

As I mentioned at the last meeting, there was a high probability that we would have to have a Special Meeting for a final augmentation for the FY23/24 year. We did receive our cost settlement agreement from Medicaid for our GEMT allocation. The amount was much greater than what our consultant originally calculated. We are also bringing forward some additional Fire and Life Safety Plan Review funds.

Our original estimate was **\$1,100,000**. In December, Kathy and I reduced the amount to **\$900,000** based on our first cost report and proposed settlement agreement. After the federal audit and a significant increase in Medicaid related claim counts, we are now going to see just over **\$1,400,000**. We have always been challenged to budget an accurate number for these funds. While we try to base our estimates on prior year data, rates, billables, payables, and call type, we continue to be challenged. There have been years where we have seen a reduced amount from what we have projected and other years, like this one, where the number is greater. This is the largest amount that we have seen rise above our estimates.

We have signed and returned the settlement agreement as has been our practice for the past eight years.

Due to the increase in the settlement, I felt it would be more appropriate and transparent to bring this amount forward into the current year budget now, rather than to let it appear as greater than anticipated revenue in next year's budget

Bringing these funds into play now will allow us to fill some significant shortfalls in some areas of the budget which will for the most part consume the additional funds. Overtime and PERS are two of the larger areas which need reinforcement. We currently have 6 personnel out on long-term medical leave, which is a primary

driver. We also funded one additional FTE Firefighter in the academy for five months, a move which has paid off with a most recent retirement. Vehicle maintenance is another area with significant shortfalls. Ms. Andress has provided the full augmentation details with the item back up. It is also important to remember that we have had to reduce ambulance billables by **\$480,000**, thus resulting in a loss of anticipated revenue of **\$200,000**. We are estimating that we will still be short in this area. Additionally, we are estimating that our sales tax allocation will be **\$130,000** less due to our new non-guaranteed status. Lastly let us not forgot our NVE contract termination, which impacted the last five months of operations for our fire and fuels crew program and resulted in a loss of administrative fees of about **\$50,000**. (**\$380,000**)

**We did hold a meeting with the Labor Association's Executive Board prior to this meeting to provide a similar briefing.**

I apologize to you for having to schedule this special meeting. I believe it is only the second time in 8 years where we have had a special meeting.

I want to try to provide an explanation of why the GEMT amount was greater than anticipated. Originally Kathy and I budgeted 1.1 M in GEMT Funding. After our initial submission and cost report was produced, it appeared that we would receive around \$900,000. In December, we made that change via augmentation. Once the federal auditors got involved, the eligible Medicaid claims increased from 454 originally identified to 730. The difference as it was explained to us revolved around Medicaid claims that we secondary payees. This along with the work we did to identify the dispatches that were completed by ancillary staff which brought the elapsed time statistic from 68% to 81% for medical calls increased the

proposed transport rate and cost settlement amount. The estimated cost settlement then increased to approximately \$1.4 million. We will continue to investigate this matter prior to filling next year's GEMT so we can attempt to fine tune the estimate ahead of time.

Lastly, we are also bringing forward some additional plan review funds collected (\$33,000) Once again, it is better to bring this forward now rather than later.

Ms. Andress, Ms. Owen, and myself will try to answer any questions.