

TOWN OF MALTA
MAP, PLAN AND REPORT FOR
ESTABLISHMENT OF AMBULANCE DISTRICT



OCTOBER 26, 2018
REISSUED NOVEMBER 28, 2018

Table of Contents

Introduction	3
Emergency Medical Services Law and Statutes	3
Mutual Aid	4
Reason for District	4
Organizational Structure	6
Stations and Locations	6
Daily Operations and Staffing	7
Ambulance Service Award Program	8
User Fees and Charges	8
Procurement	11
Debt	12
Unrestricted Net Assets	12
Annual Contractual Costs	12
Potential Revenue Generation/Cost Savings/Recommendations	13
Plan	15
Projected 2019 Annual Contractual Cost	16
Cost Apportionment	16
Proposed Ambulance District Cost	16
Map and Description of Proposed Ambulance District	17
Attachments	
A – District Description and Map	18
B – Project Scope	19
C - Malta EMS 2011-2018 Calls	21
D – 2018 EMS Town Data	23
E – Community Growth Profiles	24
F – Tax Levy to Town Demographics	25
G – Financial Statement Information	26

Map, Plan and Report for the Establishment of an Ambulance District in the Town of Malta – October 26, 2018, Reissued November 28, 2018

INTRODUCTION:

This report has been reissued to reflect the 2019 Annual Cost at the amount set forth in the 2019 Adopted Budget of the Town of Malta. (See Pages 16, 17 and 25)

A primary function of government is to provide for the health and safety of the people that we serve. First responders represent one of the elements of this duty. A quality ambulance service is very valuable to the residents of the Town of Malta. Malta is currently served by the Malta-Stillwater Ambulance Corps, (“MAC”) a not-for-profit corporation. MAC provides a high quality service to our residents. They are centrally located and staffed 24/7 with skilled medical staff.

The cost to provide this service is high. As with all public ambulance services, the municipality contracts with MAC to help to insure that they have the funding that is needed to continue to operate at the same level of care we have come to expect.

The purpose of this report is to give the Malta Town Board and the residents of the Town of Malta the information that they will need to make an informed decision about whether or not to move forward with an Ambulance District that will provide a fair level of funding to MAC. The district would allow the town to tax residents for the service. Currently, the Town provides annual funding in the town budget. The Town has no general town tax.

Finally, thank you to the work group who worked on this document. Kevin King, the Town Comptroller, worked many hours and provided his expertise. Scott Skinner, the Executive Director of Malta-Stillwater EMS for his cooperation and information gathering. Other members: Cynthia Young, Town Councilperson; Peter Klotz, Vice President of MAC; and Laura Siracuse, Town resident.

EMERGENCY MEDICAL SERVICES LAW AND STATUTES:

Within the provisions of the New York State Public Health Law Article 30, under the Department of Public Health, the New York State Emergency Medical Services Council and Regional Medical Services Councils were created to enact, amend, and repeal rules and regulations establishing minimum standards for ambulance services, ambulance service certification, advanced life support first response services, the provision of pre-hospital emergency medical care and training and examination of certified first responders. The Town of Malta (“Town”) under General Municipal Law has the authority to provide and contract for emergency medical services for its residents. Further, the law states that emergency medical services funded in part with public funds shall not refuse in answer to a call or demand for services to provide service and any person neglecting or refusing to comply with this provision of this law shall be guilty of a misdemeanor.

MUTUAL AID:

In Saratoga County (“County”) there exists an agreement among the eleven ambulance services to lend assistance across jurisdictional boundaries. These services are extended to an emergency response that exceeds local resources, such as a disaster or when resources are already committed to another emergency call. Mutual aid is voluntary and all eleven ambulance services in the County have elected to participate in the mutual aid plan of the County. All ambulances throughout the County are dispatched by the Saratoga County Sheriff’s Office Communications Division. County dispatchers refer to the mutual plan when mutual aid is needed. Six percent (6%) of Malta Ambulance Corp’s total call volume is Mutual Aid Given and three percent (3%) of its total call volume is Mutual Aid Received. In number of calls, this is approximately 229 Mutual Aid Given and 103 Mutual Aid Received in 2017. (218 Given and 121 Received in 2016)

REASON FOR DISTRICT:

The Town is currently provided with emergency medical services and critical emergency ambulance services by the Malta Ambulance Corps, Inc., (MAC) a New York State Not-for-Profit Corporation with offices at 2449 Route 9 in the Town of Malta, New York. MAC provides emergency medical services to approximately 16,000 residents in the Town of Malta and 8,000 residents in the Town of Stillwater.

Like other not-for-profit ambulance organizations, MAC has been faced with a host of challenges. While they have historically and primarily been operated by volunteers, state mandated regulations and training requirements have increased costs and burdened and reduced the volunteer base to only a few individuals. Economic and population growth and an aging population has caused a greater demand for services. Changes in health care accessibility and reimbursement rates have also compounded the already complicated emergency service sector. The foregoing has resulted in the majority of staff now being paid paramedics or emergency medical technicians. To provide quality care, the cost of business has increased and has outpaced revenue, with patients’ insurance payments insufficient to cover operating costs without municipal funding.

MAC is experiencing many of the statistics noted in an article by Brook Murphy dated 5/19/16 which stated the following:

1. The Affordable Care Act has lowered the uninsured rate, but it has not relieved the financial pressure from providing uncompensated care.
2. With the rise in popularity of high deductible plans, health care providers are interfacing more than ever with patients to collect on accounts.
3. Patients with high-deductible policies are grappling with significantly greater out-of-pocket costs.
4. Employee deductibles on the average increased 67% from 2010 to 2015.
5. Rising insurance deductibles have outpaced the average increase in employee wages.
6. Many health care providers have attributed a jump in bad debt expenses to patient’s

increasingly unaffordable insurance deductibles.

MAC and the Town have been working closely together over the last several years to keep MAC fiscally responsible and viable so that they can continue to provide the high quality patient care that residents have come to expect from MAC. User fees have been adjusted based upon industry trends and billing/collections procedures have been enhanced.

MAC has recently appointed new officers, a new executive director and a bookkeeper. The executive director and bookkeeper assist the volunteer treasurer in monthly financial reporting, fiscal operations and identifying potential cost savings. The Town has and will continue to exercise financial oversight over MAC through regular conversations with the board president, board treasurer and executive director. MAC will continue to engage an independent accounting firm to conduct an external review of its financial statements and will continue to provide regular financial reports to the Town.

Despite all of these efforts, revenues fall short of expenses without municipal funding since MAC needs to ensure available professional staff is available when called upon to respond. In order to keep the organization viable and able to meet the needs of the community, MAC has requested the Town consider the establishment of an Ambulance District in accordance with the laws of New York State. Funding MAC through a taxing district is recommended, in part, over simply continued using Town general revenues because it provides a dedicated source of funding for emergency medical services. The majority of Towns in Saratoga County fund their emergency medical services through a taxing district. MAC would no longer be competing with the other departments and agencies for the Town's general revenues as the Town continues to grow with increased demands as a result of this growth. The taxing district would provide enhanced fiscal transparency for our taxpayers as well as free up general fund revenues. These general fund revenues could then be appropriated to meet other needs and demands which have been identified in the Town's draft capital plan and Town-wide Generic Environmental Impact Statement such as the continual and increasing cost of road and culvert maintenance, intersection improvement projects, enhanced pedestrian connections, completion of the highway garage administration offices within the new highway garage, park improvements and improved court facilities to name a few.

Under Article 12-A Establishment of Improvement District Alternate Procedure, the Town Board of any Town may, in the manner provided by this article, establish an improvement district as defined in this article which would include an ambulance district. In accordance with this article the Town Board has adopted a resolution, which was subject to permissive referendum, authorizing the preparation of a map, plan and report to enable the Town Board to consider the establishment of an ambulance district. ***The purpose of this report is to satisfy the requirements of Article 12-A and the information contained in this report has been derived from MAC and other sources as appropriately denoted. This financial information has not been audited and accordingly no opinion is expressed on this financial information or financial records.***

ORGANIZATIONAL STRUCTURE

MAC Membership (Approximately 15 Members)

MAC Board

Administrative Assistant

Executive Director (Board Member)

Medical Director, M.D. (Board Member)

Director of Operations

Paramedic Supervisor (4)

- Scheduling, Narcotics, HR
- Supplies, Narcotics, Equipment
- Vehicles
- Training, Onboarding

STATIONS AND LOCATIONS

Currently, the company operates out of two locations, one in Malta (Designated “Station 1”), 2449 Route 9, Malta, New York 12020 and one in Stillwater (Designated “Station 2”), 283 Hudson Avenue, Stillwater, New York 12170.

STATION 1

This building was built in 2004 due to the need for additional space for ambulance apparatus and equipment and to provide living quarters for a 24/7 staff. This building was built by MAC, using a contractor. The Town subsidizes the mortgage for the building and the mortgage should be fully paid by December 2023. This building is in a good centralized location for responding to calls in Malta, Round Lake and along to the Northway.

STATION 2

This building was built over 100 years ago we are told. The building houses two ambulances and is desperate need of replacement. Structurally, the building is useable, but has exceeded its useable life. The building is in a poor centralized location for responding to calls in the Town of Stillwater. Many years ago, when it was organized, the Stillwater Rescue Squad was located where most of its population resided, the Village of Stillwater, but that has changed. With current and future plans of building in the Town of Stillwater, it is necessary to plan ahead to meet the next 25-30 years of population change and density.

Currently, there are plans on constructing a Public Safety Building in the Town of Stillwater. These plans are in the very early stages, with the hopes of having everything done and built by 2020. There is a concerted effort by the Town of Stillwater and MAC to find property that is centralized to minimize response times throughout the Town of

Stillwater. Thought processes are to focus on available properties close to County Routes 75 & 76. This building potentially could house EMS and the Stillwater Police Department. Discussion is ongoing on all phases of this new building. The Town of Stillwater would be responsible for any debt service on the new facility.

DAILY OPERATIONS AND STAFFING:

Operations:

MAC has a 24/7 schedule where there are three ambulances manned in its 77 sq. mi. of ambulance service area around the clock. (Malta 2, Stillwater 1) With this scheduling, this accounts for a minimum of 1,008 hours per week of personnel hours.

Each ambulance is Advanced Life Support ("ALS"), staffed by a paramedic and emergency medical technician ("EMT"). There are a few days a year where there may be two paramedics staffing an ambulance due to vacations or time off.

There are details (stand-bys, parades, etc.) where people staff the ambulances as per agreements with the requestors. Most of these details are extra and require the extra manpower along with the extra apparatus.

There are rare times, during large weather related storms, or large scale fires, events, etc., whereby off duty personnel are contacted to staff rigs for operational readiness since the on-duty personnel and ambulances are expected not to be available for longer periods or longer travel times.

Staffing:

The administrative staff consists of an Executive Director, Operations Manager, Medical Director and Administrative Assistant.

The operational staff consists of the 62 employees/volunteers made up of:

FT Paramedics	9
FT EMT's	9
PT Paramedics	28
PT EMT's	10
Volunteers	6

There are other volunteers that are not riding members who train the community and other entities in CPR and First Aid on a scheduled basis.

Staff Pay Rates:

The average pay rates for MAC's paramedics and EMTs are \$19.50 and \$15.00 respectively

which appears reasonable to the industry standards. The average paramedic hourly rate as per www.indeed.com and www1.salary.com/NY is \$20.80 and \$18.35, respectively. An article in EMS1.com News states the Bureau of labor Statistics reports the mean hourly wage of a paramedic as \$17.36.

AMBULANCE SERVICE AWARD PROGRAM:

The Town, by mandatory referendum, implemented a volunteer ambulance worker service award program effective January 1, 2001 pursuant to General Municipal Law. The program is a defined benefit retirement plan covering active volunteer ambulance workers who have earned 50 service credits and who are at least 18 years of age. For each year of active volunteer service credit earned, a monthly service award of \$10 up to a maximum monthly payment of \$400 is paid to the volunteer beginning at age 65 for ten years or for the volunteer's lifetime, whichever is greater. Additionally, credit for prior service was awarded for up to a maximum of 5 years for all eligible volunteer ambulance workers. In December 2007, the Town, by mandatory referendum, amended the program to provide a monthly service payment of \$20 and to allow volunteers to continue to earn service credit after retirement age effective January 1, 2008. As of December 31, 2017 twenty (20) volunteer ambulance workers participate in the program and the required contribution was \$4,524. The 2018 budgetary appropriation for this program is \$12,750. If an ambulance district is established, this previously voter approved ambulance service award program would be transferred and accounted for within the special district.

USER FEES AND CHARGES:

Persons using services are charged for these services based upon a Standard Contractual Fee Schedule that has been agreed upon by the Town and MAC. These fees are billed and collected by a third party and are used by MAC for operations and maintenance. The 2018 agreement provides the following fee schedule:

- \$975 Basic Life Support Calls
- \$1,275 Advanced Life Support Level I Calls
- \$1,475 Advanced Life Support Level II Calls
- \$1,400 Specialty Care Transport Calls
- \$22 Per Loaded Mileage (Distance Patient Transported by Ambulance)

In 2017 advanced life support calls accounted for 73% of the calls and basic life support calls accounted for 19% with the remainder no transport. The percentage of advanced life support calls has increased over the last 4 years.

Further, the above fees may be changed by the MAC's Board of Directors to the extent permitted by law as a result of industry changes and the notice of amended fees must be provided to the Town with said change in fees to be effective 30 days after the Town has been notified of the change. The Town reserves the right to disapprove of any fee increase approved by the MAC's Board of Directors.

With the exception of the specialty care transport, MAC's fees are higher than the Town of Wilton's and Town of Clifton Parks' user fees which are as follows:

<u>Level of Service</u>	<u>Town of Wilton</u>	<u>Town of Clifton Park</u>
Basic Life Support	\$700	\$800
Advanced Life Support Level I	\$1,000	\$900
Advance Life Support Level II	\$1,200	\$1,000
Special Care Transport Call	\$1,600	Not Provided
Per Loaded Mile	\$15	\$16

(Town of Malta, Town of Wilton and Clifton Park/Halfmoon had 2,849, 2,458 and 6,868 calls, respectively in 2017.)

Although MAC charges the standard contractual fee for all services rendered, the actual amount MAC is reimbursed for their services has been negotiated with the various health insurance providers and agencies. MAC receives reimbursement from Medicaid, Medicare, for profit and not-for-profit health insurance providers and self pay individuals. A breakdown of the average percentage of the actual standard contractual fee amount that is reimbursed to MAC from the major health insurance providers is as follows:

<u>Payor</u>	<u>Average Reimbursement %</u>
Medicaid	15%
Medicare	25%-33%
MVP	80%
CDPHP	95%
Empire Blue Cross	Varies
Blue Shield	Varies
Multi-Plan	95%
Zelis	95%
POMCO	94%

A breakdown of MAC's revenues by payor is as follows:

	<u>2017</u>	<u>2013-2017</u>
Medicaid	7%	6%
Medicare	34%	35%
Commercial	33%	33%
Blue Cross/Blue Shield	11%	10%
Self Pay	7%	6%
Other	8%	10%

A breakdown of MAC's revenues is as follows for 2013-2017

Year	Claims	Gross	Allowance	Net	Payment	Write-off
2013	1664	1,459,920	549,800	910,120	782,281	127,838
2014	2593	2,669,470	1,094,271	1,575,199	1,354,761	219,386
2015	2677	2,788,678	1,133,286	1,655,392	1,461,007	194,384
2016	2889	3,127,854	1,313,189	1,814,665	1,588,136	224,739
2017	2984	3,615,740	1,622,761	1,992,979	1,675,854	267,268

MAC's net collection rate has averaged 86% for the years 2013-2017.

(Increase in calls and revenues from 2013 to 2014 is due to MAC began contracting with the Town of Stillwater for emergency medical services)

(Since the opening of the facility, Malta Emergent Care accounts for approximately +/- 30% of the MAC calls)

As of December 31, 2017 MAC accounts receivable for patient services rendered was \$262,923 (\$222,569 as of December 31, 2016). The accounts receivable balance was estimated based upon the gross amount billed for October to December, reduced by the average collection percentage of 47.3% and less the amount collected prior to the end of the year.

An aging report of amounts billed and outstanding as of December 31, 2017 generated by the MAC billing company in August 2018 was as follows:

	<u>Gross Billings</u>
Current	\$206,193
31-60	\$ 85,339
61-90	\$ 51,991
91-120	\$ 34,075
121-180	\$ 32,901
Over 180	<u>\$ 23,352</u>
Total	<u>\$433,851</u>

A sample of 40 MAC EMS calls were tested to determine if the call was appropriately billed and reimbursement was received. As a result of this testing, all calls appeared to be properly billed.

PROCUREMENT:

MAC established a written procurement policy in June 2018 which is briefly summarized as follows:

Purchase \$0 to \$250.00:

By: Board members, Supervisors, Admin Asst.
Receipt must be turned in within 48 Hrs.

Purchase \$251.00 to \$500.00

By: Board members, Supervisors, Admin Asst.
Receipt must be turned in within 48 Hrs.
Purchase Orders must be filled with in 24 Hrs.

Purchase \$501.00 to \$1,000.00

By: Board members, Supervisors, Admin Asst.
Receipt must be turned in within 48 Hrs.
Purchase Orders must be filled with in 24 Hrs.
Purchase Order must be signed off by one (1) BOD Member

Purchase \$1,001.00 to \$5,000.00

By: Board members, Supervisors, Admin Asst.
Receipt must be turned in within 48 Hrs.
Purchase Orders must be filled with in 24 Hrs.
Purchase Order must be signed off by three (3) BOD Member

Purchase over \$5,001.00

By: Board members, Supervisors, Admin Asst.
Receipt must be turned in within 48 Hrs.
Purchase Orders must be filled with in 24 Hrs.
Purchase Order must be approved by full board via monthly meeting
or E-mail meeting.

Emergency Purchases - can be made with verbal approval of the President, Vice President, Treasurer, Executive Director or Director of Operations.

Capital Purchases: New Ambulances, fly cars, cardiac monitors or other large ticket items exceeding \$5,000 should be put out to bid with a several proposals on such Items. Prime Supplier may be used for such items if there exists a good track record with the company as to their quality and service.

For over three decades, MAC has evolved and studied industry standards and industry norms in relation to its equipment that has high price tags (i.e. Lifepak cardiac monitors, Lucas CPR devices, Striker stretchers and load systems). There are other competitors available at competitive prices and these competitors are studied to ensure that the current equipment is in line with reasonable pricing. With a fleet of six ambulances and two fly

cars – it is important MAC has uniformity with the equipment within its agency so that training is the same to operate the same equipment to avoid injuries to customers and employees.

Through a regional agreement, area Hospitals exchange on a one for one basis a limited number of items when a patient is transported to a hospital. Such items as IV supplies and medications are re-stocked through this agreement.

DEBT:

<u>Type</u>	<u>Rate</u>	<u>Maturity</u>	<u>Balance at 12/31/17</u>
Facility Mortgage	5.33%	Dec 2023	\$712,593
2016 Ambulance (#3855)	3.50%	Feb 2021	\$ 79,490
2017 Ambulance (#3856)	4.00%	Jan 2022	\$107,800
2015 Ambulance (3854)	3.00%	July 2019	\$ 40,748
2013 Ambulance (#3853)	4.73%	Aug 2018	\$ 5,511
2018 Ambulance (#3851)	4.25%	April 2023	\$ n/a (Issued 4/18 \$88,250)

UNRESTRICTED NET ASSETS:

The unrestricted net assets as of December 31 were reported as follows over the prior three years:

2015	\$418,105
2016	\$521,455
2017	\$730,119

ANNUAL CONTRACTUAL COSTS:

The annual cost for services is established by an agreement between the Town and MAC which has been approved by both boards after contractual negotiations during the Town’s public budget process. For the past several years the term of these agreements have been for only one year. The following table includes historical contractual amounts of the agreement.

<u>Year</u>	<u>Operations</u>	<u>Debt Service</u>	<u>Total</u>
2013	\$244,977	\$135,023	\$380,000
2014	\$251,285	\$135,023	\$386,308
2015	\$333,977	\$135,023	\$469,000
2016	\$333,977	\$135,023	\$469,000
2017	\$338,977	\$135,023	\$474,000
2018	\$348,977	\$135,023	\$484,000

POTENTIAL REVENUE GENERATION/COST SAVINGS/RECOMMENDATIONS:

1. In 2018 MAC refinanced its facility mortgage and as a result a total savings of \$11,676 is projected.
2. MAC negotiated a one percentage point (1%) fee reduction in its service commission fee percentage paid for monies collected on their patient billings in late October 2017.
3. MAC is in the process of reviewing user rates and will consider proposing rate increases for all service types. However, MAC rates appear reasonable compared to neighboring municipalities.
4. A board designated fund net asset policy should be adopted by MAC which would restrict a portion of its net assets for specific future expenditures such as ambulances and would establish the process by which amounts may be expended from said board designated net assets. Per conversations with MAC, an ambulance and a fly car are expected to be replaced in 2019 at an estimated cost of \$223,000.
5. Consideration should be given to eliminating the annual banquet which cost \$10,615 in 2017. With the change in the staffing of MAC from an entire volunteer staff to a predominant paid staff, the need for such a benefit does not seem to be as apparent.
6. A referendum to terminate the volunteer service award program should be considered since the program did not achieve the desired results with MAC now predominantly staffed by paid personnel. In 2017 only 5 volunteers qualified for the program. According to the Town's plan administrator the actuarial lump-sum value of each participants' accrued benefit would be calculated and paid to the participant with any excess funds returned to the Town.
7. A formal purchasing policy was adopted in June 2018. All future purchases should adhere to this policy, including but not limited to the following, medical supplies, contracted services, maintenance contracts, automotive repairs. Consideration should also be given to requiring the Executive Director to approve all purchases greater than \$250 and less than \$1,000. Copies of all purchasing quotes and contracts should be retained in accordance with records retention guidelines. Additionally, MAC should continue to support and take whatever steps necessary to establish a regional EMS buying consortium.
8. Internal controls relating to MAC credit cards accounts need to be reviewed and enhanced so that the use of these cards is limited. The following has been summarized from the 2017 credit card account activity statements:
 - 2017 total credit card activity - \$35,925 (Total Town 2017 credit card activity - \$20,730)
 - Two specific individual's credit cards were not cancelled in a timely manner. The cards continued to be used by other representatives of the MAC in 2017 for approximately \$21,000 in charges. In 2018 these cards have been cancelled and new cards have been issued to newly appointed individuals.
 - Travel expenses for EMS World Expo 2017 in Las Vegas - \$1,600 (See Point #9)
 - Late payment fees and finance charges - \$128

- Various restaurant charges - \$1,400 (See Point #9)
 - EMS recognition week charges - \$864 (See Point #10)
9. In conjunction with the enhance controls on credit cards, a formal travel and meals policy should be adopted with out of town overnight travel being approved by the Board and/or Membership.
 10. Similarly, a formal EMS Week annual recognition policy should be adopted.
 11. With the establishment of the Executive Director position, the internal control system relating to disbursements should be enhanced. All invoices to be paid should be reviewed and approved by the Executive Director prior to being forwarded to the Treasurer for check signature. This change as well as the changes in procurement should assist in controlling the costs of the organization. As an example, office equipment and supplies increased as follows over the past three years:

2015	\$11,876
2016	\$21,412
2017	\$35,251
 12. Policies and procedures relating to the filing and retention of paid invoices should be also be enhanced to ensure that they are readily available upon request and properly retained in accordance with record retention guidelines.
 13. Decisions made by the MAC Board and the Membership, including but not limited to, salaries, pay increases, procurement decisions and contracts, borrowings, budget and financial reporting, investing, committee appointments and billing rates need to be properly reflected in the minutes to provide an audit trail to properly document the Board performance of its governance duties as well as to document compliance with the MAC's Bylaws.
 14. As openings within the MAC Board of Directors occur or the bylaws are revised, consideration should be given to seeking out diversely qualified candidates that could bring different backgrounds, skills and professional experience to the organization to fill vacancies in the Board of Directors.
 15. Similar to the procurement of goods, supplies and equipment, MAC should seek written proposals from a number of financial institutions when debt needs to be incurred. Furthermore, per the bylaws all multi-year financial obligations must be approved by a majority vote of the Membership.
 16. The code of conduct section of the Bylaws states that all officers should avoid, directly or indirectly, participating in any arrangement, agreement, investment or other activity which could result in personal benefit at the expense of MAC's interest. In 2017 MAC contracted with a business associated with a board member for various maintenance services at a cost of \$25,088. Quotes were solicited for a portion of the services contracted - snow removal and lawn care and the snow removal and lawn care services were awarded by the MAC Board after the services were advertised and quotes were received and reviewed. Additionally in 2016 MAC contracted with a board member for \$1,000 for 2 water coolers. MAC should review the code of conduct section of the bylaws and making any changes that might be appropriate, if any, based upon that review relating to these types of transactions. Additionally, related party transactions should be properly

disclosed.

17. Article 6 Finance Section 6.6 Annual Audit states that the finances of MAC will be examined annually by an independent auditor. Currently, MAC engages an independent accounting firm to conduct a review of its financial statements.
18. A human resource consulting firm has been engaged by MAC to assist them in personnel related matters including the review of the employee handbook. After the review and a revised manual is complete, the MAC Board and/or the Membership should approve the revised manual and redistribute the document to all employees and members.
19. Individuals receiving an incentive gift card are receiving 1099's for these amounts. MAC should consult with its accountant as to whether this is the proper reporting/tax treatment.
20. MAC should consider opening a separate interest earning bank account for all patient billings to be directly deposited into by Multi-Med.
21. An accounts receivable aging report was not readily available. MAC should review an accounts receivable aging report on a monthly basis and appropriate action should be taken in regards to delinquent accounts. All accounts to be written off as uncollectable should be approved in accordance with the established policies and procedures.
22. Further, MAC should reduce to writing its policies and procedures relating to billing, collections and write-offs and consider appropriate changes relating to said policies and procedures such as additional notices to unpaid accounts, guidance for billing adjustments, guidance on accounts to be forwarded to collections, etc with the overall goal of enhancing collectability from individuals for co-insurance, copayments, deductibles and no insurance.
23. Consideration should also be given to establishing a formal sliding fee scale for patients that have financial hardship. In 2017 billings to self-pay individuals was approximately \$134,000 of which approximately \$128,000 was written off as uncollectible or 96%.
24. MAC should prepare a request for proposals for collection agency services and enter into a formal agreement for these services.

PLAN:

Unless the Village of Round Lake opts out, an Ambulance District will be formed that encompasses the entire boundaries of the Town of Malta, including all of the Village of Round Lake, within the Town's boundaries within Saratoga County. Services to be provided include: emergency medical services and ambulance service for the purpose of providing emergency medical treatment and transportation. All services to be provided shall comply with the regulations of the New York State Department of Health, Bureau of Emergency Medical Services. Funds raised through a special district tax will still allow the Town to contract for emergency medical and ambulance services. The District shall be formed in accordance with the laws of the State of New York and the district expenses shall be levied on an ad valorem basis effective for the 2019 Town and County Property Tax Bills. Additionally, the ambulance district will become part and subject to the Town's overall tax cap levy and calculation. The Tax Cap Law, passed by New York State in 2011, restricts the amount of real property taxes that may be levied by local governments in a particular year. The growth in annual levy is limited to the lesser of two percent or the annual change in the national unadjusted consumer price index for all

urban consumers, subject to certain limited exceptions and adjustments. The Town Board, by board resolution, may override the tax cap levy. In 2018 the Town tax levy was within the tax cap limit.

The current plan would be for the Town to continue to contract with MAC based upon their prior exceptional high quality level of care and service. As we are well aware, one gets what they pay for and since there does not appear to be a problem with the quality of care the Town is receiving then why should a different provider be considered? To save a few dollars? EMS providers are in the business of saving lives and the Town residents deserve the best.

In addition to funding from taxes raised, MAC will continue to derive funds from patient billing, stand-by services for events, transport services for Saratoga Emergent Care and a contract to provide emergency medical services for the Town of Stillwater. MAC will also be looking for other ways to enhance income and contain expenditures while maintaining high quality, reliable 24/7 paramedic coverage for the residents in the Town.

The Town Board will continue to work closely with MAC, by receiving regular financial reports and updates on the status of the organization. Through open dialogue and transparency the Town Board will be able to monitor the viability of MAC, suggest options for efficiencies and cost savings, and initiate opportunities to make changes in the arrangement as needed.

PROJECTED 2019 ANNUAL CONTRACTUAL COST:

For the year 2015 MAC received a large increase in their annual funding after discussing operating and financial concerns with the Town Board of the Town of Malta during the budget public process. For the years subsequent to that year, MAC received no or very moderate budget increases during the annual budget process. As a result of increased call volume and billing rates, relatively conservative spending and other operational changes, it appears MAC is financial stable. Therefore, a decrease in municipal funding should be considered contingent upon call volume remaining stable, no other extraordinary events occurring and no significant variation in expenditures. For the purposes of this **reissued** report the projected 2019 annual contractual cost for emergency medical services is **\$459,000** which is the amount set forth in the adopted budget.

COST APPORTIONMENT

There are two potential scenarios for the property owners in the Town to establish the District. One scenario would be to include the Village of Round Lake within the district and the other would be to exclude the Village of Round Lake in the district. The decision to opt out of the District would be a decision of the Village of Round Lake and not a decision may by the Town of Malta.

PROPOSED AMBULANCE DISTRICT COST:

For the first year of operation of the Ambulance District, the maximum cost to be expended is

estimated as follows:

Including the Village of Round Lake in the District

- A) Budget to be taxed (not including previously approved ambulance service award program): **\$459,000**
- B) Taxable Special District Assessed Value \$2,585,577,040
- C) Tax Rate for District Property Owners: \$.1775 per \$1,000 of Taxable Assessed Value
- D) Incremental Annual User Cost

Assessed Value	Ambulance District Tax
100,000	\$17.75
150,000	\$26.63
175,000	\$31.06
200,000	\$35.50
250,000	\$44.38

Excluding the Village of Round Lake

- A) Budget to be taxed (not including previously approved ambulance service award program): **\$459,000**
- B) Taxable Special District Assessed Value \$2,504,311,330
- C) Tax Rate for District Property Owners: \$.1833 per \$1,000 of Taxable Assessed Value
- D) Incremental Annual User Cost

Assessed Value	Ambulance District Tax
100,000	\$18.33
150,000	\$27.50
175,000	\$32.08
200,000	\$36.66
250,000	\$45.83

MAP AND DESCRIPTION OF THE PROPOSED AMBULANCE DISTRICT:

The territory of the proposed district consists of the entire Town of Malta encompassing the Village of Round Lake within the boundaries of the Town of Malta. (See Attachment A – Description and Map). This map would be changed if the Village of Round Lake decided to opt out of the District.

Town of Malta Ambulance District
Attachment A – District Description and Map

The Town of Malta Ambulance District, situated in the Town of Malta, Saratoga County, State of New York, including the Village of Round Lake and including all the parcels within the municipal boundaries of the town as shown on the map entitled “Town of Malta Town-wide Ambulance District” dated September 2018, being further bounded and described as follows:

All tract of land, including all individual parcels, commonly described as the Town of Malta, Saratoga County, State of New York including the Village of Round Lake with the municipal boundaries being bordered by the Towns of Clifton Park and Halfmoon to the south, Stillwater to the east, Ballston and Milton to the west and Saratoga and City of Saratoga Springs to the north; containing approximately 28 square miles of land.

This Description and Map would be changed if the Village of Round Lake decided to opt out of the District.

Billing and Collections:

- Written understanding of the Company billing process, including procedures used for uncollectible amounts.
- Copies of agreements with Billing and Collections Agencies
- Fee Structure
- Copies of negotiated contracts/reimbursement letters with insurance companies.
- Listing of Aged Accounts Receivables at year end for 2017, 2016 and 2015. (Preferably by insurance type)
- Listing of revenues for year-end 2017, 2016, 2015 shown at gross with contractual allowance provided as offset for all insurance types

Procurement:

- Copy of written procurement policy
- Procedures for major purchases
- Policy for making equipment decisions; defibs, lukas devices, vents, stretcher lift, etc.
- Supplier choices for recurring costs; meds, first aid supplies, hospital replacement, etc.

Other financial questions/considerations:

- Recent and ongoing efforts to improve efficiency and to contain costs
- Copy of the mortgage agreement for the Malta facility and other debt details
- Other funding sources; fund drive, standbys, other
- Listing of ambulances w/fully equipped cost; date acquired and anticipated replacement date
- Copies of financial Statements from 2017, 2016 and 2015 with explanation of significant variances

Mutual Aid:

- What is Mutual Aid?
- Is it voluntary or mandatory?
- How is mutual aid established and administered?
- Frequency the Corps is called for others/others called for them.

Relationship with Stillwater:

- Breakdown of calls and expenses between Malta and Stillwater for 2017, 2016 and 2015
- Financial contribution from Stillwater
- How is a new station in Stillwater to be financed?
- How does Stillwater fund their contribution

Personnel:

- Organizational Charts and schedule of shifts
- Information on volunteers vs. paid personnel
- Payroll information
- Obtain an understanding of all fringe benefits provided for employees

Tax Implications:

- What properties will be exempt?
- Will Round Lake opt out? If so, what are the legal and financial implications?
- Comparison of other town's tax rates
- Breakdown of the tax impacts for Malta Residents

Other Misc. Topics/Questions

- Number of calls for 2017, 2016, and 2015
- Breakdown of types of calls and where the calls are for 2017, 2016, 2015. (Northway, Malta Med, Round Lake, other communities)
- Comparison to "like agencies"; call volume, staffing, payroll, funding sources, tax rates
- Call rate when additional staff will need to be added and when is it expected to happen

Town of Malta Ambulance District
 Attachment C – 2011-2018 EMS Call Date
 Source Malta Ambulance Corp

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
Malta EMS	267	222	242	216	220	262	0	0	0	0	0	0	1429
Stillwater EMS	78	63	59	47	58	59	0	0	0	0	0	0	364
Total:	345	285	301	263	278	321	0	0	0	0	0	0	1793

2018

MM=536 YTD

9.91/day

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
Malta EMS	253	216	227	222	209	274	280	235	246	232	219	236	2849
Stillwater EMS	62	45	39	43	63	74	57	55	53	54	56	65	666
Total:	315	261	266	265	272	348	337	290	299	286	275	301	3515

2017

MM=1004

9.6/day

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
Malta EMS	233	228	240	249	261	225	237	226	228	230	228	250	2835
Stillwater EMS	36	43	37	36	42	41	45	49	33	50	44	47	503
Total:	269	271	277	285	303	266	282	275	261	280	272	297	3338

2016

MM=970

9.1/day

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
Malta EMS	214	175	194	239	243	220	238	221	198	204	199	213	2558
Stillwater EMS	59	34	63	52	49	51	63	48	48	50	43	28	588
Total:	273	209	257	291	292	271	301	269	246	254	242	241	3146

2015

MM=778

8.6/day

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
Malta EMS	191	183	189	187	197	210	224	231	188	208	184	229	2421
Stillwater EMS	34	27	41	47	53	54	61	66	55	60	43	47	588
Total:	225	210	230	234	250	264	285	297	243	268	227	276	3009

2014

MM=725

8.2/day

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
Malta EMS	179	131	140	141	151	184	220	208	181	209	177	181	2102
Stillwater EMS	0	0	0	0	0	0	0	0	0	0	0	18	18
Total:	179	131	140	141	151	184	220	208	181	209	177	199	2120

2013

MM=344

5.8/day

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
Malta EMS	171	142	157	163	167	167	183	173	151	131	128	161	1894
Total:	171	142	157	163	167	167	183	173	151	131	128	161	1894

2012

5.2/day

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total
Malta EMS	136	128	146	139	155	153	168	166	193	161	159	139	1843
Total:	136	128	146	139	155	153	168	166	193	161	159	139	1843

2011

5.0/day

Town of Malta Ambulance District

Attachment D – 2018 EMS Town Data

Source Saratoga County Real Property Tax Services and NYS Office of Real Property Tax Services

Town	District	Level of Assessment	Taxable Value	Tax Rate Per \$1,000	Tax Levy
Ballston	Ballston Spa	93.20%	331,378,583	.527144	\$174,684
	Ballston Lake	93.20%	735,607,771	.111640	\$82,123
Clifton Park	CP/Halfmoon	58%	2,486,087,621	.254385	\$632,423
Hadley	Hadley	86%	200,179,654	.592185	\$118,543
Halfmoon	Halfmoon	58%	1,475,239,954	.624822	\$921,762
Milton	Ballston Spa	92%	1,294,240,909	.427406	\$553,166
Northumberland	North Amb #1	100%	213,455,178	.397007	\$84,743
	North Amb #2	100%	170,514,887	.724330	\$123,509
Saratoga	Saratoga	100%	584,256,712	.528578	\$308,825
Stillwater	Malta/Stillwater	90.50%	779,491,563	.379443	\$295,772
Waterford	Waterford	31.80%	204,127,960	1.850085	\$377,654
Wilton	Wilton EMS	95%	2,022,782,174	.299094	\$605,002

The Towns of Galway and Charlton are considering the formation of districts for the 2019 tax year.

Town of Malta Ambulance District
 Attachment E Community Growth Profiles
 Source Capital District Regional Planning Commission, Wikipedia

Town	2010 Population	2020 Population Projected	2015 Housing Units	Land Area (Sq Mi)
Ballston	9,776	10,446	4,280	29.58
Clifton Park	36,155	39,115	15,041	48.20
Hadley	2,048	2,187	1,077	39.70
Halfmoon	21,535	23,684	11,060	32.58
Malta	14,765	16,146	7,494	27.92
Milton	18,575	19,959	8,090	35.69
Northumberland	5,087	5,450	1,974	32.30
Saratoga	5,674	5,915	2,699	40.56
Stillwater	8,287	8,733	3,673	41.19
Waterford	8,423	8,546	3,926	7.4
Wilton	16,173	17,909	7,287	35.83

Town of Malta Ambulance District
Attachment F Tax Levy to Town Demographics

Town	Levy to 2010 Population	Levy to 2020 Population Projected	Levy 2015 Housing Units	Levy to Land Area (Sq Mi)
Ballston	\$26.27	\$24.59	\$60.01	\$8,682
Clifton Park	\$17.50	\$16.17	\$42.05	\$13,121
Hadley	\$57.89	\$54.21	\$110.07	\$2,986
Halfmoon	\$42.81	\$38.92	\$83.35	\$28,292
Malta (\$459,000)	\$31.08	\$28.43	\$61.25	\$16,440
Milton	\$29.78	\$27.72	\$68.38	\$15,499
Northumberland	\$40.94	\$38.22	\$105.50	\$6,447
Saratoga	\$54.43	\$52.21	\$114.43	\$7,614
Stillwater	\$35.70	\$33.87	\$80.53	\$7,181
Waterford	\$44.84	\$44.19	\$96.20	\$51,034
Wilton	\$37.41	\$33.79	\$83.03	\$16,885

Town of Malta Ambulance District
Attachment G Financial Statement Information

Balance Sheet	2015	2016	2017
Cash	323,014	347,591	488,918
Accounts Receivable	172,368	222,569	296,679
Prepaid Expenses	12,731	20,779	20,743
Property and Equipment, Net	2,066,184	2,126,295	2,101,871
Total Assets	2,574,297	2,717,234	2,908,211
Current Portion of Long-Term Debt	176,637	204,382	183,511
Payables	90,008	69,484	76,221
Long-Term Debt	990,413	874,570	736,334
Unrestricted Net Assets	418,105	521,455	730,119
Invested in Capital Assets	899,134	1,047,343	1,182,026
Statement of Activities			
Revenues			
Malta Contract	474,411	478,760	477,251
Stillwater Contract	273,116	273,126	286,772
Fee for Service	1,588,594	1,652,054	1,714,467
Contributions	40,750	31,630	55,239
Other	12,324	23,393	6,812
Total Revenues	2,389,195	2,458,963	2,540,541
Expenses			
Payroll Expense	1,068,181	1,206,746	1,216,709
Payroll Taxes	85,561	96,929	93,775
Employee Benefits	44,751	43,644	72,401
LOSAP Expense	5,412	9,761	8,251
Depreciation	187,934	220,363	243,725
Insurance	33,833	34,009	29,418
Billing Service	138,567	138,687	146,347
Medical Supplies	102,613	59,007	63,230
Medical Director	7,500	7,500	7,500
Ambulance Expense	79,912	75,667	45,188
Occupancy	84,498	52,817	52,112
Utilities	31,842	35,714	34,446
Events/Meetings	15,372	17,815	10,615
Training	7,066	6,385	4,778

Miscellaneous	32,605	26,111	23,754
Communication	11,196	14,366	21,542
Telephone	2,507	5,424	6,164
Professional Fees	14,709	20,011	14,817
Administrative	29,327	37,008	48,420
Uniforms	22,220	45,555	11,137
Interest	52,476	53,885	42,865
Total Expenses	2,058,082	2,207,404	2,197,194
Change in Net Assets	331,113	251,559	343,347