

May 11, 2023
Kutztown, PA

A Special Workshop meeting of the Kutztown Borough Council was called to order at 7:00 p.m. by the President, Mr. Kevin Snyder, with other members of Borough Council present: Mr. Derek, Mace, Mr. Edwin Seyler, Mr. Fredrick Engelhardt, Ms. Lisa Ladd Kidder, Mr. George Kusterer and Mayor, Mr. James Schlegel. Mr. Gabriel Khalife, Borough Manager/Treasurer Borough, were present. Also present: Mr. Tim Seyler, Marc Gride, Rodney Freeman, Alison Fuller.

Presentation by Kutztown Ambulance Transportation Services (KATS) as to what their financial needs they are requesting from the Borough of Kutztown in conjunction with a contribution from Maxatawny Township, for what duration of time and or any anticipated increase and any suggested models to generate said funding.

Mr. Rodney Freeman provided an update on the funding request and indicated that the funds being requested would allow for the KATS to continue to operate and provided EMS services in responding to 911 calls and allow for KATS to develop a budget with great assurance with the income via the contributions from the Borough and Maxatawny Township.

Mr. Mace: asked if the funding would still be unknown and not truly 'capped'.

Mr. Freeman: indicated that the contributions would be concentrated on relieving the overtime costs.

Mr. Freeman: indicated that there was a meeting with the Township of Maxatawny Supervisors last evening and they seem to be committed to providing \$50,000 for the remainder of 2023 and levy a 0.0mil tax for 2024 and forward to generate \$200,000 and will be looking for \$90,000 from the Borough and a 0.5 mil in 2024 and forward.

Mr. Kusterer: asked what would happen to the tax level if the PA State Legislature happens to step in, would it go away.

Mr. Freeman: No, as the cost of equipment and vehicles, including cardiac monitors, continue to increase.

Mr. Kusterer: with the anticipated funding would KATS be able to put a second ambulance into service?

Mr. Freeman: No, as it costs about \$500,000 for that to happen, which includes the cost of a crew.

Mr. Kusterer: Noted that he was approached by the college at a number of site incidents, and they noted they had to wait 15-20 minutes in response time for ran ambulance.

Mr. Seyler noted that on March 3, 2023, there was a 26-minute wait, March 2, 2023, there was a 14 minute wait and a call to College Ave., there was a 23 minute wait.

Ms. Fuller: Judging by the times they were at another call elsewhere.

Mr. Kusterer: noted that he understands the mutual aid concept, but in New York one ambulance does not leave the town, if the Borough contributes will that be the case in Kutztown?

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Mr. Freeman: Doing so will increase the cost per call significantly.

Mr. Mace: Inquired if any equipment replacement had to be deferred and or delayed?

Mr. Freeman; During Covid they bought a new truck and are paying it off, other than that there were no equipment purchasing delays.

Mr. Mace: is it more of an equipment or payroll issue?

Ms. Fuller: Our primary area covers 44.8 square miles, 4,208 addresses and mutual aid wherever the County sends us. They will be looking to speak with Greenwich Township for a contribution.

Mr. Seyler: noted that when a municipality implements a tax it has shown that donations drop off and also noted that there were over 30 calls to the Willow Brook Nursing Home in March.

Mr. Freeman: Stated that KATS bills the patient and KATS gets paid directly from Medicare and Medicaid at the government rate.

Mr. Kusterer: Noted that other taxes may be going up, be it school, fire county in the coming years and this will be another expense to deal with.

Mr. Snyder: asked at what point did your financial situation become tight.

Mr. Freeman: Covid, they experienced a \$300,000 loss.

Ms. Ladd-Kidder asked for clarification of the membership and tax setup.

Ms. Fuller reviewed KATS's membership and benefits and if the Borough paid the membership via the tax, all residents would have membership.

Mr. Freeman: noted that a lot of commercial insurance providers do not turn the payment into the ambulance service, they send it to the subscriber.

Mr. Seyler: gave an example of the insurance paying a targeted amount and asked what the patient's responsibility would be.

Ms. Fuller: The patient would be responsible for 100% of the bill; the amount paid out by the insurance company and the balance not covered. However, the benefit of being a Member, you are covered by the balance not covered by the insurance company.

Mr. Snyder: Asked where the Covid funds stand and if they received any.

Mr. Freeman: Noted, yes to cover salaries under the PPP (\$325,000), however not a single ambulance company received any funds from the Berks County's CARE Act.

Mr. Mace: Asked if KATS is sold will the 'tax' if imposed, remain with the new owner.

Mr. Freeman: noted, yes the 'tax' is to cover the EMS side of the operations only, not the Transportation side, as the operations will be separated.

Mr. Snyder asked how KATS survived last year's \$300,000 loss.

Mr. Freeman: The costs were covered by his retirement savings.

Mr. Tim Seyler: from the public asked what percentage of the calls were handled by mutual and not KATS and what benefit would the residents receive with the of imposing of a tax or contribution.

Mr. Freeman: and Ms. Fuller indicated a vast majority of the calls were handle by KATS and the benefit would be the retaining and continued existence of the KATS EMS response operations.

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Mr. Khalife asked what the timeline would be of the phasing out of service ‘grace period’ if the Borough and/or Maxatawny do not meet your funding expectations and or choose to explore options. Are there any legislative ‘exit’ requirements.

Mr. Freeman: 30-60 days or sooner and he did not identify any ‘exit requirements’ and indicated that KATS can simply close their doors.

A motion was made by Mr. Mace, seconded by Mr. Seyler, To adjourn the Council meeting upon vote. Passed by unanimous vote. The meeting ended at 8:18 p.m.

Prepared by:

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Attested by:

Gina M. Wiand
Borough Secretary