



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: June 5, 2008 REPORT NO: 08-088
ORIGINATING DEPARTMENT: Fire-Rescue
SUBJECT: Appropriation of San Diego Medical Services Enterprise
(SDMSE) Retained Earnings and System Savings
CONTACT/PHONE NUMBER: Rod Ballard, Deputy Chief, Director Emergency Medical
Services

REQUESTED ACTION: (1) Authorize the Auditor/Comptroller to appropriate funds in Department 121 (SDMSE-Fire) identified as retained earnings (EMS Special Revenue Fund #76330) generated from the EMS system as outlined in this report. (2) Authorize the Auditor/Comptroller to appropriate fund balance in Department 121 (SDMSE-Fire) identified as system savings as outlined in this report.

STAFF RECOMMENDATION: Approve the recommendation to appropriate funds as outlined within the report.

EXECUTIVE SUMMARY: San Diego Medical Services (SDMSE) is a public/private partnership formed as a limited liability company (LLC) between the City and Rural/Metro of San Diego. On December 4th, 2006, Council adopted resolution R-302155 changing SDMSE's profit distribution policy. The company distributes profit to the partners after considering all operating expenses, ensuring a minimum \$500,000 cash reserve is maintained, and projecting expenses forward.

The City currently holds profit in the amount of \$1,674,199.25 in the EMS Special Revenue Fund. During the previous council discussion on how profits are distributed (outlined in resolution R-302155), it was requested that staff return to the Public Safety and Neighborhood Services committee with a description on how this profit should be expended.

Fire-Rescue has identified EMS system needs upon which these retained earnings should be appropriated and expended. These needs include:

1. Fire Station 38 (Mira Mesa) Ambulance Crew Quarters Buildout: \$400,000
2. Quality Assurance Analysis and Reporting Tools (FirstWatch Biosurveillance): \$30,000
3. Online EMS Education Program: \$35,000
4. Equipment for Mass Decontamination of EMS Resources and Facilities: \$40,000
5. Mobile (Ambulance and Fire Apparatus) Gateways for Data Transmission: \$200,000
6. Acquire New Dynamic System Status Management Utility for Ambulances: \$295,000
7. Improve Station Alerting Systems for EMS: \$28,000
8. Improve EMS System Communication Interoperability with Lifeguards: \$45,000
9. Addition of Automated External Defibrillators (AED) to Staff Vehicles: \$100,000

In addition to retained earnings, Fire-Rescue maintains a fund balance from EMS system savings realized through staffing changes. City Manager's Report 04-219 outlines that EMS systems savings shall be allocated toward enhancements to the EMS system. Staff recommends that the savings in the amount of \$225,489.51 be appropriated toward:

1. Cardiac Monitor/Defibrillators Improvements and Upgrades
2. Improvements to the Electronic Patient Care Record Program

FISCAL CONSIDERATIONS: No impact to the general fund. This report discusses appropriation of retained earnings and savings.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: RESOLUTION R-302155: Profit Distribution Methodology for SDMSE; RESOLUTION R-292161; IBA Report #06-61.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: NA

KEY STAKEHOLDERS AND PROJECTED IMPACTS: NA

Tracy Jarman, Fire Chief
Originating Department

Jill Olen
Deputy Chief/Chief Operating Officer