



**Contra
Costa
County**

To: Contra Costa County Fire Protection District Board of Directors
From: Jeff Carman, Chief, Contra Costa County Fire Protection District
Date: January 16, 2018

Subject: Reimbursement of CCCFPD General Operating Fund Reserves

RECOMMENDATION(S):

AUTHORIZE the Auditor-Controller to transfer \$3,000,000 from the CCCFPD EMS Transport Fund (Fund No. 204000) to the CCCFPD General Operating Fund (Fund No. 202000) to reimburse the Contra Costa County Fire Protection District for use of general fund reserves to pay expenditures secured by anticipated receivables from the provision of ambulance services.

FISCAL IMPACT:

This action will result in a \$3 million debit to the CCCFPD EMS Transport Fund (Fund No. 204000) and a \$3 million credit to the CCCFPD General Operating Fund (Fund No. 202000). After this transaction is completed, all initial ambulance service startup funds will be reimbursed and the provision of ambulance services should be fully supported by user fees.

BACKGROUND:

Effective January 1, 2016, the Contra Costa County Fire Protection District (District) became Contra Costa County's exclusive provider of emergency ambulance services within Exclusive Operating Areas 1, 2, and 5.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **01/16/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, Director
Candace Andersen, Director
Diane Burgis, Director
Federal D. Glover, Director

ABSENT: Karen Mitchoff,
Director

Contact: Jackie Lorrekovich, Chief,
Admin Services (925) 941-3312

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 16, 2018

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

cc:

Resolution

BACKGROUND: (CONT'D)

No. 2015/449 established the "CCCFPD EMS Transport Fund" for the purpose of providing transparency on the financial transactions associated with the provision of ambulance services and tracking revenue and expenditures generated by the program.

On November 17, 2015, the Board of Supervisors, acting as the Governing Board of the Contra Costa County Fire Protection District, authorized the Auditor-Controller to make transfers from the CCCFPD General Operating Fund to the new CCCFPD EMS Transport Fund to maintain an appropriate fund balance. As with any new venture, initial working capital was necessary to fund operations for a period of time before newly established revenue sources become accessible. The District anticipated a period of negative cash flow (i.e., expenditures are greater than reimbursement revenues), which could result in a deficit in the new fund absent resources from the CCCFPD General Operating Fund.

During the first year of ambulance service, the District relied on its general operating reserve funds to bridge the revenue-expenditure gap. However, now that the District is two years into the venture, provision of ambulance service is financially stable and self-sustaining. The District collects enough revenue through ambulance fees to pay for the cost of providing ambulance services.

Therefore, this action reimburses the District's General Operating Fund for the transfer that was authorized by the Board on November 17, 2015.

CONSEQUENCE OF NEGATIVE ACTION:

Funds will not be reimbursed at this time.