

FINANCE COMMITTEE MINUTES

March 17, 2016

The meeting was called to order by Chairman Berbee at 5:00 p.m.

Members Present: Nevin Taylor, Henk Berbee, Mark Reams

Others Present: Katie Hensel, Terry Emery, Tim Aslaner, Jay Riley, Taylor Evans with Journal Tribune

Approval of Minutes: The minutes for the meeting on February 18, 2016 were approved as presented.

AGENDA:

Year-to-date Finance Report: Ms. Hensel stated Mrs. Hutchinson circulated the February Finance Report. She said last month we were still waiting for the conversion. This is the first report they have received from the new software, it is a general report. Mrs. Hutchinson left Ms. Hensel a note to talk about the a few accounts that are higher than this time last year.

Income tax revenue is \$274,000 above what it was last year, which is an 8.9% increase. Sewer Service Charges are currently coming in at 9.9% higher than last year. Water Service Charges are currently coming in at 6.9% higher than last year.

She also noted that there are increase in the tap fees from the County as well. She said the expenditures are on track with where we would expect them to be and the transfers out of the General Fund occurred a little earlier this year, so note is looks like a large increase, but it is because of the timing of the transfers.

Mr. Taylor asked Ms. Hensel about the Income tax revenue being higher, is it because we have more citizens ahead of this time last year or is it because the returns are different. She said it is too early in the year to tell what the cause of the higher revenue. It is better to have more two months in than less, so we are trending in the right direction.

Mr. Berbee asked if Mrs. Hutchinson would do a recalculation on the personnel services on page 8 to see if that is going to be on budget.

Mr. Berbee reported that on March 4th we had the rating call with Moodys, then on March 11th we received the rating which is one degree higher than what we currently had. On March 15th, the documents were sent to the investors. The bonds will be priced on March 23rd. Mr. Berbee stated they spent a lot of time discussing the debt that the City has.

EMS Rates: Chief Riley stated that they have a billing schedule that they bill for their EMS rates. He said they have not changed that schedule in four years. Every year the EMS billing company suggest that we raise our rates to be competitive with other community rates. He said they have resisted raising because they do not want to raise

rates just to raise them, however, the expenses go up every year and we are not able to recoup our costs that we spend. We have decided to revisit the rates and asked the company to get comparable rates for us. They gave us four communities and their rates. Chief Riley said we bill for mileage and then we bill for the level of service (BLS- Basic Life Support; ALS1- Advanced Life Support 1-which is usually starting an iv and one medication or ALS2 which includes giving multiple medications). Chief Riley passed out a hand-out with the comparable cities and where we are at currently. He explained that the cost for the ALS2 runs are very expensive (i.e. the needles that go into the bones can cost up to \$150.00 each). He said they bill the residents or any one they transport. We bill their insurance and accept whatever the insurance pays and after 180 days they write the rest off, they do not make anyone pay for anything out of pocket. They do not take anyone to collections because they only get a percentage.

Mr. Reams asked about people who are calling for the squad so they do not have to wait in the emergency waiting room. Chief Riley stated this was true. Mr. Reams asked if we are seeing a problem like this. Chief Riley stated yes, last year we had a record number of EMS runs and billing, however, they have a people who think that if they have us transfer them then they do not have to wait in the triage room, they will not have to wait in the waiting room that they can get in the emergency room quicker, it's a convenience for them. Mr. Reams suggested that we should start looking at changing our billing for some of those cases.

Chief Riley said that last year we collected about 13% of our budget in EMS billing. He stated that they are looking for Finance Committee to recommend the approved rate changes and then we would send it on to Council for a three reading resolution. He also explained that when they would go to ORW to negotiate rates they would negotiate these new rates. Mr. Berbee asked when the contract with ORW ends. Chief Riley answered June 30, 2017, and those rates are fixed rates.

Mr. Taylor said this is not something new, we knew that it was coming and he is in favor of the rate changes and would even be willing to be a sponsor for the legislation. Mr. Reams said he would sponsor it as well. Mr. Berbee said it was unanimous and added that that this will be sponsored by the Finance Committee.

CITIZEN COMMENTS:

The next meeting will be April 20th at 5pm.

The meeting was adjourned at 5:36 pm.