



July 24, 2015

Mayor  
Common Council  
City of Pewaukee  
W240 N3065 Pewaukee Road  
Pewaukee, WI 53072

**RE: Proposal For Fire & EMS Services Agreement**

Dear Mayor and Common Council:

In the spirit of avoiding a back and forth “memo discussion,” please find a copy of the proposal with instructions from the Village of Pewaukee Village Board regarding a more equitable funding method for fire and EMS services provided by the City. The Village Board respectfully requests that the Common Council review our proposal by its August 3, 2015 meeting. Please provide a written response to this request from the Village Board to modify the current method of payment for services.

Thank you for your attention to this matter. We look forward to a written response from the Common Council regarding our proposal and respectfully request the response by Friday, August 7<sup>th</sup> 2015.

On behalf of the Village Board.

Sincerely,

Jeff Knutson  
Village President

## **Proposed Formula For Fire Contract Costs**

The Village proposal for a new method to compute Fire/EMS costs utilizes a document titled "County and Municipal Revenues and Expenditures" published by DOR. The report is published annually in January or February using the most recent audited figures from Form C.

The Village PowerPoint presentation cited examples from three different data sets: All Municipalities in Wisconsin, Municipalities with populations between 5,000 to 11,000, and the four-county Milwaukee MSA. The suggested computation method follows.

1. Select the data set. The Village proposed that we use the Milwaukee MSA even though the median cost is significantly higher than the median cost for Municipalities with a population size similar to the Village.
2. Select data from the following four categories: "Population", "Fire" and "Ambulance." Eliminate all other categories.
3. Eliminate the Village and City of Pewaukee. Currently there are 88 remaining Municipalities.
4. Add a total column for "Fire" and "Ambulance" for each municipality.
5. Compute a per capita cost for the total of "Fire" and "Ambulance" for each municipality.

You will now have 6 columns: "number", "County Name", "Municipality", "Population", "Fire and Ambulance Total cost", "Fire and Ambulance cost per capita."

8. Compute the median value for all numeric columns except population.
9. Multiply the Villages' population by the median value for "Fire and Ambulance cost per capita."

You now have a Contract cost for Fire /EMS services for the next year.

Based on our formula, the total will adjust going forward based on the increase or decrease of fire & EMS costs in the other communities in the data set.

By using the four-county Metropolitan Statistical Area as a data source, the median costs for the level of services provided in the four-county area represents a more valid cost estimate. The validity of the conclusions increase when there are more numerous data points. To make an in depth analysis of the service levels would be cost prohibitive and subject to contention.

## Milwaukee, Ozaukee, Washington and Waukesha Counties (MSA)

	County Name	Municipality	Population	Fire and Ambulance Total cost	Fire and Ambulance cost per capita
1	MILWAUKEE	C WAUWATOSA	46,705	14,987,897	\$320.91
2	WAUKESHA	V BIG BEND	1,284	385,147	\$299.96
3	MILWAUKEE	C GLENDALE	12,845	3,586,388	\$279.20
4	MILWAUKEE	C SAINT FRANCIS	9,462	2,461,919	\$260.19
5	WAUKESHA	V CHENEQUA	587	145,791	\$248.37
6	WAUKESHA	T BROOKFIELD	6,095	1,507,091	\$247.27
7	MILWAUKEE	V WEST MILWAUKEE	4,205	1,026,694	\$244.16
8	WAUKESHA	V MUKWONAGO	7,432	1,803,693	\$242.69
9	OZAUKEE	V FREDONIA	2,167	524,238	\$241.92
10	MILWAUKEE	C MILWAUKEE	596,500	143,009,000	\$239.75
11	WAUKESHA	C BROOKFIELD	37,835	9,044,875	\$239.06
12	MILWAUKEE	V GREENDALE	14,165	3,276,011	\$231.28
13	WAUKESHA	V BUTLER	1,834	418,275	\$228.07
14	MILWAUKEE	V RIVER HILLS	1,587	358,518	\$225.91
15	MILWAUKEE	C OAK CREEK	34,695	7,809,799	\$225.10
16	MILWAUKEE	V FOX POINT	6,630	1,433,254	\$216.18
17	MILWAUKEE	C WEST ALLIS	60,300	12,967,174	\$215.04
18	WAUKESHA	C WAUKESHA	70,900	13,228,736	\$186.58
19	MILWAUKEE	V BROWN DEER	12,086	2,250,090	\$186.17
20	MILWAUKEE	V SHOREWOOD	13,189	2,453,800	\$186.05
21	MILWAUKEE	C GREENFIELD	36,770	6,711,793	\$182.53
22	MILWAUKEE	V BAYSIDE	4,380	794,815	\$181.46
23	MILWAUKEE	C FRANKLIN	35,810	6,332,642	\$176.84
24	MILWAUKEE	C SOUTH MILWAUKEE	21,127	3,730,492	\$176.57
25	WAUKESHA	T VERNON	7,612	1,274,672	\$167.46
26	MILWAUKEE	C CUDAHY	18,227	2,951,906	\$161.95
27	WAUKESHA	V LANNON	1,101	173,744	\$157.81
28	WAUKESHA	C OCONOMOWOC	16,004	2,514,100	\$157.09
29	WASHINGTON	C WEST BEND	31,425	4,886,733	\$155.50
30	MILWAUKEE	V WHITEFISH BAY	14,126	2,184,309	\$154.63
31	WAUKESHA	V LAC LA BELLE	291	44,957	\$154.49
32	OZAUKEE	V THIENSVILLE	3,223	457,837	\$142.05
33	WAUKESHA	V OCONOMOWOC LAKE	591	83,464	\$141.23
34	OZAUKEE	C PORT WASHINGTON	11,266	1,558,317	\$138.32
35	WAUKESHA	V MENOMONEE FALLS	35,710	4,790,493	\$134.15
36	WAUKESHA	V NORTH PRAIRIE	2,142	280,820	\$131.10
37	WASHINGTON	V KEWASKUM	4,007	510,087	\$127.30
38	WAUKESHA	V ELM GROVE	5,934	742,702	\$125.16
39	MILWAUKEE	V HALES CORNERS	7,691	946,351	\$123.05
40	WAUKESHA	C DELAFIELD	7,083	864,788	\$122.09

Source: DOR 2013 "County and Municipal Revenues and Expenditures", JANUARY 2014, BULLETIN NO. 113.

## Milwaukee, Ozaukee, Washington and Waukesha Counties (MSA)

	County Name	Municipality	Population	Fire and Ambulance Total cost	Fire and Ambulance cost per capita
41	WASHINGTON	T WEST BEND	4,775	567,464	\$118.84
42	WAUKESHA	C NEW BERLIN	39,915	4,681,360	\$117.28
43	WAUKESHA	V DOUSMAN	2,320	270,352	\$116.53
44	WAUKESHA	T MUKWONAGO	7,990	878,786	\$109.99
45	WAUKESHA	V SUSSEX	10,623	1,161,932	\$109.38
46	OZAUKEE	V SAUKVILLE	4,465	457,581	\$102.48
47	WAUKESHA	V NASHOTAH	1,383	137,531	\$99.44
48	OZAUKEE	T SAUKVILLE	1,830	176,960	\$96.70
49	WASHINGTON	V GERMANTOWN	19,811	1,902,072	\$96.01
50	WAUKESHA	T LISBON	10,202	974,315	\$95.50
51	WAUKESHA	T DELAFIELD	8,199	743,939	\$90.74
52	WASHINGTON	V SLINGER	5,122	453,297	\$88.50
53	OZAUKEE	V BELGIUM	2,248	196,508	\$87.41
54	WASHINGTON	T KEWASKUM	1,054	89,398	\$84.82
55	WAUKESHA	V HARTLAND	9,124	750,675	\$82.27
56	WASHINGTON	T BARTON	2,628	212,042	\$80.69
57	WASHINGTON	V JACKSON	6,790	514,341	\$75.75
58	OZAUKEE	V GRAFTON	11,467	851,780	\$74.28
59	OZAUKEE	T PORT WASHINGTON	1,651	120,466	\$72.97
60	WASHINGTON	T ADDISON	3,468	245,275	\$70.73
61	OZAUKEE	T BELGIUM	1,417	99,722	\$70.38
62	WAUKESHA	V WALES	2,546	175,818	\$69.06
63	WAUKESHA	T OCONOMOWOC	8,547	588,149	\$68.81
64	WAUKESHA	T MERTON	8,368	574,530	\$68.66
65	WASHINGTON	T POLK	3,959	260,231	\$65.73
66	WAUKESHA	T EAGLE	3,507	226,502	\$64.59
67	OZAUKEE	C MEQUON	23,279	1,496,556	\$64.29
68	WASHINGTON	T ERIN	3,756	241,314	\$64.25
69	WAUKESHA	T WAUKESHA	9,131	540,319	\$59.17
70	WAUKESHA	V EAGLE	1,944	113,619	\$58.45
71	WAUKESHA	T GENESEE	7,319	422,154	\$57.68
72	OZAUKEE	T GRAFTON	4,095	210,653	\$51.44
73	WASHINGTON	T HARTFORD	3,592	176,029	\$49.01
74	OZAUKEE	T FREDONIA	2,162	104,272	\$48.23
75	WASHINGTON	T WAYNE	2,187	103,419	\$47.29
76	WASHINGTON	T JACKSON	4,237	193,788	\$45.74
77	WASHINGTON	T FARMINGTON	4,023	178,676	\$44.41
78	WASHINGTON	V RICHFIELD	11,366	489,677	\$43.08
79	WASHINGTON	T GERMANTOWN	250	10,703	\$42.81
80	WASHINGTON	T TRENTON	4,732	200,607	\$42.39

Source: DOR 2013 "County and Municipal Revenues and Expenditures", JANUARY 2014, BULLETIN NO. 113.

Milwaukee, Ozaukee, Washington and Waukesha Counties (MSA)

	County Name	Municipality	Population	Fire and Ambulance Total cost	Fire and Ambulance cost per capita
81	WAUKESHA	T OTTAWA	3,872	160,982	\$41.58
82	WASHINGTON	V NEWBURG	1,252	50,270	\$40.15
83	WAUKESHA	V MERTON	3,413	135,528	\$39.71
84	OZAUKEE	C CEDARBURG	11,451	394,889	\$34.49
85	WASHINGTON	C HARTFORD	14,274	481,206	\$33.71
86	WAUKESHA	C MUSKEGO	24,239	815,109	\$33.63
87	OZAUKEE	T CEDARBURG	5,798	166,258	\$28.68
88	WAUKESHA	V SUMMIT	4,695	26,988	\$5.75
			median costs	519,290	\$109.68

The projected cost for the Village is computed by multiplying the median cost per capita by the Village's estimated 2013 population of 8,166 . It results in a contract cost of \$895,665.77.

For reference					
		2013 V PEWAUKEE	8,166	1,163,832	\$142.52
		2013 C PEWAUKEE	13,654	3,277,446	\$240.04
		2012 V PEWAUKEE	8,178	1,223,202	\$149.57
		2012 to 2013 change	-12	-59,370	-\$7.05
		V PEWAUKEE proposed contract cost from 2012 DOR data		<b>\$788,465.41</b>	
		V PEWAUKEE proposed contract cost from 2013 DOR data		<b>\$895,665.77</b>	
		2012 to 2013 change		<b>\$107,200.36</b>	

