

FIRE DEPARTMENT INFORMATION REGARDING CONSOLIDATION

To: Village Board/Residents

From: Trustee Donna Samuels

Date: 5/21/2015

In the Board's continuing desire to do what is in the best interest of the Village's citizens, we are continuing to explore opportunities with respect to the future of the North Prairie Fire Dept.

The options explored are as follows:

Option 1 Stand Alone Fire Dept. (no contracts)

Option 2 Contracting for services from neighboring community/communities

Option 3 Consolidation with one or more neighboring communities

Option 1 - Stand Alone Fire Department

The current contracts with Genesee, Mukwonago and Ottawa expired 12/31/2014. None of the noted municipalities renewed their contracts for fire dept. services. This leaves the NP Fire Dept. servicing North Prairie.

Without the contract and fire/ambo transport revenue, the 2015 cost for North Prairie to operate a fire dept. is \$174,537.00 compared to the 2014 cost of approximately \$40,100. These amounts are calculated as follows:

| <u>Revenues</u> | <u>2014</u> | <u>2015</u> |
|---------------------|------------------|-----------------|
| Contracts | \$113,000 | \$ 0.00 |
| Fire/Ambo Transport | <u>\$ 87,500</u> | <u>\$29,250</u> |
| Total: | \$200,500 | \$29,250 |
| | | |
| <u>Expenses*</u> | <u>2014</u> | <u>2015</u> |
| Per budget | \$203,500 | \$174,537 |
| Difference** | \$ 3,000 | \$145,287 |

**Overall increased cost to village residents/business: \$142,287

*does not include capital expenditures

Pros:

- Total control of Fire Department and all decisions involved
- Continues the rich history of the department
- Would be able to sell some large equipment due to much smaller coverage area and call volume.

Cons:

- Staffing level concerns due to decreased area/calls. Annual call volume, in past, has been approximately 280-300 calls. Is estimated to drop, this year, to 80-100 annually. Concern by Chief that staffing will decrease as result of that.
- Department active membership continues to drop.
- Active membership average age continues to rise.
- Village will be responsible for all operational as well as capital equipment purchases.
- Strong potential of needing to move from Paid-per-call to Paid-on-call in order to retain and/or attract new members in the future.
- Continued increase in operations and staffing budgets.
- Finding qualified individuals for Officer positions due to limited pay, staff.

Option 2 – Disband Fire Dept. and North Prairie contracts for services

This option was not explored extensively due to the following factors:

- Issues with distance of neighboring community fire depts. to North Prairie and related response times.
- No control/input in decision making matters
- Concern over associated costs and/or increases due to lack of control.
- Fire dept. is disbanded and the rich history of the North Prairie fire dept. is lost.

Option 3 – Merger

The possible merger of the North Prairie Fire Dept. with a neighboring community fire dept. has been discussed with the Wales/Genesee, Eagle (Town and Village) and Mukwonago (Town and Village) fire departments.

Benefits to merging with a neighboring fire department:

- Decrease in long term capital expenditures – cost allocated across communities; ability to pare back on equipment (i.e. Engines, tenders, equipment trucks, and similar)

- Increased staffing levels
- Maintain or improve service to community
- Improved purchasing power
- Independent fire board – reduces political aspect
- Preserves the North Prairie FD, albeit in a different form.

Merger with Eagle

The following pros and cons to a merger with Eagle fire department are intended to be a highlight of each and not all inclusive.

Pros:

- Eagle – Like minded
- Full-time Chief position already established
- Close proximity, especially northeast area of Town of Eagle
- Station staffed additional hours
- No study necessary
- Joint Department (Village and Town) already in place
- Both Fire Departments working toward closer relationship
- Independent fire board/commission – reduces political aspect.

Cons:

- Some operational differences.
- Potential “buy-in” cost not completely determined.
- Somewhat familiar with coverage area. Not as familiar as Wales/Genesee

Budget Information:

- Budget discussions based on percentages of equalized value.
- Yearly budget cost – approximate cost to village \$94,000/per year
(This is strictly an estimate, subject to change)

Merger with Wales/Genesee

The following pros and cons to a merger with the Wales/Genesee fire department are intended to be a highlight of each and not all inclusive.

Pros:

- Close proximity
- Good working relationship – departments have worked closely together for many years
- Station staffed additional hours
- Coverage area – both departments very familiar
- No study necessary
- Fire Board in place

Cons:

- Operational differences
- Estimated “buy-in” cost given to North Prairie was \$1,000,000.
- Genesee talking about abandoning Village of North Prairie facilities and building and building new facility in new location east/southeast if highways 59 and 83.
- **Budget Information:**
 - Budget based on equalized value - set
 - Yearly budget cost - approximate cost to North Prairie \$81,000/per year
(This is strictly an estimate, subject to change)