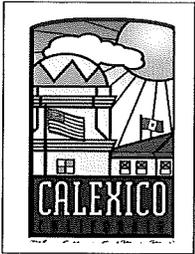


**AGENDA
ITEM**

15



AGENDA STAFF REPORT

DATE: June 20, 2018

TO: Mayor and City Council

APPROVED BY: David B. Dale, City Manager *DD*

PREPARED BY: Diego Favila, Fire Chief

SUBJECT: Public Hearing on the Proposed Emergency Medical Services (EMS) User Fee Schedule per the EMS Rate Study Dated April 2018 and Approval of a Resolution of the City Council of the City of Calexico, California, Adopting Fees and Charges for Emergency Medical Services, and Making Certain Findings and Taking Certain Actions Relating Thereto

=====

Recommendation:

It is recommended that the City Council hold the scheduled public hearing, allow input from the public regarding the proposed Emergency Medical Services (EMS) User Fee Schedule per the EMS Rate Study dated April 2018 and adopt said proposed rates per resolution attached.

Background:

In early 2018, the City contracted with Willdan Financial Services (Willdan) to prepare an EMS User Rate Study to determine the current cost of City provided services, and recommend proper fees to be charged for those services. As a part of the process to determine the current cost of providing ambulance services, Willdan required input from the Fire and Finance Departments regarding the direct, indirect and overhead cost of each service.

Discussion & Analysis:

The City charges EMS user fees for various services provided by the City ambulance service. The report prepared by Willdan analyzed the cost of providing those services. By State law, the City cannot charge more than the cost of the service.



Most of the fees currently in place have not been updated since 1992; many have been in place longer. All fees within the EMS User Fee Schedule (EUFS) were reviewed to identify existing and potential new fees, resulting in the addition of some fees and increase in others. Based on the costs to provide services, the report was prepared to capture one hundred percent of the cost to provide EMS services.

The EMS User Fee Schedule is proposed to become effective July 1, 2018.

The proposed fees are based on the estimated costs of performing the services as presented in the City's Fiscal Year 2018-19 Budget. The approval would authorize an annual adjustment to the fees based on each succeeding year's adopted annual budget for a period not to exceed five years. This annual adjustment will ensure that the fees cover the annual costs. All proposed increases (per the accepted official inflation rates) to the existing fees would be brought before the City Council for approval prior to implementation.

Fiscal Impact:

There is currently a deficit with the City EMS. It is anticipated that the proposed rates will cover the costs of the EMS in its entirety.

Coordinated With:

City Manager.
Finance Department.
Fire Department.

Attachment:

1. Resolution of the City Council of the City of Calexico, California, Adopting Fees and Charges for Emergency Medical Services, and Making Certain Findings and Taking Certain Actions Relating Thereto.
2. Final EMS Rate Study dated April 2018.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO, CALIFORNIA, ADOPTING FEES AND CHARGES FOR EMERGENCY MEDICAL SERVICES, AND MAKING CERTAIN FINDINGS AND TAKING CERTAIN ACTIONS RELATING THERETO.

WHEREAS, the City of Calexico (the "City") provides certain emergency medical and ambulance services ("EMS"), and charges rate-payers fees for such services ("EMS Fees"); and

WHEREAS, the EMS Fees were previously adopted in 1992, and have not been updated to reflect increased costs of providing EMS for which they are charged; and

WHEREAS, the City retained Willdan Financial Services ("Willdan"), an independent fee consultant, to prepare an EMS User Rate Study (the "Study") to determine the rates for EMS Fees necessary to meet the cost of providing the EMS services provided by the City, and a copy of the Study has been made available and remains available for public inspection at the office of the City Clerk and is incorporated herein by this reference; and

WHEREAS, based on the findings set forth in the Study, the City now wishes to adopt new and increased EMS Fees, which are fair and equitable and compensate the City for the cost of providing the EMS services; and

WHEREAS, the proposed EMS Fees do not exceed the City's reasonable costs of providing the EMS services or products for which the EMS Fees are imposed, and such EMS Fees will only be imposed on persons who are provided such EMS services or products; and

WHEREAS, in accordance with Government Code section 66018, the City provided notice of a public hearing to adopt the EMS Fees specified herein, and such notice included the date, time, and location of the public hearing of the City Council; and

WHEREAS, the City Council conducted a public hearing on June 20, 2018; and

WHEREAS, at the public hearing, the City Council considered the proposed EMS Fees, heard and considered all oral testimony, written materials, and written protests or objections concerning the establishment and imposition of the new or increased EMS Fees;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CALEXICO DOES RESOLVE AS FOLLOWS:

SECTION 1. Recitals. The Recitals set forth above are true and correct statements, and are incorporated as an operative part of this Resolution and made findings and determinations of the City Council by this reference.

SECTION 2. Adoption. The City Council hereby adopts the EMS Fees set forth in Exhibit "A" hereto. A claim for the EMS Services shall be filed to the responsible party(s) through their insurance carrier. In some circumstances, the responsible party(s) will be billed directly.

SECTION 3. Findings. The City Council hereby finds and determines that the EMS Fees adopted pursuant to this Resolution (1) are imposed for a specific government activity, service, or product, provided directly to the payor; (2) are no more than necessary to recover the estimated reasonable costs of the governmental activity, service, or product, for which the EMS Fee is imposed; and (3) the manner in which those costs are allocated to the payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity, service, or product, for which the EMS Fees are imposed. The EMS Fees are not taxes within the meaning of California Constitution, article XIII C, §1(e).

SECTION 4. Rules and Regulations. The City Council may make rules or regulations and from time to time may amend, revoke, or add rules and regulations, not consistent with this Resolution, as they may deem necessary or expedient in respect to billing for the EMS Fees adopted hereby; provided, however, that no such action shall result in any EMS Fee being increased or exceeding the cost of providing the service or product for which it is imposed.

SECTION 5. Severability. If any section, subsection, clause or phrase in this Resolution or the application thereof to any person or circumstances is for any reason held invalid, the validity of the remainder of this Resolution or the application of such provision to other persons or circumstances shall not be affected thereby. The City Council hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses, or phrases or the application thereof to any person or circumstance be held invalid.

SECTION 6. Further Action. The City Council authorizes the City Manager, and other City staff members as designated by the City Manager or the Calexico Municipal Code, to take all actions necessary to effectuate the intent of this resolution and to implement the EMS Fees adopted pursuant to this Resolution.

SECTION 7. Attestation. The Mayor shall sign this Resolution and the City Clerk shall attest thereto, and thereafter this Resolution shall take effect and be in force.

SECTION 8. Effective Date. This Resolution shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED, this 20th day of June, 2018.

Maritza Hurtado,
Mayor

ATTEST:

Gabriela Garcia
City Clerk

APPROVED AS TO FORM:

Carlos Campos
City Attorney

State of California)
County of Imperial) §
City of Calexico)

I, Gabriela T. Garcia, City Clerk of the City of Calexico do hereby certify the above Resolution No. 2018-__ was approved at a regular City Council meeting held on the 20th day of June, 2018, by the following vote to wit.

AYES:

NOES:

ABSTAIN:

Gabriela T. Garcia
City Clerk

EXHIBIT "A"

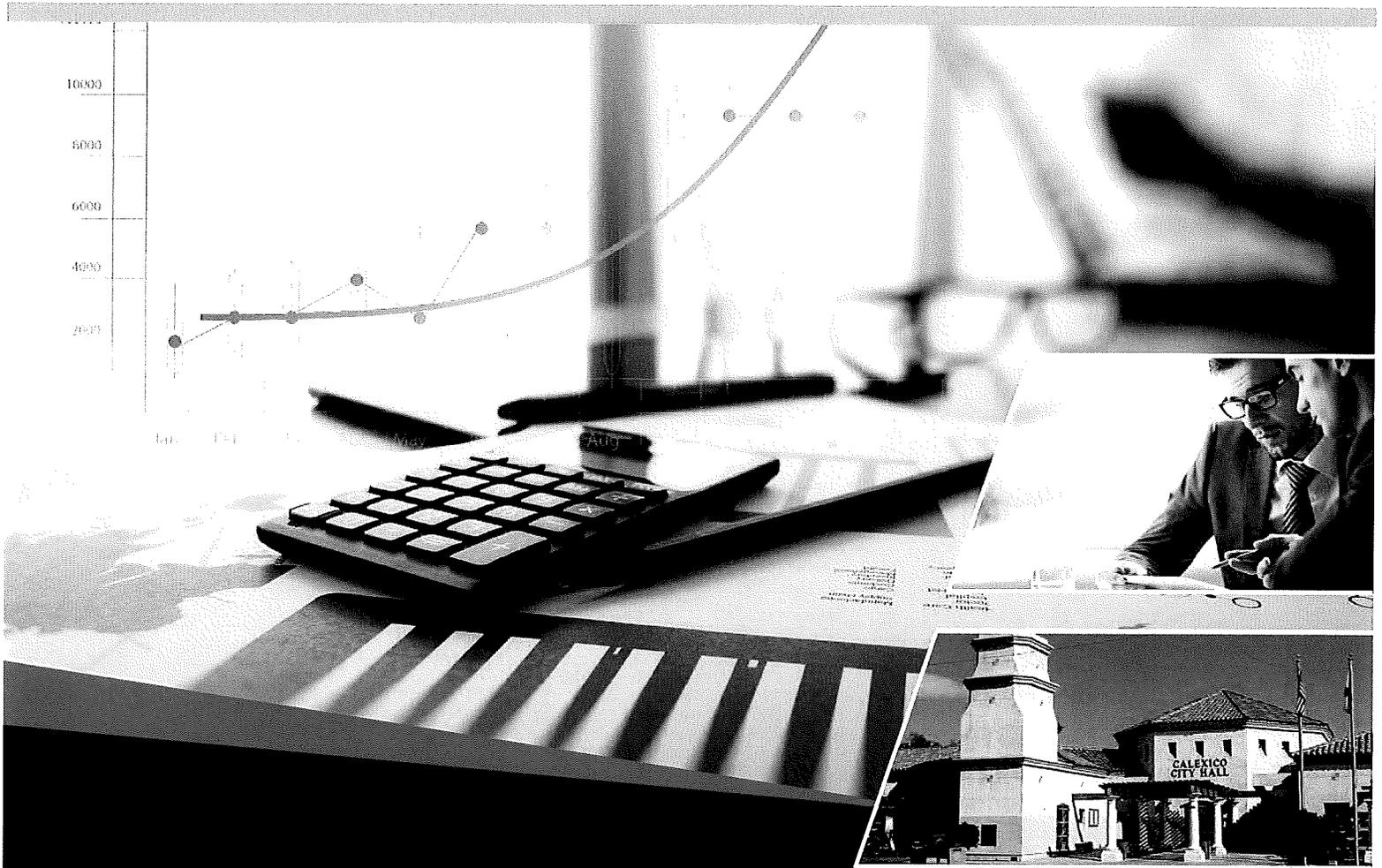
PROPOSED EMERGENCY MEDICAL SERVICE (EMS) FEES

Item No.	Fee Classification	Calexico Fees
1	ALS Level 1	\$ 1,368.00
2	ALS, Level 1 Emergency	\$ 1,410.00
3	ALS, Level 2	\$ 1,431.00
4	BLS	\$ 1,157.00
5	BLS, Emergency	\$ 1,220.00
6	Against Medical Advice (AMA)	\$ 442.00

Item No.	Service Provided	Calexico Fees
7	Airways Nasal/Oral	\$ 12.00
8	Albuterol	\$ 12.00
9	Assessment at Scene	\$ 125.00
10	Atropine	\$ 12.00
11	Backboard	\$ 10.00
12	Bag Valve Mask	\$ 12.00
13	Bandages	\$ 10.00
14	Benadryl	\$ 12.00
15	Burn Pack	\$ 20.00
16	Cervical Collar	\$ 20.00
17	Combitube	\$ 75.00
18	CPR	\$ 30.00
19	Defibrillator	\$ 30.00
20	Diphenhydramine	\$ 12.00
21	EKG	\$ 70.00
22	Emesis Bag/Basin	\$ 12.00
23	Endotracheal tubes	\$ 10.00
24	EOA	\$ 35.00
25	Epinephrine	\$ 12.00
26	Extra Crew	\$ 50.00
27	Furosemide	\$ 12.00
28	Glucagon	\$ 100.00
29	Glucometer	\$ 10.00
30	Head Bed	\$ 15.00
31	Heat/Cold Pack	\$ 10.00
32	Intubation	\$ 15.00
33	Isolation Kit	\$ 18.00

Item No.	Service Provided	Calexico Fees
34	IV Solutions	\$ 20.00
34	IV Solutions	\$ 20.00
35	IV start kit	\$ 12.00
36	Lidocaine	\$ 12.00
37	Linen/Gloves/Decon	\$ 15.00
38	MAST	\$ 50.00
39	MILE1	\$ 10.00
40	Naloxone Calexico	\$ 12.00
41	Night Call	\$ 20.00
42	OB Kit	\$ 20.00
43	Oxygen	\$ 35.00
44	Oxytocin	\$ 12.00
45	Pneumatic anti-shock garment	\$ 50.00
46	Restraints	\$ 10.00
47	Splints card board	\$ 10.00
48	Suction	\$ 15.00
49	Wait Time (hr)	\$ 50.00

CITY OF CALEXICO



EMS User Fee Study

April 2018



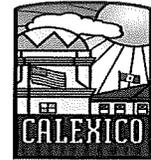


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Executive Summary

As local governments (the “Jurisdictions”) deal with increased fiscal limitations in California, Service fees, or user fees (the “Fees”) have become an important source of revenue. A Fee is a payment made by an individual for a service (the “Service”) provided by a jurisdiction that primarily benefits that individual (the “User”). The primary objective of this user fee study (the “Report”) completed for the City of Calexico (the “City”), is to review, analyze and determine appropriate costs for the City to sustain ambulance services to the residents of Calexico.

The City has requested the preparation of a Report to analyze and determine the full cost of ambulance Services in order to (1) recover as much of the actual cost of providing the services as possible; (2) maintain fees comparable to neighboring agencies providing similar services; and (3) identify and recommend additions or deletions to the City’s existing service fee schedule (the “Fee Schedule”).

The City may impose fees under the authority granted by the Fire Protection City Law of 1987 contained in California Health and Safety Code, commencing with §§13800 et. seq. (the “Law”). Relating to the Report, section 13916 of the Law states as follows:

A City board may charge a fee to cover the cost of any service which the City provides or the cost of enforcing any regulation for which the Fee is charged. No fee shall exceed the costs reasonably borne by the City in providing the service or enforcing the regulation for which the fee is charged.

According to the law, for an agency to charge a fee, the agency must first adopt an ordinance establishing the schedule of new or increased fees. The agency must also make available to the public the data supporting the new or increased fee, provide notice for and hold a public board meeting, and consider any testimony regarding the new or proposed fees at said meeting, per the rules and regulations dictated by the law.

The tables within this report include a list of the ambulance service(s) provided by the City and the current assessed fees for those services. To provide context with other local agencies, a table that provides comparable fees charged by neighboring or similar jurisdictions is also included in the report.

Increasingly, jurisdictions not only want to cover the cost of staff labor directly associated with the services but also wish to recover associated support costs. While this cost analysis should enable the City to implement ambulance fees that offer a more sufficient cost recovery, it should be noted that City staff will ultimately decide the fee amounts for each service, based on policy and political considerations. In the case that the fee recommendations within this report are not adopted by the City Council (the “Council”), the City may continue to charge fees based on their most recently adopted fee schedule, per Resolution No. 92-75 (see Table 1).

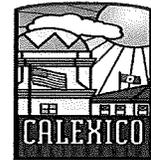


Table 1

Current Calexico Ambulance Call Fee Schedule

Service Provided	Fees
ALS, Level 1 ⁽¹⁾	\$449
ALS, Level 1 Emergency	449
ALS, Level 2	449
BLS ⁽²⁾	360
BLS, Emergency	360

¹ "ALS" means Advanced Life Support

² "BLS" means Basic Life Support

* "AMA" means Against Medical Advice, this will be a new purposed fee

Sources: City of Calexico Fire Department; Willdan Financial Services.

After performing the analysis, we have determined the projected full cost of the ambulance services which City of Calexico provides. The results of the analysis include the forecast of the hiring of additional staff members and is presented in Table 2 below.

Table 2

Proposed New Fee Schedule for City of Calexico

Fee Classification	Current User Fees	User Fees Charged ⁽¹⁾	% of Charges	Proposed New User Fee Rates	Projected Future User Fees Charged ⁽²⁾
ALS, Level 1	\$449	\$8,980	0.53%	\$1,368	\$27,355.03
ALS, Level 1 Emergency	\$449	\$1,646,932	98.02%	\$1,410	\$5,171,279
ALS, Level 2	\$449	\$449	0.03%	\$1,431	\$1,431
BLS	\$360	\$7,920	0.47%	\$1,157	\$25,461
BLS, Emergency	\$360	\$15,840	0.94%	\$1,220	\$53,700
AMA	New	New	New	\$442	\$120,194
Grand Total	N/A	\$1,680,121	100%	N/A	\$5,399,420

⁽¹⁾Current fee levels based off the current user fee rates applied to number of historical calls.

⁽²⁾Projected fee levels based off the purposed rates applied to number of historical calls.

Sources: Table 9; City of Calexico; Willdan Financial Services.



Fees for ambulance medical supplies and supplemental services were also previously set in place and adopted by City Council. Table 3 (below) include a list of service(s), medications and the current fees which are charged to the user. Itemized medical service fees were not a part of this study, and as such the budget amounts for revenues and expenditures associated with these supplemental services have been deducted from the total operation budget.

Table 3

Calexico Ambulance Supply Full Fee Schedule

Service Provided	Current Fees
Airways Nasal/Oral	\$12.00
Albuterol Calexico	12.00
Against Medical Advice (AMA) ⁽¹⁾	New
Assessment at Scene Calexico	125.00
Atropine Calexico	12.00
Backboard Calexico	10.00
Bag Valve Mask Calexico	12.00
Bandages Calexico	10.00
Benadryl Calexico	12.00
Burn Pack Calexico	20.00
Cervical Collar Calexico	20.00
Combitube Calexico	75.00
CPR Calexico	30.00
Defibrillator Calexico	30.00
Diphenhydramine Calexico	12.00
EKG Calexico	70.00
Emesis Bag/Basin	12.00
Endotracheal tubes Calexico	10.00
EOA Calexico	35.00
Epinephrine Calexico	12.00
Extra Crew Calexico	50.00
Furosemide Calexico	12.00
Glucagon Calexico	100.00
Glucometer Calexico	10.00
Head Bed Calexico	15.00
Heat/Cold Pack Calexico	10.00
Intubation Calexico	15.00
Isolation Kit Calexico	18.00
IV Solutions Calexico	20.00
IV start kit Calexico	12.00
Lidocaine Calexico	12.00
Linen/Gloves/Decon Calexico	15.00
MAST Calexico	50.00
MILE1 Calexico	10.00
Naloxone Calexico	12.00

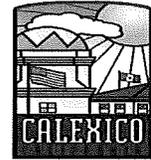


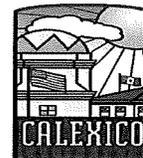
Table 3

Calexico Ambulance Supply Full Fee Schedule

Service Provided	Current Fees
Night Call Calexico	20.00
OB Kit Calexico	20.00
Oxygen Calexico	35.00
Oxytocin Calexico	12.00
Pneumatic anti-shock garment	50.00
Restraints Calexico	10.00
Splints card board Calexico	10.00
Suction Calexico	15.00
Wait Time Calexico	50.00

(1) "AMA" means Against Medical Advice

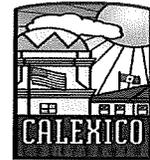
Sources: City of Calexico Fire Department; Willdan Financial Services.



Introduction

Fees in California are required to conform to the statutory requirements of the law, the California Constitution (the "Constitution"), and the California Code of Regulations (the "Code"). According to the law, fees may not exceed the reasonable cost of providing the service for which they are collected unless the excess fee is approved by a two-thirds (2/3) vote of the electorate.

Fees are imposed because they aid in the ultimate recovery of costs associated with providing specific services benefiting the user, thereby reducing the use of general fund monies for such purposes. The City believes that its general fund may be subsidizing costs associated with providing services that benefit ambulance users and the current fees may not account for the costs associated with the service delivery. Additionally, the City has expressed that a combination of factors, including the location, demographics of the fire department service area and the current charge collection limitations imposed by the health industry have significantly impacted the total amount the City is able to collect from ambulance users after services have been rendered. To correct such deficiencies, the City has requested a review and subsequent update of its fee schedule. This Report summarizes current Fees for ambulance related services provided by the City, analyzes the total costs associated with delivering ambulance-related services to the fire department service area and identifies the fees recommended by the City for adoption (which are less than or equal to the full cost of providing the service).



The substantial increase costs of routine ambulance-related services have led many local agencies to establish or increase related fees. The ambulance/EMS fees for several California agencies are presented in Table 4 below. These comparable rates may provide guidance with in policy decisions with adopting appropriate fees.

Table 4

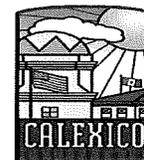
Current Calexico Ambulance Call Fee Schedule

	Emergency Base Rate	Mileage	Oxygen
Imperial (Current)	\$1,200.00	\$16.00	\$65.00
Imperial (Proposed)	\$1,900.00	\$18.00	\$70.00
San Diego	\$1,925.54	Did Not Report	Did Not Report
Riverside	\$1,647.01	\$40.05	\$171.30
El Dorado	\$1,427.00	Did Not Report	\$80.00
Napa	\$1,961.03	\$40.60	\$140.10
Kern	\$1,972.00	Did Not Report	\$80.00
San Luis Obispo	\$2,336.96	\$38.72	\$81.72
Santa Barbara	\$2,256.53	\$44.09	\$44.09
Ventura	\$1,682.00	\$34.75	\$110.00
San Mateo	\$2,499.00	\$60.41	Did Not Report
Yolo	\$1,975.00	Did Not Report	Did Not Report

Sources: City of Calexico Fire Department; Willdan Financial Services.

This Report identifies operational costs and related indirect costs associated with ambulance services. The full cost amount is compared to the current fees for ambulance services. If the full cost exceeds the amount of fees being charged, the Report will identify how much the general fund subsidizes the costs of providing the ambulance services. If the full cost is lower than the current fees collected, the study will identify how much the City is overcharging for ambulance services.

The City has reviewed the full cost of providing services and has recommended fee amounts for each of the ambulance services that are the subject of this Report. Those fee amounts will be presented to the City Council for review and adoption.

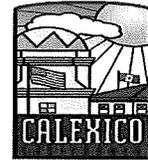


Cost Components

The City has requested Willdan Financial Services to analyze fees for the City's ambulance services (the "Ambulance Services"). The City currently provides 24-hour Ambulance Services to the Calexico Fire Protection Service Area (the "Service Area"), which includes the community of Calexico and surrounding areas. The annual costs associated with providing the services are partially funded by user fees and property taxes. The City also incurs costs related to operations and maintenance of the facilities, equipment, personnel and administrative overhead necessary to provide Ambulance Services

It is common for jurisdictions, such as City, to update user fee schedules periodically to ensure that the fees imposed on users provide sufficient revenue to cover the cost of the services. Since the City provides Ambulance Services to a growing population that is increasingly remote, the costs involved with each service incident increase over time. At the request of the City, the details contained in this Report focus on recommended fees intended to assist the City in recovering as much of the ongoing costs for Ambulance Services as possible.

As costs associated with the provision of services fluctuate over time, a significant element in the development of any fee schedule is its ability to remain flexible with the current costs factors. We recommended that the City include authorization for a five (5) year annual inflation adjustment in the ordinance adopting the new fee schedule. This will authorize the Council, either by ordinance or resolution, to increase or decrease the fees based upon published information such as (i) the Consumer Price Index (CPI) Los Angeles – Riverside – Orange, All Urban Consumers or (ii) the Employee Cost Index for State and Local Government Employees, Total Compensation as released by the United States Department of Labor's Bureau of Labor Statistics. In accordance with an annual inflation factor, and shortly after January 1 of each calendar year, the City may consider increasing or decreasing fees based on the percentage change in the selected adjustment factor.



Methodology

A variety of methods exist for analyzing the full cost of a particular service provided by a public agency. Based on the information available and the nature of the City's ambulance services, we have determined that the following is the most appropriate methodology:

- **Macro Cost vs. Revenue Method:** This approach evaluates the appropriateness of current fees by comparing the total cost of each service category (i.e. Advanced Life Support ("ALS"), Basic Life Support ("BLS") and Against Medical Advice ("AMA")) with projected total revenues and expenditures. Costs are estimated by apportioning 100% of costs associated with the projection of each ambulance staff member among the various service categories. This method analyzes whether a category of fees is creating a revenue surplus, creating a revenue deficit or breaking even. The advantages of this approach are the ability and relatively easy to calculate and it addresses the reasonable criteria in broad scope. Tables 5 and 6 below show the allocation of the City's Fire Department budget to Ambulance services.

Table 5

Summary of Incidents

	Total Calls	Call Allocation
Ambulance	4,027	84%
Fire	781	16%
Total	4,808	100%

Sources: City of Calexico, Fire Department; Willdan Financial Services.



Table 6

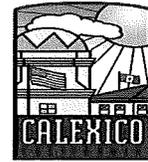
Summary of Charges

	Total FY 2017/18 Expenditures	Total User Fees Charged ⁽¹⁾	Annual Deficit
Ambulance Budget	\$5,399,420	\$1,680,121	(\$3,719,299)
Total	\$5,399,420	\$1,680,121	(\$3,719,299)

(1) Assuming Existing Rates are not changed and the Fire Department charged for all calls logged

Sources: City of Calexico, Fire Department; Willdan Financial Services.

Utilizing the Macro Cost vs. Revenue Method approach, the City's total Fire Department operational budget for providing ambulance services to the Calexico fire protection service area in fiscal year 2018/19 is projected to be \$5,399,420. However, based on the current EMS fees, only \$1,680,121 is estimated to be charged to users for ambulance services, resulting in a deficit of \$3,719,299. To move towards recovering the projected full costs associated with sustaining the ambulance services, the City is considering increasing the existing fees. This Report will provide the analysis needed to justify the increase.



Cost Recovery

When using the Macro Cost vs. Revenue Method approach, we must allocate the budget to each individual service using an allocation methodology. The factors used to allocate the costs include call category breakdown, level of care and time per call, ranking and salaries of all individuals whom respond and aid to the calls, and budget and operating expenses. The tables below show the results of this allocation.

Tables 7 summarize the call categories and average times associated with each level of service, from Dispatch to cleared patient. As mentioned above the time breakdown will assist in the determination of City's cost recovery and applying the appropriate service fee.

Table 7

Callexico EMS Response

Name	Dispatch Time (Alarm to Dispatch)	Reaction Time (Dispatch to Enroute)	Response Time (Dispatch to Arrival)	Scene Time (Arrival to Cleared)	Transport Time (Cleared to At Destination)	Patient Care (Alarm to Transfer of Care)	Destination Time (At Destination to Cleared Dest.)	Call Length (Dispatch to In Serv.)
ALS, Level 1	0:07:00	2:08:00	5:06:00	18:00:00	25:21:00	45:00:00	23:00:00	65:00:00
ALS, Level 1 Emergency	0:07:00	2:08:00	5:06:00	20:00:00	27:21:00	47:00:00	27:00:00	67:00:00
ALS, Level 2	0:07:00	2:08:00	5:06:00	23:00:00	30:21:00	50:00:00	28:00:00	68:00:00
BLS	0:07:00	2:08:00	5:06:00	16:00:00	23:21:00	35:00:00	24:00:00	55:00:00
BLS, Emergency	0:07:00	2:08:00	5:06:00	18:00:00	25:21:00	40:00:00	23:00:00	58:00:00
AMA	0:07:00	2:08:00	5:06:00	14:00:00	21:21:00	N/A	N/A	N/A
Average Total Response	0:07	2:08	5:06	18:10	25:31:00	41:45:00	25:00:00	62:36:00

Sources: Callexico Fire Department; Willdan Financial Services.

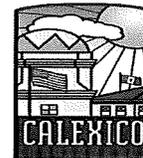


Table 8 shows the number of projected annual calls and their call categories which are estimated to be logged for fiscal year 2018/19. The total for the annual call log is applied as a reference point to forecast future operating expenses and adjusted service fees.

Table 8

Summary of Services provided by Calexico Fire Department

Calexico EMS Fee Classification	Service Calls
ALS, Level 1	20
ALS, Level 1 Emergency	3,668
ALS, Level 2	1
BLS	22
BLS, Emergency	44
AMA	272
Grand Total	4,027

Sources: Table 5; City of Calexico; Willdan Financial Services.

The table below (Table 9), summarizes the methodology which was used in order to calculate the estimated total operating cost and the results of the cost analysis for each service type. Each call category depends on a different set of procedures involved in care, personnel who aid in that care and administration actions. These are important factors in calculating the budget allocation to cover full cost for the District.

Methodology formula steps:

1. Convert Average Time Invested per Call into Total Hours Spent;
2. Total Hours Spent per Call Category ÷ Total Hours (4,277) x Total Operating Budget (\$5,399,420) = Budget Allocation per Call Category;
3. Budget Allocation ÷ Call Received per Call Category = Full Cost Recovery per Call Category.



Table 9

Fee Calculation Methodology

Fee Classification	Calls Received	Average Time Invested per Call (minutes)	Total Hours Spent	Budget Allocation	Full Cost Recovery
ALS, Level 1	20	65	21.67	\$27,355	\$1,368
ALS, Level 1 Emergency	3,668	67	4,095.93	5,171,279	1,410
ALS, Level 2	1	68	1.13	1,431	1,431
BLS	22	55	20.17	25,461	1,157
BLS, Emergency	44	58	42.53	53,700	1,220
AMA	272	21	95.20	120,194	442
Total	4,027	334	4,277	\$5,399,420	N/A

Sources: Table 5; Table 6; Table 7; City of Calexico; Willdan Financial Services.

The City's projected expenditures for ambulance services for fiscal year 2018/19, as identified in Table 10, were allocated between the six proposed user fee categories based on the projected percentage of total fees charged for each ambulance service category in 2018. The total projected expenditures for each user fee category were then divided by the total number of projected incidents associated with each user fee category that the City's EMS department responded to in 2018. The City may recover up to 100% of the full cost of providing these services.

Table 10

Proposed New Fee Schedule for City of Calexico

Fee Classification	Current User Fees	User Fees Charged ⁽¹⁾	% of Charges	Proposed New User Fee Rates	Projected Future User Fees Charged ⁽²⁾
ALS, Level 1	\$449	\$8,980	0.53%	\$1,368	\$27,355.03
ALS, Level 1 Emergency	\$449	\$1,646,932	98.02%	\$1,410	\$5,171,279
ALS, Level 2	\$449	\$449	0.03%	\$1,431	\$1,431
BLS	\$360	\$7,920	0.47%	\$1,157	\$25,461
BLS, Emergency	\$360	\$15,840	0.94%	\$1,220	\$53,700
AMA	New	New	New	\$442	\$120,194
Grand Total	N/A	\$1,680,121	100%	N/A	\$5,399,420

⁽¹⁾Current fee levels based off the current user fee rates applied to number of historical calls.

⁽²⁾Projected fee levels based off the purposed rates applied to number of historical calls.

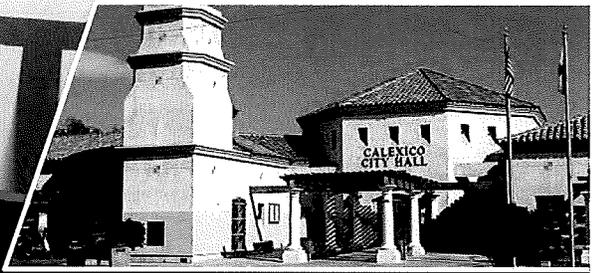
Sources: Table 9; City of Calexico; Willdan Financial Services.



Conclusion

Based on the research and analysis conducted in this Report, the following is concluded:

- The City's current Fees are found to be insufficient to cover the projected costs associated with providing Ambulance Services to the City of Calexico Fire Protection Service Area. The City currently runs a deficit of approximately \$3,719,299 as reflected in Table 6.
- The City has decided to adopt new fees based on full cost recovery for future years along with a five (5) year inflator to keep pace with increasing costs. The inflation factor will be based on (i) the Consumer Price Index (CPI) Los Angeles – Riverside – Orange, All Urban Consumers or (ii) the Employee Cost Index for State and Local Government Employees, Total Compensation as released by the United States Department of Labor's Bureau of Labor Statistics.



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