



**CONFIRE**

## STAFF REPORT

**DATE: February 28, 2024**

**FROM: Nathan Cooke, Interim Director**

**TO: CONFIRE Board of Directors**

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**SUBJECT: FY23-24 Mid-Year Budget Adjustment, Personnel and Appropriations Requests**

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### Recommendation

1. Approve the following position requests:
  - A. Add one (1) Human Resources Analyst position (\$27,297 for remainder of FY23/24)
  - B. Add one (1) Payroll Specialist position (\$14,879 for remainder of FY23/24)
2. Approve the mid-year budget adjustment as follows:
  - A. Fund 5008 – Operations Fund
    - i. Increase Salary and Benefits (100) by \$81,522
      - a. Transfer \$81,522 into Fund 5008 from Fund 5020
      - b. Move appropriation of \$759,591 from Salaries and Benefits (100) to Services and Supplies (200)
    - ii. Increase Services and Supplies (200) by \$759,591 (appropriation from Salaries and Benefits – 100)
      - c. Increase General Liability Insurance by \$8,400
      - d. Increase Temporary Help by \$183,367
      - e. Increase Auditing by \$11,475
      - f. Increase Other Professional Services by \$526,349
      - g. Increase Rents & Lease Structure by \$30,000
  - B. Fund 5011 – Term Benefits Fund
    - i. Increase Insurance (Worker's Comp) by \$351,000
  - C. Fund 5020 – Emergency Medical Service Fund
    - i. Increase Salaries & Benefits by \$168,296
    - ii. Increase Services & Supplies by \$960,182 (details in attachment)
    - iii. Increase Vehicles by \$300,000
    - iv. Transfer \$81,522 out to Fund 5008 – Operations
    - v. Increase Revenue by \$1,510,000
      - a. Appropriate \$500,000 from 5020 Fund Balance
      - b. Request \$1,000,000 from approved Ontario loan
      - c. Surge ambulance revenue – \$10,000

3. Authorize Interim Director to request an installment loan in the amount of \$1,000,000 with 4% interest rate from City of Ontario to fund the Emergency Medical Services Fund (5020).

### **Background Information**

As the fiscal year progressed, CONFIRE continued to experience significant transition and growth through the County Clarification Project and the recently awarded San Bernardino County Ambulance Transportation Contract. These impacts will primarily be offset by using salaries and benefits savings from Fund 5008 – Operations, reserves from Fund 5011 – Term Benefit Reserve and Fund 2020 – Emergency Medical Service (EMS) Fund, and a loan from the City of Ontario.

### **New Positions**

As a result of the Board approved, CONFIRE County Clarification Project, Contract #23-1008 was developed between the County of San Bernardino and CONFIRE. The contract outlines services performed by the County on behalf of CONFIRE. This agreement resulted in CONFIRE taking on additional responsibilities, duties, and workloads that were previously handled by the County prior to the agreements going into effect. The duties involve Human Resources and Payroll services that require diligent daily interaction with several County Departments (HR, ATC, EMACS) and other entities (worker's comp, SB CERA, State Disability etc.).

The addition of a Human Resources Analyst 1 and a Payroll Specialist will enable CONFIRE to better serve its employees and stakeholders with timely completion of required recruitment, on-boarding, and salary and benefit administration. The mid-year appropriation for these positions will be covered by existing operational fund balance and will be included in future budgets going forward. Anticipated hire dates for these positions are March/April 2024.

### **Fund 5008 Operations Fund**

To remain competitive and ascertain that CONFIRE recruits highly qualified leadership executives, the CONFIRE Board of Directors previously approved an increase to the compensation package for two (2) existing classifications: Finance/Administration Director (\$72,425) and Communications Manager (\$9,097). Increases to Salaries and Benefits in the amount of \$81,522 will be covered by a transfer of funds from Fund 5020 – EMS Fund). Anticipated hire date for both positions is March/April 2024.

The increases to Services and Supplies (\$759,591) are primarily due to additional workload and responsibilities taken on by CONFIRE with the Ambulance Contract and County Clarification Project, requiring extended contracts with temporary help staff and Interim Administrators. The Interim Director position is being reallocated from Fund 5010 – General Reserves to Fund 5008 – Operations which allows for the budgeted salary for that position to cover much of the cost. Additional services from CONFIRE's auditors, Rogers, Anderson, Malody, & Scott LLP (RAMS) and a full year of lease payments to the City of Rialto contributed to the need for an adjustment to Fund 5008.

These adjustments will be covered by a reappropriation (transfer) of \$759,591 from Salary and Benefits (100) to Services and Support (200).

### **Fund 5011 Term Benefit Reserve**

This use of 5011 Fund Balance will provide payment to the County of San Bernardino Worker's Compensation Department for tail claims, in the amount of \$351,000. This is a result of the County Clarification Project approved by the CONFIRE Board on May 30, 2023.

### **Fund 5020 Emergency Services Enterprise Fund**

In a historic move, on December 5, 2023, the County of San Bernardino Board of Supervisors awarded CONFIRE the Ground Ambulance Services contract. This awarded contract allows CONFIRE to provide advance life support, basic life support, ground ambulance services, and interfacility and critical care transport services to certain exclusive operating areas in the County. The contract term is from October 1, 2024, to September 30, 2029, with an optional 5-year extension. To fulfill the obligations of the contract, an implementation team consisting of external and internal personnel and consultants will be used to recruit key personnel and purchase equipment and supplies to prepare for the initiation of services in October 2024.

Projected expenses for the remainder of FY23/24 related to this project include salary and benefit increases for the new or expanded roles for CONFIRE staff, including Executive Director, Clerk of the Board, Finance/Administration Director, and Communications Manager. These positions and salaries have been approved by the CONFIRE Board of Directors at its December 11, 2023 meeting. Recruitment for the Executive Director and Communications Manager is currently in progress.

Other EMS program related expenses include start-up costs for insurance, surge ambulance deployment, office space lease and set-up, staff vehicles (4), Executive recruitment services, advertising, and other legal and professional services (consultants). The details of these expenses are included in the attached spreadsheets.

These costs will be offset by a request of \$1,000,000 from the City of Ontario CONFIRE EMS Program Loan Agreement, a \$500,000 allocation from the Fund 5020 fund balance and by depositing surge ambulance transportation revenue (\$10,000) into Fund 5020 Emergency Medical Services Enterprise Fund. A transfer of \$81,522 from Fund 5020 to Fund 5008 will cover a portion of the salary and benefit increase requested in this recommendation.

### **Fiscal Impact**

By utilizing existing fund balances and salary savings, these mid-year recommendations and adjustments will result in no immediate additional costs for CONFIRE agencies in the remainder of FY23/24. However, a portion of these costs will carry over to FY24/25 and will be factored into the pending budget process. The majority of those costs will be related to salary and benefits costs for reclassified and/or new employees. Much of

these increases will be directly attributable to the new Ground Ambulance Services program which will be funded by revenues associated with that service.

**ATTACHMENT(S):**

- FUND 5008 – OPERATIONS FUND FY23/24 Mid-Year Adjustments
- FUND 5011 – TERM BENEFITS FUND FY23/24 Mid-Year Adjustments
- FUND 5020 – EMERGENCY MEDICAL SERVICES FUND FY23/24 Mid-Year Adjustments