

Subject: Funding Support and Cost Breakdown for Orland's 24-Hour Westside
Ambulance

To: Orland City Council

From: Board of Directors, Westside Ambulance

Council Members,

Westside Ambulance has operated a 24-hour ambulance in Orland since the 1930s. For nearly a century it has been one of the main backbones of public safety for the City of Orland and the surrounding rural community. This is not a new service – it is part of how Orland has always protected its people.

What has changed is the money side of ambulance work. The cost of running a modern 24/7 advanced life-support ambulance has gone up sharply – wages, benefits, fuel, medications, equipment, insurance, and the need to set aside money every year so the ambulance and gear can be replaced when they wear out. At the same time, reimbursements have been flat or dropping. The patient mix has shifted away from private insurance (which pays close to the full bill) toward government plans that often pay only \$150–\$400 per trip.

Because of this, our 24-hour ambulance now operates at a loss of about \$266,000 per year. Last year, the 24-hour unit brought in about \$1.16 million in revenue, but it cost about \$1.42 million to run it safely and responsibly. That gap of roughly \$266,000 a year – about \$22,000 per month – is what we are asking the City of Orland to help cover.

There are important reasons why we believe this is worth it for Orland:

- Westside is a local nonprofit. Our board members all live here. We are volunteers. We are not owned by a hospital system or a private equity group, and we do not answer to out-of-town investors.
- We are committed to staying. When ambulance and hospital services were run by outside entities in Glenn County and surrounding counties they left when the numbers no longer worked for them. Westside's sole mission is to serve this community; we are not leaving Orland.

- Local control is a strategic asset. Having our own nonprofit ambulance, governed locally, gives Orland a level of control and stability you simply cannot get from an outside company that can decide to pull out.

We see the 24-hour ambulance as a critical piece of Orland’s public-safety infrastructure, just like police, fire, and water. To keep it in place and sustainable, we are asking the City to partner with us and fund the shortfall. Below is the simple, detailed breakdown of how that shortfall is calculated.

How the Numbers Pencil Out (24-Hour Ambulance Only)

1. Call volume and revenue
 - a. Average calls per year for the 24-hour ambulance (before the 12-hour unit existed): 1,367 calls
 - b. Average revenue per call last year: \$845.87
 - c. Total yearly revenue for the 24-hour ambulance: $1,367 \times \$845.87 \approx \$1,156,304$

So, with “normal” call volume, the 24-hour ambulance brings in about \$1.16 million per year.

2. True yearly cost to run the 24-hour ambulance
 - a. Using last year’s actual expense numbers:
 - b. Operating expenses for the 24-hour ambulance (wages, benefits, fuel, supplies, insurance, etc.): \$1,333,588
 - c. Capital expenditures set-aside (money we need to put away each year to replace the ambulance and major equipment): \$89,195
 - d. Total yearly cost for the 24-hour ambulance: $\$1,333,588 + \$89,195 = \$1,422,783$

So, it costs about \$1.42 million per year to run the 24-hour ambulance in a safe and responsible way that keeps the fleet and equipment up to date.

3. The shortfall Orland is being asked to cover
 - a. Yearly cost: $\approx \$1,422,783$
 - b. Yearly revenue: $\approx \$1,156,304$
 - c. Yearly shortfall: $\$1,422,783 - \$1,156,304 \approx \$266,479$

That is the roughly \$266,000 per year gap – about \$22,200 per month – that we are asking the City of Orland to fund.

Westside will continue to do its part: operate as a nonprofit, keep costs as lean as possible, apply for grants, and fundraise. But without the City's help covering this shortfall, the long-term future of a locally controlled 24-hour ambulance in Orland is at risk.

Requested City Support

Westside Ambulance respectfully asks the City of Orland to:

- Commit to funding approximately \$266,000 per year (about \$22,200 per month) to cover the shortfall on the 24-hour ambulance.

This funding will:

- Keep a 24/7 advanced life-support ambulance based in Orland.
- Maintain the strong response times and reliability your residents now expect.
- Preserve a locally controlled, nonprofit EMS provider that is rooted in and committed to this community.

We would be glad to meet with you, walk through the numbers line by line, and answer any questions. Thank you for considering this request and for your ongoing support of public safety and emergency services in our community.