

## Why Lebanon's fire and ambulance services are PINCHED for money

Alex Powers Mar 13, 2023 Updated Dec 29, 2023

When a Lebanon firetruck rolls up to a burning building, career professionals and unpaid volunteers step off the vehicle.

And the tax district undergirding the department that responds to medical crises and burning buildings can't find enough of either.

At Lebanon Fire District, a decline in reimbursement for ambulance calls is coinciding with a decline in volunteers. Meanwhile, emergency calls generally have increased as the city's population verges toward 20,000.

"And that's not sustainable," said Joe Rodondi, the district's fire chief.

Adding even more insult, Rodondi and other advocates argue, relatively small governments were overlooked in federal pandemic response.

Hundreds of billions were made available to help gap soaring costs in city halls and county courthouses, but special tax districts — standalone agencies typically covering small and rural populations — were not eligible.



*Lebanon Fire District emergency medical responders cheer a pair of U.S. Marine Corps veterans walking through Lebanon on Highway 20 on Saturday, Dec. 10, 2022. The fire district is feeling*

*the financial pinch of not enough money and too many calls for service given the number of paid professionals and volunteers. Alex Powers, Mid-Valley Media*

Already suffering declining revenue and volunteers, Lebanon's fire service was hit hard by the coronavirus pandemic.

It's a combination department that [runs two 24-hour fire stations](#), and two more stations with limited hours to extend the district's response to burning buildings and medical emergencies during the day.

Lebanon Fire District foots one of three ambulance providers in the 2,309-square-mile expanse of Linn County. Albany and Sweet Home provide the others.

By the end of 2020, all three services were overloaded. Hospitals were overloaded. Rodondi said it wasn't uncommon to send ambulances from Lebanon to Klamath Falls, 214 miles away, or to Portland.

Medical crews from the district traveled as far away as locations in California and Idaho, Rodondi said. And frequently, Rodondi pushed through overtime pay to keep Lebanon's four ambulances rolling.

"There's a cost to have employees," he said.

### **Overtime**

The funds set aside in the district that year for payroll did not anticipate an overcrowded health care system.

About one in five patients hospitalized in Oregon was sick with COVID-19 in December 2020, and more than 660 were hospitalized with the disease at any one time.

Lebanon's four ambulances ran nearly all the time.

"I outpaced the budget," Rodondi said.

Much of the cost overrun is from transportation between facilities. Emergencies frequently go straight to [Samaritan Lebanon Community Hospital](#).

Then ambulances transport stabilized patients from one emergency room to a larger hospital with specialized services not available in Lebanon.

In response to the financial crisis, Lebanon Fire District has two moves: Reduce service or increase its revenue.

Rodondi said he shut down the fourth ambulance in early 2021 to balance the budget. The truck likely won't be staffed again until 2024.

"It's still not in the black. I'm just slowing the hemorrhaging," Rodondi said.

### **Cost**

Much of the increased need for ambulances came at the cost of federal reimbursement.

Lebanon's fire service wrote off nearly \$4.9 million in fees that the tax district couldn't recover from billing for patients insured under Medicaid and Medicare.

Rodondi said Lebanon Fire District bills patients for what it can, but the United States reimburses the district for those under its coverage at a fixed rate.

If the average cost to the district for an emergency call increases, then the fixed rate at which it receives revenue through Medicaid and Medicare payments isn't enough to cover the increase.

The district effectively subsidizes the patients at its cost.

Lebanon Fire District billed for nearly \$8 million in medical calls to patients under Medicaid and Medicare in 2022. The district received a little more than \$3 million.

"An ambulance enterprise should be able to fund itself," Rodondi said. It's supposed to run like a business.

The district's ambulance service is budgeted as a government enterprise in which revenue generated by fees balances outflow of funds for payroll and the costs of keeping medical trucks running around the clock.

Rodondi said he had to make up the ambulance billing shortfall from money in the district's general fund. Covering his staff's pay effectively cleaned out any money that Rodondi would have used to cover big, unforeseen expenditures.

Lebanon firefighters answer about 18 calls per shift, or 7,000 calls each year. The overwhelming majority are medical calls.

The district had an about \$9 million operating budget in 2022. But the pool of money from which the district covered overtime in 2021 hovers at about \$1 million.

"We can't keep doing that," Rodondi said.

Some have given up: A city-run fire department in Baker City agreed in 2022 to close down its ambulance service, leaving it to the Baker County government to find a replacement emergency medical provider.

A fire department union president told the Baker City Herald that about 80% of the department's medical calls go to patients covered by Medicaid and Medicare.

Even with the backing of a city budget and county contributions, the department couldn't afford to keep running an ambulance.

There are limited options for a tax district to fill funding shortfalls; "It's taxes, it's fees or a levy," Rodondi said.

## **Taxes**

Oregon property owners are expected to pay a maximum tax. And an Oregon property typically sits within the boundaries of multiple governments, each taking its share. But state laws passed in the 1990s make Oregon taxation a crowded market.

Local governments were limited to taxing property at 1% of its assessed value. Schools, typically funded through their own standalone taxing districts, were cut off at 0.5%.

Reporting in 2006 found Measure 5, approved by voters in 1990, had caused an estimated \$40-plus billion revenue shortfall in local governments, and a legislative panel found by 2011, Oregon tax law was to blame for a \$3 billion shortfall in public school funding.

Special tax districts, generally small standalone governments providing a service like a utility or firefighting, can float bond measures to get around the caps set to maximum taxation in Measure 5.

Depending on how many other tax districts overlap, a house in Lebanon valued at \$435,000 pays, on average, \$317 each year to Lebanon Fire District.

The district imposed taxes of about \$6.3 million across the properties within its boundaries in 2022.

Cities, on the other hand, stop staffing shortfalls and coverage gaps with fees.

Cities can level development fees on services like water to pay for fire or police coverage. Corvallis elected officials in December approved [charging an additional \\$8](#) in bills to the city's residents, largely to fund crewing an ambulance.

When it comes to dispensing money, the federal government neglected more than 1,000 special governments in Oregon.

Lebanon's city government received more than \$3 million in coronavirus-related stimulus money in 2021.

But Congress specifically denied special-purpose governments like fire taxing districts access to the \$350 billion made available to local governments under the law that authorized the American Rescue Plan.

Special governments again were excluded in the 2020 CARES Act — or Coronavirus Aid, Relief and Economic Security.

“Nothing came to fire districts,” Rodondi said.

### **Volunteers**

[Rodondi arrived in Lebanon in 2019](#). That year, he tacked a 50-year pin to the lapel of a man who served the district without pay.

“He was here when I was pushing Tonka trucks across the yard,” Rodondi said.

But the population of volunteers departments rely on, especially in sparsely populated rural parts of Oregon, have dried up.

Volunteerism broadly declined during the first years of the coronavirus pandemic. And the jobs held by full-time, paid firefighters are increasingly hard to fill.

“I’ve never seen a staffing shortage like this,” Rodondi said.

About a dozen nongovernmental organizations in 2022, like food banks and Albany’s historic carousel, told Mid-Valley Media [they had seen a drop-off from the number of people doing unpaid labor](#) in 2019.

In a fire district like Lebanon’s, that means fewer people available to crew the equipment needed to save lives.

Lebanon stations are staffed by 42 career firefighters, those employed and paid by the district. Another 61 augment that staff. Volunteers under Lebanon district policy must be as well trained as career firefighters.

Losing a handful of either could be devastating to the district’s capacity to respond to emergencies.

It amounts to hundreds of hours of class time and certification required to wield electrode pads in ambulances or handle hoses at the scene of a house fire.

“And they’re working for free,” Rodondi said.

On the career side, firefighters retire and, Rodondi said, relatively few apply to take their place. When the district does find firefighters to staff its ambulances, others leave.

“We can’t get paramedics out of school fast enough,” Rodondi said.

The district loses certified and experienced staff to larger departments because places like Bend and Clackamas can offer better salary and benefits along with less-demanding shifts in a more thoroughly covered city.

“They have more to offer. They have deeper pockets,” Rodondi said. “If you have the skillset, there are a lot of places you can go right now.”

District numbers were not immediately available, but Rodondi said cutting the fourth ambulance from Lebanon increased the amount of time callers have to wait for medical service.

“Overall, reduced capacity,” Rodondi said.

At the start of his tenure in Lebanon, Rodondi said, revenues and volunteers already were trending downward.

“COVID accelerated what was coming down the pipe,” Rodondi said.

### **Growth**

At the same time, Lebanon’s population is inching toward the 25,000 population mark.

“But the fire district will be rural for a while longer,” Rodondi said.

Major overhauls of highways 20 and 34 and the addition of a medical school brought more people, more homes, more traffic to the central Linn County town.

The growth is overwhelming, Rodondi said, where more potential medical and fire calls are added to a district that may be slow to respond.

Rodondi said small tax districts have to push for increased federal funding recognition, or support from neighboring and partner governments.

Chiefs are administrators, developing and balancing budgets for their elected leaders. In Lebanon, Rodondi oversees multiple departments, each led by assistant chiefs, who delegate to middle-level leaders like lieutenants.

But in especially rural departments, the chief of fire may get on a firetruck and race out to a burning building. That doesn’t leave much time for advocating with state-level policy and budget makers to support small tax districts.

Rodondi appeared in front of Lebanon City Council on March 8 to overview his fire district and introduce himself to [councilors elected in November](#).

The district already is well known to department heads in Lebanon. City information-technology staff subcontract with the fire district for maintaining computers and software.

Firefighters and Lebanon police officers often coordinate vehicle traffic at crashes and fires.

But city and county officials have to know how local fire services are flagging. Then, the conversation around emergency services moves up the ladder to state and federal lawmakers, Rodondi said.

“Lebanon is one of the fastest-growing communities in the state, and you should be proud of that,” Rodondi told councilors. “But make sure emergency services can keep up.”