

OFFICE OF THE COUNTY ADMINISTRATOR

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September 30, 2022

To: County Board of Supervisors

From: Mahesh Sharma, Scott County Administrator
David Farmer, Director of Budget and Administrative Services

RE: Medic Resolution - requesting Scott County to declare emergency medical services as an essential county service, with MEDIC EMS continuing to deliver emergency medical services as a department of Scott County.

MEDIC EMS visited the Scott County Board of Supervisors on April 12, 2022 to discuss the future status of MEDIC EMS as a 501(C)3 corporation or if it could be transitioned to a governmental department or a quasi-governmental agency through a 28E agreement between governments. On September 29, 2022, the MEDIC EMS Board adopted a resolution requesting Scott County to declare emergency medical services as an essential county service, with MEDIC EMS continuing to deliver medical services as a department of Scott County.

The declaration and acceptance of a county-wide emergency medical services department could provide new financial support for the services, obtain operational control of the former MEDIC EMS, and obtain responsibility for emergency medical transport services. The new department would likely qualify for state and federal financial support including the Iowa Offset program, and the Ground Emergency Medical Transport (GEMT) funding. The county financial support could come through the general property basic tax levy or a declared, essential service could access local tax support funding with a voter-approved separate tax levy, as outlined in Iowa Code 422D.

Financial Analysis

Following are MEDIC EMS's summary financial information for fiscal years 2021, 2022 and budgeted 2023.

	2021 Actual	2022 Actual	2023 Budget (Projected Staffing)
Revenues	\$10,634,566	\$11,591,789	\$11,605,512
Expenditures	\$10,634,566	\$11,282,279	\$13,157,284
Net Income	\$-	\$309,510	(\$1,511,772)
County Contribution to Cover Losses	\$170,178	\$-	\$200,000
System Call Volume - Dispatches	33,014	36,132	37,216

MEDIC EMS currently provides dispatching for the entire county and costs are recovered through user fees and charges. If MEDIC EMS were to become a governmental entity, it is recommended to consolidate services with SECC dispatching services to reduce relative overhead and move these services to a property tax basis model. The above fiscal year estimates do not include the

reclassification of the MedCom division from MEDIC EMS to SECC. The timing of this change is not available at this time. This is estimated at \$1,000,000 operational costs per year.

MEDIC EMS, as a 501(c)3, is currently projecting a net loss of \$1.5 million for fiscal year 2023. The County is contractually committed to cover losses up to \$200,000 per fiscal year. If the services were to become a county department, the losses would then be covered by the general fund property tax base of the County. In a future year, any losses could be covered by other governmental funding, such as state / federal grants and recovery programs, or a dedicated tax levy under Iowa Code 422D.

The Iowa Code 422D allows for the County to offer for voter approval the authorization to impose: 1) Local Option Income Surtax, 2) Ad valorem property tax not to exceed seventy-five (\$0.75) cents per one thousand dollars of assessed value on all taxable property within the county or 3) a combination of the two. To offer the funding for voter approval:

- A resolution declaring emergency medical service to be an essential service shall be considered and voted on for approval at two meetings of the Board prior to the meeting at which the resolution is to be finally approved by a majority of the Board by recorded vote. Notice of the first meeting of the board at which the resolution is considered and voted on shall be published no less than sixty day prior to the date of the meeting in one or more newspapers. The board shall not suspend or waive the requirements for approval of the resolution or approval of the imposition of a tax under this chapter.
- The County shall coordinate efforts with local emergency medical service agencies to establish a county emergency medical services system advisory council to assist in researching and assessing the service needs of the county and guiding implementation of services in the County within a council structure.
- The County emergency medical services system advisory council, established above, shall recommend to the Board of Supervisors an amount of funding to be specified on the ballot, and if one or more of the taxes are approved at election, shall annually assess and review the emergency medical services needs of the County, and shall include the results of such review and assessment in an annual report filed with the Board of Supervisors.
- A resolution declaring emergency medical services to be essential shall be deemed void if the proposition to impose the taxes fails at election, authority to impose the taxes expires, or if discontinuance of the authority to impose the tax is approved at election.
- The taxes for emergency medical services shall only be imposed after an election at which sixty percent of those voting on the question vote in favor of the question. The question may be submitted at the regular city election, a special election, or the general election.
 - A local option income surtax may be imposed for tax years beginning on or after January 1 following the date the ordinance is filed with the Director of Revenue.
 - An ad valorem property tax may be imposed for property taxes due and payable in fiscal years beginning after the fiscal year in which the election was held.
- Revenues received shall be deposited into the emergency medical services trust fund created and shall be used as provided by section 422D.6
- The taxes shall be a maximum period of ten years.
- The authority may be discontinued prior to the expiration of the 10 years by petition and election.
- The Emergency Medical Services Trust Fund may be use for the purpose of matching federal for education and training related to emergency medical services. Costs which are eligible for emergency medical services include, but are not limited to:
 - Defibrillators
 - Nondisposable essential ambulance equipment
 - Communications pagers, radios, and base repeaters
 - Training in the use of emergency medical services equipment
 - Vehicles including, but not limited to, ambulances, fire apparatus, boats, rescue/ first response vehicles, and snowmobiles
 - Automotive parts
 - Buildings

- Land

Potential County Departmental Impacts

The County Board of Supervisors and Board of Health monitor and promote emergency medical services by establishing licenses for emergency medical transportation providers within the County through Scott County Code - Chapter 28. Responding agencies must generally be licensed in the State of Iowa as well. Currently these services are outsourced to not-for-profit providers as service contracts.

The ability for a County-run EMS department to provide high quality emergency medical services within Scott County is directly related to reduction of duplication of service, increased staffing opportunities to provide public health services and maximization of volume of calls served by the operational units (economy of scale). MEDIC EMS believes these goals can be achieved as a department of the County.

An inclusion of MEDIC EMS as a County department will impact other operational departments of the County. Many of the operational items, covered below, are currently handled by MEDIC EMS and would transition to the County services for overhead reallocation and overall operational efficiency:

Administration: Budgetary impacts of new department; ability to fund any operational deficits, if any; property tax impacts to overall budget; financial reporting

Auditor: Accounts payable; payroll; accounts receivable for new department

Attorney: Risk management / insurance (property, general liability, vehicle, workers compensation) for new department; HIPPA compliance, legal defense

Information Technology: Incorporation of new departmental technology for 24/7 department; additional service desk calls, county-wide infrastructure licensing

Facilities and Support Services: Maintenance and facility care of new locations. Utility expenses

Health: Change in relationship with providers, update County code chapter 28

Human Resources: Additional FTE for onboarding, maintenance, care. Recruiting staff. Health insurance impacts for new operating department.

Secondary Roads: Fleet management of additional vehicles

Treasurer: Accounts receivable, departmental revenue collections

MEDIC EMS Authorized Agency: Movement of \$200,000 budget to other service area

SECC: Transition MedCom dispatching services to SECC or maintain within operational department?

Action

The Board could approve placing the question on an upcoming agenda item by resolution and directing staff to further study the transition process of creating a county-wide emergency medical services department. If the Board were to finance through the general tax levy, a transition plan would be developed for potential inclusion as of July 1, 2023 and the fiscal year 2024 budget.

Additionally, the Board of Supervisors could begin the process of financing through Iowa Chapter 422D, Optional Taxes for Emergency Medical Services, within Scott County by approving a resolution at an upcoming board meeting. The resolution would declare emergency medical services as an essential service and to begin the process of creating an advisory board. Notice of the first meeting at which the resolution is considered and voted on would need to be published in an official newspaper of the county, not less than sixty days prior to the meeting. The earliest a regularly scheduled Board meeting where a vote could occur would be December 22, 2022.