

EMERGENCY MEDICAL SERVICES AUTHORITY - A Public Trust
Regular Board of Trustees Meeting
Wednesday, November 19, 2014 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 of the Emergency Medical Services Authority, a Public Trust, were posted November 17, 2014 at 9:21 a.m., in the offices of the City Clerk of Tulsa, and with the City Clerk of Oklahoma City, on November 17, 2014 at 9:32 a.m., more than 24 hours prior to the time set for the meeting.

TRUSTEES PRESENT

Mr. Phil Lakin
Ms. Lillian Perryman
Dr. Jim Rodgers
Mr. Stephen Rodolf
Mr. Larry Stevens

Trustees Absent

Mr. Clay Bird (Excused)
Mr. Joe Hodges (Excused)
Mr. Larry McAtee (Excused)
Dr. Jeffrey Goodloe (Excused)

OTHERS PRESENT

Kent Torrence, EMSA
Frank Gresh, EMSA
Kelli Bruer, EMSA
Tracy Johnson, EMSA
Sara Bovaird, EMSA
Mark Kessler, AMR
Michael Murphy, AMR
Tina Wells, AMR
Joanne McNeil, AMR
Rick Ornelas, AMR
Doug Dowler, City of OKC
Jim Orbison, Riggs/Abney
Hannah Jackson, Schnake/Turnbo

A quorum was present and the meeting was called to order at 1:08 p.m. by Mr. Stephen Rodolf.

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CONSENT AGENDA

1. **Approval of Board Minutes from EMSA's Regular Board of Trustees Meeting of September 24, 2014 at 1:00 p.m.**

UPON Motion made by Mr. Phil Lakin and seconded by Dr. Jim Rodgers, the Board of Trustees voted to Approve the Board Minutes from EMSA's Regular Board of Trustees Meeting dated September 24, 2014 at 1:00 p.m.

AYE: Mr. Phil Lakin, Ms. Lillian Perryman, Dr. Jim Rodgers, Mr. Stephen Rodolf and Mr. Larry Stevens

NAY: None

The Motion was passed.

REGULAR AGENDA

1. **Chairman's Report**

There is no Chairman's Report today.

2. **Presentation of Audited Financial Statements for the Year Ended June 30, 2014 by McGladrey & Pullen**

Mr. Kent Torrence introduced Kristen Hughes, the Senior Audit Manager for our audit. She is going to give her presentation remotely.

Ms. Kristen Hughes apologized that she could not be there in person but had another meeting. She made sure that everyone had the financials, the compliance report and the auditor communication in front of them. The PowerPoint will serve as a summary of those three items.

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The report starts with what we refer to as the required communications which are basically the topics that we as the auditor are required to report to the Board. It reminds you of what our responsibilities are, the standards we're following as we conduct our audit and what our responsibilities are under the audit.

In the Accounting Estimates – the most significant one for the group is the allowances on the accounts receivables at year end. We make sure the process they are following appears reasonable and consistent with what we see in the industry. In this area – the basis for management's conclusions all seemed reasonable.

If any issues arise, we would bring it to your attention. What you see in each of those required topics is that we did not encounter any difficulties or anything like that as we were going through our audit work.

We report to you if there was any audit adjustment noted during the audit. There were only two this year and they were considered immaterial items that did not need to be recorded in the financials.

Then we have the letter that management signs confirming that everything that they have put in the financials is accurate to the best of their knowledge.

Next is revenue results – this is very consistent compared to the previous year of 2013 – less than a 1% increase. Then to state funding in the Homeland Security area is continuing to decrease – so less funds are coming to EMSA each year.

Slide 4 shows expenses summarized year over year. Total expenses for 2014 of roughly \$65 million compared to \$70 million in the prior year. With EMSA having a new service provider this year, expenses decreased approximately 4% or \$2 million dollars in this category due to lower rates with the new provider.

Slide 5 is a summary of your equity – roughly \$10.5 million of equity is considered unrestricted; then there is an additional \$10 million in your equity section that invested back in the capital assets that the authority owns.

Slide 6 is a summary of the compliance report. There were no compliance violations with any laws or regulations as well. This was a very clean audit.

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Mr. Kent Torrence then said that historically after each audit, we take a vote to show that the audit was presented to the Board and they accepted it.

Approval of Presentation of Audited Financial Statements for the Year Ended June 30, 2014, by McGladrey & Pullen, LLP

UPON Motion made by Dr. Rodgers and seconded by Mr. Stephen Rodolf, the Board of Trustees voted to Approve the Presentation of Audited Financial Statements for the Year Ended June 30, 2014, by McGladrey & Pullen, LLP.

AYE: Ms. Lillian Perryman, Mr. Stephen Rodolf, Mr. Phil Lakin, Mr. Larry Stevens and Dr. Jim Rodgers.

NAY: None

The Motion was passed.

3. Chief Financial Officer's Report

Mr. Kent Torrence will give the CFO Report for the first four (4) months of our fiscal year ended October, 2014. First item in Eastern Division – year-to-date loss of \$256,000 compared to a budgeted profit of \$418,000 – that's a difference of \$674,000. This is due to the utility fund revenue is below budget by \$668,000.

We have not requested any money because we have not really started spending our money from our capital budget of this year. As we start to spend our capital budget monies, we will start asking for City of Tulsa Utility Funds.

Our collection rate is 49% versus a budgeted 44%. Emergency transport slightly less than budget 2.8% - and our non-emergency transports are 119 – less than 4%.

In Western Division – we've had a net loss of \$888,000 compared to a budget net loss of \$1,167,000 – a difference of \$279,000 due almost exclusively to our operating expense being under budget by \$337,000. We have a collection rate of 55% compared to budgeted 47%. Emergency transports are less than budget by 2% - and non-emergency transports are slightly more than budget 7%.

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In Historical graphs, we are about where we were last year; Agings have run the same for the last four months; In actual dollars we are slightly trending higher; Our operating expenses are positive mainly due to grant activity – received more monies than spent in the first four months.

We have made our first payment on the cot loaders. Therefore, the Eastern Division is at \$400,000 more than budgeted. In the West, receipts are over budget by \$700,000. Operating expenses are slightly greater than budget due to working capital issues in the first four months.

And capital expenditures in the East are less than budget due to larger items of our capital budget. In the West - \$1.1 million over budgeted cash.

Mr. Frank Gresh is going to discuss the compliance for the month ending October 31. In the East, priority 1 at 90%, priority 2 is 98%. These are all in compliance. In the West, priority 1 is also 90%, priority 2s at 97%.

We've had a year with AMR and we do not see the exclusions in 8-11% that we did prior – they are now stable at 1 to 2%.

4. New Business

There is no New Business at this time.

5. Trustees Report

There is no Trustees Report at this time.

6. Next Meeting is Wednesday January 28, 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

7. Adjourn

Mr. Rodolf adjourned the meeting at 1:37 p.m.