



# Board of Commissioners Meeting Agenda Item Submittal

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Item To Be Considered: **Request to Proceed with Cost-Recovery Program**

Board Meeting Date: **February 27, 2024**

Prepared By: **Jacob Randall – Fire Chief**

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**Overview:** The cost of emergency services is continuously increasing. After evaluating the service users, not residents of Swansboro or Onslow County, further exploration of cost-recovery revenue programs was initiated. Further administrative support and changes are required before officially starting the cost-recovery process.

Expanded Overview: While not a complete source for operating expenses, the Emergency Response Cost Recovery Program by Fire Recovery USA offers a potential opportunity for recovering expenses from incident response. Most insurance policies include a clause for emergency services or hazardous situation responses. The proposed cost-recovery program would seek reimbursement for different emergency responses and operating costs.

During our exploration into the program, we were provided with an estimate of billable incidents based on our historical response data, totaling \$35,800. After the cost-recovery company redacted their respective fees for service, the revenue was estimated at \$27,926. This program is estimated and projected based on calls for service and should not be identified as a dedicated revenue source until numerous years can be averaged on collection rates.

We have the ultimate control and ability over what incidents we seek funding for or the processes for collections. The guidance and direction requested this evening is to identify the billing methods from one of the following options.

- 1) All billable incidents are sent to the insurance company for payment. Bills deemed non-billable by insurance would not be sought further.
- 2) Billable incidents involving only non-tax-paying citizens (Swansboro & Onslow) would only be sought through the individual's insurance company. Non-billable incidents, again, would not be pursued.
- 3) Billable incidents involving only non-tax paying citizens (Swansboro & Onslow County) would be sought through the insurance company and then pursued through a bill to the individual if deemed non-billable through insurance.

The next step in the process requires establishing/revising our UDO to incorporate the language to participate in this program. Furthermore, the Fee Schedule must reflect the listed pricing for the billable incidents. We would return with the UDO changes and Fee Schedule (Amendments or New FY Proposal) for final approval before entering into any agreements.

**Recommended Action:** Guide staff on pursuing the recommended cost-recovery program through Fire Recovery USA with billing methods 1, 2, or 3 to allow for drafting the proposed UDO, Fee Schedule, and Service Agreements for future approval.

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