

**MINUTES**  
**Special EMSOC**  
**Tuesday, September 9, 2014 7:00 PM**  
**SAA Training Room**

**EMSOC Members present:** Pat Lombardi, Thomas Schutte, and Wendy Rossi.

**Members not present:** Frankie Casanova and Ted Holly.

**SAA Members present:** Scott Andrews, Debbi Lavranchuk, Bryan Ryan, Mark Morris and Gloriann Albini.

**Others present:** John M. Roller, CPA, CFE, Partner and Lianna Staffieri, recording secretary.

**ITEM #1: Call meeting to order.**

Meeting was called to order at 7:03 PM

**ITEM #2: Pledge of Allegiance.**

Everyone salutes the flag and states the Pledge of Allegiance.

**ITEM #3: Approve Minutes of March 11, 2014 EMSOC regular Meeting.**

Motion to approve minutes from March 11, 2014 regular EMSOC Meeting.

Motion: Wendy Rossi

Second: Tom Schutte

Vote: 3-Yes

0-No

0-Abstain

**ITEM #4: EMSOC Vacancy – Discussion.**

Pat Lombardi stated that Jason Weaving has not been replaced. He also mentioned that Frankie Casanova, an Alternate, hasn't been to a meeting.

Motion to move to Item #6: discussion of 2013-2014 Annual Report (Knight, Roller, Sheppard, CPAS, UP).

Motion: Tom Schutte

Second: Wendy Rossi

Vote: 3-Yes

0-No

0-Abstain

**ITEM #6: Discussion of 2013-2014 Annual Report (Knight, Roller, Sheppard, CPAS, UP).**

John Roller, the Auditor from Knight, Roller, Sheppard, CPAS, LLP provided a detailed explanation of the audit.

Key discussion points:

- Page one includes an unmodified 2 year opinion.
- He stated that the financial statements are not precise and are a fair representation.
- Page 3 of SAA financial Statements: Statement of Activities.
  - Cash and cash equivalents: he stated that SAA has made a little money this year. He pointed out that \$170,000.00 was spent on a new ambulance. He stated that it is important for the organization to maintain that level of cash flow that can reinvesting o the future.
  - Patient billing receivables: This is the net of contractual adjustments and bad debt service. John explained they determine how they report this based on historical collections. He stated that they have records going back to the beginning. He stated that they see trends in a contractual nature in insurance companies. He stated that this year they saw slight erosion of the collectability. The private pay has seen a slight improvement. He stated that the rolling average has been consistent year after year.

- Investments includes a small portfolio with Meryl Lynch. SAA also holds one position in People's United Bank stock. He stated that this was a good year in the market.
- Prepaid assets are primarily prepaid insurances.
- Leasehold, improvements, vehicles and equipment: there is a small increase year over year. SAA purchased \$60,000.00 worth of radios amongst other assets. The offset is depreciation. John stated that in Fiscal year 2014 debt from prior years was paid off. He stated that the flip side in Fiscal year 2015, an ambulance was purchased. \$60,000.00 was financed and paid \$120,000.00 in cash.
- Accounts payable has been consistent year after year.
- Other accrued liabilities that consists of vacation and sick pay accrual. He stated that he has a reserve for unanticipated accounts payable that might be a vendor that didn't send anything. The billing company will only bill SAA when they collect and they had to set up a reserve for that. There are also credit balances that for some reason the insurance company or patient has over paid SAA which amounts to \$2,000.00.
- Page 4 of SAA financials. Statement of Activities.
  - There are consistent patient billings. John stated that there is a 15% swing up or down, year after year. He stated that a municipal contract is what was received from town.
  - In Contributions and grants, there is a spike because of a special grant SAA received for the radios.
  - Training fees are down year over year. SAA also lost an employee primarily in charge of training. The employee was replaced.
  - Donated rent is a symbolic or reported number. \$ 25,000.00 rent expense.
  - Investment income and unrealized gain is the representation of interest on bank accounts which is not much of anything.
  - Miscellaneous revenues include monies from FEMA in 2014 which amounts to \$11,000.00/\$12,000.00.
  - Fixed asset sale: SAA received \$1,200.00 for a vehicle.
- Page 6 of SAA financials: Statements of Functional Expenses.
  - The totals in each column are the numbers that are audited. Allocation, ambulance services, management general fundraising, etc. are less clear. Medical billing fees are included on report because it is directly related to the program. Direct allocation and overall allocation are also included on report.
  - Salaries and employee benefits decrease year over year. Medical Billing fees and revenue dropped. Employee health and life insurance drops year after year. Bad debt has increased year after year because of private pays. Miscellaneous included continuing education cost.
- The Notes have not changed dramatically year after year.
- Page 11, Note 4: Investments. He stated that the organization doesn't have a spending policy. He stated he would like to see that build up.
- Page 12, Note 7: All debt was paid off. SAA financed \$60,000.00 and paid \$120,000.00 for ambulance. The payment schedule is included at the bottom of the page.
- Page 14, Note 13: Subsequent Events looks at what happens after an event. John discussed an example.

The letter included in the SAA Audit packet, dated July 22, 2013, has the wrong date. John stated that each year there have been comments. In the first year there was a lot to be done. He stated that this year is the first year that there have been no new comments. He discussed the importance of

understanding audit standards and comments. John continued to discuss the letter. He stated that adjustments were small. He stated that there are three types of adjustments including trivial, immaterial, and material. He stated that there was enough to award it as a classification adjustment. Pat stated that it is his goal to work with Scott to slowly decrease the amount of paper. John stated that there are many organizations that are moving toward the cloud.

**ITEM #5: Approve 2015 Meeting Schedule.**

Pat suggested changing the dates for the meetings next year. He stated that because the board meets twice a year, he would like to still keep a 6 month window between meetings. He suggested holding the meetings on Tuesday, April 14, 2015 and Tuesday, September 15, 2015. He stated that August is a bad month for most people due to vacations, kids going back to school, etc.

Debbi stated that EMSOC will have to decide when they want the reports if the meeting dates change. Motion to approve Tuesday, April 14, 2015 and Tuesday, September 15, 2015 as the 2015 meeting dates.

Motion: Tom Schutte

Second: Wendy Rossi

Vote: 3-Yes

0-No

0-Abstain

**ITEM #7: Discussion of 2014 (4<sup>th</sup> Quarter) through 2015 (1<sup>st</sup> Quarter).**

Wendy inquired about the note payable for First Niagara.

Scott stated that the fee was for financing for the new ambulance.

Tom inquired about the volunteer incentives.

Scott stated that includes outings, dinners for meetings and training sessions, Christmas parties, EMS week, etc. The money is spent directly on the volunteers.

**ITEM #8: SAA Officers and employees list/changes.**

Pat inquired if the training employee is full time. Scott stated that her name is Rebecca Lea Zwally and she started on May 12<sup>th</sup> as a full-time employee. He stated that SAA has lost a number of members. Some members have been removed for inactivity. He stated that they have also gained a few new members. SAA had 50-51 members last year and now have 46.

Pat inquired if this has caused hardships.

Scott stated that people are not volunteering. He explained that most volunteers are college students. Some are taking very heavy workloads and are not going to college in the area. He stated that they are looking at two agencies, ERM and Priority One. SAA has met with both and has not made a final decision.

Wendy inquired what they need volunteers for.

Scott stated they need EMTs. SAA pays a stipend for shift coverage. He explained that a majority of the people use the organization as a stepping stone for experience. He used Mark Morris as an example. He is trying to get into PA school and once he is in he has two solid years of intense work.

Wendy inquired if they could hire people.

Scott explained that if they were to hire someone for 12 hours a day, 5 days a week it would cost approximately \$62,000.00 a year. That is the cost of what they are financing for an ambulance.

**ITEM #9: SAA Multi-Year Projections of Capital Needs.**

Scott discussed what they currently have in place for vehicles and equipment and what the replacement costs for those materials would be. If they were to refurbish some materials, they are still looking at substantial costs. Everything is on an approximate 7-year life span for a replacement. He explained that in order for SAA to replace everything they need and not finance activities, the organization would have

to put \$100,000.00 away each year. He stated that the figure is not realistic for the organization. He stated that it is important for everyone to know anticipated expenses in the upcoming years.

**ITEM #10: Grant Update.**

Scott stated that SAA received a grant for \$64,000.00 from FEMA. Roughly \$3,300.00 was SAA's responsibility. \$61,000.00 was actual money they received from FEMA. With the grant monies, they replaced all 10 vehicle radios, purchased 16 portable radios, a 2-bank radio charger, 6 carbon monoxide detectors and a third Lucas CPR device. He stated that they closed out the grant at the end of July and turned back \$103.00 to FEMA.

**ITEM #11: Legislative Update.**

Scott stated that the legislation that they were opposing was passed. He stated that the biggest component was Primary Service Area Responder legislation. One component is a requirement that all communities have EMS plans for providing care for the residents (PLS and ALS). This is supposed to be in effect as of October 1<sup>st</sup>. He stated that the state should have developed a template so that everyone is standardized. He explained that without a common template it will not make sense that they will be able to look at 160 different plans every 3 years. The state has yet to send a template that the state will use. He stated that SAA will be sitting down with the town to develop criteria for plan.

**ITEM #12: EMSOC Report – Board of Selectmen Discussion.**

Pat stated that the board has to prepare a report for the Board of Selectmen and is hoping to have it completed no later than the Board of Selectmen's last meeting in October. He asked the board members to contact him if they are interested in participating. IF they are interested, they will need to set up a workshop. Tom inquired about a target date for the workshop. Pat stated that very early in October would be ideal. Tom inquired about bundling billing. Scott discussed this briefly.

**ITEM #13: Public Comment.**

None.

**ITEM #14: Adjournment.**

Motion to adjourn at 8:05 PM

Motion: Wendy Rossi

Second: Tom Schutte

Vote: 3-Yes

0-No

0-Abstain

Submitted by,

Lianna Staffieri

EMSOC Recording Secretary

PL/LS