

ACTION SHEET
CITY COUNCIL COMMITTEE MEETING OF 03/26/14
ITEM FROM FINANCE COMMITTEE MEETING OF 03/17/14

ISSUE:

20. Request for Approval of Loan Consolidation Pay-Off of Current Electronic Reporting Systems for Fire Department; EF Recovery. (Jan Snyder)

FINANCE COMMITTEE ACTION: APPROVED AS CONSENT ITEM

Requested approval of loan consolidation pay-off of current electronic reporting systems for fire department with EF Recovery in the amount of \$256,774.62. Budget is available in State Fire Fund.

SPECIAL CONDITIONS OR AMENDMENTS

STAFF FOLLOW-UP:

VOTE	FOR	AGAINST	ABSTAIN
COUNCILOR TRUJILLO	X		
COUNCILOR RIVERA	X		
COUNCILOR LINDELL	Excused		
COUNCILOR MAESTAS	X		
CHAIRPERSON DOMINGUEZ			

3-17/14/FCMissue

City of Santa Fe, New Mexico

memo

DATE: February 21, 2014
TO: Finance Committee
City Council
FROM: Jan M. Snyder, Assistant Fire Chief *JMS*
SUBJECT: Loan Consolidation – EF Recovery
VIA: Erik J. Litzenberg, Fire Chief *EJL*

The City of Santa Fe Fire Department would like to pay-off a long running debt to EF Recovery, our fire and EMS billing company that financed our current electronic reporting systems, with funds from our Fire Property Tax business unit.

The total amount of the pay-off will be \$256,774.62 and the funds are current in the following line items:

Revenue Fund 21209	- \$190,000.000
22251.570950	- \$50,000.00
22251.570400	- \$16,774.62

The funds will be consolidated into a single line item to create the purchase order.

Clearing the department of this debt is advantageous at this time by addressing a yearly expense that we were unable to achieve given the original terms of the agreement. It will also place us in a position to research other billing contractors that may be more cost effective to the City.

Please find attached confirmation of these funds, a letter from EF Recovery validating the pay-out amount and a memo signed by the City Manager giving his approval to pay-off the loan.

We are requesting your approval of this purchase and passing the consideration on to the governing body.

Please feel free to contact me at 955-3121 with any further questions

Attachments: (3)

City of Santa Fe, New Mexico

memo

DATE: February 13, 2014
TO: Brian Snyder, City Manager
FROM: Jan M. Snyder, Assistant Fire Chief *JMS*
SUBJECT: ~~Purchase of a New Fire Truck~~ *LOAN CONSOLIDATION*
VIA: Marcos Tapia, Finance Director *MT*
Erik J. Litzenberg, Fire Chief *EL*
CC: Robert Rodarte, Purchasing Officer

The City of Santa Fe Fire Department would like to pay-off a long running debt to EF Recovery, our billing company that financed our current electronic reporting systems, with funds from our Fire Property Tax business unit.

The total amount of the pay-off will be \$256,774.62 and the funds are current in the following line items:

Revenue Fund 21209	- \$190,000.000
22251.570950	- \$50,000.00
22251.570400	- \$16,774.62

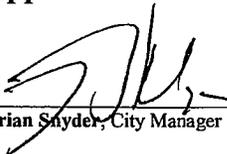
The funds will be consolidated into a single line item to create the purchase order.

Clearing the department of this debt is advantageous at this time by addressing a yearly expense that we were unable to achieve given the original terms of the agreement. It will also place us in a position to research other billing contractors that may be more cost effective to the City.

Please find attached confirmation of these funds and a letter from EF Recovery validating the pay-out amount.

Please feel free to contact me with further questions, ext. 3121.

Approved:



Brian Snyder, City Manager

Disapproved:

Brian Snyder, City Manager

Attachments: (2)



November 16, 2013

Erik,

Per our discussion, these are the points of the proposed payment plan. After your review, I will have Robert put together an Addendum to the EMS billing contract which will reflect what Santa Fe decides.

The current loan amount on the "Buy It Now" program through today is \$269,000.34. If you choose to pay down \$190,000.00 we would discount the total amount by \$16,000.00. This would leave a balance of \$63,000.34.

The balance owed would be divided evenly over four or five years (your choice) and added to the "per trip" billed, with no interest added. Four years would add \$2.16 to the current cost per trip billed. Five years would drop that to \$1.72 per trip billed. If the number of trips increases, we would reduce the time as you meet the payoff. Currently you have averaged 609 trips per month but I am looking into what has reduced this number and will be discussing this with you as soon as I can put the data together. If you can get me the data I requested I should be able to get back to you by next week.

I will hold the "Buy It Now" number without any increase in interest until the first of the year. As soon as you can, please let me know what your plans are.

Sincerely,

Ed Grubbs, CEO
EF Recovery