



FOR IMMEDIATE RELEASE

Borough of Chambersburg

A full service municipality in Franklin County celebrating over 65 years of consumer owned natural gas service over 120 years of community electric and a regional wastewater, water, storm sewer and municipal solid waste utility

CHAMBERSBURG TO CONSIDER SLIGHT CHANGE TO NEW AMBULANCE FEE

Chambersburg, Pennsylvania – Beginning this year, Town Council approved a new \$7 per month Ambulance Fee for utility invoices for service addresses within the Borough. The Borough mailed the first invoice for this new charge to all customers in January 2020.

At the meeting on Monday, January 27, 2020, Town Council considered a slight change to the rules associated with this new fee.

Background: a fee may be charged in exchange for the Borough Fire Department's ambulance service under State law. According to Fire Chief Dustin Ulrich, "we provide basic lifesaving ambulance services for our community. There is a significant cost to having ambulances staffed around the clock and ready to serve the Borough. These are Borough owned and operated ambulances with Borough employees. This is different from in much of Pennsylvania where non-profit ambulance companies provide ambulance services. However, regardless of how ambulance services are provided in Chambersburg, the cost of providing those services when compared to the revenue it generates is a challenge."

According to Finance Director Jason Cohen, "this Ambulance Fee helps defray the costs of the ambulance service being ready-to-serve." Borough Manager Jeffrey Stonehill added, "It is not a tax, as under State law taxes can only be assessed on the value of real estate. Approximately 40% of property owners are exempt from paying taxes. This is a fee in exchange for being ready to provide a service. When our residents and visitors call for an ambulance they expect one to respond. Even with this fee, the Borough spends more on ambulance service than all the revenue it collects from the fee and other fees charged to ambulance patients."

Council has proposed a slight change to the application of the Ambulance Fee.

Beginning in March 2020, the utility customer responsible for paying the *water service* (as provided by the Borough or in some cases an outside Authority) will be the party responsible for paying the Ambulance Fee.

- If you live in a single family home, this is likely no change at all
- If you live in multi-family residential housing (apartment, townhome, etc.), this might be your landlord
- If you are a business, commercial, or institutional use, this might be either your business or your property owner

Invoices that do not have a water charge (i.e. an extra trash dumpster or just electric service) will not be charged an Ambulance Fee going forward.

"This is exactly how water services, also provided by the Borough of Chambersburg, is handled," explained Borough Manager Jeffrey Stonehill. "Unlike Borough provided electric service, which may be billed to the tenant as a convenience to the landlord (who remains responsible for unpaid fees), water service (and now the Ambulance Fee) will be typically sent directly to the property owner or their assigned representative."

Utility customers are urged to call Customer Service at (717) 264-5151 to determine who will be responsible for the Ambulance Fee for their property.

For each residential unit (i.e. an apartment or house) and/or for each commercial or institutional water meter, the responsible party will be charged one (1) \$7-Ambulance Fee per month, \$84 dollars per year, restarting in March 2020.

To adapt this slight change to the apartment billing rules, Council authorized a reprieve from issuing Ambulance Fee invoices for February 2020. The billing will resume in March 2020.

In addition, the fee is *not* related to the Ambulance Club. The Ambulance Club is a voluntary program. If a citizen joins, it can help prevent the application of any "out-of-pocket" expenses that they might be required to pay under insurance rules. A citizen's decision to join the Ambulance Club is a voluntary exchange for potentially avoiding additional costs associated with using the Borough's basic lifesaving ambulance service. Individual insurance rules apply.

If a citizen any questions about the Ambulance Club, please call Dustin Ulrich, Fire Chief, at (717) 263-5872.

If a customer has any questions about the application of the Ambulance Fee on their utility bill, they may call Customer Service at (717) 264-5151.

If you want more information or to better understand the funding crisis for ambulance services throughout Pennsylvania, call Dustin Ulrich, Fire Chief, at (717) 263-5872.

“Town Council appreciates that this ready-to-serve Ambulance Fee is a burden on its utility customers, but it is necessary to continue funding this life saving service”, according to Council President Alice Elia. If you wish to contact President Elia, she is available by email at aelia@chambersburgpa.gov

“Chambersburg is proud to protect the health and safety of our residents and businesses,” added Borough Manager Jeffrey Stonehill. “However, that comes at a significant expense. For many years, the Borough has been prohibited from collecting fees invoiced to patients who are covered by Medicaid/Medicare. For example, each year the Borough is forced to “write-off” as uncollectible, due to rules, over \$1.5 million in normal service fees that customers with third party insurance would have paid. This is in addition to almost \$300,000 per year in unpaid fees for patients with no insurance, or unpaid deductibles or copays. All ambulance companies in Franklin County are experiencing the same financial problem with some finding it difficult to stay in business.”

According to the Borough, 100% of this collected fee will be earmarked to support the costs associated with ambulance service and no other employees or services of the Borough of Chambersburg.

Chambersburg is a unique community. Chambersburg supplies more services than any other municipality in the Commonwealth of Pennsylvania. In addition to typical town functions, Chambersburg is Pennsylvania’s only municipality supplying electric and gas. Chambersburg is one of 35 Boroughs to operate a municipal non-profit electric utility. Chambersburg is the largest municipal electric utility in the State, twice as large as the second largest, Ephrata, Lancaster County; and, the only one to operate generation stations. Chambersburg is one of only two municipalities in PA to operate a natural gas utility. The other is Philadelphia, which does not operate an electric utility. Nationally, Chambersburg is one of 2,000 communities to have its own electric system and 1 of 800 communities to have a natural gas system but 1 of only about 50 to operate both. Chambersburg manages a regional water system, a regional sanitary sewer system (not through an Authority), and a new storm sewer utility; one of the first storm sewer utilities to form under the new Federal mandate to regulate stormwater. Chambersburg currently has 20,508 residents (2013).