



# **Addressing Funding for Emergency Medical Services in Travis County Emergency Services District No. 2**

**Community Relations Workgroup Report to the Board**

**7/30/2020**

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## 1.0 EXECUTIVE SUMMARY

By Fiscal Year (FY) 2024, financial projections show the District will deplete its reserves and begin to operate at a deficit unless an alternate revenue source is identified or the District reduces the level of service and protection it currently provides; this includes cutting emergency medical service (EMS), transport services, and accepting increased response times to emergencies. This is the result of a disproportion growth in service demand and lack of adequate funding for EMS. Additional revenue growth limitations put in place by the legislature have compounded the problem. District staff has identified an estimated \$6 million dollar shortfall in FY2024, which would be required to maintain current service levels.

The District is legally permitted, but not *required* by law, to provide EMS. The District began working towards a solution for EMS in the community in 2010. In 2010, staff began seeing increased Austin Travis County EMS ambulance response times. At that time, the District was providing basic life support (BLS) first response in the community. BLS care is where firefighters, who are all emergency medical technicians (EMTs), provide basic life saving measures such as airway procedures, non pharmacological cardiopulmonary resuscitation, non-invasive medical treatment, and limited trauma care. First response refers to the initial response to a medical emergency that typically arrives well in advance of ambulances with transport capability and this service is delivered via firefighters arriving by way of fire apparatus. BLS is a component of the EMS system, along with advanced life support (ALS), and transport service as the other two components. ALS is typically delivered by a paramedic and includes physician level airway procedures, broad range pharmacology administration that can quickly improve life threatening conditions, and includes advanced clinical decision making made in the field to determine the patient's condition and needs. ALS is usually delivered by paramedics on an ambulance, but can also be delivered by firefighters who are also trained as paramedics.

By 2015 the growing EMS response times became increasingly problematic as Austin-Travis County EMS (ATCEMS) ambulance response time climbed to 13:48 minutes and then to 14:09 minutes in 2016. District firefighter/EMTs serving as BLS first responders witnessed first hand these increased response times alongside patients while waiting for ambulance transport and ALS care to arrive. The firefighter/EMTs providing BLS care realized the profound need for additional, more immediate ALS emergency medical services, including transport to definitive care in the District. This is why the District began providing this critically needed service, "Because We Care", with the intention of supplementing the existing ATCEMS services.

Staff has identified four options as potential solutions for the financial problem facing the District. The District has already implemented traditional government budget reduction procedures to include: evaluation of all operational programs and services which reduced the operations budget by 12% in FY2021. Service and user fees were also evaluated and updated for FY2021. These changes will positively impact the budget by reducing spending and increasing revenue. However, these two significant, and unpopular, changes will not solve the projected budget deficit.

District leadership is trying to solve a very complex problem with regard to adequately funding EMS and is at a point where the community and local stakeholders must be engaged in working together towards a solution for the benefit of the community. This report details each option and summarizes the organizational and community impacts of each. The District is prepared for all of them, but our hope is that a community based solution that is both logical and beneficial is reached.

## **2.0 BACKGROUND AND HISTORY OF EMS TRANSPORT SERVICE IN ESD2**

EMS transport service has not been adequately funded historically in the District to date. Previously these services were provided through an interlocal agreement between Travis County and the City of Austin for EMS transport service, funded by Travis County residents. This arrangement began to have several problems in service delivery due to the area growing and ATCEMS not being able to keep up with the demand. This problem became even more obvious when the two Austin-Travis County EMS (ATCEMS) ambulances placed in the District for EMS response were assigned to calls 44% of the time, leaving no ambulances in the District. This resulted in increased wait and response times for an ambulance. District firefighter/EMTs were on all of these emergency incidents alongside patients, waiting for ambulances. The problem was further complicated because of the challenge faced by the City of Austin to provide its third party service within its own limits as the primary objective, and then trying to extend those resources to provide service to the growing Travis County population.

ATCEMS utilizes a third party EMS system to deliver EMS transport, which is the most expensive system to deliver EMS in a community. The City of Austin also has significant business and labor challenges that increase the cost of providing this service. Examples of this include costly labor contracts and increased costs for land and construction- which are almost 50% higher than building a fire/EMS station outside the city of Austin. These cost drivers are outside the control of Travis County residents. Travis County relying on this model to provide service through an ILA is not sustainable and the system continues to struggle to meet response time performance in several areas to this day despite recapturing the additional two ATCEMS ambulances that were previously located in ESD2. Also of note, the county taxes paid by ESD2 residents for these services have never been returned or reinvested in terms of direct support for EMS transport in ESD2.

In addition to this professional assessment, an external consultant study [by Management Advisory Group (MAG)] of the ATCEMS system concluded in 2011 that:

- ATCEMS has longer response times in County areas outside the city of Austin
- It has been difficult for the County and the ESD's to obtain timely and comprehensive information and responsiveness from the City of Austin EMS Staff
- The service costs to the County are increasingly expensive as a result of increasing labor costs, duplication, and administrative fees

- The County has no control over cost factors due to labor cost increases in negotiations completed between organized groups and the City of Austin
- When a County Ambulance that transported a patient to a hospital in the City of Austin, clears the hospital and attempts to return to its response area in the suburban County, the Computer Aided Dispatch (CAD) system shows the ambulance as “available” for another dispatch. Frequently, these ambulances are dispatched to another call within the City before they arrive back in their assigned response area. This results in longer response times for other units to cover the County area.
- For-profit EMS should only be considered if consolidation of ESDs or each ESD providing fire based EMS can not be implemented.

Nearly all of these challenges still exist today and in 2020 it was reported in the Austin American Statesman that ATCEMS is still unable to meet its current call demand. The report went on to cite an example where there were no ambulances available in the city of Austin [Caprariello, A. (2020, July 14th). EMS Association says medics are working at capacity, fear shortage of ambulances due to COVID-19. Austin American-Statesman.]

The MAG study concluded that doing nearly anything other than the status quo would lead to improvements in service for the residents and taxpayers in Travis County. The study provided specific recommendations, one of them was for Emergency Services Districts to begin providing fire based EMS transport services in their respective districts. It went on to recommend that once these systems were implemented, a comparison of the cost and performance of these services with ATCEMS could reveal improvements to efficiency and responses times, and provide a sustainable solution to EMS transport service in Travis County that allowed for local input and control of these resources in their respective communities.

At the direction of its Board of Commissioners, the District considered these third party recommendations in addition to its own analysis of the problem, leading to the District providing EMS transport services today. This has proven the recommendations to be valid by all accounts and serves as a proof of concept for a cost effective way to deliver EMS transport service in Travis County. Improvements were realized almost immediately with deployment of four District ambulances compared to only two ATCEMS units, at nearly half the cost per unit, and response times being reduced by two minutes. While the original plan was to only add two ambulances to augment the two existing ATCEMS ambulances, the City of Austin ultimately relocated those two units to support other areas outside the District.

Currently the District is one of a few ESDs that meets the Travis County ambulance response time standards specified in the interlocal agreement with the City of Austin. District costs and response time performance are superior to ATCEMS. However, a 25% increase in incidents between 2015-2019 and the recent changes enacted by Senate Bill 2 during the 2019 Texas Legislative Session to limit revenue growth have limited the ability of the District to maintain these services as currently funded.

### **3.0 FOUR OPTIONS AND ASSOCIATED IMPACTS**

In May 2020 Board President Mike Bessner appointed Commissioners April Griffin and Mike Howe to work with staff in a subcommittee to identify options to handle the upcoming financial problem for the District. The collective work of this committee produced four potential options and solutions. These options were presented to the board in July 2020.

The four options are:

Option 1 - Do nothing. This option does not solve the problem. Response times will continue to grow and will lead to negative emergency outcomes, increased maintenance costs, additional workload on firefighter/paramedics, recruitment and retention problems. It will eventually lead to Option 2.

Option 2 - Reduce or eliminate services. The District ceases providing EMS. The City of Pflugerville and/or Travis County would need to provide these services at their own cost.

Option 3 - Establishment of an agreement between the District, the City of Pflugerville, and Travis County to provide at least \$6 million in supplemental funding annually to sufficiently maintain current levels of advanced life support and EMS transport service provided by the District.

Option 4 - Voter driven creation of an overlay district to fund EMS and preserve advanced life support and EMS transport service the community currently receives.

Detailed information is provided herein to summarize each option, as each option was thoroughly investigated in order to examine the impacts of each to the organization and community. District staff are fully prepared to implement each option, or a combination of options.

#### **3.1 Option 1 - Do Nothing**

It is important to acknowledge that this option is not a long-term solution. This option would be unsustainable as it does not address additional funding for EMS and would eventually force the District to reduce or eliminate services.

The District completed a resource deployment study with the help of an outside consultant in 2020 that determined that the District is not meeting its response time goals for the community, particularly in the eastern part of the District. This analysis took into account future population growth, traffic effects, and other variables. One of the recommendations includes adding two stations in order to keep up with growth and to improve [response times](#). If stations and resources are not added, response times will continue to increase. The consequences of that are impacts to critical incident outcomes for fires, heart attacks, strokes, traumatic injuries,

public complaints/sentiment, and increased [risk of litigation](#) for failing to arrive in a timely manner. Additionally, this will create an increase in wear and tear on both firefighter/paramedics and equipment, and further lead to compromised safety standards, performance, and recruitment/retention issues.

Response times are critical to successful outcomes for the most serious call types the District responds to, which is a cardiac arrest (where a patient is not breathing and their heart has stopped beating properly). The District responds to about 160 of these incidents each year, or about 1 every other day. Research done by W. Ibram that was published in the National Center for Biotechnology Information explained that with every minute without CPR, survival from cardiac arrest decreases by as much as 10%. Additionally, research published in the Annals of Emergency Medicine and the Journal of the American Medical Association by M.P. Larsen, et al. titled, "Predicting Survival from Out of Hospital Cardiac Arrest: A Graphic Model", showed that:

- A 11-minute initial arrival time prior to pre-hospital emergency medical intervention gives the patient only a 1 in 15 chance of survival.
- A 6-minute arrival by firefighters, with the initiation of CPR in 5 minutes, increases the probability of patient survivability to 1 in 4.
- Firefighters delivering defibrillation within 8 minutes increases the probability of patient survivability to 1 in 3.
- Firefighters trained as paramedics, and delivering cardiac medication within 9 minutes, increases the probability of patient survivability to 1 in 2.
- All times include total response time (alarm handling + response time)

The Districts standard of cover is our commitment and guarantee to the community concerning what they can expect when they call us on their worst day. It takes into account the need for quick life saving response times, as explained above, balanced with population density, service demand, and the realistic funding needed to meet the standards. The standard is to arrive 90% of time in 6.5 minutes for urban areas, 7.5 minutes for suburban areas, and then 12.5 minutes in rural areas. Urban areas are defined as being greater than 2,000 persons per square mile, suburban areas are greater than 1,000 persons per square mile, and rural areas are less than 1,000 persons per square mile. All of these response time goals are beginning to grow and will continue to grow if stations and resources are not added. The following table is a simple representation of the impact to aggregate response times by doing nothing at our current deployment levels.



Call Volume and 90% Total Response Time Projected Increases

<b>Year</b>	<b>Projected Incidents</b>	<b>Projected Response Time</b>	<b>Total</b>	
2020	11,166	10:52	8 sec	Increase from previous year
2021	11,857	11:00	8 sec	Increase from previous year
2022	12,591	11:08	8 sec	Increase from previous year
2023	13,370	11:16	8 sec	Increase from previous year
2024	14,370	11:24	8 sec	Increase from previous year

Equally important is managing workload balance, or unit hour utilization impacts. This calculation acknowledges the balance of total workload of a firefighter/paramedic in the District and considers the actual work performed on a daily basis by firefighters. In addition to emergency response, the utilization calculation accounts for time needed for readiness and preventative maintenance of equipment, state mandated continuing education requirements, internal policies and patient treatment protocol review, quality management improvement processes, community risk reduction activities, report writing and documentation, physical fitness, and recovery time. All of these activities are important to ensure a community is adequately protected and the overall environment contributes to greater chances of success when the community is confronted with hazards. Maintaining an appropriate workload balance for the firefighter/paramedics is also a key safety mechanism that allows the best patient care and outcomes.

Through comprehensive analysis, including comparison with applicable national standards and regulations, an outside consultant, outside agency benchmarking, and generally accepted best practices, the District established a goal for unit hour utilization of 15% for emergency response. The upper limit is 30% and is considered an emergency trigger requiring immediate and significant changes to prevent significant operational failures (risks to life safety for patients and responders). Each percentage point increase above 15% represents a reduction in the ability to perform the required fire and EMS work activities outside of emergency response. It also represents an increase in life safety risk for firefighter/paramedics and the public.

The following table is a simple representation of the impact of doing nothing to the current emergency response unit hour utilization percentage at the current deployment level (5 ambulances).

Projected Unit Hour Utilization

Year	Projected Incidents	Avg UHU	Projected Call Volume Increase
2020	11,166	18 %	6 % Increase from previous year
2021	11,857	20 %	6% Increase from previous year
2022	12,591	21 %	6% Increase from previous year
2023	13,370	22 %	6% Increase from previous year
2024	14,370	23 %	6% Increase from previous year

While doing nothing is certainly an option, it is only a temporary one as it does not ultimately provide a long term solution. District leadership understands there are many challenges being faced in the community, and we are just one part of these challenges, though an essential part. Failing to address this problem, funding EMS, will eventually lead to increases in nearly every critical category throughout the entire organization. Reductions in services would have to be implemented to maintain the core function of the District- fire/rescue and fire code services only.

### 3.2 Option 2 - Reduce or Eliminate Emergency Medical Services

Emergency medical services represent a significant expense for the District. This option involves the District discontinuing EMS service in portions of the District, or all together, based on resident and stakeholder support for EMS transport service. The District is committed to providing this service, as is evidenced by the system built over the last five years and officially implemented since 2017. However, if adequate funding is not provided, the District will be forced to fall back to its core functions- fire/rescue services and fire code administration only. This is what the District was originally created for and funded to do.

Without appropriate funding, the District would have to cease providing these services to parts or all of the District based on citizen and stakeholder input/commitment. For example, if the District were to cease providing EMS transport and revert to our fire & rescue mission only, the City of Pflugerville would need to acquire EMS transport service elsewhere through its own budget or return to requesting this service from Travis County. (See Option 3 for the associated challenges).

The estimated cost for the City of Pflugerville to provide a third-party EMS service would be approximately \$1.5 million per ambulance for start-up, and \$1.2-\$1.4 million per year for each ambulance (price difference represents the use of demand ambulances). This is based on what

ATCEMS currently requires to operate an ambulance. Current response time and utilization data shows the need for at least five ambulances to maintain current response times in the District. The city of Pflugerville represents 47% of the call demand for the District, and equally important is the total EMS system coverage that is provided in order to effectively handle duplicate calls in close proximity areas to maintain response times. Therefore it would cost at least \$7 million annually for the City to operate its own ambulances using a third-party model and maintain appropriate response times.

This does not include initial start-up costs of approximately \$6 million for additional reserve unit costs, and the fixed facility costs. The City does not own stations to house EMS equipment and personnel due to the loss of economies of scale provided by fire based EMS deployment.

The District operates an ambulance for \$665 thousand annually. The District is able to do this by using existing personnel and facilities that are already strategically located in the community, including within the city limits of Pflugerville. The District currently operates 5 front-line ambulances with a 6th planned in early 2022, also stationed within the city limits. Four of these are currently located within the city of Pflugerville - but all operate within the city limits on a daily basis due to duplicate calls in the city.

An additional scenario could happen where the City of Pflugerville chooses to provide its own EMS transport services, through its own budget and management, and Travis County chooses to fund District ambulances to cover the remaining unincorporated county. In this instance the District would relocate its ambulances to best support response times in those unincorporated areas. This would include Wells Branch, Northtown, and far eastern parts of Travis County outside the city of Pflugerville. Service agreements would need to be established in order to provide backup for duplicate calls and disasters. This would create islands of coverage, and would fracture the area with regard to the EMS system as it operates today.

For-profit ambulances or private EMS are another option. This option comes with significant changes in performance and the quality of service. In the District's professional analysis, this is the worst choice for the community. For-profit EMS will identify the minimum level of service needed to be profitable and will accept significant lapses in response time. An example of these minimal levels of service resulting in a significant increase in response times can be seen in Bastrop, Texas. Some examples there include ambulance response times of 47 to 55 minutes in some cases. For more information on for-profit EMS go [here](#).

Many for-profit EMS systems rely heavily on existing BLS services provided by the local fire department to subsidize their operating costs. They will typically staff their ambulance with only two personnel which is the bare minimum number of personnel required to respond to a basic emergency medical incident. This staffing is predicated on relying on the supplemental BLS staff provided by the fire department to assist on high acuity incidents. The for-profit EMS systems typically do not reimburse the fire department for this supplemental service, but will aggressively bill the patient for their costs and profit. In a critical care situation, such as a cardiac arrest (which occurs about every other day in the District), a minimum of six EMS

personnel are required to deliver high performance CPR known as “pit crew” CPR. To increase CPR performance and outcomes on these incidents, an additional crew of at least two personnel is needed to rotate out in order to maintain the required number and fast pace of chest compressions. Several other emergency medical situations require similar levels of staffing not provided by a for-profit EMS system. The District would be saddled with this unreimbursed expense and would have to pursue reimbursement for those costs by billing the City or patient since the for-profit corporation will not pay those bills (keeping in mind many patients can not pay their medical bills in the first place).

In addition to the subsidy required by the fire department to support for-profit EMS on high acuity calls, the District would likely have to reduce responses to lower acuity calls in order to maintain operations. Many times these calls are initially triaged by 911 as a lower priority incident, and then found to be a higher priority incident once assessed by on scene EMTs and paramedics. This would cause a significant delay in deploying additional necessary resources to the scene and would lead to negative outcomes.

As previously stated, in extended response time situations with for-profit EMS (as long as 47-55 minutes), fire department EMTs would be on the scene of these emergencies waiting alongside the patient. This puts the community squarely back to the same situation as 2016 with ATCEMS with regard to response times. This also places additional legal liability and risk to the District. Placing District personnel in these situations is both unfair to them as medical providers and to the patient. From a legal perspective, in order to limit District liability, the District may have to eliminate this service and cease responding to these calls altogether.

Lastly, for-profit EMS would be required to reimburse the District for costs to house their ambulances in District facilities. For-profit EMS companies will typically not pay for this and will instead just post their staff and equipment in parking lots.

### 3.3 Option 3 - Establish An Interlocal Agreement (ILA) With the District, the City of Pflugerville, and Travis County to Cooperatively Fund EMS in the District.

This is the most logical option, but arguably the most politically complicated. This plan would entail each of the three governments contributing money to fund EMS in the District. Staff had previously attempted this in 2013 with Travis County Emergency Services Executive Danny Hobby and City of Pflugerville Public Safety Subcommittee Council Members Brad Marshall and Starlet Sattler who initially agreed to such a plan. Ultimately, the political atmosphere at the time would not allow for this plan to be successful.

The current situation for an agreement of this kind is further complicated by the fact that the two ATCEMS ambulances that used to operate in the District were relocated outside the District in 2017 in order to try and meet failing response times in other parts of the county. To date, ATCEMS still struggles to meet response time performance goals as defined in the interlocal agreement. It should also be noted that no funding has ever been returned to or reinvested in the District from the County for the improved EMS transport services currently provided by the

District. Current County staff only offer medical direction and fire marshal services as resources for the District. Neither of these County services are needed by the District because the District already provides these services at much lower costs, and they are dedicated resources for the District. Nor do the cost of these services match the tax investment from the residents.

The funding requirements that would be required to make this option work

- Total incremental funding required to maintain ALS EMS transport services is approximately \$6 million annually. This includes the cost of ambulances and capital improvements to deploy these services.
- Travis County would need to contribute \$3 million annually to ESD 2.
- City of Pflugerville would contribute \$3 million annually to ESD 2.

### 3.4 Option 4 - Voter Creation of an Overlay ESD to provide EMS

Under State law, voters can create an “overlay” ESD. In that scenario two ESDs cover the same territory, but provide funding for different services. When an overlay district is created, it provides a single emergency service — such as EMS — and the other provides a different service — such as fire protection.

Voters could consider creating an overlay district such as Travis County ESD 17. ESD 17 could provide emergency medical services through a contract with Travis County ESD 2. ESD 2 would continue to provide fire protection and would then have appropriate funding from ESD 17 to provide EMS.

With the creation of an overlay, there would be dedicated EMS revenue for Travis County ESD 17, which could continue to provide the highest level of emergency medical service. This would relieve the burden of EMS funding from Travis County ESD 2, and allow the District to appropriately provide for and respond to the growth in our area.

A taxpayer petition must be presented to the Travis County Commissioners Court for creation of a new ESD. Municipalities inside the proposed ESD are required to consent to its creation; a municipality has 60 days to take action on the matter once in receipt of the request. With municipal consent, and if approved by the Travis County Commissioners Court, the proposal is presented to the voters at an election. If approved by the voters, the new ESD is then established by the County.

## 4.0 FREQUENTLY ASKED QUESTIONS

The following collection of frequently asked questions is an attempt to address actual questions received by members of the Board, citizens, and other local stakeholders.

### 4.1 Why doesn't Austin/Travis County provide EMS?

*Austin/Travis County EMS previously provided inadequate service to the area. They were only able to provide two units that were not in the District 44% of the time. They are the most expensive option, allowing for more local tax dollars to leave the area, and will not be able to meet the current demand as they still struggle in other less-demanding parts of the County.*

### 4.2 Would Austin/Travis County EMS providing two ambulances solve the problem?

*No. The financial forecast shows construction of Station 6 and 7 and related staff equipment being the largest increased expense to our future financial situation - most of that cost is for staffing and apparatus. The reason we still have a financial issue even with potential to add 2 ATCEMS units is because the District is already shouldering the cost for 5 ambulances and adding 2 ambulances will not provide any financial relief for those costs already shouldered and invested in by the District. This funding could be used to focus solely on the fire mission, but instead is being used to provide EMS transport service in the District. Keep in mind ATCEMS still struggles to meet response times in other less populated parts of Travis County along with the call demand in the City of Austin.*

*The funding that ESD2 taxpayers pay to Travis County that is then paid to ATCEMS should be returned to ESD2 since the District is providing EMS transport services. This would help with the District's financial problem with regard to EMS transport services. This allows for local input by taxpayers for EMS transport services. Additionally, the District has a deployment standard that meets response time goals and has a more efficient cost per ambulance- due to taking advantage of cost saving by using firefighter/EMTs and paramedics who are already located and working in the community.*

### 4.3 Can the District raise fees to cover the cost?

*We are in the process of doing this very unpopular practice. However, even significant increases in fees will not fund EMS adequately. Those covered by Medicare are limited as Medicare has a limit that it will pay for EMS transport. Keep in mind many of the citizens we serve are below the poverty line and are unable to pay.*

4.4 Won't commercial growth cover the expenses?

*Certainly commercial growth helps, but let's take a large commercial center for example - Let's assume it goes on the tax rolls at \$250 million in property value. At the maximum ESD tax rate of 10 cents per \$100 of assessed value, that will generate \$250,000 in taxes annually for the ESD. That won't quite cover half of the cost of what it takes to operate a single ambulance. Keep in mind the 1,000 plus people employed and the increased traffic it will generate (vehicle accidents), which increases the number of incidents the District must respond to. Those 1,000 people will also need places to live- resulting in more residential service demand.*

4.5 Is an overlay district a separate tax?

*Yes, an overlay would create a separate taxing entity to fund EMS.*

4.6 What would the boundaries of the overlay district be?

*Same as current ESD 2 boundaries.*

4.7 What would the tax rate for the overlay district be?

*The petition would ask what the Texas Constitution allows; a max of a 10 cents per \$100 of assessed property value. However, based on conservative pro forma analysis we believe it may be between 6-7 cents per \$100 of property value. The actual rate would be decided by the new district's Board of Commissioners.*

4.8 If a new ESD is created, would taxes go down in ESD 2?

*No, the current funding for ESD2 provides fire and rescue services. Due to ever increasing number of incidents, these costs are not going down. The District must be funded to continue to provide these services and also address future growth and service needs in those areas.*

4.9 What are the incremental costs of the new ESD?

*We have projected a 3% per year revenue growth in FY24 and FY25 to project potential property value increases and keep us below the 3.5% revenue growth established by Senate Bill 2. If growth and value trends continue, this additional revenue will come as a result of property value increases or additions of new property. Assuming the tax rate was set at \$0.04 per \$100 and if values don't increase and there are no new properties then we would propose a tax rate increase. To increase the revenue in FY24 by 3% the tax rate would be approximately \$0.0412 and FY25 \$0.0424.*

4.10 Is there a pro forma budget available?

*Yes, a pro form is included as a resource in this report.*

4.11 Would splitting ESD 2 into multiple smaller ESDs help?

*No matter how you divide it, the current revenue streams, even when combined for obvious economies of scale, can not meet the demand. Splitting the ESD would actually further limit and reduce services by reducing funding available to pay for these services through resource pooling. Smaller ESDs struggle to provide basic fire/rescue services at all, let alone additional expensive services such as EMS. Third party analysis by consultants, such as the MAG report, actually recommends doing the opposite, whereas consolidation provides economies of scale by combining ESDs. This would also be a significant legal undertaking and would be costly in terms of legal expenses.*



**5.0 RESOURCES AND SUPPORTING DOCUMENTATION (Available upon request)**

- 5.1 Budget and Finance Report from the Fire Chief to the Board of Commissioners
- 5.2 Financial forecasts for ESD 2 and Different Levels of Forecast Assumptions
- 5.3 Historical Five-year budget growth for ESD 2
- 5.4 EMS pro forma analysis
- 5.5 Historical five-year incident and response volume for ESD 2
- 5.6 EMS incidents in the District, including the City of Pflugerville
- 5.7 Response times in the District
- 5.8 Why response times matter
- 5.9 Cost of operating ambulances
- 5.10 Benchmarking: How do we compare to ATCEMS (response time)
- 5.11 Benchmarking: How do we compare to other ESDs and municipalities (ad valorem, cost per capita/per incident)?
- 5.12 Pre-Hospital Emergency Medical Care Study by Management Consulting Services for Travis County, Texas