



## TOWN OF MONTEREY

435 Main Rd. P.O. Box 308  
Monterey, MA 01245

March 6, 2024

Re: Ambulance/EMS Services

To the Honorable Board of Selectman Chairs,

The Monterey Select Board is writing to you with regard to the continued financial viability of Southern Berkshire Ambulance and what the six towns may be able to do together to help keep SBA on a solid footing. No doubt we are all concerned about the 36% increase in service cost this year, a rate of increase which is *absolutely not sustainable* for the coming years. We have two issues to address on this front.

First, Monterey is reaching out to our state legislators to ask them to push to increase ambulance reimbursement rates to reflect the reality of rural service, with longer transit times. We also believe the state must move to recognize ambulance services as part of the suite of essential emergency services – particularly in rural areas such as Berkshire and Franklin Counties where they are often separate entities, rather than part of fire departments. Raising the reimbursement rates will improve the bottom line for the ambulance company's budget and thus reduce the amount the towns need to contribute to keep SBA viable. We hope to arrange a meeting with both Senator Mark and Representative Pignatelli to discuss this issue and think that a delegation from multiple towns might be an effective way to promote this agenda. If there is a member of your Board or other delegate from your town that would be interested in participating in this legislative effort, please have them reach out to Susan Cooper, who will be spearheading this work on behalf of Monterey.

Secondly, Monterey is quite dissatisfied with the allocation method currently being used by SBA to apportion the six towns' payment for services, which we believe is remarkably unfair to five of the six towns. Frankly, the most equitable apportionment of ambulance services would use ambulance trips as the most central factor in the calculation. Under the current apportionment, while 75% of ambulance trips are in Great Barrington trips, they cover only 43% of SBA's budgetary shortfall, with every other town picking up the difference. While the current system may be simple, it is most assuredly not equitable.

Equalized valuation (EQV) is a measure of the fair market value of the property in a town, but it gives a very incomplete picture of the overall financial means of the town's citizens. Citizens can be land rich but cash poor in these times of inflated property values, and towns with little commercial activity must rely exclusively on our taxpayers. To give a clear measure of the degree of this inequity, consider that while Monterey has the 2nd highest EQV among the six towns served by SBA, we have the 2nd lowest per capita income at only \$27,044. Furthermore, the towns are widely divergent in their total population.

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We would like to meet with a representative from each town to discuss a more equitable way to apportion allocations. To begin the consideration process, we propose three different plans for possible allocation of resources. Plan 1 is based solely on call volume, plan 2 uses both a mileage charge and call volume, and plan 3 is a complex model that includes EQV, per capita income, local receipts, population and call volume. The plan details are attached. The table below summarizes the FY 2025 allocations from the three different allocation models:

Town	SBA Assessment	%	Plan 1 call volume	%	Plan 2 calls + mileage	%	Plan 3 model	%
Alford	\$37,095	7.8%	\$8,564	1.8%	\$9,357	2.0%	\$19,553	4.1%
Egremont	\$61,396	12.9%	\$22,240	4.7%	\$24,191	5.1%	\$35,085	7.4%
Great Barrington	\$205,759	43.2%	\$356,834	75.0%	\$332,672	69.9%	\$302,118	63.5%
Monterey	\$70,270	14.8%	\$18,057	3.8%	\$24,466	5.1%	\$30,521	6.4%
Mt. Washington	\$11,958	2.5%	\$3,585	0.8%	\$5,293	1.1%	\$10,380	2.2%
Sheffield	\$89,522	18.8%	\$66,720	14.0%	\$80,028	16.8%	\$78,342	16.5%
<b>Total</b>	<b>\$476,000</b>		<b>\$476,000</b>		<b>\$476,008</b>		<b>\$476,000</b>	

We understand that many of the towns have already agreed to their assessments, with the understanding that they are far less than the cost of running an independent ambulance service. But at some point the inequity of the distribution of assessments must be addressed. We are all very cognizant of both the utter necessity of providing ambulance services to our citizens and the heavy cost of that service. However, it is simply not reasonable that the largest town, with the largest population and by far the highest call volume is relying on far smaller towns to subsidize them to this extent. We are all suffering from budget difficulties, but we need to pay for the services we rely on, in proportion to the services we use.

The Monterey Select Board hopes that the other towns will join with us to discuss a more reasonable allocation of costs for this shared service. We propose the following dates for a meeting of representatives of the towns \*\*date\*\* place (or remote) and look forward to your response.

## Plan Details

### Plan 1:

This system is modified from the one currently used by the Lee Ambulance Service, which runs as part of the Lee Fire Department. Note that they answer only 911 calls and therefore have no pay for hire scheduled transfers, which I believe are quite common for SBA, and a valuable source of income for the company. Under this system, the towns cover the portion of costs not paid for by fee for service scheduled transports. Allocation is based on use of the 911 service. This is a very simple allocation system based on each town's use of the service.

### Calculated operating budget

- Estimated income from scheduled transfers (based on average of previous 2 years)  
= amount to be raised from six subscribing towns

Allocations are based only on call volumes calculated as a percentage of yearly calls per community based on a rolling 4 year average. (Estimated total based on 36% increase over FY 2024 as proposed in SBA request letter)

Town	Avg. Calls (2019-2022)	% of calls	Proposed Max assessment
Alford	32	1.8%	\$8,564
Egremont	84	4.7%	\$22,240
Great Barrington	1344	75.0%	\$356,834
Monterey	68	3.8%	\$18,057
Mount Washington	14	0.8%	\$3,585
Sheffield	251	14.0%	\$66,720
Total	1793		\$476,000

### Plan 2:

Because the ambulance company is based in Great Barrington near the hospital, travel distance may be significantly greater to some calls. This system would allow assessments based on the number of calls and a base price per call, but also account for the increased time and distance required to reach some residents. We used an average trip distance based on mapped distance from Town Halls to Fairview Hospital as a rough estimate since most of the Town Halls fall close to the geographic center of the respective towns. Because we recognize that transit time is

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important, we included the mileage charge set by the Massachusetts Executive Office of Health and Human in 2023, \$6.45, for **both** the unloaded **and** loaded portions of the trip. Preliminarily we have used a base call price of \$237.25. This calculation provides the following assessments:

Town	Avg. Calls	Dist. TH to Fairview	Proposed Assessment	per call charge
Alford	32.25	4.1	\$9,357.02	\$290.14
Egremont	83.75	4	\$24,191.19	\$288.85
Great Barrington	1343.75	0.8	\$332,672.19	\$247.57
Monterey	68	9.5	\$24,466.40	\$359.80
Mount Washington	13.5	12	\$5,292.68	\$392.05
Sheffield	251.25	6.3	\$80,028.15	\$318.52
Total	1792.5		\$476,007.62	

**Plan 3:**

As mentioned above, the current fee allocation has several serious flaws. It is based solely on EQV, which is not an equitable way to calculate a town’s available resources. This system does not consider: 1) the average income of the town’s people (which is included in the state’s calculations regarding school minimum payments), 2) population over which the cost burden is spread, 3) other sources of town income such as local receipts and commercial activity (eg. room taxes, meal taxes, short term rental taxes or marijuana community impact fees) or 4) usage load on the system (ambulance trips). While we understand that more complex calculations require more work, we also believe that if we wish to allocate payments based on the means of each community, then we must do a more accurate job of actually establishing each community’s economic means. Furthermore, any system of allocation should include a measure of the degree of use of the resource – in this case the ambulance service. This type of model requires considerably more philosophical discussion as it involves consideration of which factors carry the most weight in assessing a community’s ability to pay and the services they use. We recognize that any weighting system is inherently subjective as a result, but felt that if the six towns insist on using economic means as the measure of assessment, then a better measure of those means was required. We used Mount Washington as a benchmark for the calculation. Mt. Washington has the lowest population (160) and ranks 6th in every category used: EQV, per capita income, local receipts and ambulance calls, averaging less than 1% of total calls each year. We considered that any valuation system that increased their assessment was therefore unacceptable. The model presented uses a weighting of 60% for call volume, 10% for mean

household income, 10% for local receipts, 10% for EQV and 10% for population. (Excel model attached). Economic data were obtained from the Department of Local Services website for FY 2023, the most recent complete fiscal year. EQV, per capita income and local receipts were normalized, and each set of data ranked to create a total score value for each town. As SBA did not include their total budget shortfall amount in the letter we received this year, the total was estimated based on Monterey's 36% increase in requested contribution, assuming each town saw a similar increase. This calculation provides the following assessments:

Town	Town score	Rank	Estimated FY25 SBA assessment	Model FY 25 Assessment
Alford	0.0393	5	\$37,095	\$19,553
Egremont	0.0683	3	\$61,396	\$35,085
Great Barrington	0.6570	1	\$205,759	\$302,118
Monterey	0.0599	4	\$70,270	\$30,521
Mount Washington	0.0214	6	\$11,958	\$10,380
Sheffield	0.1542	2	\$89,522	\$78,342
Total			\$476,000	\$476,000

Respectfully,

Justin Makuc, Chair  
Monterey Select Board

Susan Cooper

Frank Abbott

SB/mn

cc: Town of Alford, Attn: Peggy Rae Hendon-Wilson, 5 Alford Center Rd, Alford, MA 01230-8999  
Town of Egremont, Attn: George McGurn, Box 368, South Egremont, MA 01258  
Town of Gt. Barrington, Attn: Stephen Bannon, 334 Main St, Gt. Barrington, MA 01230  
Town of Mt Washington, Attn: Eric Mendelsohn, 2 Plantain Pond Rd, Mt Washington, MA 01258  
Town of Sheffield, Attn: Robert Kilmer, 21 Depot Sq, Sheffield, MA 01257