

MINUTES

EMS OVERSIGHT COMMISSION

THURSDAY, OCTOBER 11, 2007 AT 7:25 P.M.

FLAHERTY ROOM/SEYMOUR TOWN HALL

Present: EMSOC Members Irene Jecusco, Rosalie Averill, Lucy McConologue, and Roque Orts. (Margie Childs not present); SAA Director Scott Andrews and SAA Trustees Melanie Kalako, Jesse Rallis, and Dan Zaniewski; SAA Bookkeeper, Deborah Lavranchuk; SAA Auditor John Rolleri; Town of Seymour Finance Manager Doug Thomas.

Pledge of Allegiance led by Irene Jecusco

Approval of Minutes from 9/13/07 Meeting

Motion made by Rosalie Averill to accept the September 13, 2007 minutes with change noted that SAA Auditor name is John Rolleri, not John O'Leary. Seconded by Lucy McConologue. All in favor – 2 in favor and one abstention from Irene Jecusco.

Discussion of 2006-2007 Audit

Doug Thomas had a question for Mr. Rolleri on the contractual allowances number. Mr. Rolleri stated that the bad debt allowances is reflected on Page 8 under Patient Billing & Receivables. However, it is not divided between contractual adjustments or bad debt, but is combined because it is an uncollected receivable.

SAA Auditor stated he wants better reporting from the billing company.

Doug Thomas also questioned payor schedule and billing. **SAA Auditor wants better control of reporting of reconciliation of patient billing. Mr. Rolleri stated Scott Andrew's records need to match the billing company's records.** Mr. Rolleri stated to Doug Thomas that the payor schedule would not necessarily be recorded in the financial statements, but might be in supporting documentation.

Scott Andrews stated that in the near future all paperwork will be obsolete. SAA will be going electronic with computers on the ambulances. When SAA goes on runs, all information will be logged on the computer at the time of the call. The billing company will then be able to pull up this information for billing. **SAA Auditor suggested that parallel to the web-base software, SAA still utilize the paper-trail as a backup system for a period of time.**

Doug Thomas questioned Mr. Rolleri on whether the recommendations in the management letter have been implemented by SAA. Mr. Rolleri stated that under Item 4 of the Debit/Credit Card item, although SAA still has the debit card, it is not in use and SAA has gone to a credit card system for better tracking of charges.

A question arose regarding the Internal Controls of SAA. Mr. Rolleri stated that auditors use the standard comment from General Principles of Auditors regardless of the size of company. Mr. Rolleri also stated that the information put into the financial statement is an accurate representation of the dollars coming in and the money going out at this point in time. SAA Bookkeeper stated that Glen Beck to do quarterly reports, while SAA works on a continuous basis with the auditor.

Scott Andrews pointed out that in the next couple of weeks both he and the auditor will meet with EMMS to streamline more of the reporting. SAA Bookkeeper and Scott Andrews to do an Aging for Accounts Payable Schedule.

Irene Jecusco stated to SAA that she is more comfortable with the figures reported now on the financials.

Mr. Rolleri stated that some accounts on the financials may change according to his recommendations in the future, as well as other control systems that he may feel need to be implemented by SAA.

A question was directed to Scott Andrews by Rosalie Averill regarding write-offs by EMMS in the amount of approximately \$18,000.00. Scott Andrews stated that these were classified as private pays ranging from \$600.00 down to \$10.00 co-pays. Scott Andrews is waiting for EMMS to recommend when a claim should be written off, as there are always variables to claim processing and he will defer to EMMS when a claim can no longer be collected. Irene Jecusco asked if there was a time-frame to claim processing. Scott Andrews stated there is a state-mandated time-frame for claim processing, and if a bill is not paid within that time-frame, then the insurance company has to pay interest on that uncollected money.

Doug Thomas questioned the fund balance in the amount of \$156,000.00. SAA Auditor stated that \$150,000.00 is fixed net assets and is not just cash assets. SAA Auditor stated that \$54,619.00 is cash equivalent. Scott Andrews stated that SAA has a contingency account for whatever may come up in the future. SAA paid \$300,000.00 in debts in two years' time, and still has \$145,000.00 in old debt to pay in the future.

Scott Andrews again requested that any questions be sent to him prior to the meeting, so he can get the proper answers for these questions that are being asked.

Doug Thomas stated he would like SAA start a cash reserve. SAA auditor suggested that if SAA were to do a reserve, then it would have to be SAA board-restricted and not handled by the SAA Director. However, Scott Andrews said that at

this point, SAA could not do a reserve with so much debt to pay and little cash in their account.

Rosalie Averill commended SAA Auditor on getting SAA to where they are now with the completed audits and recommendations in the management letters.

Roque Orts asked SAA auditor a question on the equipment line item. Mr. Rolleri stated that SAA has only \$538.00 as cash available which is not unencumbered and not a liability. The fixed assets would be the ambulances, computers, etc.

Irene Jecusco requested SAA write a five-year long-range plan of what SAA needs to have implemented and anticipated expenses and costs of what SAA needs to run their organization. Melanie Kalako stated that SAA needs to do a plan; however, it was not a priority to do it. Scott Andrews stated that he did give EMSOC a long-range plan of what SAA needs, but there were no figures attached to same. Lucy McConologue stated that she felt SAA could use this five-year plan as a publicity means to raise money from the Town of Seymour residents in order to help fund what SAA needs. She further stated that it would be important for the residents of Seymour to see what the future needs are of SAA in order to help keep the ambulances up-to-date in order to serve the people when on an emergency call that may save their life.

Discussion of August Financials and Any Other Reports

On the Profit and Loss Statement, the budget was \$17,000.00. The monthly figures are net only and on an accrual basis. **Scott Andrews requested SAA Auditor show him how to have the actual numbers shown on the financial statements.**

The net financing cash flow for May through August activities was \$11,177.00. However, there are still notes outstanding. The physical cash payment is not reflected on the Profit and Loss Statement. SAA Auditor said you have to prove your beginning and ending numbers on the P&L Statement.

SAA Bookkeeper to prepare for next meeting a listing of debt payments.

Questions arose on the following:

1. Budget fundraising – Scott Andrews stated it was grouped into donations.
2. Line Item 6140 Contributions – Expense of \$151.00 went to the Cancer Foundation.
3. Line Item 6270 Professional Fees -- \$10.00 was paid to the attorney for mailing and went under accrued liabilities.

4. Item Line 6662 EMMS Billing – SAA has to write them a check which fluctuates every month due to what is collected on the billings. EMMS, by law, cannot take their money out of the billings, but sends a statement to SAA for payment.
5. Taxes & Penalties -- There was a \$25.00 fine for filing late reports.
6. A question arose on the capitol equipment, and the answer goes on the balance sheet on an accrual basis.

Doug Thomas asked why SAA cannot pay for the utilities they use. Melanie Kalako stated that there is a written contract regarding the Town of Seymour paying for SAA utilities. Doug Thomas stated that SAA cannot say they cannot afford to pay the utilities when SAA shows they are making money. Scott Andrews stated SAA is working with the numbers that they have, and the numbers are being misinterpreted by people. SAA Auditor says there is a grand total of \$538.00 available and unencumbered under Public Charities, and it would take a long time to explain, under accounting procedure, how everything works.

Motion to Adjourn

Motion made Rosalie Averill to adjourn the meeting at 9:00 p.m.
Seconded by Lucy McConologue. All in favor – unanimous.

Reviewed and Submitted By:

Irene Jecusco, Chair