Business Type

Department:
Fire

Activity:
Ambulance Operations

	Actual 2010/2011	Actual 2011/2012	Budget 2012/2013	Revised Estimate 2012/2013	Budget 2013/2014	Percent Change
Expenditure Summary						
Personal Services	\$ 124,591	\$ 123,482	\$ 125,400	\$ 127,500	\$ 132,200	5.42%
Commodities	67,288	77,817	82,700	94,700	91,200	10.28%
Contractual Services	150,587	146,863	153,300	167,100	167,100	9.00%
Capital Outlay	108,852	255,358	5,800	16,100	104,500	1701.72%
Transfers	729,419	818,800	872,500	872,500	919,800	5.42%
Total Expenditures	<u>\$ 1,180,737</u>	<u>\$ 1,422,320</u>	<u>\$ 1,239,700</u>	<u>\$ 1,277,900</u>	<u>\$ 1,414,800</u>	14.12%
Funding Sources						
Ambulance Fees	\$ 1,321,352	\$ 1,115,643	\$ 1,200,000	\$ 1,250,000	\$ 1,250,000	4.17%
County Subsidy	31,400	31,400	31,400	30,000	30,000	-4.46%
Donations	7,737	20,000	-	10,000	-	
Interest	632	375	600	300	200	-66.67%
Transfer from Ambulance Refurbishment Project Fund	-	12,482	-	-	-	
Local Grant/Reimbursements	-	-	-	13,200	-	
Reimbursement of Damages	-	-	-	2,500	-	
Other	<u>160</u>	<u>-</u>	<u>-</u>	<u>200</u>	<u>-</u>	
Total Funding Sources	<u>\$ 1,361,281</u>	<u>\$ 1,179,900</u>	<u>\$ 1,232,000</u>	<u>\$ 1,306,200</u>	<u>\$ 1,280,200</u>	3.91%

Personnel Schedule						
	Actual 2010/2011	Actual 2011/2012	Budget 2012/2013	Revised Estimate 2012/2013	Budget 2013/2014	Budget Amount 2013/2014
Full Time:						
Ambulance Billing Manager	1.00	1.00	1.00	1.00	1.00	
Part Time:						
Ambulance Attendants	0.53	0.53	0.53	0.53	0.53	
Office Coordinator	<u>0.25</u>	<u>0.25</u>	<u>0.25</u>	<u>0.25</u>	<u>0.25</u>	
Total	1.78	1.78	1.78	1.78	1.78	\$ 106,100
Employee Benefits						<u>26,100</u>
Total Personal Services						<u>\$ 132,200</u>

Capital Outlay				
Item:		Quantity	Replacement	Amount
Ambulance Refurbishment		1	Yes	\$ 99,000
Vehicle Camera System		3	No	<u>5,500</u>
Total				<u>\$ 104,500</u>