



STAFF REPORT

DATE: October 22, 2024
FROM: Nathan Cooke
Director
TO: CONFIRE Administrative Committee

SUBJECT: \$2,000,000 Loan to Fund 5020 (EMS) from Fund 5010 (Reserve)

Recommendation

Approve a loan from Fund 5010 Reserve Fund to Fund 5020 (EMS) in the amount of \$2,000,000.

Background Information

On December 5, 2023, the County of San Bernardino awarded CONFIRE the Advanced Life Support and Basic Life Support Ground Ambulance Services, Interfacility, and Critical Care Transport Services for Exclusive Operating Areas contract. On September 12, 2024, the courts ordered a preliminary injunction that stopped implementation of the contract. While new spending has ceased and other costs have been reduced since the injunction, ongoing costs, primarily for legal fees, remain, which require funding. The unfunded cost for the remainder of the fiscal year is estimated at \$1,000,000. With the implementation of the Temporary Services with Priority Ambulance, the EMS fund will also need the capacity to pay Priority Ambulance for services rendered by their employees until reimbursement is received from participating CONFIRE agencies.

It is recommended that CONFIRE utilize Fund 5010 (Reserve) to provide a loan, not to exceed \$2,000,000, to Fund 5020 (EMS) for the above costs with no interest. Staff will only draw the amount necessary to meet any unmet funding obligations. Furthermore, staff does not anticipate needing the full loan amount this fiscal year.

The terms of the loan are as follows:

Maximum Loan Amount:	\$2,000,000
Minimum Amount Per Draw:	\$250,000
Effective Date:	October 23, 2024
Loan Agreement:	The agreement expires two (2) years from the effective date of the loan agreement. Draws request must be completed within two (2) years.
Interest Rate:	0%
Repayment:	Borrower will pay scheduled principal within two (2) years.

Fiscal Impact

Upon approval, the funds will be transferred from Fund 5010 to Fund 5020. There will be zero interest charged to Fund 5020 for this loan, which must be repaid within two years from the fund's transfer date. The loan will be repaid with Ground Ambulance Services revenues realized under the contract with San Bernardino County.