



CONFIRE

STAFF REPORT

DATE: July 25, 2023

FROM: Nathan Cooke, Interim Director

TO: Administrative Committee

SUBJECT: FY-23/24 Annual Budget Agency Credit Mistake

Recommendation

It is recommended that the Administrative Committee authorize staff to correct the financial mistake made in the FY-23/24 Annual Budget pertaining to the inadvertent agency credit for EMS revenue that was applied to all CONFIRE agencies, totaling \$175,000.

It is also recommended that the Administrative Committee authorize staff to amend the invoices sent to all CONFIRE agencies with the corrected and adjusted annual fee.

Background

During the preparation for the FY-23/24 Annual Budget, fiscal staff was made aware of new additional revenue that would be coming into CONFIRE as a result of some changes that were being made in the San Bernardino County Ambulance contract. The ambulance contract has a provision that would mandate that the ambulance provider pay CONFIRE \$5.00 for every call that had Emergency Medical Dispatch (EMD) performed.

Based on the timeline set forth by the County (projected start date of April 1, 2024) and the number of calls EMD'd by CONFIRE, our fiscal team estimated that an additional \$175,000 in revenue would come into CONFIRE during FY-23/24.

The additional \$175,000 in revenue was inadvertently placed on our agency budget spreadsheet as a "credit" for each agency, instead of a separate line item as revenue. Due to the mistake that was made, the CONFIRE agencies were given a total credit of \$175,000 (each agency was based on percentage of overall budget). This lowered the annual budget by \$175,000 which would have a negative impact on total revenues. Furthermore, the \$175,000 in projected revenue is based on an estimated timeline by the County which cannot be fully relied upon. Staff took this into consideration when preparing the budget and did not rely on the \$175,000 in additional revenue coming in from the ambulance contract, for the overall operating budget.

The mistake was not found until after the annual budget was approved by the CONFIRE Administrative Committee and the Board of Directors.

Fiscal Impact

The FY23/24 Annual Budget did not take into account a \$175,000 agency credit and therefore the mistake needs to be corrected and the \$175,000 needs to be paid by the agencies to balance the overall budget.