

EMERGENCY MEDICAL SERVICES AUTHORITY - A Public Trust
Regular Board of Trustees Meeting
Wednesday, April 22, 2015 at 1:00 p.m. via Video Conference
EMSA Corporate Offices
1111 Classen Drive, Oklahoma City
1417 N. Lansing Ave., Tulsa, OK

Minutes:

NOTICE AND AGENDA for the Regular Meeting of the Board of Trustees for the Emergency Medical Services Authority, a Public Trust, were posted April 20, 2015 at 11:53 a.m., in the offices of the City Clerk of Tulsa; and with the City Clerk of Oklahoma City on April 20, 2015 at 12:00 p.m., more than 24 hours prior to the time set for the meeting.

TRUSTEES PRESENT

Mr. Larry McAtee
Ms. Allison Petersen
Mr. Larry Stevens
Mr. Joe Hodges
Mr. Phil Lakin
Chief Bryan Wood
Dr. Jeff Goodloe
Mr. Clay Bird
Dr. Jim Rodgers

Trustee Absent

Mr. Stephen Rodolf (Excused)

OTHERS PRESENT

Steve Williamson, EMSA
Kent Torrence, EMSA
Jim Winham, EMSA
Kelli Bruer, EMSA
Frank Gresh, EMSA
Sara Bovaird, EMSA
Tracy Johnson, EMSA
Sonny Geary, AMR
Tina Wells, AMR
Joanne McNeil, AMR
Lara O'Leary, AMR
Doug Dowler, City of OKC
Major Blocker, City of OKC
John Weidman, Bond Atty
Ted Bailly, Fritz/Bailly
Mike Nikkel, OKC Fire
Jim Orbison, Riggs/Abney
Steve Turnbo, Schnake/Turnbo
Hannah Jackson, Schnake/Turnbo

A quorum was present and the meeting was called to order at 1:01 p.m. by Mr. Larry McAtee.

CONSENT AGENDA

1. **Approval of Board Minutes from EMSA's Regular Board of Trustees Meeting of March 25, 2015 at 1:00 p.m.**

UPON Motion made by Mr. Larry Stevens and seconded by Mr. Clay Bird, the Board of Trustees voted to Approve the Board Minutes from EMSA's Regular Board of Trustees Meeting dated March 25, 2015 at 1:00 p.m.

AYE: Mr. Larry McAtee, Ms. Allison Petersen, Mr. Larry Stevens, Mr. Clay Bird, Chief Bryan Wood, Dr. Jim Rodgers and Mr. Joe Hodges.

NAY: None

The Motion was passed.

REGULAR AGENDA

1. **Chairman's Report**

There is no Chairman's Report today. The next item is the Chief Financial Officer's Report.

2. **Chief Financial Officer's Report**

Mr. Torrence is reporting on the first nine months of the fiscal year ending in March. In the Eastern Division, they have had a profit of \$843,000, compared to budgeted profit of \$224,000 – difference being \$619,000 – which comprises of the contractor cost of \$305,000 less than budget and our other operating cost less than budget as well. The collection rate is 48% versus the budget of 44%. Emergency transports are less than budget 2.1% and non-emergency transports are just slightly less than budget at 24.4%.

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The Western Division has had a net loss of \$1,247,000 compared to a budgeted net loss of \$3,485,000, or a positive variance of a little over \$2.2 Million. Net patient service revenue is \$1.3 Million over budget – Operating expenses are down \$910,853. Collection rate is 52% compared to a budget of 47%. Emergency transports are close to budget 79 or 0.1% and our non-emergencies are more than budget by 306 or 7%.

Transports in the East are 59,600, down a bit from 2014. In the West, slightly more than 2014 with 72,200.

Cash receipts in the East are right on budget – the Operating Expenses are \$400,000 less than budget. Cash in the East is \$1 Million more than we had budgeted for the first 9 months. In the West our patient receipts are \$800,000 more than budget. Operating expenses are \$800,000 less than what we had budgeted. So, for the first nine months, the West has \$2.4 Million more in cash than budgeted – that will change over the next two months.

3. President's Report

Mr. Williamson would like to start with #4, which is the EMSA Eastern Education Center and Medical Supply Addition. We have had this building addition in the last three budget cycles. In 1988, this building was built – it has held up fairly well for 27 years. In 1988 we had 24 ambulances – we now have 50. We have tripled the amount of personnel too. We are in desperate need of medical storage and medical prep areas, which is where we prep the ambulances to go out in an efficient manner and to clean the vehicles in an efficient manner. We have drawings to show you the plans, along with aerial drawings. We are also providing some outdoor area for the employees. A recent trip to Washington, D.C., showed me astounding figures regarding suicide of our paramedics. There are many reasons for this and the workplace is a major part – therefore, we are trying to give them a good break area. This addition will be 16,000 square feet.

Dr. Goodloe would like to add that he often hosts emergency medicine interns here – he has them here for training on the practice of EMS medicine and AMR has been very gracious in accommodating to help him in orienting interns on some of the clinical aspects, as well as practical exercises.

In my national travels I have never seen an EMS organization take better care of their facility more than I have in Tulsa. And with the infectious disease issues that

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we were dealing with last year – it is a good example of the importance of proper vehicle decontamination and maintenance and we need space for that. We have even more pieces of equipment to put on these apparatuses – more than ever before.

Ms. Allison Petersen asks if disruption and its costs will be discussed.

Mr. Williamson said that it has been discussed and they've already filled the paperwork for that. Then Mr. Williamson asks that we vote to approve the EMSA Eastern Education Center and Medical Supply Addition.

4. Approval of the EMSA Education Center and Medical Supply Addition

UPON MOTION made by Dr. Rodgers and seconded by Joe Hodges, the Board of Trustees voted to Approve EMSA's Education and Medical Supply Addition.

AYE: Larry McAtee, Ms. Allison Petersen, Mr. Larry Stevens, Mr. Clay Bird, Mr. Phil Lakin, Chief Bryan Wood, Dr. Jim Rodgers and Mr. Joe Hodges.

NAY: None

The Motion was passed.

Mr. Williamson wants to now discuss Considering the Resolution authorizing the incurring of indebtedness and of authorizing the issuance of a note not to exceed \$5,500,000; Emergency Medical Services Authority Capital Improvements Revenue Note, Eastern Division SERIES 2015; waiving Competitive bidding and Authorizing the sale and delivery of the Note at a discount; Approving a Note Indenture and a Note Purchase Agreement; and Authorizing such other documents and Agreements as may be necessary or required; and containing other provisions relating thereto.

We are seeking a loan competitively through a bank on a 10 year span. Mr. Williamson talked with the City of Tulsa Finance Director about the method to do this. He said to contact John Weidman, bond attorney. We would do this hoping

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for a rate of 3.25% - paying interest for the first two (2) years and pay the remainder over the next eight (8) years.

One question that has come up when we look at this budget, is our commitment to the City of Tulsa for that \$1 Million for their use in first response. We have made that provision and that continues on in the budget, in the cash forecast. That \$1 Million is also in the budget for the next five (5) years and we will continue to make that contribution. As far as any rate increase, the next will be in 2019.

This financing is only for the Eastern Division at this time. We will come back in 90 days hopefully with the financing package for Oklahoma City. First, I am finishing up the work with the Architect; Oklahoma City is giving us the land and we will clear all financing issues with Oklahoma City as we have here in Tulsa.

Dr. Goodloe just wants to reiterate – that there will be no rate increase until 2019. Mr. Williamson says that is correct. Dr. Goodloe then asks what other urban EMS system are you aware of that is able to make the decision that they are not going to increase rates until at least 2019?

Mr. Williamson answers that there are not any!! That doesn't generate any understanding though. We keep rising up that ladder for every other EMS agency of any size, anywhere in the United States and they can't do that. We have done it!!

Dr. Goodloe feels that it is very important for the Board and the citizens to take note of that. This EMS system has been really phenomenal and I think that should be more widely appreciated and celebrated. Dr. Rodgers completely agrees.

Mr. Lakin asks that when the budget comes before the Board for approval for next year, you've already got the \$1 Million budgeted in?

Mr. Williamson reiterates that yes we do. We were going to raise the fee this year to \$4.80, but we chose last year because of the need – the request for that \$1 Million that they wanted back to the City of Tulsa. They needed a guarantee of the \$1 Million – we were raising the rate with only nine months left so we had to raise the monthly fee high enough to bridge the gap and that was adding \$0.93 – that is

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how we came up with \$5.45 – that is where we are today and we are not suggesting changing that.

Mr. Williamson asks for Approval of this item.

5. **Approval of Resolution authorizing the incurring of indebtedness and authorizing the issuance of not to exceed \$5,500,000.00; EMERGENCY MEDICAL SERVICES AUTHORITY Capital Improvements Revenue Note, Eastern Division SERIES 2015; Waiving Competitive bidding and Authorizing the sale and delivery of the Note at a discount; Approving a Note Indenture and Note Purchase Agreement; And Authorizing such other documents and Agreements as may be necessary or required; and containing other provisions relating thereto.**

UPON MOTION made by Mr. Clay Bird and seconded by Dr. Jim Rodgers, the Board of Trustees voted to Approve the Resolution authorizing the incurring of indebtedness and authorizing the issuance of not to exceed \$5,500,000.00; EMERGENCY MEDICAL SERVICES AUTHORITY Capital Improvements Revenue Note, Eastern Division SERIES 2015; Waiving Competitive bidding and Authorizing the sale and delivery of the Note at a discount; Approving a Note Indenture and Note Purchase Agreement; And Authorizing such other documents and Agreements as may be necessary or required; and containing other provisions relating thereto.

AYE: Ms. Allison Petersen, Mr. Larry Stevens, Mr. Clay Bird, Mr. Phil Lakin, Chief Bryan Wood, Dr. Jim Rodgers and Mr. Joe Hodges.

ABSTENTION: Mr. Larry McAtee

NAY: None

The Motion was passed.

Mr. Williamson said he would now like the Board to consider the Resolution relating to the Internal Revenue Code of 1986 Covenants pertaining to the issuance of Capital Improvements Revenue Note, Eastern Division Series 2015; and containing other provisions relating thereto.

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Mr. Williamson asks if there are any questions about this? There were questions prior to the Finance Committee Meeting about terminology and the resolution about where the competitive bidding is.

6. Approval of Resolution relating to certain Internal Revenue Code of 1986 Covenants pertaining to the issuance of the Capital Improvements Revenue Note, Eastern Division Series 2015; and containing other provisions relating thereto.

UPON MOTION made by Mr. Clay Bird and seconded by Dr. Jim Rodgers, the Board of Trustees voted to Approve the Resolution relating to certain Internal Revenue Code of 1986 Covenants pertaining to the issuance of the Capital Improvements Revenue Note, Eastern Division Series 2015; and containing other provisions relating thereto.

AYE: Ms. Allison Petersen, Mr. Larry Stevens, Mr. Clay Bird, Mr. Phil Lakin, Chief Bryan Wood, Dr. Jim Rodgers and Mr. Joe Hodges.

ABSTENTION: Mr. Larry McAtee

NAY: None

The Motion was passed.

Mr. Williamson thanks everyone very much. We will now go back to the President's Report – first is the Compass Point Dashboard. We are still receiving the patient satisfaction – getting enough data in from our new providers. We will get back to you in a couple of months so that we will have a better number.

Compliance is next. We are really excited about how this turned out this month. We are seeing a good difference. In the East, 91% for priority 1, 98% for priority 2's. In the West, we were at 92% for priority 1 – 88% in Edmond – it is going up. High 90's for priority 2's.

On our collection charges we are doing a good job. We have self-pay and co-pay and then we have a statutory governmental requirement on Medicaid, Medicare and HMO. Then we have weekly payments from commercial companies – so our patient mix is a challenge. 40% of our commercial is with Blue Cross and Blue Shield and the state is under our contract with them. Then the deductible program

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this is really exciting how it is working out. Of those that we held then released, we were at \$122,000 or more. The Hospitals can't afford to wait because their bills are large – that's why for us, we are seeking so much less and with very small margins.

As mentioned before, this company we use – we only pay them 10% of the amount collected, once we collect it.

7. Medical Director's Report

We have had a very busy 30 days. We are the leading EMS system in the State and sometimes you just step up and do what is right, not just for our system but because you are representing the entire state. Many leaders in the American College of Emergency Physicians and Oklahoma Chapter have truly spent dozens of hours in the last 30 days, very much so EMS was able to pull together the Heart Association and the Stroke Association, leading stroke neurologists from around the state, hospital systems, EMS and emergency medicine, to help get this bill passed in the House of Representatives. We are hopeful that they will approve the revisions and we expect that Governor Fallin will sign it to make sure Oklahoman's with acute stroke (and this is definitely a state where stroke is a leading cause of death and disability) get better care because of this bill. So, that is what has been quietly happening around the state and I appreciate and thank all those involved.

We had another great Oklahoma Resuscitation Academy a couple of weeks ago in Oklahoma City – many thanks to AMR. We had faculty from as far away as Hawaii and Alaska – with no costs to the Authority – this cost is borne by AMR through some grant funding. We had attendees from our state, including local AMR folks and also a number of fire departments for support. It was such a great conference and there is significant enthusiasm for doing a similar conference next year in Tulsa.

We are very much looking forward to instituting a new form of chest compression through the ResQPump, the active compression, decompression device just as soon as we can possibly get those devices from the manufacturer and get trained on them.

Mr. Torrence asks if anyone has additional questions about the process of the RFP. Mr. Weidman will explain one more time so we all understand.

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Mr. Weidman explains that what EMSA is doing today is neither a strict waiving of competitive bidding nor a negotiated sale. We are going out for an RFP for banks to solicit them and give you an interest rate on the purchase of a note; so there will be 10 or 12 banks that receive this solicitation. We will answer questions from the banks – they will then fill out forms, we'll get that back and it will be reviewed by the staff; it will then be brought to the authority at some point to pick the bank that has the best interest rate and also has the best financial covenants that they will require for EMSA. We are going out for this loan and not going to allow mortgage on this facility.

8. New Business

There is no New Business at this time.

9. Trustees Report

There is no Trustees Report at this time.

10. Next Meeting is Wednesday, May 27, 2015, at 1:00 p.m., at **EMSA Corporate Offices**, 1111 Classen Dr., Oklahoma City, OK 73103 and 1417 N. Lansing Avenue, Tulsa, OK 74106

11. Adjourn

Mr. McAtee adjourned the meeting at 2:25 p.m.