

LRB-FISCAL REVIEW SECTION ANALYSIS

SEPTEMBER 11, 2003 AGENDA
PUBLIC SAFETY COMMITTEE

ITEM 7, FILE 030709
EMMA J. STAMPS

File #030709 is a resolution authorizing the execution of an intergovernmental agreement between the City of Milwaukee and the Village of West Milwaukee for emergency medical and fire services. (Budget and Management Division)

Background

1. Section 66.0301, Stats., authorizes metropolitan communities to contract with each other for the receipt or furnishing of services.
2. In 1991, the City of Milwaukee (the City) and the Village of West Milwaukee (the Village) entered into an agreement whereby the Milwaukee Fire Department (MFD) would provide to the Village services including:
 - Fire suppression at the same level of services as provided within the MFD boundary
 - Ambulance services via full access to the City private ambulance network

Discussion

1. The Agreement revises the fire cost distribution formula to allow the MFD to better compete with other qualified suburban fire departments seeking the Village's business.
2. The term expires 3 years from the agreement execution date.
3. Annual payments are due the City for the provision of services during a calendar year by February 25th of that calendar year, commencing in 2004. A 5% administrative overhead charge is factored into annual payments due to the City.
4. The Agreement entitles the Village \$90,000 in annual lease payments from the City to lease the premise at 4515 West Burnham to provide the Village fire suppression and EMS service.
5. The Agreement allows for the provisions by the Village, including but not limited to:
 - Lease and maintain (excluding capital repair or replacement) of the premise at 4515 West Burnham for the provision of fire suppression services under the Agreement
 - Necessary permits, approvals, access, and ingress and egress to the City
 - Receive all incoming 911 calls for the Village and relay those calls to the City
 - Annual payments to the City, net the \$90,000 lease payment for 4515 West Burnham
 - Payment to the City for any applicable liquidation damages at \$10,000 per day of violation

Fiscal Impact

This file authorizes a modification of the fire cost distribution formula, hence reducing the Budget and Management Divisions' 2004 revenue estimate of \$1,050,000 by \$200,000 based on formula changes.

According to Budget and Management, the adjusted 2004 revenue estimate is approximately \$850,000, approximately \$100,000 less than the \$950,000 projection included in the 2003 budget.

The Village agrees to pay an annual fee, less applicable credits, on February 25th of each year beginning 2004. The factors, of equal weight, each one-third, are calculated as follows:

Population =

$$\frac{\text{V. West Milwaukee total population} + \text{City of Milwaukee total population}}{\text{V. West Milwaukee total population}}$$

Equalized Valuation =

$$\frac{(1 \times \text{Residential}) + (2 \times \text{Commercial}) + (3 \times \text{Industrial})}{\text{Total multiplied valuations for Village and City combined}} \times \text{MFD Operating Budget \& Capital Improv.}$$

Usage =

$$\frac{\text{Village's share of total incident runs over the preceding 3-yr. Period}}{\text{Total Fire Incident Runs or EMS Incident Runs over the preceding 3-yr. period}}$$

cc: Marianne Walsh
Chief William Wentlandt W. Martin Morics
D. Chief Gloria Murawsky Joseph Czarnezki
Attorney Linda Uliss Burke Dennis Yaccarino

Prepared by: Emma J. Stamps, X8666
LRB-Fiscal Review Section
September 8, 2003