

CITY OF FITCHBURG REVIEW OF PRESENT AND FUTURE
EMERGENCY MEDICAL AND FIRE SERVICES
DELIVERY SYSTEMS

August 2018

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Provided by Elsass Executive Enterprises

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INTRODUCTION FITCHBURG FIRE AND EMS REVIEW 2018

In 1977 the Cities of Fitchburg and Verona and the Town of Verona signed an agreement to form an independent and combined Fitch-Rona EMS District that covers 71 square miles and now 41,000 population. The district is governed by a nine-member, appointed Commission and currently has an operating budget of \$2.42 million and staff of paid full-time and part-time professionals numbering 24. Each municipality has an equal vote on all policy and budget issues concerning this District's operation.

The main purpose of this study is to answer questions raised by the majority of the Fitchburg City Council, the Mayor, City Administration and the Fitchburg Fire Chief about the future of modern EMS delivery over the next 5-20 years and how to create rapid emergency medical services at lower costs to all residents in all sectors of the City of Fitchburg. A review at this time is necessitated by many factors including:

- The requirement to provide public safety services and emergency medical response to over 1,800 residents of the former Town of Madison commencing October 30, 2022 under the 20-year consolidation agreement.
- The recent approval of a new Tax Incremental Finance District (TIF 11) featuring the Terravessa project for mixed use and largely residential development in the northeast corner of the City which is projected to add an additional 2,900 residents and more businesses in phases over an eight-year period.
- Commencement of construction of a third Fitchburg Fire Station at the corner of South Syene and West Clayton Roads just west of Highway 14 which has been designed with the idea of providing extra space for EMS vehicles and crews stationed there beginning mid-2019.

Much discussion has taken place prior to approval of this project and, since the contract was awarded, about the need for this review by the City of Fitchburg at this time. To paraphrase the most common complaint heard, it seems the City commissions these studies focusing on the future of the Fitch-Rona EMS District every 3-5 years and then, never acts on the reports anyway. In efforts to fact check the accuracy of this oft repeated statement, the consultants read the studies or went directly to the authors of the studies most cited as the source of these claims.

The earliest one found was an internal 2001 review of both Fitchburg Fire and Emergency Management Services requested by Fitchburg Mayor Mark Vivian. In that year, he commissioned a group called the *Fitchburg Emergency Services Committee* composed of Deputy Fire Chief Randall Pickering, Firefighter and Paramedic Steve Wunsch, Public Safety Chair and Alderman Jack Martz, and nine other citizen and other elected officials to examine several options for delivering faster and more cost-efficient fire and emergency medical service response to Fitchburg residents. The committee's report, released in January 2002, stated,

“Early on during its review and assessment of various service options, the committee concluded that improving the overall quality of Fitchburg’s EMS and Fire Services depended upon the city’s ability to address three critical factors:

- Speed of delivery (response time)
- Depth (the ability to respond to multiple simultaneous or sequential requests for service)
- Certification Level (ex. EMT-Basic versus Paramedic-level EMS)

The top priority according to the final report was pursuing a consolidated Fire and EMS region/district serving all three municipalities and many neighboring villages and towns on all borders of the City of Fitchburg. The adopted report also called for, *“the City of Fitchburg to take the lead in reaching out to neighboring communities to establish a regional approach to fire & EMS response.”*

The major findings of the report regarding merger and/or functional consolidation were not embraced by either the then Verona rural fire district nor the Fitch-Rona EMS staff and Commission according to former Deputy Chief Pickering. The other recommendations regarding the need for more full-time, cross-trained firefighters and EMTs were not approved either and, the City’s full-time career fire-fighting corps, while expanding from 4 to the current 12, has only grown incrementally over numerous budgets in the 17 years since this study. Career, full-time professionals still make-up only 21.5% of the 66-member Fitchburg Fire Department. However, the study did appear to give impetus to Fitch-Rona EMS (FREMS) to upgrade its staffing model from Emergency Medical Technicians (I and II in 2002) to Paramedic Advanced Life Support (ALS) certification today.

Another study mentioned in this category was a 2010 study of whether the then independent, rural Verona Area Fire Department, composed of the Town of Verona and the City of Verona, could and should be incorporated as a department of the City of Verona. The author of the study, Dr. Stephen Hintz of the consulting firm Public Administration Associates, states that the idea of incorporating a portion or all the Fitch-Rona EMS operations into any fire department s was never even considered under the terms of his firm’s contract with the City of Verona (not the City of Fitchburg). Neither was there any request by Verona to review whether the new fire district should be merged with the Fitchburg Fire Department to form a new regional fire service, or a fire/EMS consolidation. “I think (City of) Verona felt it had a big enough job just trying to convince the independent district and the Town of Verona board members that it was in everyone’s interest to merge with the City to save on fire service administrative overhead and facilities’ development ”, says Hintz.

This study did result in the 2011 dissolution of the old, rural fire district, the hiring of a full-time fire chief, and the transfer of most personnel and equipment into a City administered department. In 2015 the City borrowed money to build a new, state-of-the art 42,000 square

foot, fire station on Main Street in Verona, which now houses fire operations, western EMS staff and ambulances and headquarters for the Fitch-Rona EMS operations.

Another study that did focus on creating consolidated, regional configurations of both Fire and EMS organizations was a 2012 one, commissioned by the City of Fitchburg and four other contiguous municipalities and conducted by 12 Master of Public Administration students at the University of Wisconsin's LaFollette Institute. This study, supervised by Professor David Wiemers, looked at numerous issues related to fire and EMS response times and life-saving measures for residents. The participating communities were Cities of Fitchburg and Verona, Village of Oregon and Towns of Verona and Madison. Students were apparently not paid for their research, but were given credit towards graduation, and provided complete access to both Fire and EMS personnel and records of each entity.

This study only provided two major options for consolidation for local officials to consider (As compared to this study's six options contained in Section J):

1. A unified service coordination of Fire and EMS services under a limited term intergovernmental agreement to share equipment and facilities under WSS 66.0301, or
2. A complete consolidation of all existing Fire and EMS services into a stand-alone, unified and independent organization with its own appointed governing body and its own independent command structure and administration (In other words an expanded Fitch-Rona EMS model covering Fire & EMS within the boundaries of all five municipalities).

Major criticisms of the report were and are: it did not take sufficient consideration of command and control issues across the proposed service area, nor the monetary costs of creating regional Fire-EMS outposts where none existed and, it was oblivious to different levels of EMS medical service offered by Fitch-Rona (Advanced Life Support III), and lesser EMT- I & II and Advanced ALS-1 provided by the then EMS divisions operated by the Village of Oregon and the Town of Madison.

Despite some very good gathering and projecting of data, for example run response times both current and projected, this report published in December 2012 is already considerably dated and not particularly relevant to the current landscape because of dramatic changes in the status of the Town Madison (due to be dissolved and split between Madison and Fitchburg as of January 2022), and the development of new and concentrated Fire-EMS facilities in the Cities of Fitchburg and Verona since 2015. In addition, during and after the report was being compiled both City fire departments hired full-time salaried chiefs and deputy chiefs. (Further pros-and-cons of an expanded regional approach to EMS service will be further discussed in Option F, Section J).

The consultants of Elsass Executive Enterprises believe that the data and analysis contained in the following pages will justify both the appropriateness and timing of this study. We stand ready to explain and expand upon our findings and assist the City in implementing any

approach it chooses regarding the future delivery of Emergency Medical Services to the residents of Fitchburg and its neighbors.

Section A: DESCRIPTIONS OF FITCH-RONA EMS, FITCHBURG FIRE & VERONA FIRE DEPARTMENTS

1. Fitch-Rona Emergency Medical Services (FTE & Limited Part-time)

Fitch-Rona operates two full-time Advanced Life Support ambulances 365 days of the year providing 24/7 service to the City of Fitchburg, City of Verona and Town of Verona. Fitch-Rona employs 14 full-time Paramedics and approximately 7 Limited Term Employees (part-time Paramedics) to provide 24/7 coverage. Full-time staff works two 24-hour shifts per week that result in eight hours of scheduled overtime per week. Limited Term Employees are used to cover open shifts created by personal days, vacation, sick leave and other leaves of absence and/or late notice absences per the District's collective bargaining agreement.

2. Fitchburg Fire Department (FTE, Paid-on-Call, & Interns)

Fitchburg Fire Department provides fire suppression, emergency medical first response, public education, fire inspections and other services to the community 365 days, 24/7 coverages.

The Department consists of approximately 80 total Members that are made of full-time, paid-on-call (POC), paid-on-premises (POP) and live-in interns attending Technical College. 14 career staff are full-time employees of the City of Fitchburg (1 Chief, 1 Deputy Chief, and 12 Firefighters) who provide the core staffing of the on-duty response crews and are responsible for many additional duties such as: fire inspections, public education, maintenance of equipment, record keeping and numerous other administrative duties. Career Staff on shift work a 24-hour shift (7 a.m. - 7 a.m.) every third day (24 hours on, 48 hours off) and are assigned to one of three shifts A, B or C. Career firefighters average workweek is 52.2 hours.

Fitchburg Fire Department uses paid-on-call (POC), paid-on-premises (POP) and intern personnel to provide the remainder of the 24/7 coverage.

Description of Paid-on-call (POC), Paid-on-premises (POP) and Intern positions.

- Paid-on-call (POC) personnel are individuals who either live in the city or within four miles of a Fitchburg fire house. They are expected to respond to staff additional apparatus when: 1) more than one piece of apparatus is dispatched for an emergency response (such as a structure fire or motor vehicle crash); 2) both on-duty crews are involved in emergency calls; or 3) a neighboring fire department is requesting mutual aid. They may also choose to work in the station as part of the on-duty crew through the Fill-In Program.
- Paid-on-premises (POP) firefighters are individuals who wish to participate in the Fill-In Program but do not live in the city or within four miles of either fire house. Most POP members also belong to their local fire department. They train with the Fitchburg Fire Department and work at least one shift each month on the Fill-In Program. POP members generally do not respond to emergencies when not on duty.
- Interns are college students who are enrolled in either the fire science or paramedic training programs at Madison College (see Madison Area Technical College) and/or the

UW Paramedic Program. They live and work in a Fitchburg fire house for one to three years. Each is assigned to one of the three shifts (A, B or C) and works as part of that fill-in crew except during school hours.

3. Verona Fire Department (FTE, Paid-on-Call, & Interns)

Verona Fire Department provides fire suppression, emergency medical first response, public education, fire inspections and other services to the community 365 days a year, 24/7 coverage. The Department has 8 full-time staff members: Fire Chief, Deputy Chief, 3 Lieutenants, and 3 Firefighters. The Fire Chief and Deputy Chief work Monday through Friday and the Lieutenants and Firefighters work two 24-hour days on a rotating basis 6:00 a.m. to 6 a.m. The 24-hour personnel work 48 hours per week on 24 hours on, 48 hours off schedule.

Part-time Staff: Assistant Chief of Training and Assistant Chief of Fire Inspection/Prevention

Paid-On-Premise Staff: augment full-time on 12-hour shift 6:00 a.m. to 6:00 p.m. or 6:00 p.m. to 6:00 a.m.

(See Organizational Charts for Fitch-Rona EMS and Fitchburg Fire Department in Appendix K)

Section B: REVIEW OF PERSONNEL CONTRACTS, BENEFITS, CERTIFICATIONS & TRAINING

Full time, career employees of Fitch-Rona EMS, Fitchburg Fire Department and the Verona Fire Department are all represented by the same union; The International Association of Firefighters – Local 311. This means that in general, the language governing these full-time responders is quite similar with the exceptions of wage schedules, some standard work week definitions, and some choices and premiums for employee health and dental plans. These differences will be explained in more detail in this section. Two of the three contracts currently in effect began on January 1, 2016 and will expire on December 31, 2018. The City of Verona’s contract with its six career firefighters began January 1, 2017 and extends through December 31, 2019. Part-time employees of FREMS and paid-on-call responders of the two fire departments are not part of this union and are paid on varying hourly schedules, largely based on a starting rate which increases with added responsibilities and longevity within each organization. Currently, the EMS has 14 career paramedics, Fitchburg Fire has 12 full-time career firefighters/inspectors or Lieutenants, and Verona Fire department has six full-time career employees: three Firefighters and three Lieutenants covered by three separate union agreements.

One major difference among the agreements is in current base wage rates for union members for each organization. At present FREMS paramedics are the highest paid of the three organizations, particularly at entry level and after 1 year on the job. The chart below details the differences in these hourly rates and salaries based on 2018 rates.

Table B.1 2018 Entry & After 1 Year Hourly Rates & Wage Comparisons Based on 2,459 Hours*

<i>Organization</i>	<i>Entry Level Hourly</i>	<i>Entry Wages (Annual No OT)</i>	<i>Rate After 1 Year</i>	<i>Base Wages 1 YR (Annual No OT)</i>
FREMS Paramedic	\$21.59	\$53,080	\$22.45	\$55,205
Fitchburg Firefighter	\$20.71	\$50,926	\$21.65	\$53,237
Verona Firefighter	\$19.91	\$48,959	\$20.53	\$49,942

1. Overtime Payment Requirements Differ Significantly for Employees of Fire Departments and those of Stand-Alone EMS Organizations such as Fitch-Rona

Fair Labor Standards Act (FLSA) "special rules," include "special 207(k) work periods" which may increase the FLSA overtime thresholds, for Firefighters. Public-sector (government) fire departments may establish special "207(k) work periods" for sworn firefighters, which can increase the FLSA overtime "thresholds" beyond the normal 40-hour week. Firefighters covered by these special work periods are entitled to FLSA overtime only for hours worked more than a threshold set by the Department of Labor. For example, in a 28-day work period, firefighters would be entitled to FLSA overtime only for hours actually worked over 212 during that 28-day period (in essence, a 53-hour work week).

The special work periods and overtime rules are available only for employees who meet the statutory definition of "employees in fire protection activities" which is contained at 203(y):

To qualify for 207(k) pay as a fire protection employee under this statutory definition, an employee must:

- (a) work for a (government) fire department,
- (b) be trained in fire suppression,
- (c) have the legal authority to fight fires,
- (d) have the responsibility to fight fires,
- (e) and either actually engage in fire suppression work of the type defined or non-fire related emergency responses.

The 207(k) special rule has two positive effects on the municipal budget. It raises the number of hours a Firefighter, Firefighter/Paramedic or Firefighter/EMT works in a standard week from 40 to 53 per week before receiving overtime. Additionally, it normally reduces the hourly overtime rate pay rate because the hourly pay rate is based on 53-hour week and not 40-hour week.

This means that City of Fitchburg and City of Verona Firefighter/Emergency Medical Technicians would qualify for the 207(k)-special rule. The Fitch-Rona Paramedics do not qualify for the 207(k)-special rule. A combined and cross-trained Fitchburg Fire and EMS service could save taxpayers from paying EMS paramedics routinely scheduled overtime payments of 8 hours every three-week cycle at 1.5 times regular wages (More discussion on the potential total wage savings of this model is contained in Section F).

2. Differences in Employee Health & Dental Plan Choices and Cost Allocations

We found a considerable difference between the contract language governing employee/employer contributions to career employee health and dental benefits. In the case of the EMS district, the contract with its paramedics states that the District pays 95% of the Group Health Collective (HMO) standard plan, unless the employee chooses to participate in the State of Wisconsin health insurance plan, in which case the Employer will pay 88% and the Employee pays 12%. The practical result of such convoluted language is that employees who take this coverage have all chosen to pick the more heavily subsidized GHC plan, which is not a very competitive rate because of the small number of employees in this organization. As with most agencies, public and private, more employees in the plan equals lower insurance rates for both the Employee and the Employer. This economy of scale also pertains to the dental plan premiums that are charged to the FREMS' District and its employees compared to those charged all Fitchburg employees.

Meanwhile, the City of Fitchburg employee health plan (or Quartz offered by UW-Health) provided to Fitchburg firefighters is based on a 95% Employer paid premium for the lowest cost plan offered from among five different plans available to all 155 Fitchburg City employees. This means that, for example, a Fitchburg firefighter with a family plan is generating an annual City of Fitchburg subsidy for health insurance of \$18,735, while her/his Fitch-Rona EMS paramedic counterpart is being subsidized annually at \$23,953.20 for the same policy. This costs Fitchburg taxpayers \$5,220 annually for each paramedic choosing a family plan.

The following tables illustrates on a monthly and annual basis how much money each plan costs the FREMS and Fitchburg Fire Departments and their respective employees in two distinct categories of coverage. While the GHC-Single plan for Fitch-Rona is cheaper, the big expense to both organizations comes from the premiums charged to most of their participants for Family and Employee Plus One plans (Premiums not shown in table) covering much of each operation’s full-time employees. In section F, we discuss how either changing the FREMS’ union contract language to match the Fire contract, or by combining FREMS’ employee health and dental benefit plans with the present Fitchburg unified employee plans will provide significant savings in future EMS operating budgets.

Table B.2 2018 Monthly Employer & Employee Health Ins. Premiums

	<i>Single Employee Share</i>	<i>Single Employer Share</i>	<i>Family Employee Share</i>	<i>Family Employer Share</i>	<i>Total Premium Family</i>
Fitch-Rona	\$27.20	\$516.80	\$99.81	\$1,896.30	\$1,996.10
Fitchburg Fire	\$31.74	\$603.06	\$78.06	\$1,483.16	\$1,561.22

Total dental premiums charged for both single and family coverage are also higher under the FREMS’ plan with Group Health Cooperative, than those similar ones under Fitchburg’s 2018 contract with Delta Dental. Again, this seems to be a result of economy of scales since Fitchburg Fire FTEs are part of the overall City employee plan coverage while obviously, FREMS’ employees are not. Also, there is another discrepancy in the percentages charged FREMS’ participants versus Fitchburg Fire Department employees caused by different contract language in the paramedics’ contract that limits employee dental premiums paid by its members to five percent while Fire employees are charged 10 percent of dental premiums.

Table B.3 2018 Monthly Employer & Employee Dental Ins. Premiums

	<i>Single Employee Share</i>	<i>Single Employer Share</i>	<i>Family Employee Share</i>	<i>Family Employer Share</i>	<i>Total Premium Family</i>
Fitch-Rona	2.80	\$53.20	\$7.05	\$133.95	\$141.00
Fitchburg Fire	\$4.25	\$38.26	\$11.74	\$105.66	\$117.40

3. Certification & Licensure of Paramedics and EMTs

Emergency Medical Technicians (EMTs) and paramedics (EMT-P) have the knowledge and skills to transport patients and provide them with emergency care. The difference between them is the amount of education they receive and what they are permitted to do for patients (scope of practice).

EMTs complete a course that is about 180 hours in length over one to two semesters. Paramedic courses can be 1,000 hours. EMT and paramedic courses consist of lectures, hands-on skills training, and clinical and/or field internships. EMTs are educated in many skills including patient assessment, CPR, giving patients oxygen, splinting fractures, wound care, administering glucose for diabetics, and helping others with treatments for asthma attacks or allergic reactions. With very few exceptions, such as in the case of Epinephrine for allergic reactions, EMTs are not allowed to provide treatments that require breaking the skin. That means using no needles.

Paramedics are advanced providers of emergency medical care and are highly educated in topics such as anatomy and physiology, cardiology, medications, and medical procedures. They build on their EMT education and learn more skills such as administering medications, starting intravenous lines, providing advanced airway management for patients, and learning to resuscitate and support patients with significant problems such as heart attacks and traumas. Paramedic education programs are normally twelve months for an accelerated certificate course or a two-year associate degree program.

The difference between a Basic Life Support (BLS) ambulance and an Advanced Life Support Ambulance:

- Basic Life Support (BLS): Prehospital medical care focused on rapidly evaluating a patient's condition, maintaining a patient's airway, breathing, and circulation, controlling external bleeding, preventing shock, and preventing further injury or disability by immobilizing potential spinal or other bone fractures.
- Advanced Life Support (ALS): Emergency medical treatment beyond basic life support that provides for advanced airway management including intubation, advanced cardiac monitoring, establishment and maintenance of intravenous, and drug therapy.

All EMTs and Paramedics are required to meet State of Wisconsin Department of Health Services training and licensing requirements. The Department of Health Services requires licenses to be renewed every two years. EMT's are required to receive 30 hours of refresher training and Paramedics are required to have 48 hours of refresher training.

Currently, all City of Fitchburg career, full-time firefighters are required to have and maintain EMT-basic certification. All Fitch-Rona paramedics are trained and certified at the highest ALS Paramedic licensure per State certification. This contrasts with neighboring EMS operations in the villages of Oregon, McFarland, Brooklyn and Belleville, where nearly all staff are certified at EMT-Advanced or EMT-Basic levels and are considered Basic Life Support responders only.

4. Performance Reviews and Discipline

In interviews with new EMS Chief Patrick Anderson and Deputy Chief for Administration Jeff Dostalek, and paramedics union steward Kyle Wells, we found that all 14 full-time paramedics receive annual performance evaluations. In 2018 half of the evaluations will be conducted by now permanent Chief Anderson and the other half by Deputy Chief Dostalek. Anderson states that these evaluations include reviews of paramedics' adherence to safety rules and patient

treatment. We did not however, find an example in which any full-time career employee in FREMS was disciplined for breaking safety or other work rules while on the job. Anderson, who is new to his position after being named to replace retiring Chief Brian Myrland in January 2018 said that generally FREMS' administration is only reviewing his veteran staff of paramedics to make sure they are adequately trained in the latest medical techniques, and that they are filing required medical and run data as required by the State of Wisconsin. When pressed, neither he nor union representative Kyle Wells could remember any member of the union receiving either a written warning letter or a suspension with or without pay for improper conduct or causing an accident or injury while at work over the last 5 years.

From observation and interviews, the consultants believe that Fitch-Rona EMS has become a very collegial operation with much trust of its professional paramedics, but with very little supervisory oversight of personnel at either the city fire stations or in the field, particularly after day-time hours when the two management staff leave. While we cannot cite any specific wrongdoing, harm to patients, or misuse of public property, the lack of regular command and control could heighten the possibility of future abuses.

We compared this approach to employee and contract management with that employed by the City of Fitchburg Fire Department. There, Chief Joe Pulvermacher states each of his 13 full-time career employees receive annual evaluations. He recalls writing 5-6 letters of reprimand for work rule violations involving safety, personnel, and procedural violations in his first 2.5 years as Fitchburg's Fire Chief. This approach is more consistent with progressive discipline models employed in Wisconsin city and village public safety departments.

5. Building Maintenance and other Staff Responsibilities at Shared Facilities

Fire Departments are known for having a high level of esprit de corps and comradery. This is due to the greater degree of teamwork that is displayed both in the fire station and on the incident scene. Fire Departments are different than many work environments because Firefighters (this term includes Firefighter/EMT and Firefighter/Paramedics) work 24-hour shifts and live together in close proximity during those shifts. This results in Firefighters eating meals together, cleaning the living areas and apparatus bays, training together and maintaining vehicles and equipment in a high state of readiness. Fitch-Rona EMS personnel and equipment are housed in the City of Fitchburg and City of Verona fire stations. Unlike many fire departments that have cross-trained firefighter/paramedics the Fitch-Rona paramedics do not have a supervisory chain of command that is available 24/7.

Generally, Fitchburg Firefighters we interviewed for this study praise the professional skills and cooperation they receive from Fitch-Rona paramedics and administration. Verona Fire Chief Joe Giver states, "We train well together." And several Lieutenants of the Fitchburg Fire Department say, that the field performances of FREMS professional staff are "awesome." However, the one issue nearly all interviewed mentioned as a negative feature of the current relationship is the lack of participation by EMS staff in the daily or weekly chores associated with maintaining shared facilities. These would include general clean-up of buildings and grounds, and willingness to admit visitors and answer public phones in the two fire stations

while on duty. Those interviewed also state that paramedics, “mostly sleep when not responding,” and almost never assist with related items such as snow clearing or landscaping of station grounds. Fitchburg Fire Department personnel regularly are assigned by their supervisors to drive EMS ambulances to free paramedics for attention to patient’s medical needs.

This lack of cooperation appears to be in direct conflict with language contained in the FREMS career employees’ contract section 36.02, which states in part, “Paramedic duties shall include: rescue work, emergency medical care, *care and maintenance of equipment and apparatus, the cleaning and maintenance of the station and crew quarters*, as well as medical data entry and related documentation.”

During interviews with both Fire Chiefs we heard that Fitch-Rona paramedics do not answer station phones or participate in cleaning of shared station areas which include outside areas of the station. Paramedics do clean their apparatus and maintain their individual sleeping areas.

The lack of enforcement of this provision by EMS supervisory staff is another example of the issues raised under Item 4, in which contract and work rule violations are not handled through regular personnel evaluations, and/or progressive discipline as required in most organizations. We would recommend that the three Chiefs continue to meet on a regular basis to discuss the inclusion of both Firefighters and Paramedics in cleaning and maintenance of the stations. Additionally, there should an agreement on how personnel matters are handled when EMS administrative staff is not available to supervise its employees at a particular station.

6. Bargaining the Impact of Any Reconfigurations or Changes in Position Status of EMS or Fire Employees

State of Wisconsin Public Employee Bargaining Act, WSS Chapter 111 still requires that for any public safety operation, including law enforcement, fire and EMS, a governing body must bargain the impact of any desired reorganization which might affect the wages, hours, benefits or working hours of any employee covered by an existing bargaining agreement when such change takes effect. Therefore, the City of Fitchburg should be aware that any unilateral changes that would either lower contracted wages or benefits, reduce hours of employment, or eliminate positions of employees now covered by existing union contracts, must be negotiated with the union, and may be subject to final, binding arbitration should both sides not reach a voluntary agreement. These considerations would not apply to the Chief and Deputy Chief or part-time employees (all Exempt employees) of the District, nor any salaried employee, or paid-on-call employee of the Fitchburg Fire Department.

7. Conclusions and Recommendations from Section B

Although represented by the same public employee union (IAPF-AFL-CIO, Local 311), there currently exist significant differences between and among the contracts for career, full-time unit members of Fitch-Rona EMS, Fitchburg Fire Department and City of Verona Fire Department. The areas of conflict we foresee for melding any or all these workforces are:

- Base Hourly Wage Rates
- Scheduled Overtime (as opposed to unscheduled or non-recurring)
- Health and Dental Insurance Employee Premium Contributions and Plan Choices

If any re-configuration of the EMS District is to occur, it cannot take place prior to January 1, 2020 due to the District agreement provisions, unless by voluntary agreement among all three-member communities. The timing of the expiration of Fitchburg Fire and Fitch-Rona's collective bargaining agreements is December 31, 2018. It is understood that the IAPF Local 311 has already begun collective bargaining with the Fitch-Rona Commission and its management team to renegotiate a three-year renewal of its agreement, which would begin January 1, 2019 and run through December 2021. Renewing all the above language differences for another three years starting next year would make any merger of Fire and EMS personnel extremely difficult to administer. It would also effectively preclude bringing EMS full-time paramedics under City of Fitchburg or Verona employee benefits programs to create maximum potential savings as outlined in Section F.

Because of the above considerations, it is recommended that the EMS Commission and management team only offer a one-year, interim agreement to the EMS Union which would extend current conditions and wages for the period of calendar year 2019. Prior to this contract year expiring, the Union could then be given new language that reflects any changes necessary to address the major differences in EMS wages and benefits that are driving personnel costs over and above its Fitchburg Fire counterparts. Additionally, it would seem prudent to make similar adjustments in bargaining a successor contract with the FREMS unit to permit the option of bringing those employees under Fitchburg's employee benefits plans under the same conditions going forward.

Although the wage differential for paramedics is somewhat higher than both regular firefighter units, it is not proposed by this study that those wages for existing employees need to be lowered if it is desired by Fitchburg or Verona officials to merge the EMS organizations with one or both fire departments. We would instead recommend that all paramedics be grandfathered in at current pay levels, appropriate to prior experience earned at Fitch-Rona. In addition, we recommend that these employees have their salaries "red-circled" and held steady until such time as Fitchburg firefighter wages rise to or exceed them, at which time they would be un-frozen to equal appropriate firefighter steps in the schedule. We also recommend that special grades be negotiated in future contracts to provide incentives for those who have both paramedic and firefighting training and experience in combined positions. This combined position should receive the highest hourly and annual rate of pay for all classifications to encourage both firefighters and paramedics to obtain cross certification in both specialties.

Section C – PRESENT DISTRICT FACILITIES AND VEHICLE DEPLOYMENT WITH POTENTIAL SERVICE DEMANDS AS INDICATED BY CITY MASTER PLANS

1. Current Facilities and Staffing Locations

Fitch-Rona EMS ambulances are located at the City of Fitchburg Marketplace Drive Fire Station and the City of Verona Fire Station. Both stations are new state-of-the-art facilities. Both cities provide dedicated space for Fitch-Rona EMS. There is adequate room for ambulances and the response vehicle, office space, sleeping quarters, kitchen facilities, dayroom and workout facilities. Both stations are located on major arterial roads. Ambulances are staffed per State of Wisconsin standards with two licensed paramedics.

2. Present Equipment Status and Deployment

During our interview the Fitch-Rona Chief Patrick Anderson provided an adequate plan for replacement of ambulances and equipment. Fitch-Rona Paramedics ambulances transport both basic and advanced life support patients.

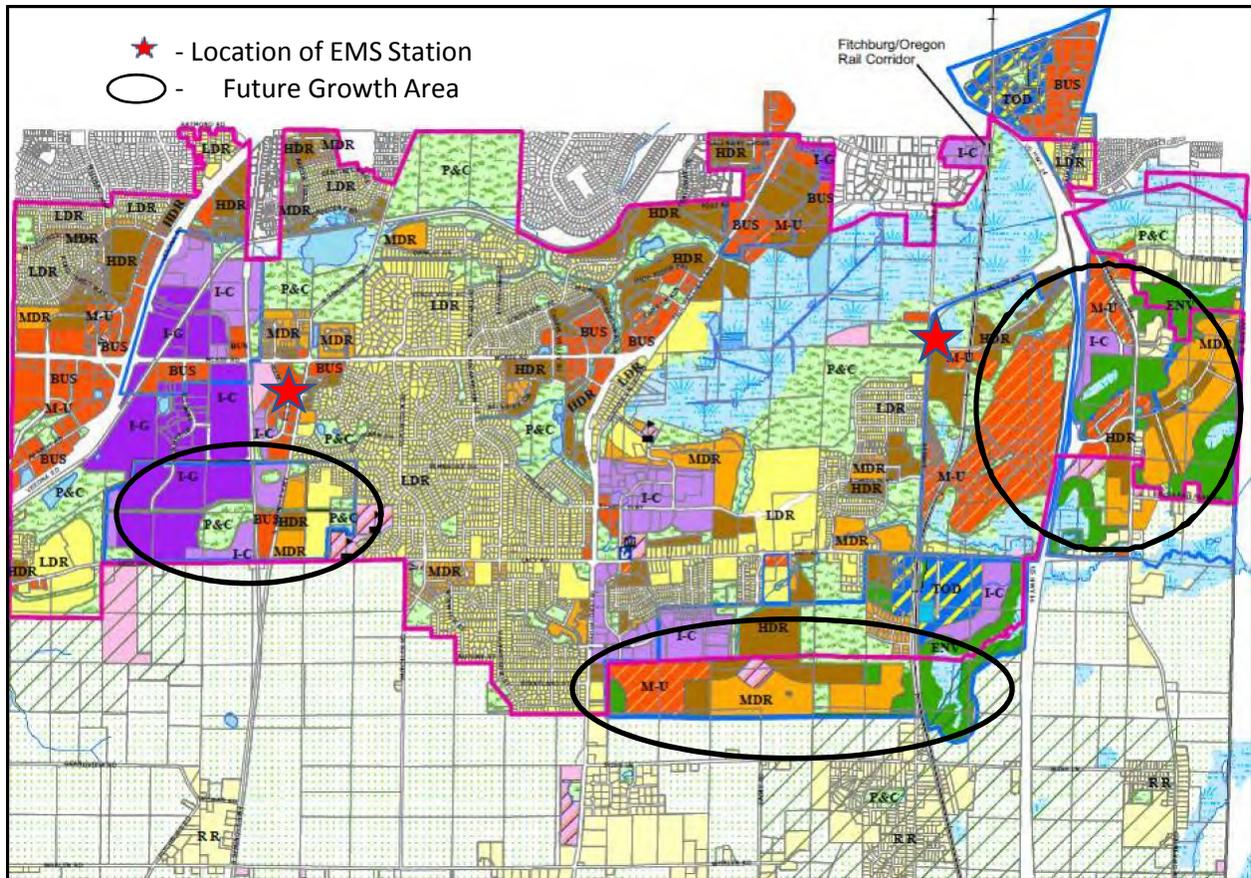
Fitch-Rona is part of the Dane County Dispatch Center that uses a Computer Aided Dispatch (CAD) system. The CAD is programmed to send the closest, most appropriate unit to high acuity calls for service. During high acuity calls Fitch-Rona and the Fire Departments operate in a tiered system whereby a fire apparatus with EMTs is dispatched to provide BLS care until the ambulance arrives to provide ALS care and transport. If necessary, the Fire Department will provide a driver so that both paramedics can participate in providing ALS treatments. The CAD system will automatically recommend the closest mutual aid ambulance if one is not available in Fitchburg or Verona.

3. EMS Administration Facilities

Currently EMS administrative buildings are housed in the Verona Fire Station in downtown Verona. The space leased from the City of Verona encompasses four office spaces and a joint conference room, a separate dispatch and reporting booth near the ambulance bay, and a large storeroom for medical equipment and a model ambulance layout for training. The entire square feet of this space is estimated at approximately 4,500 square feet or less. Offices are provided to the EMS Director, Deputy Director, Business Manager, paramedics for reporting, and another space that is currently vacant. Prior to 2016 this administrative space was provided in the former Fitchburg Fire Station #2 on King James Way. After Fitchburg Fire Station #3 is completed in spring 2019, there might be existing room for EMS administration in a combined department at Fire Station #1 on Lacy Road when it is proposed to cease being a fire response station and become a central fire administration building.

3. Long-Term Growth Projections

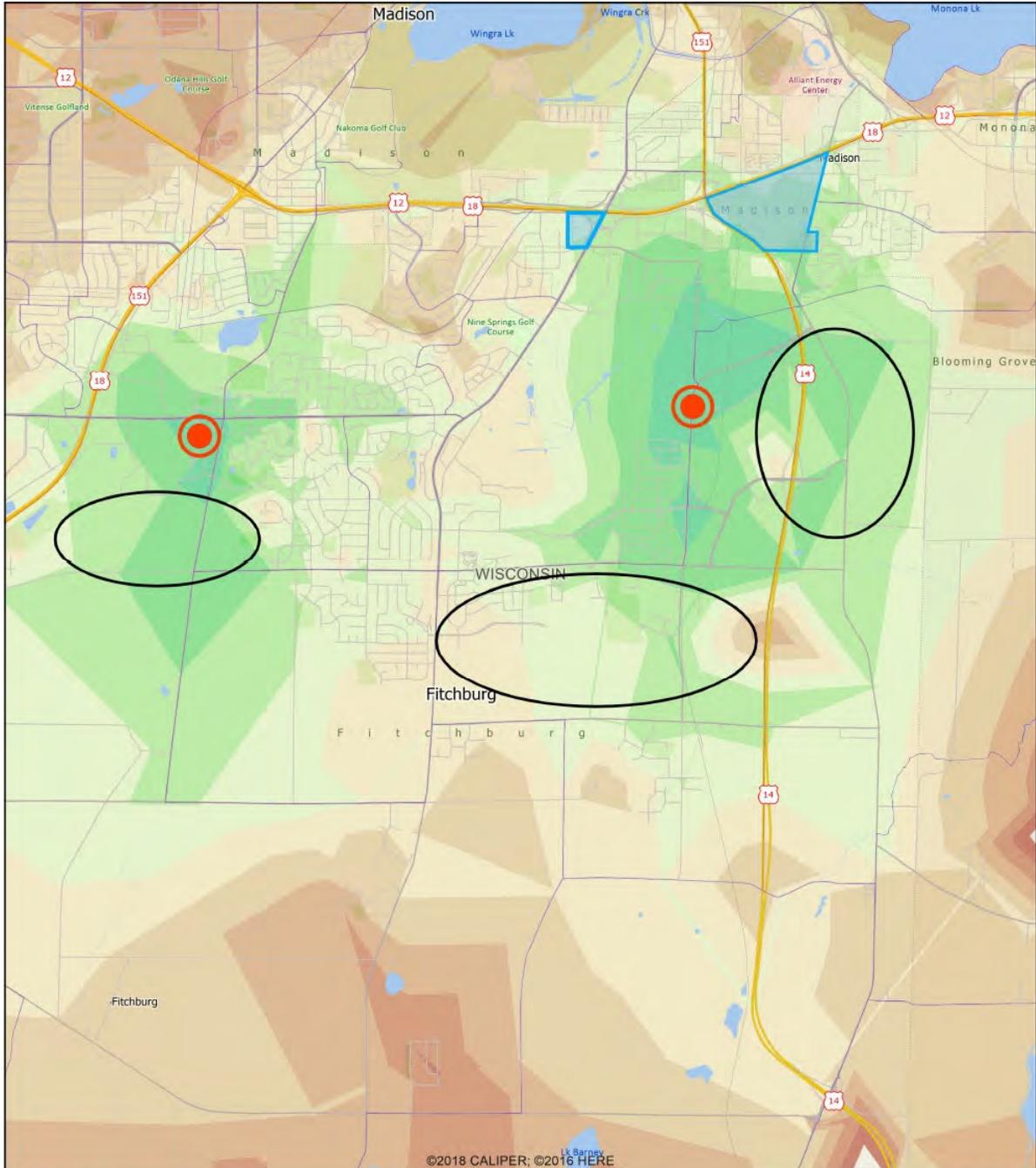
Future Growth Areas, City of Fitchburg



Source: City of Fitchburg Comprehensive Plan, Future Land Use Map, revised 08/2017

Fitchburg’s future growth areas are shown on the map above along with their relationship to Fitchburg’s EMS stations. Fitchburg’s EMS stations are well located to serve the future growth areas with timely emergency response.

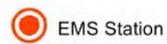
The next map shows the predicted response times from the Fitchburg EMS stations to the future growth areas. Most of the growth areas are within a 3-minute response time of an EMS station, with all parts of the growth areas within a 6-minute response. Two of the three major growth areas (see circled areas) will be within 3-6 minutes from the new FS #3.



Map xx

Fitchburg Future Growth Areas and Drive-times From EMS Station

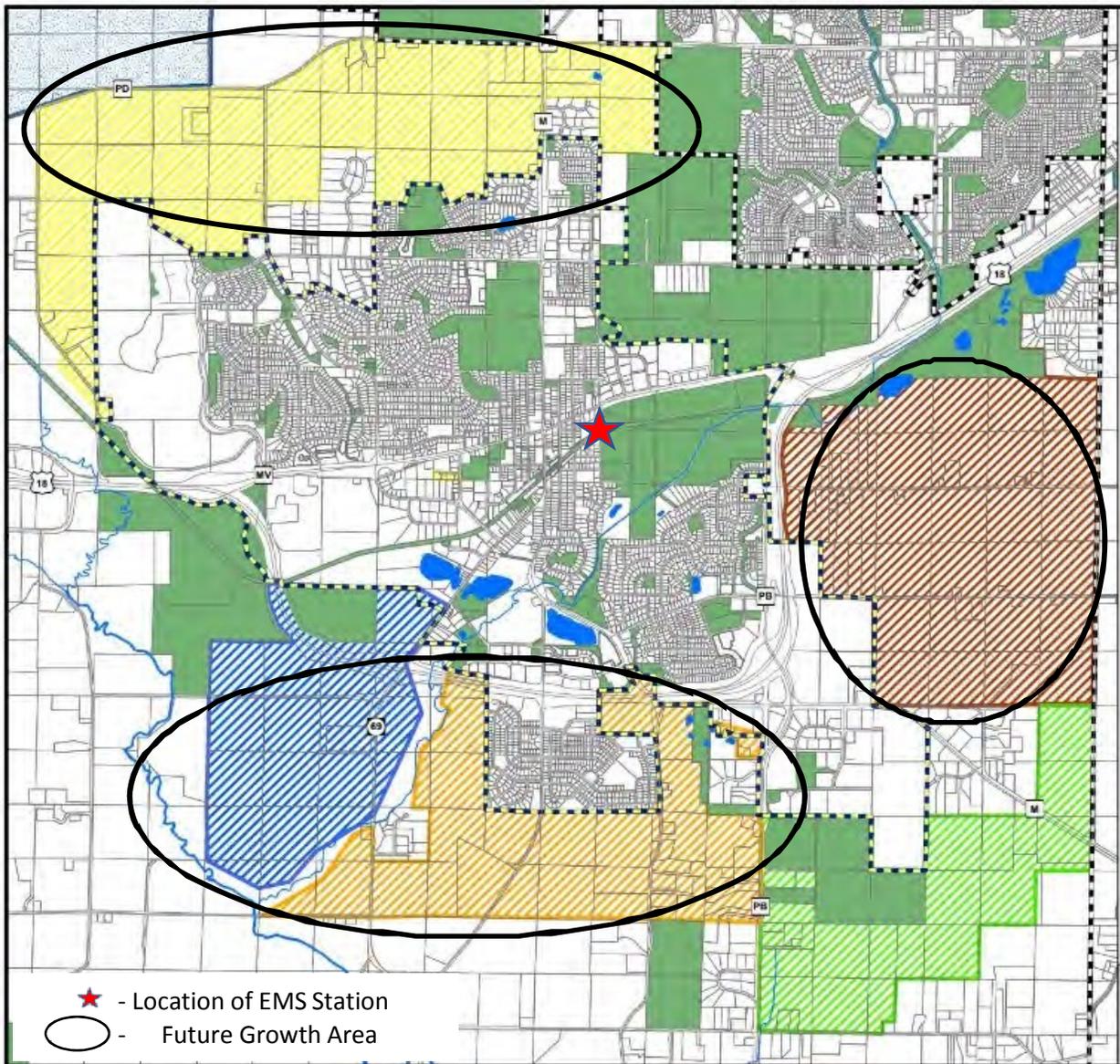
May 9, 2018



Source: City of Fitchburg Comprehensive Plan 2017

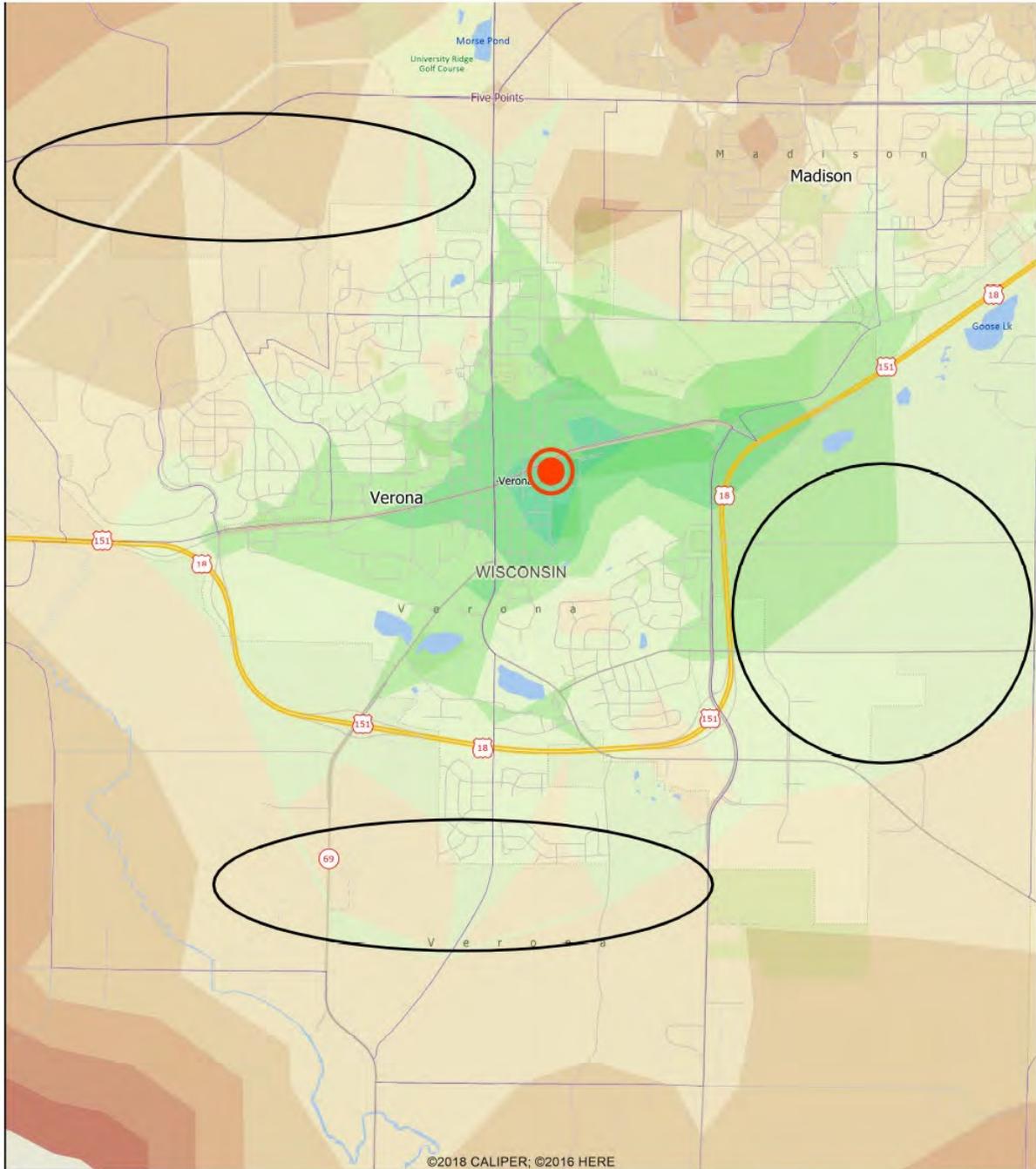
Prepared by GWR Professional Services

Future Growth Areas City of Verona



Source: City of Verona, Comprehensive Plan, 2009

Verona's growth areas are shown in the map above along with the location of the Verona EMS station. Verona's growth areas vary in time from an EMS station between three and seven minutes. Most of the growth areas are expected to be a mix of residential and non-residential land uses, except the southeast growth area which is expected to be primarily residential.



Map xx
Verona Future Growth Areas and
Drive-times From EMS Station

May 9, 2018



EMS Station



Source: City of Verona Comprehensive Plan 2009

Prepared by GWB Professional Services

a. Building Permits

The following chart summarizes building permit data for Fitchburg and Verona:

Summary of Annual Building Permit Activity 2008 - 2017

	Single-Family Dwellings	Two-Family Dwellings	Multi-Family Dwellings	Total Multi-Family Units	Commercial Buildings	Total Living Units
Fitchburg 5-Yr Average	35	5	6	267	5	284
Fitchburg 10-Yr Average	34	4	4	158	6	184
Verona 5-Yr Average	68	0	3	68	17	136
Verona 7-Yr Average	62	1	2	57	13	119

Source: City of Fitchburg, Building Inspection Department 2017 Permit Activity Report; City of Verona Building Inspection Permit Reports 2010 – 2017.

Assuming an average of 2.1 persons per dwelling unit, and average annual construction of 375 dwelling units (250 in Fitchburg and 125 in Verona), approximately 800 persons per year are being added to the Fitch-Rona service area. At an average of 70 calls per 1,000 population, this means call volume will be increasing by about 56 calls per year, primarily within the identified growth areas of each community.

b. Projections Current -- 2040

Projected Population of Fitch-Rona Service Area

MCD Type and Name	2010 Census	2017 WisDOA Estimate	2020 Projection	2025 Projection	2030 Projection	2035 Projection	2040 Projection
T Verona (WisDOA)	1,948	1,981	2,020	2,055	2,085	2,095	2,095
T Verona (Comp Plan)	1,948	1,981	2,050	2,130	2,190	2,270	2,310
C Verona (WisDOA)	10,619	12,303	12,800	13,960	15,070	16,010	16,850
C Verona (Comp Plan)	10,619	12,303	14,488	16,403	18,431	n/a	n/a
C Fitchburg (WisDOA)	25,260	27,936	27,620	29,180	30,610	31,720	32,670
C Fitchburg (Comp Plan)	25,260	27,936	30,431	n/a	35,386	n/a	n/a
Annex Area 1 TOM	1,141	1,141	1,141	1,141	1,141	1,141	1,141
Annex Area 2 TOM	726	726	726	726	726	726	726
Total Fitch-Rona Service Population (Low)	39,694	44,087	44,307	47,062	49,632	51,692	53,482

Total Fitch-Rona Service Population (High)	39,694	44,087	46,969	n/a	56,007	n/a	n/a
Estimate of Population Aged 60+	6,094	8,000	9,095	10,598	11,735	12,590	13,495

Source: Wisconsin Department of Administration, Population and Household Projections 2013 – 2040; City of Fitchburg Comprehensive Plan; City of Verona Comprehensive Plan; Town of Verona Comp Plan

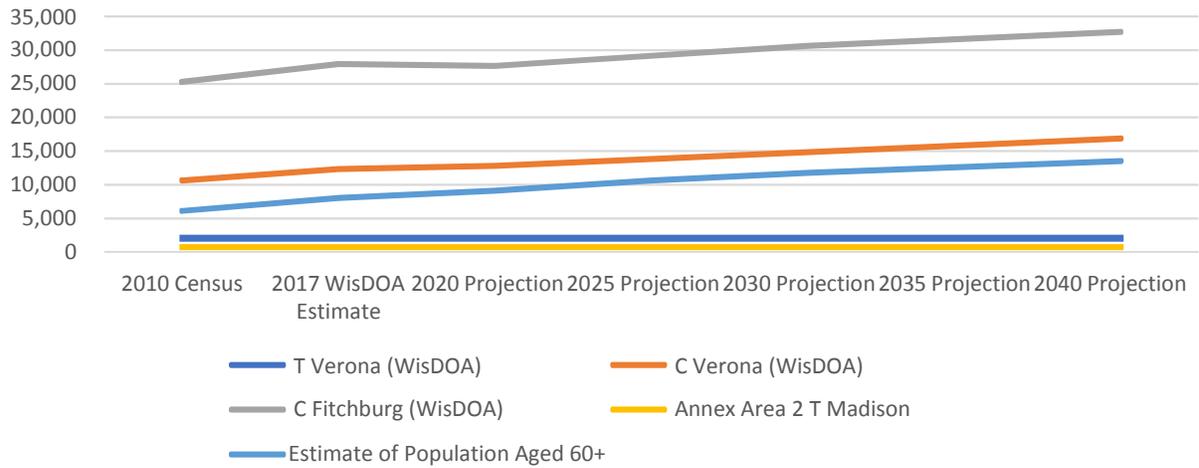
The Fitch-Rona service area is expected to serve between 5,545 and 11,920 additional residents by 2030, or between 460 and 990 additional persons per year. Currently Fitch-Rona EMS experiences about 70 calls per 1,000 population. The projections mean additional annual calls-for-service of between 390 and 835. This is a 12% - 25% increase in expected call volume over the next twelve years, or somewhere between 1% and 2% per year (30 – 70 additional calls per year). Given the documented permit activity for residential construction, we should expect numbers on the higher end of this range.

The different growth rates of Verona and Fitchburg will change the balance of service levels between the two municipalities with Verona’s share growing from 28% of Fitch-Rona’s population to 31% by 2040. Fitchburg and the Town of Verona’s shares each drop over the next 20 years. *This is due to the smaller beginning population base that Verona has, compared to Fitchburg. Even though they both add close to the same population over time, the smaller starting base of Verona gives it a 28% growth rate, compared to 16% for Fitchburg.*

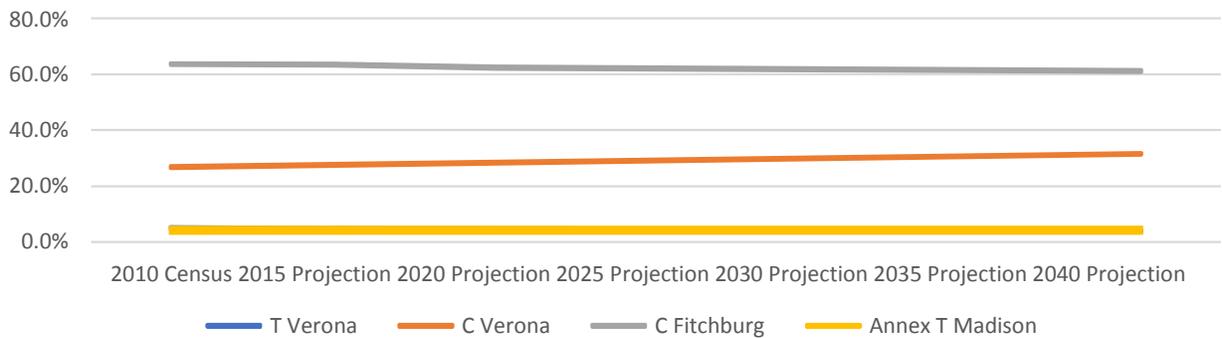
Share of Service Area Population by Jurisdiction

MCD Type and Name	2010 Census	2015 Projection	2020 Projection	2025 Projection	2030 Projection	2035 Projection	2040 Projection
T Verona	4.9%	4.5%	4.6%	4.4%	4.2%	4.1%	3.9%
C Verona	26.8%	27.9%	28.9%	29.7%	30.4%	31.0%	31.5%
C Fitchburg	63.6%	63.4%	62.3%	62.0%	61.7%	61.4%	61.1%
Annex T Madison	4.7%	4.2%	4.2%	4.0%	3.8%	3.6%	3.5%

Fitch-Rona EMS Projected Service Population



Change in Share of Service Population 2010 - 2040



4. Merger of Town of Madison with Fitchburg 2022

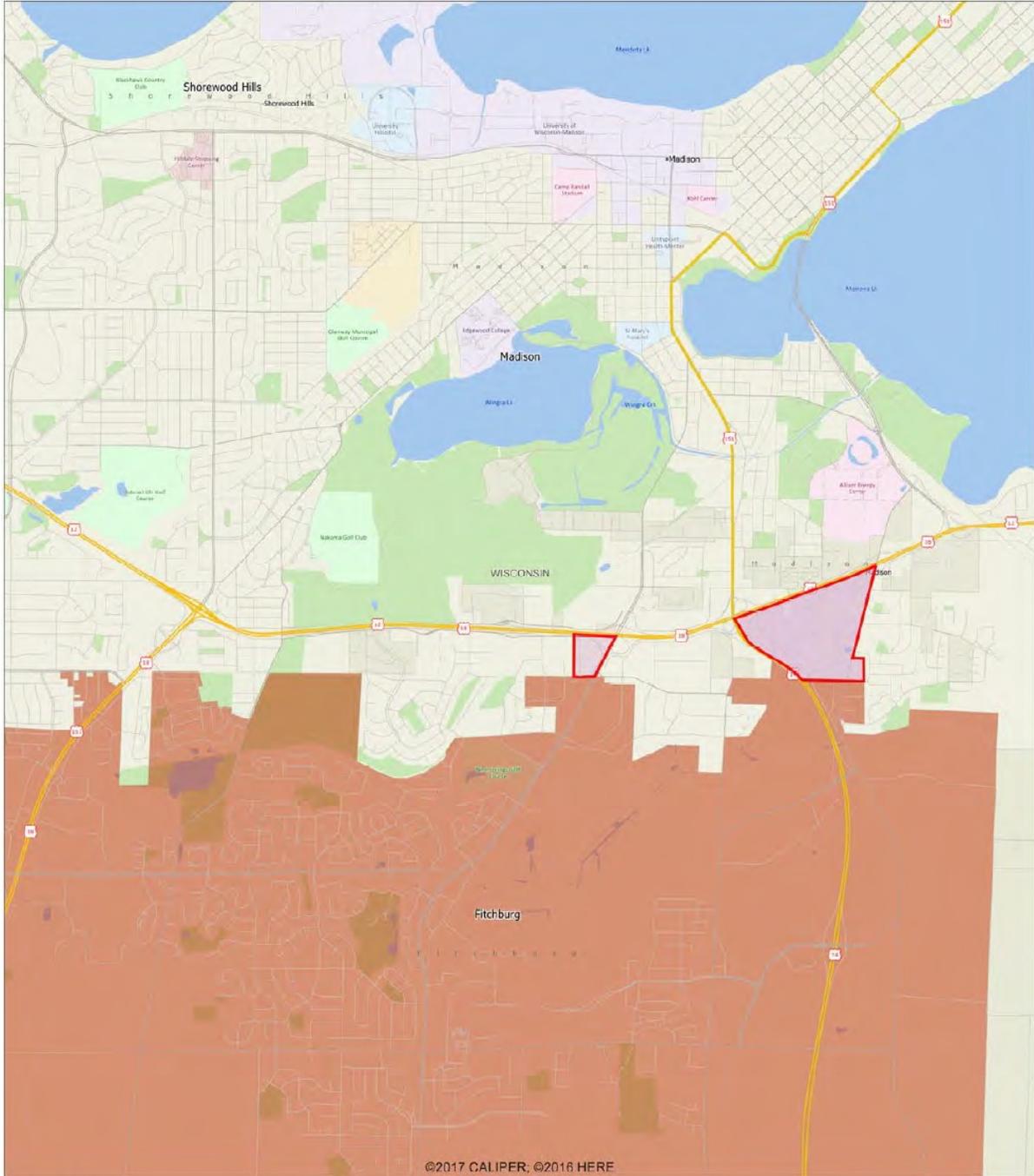
The City of Fitchburg will gain territory in 2022 from the Town of Madison (see map below). As the result of an intergovernmental boundary agreement between Fitchburg and the Town of Madison, Fitchburg will add approximately 1,867 new residents. These residents are currently being served by Town of Madison EMS. In 2017, the Town of Madison made 290 calls for EMS service to the area that will be attached to Fitchburg in 2022, or 155 calls per 1,000 population. This is more than twice the 70 calls for service as experienced by the Fitch-Rona EMS.

Although we are not certain of the reasons for the higher calls for service in the Town of Madison, we do know these residents have higher rates of poverty and lower incomes in these annexation areas. Lower-income households generally have a greater dependence upon emergency services for health-care needs. *Fitch-Rona can expect anywhere from 130 additional calls at 70 calls per 1,000 to nearly 300 calls if the rate stays the same as it currently is for the Town of Madison.*

Town of Madison Service Calls to Fitchburg Annexation Areas

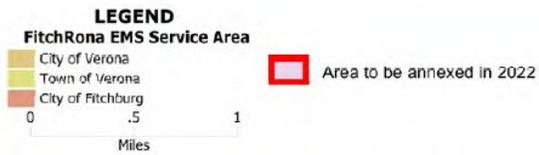
Street Name	Aug. – Dec. 2016	2017
401- 201 E. Badger Rd.	7	21
Pheasant Ridge Trail	41	110
Hazelwood Ct.	3	7
Country Rose Ct.	8	10
Deer Valley Rd.	7	26
Fish Hatchery Rd (Hwy 12/18 to Greenway)	8	8
Greenway Cross	3	10
1700 to 1601 W. Beltline Hwy	5	3
Coho Street	1	1
Bryant Rd.	1	1
South Frontage Rd.	0	0
Ski Lane	1	11
Ski Court	7	12
Novation Parkway	9	5
Brown Quail Ct.	8	6
Latitude 43	1	0
89 th Degree	0	0
Rimrock Rd.	19	59
EMS Calls to Annexation Areas	129	290
EMS auto aid/mutual aid into Fitchburg -	37	42
EMS auto aid/mutual aid into Verona -	0	3
Total EMS Calls to Fitch-Rona & Annexation Area	166	335

Source: Town of Madison Fire Chief



Map 2
Areas to be Annexed to
Fitchburg in 2022
City of Fitchburg, WI

March 13, 2018



Source: City of Fitchburg

Prepared by GWB Professional Services



Section D – Response Times to Fitchburg Sectors

1. Current Fire and EMS Response Standards

National Fire Protection Association (NFPA) EMS response time objectives.

Definitions:

- Turnout Time: The time from station-acknowledged notification of the emergency until the time the response apparatus leaves the station.
- Travel Time: The time interval that begins when a unit is en route to the emergency incident and ends when the unit arrives at the scene.

Turnout Time for BLS or ALS is 60 seconds (1 minute)

Travel time for a BLS unit (ambulance or fire apparatus with trained EMT's, medical equipment and an Automatic External Defibrillator (AED)):

- Travel Time 240 seconds (4 minutes)

Travel Time for ALS unit to arrive after BLS unit (ambulance or fire apparatus with trained EMT's, medical equipment and an Automatic External Defibrillator (AED))

- 480 seconds (8 minutes)

“Demographics by Drive-Time from An EMS Station” chart in Section C indicates 24.1% of the population is served in a four (4) minute drive time from three stations and 97.8% in eight (8) minutes from the Verona, Fitchburg Marketplace and the new Syene Road Fire Stations.

2. Measurement of Response Times to Residences & Commercial Entities all Fitchburg Sectors 2016-17

**Demographics Within Fitch-Rona Service
Area by Drive-Time Ring**

Drive-Time Ring (minutes)	1	2	3	4	5	6	7	8	9
Population	102	988	2,835	5,745	8,446	10,971	6,867	3,215	844
Area (Sq. Miles)	0.76	2.97	6.92	12.94	16.01	13.40	8.17	3.58	0.92
Avg HH Mean income	\$102,920	\$ 89,166	\$ 87,619	\$ 89,213	\$ 89,628	\$ 89,607	\$ 88,072	\$ 87,583	\$ 87,183
Age 18+	80	760	2,173	4,350	6,334	8,116	5,121	2,400	631
<Age 18	22	229	662	1,396	2,112	2,855	1,746	815	213
Age 65+	13	104	290	584	846	1,065	665	310	81
Black	7	102	302	528	708	816	586	282	76
White	84	715	2,025	4,336	6,570	8,833	5,320	2,469	642
Hispanic	11	171	506	856	1,114	1,222	914	443	121
Housing units	43	419	1,204	2,440	3,589	4,668	2,924	1,370	360
Households	40	398	1,144	2,319	3,412	4,442	2,782	1,303	342
Avg Pct. in Poverty All Families	6.02	9.69	10.08	8.65	7.87	6.99	8.06	8.31	8.58

Source: Caliper Corp., Maptitude; U.S. Census Bureau; GWB Professional Services

**Cumulative Demographics Within Fitch-Rona
Service Area by Drive-Time**

Minutes from a Station	0-2	0-3	0-4	0-5	0-6	0-7	0-8	0-9	Fitch-Rona Service Area	Within 4 minutes of EMS Service	Within 5 minutes of EMS Service	Within 8 minutes of EMS Service
Population	1,091	3,925	9,671	18,117	29,088	35,955	39,171	40,015	40,061	24.1%	45.2%	97.8%
Area (Sq. Miles)	3.7	10.6	23.6	39.6	53.0	61.2	64.7	65.7	65.7	57.8%	60.3%	98.6%
Avg HH_Mean income	\$96,043	\$93,235	\$92,229	\$91,709	\$91,359	\$90,889	\$90,476	\$90,110	\$101,390	\$92,229	\$91,709	\$90,476
Age 18+	839	3,013	7,362	13,697	21,813	26,934	29,334	29,965	30,001	24.5%	45.7%	97.8%
<Age 18	251	913	2,308	4,420	7,275	9,022	9,837	10,049	10,060	22.9%	43.9%	97.8%
Age 65+	117	407	991	1,837	2,902	3,567	3,878	3,959	3,964	25.0%	46.3%	97.8%
Black	109	410	939	1,647	2,463	3,049	3,331	3,408	3,412	27.5%	48.3%	97.6%
White	798	2,823	7,159	13,730	22,562	27,883	30,352	30,994	31,028	23.1%	44.2%	97.8%
Hispanic	182	688	1,545	2,659	3,881	4,795	5,239	5,360	5,367	28.8%	49.5%	97.6%
Housing units	462	1,666	4,106	7,696	12,364	15,288	16,658	17,017	17,037	24.1%	45.2%	97.8%
Households	438	1,582	3,901	7,313	11,755	14,536	15,839	16,182	16,200	24.1%	45.1%	97.8%
Avg Pct in poverty_All families	7.86%	8.60%	8.61%	8.46%	8.22%	8.19%	8.21%	8.25%	4.93%	8.61%	8.46%	8.21%

Source: Caliper Corp., Maptitude; U.S. Census Bureau; GWB Professional Services

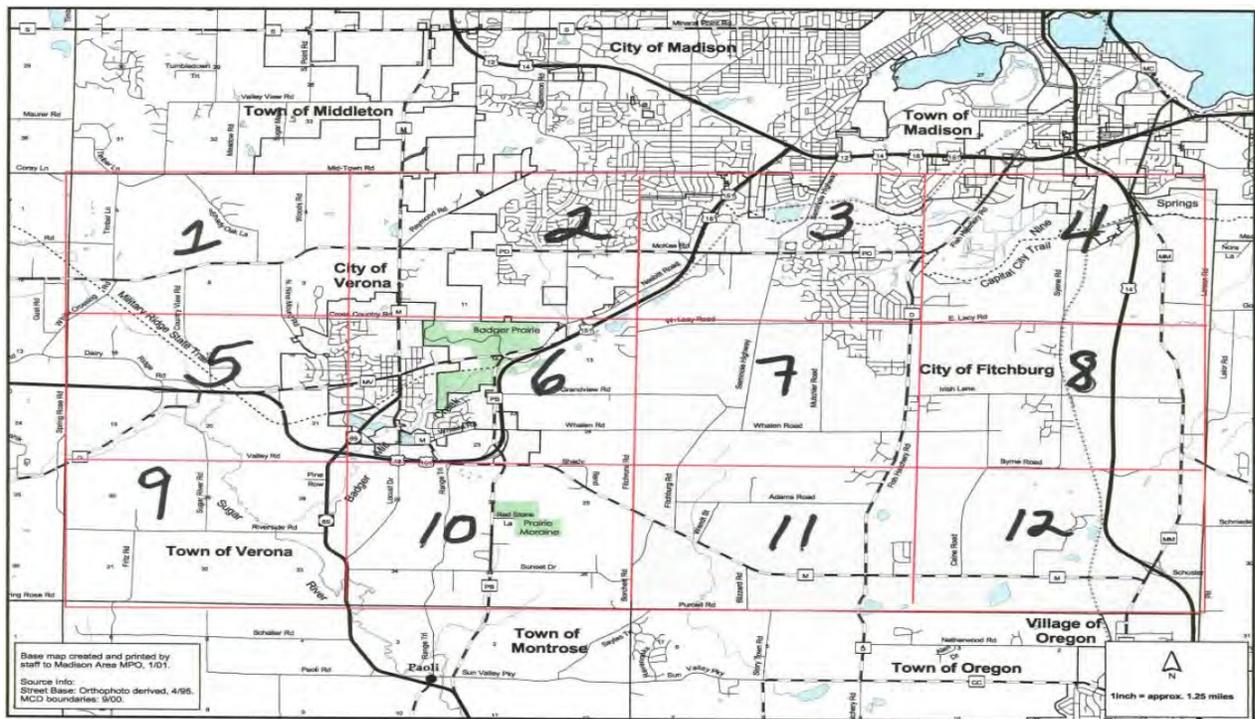
3. Historical Charts of EMS Runs District wide and Fitchburg

The following charts and graphs summarize the number of EMS responses and response times by service zones. The Fitch-Rona service area is sub-divided into 12 zones with each zone being assigned to an EMS station. The Verona station has seven zones while Fitchburg has five.

Most responses – 86% - are to just three of the twelve zones – one in Verona and two in Fitchburg. These are the zones that are in the densely-settled sections of the service area. The remaining zones are primarily rural in nature. A third of all calls-for-service in the Fitch-Rona service area originate from one zone - #3 in Fitchburg. The other two high-call zones are #6 in Verona and #4 in Fitchburg each accounting for about 25% of service calls.

Response times to each zone range from 5:15 in zones 6 and 2 to 13:15 in zone 12, the most remote of the zones. Response times are trending slightly downward over time across all zones, however individual zones differ, with some showing significant improvements in response times.

Designated Service Zones for Fitch-Rona EMS



Source: Fitch-Rona EMS Annual Report 2016.

Emergency Responses by Station and Zone

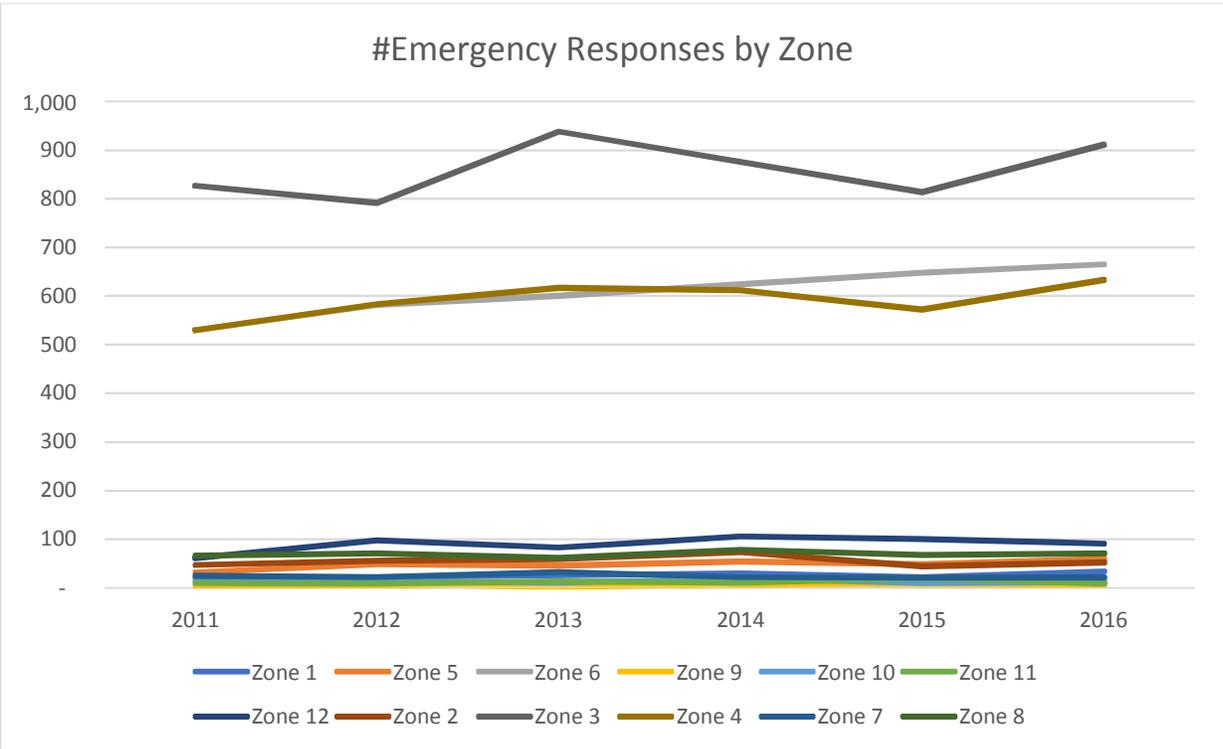
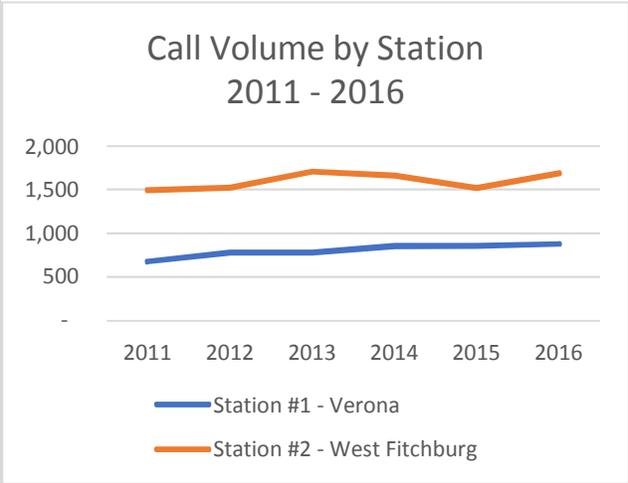
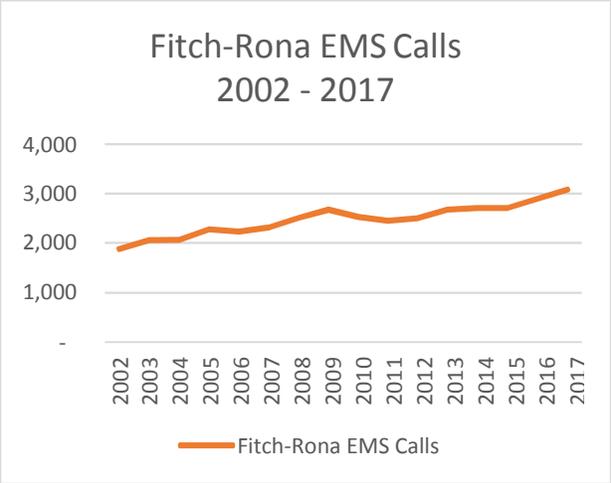
	2011	2012	2013	2014	2015	2016
Station #1 - Verona	676	782	781	853	856	877
Zone 1	22	22	27	30	22	34
Zone 5	32	49	46	54	49	60
Zone 6	530	581	600	626	648	665
Zone 9	5	8	1	8	7	7
Zone 10	16	15	11	19	10	12
Zone 11	10	9	13	11	20	9
Zone 12	61	98	83	106	100	91
Average # Responses by Zone	169	195	195	213	214	219
Station #2 - West Fitchburg	1,494	1524	1707	1661	1518	1687
Zone 2	47	56	59	73	44	52
Zone 3	827	791	938	875	814	911
Zone 4	530	583	616	612	572	633
Zone 7	25	22	32	22	21	21
Zone 8	66	71	62	79	68	71
Average # Responses by Zone	402	418	462	455	419	461

Source: Fitch-Rona EMS Annual Reports 2011 - 2016

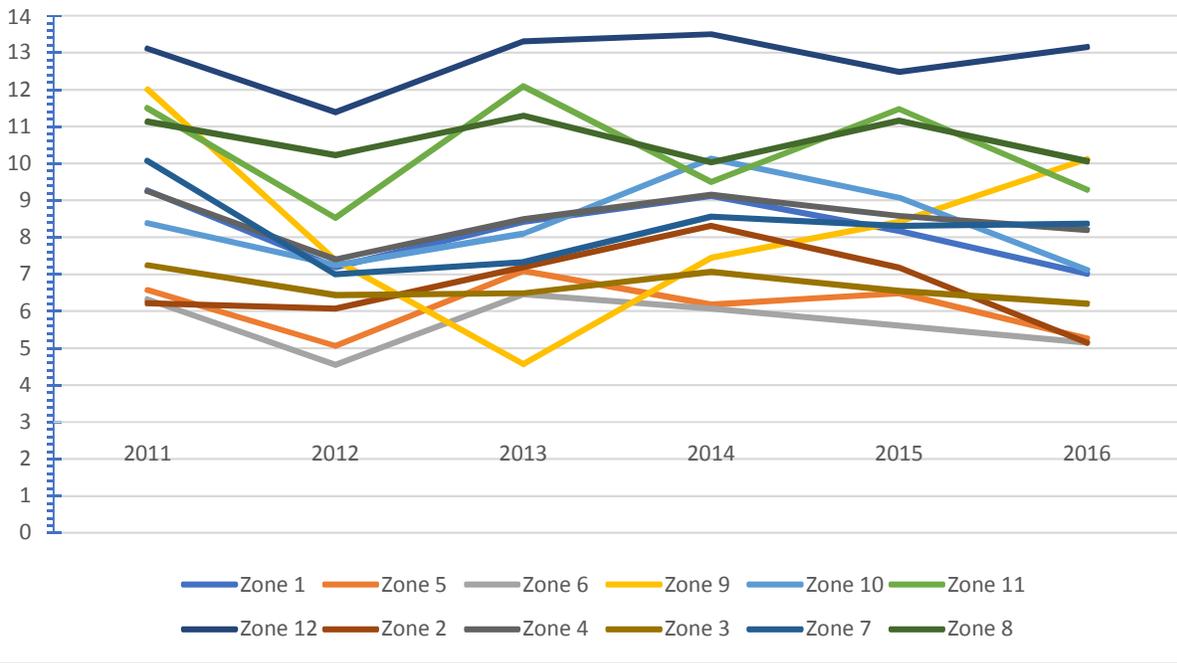
Response Times by Station and Zone

	2011	2012	2013	2014	2015	2016
Station #1 - Verona						
Zone 1	9.27	7.19	8.42	9.12	8.17	7.02
Zone 5	6.56	5.06	7.09	6.18	6.49	5.26
Zone 6	6.32	4.55	6.46	6.07	5.59	5.15
Zone 9	12	7.38	4.57	7.45	8.42	10.12
Zone 10	8.38	7.24	8.1	10.13	9.07	7.12
Zone 11	11.5	8.53	12.09	9.5	11.47	9.29
Zone 12	13.11	11.39	13.31	13.5	12.48	13.15
Average Response Time by Zone	9.6	7.3	8.6	8.9	8.8	8.2
Station #2 - West Fitchburg						
Zone 2	6.22	6.07	7.18	8.31	7.18	5.15
Zone 3	7.24	6.43	6.49	7.06	6.55	6.2
Zone 4	9.24	7.4	8.48	9.15	8.58	8.2
Zone 7	10.07	7.0	7.33	8.56	8.31	8.37
Zone 8	11.13	10.2	11.29	10.03	11.15	10.06
Average Response Time by Zone	9.5	8.0	9.0	9.4	9.0	8.5

Source: Fitch-Rona EMS Annual Reports 2011 - 2016



Response Times (min.) by Zone
2011 - 2016



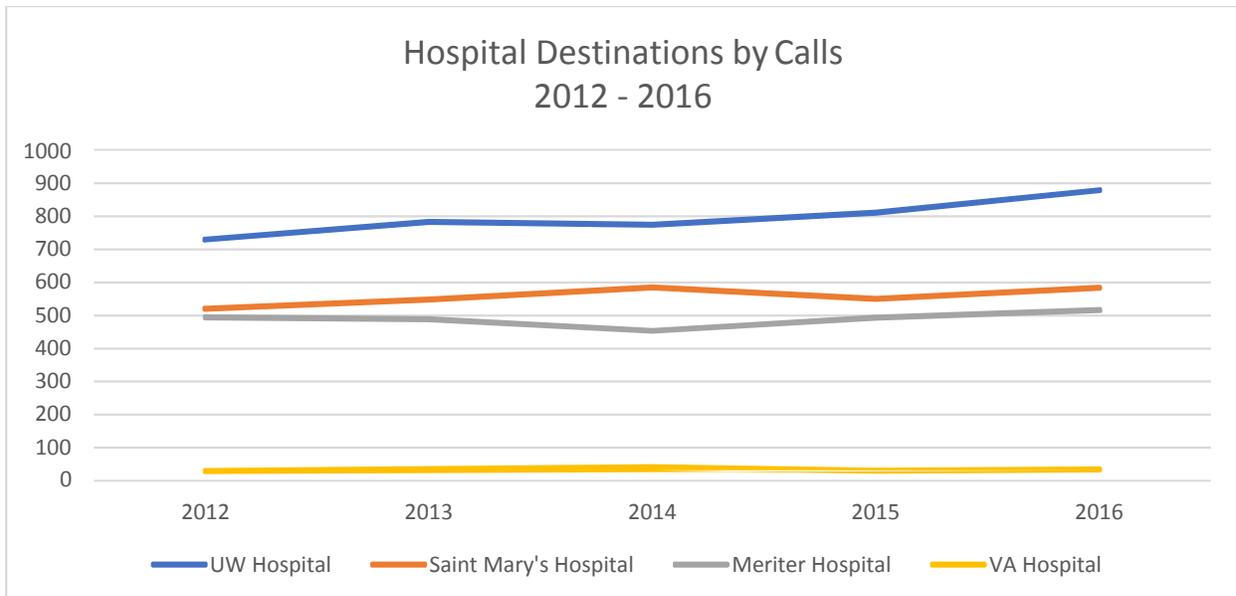
4. EMS Average Times to Hospitals

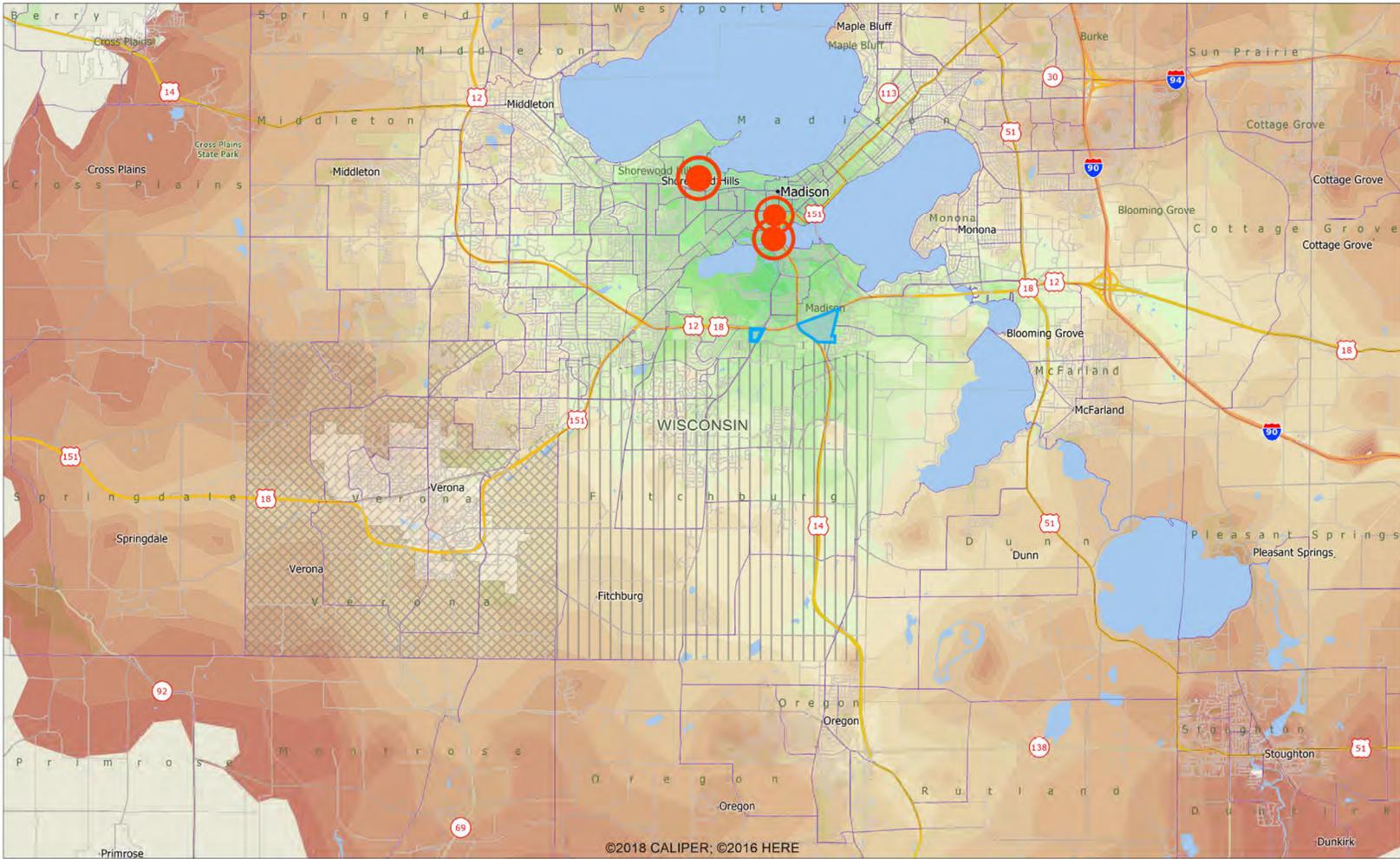
The time it takes a Fitch-Rona ambulance to transport a patient to a hospital varies from under 5 minutes in the north and east portions of Fitchburg to 16 minutes from the far southwest and northwest corners of the Town of Verona, as illustrated in the following map and tables. *UW Hospital is the growing hospital destination of choice.*

Distribution of Calls to Hospitals

	2011	2012	2013	2014	2015	2016
UW Hospital	540	729	782	774	810	878
Saint Mary's Hospital	434	520	548	584	550	583
Meriter Hospital	363	494	488	453	493	516
VA Hospital	22	29	36	41	30	34

Source: Fitch-Rona EMS Annual Reports 2011 - 2016





Map 8
1-Minute Drive-Time Rings
Primary Hospitals Served
by Fitch-Rona EMS

Source: Caliper Corporation, Maptitude; GWB Professional Services



Drive-time Analysis Parameters:
 Major Highways - 7/7
 Secondary Highways - 7/7
 Local Highways - 6/7
 Arterial Roads - 6/7
 Local Roads - 5/7
 Scale - 1 = Slowest, 7 = Fastest



Prepared by GWB Professional Services

May 2, 2018

5. Projections of 5 and 10 Year Run Volumes

There are few reliable ways of making accurate population projections, given that a census occurs only every ten years. Therefore, the best way is to project population using different methodologies and express the projection as a range.

The primary sources of population projections for this study are the “official” Wisconsin Department of Administration 2040 forecasted population by municipality prepared in 2013 and the comprehensive plans from Fitchburg, the City of Verona and the Town of Verona.

Section C contains a table showing the range of population projected for the Fitch-Rona service area. The following chart translates that projected population growth into projected run volumes for Fitch-Rona EMS. This was done by calculating the average calls-for-service per 1,000 population based upon existing data provided by Fitch-Rona EMS and the Town of Madison Fire Chief as follows:

<i>Fitch-Rona EMS Calls</i>	2,712	<i>Town of Madison (Fitch) Calls</i>	290
Service Area Population	40,061	Service Population	1,806
Calls per 1,000 Population	67.70	Calls per 1,000 Population	155.0

Projection of Calls for Service, Fitch-Rona EMS

	2020	2025	2030
Existing Call Volume	3,100	3,100	3,100
Added Population (low)	220	2,975	5,545
Added Population (high)	2,882	n/a	11,920
Added Volume due to Growth (low)	15	208	388
Added Volume due to Growth (high)	202	n/a	834
Population of TOM Annexation	- 0	1,867	1,867
Added Volume due to TOM (low)	-0	131	131
Added Volume due to TOM (high)	-0	289	289
Total Projected Call Volume (low)	3,115	3,439	3,619
Total Projected Call Volume (high)	3,302	n/a	4,224
Calls for service per 1,000 population - Fitch-Rona		67.7	

Source: Fitch-Rona EMS, City of Fitchburg, City of Verona, Town of Madison, GWB Professional Services
TOM = Town of Madison

Section E: DISTRICT GOVERNANCE, POLICY-MAKING, BUDGETING AND LIMITATIONS ON MEMBER WITHDRAWALS

1. Major Provisions from Fitch-Rona Inter-Governmental Agreement

The first Fitch-Rona EMS District agreement was crafted and approved by the governing bodies of the Cities of Verona and Fitchburg and Town of Verona in 1977. The last set of amendments to the core document were debated and approved by the full Commission in October of 1998, or nearly 20 years ago. This document determines how the District shall be governed and how its operating and capital budgets shall be funded, and the way in which major policy changes can be considered. Key components such as member representation on the governing board and the formula by which each municipality is assessed for payment of the succeeding year's annual operating deficit have been ongoing sources of concern for the City of Fitchburg dating back to the late 1980s. This section will look at the wording of the 40-year-old agreement and will analyze the practical effect of some of its outdated language and the implications of this language on viable options for reconfiguration, expansion or dissolution of the District presented and discussed in detail in Section J of this report.

Membership on the District's Commission and District Leadership

The membership of the Commission is spelled out in Article A of the agreement:

(A) Appointment. The Commission shall consist of nine (9) members: three (3) members shall be appointed by the City of Verona; three (3) members shall be appointed by the City of Fitchburg; and three (3) members shall be appointed by the Town of Verona. One member from each municipality shall be a member of the governing body of the municipality. Each commissioner shall be appointed to serve for a period of two (2) years, which shall commence on the first day of May and expire on the 30th day of April.

Meeting requirements of the Commission are set out in Article F:

(F) Meetings. The Commission shall meet at least once a month. Its meetings shall be open to the public and attendance of five (5) members shall constitute a quorum for the purpose of transacting all business with the exception of voting to recommend capital expenditures.

The Chair of the Commission who is supposed to maintain overall oversight of the District operations and who sets the agendas and calls the meetings is selected thusly:

(E.1) Chair. The Chair shall be the executive officer of the District and, subject to the control of the Municipalities and the Commission, shall oversee the business and affairs of the District. The EMS Chief shall direct the day-to-day activities of the District. When present, the Chair shall preside at the meetings of the Commission. In general, the

Chair shall perform all duties incident to the office of Chair and such other duties as may be prescribed by the Municipalities or the Commission from time to time.

How Major Policy, Personnel, and Budgeting Items are Approved by the Commission

There exists some contradictory language in the agreement about how voting shall transpire on policy and budget issues coming before the Commission. During its regular monthly meetings, it is presumed that the commission can pass any policy or operating budget actions with a simple majority vote (i.e. 5 or more of the nine members voting in favor):

(G) Voting. Decisions of the Commission other than those relating to capital expenditures shall be made by a majority vote of the Commissioners attending the meeting. Recommendation(s) for capital expenditures shall be approved by six (6) commissioners prior to being submitted to the municipalities for their approval.

However, during the Annual Commission meeting, held in mid-October each year, which is where the operating and capitol budgets are finally approved, and where many major policy, procedural and personnel actions are taken, the language below implies that the municipal members must approve the items by a unanimous vote. Each member community is only given one vote at the annual meeting, and there are three votes total. The same procedure applies to business conducted at Special Meetings called by the Commission:

3.01. **Annual Meeting.** *An annual meeting of the District, open to the public, shall be held after October 13 but prior to October 22 at which the governing bodies of the Municipalities shall adopt, subject to the regular budget review and approval of each municipality, a budget for the succeeding fiscal year, ratify and approve any other business of the District which may be transacted. The exact date and hour of the meeting shall be determined by the Commission.*

3.02. **Special Meetings.** *Special Meetings of the District, open to the public, may be held for the purpose of transacting any business of the District upon the request of the Commission.*

3.03. **Notice.** *The Secretary of the Commission shall, not sooner than twenty (20) nor less than fifteen (15) days before the annual meeting, give written notice to the Municipalities. Notice of a special meeting shall be given at least 24 hours prior to the commencement of such meeting unless for good cause such notice is impossible or impractical, in which case shorter notice may be given, but in no case may the notice be provided less than two (2) hours in advance of the meeting. The notice given for any meeting shall state the purpose, date, time, and place for the meeting.*

3.04. **Who to Preside.** *The Chair of the Commission shall preside at the annual meeting when present, but if absent, one of the Commissioners shall preside.*

3.05. **Voting.** *In order to be adopted, all business and motions shall be approved unanimously by the Municipalities with each municipality having one vote. The majority of members present for each municipality shall determine how their one vote is cast.*

3.06. **Motions.** *Motions may be made or seconded by any member of the governing bodies.*

2. Single Factor Formula for Determining Municipal Payments for Operating Deficits

The determination for how and when the three municipal members are billed for each portion of the current year estimated operating deficit of the district is unique. It is based solely on the prior year's Equalized Assessed Valuation (TIF District's present value included) of all residential, commercial, agricultural and industrial property within the boundaries of the municipality, as determined by the WI Department of Revenue. Here is how the language reads:

(B) Payment. *All operating expenses shall be paid from user fees, miscellaneous income and payments from each municipality. Municipality payments shall be apportioned after user fees and miscellaneous income are applied. This apportionment shall be based on the most recent equalized valuation of each municipality divided by the total equalized valuation of the Municipalities.*

4.02. Capital Expenditures.

(A) Defined. *The term "capital expenditure" shall mean and include any expenditure made or liability accrued in the amount of \$5,000 or more for an asset which has a useful life in excess of one year or which extends the life of an asset more than one year beyond its current useful life.*

The term shall include start-up expenses.

(B) Payment. *Each municipality shall pay that percentage of each capital expenditure, which is determined by dividing its latest equalized value by the latest total equalized value of the Municipalities.*

4.03. Time for Payments. *Each municipality shall pay its share of the annual operating budget of the District in two equal installments on or before February 1 and August 1 each year. Capital expenditures shall be paid as determined when expenditures are approved by the Municipalities.*

3. Language Governing Requests by Members Seeking to Withdraw from the District

To make the intergovernmental agreement binding, the initial agreement was drafted to make it extremely difficult and costly for one or more members of the stand-alone district to withdraw or dissolve the existing partnership. The major roadblocks, which will be discussed at the end of this section, include: a waiting period of one year from the end of the year when the request is formally submitted, a loss of rights to any capital assets (equipment and vehicles) currently held by the District, and a five-year repayment period to the departing member for Equity ownership in the corporation by any remaining member(s).

The specific provisions governing withdrawal by one or two members follows:

6.01. Notice Required. *A municipality may withdraw from the District at the end of any fiscal year of the District provided one (1) year's written notice has been given to the Commission and the other municipalities prior to such withdrawal.*

6.02. Distribution to Withdrawing Community. A withdrawing community shall not be entitled to any of the property of the District but shall only be paid the current book value of its equity determined pursuant to Section 5.02. Book value shall be defined as the "Total District Equity" as set forth in the independent audit of the District. The District shall have the option of making such payment in a lump sum or in annual installments over a period not in excess of five (5) years from the date of withdrawal. Election of the installment method shall not entitle the withdrawing community to earn interest on the unpaid balance.

6.03. Liability of Withdrawing Community. In the event that the liabilities of the District exceed its assets at the time of withdrawal, the withdrawing community shall pay that percentage of the deficit, which is obtained by dividing its latest total equalized value of the Municipalities. The withdrawing municipality shall have the option of making such payment to the District in a lump sum or in annual installments over a period not in excess of five (5) years from the date of withdrawal. Election of the installment method shall not entitle the District to earn interest on the unpaid balance.

The language covering total termination of the District is somewhat different than that of withdrawal by one member, but termination is the result of more than one member seeking to withdraw, or to dissolve the District entirely. As can be seen below, a request to terminate would require a unanimous vote of all municipal members to proceed:

7.01. Termination of District. The District may be terminated by the unanimous written consent of the Municipalities and shall be terminated if its membership drops to one municipality.

7.02. Distribution of Assets upon Termination. Upon termination of the District, its assets, including those acquired by gift or donation, shall be liquidated and the money remaining after payment of all of its obligations shall be distributed to the Municipalities which are then members of the District. Each Municipality shall receive that percentage of the money, which is equal to its equity in the District, determined pursuant to Section 5.02.

7.03. Payment of Liabilities upon Termination. If the proceeds realized from the liquidation of the assets are insufficient to pay all the obligations of the District, each municipality shall pay that percentage of the deficit, which is obtained by dividing its latest equalized value by the latest total equalized value of the Municipalities.

4. The Practical Way Commission Decisions are Made and the Way the District Operates

Interviews and Commission minutes indicate that the voting process on policy and finances operates mostly by consensus among equals on the governing body. Meanwhile FREMS is employee-driven on budgeting and hiring decisions. The past Chief developed his own budget and capital equipment budget, and the Commission made few changes to the final products. Also, most recruiting of new employees and promotion of existing ones rested with the Chief, as did proposals for creating two deputy chiefs made two years ago. The Commission has ultimate authority for

hiring, but rarely exercises it. This contrasts with Wisconsin Fire and Police hiring which is dictated by Wisconsin statutes giving most authority to independent, appointed municipal Police and Fire commissions. These bodies utilize merit testing and eligibility lists to insure public safety employees are hired and promoted based on best qualifications, rather than other factors such as potential favoritism or nepotism.

5. Is the Current Funding Formula Fair to the City of Fitchburg?

As a part of this review, we looked at the present formula for determining annual municipal payments (contributions to District revenue versus expenditure shortfalls) to determine whether the City of Fitchburg was paying fair and equitable amounts related to District services provided to its residents. We also examined another, perhaps more conventional, method for assessing the municipalities, currently in use in several other multi-unit fire and EMS districts in the State of Wisconsin to see if the City would pay less under that format than it currently does.

Present Fitch-Rona Cost Sharing for 2016-2018

The current Fitch-Rona EMS District agreement uses only one criteria for the annual allocation of municipal payments, the percentage of each of the three municipalities' Equalized Assessed Valuation (EAV) for the prior year calculated by dividing the Wisconsin Department of Revenue's figure for the market value of all residential, commercial, agricultural, industrial, and personal property within the boundaries of each entity, by the total EAV of the three municipalities combined. Presently rapid increases or decreases in the EAV in each prior year such as occurred in the four years following the economic recession of 2008 and the subsequent rebound of 2012-2017 may have a significant and uneven impact for chargebacks on such assessments among and between the three communities.

The following chart shows the total dollars that the municipalities have been asked to supplement the District's revenue budget for 2016, 2017, and 2018, and the equalized valuations, and the percentage of contribution that have created differing taxpayer obligations in each community over these last three years.

Table E.1 City of Fitchburg Assessment Calculations Present Formula

<i>Fiscal Year</i>	<i>Districtwide EAVs</i>	<i>Fitchburg's EAV</i>	<i>City % of Total</i>	<i>EMS Subsidies</i>	<i>Fitchburg Share</i>
2018	\$5,925,165,800	\$2,954,018,100	49.9%	\$957,624	\$477,428
2017	\$5,488,384,100	\$2,830,645,500	51.6%	\$981,648	\$506,287
2016	\$5,084,290,600	\$2,711,201,700	53.3%	\$929,690	\$495,794

Table E.2 City of Verona Assessment Calculations Present Formula

<i>Fiscal Year</i>	<i>Districtwide EAVs</i>	<i>Verona’s EAV</i>	<i>City % of Total</i>	<i>EMS Subsidies</i>	<i>Verona Share</i>
2018	\$5,925,165,800	\$2,669,843,100	45.1%	\$957,624	\$431,499
2017	\$5,488,384,100	\$2,373,890,700	43.3%	\$981,648	\$424,592
2016	\$5,084,290,600	\$2,093,811,600	41.2%	\$929,690	\$382,865

Table E.3 Town of Verona Assessment Calculations Present Formula

<i>Fiscal Year</i>	<i>Districtwide EAVs</i>	<i>Town EAV</i>	<i>City % of Total</i>	<i>EMS Subsidies</i>	<i>Ver. Town Share</i>
2018	\$5,925,165,800	\$301,304,600	5.1%	\$957,624	\$48,697
2017	\$5,488,384,100	\$283,847,900	5.2%	\$981,648	\$50,769
2016	\$5,084,290,600	\$279,077,300	5.5%	\$929,690	\$51,034

Analysis of Impact on Fitchburg Created by Recent Change in Verona EAV Created by Termination of EPIC Health Tax Incremental Finance District 2016

This review found that the single factor formula used by the District to assess municipal subsidies to the operating budget has been shifting in the favor of both the City of Fitchburg and the Town of Verona because of the rapid growth in property values in the City of Verona caused mainly by the rapid growth of residential and commercial values spurred in large part by the expansion of the Epic Health systems campus. A look at DOR figures from 2016 and 2017 (Used to compute 2017 and 2018 Formula assessments respectively) reveals that while the City of Fitchburg’s EAV went up 4 percent in each of those years, the City of Verona’s increased 13 percent and 12 percent respectively for a total of 25 percent increase over its 2015 property value base. According to Verona’s financial reports, this is a \$575 million property valuation increase over a period from 2015-2017. Nearly 70 percent off the increase in real property values during this period was attributable to added value of the Epic buildings in the City/

The financial impacts of this shift have resulted in Fitchburg’s EMS contributions falling by \$18,365 compared to its FY 2016 subsidy even as the City of Verona’s has increased by \$48,634 over the same two years. This is about a 2 percent decrease in Fitchburg’s operating subsidy from 2016 and a 12.7% increase in Verona’s obligation over the same period.

How Would Fitchburg’s 2018 EMS Payment Fare Under a More Traditional Service Formula?

Other multi-jurisdictional Fire and EMS districts in Wisconsin have traditionally used more complex formula calculations to determine revenue contributions by their member municipalities. One traditional approach is employed by the Board governing the seven

community North Shore Fire and Emergency Services district in the greater Milwaukee Metro area#. This formula bases the following year percentage of each member municipality's contribution to balance the District's operating budget deficit on the following three criteria:

1. Thirty-three and 33/100 percent of the total budget contribution (less fees and run income) shall be shared among the municipalities in proportion to each municipality's percentage share of the total equalized valuation, excluding land, of all the municipalities, as determined by the State of Wisconsin for the prior year and as adjusted as hereafter provided.
2. Thirty-three and 33/100 percent of the total budget contribution shall be shared among the municipalities in proportion to each municipality's percentage share of the total population of all the municipalities (in the joint district) as determined by the State of Wisconsin for the prior year.
3. Thirty-three and 34/100 percent of the total budget contribution shall be shared among the municipalities in proportion to each municipality's percentage of total calls for EMS Services (within each corporation boundaries) for the prior three years of service averaged.

To understand how a switch to this three-part formula would impact all parties in Fiscal Year 2018, the following charts have been prepared according to municipality giving the three equally weighted factors from data for prior years 2016, and 2017 from data obtained from EMS budgets and relevant State/Federal Agencies:

Table E.4 City of Fitchburg % of Total Municipalities Under 3 Part Formula

Prior Yr. Data *City EAV % of All EAV's* *Population % of District EMS Runs* *City* % Runs** ***Blended Avg.***

2017	2.95 Mill.	49.9%	26,666	66.45%	1,906	67.6%	61.3%
2016	2.83 Mill.	51.6%	26,358	65.3%	1,798	65.6%	60.8%

***Based on average number & percentage of Fitchburg runs of all member runs over the prior three years**

#Source: City Village Service Mergers-Best Practices, Elsass and UW-Extension Local Government Center, 2003

Table E.5 Increase in Fitchburg EMS Payments in 2017 & 2018 If 3 Part Formula used

Fiscal Year Total Mun. Charges Fitch. Blend. Avg. New 3-Part Charge Current Charge Extra Payment

2018	\$957,624	61.3%	\$587,024	\$477,428	\$109,596
2017	\$981,648	60.8%	\$596,842	\$506,287	\$90,814

The analysis tells us that Fitchburg’s annual assessment for EMS operating assessments would be at least 11.4% percent higher in 2018 if it renegotiated a three-factor distribution formula in lieu of the current EMS District formula which is based solely on one factor-- the relative Equalized Assessed Valuation for each member as a proportion of the EAV for all three municipalities. The same can also be said to a lesser extent for any formula based on a combination of two factors, such as one predicated on Population of the members, plus their respective EAV’s; or one that combined average Prior Year(s) Calls for Service plus City EAV. However, adding either Population or Calls for Service, but not both to the annual payment calculations will make Fitchburg rates go up only approximately 50% higher than they would by blending both Population and Calls for Service with Current EAV formula as was done in the charts above. This is primarily because Fitchburg is likely to always be about double or slightly more the population of the City of Verona (See Section D City Growth projections). Additionally, ever since 2014, Fitchburg calls for residential and commercial ambulance response have accounted for 60-69% of the three jurisdictions’ calls combined. This trend is likely to continue rising over the next five years based on predicted growth in the north east corner of the City caused by planned growth and the addition of almost 1,800 Town of Madison residents in that quadrant starting in 2022 (*Please see Section D of this report*).

6. The Likely Exit Costs for Unilateral Withdrawal by Fitchburg

The three-party agreement currently in force has several very real barriers to either withdrawing or terminating the nearly 40-year contract by one of the cities. The following is a listing of these barriers:

- A. Section 6.02 of the Agreement states that any withdrawing community shall have no rights to the physical property assets of the District, and that upon withdrawal of one member, all property and (vehicle) assets must be liquidated, presumably at market value, and divided between any municipalities remaining in the District. This would include five vehicles and all equipment owned by Fitch-Rona.
- B. It also states that any Municipality choosing to withdraw from the district after one full fiscal year notice, will only be entitled to the book value of its equity in the district as determined by its percentage of municipal payment. The dollar amount of such equity payment then can be paid out over a five-year period, in equal installments, or as the remaining member or members, see fit, to the departing member(s).

- C. The entire District can only be terminated altogether if all three members approve the termination. This most likely would have to take place at either an annual or special meeting of the Commission. All such actions would probably need unanimous support of all voting members.

What the above constraints might mean financially to the City of Fitchburg are somewhat difficult to calculate due to the agreement's strange wording. First the City's equity in the district based on ongoing equity as determined by the 2017 Audit and the "unrestricted funds" designation in it would be about 50% (or 49.98 percent) times the ongoing total equity of all three of the municipalities. Based on Fitch-Rona's 2018 auditor's report, Fitchburg's equity in 2018 may amount to \$715,099. However, by distributing it back to Fitchburg in five annual installments, instead of in a lump sum, the City would only receive \$143,020 per year from 2020 to 2025. The agreement however, in Section 5.02 states, "Equity of Municipalities. Each municipality shall be deemed to have an equity interest in the assets of the District equal to the sum of its payments to be divided by the total payments to the District by the Municipalities."

The above definition of each member's Equity to be paid back after withdrawal is extremely vague and confusing to confound even the fiscal specialists who we interviewed for this review (For example, is the Equity owed computed based on payments during the last fiscal year, current book value of assets and cash reserves as determined by the District's auditing firm, or contributions over the entire 40-year, life-span of the District?) Our conclusion is that this issue will end up being resolved only through neutral third-party arbitration as laid out in the agreement, or possibly through other legal action unless the members agree to amicably resolve all such disputes in advance.

Also, if the City left the district entirely, it might be 100 percent responsible for providing new equipment and vehicles for its own EMS operations. Under some joint district agreements, Fitchburg would be eligible for nearly 50% of all capital assets upon its withdrawal, but not so under this agreement.

7. Deterrents to Fitchburg's or Other Municipalities' Withdrawals from the District

The three-party agreement currently enforced has several very real barriers to either withdrawing or terminating the nearly 40-year contract. The following is a summary of these barriers:

- a. *Section 6.02 of the Agreement states that any withdrawing community shall have no rights to the property assets of the District, and that upon withdrawal of one member, all property and (vehicle) assets must be liquidated, presumably at market value, and divided between any municipalities remaining in the district. This would include six vehicles (after January 2019) and all other equipment owned by Fitch-Rona.*

- b. *It also states that any Municipality choosing to withdraw from the district after one full fiscal year notice will only be entitled to the book value of its equity in the district as determined by its percentage of municipal payment. The dollar amount of such equity payment then can be paid out over a five-year period, in equal installments, or as the remaining member or members (See #6 above), see fit, to the departing member(s).*
- c. *The entire District can only be terminated altogether if all three members approve the termination.*

8. How Can the Agreement be Amended Without One or More Members Withdrawing?

Historically, the three parties, or at least a majority of them have made some changes in the agreement by either unanimous or at least majority approval. The last such revisions were made and adopted on October 15, 1998. This could be a blueprint again for negotiating an agreement whereby the Cities of Fitchburg and Verona could be granted more administrative and fiscal control of an expanding district that would have an opportunity to raise more money from other villages and towns in southern and central parts of Dane County. However, once again the language in the current agreement causes pause for how to proceed in submitting and approving an amended agreement for consideration by the Commission.

Section F: EVALUATION OF BUDGET AND FINANCIAL OPERATIONS OVERSIGHT

1. Fitch-Rona Budgeting Process and General Overview

The Fitch-Rona EMS and the Fitchburg Fire Department's budget-making and oversight processes are separate and thus have developed into quite dissimilar models over the last forty years. Both entities have two budgets: an annual operations budget to govern revenues and expenditures, and a capital budget to plan and pay for large permanent expenditures such as facilities, equipment and vehicle acquisitions over \$5,000 in value.

The Fire Department, being part of the City of Fitchburg, must develop its two budgets within the framework of the City of Fitchburg's budget review process established by both its executive (Mayor and Administration) and legislative (Finance Committee and full City Council) branches. Meanwhile the independent FREMS District creates budgets outside of City imposed constraints and is subject only to review by its nine-member appointed commission which contains both appointed elected and non-elected commission members. Budget documents and spending plans are largely formulated by the Chief of the EMS, states current Chief Patrick Anderson.

The City of Fitchburg does see the Fitch-Rona budget request before it is submitted to the Fitch-Rona Commission for debate and final adoption. However, traditionally the City Council does not get involved with amending or otherwise altering the operational priorities of the District. Instead, the Council tends to concentrate discussion and recommendations solely on the proposed revenue side of the ledger in general, and the municipal payment for the coming year in specific. Therefore, any analysis or fiscal projections for items such as wages, salaries, and other operating expenses is done entirely internally by District staff with no oversight or assistance requested of City professional fiscal staff.

Assessment of Fitch-Rona 2017 and 2018 Operating Budgets

The adopted FREMS operating budget for 2018 totals \$2,402,420 which represents a 2.8% growth over the 2017 budget of \$2,337,028. In 2017 the operating budget increased 8.9 percent over the 2016 adopted budget of \$2,146,315. These percentage increases in the FREMS operational budget compare to the growth in the Fitchburg Fire department's expenditure budget from 2017 to fiscal year 2018 which was approximately 6.3%. The total adopted 2018 Fire budget was \$2,936,599, or about 122 percent of the FREMS adopted amount.

Major areas of Fitch-Rona EMS operating budget expenses in the past two years are related to full-time and part time responders, and administrative staff wages, salaries and benefits. The entire spending on personnel related issues (Excluding workers compensation insurance and EMS medical director salary) constitutes about 80 percent of the adopted 2018 Fitch-Rona operating budget.

Table F.1 Fitch-Rona 2018 Personnel Budget

Line Item	2018 Adopted \$ Amount	Percentage of 2018 Budget
Salaries & Wages	\$1,067,545	44.4%
Scheduled Overtime*	232,542	9.7%
Unscheduled Overtime	87,946	3.7%
Social Security/Medicare	107,276	4.4%
WI Public Emp. Retirement	143,669	6.0%
Health & Dental Ins. (Employer)	286,966	11.9%
Income Continuation Ins.	2,400	.1%
Miscellaneous Benefits	3,400	.14%
Totals all Personnel Costs	\$1,931,744	80.04%

Table F.2 2018 Personnel Costs Fitchburg Fire

Line Item	2018 Adopted \$ Amount	Percentage of 2018 Budget
Salaries & Wages	\$1,073,142	36.5%
Overtime (Scheduled/Unsched.)	95,707	3.3%
Paid-on-Call Responders	564,546	19.2%
Interns	35,100	1.2%
Social Security/Medicare	136,200	4.6%
WI Pub. Employee Retirement	186,641	6.4%
Health & Dental Ins. (Employer)	277,191	9.4%
Longevity	7,245	.24%
Disability Insurance	5,887	.2%
Miscellaneous Benefits	6,785	.23%
Totals all Personnel Costs	\$2,388,444	81.4%

Major areas of Fitchburg Fire Department spending also relate to firefighters and supervisory staff wages, salaries and associated benefits as listed above. In 2018 the Fire Department plans on spending over 81 percent of its budget on these items.

The two areas of FREMS spending on personnel related items that stand out during this budget analysis are the categories of “Scheduled Overtime” and “Employer Share of Premiums for Health and Dental Insurance.” The issue with Scheduled Overtime is created by FREMS’ requirement under Federal FLSA to schedule Full-Time career staff on a 40 hour a week, rather than a 53 hour a week schedule used by both fire departments. This was first discussed in *Section B* of this report. In fiscal year 2017, the EMS District actual expenditures for this category totaled \$235,095, or over 12.5% of the District’s operating budget. In 2018, district administration is requesting \$2,553 less for this account despite a 2.95% increase in 2018

regular wages which translates into a 4.425% increase for all overtime this year based on the union contract. We cannot find any reason why this scheduled overtime would not *increase* by 4.425% or approximately \$10,400 this fiscal year or an estimated total per category of \$245,450. Savings incurred if the EMS was consolidated into one or both city fire departments and, all personnel were converted immediately to the 53 hours per seven-day, work week standard shift permitted for all personnel who had fire suppression certification under Provision 207K of the Fair Labor Standards Act *would be considerable. Our estimate for savings is that based on FREMS' 2017 actual Scheduled Overtime spending, the EMS operations would save between \$155,000 to \$171,000 on this account for routine, scheduled over-time based on a 53-hour work week for all full-time paramedics.* However, it is unlikely that all 14 positions would be converted immediately to dual fire and ALS paramedic status necessary to qualify for the exemption and, that this would only be achieved completely over a 5-10-year period through normal retirements, career choices, new hires and attrition. New hires could be required to hold both paramedic and firefighter certification, or if not holding such qualifications at time of hire, be required to obtain both within a set probationary period.

In *Section B*, we also discuss the differences in employer paid premiums for employee health and dental plans, wherein the District pays 95% of premiums for higher end plans for both employee health and dental coverage while the City of Fitchburg restricts its 95% payments to the lowest employee base plan offered by the state of Wisconsin (or Quartz UW-Health) plan currently provided to its full-time firefighters. This added cost to the taxpayer is reflected in the costs to the EMS district for its employee plans. While some of this difference reflects the different distribution of employees electing to have either the family, employee plus one, or single coverage offerings, the census data for 2017 is not that different between the career Fitchburg Fire Department and the EMS fulltime paramedics' employee elections. The net difference in Employer costs, however, is almost \$30,000 extra in 2018 for Fitch-Rona employer portions of premiums paid based on incompatible contract requirements on employee portions paid for dental and health insurance. *Renegotiating the 2019 or 2020 Union contracts for paramedics and career firefighters to place all career employees under the same category of Employer paid plans as other Fitchburg employees or accept higher Employee contributions, restricted to the lowest regional plans offered, for health and dental plans through the City of Fitchburg, should result in reducing employer health and dental costs for EMS and Firefighters eligible for combined City plans by \$22,000-30,000 in 2019 alone.*

2. How Do the Fitch-Rona EMS District's Revenues Compare to Peer Districts' Income in 2017?

Fitch-Rona is dependent on reimbursement of ambulance transport charges and response fees for the lion's share of its annual operating budget revenue that does not come from municipal payments of its three-member communities. In 2017 the District, through a third-party billing company, collected \$1,334,978, according to its final actual report. This constituted 55.6% of

all revenues necessary to balance its expenditure operating budget and 98.5% of all non-municipal subsidies. In its 2018 adopted budget the District anticipates collecting \$1,426,887, or a slightly higher 59.3% of all revenues from these sources.

Municipal subsidies paid from the tax levies of Fitchburg, City of Verona and Town of Verona made up 42% of the operating revenues of the FREMS for 2017 and are projected to make up almost 40 percent in the 2018 budget. To understand if the FREMS' Revenue income from all sources seemed reasonable, we examined three other Districts who returned complete figures on both total 2017 Revenues and actual Transport revenue income from billings. Summarized below are the results compared to Fitch-Rona ambulance or transport revenue 2017 fiscal years.

Table F.3 2017 Transport Income Compared to All Revenues in Comparable EMS Districts

<i>Stand-Alone or Comparable EMS Dept.</i>	2017 Revenues	Revenue from Transport	Percentage of All Revenues
Fitch-Rona	\$2,402,240	\$1,334,978	55.6%
Baraboo Area	\$3,185,872	\$2,525,726	79.3%
Sun Prairie	\$1,709,035	\$802,000	47.1%
Western Lakes Area	\$1,720,748	\$1,225,095	71.2%
AVERAGE			66.3%

Because the income from billing and collection of a district's ambulance fees is a critical part of its revenues, the consultants looked at the percentage of collections in other combined or stand-alone districts to determine if there might be any issues in collections peculiar to Fitch-Rona and its private collection company, Three Rivers Inc.

Table F.4 Ambulance Run Reimbursement from Private Pay & Third Parties in 2017

<i>District</i>	<i>Service Charges Billed</i>	<i>Charges Collected</i>	<i>Percentage Collected</i>
Fitch-Rona	\$2,753,234	\$1,334,978	48.5%
Baraboo	\$5,261,930	\$2,525,726	48.0%
Menominee Falls	\$1,983,283	\$960,887	48.4%
New Berlin	\$3,222,134	\$1,626,433	50.5%
Sun Prairie	\$1,820,000	\$802,000	44.4%
AVERAGES			48.0

Fitch-Rona's contract with Three Rivers states that the company shall retain 6% of all funds collected. This payment was \$85,613 in 2017 and the figure is consistent with actual collections

of \$1,334,978. Chief Myers has determined that the 6% of collections is reasonable and consistent with what other third-party collection companies such as Life Quest, which like Three Rivers, collects non-cash payments for Fire and EMS districts around the state of Wisconsin. As can be seen by chart F.4, the average collection rate on EMS billings for all insurance programs and private pays is 48% for the five districts surveyed. Fitch-Rona's 2017 collection percentage of billings is just a tick above the peer average at 48.5%.

In analyzing why such collections are slightly less than 50% of all charges for transport billed, we found that it is mostly a by-product of the extremely conservative rates permitted to be paid for clients who are either covered by the federal Medicaid or Medicare insurance programs, plus the high percentage of FREMS District residents who pay for EMS response through Medicaid & Medicare insurance. This theory was confirmed by Fitch-Rona Deputy Chief for Administration, Jeff Dostalek, who pointed out that patients transported by the District in 2017 included 18% individuals on Medicaid (low income) and 41.3% percent on Medicare (individuals 65 or over), while those on private insurance were only 24%, with paid in cash or hardship waivers making up the remainder of 14%. According to Dostalek, "We charge \$900 per district resident for response and transfer to a hospital, and \$1,100 for an out-of-district response, but the current rate for Medicare reimbursement for ALS paramedic services is limited to either \$417 or \$599, depending on the medications and level of services provided to the patient and, a Medicaid eligible individual can only be charged \$187 per response and transfer." This compares to private pay or private insurance reimbursement that is often much closer to 100% of full billing amounts. Since the Fitchburg side of the District has much higher demographics of both elderly and lower income families and individuals, *it appears that a stand-alone, Fitchburg only based EMS district might have more than 59% restricted Medicare or Medicaid payment clients, which would reduce the percentage of future transport revenue to off-set operating costs and the 48.5% now earned by the full Fitch-Rona District.*

4. Review of Fitch-Rona Cash Reserves

A review of the District's 2017 financial audit report conducted by Johnson-Block CPA firm indicates that as of December 31, 2017, FREMS had unrestricted cash reserves in its general fund of \$828,184. This compares to the adopted 2018 Operating Budget of \$2,402,420. This represents reserves equivalent to 34.5% of the budget. The stated goal of the district's agreement is to always have cash reserves equal to 20-25% of the operating budget. So, the current reserves are well above this universally accepted standard.

5. Assessment of Fitch-Rona Segregated Funds

There are seven segregated accounts in which the District maintains active fund balances. Several of these appear to be unnecessary because they correspond to operating budget line items, and not ongoing capital replacement projects or pension/benefits accruals (specifically Labor Negotiation funds, Medical Director Fees, and Bike Responder Program Revenues). Unspent amounts in these separate funds should be allowed to lapse at the end of each fiscal

year back into the general fund cash reserve. However, the amounts are all rather small and so this is not a material concern. The funds and each audited balance as of December 31, 2017 are as follows:

Assigned Fund Balances – Fitch-Rona Segregated Funds (\$)

Sick Time/Insurance	110,382.66
Labor Negotiations	8,000.00
Medical Director Fee	19,283.78
Ambulance	3,144.00
FAP Funds (Restricted)	15,498.45
Bike Responder Fund	1,438.39
Power Load System	1,460.05

All Segregated Funds - \$159,207.34

6. Evaluation of District Capital Planning & Budgeting Process

By its design the District’s annual Capital Improvement Plan (CIP) for 2018-2025 looks like a series of roller coaster tracks with large guaranteed increases in every odd year triggered by the “retirement” of one ambulance in its current four ambulance rotation and the purchase of a brand new, fully equipped replacement. In a typical even or off-year, the CIP falls to a much smaller figure when only items such as medical equipment and gurneys (striker cots) for transporting patients are purchased.

Under Wisconsin state law, quasi-public service districts (such as a stand-alone EMS district) cannot independently borrow money from financial institutions, nor can they sell notes or bonds on the public bond market. Only cities, villages or counties can issue debt instruments of 5-20 years to pay for the purchase of large vehicles, road improvements, or public structure construction. The subsequent debt service and interest payments for such large purchases can be “bundled” into a public offering that can be sold to individuals or large financial institutional investors. Because of such restrictions, the EMS commission must pay for the *entire cost* of purchasing a new ambulance, command vehicle or major medical equipment in the year in which the purchase is made. As result of having no borrowing capacity, the District then bills each member municipality for its share of the purchase cost as an add on to the municipal payment bill which each community’s taxpayers must pay from the local tax levy in one year rather than over a much longer period. An example of how this lack of FREMS’ capital borrowing can fluctuate and negatively impact municipal payments is the 2019 “estimate” of District large vehicle expenditures listed in the CIP in *Appendix K.4*.

The list price for a new ambulance is currently about \$367,000 and required Paramedic equipment for each ambulance an additional \$90,000 for a total cost of \$457,000. In 2019 FREMS administration will be proposing one new ambulance and an additional

new fly car (fully equipped smaller response vehicle) for the Fitchburg east side fire station at the confluence of South Syene and West Clayton Roads. These two vehicles would cost \$517,000 to \$547,000. If all new purchases, are requested and approved by the Commission, the total capital costs assessed to the City of Fitchburg for 2019 will be \$253,000 to \$268,000. The City would have to make this payment, along with its normal share of the operating budget assessment for 2019 in two equal cash installments in February and August of that year. Alternately, if a member City were contracted to oversee District finances, it could borrow on behalf of the District and spread principal and interest payments out over 10-20 years at current annual interest rates of 3.0-3.5%, just as it does for other departmental and other large city-wide capital spending projects. Amortized cost of Fitchburg's share of this borrowing would be just over \$20,000 a year on a 15-year bond or note.

Oversight of Spending Line Items -- In most public organizations, a Finance Director, Treasurer or Comptroller is required to independently act as a fiscal watchdog to monitor a department or division's adherence to stay within budgeted line item amounts as approved by the governing body. For example, the City of Fitchburg Finance Director notifies each department of potential overspending when its estimates show that individual items might exceed the budget by 5-10 percent. This permits the department to suspend controllable line item spending necessary to limit fiscal year spending to budgeted account limits, and/or return to the City Council to justify amending that account upwards to cover projected actual deficits. In interviewing Lon Schwartz, FREMS District Accountant and Deputy Chief for Administration Jeff Dostolak, it was learned that if a line item appears to be headed for 5-10 percent or higher above budget around mid-year (July 15), Schwartz would notify the EMS Chief either formally or informally of the situation. It is then entirely up to the Chief if any subsequent action is taken to address the potential overspending. We did not find indication that the District had any such overspending reporting requirement calling for advance notification from the Chief to either its finance committee or the full Commission when such limits were reached. There also were no Commission guidelines requiring the Chief to either suspend spending in such accounts and/or, amend the operating budget by transferring surplus funds from other line items to address the estimated overage.

7. Other Financial Practices and Procedures

Annual Audit:

The annual audit of all District accounts and funds is conducted by the private Certified Public Accounting firm of Johnson-Block CPAs. In 2017 the District paid the firm \$12,250 for its services. The firm also makes recommendations for certain accounting and financial practices through a management letter. If the EMS were a department of a city such as Fitchburg or

Verona, the auditors would add only an increment to their normal charge for auditing all City department books to perform these functions for EMS. The Auditors did not mention any material issues with Fitch-Rona's practices or fund balances in 2017.

Handling of Payroll & Accounts Payable and Receivable:

Lonn Schwartz, accountant for the FREMS District, is the official, part-time bookkeeper for FREMS. He works 16 hours a week and receives annual pay of approximately \$16,000 based on an hourly rate of \$18.92. The position pays all District bills and is responsible for generating initial bills for all services other than ambulance charges and response fees which are handled by a contracted third party. The accountant also certifies the bi-weekly pay-roll after review by shift commanders and Chief Anderson. Payroll checks are generated by Paycheck Inc., and not by in-house administration. The part-time accountant also is responsible for the investment of assets of all seven reserve funds, non-restricted assets, including those of the General Fund. According to the 2017 District annual audit, the total funds eligible for investment as of December 31, 2017 was \$583,000.

Insurance Expenses:

The primary insurance costs for the Fitch-Rona EMS District starting from highest to lowest are: Employee Health Insurance coverage, Workers Compensation plan for its paramedics, Dental Insurance supplemental, and Property, Auto, and General Liability insurance. The approximate amounts budgeted for each of these categories in 2018 according to District administration are as follows:

- a. Employee Health Insurance Premiums @ 95% of Group Health Cooperative (HMO) – \$269,478
 - b. Worker's Compensation – \$54,455
 - c. Employee Dental Insurance -- \$17,488
 - d. Property, Auto and General Liability Insurance - \$16,545
- Totals for Insurance Items -- \$358,466 or
15% of Operating Budget***

This compares to the equivalent insurance costs for the City of Fitchburg Fire Department:

- a. Employee Health Insurance Premiums @ 95% of UW-Health Quartz -- \$260,251
 - b. Worker's Compensation -- \$ 53,400
 - c. Employee Dental Insurance -- \$16,940
 - d. Property, Auto and General Liability Insurance – \$31,505
- Totals for Insurance Items -- \$362,096 or
12.4% of Operating Budget***

8. Procurement Practices

In most public organizations, such as the City of Fitchburg, local ordinances require that vehicles and equipment over \$25,000 must be publicly advertised and subject to open bidding by all qualified manufacturers or wholesalers to encourage competition in pricing and service. Examples of such large purchase items would include ambulances, fire trucks, turn-out gear, uniforms, command SUVs, etc. State law also pertains to contracts for employee benefits for services and for large insurance and financial processing contracts with private firms. However, the EMS district does not need to follow these State or local guidelines or procedures for insuring the highest quality equipment at the lowest pricing. FREMS Deputy Chief Dostalek states that his organization regularly purchases customized ambulances through the North Central Emergency Vehicles dealership in Lester Prairie, Minnesota. While North Central does stock four of the most recognized ambulance models, as well as quality used vehicles, FREMS has not recently put out a regional, formal request for bids with its specifications. To achieve more competitive bids in the future, it is necessary to test periodically the market among multiple dealers throughout the region. It was discovered that FREMS always buys new vehicles directly from this dealer because, according to Dostalek, when you run an EMS ambulance 24-7 for 3-5 years, they are pretty much burned out after 150,000 miles. Chief Patrick Anderson also maintains after that many miles, “they (ambulances) are only worth \$4-5,000 in trade-in, so we are pretty much paying full MSRP for new replacements.” They both also reason that they have used North Central over the years for all ambulance purchases and they are comfortable that they are getting customized equipment at the best prices.

The organization does use the State of Wisconsin blanket contract computer system which assures centralized, and multiple quotes for command or “fly-cars” through competitive bidding on a state-wide basis. This gives a certain level of assurance that these smaller vehicle purchases are going through some competitive process outside of sole source bidding with only one dealership. Other equipment such as mobile beds, defibrillators, oxygen masks, etc. are also ordered exclusively through one medical supply company which does not necessarily ensure best prices at lowest cost to the municipalities and their taxpayers.

The District does obtain its insurance contracts for property, auto/vehicle, general liability, and workers compensation through an independent insurance broker, Hausmann-Johnson Company of Madison, which seeks to find the best priced individual policies in the private market. This contrasts with the City of Fitchburg purchase policies which require the City to market all its insurance coverage every 2-3 years through competitive bidding and open advertising through regional newspapers and on its web-site.

9. Other Financial Considerations

a. Charges for Leased Space in District Fire Stations

FREMS last paid City of Fitchburg in 2014, \$4,234 for administrative space rental in the old Fitchburg Fire Station #2 on King James Road. After its headquarters moved in 2015, FREMS pays City of Verona \$7,125 each year for the District’s administrative offices (4) and a conference room. Historically, the EMS district pays nothing for lease of bays, lockers, staff & intern living quarters, and equipment storage spaces in fire stations it occupies in each City. These gratis contributions by Fitchburg and Verona are not recognized as off-sets to municipal payments in the current tri-partite agreement.

b. Budgeted amounts for contracted items in Fire and EMS budgets

The following are a comparison of 2018 budgeted costs for both FREMS and the larger Fitchburg Fire Department’s operational costs:

	<u>FREMS</u>	<u>Fitchburg Fire</u>
-IT & other Computer support arrangements --	\$16,075	\$11,200*
-Charges for radio & dispatch equipment --	\$8,470	\$11,000
-Telephones (Includes mobile phones, pagers, etc.) --	\$12,650	\$ 9,250
<u>-Centralized pay-roll and Year-End Wage Reporting --</u>	<u>\$4,650</u>	<u>\$8,125</u>
TOTALS:	\$41,850	\$39,575

**Does not include capital improvements to overall City IT network which was an additional \$104,145 assessment to Fire Department in 2018, some of which benefitted EMS operations at Fire Station #2*

10. Rationale for Appointment of Revolving Outside Fiscal Agent for District

As stated above, the District has been fortunate, that a retired CEO with the accounting and other financial background of Mr. Schwartz has been available to shepherd the District along and keep the FREMS books in good shape on an extremely part-time basis (16 hours a week average). However, even without Schwartz’s recent retirement, we believe that because of economy of scales and the inherent advantage of EMS being part of centralized functions only available in larger citywide operations such as consolidated purchasing and payroll, we would be recommending creation of such a position for the District in any case.

Placing such duties under either a city Fire Department or central Finance Department would save the estimated amounts in fiscal year 2019:

- Wages part time FREMS Accountant New Hire -- \$18-20,000 based on 16 hours a week or 840 per year @ \$19.00 an hour
- FICA Employer payments @ 7.65% on above wages -- \$1,454
- End of contract for separate bi-weekly payroll check services w/Pay Check Inc. -- \$1,640
- Elimination of annual independent audit contract -- \$12,650

Total Estimated Savings for Discontinuing EMS-based Accounting & Contracted Services - \$34,775

a. Example of a Centralized Fiscal Agent for a Joint Service District

As an example of a municipal based fiscal agent position, one could point to the initial agreement among seven municipalities to create a financial agent for the North Shore Fire/EMS District in 1995. Under the arrangement the Village of Brown Deer's Finance Department was initially chosen to perform the essential financial duties listed below:

Duties of the fiscal agent shall include, but not be limited to:

- Maintaining EMS financial records
- ***Receiving and disbursing funds***
- ***Providing payroll administration***
- ***Administering insurance program***
- ***Other duties as assigned****

In 2002 the members of the North Shore District felt they were large enough to hire a full-time business manager for the district for Fire and EMS activities. Consequently, those duties were taken back from the Village of Brown Deer finance department which had been the fiscal agent since the inception of the combined district in 1995.

Another example of a stand-alone district to which Fitchburg already belongs, and which has a municipal finance officer as its fiscal agent, is the Multi-Jurisdictional Public Safety Information System. The MPSIS is a joint effort to provide common records management, dispatch, and location services for and between their individual municipal police and fire departments and includes the Cities of Fitchburg, Middleton, and Sun Prairie. Under its intergovernmental agreement, the City of Sun Prairie's finance office handles most budgeting, purchasing and accounting processes for the consortium. For its part, City of Fitchburg Finance Department is responsible for all wage and hours reporting. Misty Dodge reports that these arrangements have worked well for all members and their employees.

In addition to the items listed above, a rotating Fiscal Agent could also advise Mayors/Councils or the District Commission on revenue and expenditure line item status throughout the fiscal year and could be part of the budget making and collective bargaining negotiation processes from beginning to completion.

The major problem with the FREMS capital borrowing fluctuations and inability to borrow could be addressed by having the host City include regular major equipment and vehicle purposes for EMS in its ongoing Capital Improvement borrowing packages with other city departments' capital borrowing requests. This would eliminate the need for member municipalities placing such expenditures directly on annual property tax levies when their portion of a Fitch-Rona large vehicle purchase is not high enough to meet individual city borrowing thresholds. Then that City could get optimum interest rates and spread the impact of the borrowing over 10-20 years. This would accrue benefits to all members of the District and to their respective property tax payers.

b. Can an administrative fee be assessed to other members or against outside contracting entities for financial services?

Some joint districts assess fees on other members to cover fiscal agent costs associated with book-keeping, budgeting, borrowing and collective bargaining activities benefiting the entire district. These fees can be based on actual, documented costs, or can be a flat percentage of all annual municipal payments for the prior year. As an example, if the City whose employees serve as a fiscal agent for FREMS was paid 2 to 3 percent of the 2017 municipal payments (\$981,649), this would mean administrative fees paid by all members in proportion to their assessed equalized valuation of \$19,632-29,483 in 2018 to cover costs of fiscal agent activities. Some of this money could come from money saved the District by not replacing its retiring, part-time accountant, and other contracted financial services.

11. Conclusions and Recommendations Section F

Regardless of what options the City of Fitchburg should pursue for the future organization of its EMS services (**see Section J**), the Consultants strongly recommend that ***all municipal members of the present Fitch-Rona district amend the agreement as soon as feasible in 2018 to appoint an outside Fiscal Agent on behalf of all three municipalities to conduct many of the key financial and budget oversight duties mentioned above on behalf of the District.*** Ideally this position would fall to a professional Finance Director and Finance Department of one of the two Cities in the compact. It might also be partially absorbed by adding more part-time hours to business managers' positions at either Fitchburg or Verona fire departments.

****City and Village Service Mergers: Best Practices, Dan Elsass, UW Extension, 2003.***

Section G. Summary of Survey of Other Peer Districts and Fire/EMS Departments and Best Practices Gained from State and National Trends Related to EMS delivery.

Eight EMS and Fire/EMS Departments responded to a request to participate in our peer district survey. We found that not all Departments collected or tracked the data that was requested. Baraboo and Sun Prairie EMS are standalone municipal EMS ambulance transport departments similar to Fitch-Rona EMS. Germantown, Western Lakes, Menomonee Falls, South Area District, New Berlin and Pewaukee are departments that provide both Fire and EMS ambulance service. These combination departments are staffed with a blend of fulltime, part-time and volunteer personnel as are the standalone EMS ambulance transport departments.

1. Baraboo EMS
2. Sun Prairie EMS
3. Germantown Fire Department (Fire-Based EMS)
4. Western Lakes Fire and EMS (Fire-Based EMS)
5. Menomonee Falls Fire Department (Fire-Based EMS)
6. South Area District Fire and EMS (Weston-Kronenwetter)
7. New Berlin Fire Department (Fire-Based EMS)
8. Pewaukee Fire Department (Fire-Based EMS)

Demographic information of Departments surveyed.

Community	Population	Square Miles	Services Provided	Full Time	Part Time	Paid on Call	EMS Level Provided	Stations	Staffed Ambulances
Fitch-Rona EMS	41,710	71	EMS	14	7	1	Paramedic	2	2
Sun Prairie	35,000	47	EMS	?	?	N/A	Paramedic	2	2
Baraboo EMS	17,808	172	EMS	33	20	N/A	Paramedic	2	2
New Berlin	41,000	37	Fire/EMS	33	25-30	N/A	Paramedic	4	4
Pewaukee	21,900	26	Fire/EMS	38	23	N/A	Paramedic	2	2
Germantown	20000	35	Fire/EMS	11	N/A	27	A-EMT	2	2
Menomonee Falls	37,226	37	Fire/EMS	20	80	N/A	Paramedic	5	5
South Area Fire District	35,000	315	Fire/EMS	11	45-55	N/A	Paramedic	2	2
Western Lakes (Started Service in 2018)	34,211	159	Fire/EMS	10	?	?	Paramedic	4	4

**Please note that Western Lakes Fire and EMS started in 2018. The data came from the consolidation study document.*

EMS calls for service and response times, if provided.

Community	EMS Calls 2016	EMS Calls 2017	Average Response in Minutes EMS Times 2016	Average Response EMS Times 2017
Fitch-Rona EMS	2894	3109	5.15 - 13.15	4.55 - 12.05
Sun Prairie/Town of Bristol EMS	2467	2721	6.33	6.33
Baraboo EMS	4096	4444		
City of New Berlin	3065	3707	5.73	5.86
City/Village of Pewaukee	1675	1743	9.20 Fractal 90%	8.25 Fractal 90%
Village of Germantown	1247	1872		
Village of Menomonee Falls/Lannon	2708	3061		
South Area Fire District	2400	2735	6.14 - 17.45	6.34 - 14.32
Western Lakes (Started Service in 2018)				

A Listing of budgets and ambulance transport revenues

Community	2016 Approved Budget	2016 Ambulance Transport Revenue	2016 Ambulance Total Billed	2017 Approved Budget	2017 Ambulance Transport Revenue	2017 Ambulance Total Billed
Fitch-Rona EMS	2,268,418	931,649	2,510,613	2,352,012	1,235,545	2,753,234
Sun Prairie/Town of Bristol EMS	1,385,559			1,709,035	800,000	1,820,000
Baraboo EMS	3,118,118	2,506,152	5,221,150	3,185,872	2,525,726	\$5,261,930
City of New Berlin	4,169,625	1,049,044		4,470,728	1,626,433	3,222,134
City/Village of Pewaukee	3,882,406	489,041		4,078,164	429,096	
Village of Germantown	1,900,528	488,808		1,889,587	496,963	
Village of Menomonee Falls/Lannon	3,862,560	940,578	1,642,252	4,356,051	960,887	1,983,283
South Area Fire District	2,169,507			2,355,344		
Western Lakes (Started Service in 2018)				1,720,748	1,225,095	

The survey found that there are numerous proven models to provide EMS ambulance transport to communities. New Berlin and Germantown Fire Departments provide services to only their communities. Pewaukee and Menomonee Falls Fire Departments both contract with other municipalities with whom they border. South Area Fire and EMS District provides Fire and EMS service to Town of Stettin, Town of Weston, Town of Marathon, Town of Rib Mountain and the Village of Weston and, contract EMS services to the Town of Guenther, Town of Ringle, Town of Easton, and the Village of Kronenwetter. Western Lakes Fire and EMS consolidation includes the City of Oconomowoc, Town of Ottawa and the Villages of Summit and Dousman. Western Lakes also provides EMS ambulance transport under contract to several other communities.

The stand-alone EMS ambulance transport agencies of Baraboo and Sun Prairie provide contract EMS ambulance transport under contract to other communities. Sun Prairie EMS provides services to the Town of Bristol. Baraboo EMS provides services to City of Baraboo, Village of West Baraboo, Town of Baraboo, Town of Excelsior, Town of Fairfield, Town of Greenfield, and the Town of Sumpter.

According to the Wisconsin EMS Association website, "There is no single way to deliver EMS services and one model has not found to be inherently better than the other". The International Association for Fire Chiefs supports fire-based EMS service delivery as its preferred model. In their 2009 position statement, *Fire-based Emergency Medical Services* they cite many possible advantages for fire-based EMS.

"The model where fire departments use cross-trained/multi-role firefighters for EMS first response and ambulance transport has many unique and distinct advantages over other models. These include:

- Continuity of patient care between first responders and ambulance personnel who are part of the same organization
- Continuity of administration
- Continuity of the same medical training
- Continuity of the same medical equipment
- Continuity of Standardized Operating Procedures
- Continuity of Medical Direction
- Unity of Command
- Ability to deliver medical care while performing specialized rescue in such cases as auto extrication, marine rescue, high-angle rescue, collapse rescue environments, and hazardous material events.

There is also economy of scale savings when using firefighters in a cross-trained/multi-role EMS function.

Because of the 207(k) exemption of the Fair Labor Standard Act, firefighters can work up to 212 hours in a 28-day work period (53 hours per week) before being paid overtime (*See Sections B and F for more discussion on this item*). Non-firefighters must be paid overtime for any hours worked over 40 hours.

Other economy of scale savings are realized when EMS first response and EMS ambulance transport are combined into one organization through the elimination of duplicate functions such as administration, training, and support functions.

Another advantage of a fire-based EMS model is that a firefighter is trained in multiple disciplines. Thus, a single person performs multiple functions as opposed to hiring one person to perform only a single function, and perhaps, stand by when that specialty is not needed at that incident. Firefighters, besides being trained to handle fires and medical emergencies, can also mitigate hazardous material events, perform technical and complicated rescues, and perform fire prevention and education services."

Some communities choose to contract EMS ambulance transport services with private ambulance providers. Several disadvantages of this approach are that chain of command is lost and quality of service may suffer because of the need for profit margins by private providers.

We would like to note that stand-alone EMS ambulance transport services such as Fitch-Rona, Baraboo and Sun Prairie provide high-level quality care to the communities they serve. As part of the study we are offering alternative delivery options. An example of the level of service provided can be found in the June 12, 2017 article in the Capital Times titled, "Dane County's Cardiac Arrest Survival, Bystander CPR Rates Well Above National Average," by David Walberg. "In 2016, 39.6 percent of people in the County who had the kind of cardiac arrest most likely to respond to emergency measures survived, compared to the national average of 33.9 percent. Among cardiac arrests in which bystanders could try resuscitation, 45.8 percent did [survive], compared to 39.9 percent nationally."

In summary when one looks at Wisconsin's approximately 425 emergency medical services authorized to provide ambulance service we find many different models. In Section J we are offering options for the City Fitchburg regarding providing the highest level of EMS ambulance service delivery at the fastest life-saving response times throughout all municipal sectors over the next 5-25 years.

Section H: INTERVIEWS AND SURVEYS WITH CURRENT EMS AND FIRE PROFESSIONALS

In order to explore the duties of positions of those who currently provide both emergency medical services and fire suppression and related services to the people of Fitchburg and its neighbors, the consultants surveyed and did follow-up interviews with most of the professional staff in both organizations. Specifically, over a two-month period we did the following:

- Conducted an electronic survey of all 14 full-time ALS paramedics in the Fitch-Rona EMS operations—This resulted in 12 completed responses or 86% of those surveyed. (A summary of survey results from this group is provided in Item II below and in Appendix K-6.
- Followed up with face-to-face interviews with 50% of those responding paramedics, including two lieutenants, to clarify points that might not have come through in the survey and to accept additional information and opinions relevant to this study
- Interviewed Fitch-Rona EMS Chief Patrick Anderson, Deputy Chief Jeff Dostalek, and Business Manager/Accountant Lon Schwartz
- Surveyed in person six of 12 full-time career Fitchburg Firefighters/Inspectors, including two lieutenants (A summary of these surveys is contained in Item III below, and in Appendix K-7
- Interviewed Verona Fire Department Chief Joseph Giver
- Interviewed Fitchburg Fire Department Chief Joe Pulvermacher, Deputy Chief Chad Grossen, and Fire Department Business Manager, Meredith Shelton

We were particularly grateful for the courtesy and candidness accorded to us by the professional staff and administration in both organizations. Their feedback contributed to some of the recommendations provided throughout this report and helped correct some of our unwarranted assumptions.

Summary of Backgrounds and Attitudes of Fitch-Rona EMS District Paramedics

Our assessment is that based on their backgrounds and professed professionalism, the current paramedics at FREMS are a very stable, dedicated, highly-trained group who continue to serve the District well as the current calls for response load rise an average of 6.3% each year over the last four years. In 2017 then EMS Chief Myrland stated that the average full-time paramedic had served the District 12.3 years. This is confirmed somewhat by our survey which showed an average time spent in district service for all but two incumbents is 11.5 years. Even more impressive is that the average was 18.3 years working for any EMS organization, including Fitchburg!

When asked what the employee liked best about working for Fitch-Rona EMS District in particular, the most popular responses were:

“I like the diversity of the population I respond to including urban, rural, apartments, and minority populations.”

“I enjoy working with fellow professionals who are always learning the latest techniques in advanced life support skills”

“I like being given the freedom to try different ideas such as the bike responder program, serving at community festivals, preventive home visitations to the elderly, etc.”

“I chose Fitch-Rona because it is a stand-alone EMS operation and I just want to concentrate on Medical response and not firefighting.”

Despite the last comment(s), a high percentage of the 12 respondents among the paramedics either currently have Firefighter I or II certification or have had previous experience working as Wisconsin firefighters or interns. Eight or 66.7 percent fall into this category. Also four of the 12 have served previously as a paramedic or EMT in a combination Fire/EMS department or district. Additionally, one paramedic also serves as a part-time firefighter in a neighboring fire district and another employee told us in a confidential interview that he/she, “believe it would be of interest to me and a benefit to my long-term career goals to eventually get into a combination fire/ems district and get cross-trained as a firefighter.”

When queried about what each disliked most about their current working conditions or position, most were satisfied with the District as an employer and their work schedules, but the most repeated statements went like this:

“I am most fed up with the constant threats to the EMS District and my job by the City of Fitchburg elected officials.”

“We are getting stretched too thin in responding to the east side of the District (i.e. east Fitchburg) and to rural areas—We need a third ambulance.”

“Every 3-5 years we get another study like this that disrupts the morale of our organization and stresses us out!”

Paramedics Rate Fitch-Rona Procedures, Equipment and Patient Care

We asked the paramedics to give a score of between 1-5 for various items and procedures at Fitch-Rona, with 1 being the lowest and 5 being the highest. Here were the average scores given by the 12 responding and reasons why items didn’t get a “5” rating:

- 1.) Fitch-Rona Equipment and Facilities – 4.75 (Several said would give a 5, but need 3rd ambulance in Fitchburg)
- 2.) Response to Calls for Service – 4.0 (Six said too slow response times to rural areas caused by lack of ambulance nearby)
- 3.) Patient Care – 5.0
- 4.) Training of Medical Staff – 4.85
- 5.) District Officers and Command Structure – 5.0
- 6.) Reporting Duties after Runs – 4.85
- 7.) Assistance in Gaining and Maintaining Certification – 5.0

Gaging Support for Various Models of Future EMS Delivery in the Area

The 12 Paramedics were asked to rate six different options for reconfiguring future EMS response to areas surrounding Fitchburg and Verona (The rating of these options was different in that the top choice

was given 1 and the lowest preferred option could be given a 6. Respondents were encouraged to rate the options in rank order of preference).

Perhaps, not surprisingly the top choice; with a perfect 1.0 score, was Option A -- *Keeping the status quo with Fitch-Rona remaining as a stand-alone District within the same service boundaries that currently exist*. The two options that drew the least support were:

C. *Disband the District and let the Cities of Fitchburg and Verona separately incorporate their current allocation of EMS staff, equipment and facilities into their own Fire Departments as combined organizations – 5.42 Avg. Score*

D. *Disband the current District and create a new combined EMS district administered by both Cities, but as a separate EMS organization, with EMS staff considered employees of each City related to the specific City fire station to which they were initially assigned. The current EMS Chief and administrative staff would be considered employees of the City and fire station to which they were situated (now Verona) – 5.25*

Two other re-configuration proposals did enjoy a smattering of support from about half of the participants in the survey.

B. *Dissolving the EMS district in 2020 and re-incorporating it as an independent district composed solely of the cities of Fitchburg and Verona, which would then be free to contract with neighboring towns interested in having it provide service to their municipalities at a negotiated annual fee – 3.75 Avg.*

E. *Expand the Fitch-Rona District as part of a new mega South Dane County EMS District, potentially including Fitchburg, Verona, Oregon, McFarland, plus many smaller towns and villages – 3.25*

F. *Respondents were asked for their own proposals. Here six of twelve suggested alternative re-organization or merger proposals. The most popular (4) was separately merging the Verona and Fitchburg Fire Departments, and or creating a larger regional or even County-wide EMS District (5).*

Finally, all 12 paramedics were asked about their biggest concerns about potential mergers or re-configurations involving FREMS and Fitchburg and or Verona Fire Departments. Again, they were asked to rate each issue they might have with consolidation or potential structuring of EMS service (included one open-ended area of concern) on a scale of 1-6, with 1 being a major concern, and 6 being of no concern. The top two concerns by overwhelming margins were:

**Losing my job as part of the new re-organization – 1.25*

**Having to assume duties other than emergency medical response and transport – 2.64*

III. Results of Interviews with Fitchburg Career Firefighters

In confidential and anonymous interviews with 7 of 13 career fire responders below the rank of Chief, we discovered a similar group of loyal, long term, stable professionals with a wealth of training and experience in latest techniques of fire suppression. Of the seven, Years of Employment w/

Fitchburg Fire Department Avg. 18.7 and average total years of Career or Paid on Call Avg. 23.4. At least two of those interviewed said that they had received offers to become senior officers in other area departments and yet had declined them to remain in lower ranked positions in Fitchburg.

As a professional firefighter with the City of Fitchburg what do you like best about working in this department?

-Many like the variety of calls in the City, including working with multi-family apartments, commercial, light industry, rural dwellings and single residences.

--"Small town atmosphere, with growing urban fire suppression, safety and EMS issues"

--(3) Mentioned that they are encouraged by Chief and City to take on additional responsibilities. Specifically, one firefighter was appointed by last Mayor to be on the Fire Station #3 planning and design committee.

-“There are enough Fire calls (over 500 in 2017) and biennial inspections of commercial, manufacturing and over 4,500 multi-family units to keep us busy all the time.

What do you like least about your duties and working conditions?

(4) Increasingly low turn-out by Paid-on-Call staff, especially in harsh weather, on weekends, and on holidays.

One commented, we had two recent fire events one at 4 P.M. on Saturday and another one at 2 A.M. on a Sunday, and only two POC responders came and the rest of the crews were career people on overtime. Another firefighter said, “I worked over 500 hours unscheduled over time in 2017, and already have almost 300 hours accumulated by April 29 in 2018. We need more full-time salaried employees because Fitchburg is growing fast.

Have you ever served as an EMT or Paramedic in either a stand-alone EMS District or in a combined Fire and EMS organization?

Yes, all. Average 19 years as EMT Basic or higher.

Do you currently have any licensure as an EMT or Paramedic?

Yes, all career Fitchburg fire fighters are required to be trained (by Fitch-Rona paramedics) and to maintain at least EMT-Basic licensure. Two still have EMT-Advanced standing.

How well do you think you work on a day-to-day basis with Fitch-Rona personnel within the Station you are regularly assigned in Fitchburg (Please rate on a scale of 1-5, with 1 best and 5 worst situation)? **1.3 average**

How well do you work with FREMS paramedics in cases of fire, accidents or other emergencies in Fitchburg (Please rate on a scale of 1-5)? **1.15 avg.**

One scenario we have been asked to examine is the impact of consolidating EMS and Fire Services under a unified Fitchburg Fire and EMS department Supervisory and Command structure. Do you have an opinion on whether this would be a beneficial thing or a concern as relates to:

- A. The delivery of fire services for City residents - **1.6 avg.**
- B. The sharing of resources such as funds, facilities, and equipment - **1.3 avg.**
- C. Communication between the two services - **1.4 avg.**
- D. Your future as a Career Fire Fighter with the City - **1.0 avg.**

General Comments:

- A. “Responses for both Fire and EMS should be faster under a combined department—If EMS gets to a fire location first, they could clear and turn-on hydrants to be ready for the first trucks. Then if Fire trucks have EMS equipment on board and training, they could clear tracheas, resuscitate victims, start defibrillators, etc. in anticipation of the ambulance. It’s a win-win.”
- D. Several respondents said that they had zero concern about a merger of Fire and EMS on their personal careers. One said that cross-training paramedics and firefighters could address the critical need for more full-time career staff in both departments.

What would be your attitude if the City did incorporate EMS services into its Fire Department and proposed in future years to gradually phase-in cross-training of Firefighters to also become paramedics or licensed EMT?

In general, five employees said this (cross-training) is a good idea, but I am too old and don’t want to devote 1-3 years to go back to school to become an ALS Paramedic. Almost all interviewees felt that cross-training new hires would be a good idea.

One younger FF/Inspector was interested in working in a combination Fire Service and Advanced Life support unit as a Firefighter/Paramedic. The person said in fact, they might leave Fitchburg Fire in a few years if they could get into an area combo department.

III. Interviews with Chief Patrick Anderson and Deputy Chief Jeff Dostalek

Prior to being promoted to Chief of Emergency Medical Services in January of 2018, Patrick Anderson had been first a Limited-Term paramedic with FREMS while teaching full-time at Madison Technical College and, then elevated to one of the two Deputy chief positions created in 2016 by former Chief Myrland. Anderson did not have many observations regarding the future of the Fitch-Rona District other than to say that he hoped it could remain a unified and independent enterprise. He is particularly proud of the level of life support services provided (ALS) and the high degree of medical training the paramedics receive through the University of Wisconsin Hospital consortium. He also has high praise for the District's Medical Director services overseen by Dr. Mancera. He states that the Medical Director or his staff is available 24-7 to consult on difficult cases in the field. Also, Mancera drops in to the FREMS training sessions once a month to interact with the trainees. Wisconsin state law requires that the District must contract with a certified Medical Director to oversee medical operations. FREMS budgets \$33,000 a year for this service in 2018.

Anderson expressed concern about the impact of assuming responsibility for additional EMS response for two sections of the Town of Madison that are scheduled to be absorbed by the City of Fitchburg on January 1, 2022. He estimates that the new areas annexed to the City will generate an average 300 more calls for ambulances per year. He does not "want to play catch-up" and is already planning for how to address this 10% boost in calls. In 2019 he is requesting two new ambulances, one to be in Fitchburg Fire Station #3 and one to be used as a second back-up for all three front-line. He estimates that each new vehicle will cost \$487,000 fully equipped. His other interview responses are spread throughout this report.

The Deputy Director for Administration of the District is Jeff Dostalek, a veteran of both Fitch-Rona and Cottage Grove EMS operations, who works with Lieutenant Sara Imhoff to verify billings after runs are completed each day. He codes each fee for transport and medical treatments administered by responding paramedics and then sends the amounts immediately to the third-party billing firm, Three Rivers. Dostalek confirmed what the District pays for Property, Auto, General Liability, and Workers Compensation insurance. More discussion on these items, along with other administrative issues and Dostalek's responses to them are contained in Section F.

IV. Summary of Interview with Fitchburg Fire Chief Joseph Pulvermacher

Chief Pulvermacher states that Fitch-Rona EMS provides quality advanced life support treatment. Fitchburg Fire and Fitch-Rona EMS work well together on emergency incidents. Fitchburg officials would like to know if what they are doing for EMS delivery is the best option.

There is concern about the makeup of the Fitch-Rona Commission Members per the agreement and the one vote for each community on major policy and budget issues. The Town of Verona contribution being only 4.4% of the Fitch-Rona EMS budget.

Are there better options for funding EMS? The current formula is equalized value only.

If the City of Fitchburg chooses to make a change what would be the cost impact?

Incorporating Fitch-Rona EMS into the Fire Department would eliminate redundancies and lead to potential cost saving. Economies of scale would be available by leveraging City services such as Finance, Legal, Human Resources and Administration.

The City does not receive much State Department of Health Service Funding Assistance Program (FAP) for training and equipping its FF-EMT's (*Editor's Note: It received \$2,000 through FREMS portion in 2018*). It would be eligible for more funds if transporting EMS personnel and vehicles were part of its operations.

Response times are a concern. Opening and staffing the east side Fitchburg Fire/EMS station should equalize response time for the northern portions of the community. The Fire/EMS station locations serve the most populated areas of the City well. Additionally, the City should consider development of Fire and EMS response time objectives. This would lead into a long-term location study for future Fire and EMS stations based on planned City development.

The Fire Department currently provides emergency medical first responder. They are licensed at the EMT Basic level under Fitch-Rona EMS. Fitchburg Fire Department does not hold a State of Wisconsin ambulance transport license. If the City chooses to have a license they will need to apply for one as an ambulance service provider with Wisconsin Emergency Medical Services Section. Department Health of Services (DHS) Administrative Rule 110.35 requires a feasibility study, development of an operational plan, having a Medical Director, developing protocols and having trained personnel, are a few of the requirements.

Chief Pulvermacher is concerned about the lack of integration at the station. Fire station culture is different than other City Departments. Firefighters clean and maintain their stations, equipment and apparatus. It is team culture both in the station and on the emergency incident. The concern is the lack of participation by Fitch-Rona EMS in the station. Participating in maintaining the station by all those that live in it is important. Routines such as cleaning the living area and the apparatus bay should be an all hands-on deck function. Having two different agencies in a station that don't work together on the routine daily function causes a level of animosity.

City of Fitchburg is in the process of building a new station on the east side. This station will improve response times. The station will be similar in design to the west side station and have space for Fitch-Rona EMS. Chief Pulvermacher is planning to maintain the current station at Lacy Road for administrative offices and rent out unused areas of the station. The new east side station will also provide services to the Town of Madison areas that will be annexed into the City in 2022.

Section I -- FINDINGS REGARDING TRENDS IN WISCONSIN EMS CONSOLIDATIONS AND SUBCONTRACTING

1. The decline and termination of rural stand-alone and village sponsored EMS operations will open further avenues for expansion and growth of Fitch-Rona or Fitchburg professional Advanced Life Support level services over the next ten years.

An April 27 news story by WKOW TV, Channel 27 Madison, stated that a rural EMS service district located in Darlington (pop. 2,464) which also served residents in three nearby villages and three towns in the surrounding area, had closed its operations on April 16, 2018. The operations had been staffed by one part-time EMS director and 21 volunteer, paid-on-call EMTs, with one state-of-the-art ambulance. According to the story, the 21 EMTs had all submitted their resignations a week after the EMS director had resigned “after a heated dispute with local officials over funding issues related to the operation.” This has left no long-term emergency medical response for nearly 6,000 residents in the area. A private ambulance and paramedic service from Dubuque, Iowa had offered to provide contracted personnel, to staff the ambulance for “several weeks,” until other staffing or services could be obtained. A former Darlington EMS official said, “the only alternative to providing EMS to our residents will be to *contract* with other cities or villages in the area.”

This story highlights what well could be the future of EMS service provision in areas currently served by small, semi-volunteer run EMS operations. Currently, Wisconsin is witnessing an increase in rural populations contracting with more urban or county-wide police and fire district operations. Movements towards voluntary functional consolidation of Fire and EMS have been reported in the La Crosse metro area, Brown County and in several places in Rock County. This is created in large part because under WI state law, town and village officials must provide certain levels of fire and police coverage within their boundaries, or else provide such services through another local government entity. As of this report’s release, the State does not require municipalities to provide any level of EMS response to its residents. However, as the service is becoming more expected, and these areas are unable to sustain their own organizations, demand for legislation mandating coverage may increase.

2. Potential future contractual opportunities and associate district partners may emerge in southern Dane County

Through interviews with the Fire Chiefs of Verona and Fitchburg, and from interview statements from EMS career staff, we have learned that lack of staffing and funding concerns are increasing for the EMS operations in the Village of Belleville and the Village of Brooklyn. The Belleville operation also covers portions of the southern Dane County towns of Montrose, Exeter, Primrose and Brooklyn. The Brooklyn EMS provides rural services in the towns of Brooklyn and Rutland in Dane County and additional support to three other towns in NW Rock County and NE Green County.

Additionally, the City of Oregon has an EMS division in its Fire department at the EMT-Advanced which is the lowest level of ALS service. Its EMS division and that of the Mount Horeb EMS District, presently also at EMT-Advanced Support status, could be considered for eventual long-term membership in an expanded Southern Dane District or consortium over the next 5-10 years if the staffs could be trained to paramedic ALS status (See Section J, Option E). Fitch-Rona District already has strong patient intercept relations with both the less skilled Belleville and Brooklyn Districts, accounting for nearly 69% of all out-of-district ambulance intercepts in 2017.

3. Additional patient intercept opportunities along Route 14 should come after completion of Fire Station #3 in east Fitchburg

During 2017 the Fitch-Rona District was called upon to make 206 intercept transfers to its custody; almost all of these were pick-ups from ambulances traveling north on either WI 69 or US Highways 151/18 into the EMS district on the way to either clinics or hospitals in the City of Madison. These transfers came either in or near locations on the City of Verona side of the District. In inclement weather, the patient transfer might occur in the Verona Fire Station itself.

Once the Fitchburg Fire Station is completed in April of 2019 at 2950 S. Syene Road, just off US Hwy 14 in Fitchburg, transfers from north-bound ambulances will be occurring frequently in Fitchburg proper. An inter-county agreement permits an EMS service to charge a base \$350 for each transfer to a higher rated service agency (ALS) and additional charges for any medicines or treatment provided in route to the patient's final treatment destination (i.e., a hospital in Madison).

Section J: SIX MODELS FOR FUTURE ORGANIZATION OF FIRE AND EMS OPERATIONS IN CITY OF FITCHBURG

The consultants have researched and reviewed best practices and trends related to optimum delivery of emergency medical response, fire rescue and fire suppression both state-wide and nationally to look at models that might best serve the residents of Fitchburg and to provide a combination of health and property protection in the fastest and most cost-conscious manner. The idea is to allow decision makers to select one or multiple options that will be sustainable as the City continues to grow and take on more responsibilities over the next 10-30 years. Several of these approaches have been tailored to the specific and considerable restrictions posed by the current agreement signed by the City of Fitchburg, City of Verona and the Town of Verona in 1977 which dictates conditions of any withdrawal by any member of the current Fitch-Rona EMS District.

Each approach detailed below is accompanied by what we perceive to be the pros and cons for Fitchburg and its residents and other property owners, if a course of action is pursued. At the end of this section is a Matrix to aid local officials in evaluating the impact on the future of EMS and Fire Services for City residents under six separate organizational models and five measures.

A. Maintain Status Quo with Amendments to Existing FREMS Municipal Agreement

Rationale: The City of Fitchburg would temporarily or permanently stay as a member of the Fitch-Rona EMS District, but would seek to amend the 41-year-old District Municipal agreement to obtain more control over policy and budget making processes, district finances, as well as obtaining more favorable terms for potential withdrawal in the future as desired. Examples of recommended amendments to the charter follow:

1. Change concept of having three members from each municipality, or a total of nine members on the District's governing body. Give Cities two members each, one elected, and give the Town one for a total of five voting Commissioners.
 - a. Permit policy and budget issues to pass with a positive vote of three members of the Commission, rather than present language which implies unanimous consent of all members required to pass certain items.
2. Change Commission's role related to certain Financial or Budgetary Items
 - a. Collective Bargaining with Union 311 (Commission only ratifies final contract ratification after municipal review)
 - b. Strengthen Contract Bid Review process for Equipment over \$5,000

- c. Operation Line-Item Budget and annual Capital Improvement Budget should require full review and adoption by all municipal bodies prior to adoption by 3/5's of Commission
- 3. Reduce penalties on members withdrawing from the District with 1-year advanced notice
 - a. Require departing member equity to be re-paid entirely within 3 years (Instead of existing five year pay back)
 - b. Require departing member to be given its percentage of capital assets less depreciation based on municipal payment percentage (i.e. equipment or vehicles) less its capital asset balance within one year of departure
- 4. Select an independent Fiscal Agent to replace current In-House EMS Business Manager position ASAP
 - a. Business Manager of Fitchburg or Verona fire departments and City Finance Department personnel could rotate every 3-5 years in this role.
 - b. Also, perhaps another members Human Resource Department could be responsible for personnel issues and benefits administration on a similar basis.
 - c. Annual Audit and Budget Monitoring handled by Fiscal Agent— See Section F for other suggested duties over Payroll, Procurement, Accounts Payable/Receivable, etc.
- 5. Any Commission member can propose amendments to the Municipal Agreement. Amendments should be adopted with a three-fifths majority at any business meeting, or at the annual meeting.

B. Fitchburg Withdraws from EMS District & Creates Combined Fire/EMS Department Within City Boundaries

Rationale: The City of Fitchburg could opt to withdraw as a member of the current district by giving written notice prior to December 31, 2018, and then sitting through a mandatory one-year waiting period for calendar year (2019) before forming its own combined Fire and EMS Department, serving just the present and future citizens of the City beginning January 1, 2020.

- a. Many problems with “Poison Pills” to this approach in current municipal agreement.
- b. Fitchburg taxpayers would be hit with large capital expenditures for new or used equipment to facilitate EMS operations at two stations.
- c. Fitchburg’s share of Equity (Est. \$715,000) might only be paid back at 20% per year between 2020-2025.

- d. Fitchburg would have to buy up to three new ambulances (valued currently at \$487,000 X 3 = \$1,361,000) and other medical supplies and equipment in first year.
- e. City would have to bargain wages, salaries and general loss of employment with Paramedics union (Local 311)
- f. No involvement or buy-in to encourage compromise by the two Verona's.
- g. Fitchburg would have full control of EMS operations after 2019, including administrative and incident management coordination.
- h. City would get to keep 100 percent of Intercept transfer fees and any contract revenues from all new agreements with neighboring towns and/or villages.

C. City of Fitchburg Absorbs Entire Fitch-Rona EMS District into Joint City Fire & EMS Department and Contracts for EMS Service with City, Town of Verona, and Others

Rationale: Growth in calls for service are trending towards City of Fitchburg over last three years (graphs in Sections C and D) and trend likely to continue in the next 5-10 years (Fitchburg accounting for almost 58% of 3077 ambulance run activities in 2017, City of Verona accounts for 27% and Town only 4.2%). Most growth in the City will come from the far NE corner (Former Town of Madison, Terravessa development, and TIF #11) where response times are currently the slowest in the District).

- a. Property growth in City of Verona driving increased share of FREMS district municipal payments under Single Factor Formula (See Section E)
- b. Town and City of Verona would see much lower rates with contract with Fitchburg Fire/EMS based on Calls for Service over three-year avg., and where population ratio is roughly 2:1 for Fitchburg. City of Verona likely would see municipal payment percentage drop from current 43.7% to 28% of annual EMS deficit each year (C. of Verona savings in 2018 alone of \$150,347). The Town of Verona would save \$5,000-6,000 in 2018 municipal payment under this new formula (roughly 10-12 %)
- c. Additional costs of funding the EMS service could switch rapidly to Fitchburg.
- d. New contract agreement could guarantee a Fitchburg EMS outpost at current site in Verona with one or two ambulances and current staffing levels
- e. Could sign 5 or 10-year contracts to provide continued ALS level staffing and ambulance response within current boundaries. City of Verona could re-examine if it wishes to take over EMS on west side and consolidate with its Fire Department after five-ten years of guaranteed service with no penalties for ending contract with one- year advanced notice.

- f. Fitchburg would assume all command, liability, billing and budgetary responsibilities under an assumption of control over EMS by 2020.
- g. This new arrangement would probably need unanimous approval by the entire Fitch-Rona commission to proceed with contract negotiations with the other two parties and dissolve the current District under terms more favorable to Fitchburg.
- h. Just as in scenarios B-E, Fitchburg would have to bargain the impact of reconfiguring staffing, wages and location assignments of existing full-time paramedics. However, this model assumes very little disruption of current staffing patterns, with possible exception of making EMS Director a Deputy or Division Chief within FD.
- i. New hires in a combined department would be required to obtain paramedic licensure, if not already possessing such, within a reasonable probationary period, as well as having Firefighter I or II training and/or certification.
- j. Fitchburg could recoup some or all of its added expenses to solely administer and maintain EMS services by instituting Economy of Scales and new wage and benefit agreements identified in Sections E & F. Also, City would keep all revenues from potential contractual EMS-ALS service with Villages such as Oregon, Brooklyn, Mt. Horeb and Belleville

D. Cities of Fitchburg and Verona Each Form Separate Fire-Based EMS Operations

Rationale: This scenario has many of the same advantages and disadvantages as associated with Option B, with one exception. The City of Verona officials may be more inclined to vote in favor of dissolving the District entirely if they believed that the City of Verona could maintain control over EMS within its boundaries and could negotiate contracted coverage with the Town of Verona to ensure that present services are not disrupted beginning 2020.

- a. There would be a need to negotiate a new Collective Bargaining Agreement to include the members of three agencies that have three separate agreements today.
- b. All entities have different wages and work hours. The City of Fitchburg current full-time pay structure (> than Verona FD) might give them a hiring advantage.
- c. All assets of Fitch-Rona EMS could revert to the Town of Verona under current contract language.
- d. Payout of Equity stakes to Fitchburg and Verona would be over five years.
- e. Both Fire Chiefs have experience with fire-based EMS Departments.

- f. The International Association of Fire Chiefs supports this type of organization. (IAFC Position Statement – Fire-based Emergency Medical Services 27 May 2009)
- g. The model where fire departments use cross-trained/multi-role firefighters for EMS first response and ambulance transport has many unique and distinct advantages over other models. These include:
 - 1. Continuity of patient care between first responders and ambulance personnel who are part of the same organization
 - 2. Continuity of administration
 - 3. Continuity of the same medical training
 - 4. Continuity of the same medical equipment
 - 5. Continuity of Standardized Operating Procedures
 - 6. Continuity of Medical Direction
 - 7. Unity of Command
 - 8. Ability to deliver medical care while performing specialized rescue in such cases as auto extrication, marine rescue, high-angle rescue, collapse rescue environments, and hazardous material events.

E. City of Fitchburg and the Veronas Create Joint Fire & EMS Agreement (Under WI Stats. 66.0301)

Rationale: A full-fledged Intergovernmental Agreement for both fire and EMS between the communities would give all parties a level of assurance of continued high-quality service with guarantees on how personnel, equipment, facilities and costs will be apportioned for years to come. It would also establish a plan for administration of both services and could lead to a path to address how to provide for public safety service for long-term residential and commercial growth within and between the two communities under the Smart Growth planning umbrella.

- a. Cities must negotiate new mutual contract which would need to be ratified by both City Councils covering a myriad of issues including funding, leadership, finances, personnel, etc.
- b. Would need to reconcile different union contract language for full-time career staff. Already several significant differences exist regarding wage schedules and staffing patterns.
- c. Town of Verona would be the beneficiary of all equipment and most of the equity assets of the other two members if they withdrew in 2020 from the District, if the Town would not negotiate a mutual dissolution of FREMS.

- d. Both communities have recently invested substantially in stand-alone, state-of-the art fire stations.
Both Fire Departments have full-time, salaried chiefs and deputy chiefs, one set of which would have to be demoted to lesser ranks in a combined department.
- e. A special levy limit provision for separate fire districts may be available in certain years.
- f. The model where fire departments use cross-trained/multi-role firefighters for EMS first response and ambulance transport has many unique and distinct advantages over other models. These include:
 - 1. Continuity of patient care between first responders and ambulance personnel who are part of the same organization
 - 2. Continuity of administration
 - 3. Continuity of the same medical training
 - 4. Continuity of the same medical equipment
 - 5. Continuity of Standardized Operating Procedures
 - 6. Continuity of Medical Direction
 - 7. Unity of Command
 - 8. Ability to deliver medical care while performing specialized rescue in such cases as auto extrication, marine rescue, high-angle rescue, collapse rescue environments, and hazardous material events.
- g. This model might significantly reduce administrative costs by consolidating administration for three currently separate organizations under one Chief, one or two deputy chiefs, and one business operation.

F. Fitch-Rona District Remains Separate but Expands to Provide ALS Contracted Service for Regional Towns and Villages

Rationale: This option is like regional EMS proposals that were made in earlier reports by independent groups in 2002 and 2012 with a significant twist. Since 2010, Fitch-Rona paramedics have all been certified at ALS advanced status, where most of the neighboring districts and Fire/EMS personnel are at either EMT-I and II, and/or ALS Level I. Under this model, Fitch-Rona would clearly be the lead agency and would contract with partner agencies, probably through a series of 2-5-year agreements. All Medicare, Medicaid, and third-party payments would be retained by Fitch-Rona, and the district could charge each non-member an additional per-capita tax to off-set actual costs of the service.

- a. There could be an opportunity to reduce costs of EMS to the Cities of Fitchburg and Verona by Fitch-Rona EMS providing ambulance service under contract to other municipalities such as Villages of Belleville and

Brooklyn. Additionally, Fitch-Rona could contract with Village of McFarland and Oregon to provide ALS intercept service.

- b. The consultants did find other EMS agencies that do provide this type of service. They contract and charge participating area municipalities an annual fee per capita for ongoing response.
- c. It may be difficult to negotiate such contracts because the contracting communities would need to provide a tiered response with local first responders providing initial BLS patient care.
- d. During the interviews with Fire Chiefs there were concerns from experiences with the Mutual Aid Box Alarm System (MABAS) that EMT first responders in outlying municipalities may not always be available and maintain appropriate staffing and training satisfactory to Fitch-Rona District.
- e. This option would produce a level of risk to the Cities of Fitchburg and Verona because Fitch-Rona ambulances may not be available for calls in their respective communities when ambulances and crews are providing responses to outlying communities, rather than FREMS' residents.

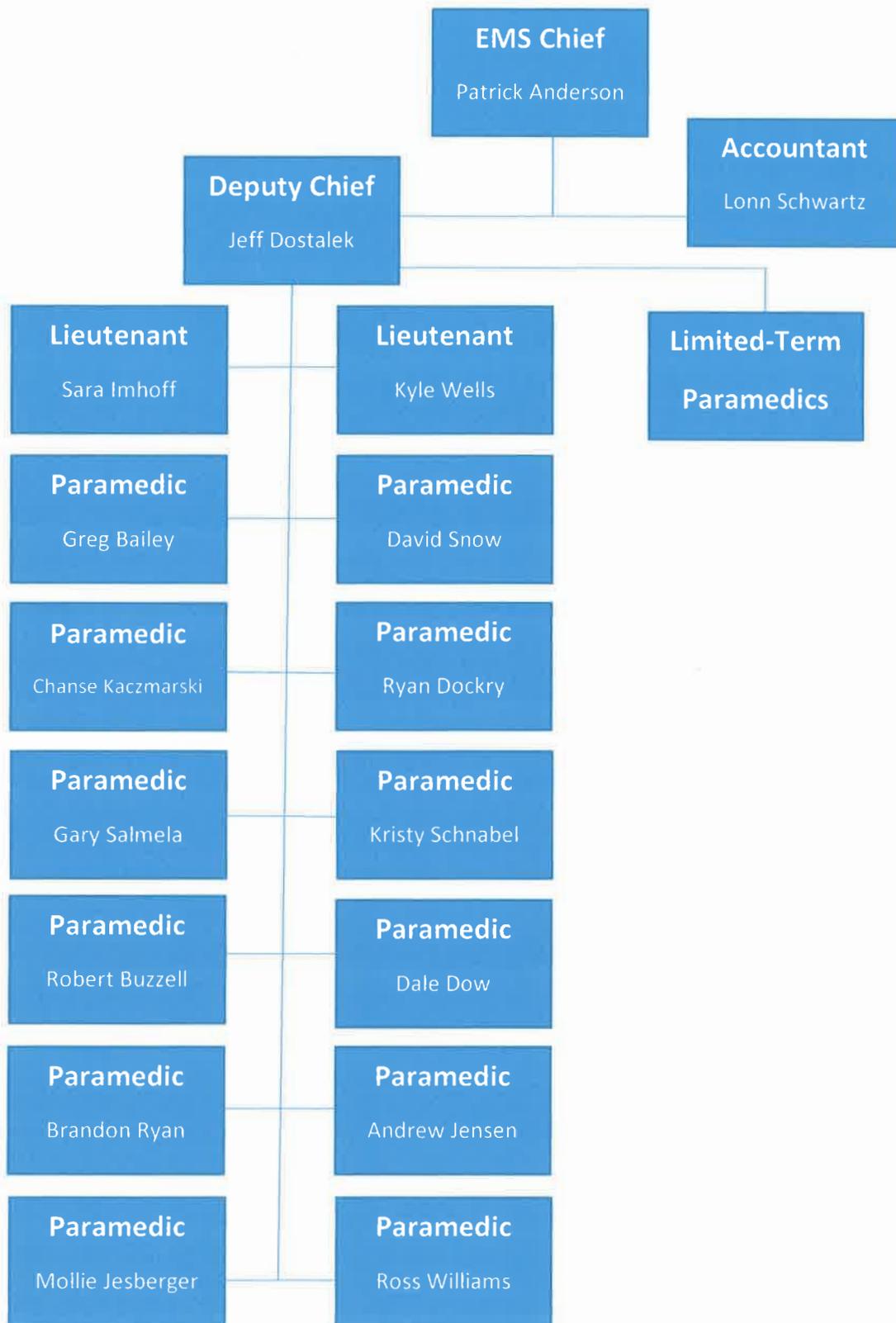
MATRIX FOR EVALUATING BENEFITS TO CITY OF 6 FIRE/EMS ACTION OPTIONS

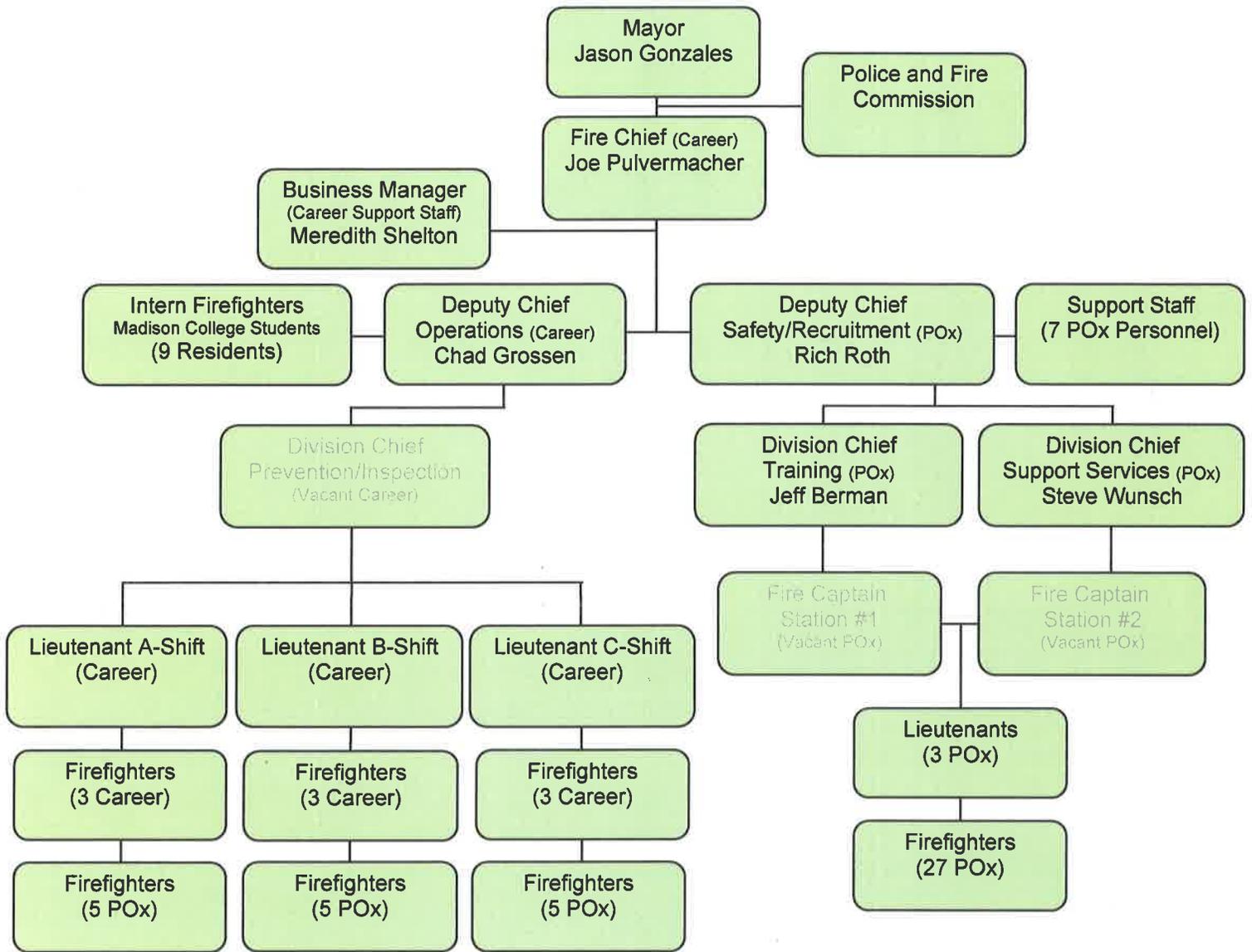
Each category was rated separately by three consultants using these probabilities: High, Moderate, Low, None, or NA (Not Applicable)

Category/ Option	Operational and Personnel Cost-Savings	Reduced EMS Response Times	More Incident & Administrative Coordination	Potential for Increased Revenues	Sustainability of Fire/EMS Staff & Services 10-25yrs.
Option A: Status Quo w/ Favorable Amendments	Low	None	None	Low	NA (Fire Service) Low (EMS)
Option B: Fitch. Withdraws Forms Own Fire/ EMS	Moderate	Low	High	Low-Moderate	Moderate
Option C: Fitch. Assumes all EMS Responsibilities	Moderate	Low	High	Moderate	High
Option D: Fitch. & Verona Split from District- Separate Fire/EMS Depts.	Moderate	Low	Moderate-High	Low	Moderate
Option E: Fitch and Verona Consolidate Fire/EMS Depts.	Moderate	Low	High	Moderate	Moderate
Option F: FREMS Expands ALS on Regional Basis	Low	Low	None	Moderate	NA (Fire Service) Moderate EMS

Section K – Appendices and Supporting Documents

- 1. Fitch-Rona Organizational Chart**
- 2. Fitchburg Fire Department Organizational Chart**
- 3. Fitch-Rona Member Intergovernmental Agreement as Amended 10-1998**
- 4. FREMS 2018 Annual Operating Budget**
- 5. FREMS 2018-2025 Capital Improvement Budget**
- 6. Interview Questions for Career Fitch-Rona EMS Paramedics with Summary**
- 7. Interview Questions for Career Fitchburg Firefighters & Response Summary**
- 8. Fitch-Rona EMS Chief's Letter to Mayor Gonzalez Critiquing the Study with Consultant's Responses**





Fitch-Rona EMS
2018 Operating Budget
No 3rd Front Line Ambulance

	2017 Budget	2018 Operations Budget-No CIP	2018 CIP allocated to Operating	2018 Operating Budget	Difference 2018 Budget vs. 2017 Budget	Percent Change
1 Revenues						
2 Run Income	\$ 1,337,438	\$ 1,426,887		\$ 1,426,887	\$ 89,449	6.7%
3 Services Sub-Total	\$ 1,337,438	\$ 1,426,887		\$ 1,426,887	\$ 89,449	6.7%
4				\$ -	\$ -	
5 City of Fitchburg	\$ 506,287	\$ 477,428		\$ 477,428	\$ (28,859)	-5.70%
6 City of Verona	\$ 424,592	\$ 431,499		\$ 431,499	\$ 6,907	1.63%
7 Town of Verona	\$ 50,769	\$ 48,697		\$ 48,697	\$ (2,072)	-4.08%
8 Municipalities Sub-Total	\$ 981,649	\$ 957,624		\$ 957,624	\$ (24,025)	-2.45%
9				\$ -	\$ -	
10 Community Paramedicine	\$ 1,000	\$ 1,000		\$ 1,000	\$ -	
11 Interest Income	\$ 3,056	\$ 3,024		\$ 3,024	\$ (32)	-1.0%
12 Misc. Income	\$ 9,885	\$ 9,885		\$ 9,885	\$ -	0.0%
13 Funds Applied from Assigned Account	\$ 4,000	\$ 4,000		\$ 4,000	\$ -	0.0%
14 Misc. Sub-Total	\$ 17,941	\$ 17,909		\$ 17,909	\$ (32)	-0.2%
15				\$ -	\$ -	
16 Total Revenues	\$ 2,337,028	\$ 2,402,420		\$ 2,402,420	\$ 65,392	2.8%
17				\$ -	\$ -	
18 Expenses						
19 Salaries & Wages	\$ 1,037,196	\$ 1,067,545		\$ 1,067,545	\$ 30,349	2.9%
20 Scheduled Overtime	\$ 235,095	\$ 232,542		\$ 232,542	\$ (2,553)	-1.1%
21 Unscheduled Overtime	\$ 74,636	\$ 87,946		\$ 87,946	\$ 13,310	17.8%
22 Soc.Sec.&Medicare Taxes	\$ 103,922	\$ 107,276		\$ 107,276	\$ 3,354	3.2%
23 Retirement Plan	\$ 142,341	\$ 143,669		\$ 143,669	\$ 1,328	0.9%
24 Miscellaneous Benefits	\$ 3,400	\$ 3,400		\$ 3,400	\$ -	0.0%
25 Health & Dental Ins.	\$ 291,487	\$ 286,966		\$ 286,966	\$ (4,521)	-1.6%
26 Worker's Comp. Ins.	\$ 73,705	\$ 75,866		\$ 75,866	\$ 2,161	2.9%
27 Income Continuation	\$ 2,400	\$ 2,400		\$ 2,400	\$ -	0.0%
28 Assigned Fund - Sick Time/Insurance	\$ -	\$ -		\$ -	\$ -	
29 Medical Director Annual Fee	\$ 33,000	\$ 33,000		\$ 33,000	\$ -	0.0%
30 Salary Sub-Total	\$ 1,997,182	\$ 2,040,610		\$ 2,040,610	\$ 43,428	2.2%
31				\$ -	\$ -	
32 Oil, Gas & Lube	\$ 18,350	\$ 19,850		\$ 19,850	\$ 1,500	8.2%
33 Tune-up & Repair	\$ 19,800	\$ 19,800		\$ 19,800	\$ -	0.0%
34 Medical Supplies	\$ 52,000	\$ 71,200		\$ 71,200	\$ 19,200	36.9%
35 Office Supplies	\$ 1,750	\$ 2,100		\$ 2,100	\$ 350	20.0%
36 Postage	\$ 525	\$ 525		\$ 525	\$ -	0.0%
37 Public Education	\$ 750	\$ 1,200		\$ 1,200	\$ 450	60.0%
38 Staff Training	\$ 15,100	\$ 17,500		\$ 17,500	\$ 2,400	15.9%
39 Staff Support	\$ 3,600	\$ 5,880		\$ 5,880	\$ 2,280	63.3%
40 Uniforms	\$ 24,500	\$ 6,780	\$ 12,500	\$ 19,280	\$ (5,220)	-21.3%
41 Personnel Recruitment	\$ 1,250	\$ 10,000		\$ 10,000	\$ 8,750	700.0%
42 Subscriptions & Dues	\$ 700	\$ 700		\$ 700	\$ -	0.0%
43 Admin Space Lease	\$ 7,125	\$ 7,125		\$ 7,125	\$ -	0.0%
44 Facilities Furnishings	\$ 800	\$ 950		\$ 950	\$ 150	18.8%
45 Utilities	\$ 1,200	\$ 900		\$ 900	\$ (300)	-25.0%
46 Telephone	\$ 12,750	\$ 12,650		\$ 12,650	\$ (100)	-0.8%
47 Radio Equipment	\$ 7,000	\$ 2,400	\$ -	\$ 2,400	\$ (4,600)	-65.7%
48 Radio Maintenance	\$ 1,450	\$ 3,275		\$ 3,275	\$ 1,825	125.9%
49 Medical Equipment	\$ 25,600	\$ 8,750	\$ -	\$ 8,750	\$ (16,850)	-65.8%
50 Medical Equipment Maint.	\$ 3,450	\$ 5,250		\$ 5,250	\$ 1,800	52.2%
51 EMT Safety Equipment	\$ 900	\$ 900		\$ 900	\$ -	0.0%
52 Training Equipment	\$ 1,500	\$ 1,100		\$ 1,100	\$ (400)	-26.7%
53 Office Equipment	\$ 1,300	\$ 1,300		\$ 1,300	\$ -	0.0%
54 Office Equipment Maint.	\$ -	\$ -		\$ -	\$ -	#DIV/0!
55 Computer Support	\$ 16,150	\$ 16,075	\$ -	\$ 16,075	\$ (75)	-0.5%
56 FAP Project Expenses				\$ -	\$ -	
57 Accounting Fees	\$ 10,500	\$ 12,250		\$ 12,250	\$ 1,750	16.7%
58 Legal Fees General	\$ 3,800	\$ 3,800		\$ 3,800	\$ -	0.0%
59 Legal Fees-Labor Contract	\$ -	\$ -		\$ -	\$ -	#DIV/0!
60 Assigned Funds - Labor Contract	\$ 8,000	\$ 8,000		\$ 8,000	\$ -	0.0%
61 Property Insurance	\$ 12,750	\$ 16,137		\$ 16,137	\$ 3,387	26.6%
62 Billing Service	\$ 80,246	\$ 85,613		\$ 85,613	\$ 5,367	6.7%
63 Paramedic Intern Program	\$ 7,000	\$ 7,000		\$ 7,000	\$ -	0.0%
64 Community Paramedicine	\$ -	\$ 300		\$ 300	\$ 300	#DIV/0!
65 Misc. Expense Sub-Total	\$ 339,846	\$ 349,310		\$ 361,810	\$ 21,964	6.5%
66				\$ -	\$ -	
67 TOTAL EXPENSES	\$ 2,337,028	\$ 2,389,920		\$ 2,402,420	\$ 65,392	2.8%
68				\$ -	\$ -	
69 Net Gain (or Loss)	\$ -	\$ 12,500		\$ -	\$ -	

EMS JOINT MUNICIPAL AGREEMENT
BETWEEN
CITY OF FITCHBURG, CITY OF VERONA, AND TOWN OF VERONA

Pursuant to Section 66.30(2) of the Wisconsin Statutes and in consideration of the mutual covenants hereinafter set forth, the City of Verona, City of Fitchburg, and Town of Verona, hereinafter collectively referred to as the "Municipalities", hereby agree as follows:

SECTION I

Emergency Medical Service District Created

- 1.01. Creation.** An Emergency Medical Service District is hereby created, hereinafter referred to as the "District," consisting of the City of Verona, City of Fitchburg and Town of Verona.
- 1.02. Purpose.** The purpose of the District shall be to provide emergency medical services and transportation for sick, disabled, and injured persons to institutions providing health services.
- 1.03. Name.** The name of the Emergency Medical District created by this instrument shall be the "Fitch-Rona EMS District."

SECTION II

Management of the District

- 2.01. Commission.** An Emergency Medical Service District Commission, hereinafter referred to as the "Commission," is hereby created to manage and supervise the District.

(A) Appointment. The Commission shall consist of nine (9) members: three (3) members shall be appointed by the City of Verona; three (3) members shall be appointed by the City of Fitchburg; and three (3) members shall be appointed by the Town of Verona. One member from each municipality shall be a member of the governing body of the municipality. Each commissioner shall be appointed to serve for a period of two (2) years, which shall commence on the first day of May and expire on the 30th day of April.

(B) Removal. Any member of the Commission may be removed for cause by the appointing municipality.

(C) Vacancies. The municipality shall fill any vacancy in the Commission created by the death, resignation, or removal of its appointee as soon as possible.

(D) Compensation. The District shall not pay a stipend to its commission members for commission meetings attended.

(E) Officers. The Commission shall choose from among its members a Chair, a Secretary, and a Treasurer.

(1) Chair. The Chair shall be the executive officer of the District and, subject to the control of the Municipalities and the Commission, shall oversee the business and affairs of the District. The EMS Chief shall direct the day-to-day activities of the District. When present, the Chair shall preside at the meetings of the Commission. In general, the Chair shall perform all duties incident to the office of Chair and such other duties as may be prescribed by the Municipalities or the Commission from time to time.

(2) Secretary. The Secretary shall: (a) keep minutes of the meetings of the Commission and of the annual meeting; (b) see that all notices required by law are duly given; (c) be custodian of the records of the District; and (d) in general, perform all duties incident to the office of Secretary and have such other duties and exercise such authority as from time to time may be delegated or assigned by the Chair or by the Commission. Some or all of the daily tasks of the Secretary may be assigned to a designated staff member of the District as directed by the Commission.

(3) Treasurer. The Treasurer shall: (a) have all funds and custody of and be responsible

for all funds of the District; (b) receive and give receipts for all moneys due and payable to the District from any source whatsoever, and deposit all such moneys in the name of the District from any source whatsoever, and deposit all such moneys in the name of the District in such banks, trust companies, or other depositories as shall be selected by the Commission; and (c) in general perform all of the duties incident to the office of Treasurer and have such other duties and exercise such other authority as from time to time may be delegated or assigned by the Chair or by the Commission. Some or all of the daily tasks of the Treasurer may be assigned to a designated staff member of the District as directed by the Commission. If required by all of the Municipalities, the Treasurer and/or designated staff member shall give a bond for the faithful discharge of all duties in such sum and with such surety or sureties as the Municipalities shall determine. The fee for any such bond shall be paid by the District.

(F) Meetings. The Commission shall meet at least once a month. Its meetings shall be open to the public and attendance of five (5) members shall constitute a quorum for the purpose of transacting all business with the exception of voting to recommend capital expenditures.

(G) Voting. Decisions of the Commission other than those relating to capital expenditures shall be made by a majority vote of the Commissioners attending the meeting. Recommendation for capital expenditures shall be approved by six (6) commissioners prior to being submitted to the municipalities for their approval.

2.02. Duties of the Commission. The Commission shall:

(A) Make rules and regulations for its own proceedings and for the operation and management of the District and shall make adequate provision for the enforcement of such rules and regulations.

(B) Maintain books of account.

(C) Prepare and submit to the Municipalities:

(1) Annual reports summarizing the activities of the District;

(2) Annual fiscal reports; and

(3) A recommended budget for the succeeding fiscal year on or before October 1 of each calendar year.

(D) Make provision for the management of the District, which should include the employment of an EMS Chief, to oversee the day-to-day operations of the District.

(E) Make provision for the control, maintenance, acquisition, and placement of all the vehicles and equipment acquired by the District.

(F) See that all contracts relating to the District are faithfully complied with and performed.

(G) Set the user fees, and see that all charges are duly made, collected, and deposited into the account of the District. Users fees shall be defined as ambulance run charges, loaded mile charges and charges for medical supplies used in connection with the care and/or transportation of a patient for which the services of the District were requested.

(H) Obtain liability and property damage insurance.

(I) Obtain such licenses as may be required for the District to operate as an emergency medical service.

(J) Recruit and train an adequate number of qualified and licensed emergency medical technicians (EMTs) to assure the availability of emergency medical services throughout the District at all times.

2.03. Powers of Commission.

(A) The Commission shall have the power to:

(1) Enter contracts in the name of and for the benefit of the District for budgeted items.

(2) Expend monies, for the benefit of the District, from any current or future funding assistance programs and donations to the District.

(3) Establish and maintain bank accounts in the name of and for the benefit of the District

(4) Hire.

(5) Establish qualifications, schedules, and regulations for EMTs.

(B) The Commission shall not have the authority to levy taxes, to issue bonds, to borrow money, to enter contracts, nor to commit funds for non-budgeted items, except as specified in 2.03(A)(2) above, without the approval of the municipalities.

SECTION III

District Meetings

3.01. Annual Meeting. An annual meeting of the District, open to the public, shall be held after October 13 but prior to October 22 at which the governing bodies of the Municipalities shall adopt, subject to the regular budget review and approval of each municipality, a budget for the succeeding fiscal year, and, ratify and approve any other business of the District which may be transacted. The exact date and hour of the meeting shall be determined by the Commission.

3.02. Special Meetings. Special Meetings of the District, open to the public, may be held for the purpose of transacting any business of the District upon the request of the Commission.

3.03. Notice. The Secretary of the Commission shall, not sooner than twenty (20) nor less than fifteen (15) days before the annual meeting, give written notice to the Municipalities. Notice of a special meeting shall be given at least 24 hours prior to the commencement of such meeting unless for good cause such notice is impossible or impractical, in which case shorter notice may be given, but in no case may the notice be provided less than two (2) hours in advance of the meeting. The notice given for any meeting shall state the purpose, date, time, and place for the meeting.

3.04. Who to Preside. The Chair of the Commission shall preside at the annual meeting when present, but if absent, one of the Commissioners shall preside.

3.05. Voting. In order to be adopted, all business and motions shall be approved unanimously by the Municipalities with each municipality having one vote. The majority of members present for each municipality shall determine how their one vote is cast.

3.06. Motions. Motions may be made or seconded by any member of the governing bodies.

SECTION IV

Expenses of the District

4.01. Operating Expense.

(A) **Defined.** The term "operating expense" shall mean and include any expense paid or accrued during the fiscal year which is attributable to the actual day-to-day operations of the District including but not limited to expenses for salaries, rent, utilities, repairs of equipment, fuel and insurance. If any question arises regarding whether an expenditure or expense is an "operating expense" or a "capital expenditure" the matter shall be resolved by the application of generally accepted accounting principles. Notwithstanding the foregoing, any single expenditure of less than \$5,000 shall be an "operating expense."

(B) **Payment.** All operating expenses shall be paid from user fees, miscellaneous income and payments from each municipality. Municipality payments shall be apportioned after user fees and miscellaneous income are applied. This apportionment shall be based on the most recent equalized valuation of each municipality divided by the total equalized valuation of the Municipalities.

4.02. Capital Expenditures.

(A) **Defined.** The term "capital expenditure" shall mean and include any expenditure made or liability accrued in the amount of \$5,000 or more for an asset which has a useful life in excess of one year or which extends the life of an asset more than one year beyond its current useful life. The term shall include start-up expenses.

(B) **Payment.** Each municipality shall pay that percentage of each capital expenditure, which is

determined by dividing its latest equalized value by the latest total equalized value of the Municipalities.

4.03. Time for Payments. Each municipality shall pay its share of the annual operating budget of the District in two equal installments on or before February 1 and August 1 each year. Capital expenditures shall be paid as determined when expenditures are approved by the Municipalities.

4.04. Undesignated and Unreserved Fund Balance. The District shall seek to maintain an undesignated and unreserved fund balance between 15 and 25 percent of the total annual operating expenses. The balance is not to be used as a contingency fund, but is to provide a cash reserve to conduct normal daily business. If the expenditures of the District in any fiscal year are less than the revenues collected, as determined by an annual independent audit conducted by a CPA firm, the excess revenues will revert to undesignated and unreserved fund balance, unless otherwise directed by the Municipalities at the Annual Meeting or a Special Meeting of the District.

SECTION V

Ownership of Assets

5.01. District Owns. The title to all property whether real or personal and regardless of how it is obtained shall vest in the District.

5.02. Equity of Municipalities. Each municipality shall be deemed to have an equity interest in the assets of the District equal to the sum of its payments to the District divided by the total payments to the District by the Municipalities.

SECTION VI

Withdrawal from District

6.01. Notice Required. A municipality may withdraw from the District at the end of any fiscal year of the District provided one (1) year's written notice has been given to the Commission and the other municipalities prior to such withdrawal.

6.02. Distribution to Withdrawing Community. A withdrawing community shall not be entitled to any of the property of the District but shall only be paid the current book value of its equity determined pursuant to Section 5.02. Book value shall be defined as the "Total District Equity" as set forth in the independent audit of the District. The District shall have the option of making such payment in a lump sum or in annual installments over a period not in excess of five (5) years from the date of withdrawal. Election of the installment method shall not entitle the withdrawing community to earn interest on the unpaid balance.

6.03. Liability of Withdrawing Community. In the event that the liabilities of the District exceed its assets at the time of withdrawal, the withdrawing community shall pay that percentage of the deficit, which is obtained by dividing its latest total equalized value of the Municipalities. The withdrawing municipality shall have the option of making such payment to the District in a lump sum or in annual installments over a period not in excess of five (5) years from the date of withdrawal. Election of the installment method shall not entitle the District to earn interest on the unpaid balance.

SECTION VII

Termination of District

7.01. Termination of District. The District may be terminated by the unanimous written consent of the Municipalities and shall be terminated if its membership drops to one municipality.

7.02. Distribution of Assets upon Termination. Upon termination of the District, its assets, including those acquired by gift or donation, shall be liquidated and the money remaining after payment of all of its obligations shall be distributed to the Municipalities which are then members of the District. Each Municipality shall receive that percentage of the money, which is equal to its equity in the District, determined pursuant to Section 5.02.

7.03. Payment of Liabilities upon Termination. If the proceeds realized from the liquidation of the assets are insufficient to pay all the obligations of the District, each municipality shall pay that percentage of the deficit, which is obtained by dividing its latest equalized value by the latest total equalized value of the Municipalities.

SECTION VIII

Arbitration

8.01. Arbitration of Disputes. In the event that the Municipalities are unable to reach an agreement on any matter affecting the District or its operation, the matter shall be resolved by an arbitration board.

8.02. Selection of Arbitrators. Each Municipality shall have the right to appoint two (2) arbitrators to the Board. The arbitrators shall not be residents of the District and shall be appointed within fifteen (15) days of the time that any municipality submit a written request for arbitration. Any community, which fails to make its appointments within such period, shall forfeit its right of appointment and the dispute shall be resolved by the arbitrators who have been appointed within the required time.

8.03. Decision of Arbitrators. The decision of the arbitrators, if within the scope of their authority, shall be final and binding on all parties to this agreement.

8.04. Authority of Arbitrators. The arbitrators shall not have the authority to add to, change, alter, or modify any of the terms or provisions of this Agreement.

8.05. Expense of Arbitrators. The expenses of the arbitrators shall be divided equally between the Municipalities.

SECTION IX

9.01. Term. This Agreement, as amended from time to time, shall remain in full force and effect until the District is terminated.

9.02. Severability. If any section, subsection, sentence, clause or phrase of this Agreement is held to be invalid by reason of a decision of any court of competent jurisdiction, such decision shall not affect the validity of any other section, subsection, sentence, clause or phrase thereof.

9.03. Effective Date. This Agreement shall become effective upon execution by all parties.

IN WITNESS WHEREOF, the Municipalities have caused this Agreement to be executed by their duly authorized officers.

Have you ever served as an EMT in a combination Fire/EMS department or district? 4-Yes, 8 No (Y or N) If yes, how many years in such a position and at what certification? Did you ever serve as a Fire Fighter? (8 of 12 or 66.7% have prior Fire Fighting Service, and two are currently serving as FFs during off hours)

Please Rate Your opinion about each of the following possible configurations for the future of EMS Service in the area now served by Fitch-Rona EMS District (Rate your response 1-6, with 1 being your most preferred, and 6 being your least preferred):

A. Keep the current independent Fitch-Rona District which includes the City of Fitchburg, City of Verona, and the Town of Verona intact going forward - 1.0

B. Dissolve the Current District in 2019 and re-incorporate as an independent district composed only of Fitchburg and the City of Verona, which would contract with neighboring Towns to provide EMS service - 3.75 (However six respondents chose this as second or third choice after A)

C. Dissolve the District and let Fitchburg and City of Verona each separately incorporate their current share of EMS staff, equipment and facilities into their own existing Fire Departments as combined organizations operating within their own municipal boundaries - 5.42

D. Dissolve the current District, and create a new combined District between the two Cities, with present EMTs assigned to each City's fire station being considered employees of the City in which they are headquartered. The current Chief and administrative staff of the District would also be considered employees of the City in which they were headquartered (Now Verona) and would report to the Fire Chief of that Community - 5.25

E. Make the Fitch-Rona district part of a new mega South Dane EMS District, potentially including Fitchburg, Verona, Oregon, McFarland, plus neighboring Towns and smaller Villages - 3.25 (A wide variation in responses from 2-6 and was closely tied to responses in F)

F. Other configurations (please explain below) - 3.5 (Six of twelve listed this voluntary option -- Most involved creating larger, but still separate consolidated fire district (including Fitchburg and Verona), and or creating a larger regional or County wide EMS District)

If a new configuration is planned beginning in 2019, my biggest concern as a current Fitch-Rona employee would be (Please rate in order of importance to you with 1 being the most important, and 7 being of least importance):

A. Having to assume duties other than emergency medical response and transport 2.64

B. Losing contact with fellow Fitch Rona paramedics with whom I have worked over the years 5.1

C. Losing my job as part of the new re-organization or configuration 1.25

D. Being down graded from my current position (or certification) 3.5

E. Not having an EMS Chief in charge of the operation and policies/procedures 4.1

F. Uncertainty about where I might be assigned geographically in a new configuration 5.1

G. Other (Please type in concern and rate it): Avg. 2.0 (Four Responses stating concern for either added expense to District taxpayers of a new plan or lower levels of EMS Service/Care for residents)

THANK YOU ONCE AGAIN FOR YOUR PARTICIPATION

INTERVIEW QUESTIONS FOR CAREER FITCHBURG FIRE-FIGHTERS

2 – Lieutenants

1 – Deputy Chief

Name: 7 Of 14 Career FF

Titles: 4 –FF/Inspectors

Date: 4-26 thru 4-29

Years of Employment w/ Department Avg. 18.7 Years of Career or Paid on Call Avg. 23.4

As a professional firefighter with the City of Fitchburg what do you like best about working in this department?

-Many like the variety of calls in the City, including working with multi-family apartments, commercial, light industry, rural dwellings and

--Small town atmosphere, with growing urban fire suppression, safety and EMS issues”

--(3) Mentioned that they are encouraged by Chief and City to take on additional responsibilities. Specifically, one firefighter was appointed by last Mayor to be on the Fire Station #3 planning and design committee.

-Enough Fire calls (over 500 in 2017) and biennial inspections of commercial, manufacturing and over 4,500 multi-family units to keep us busy all the time.

What do you like least about your duties and working conditions?

(4) Increasingly low turn-out by Paid-on-Call staff, especially in harsh weather, on weekends, and on holidays.

One commented, we had two recent fire events one at 4 P.M. on Saturday and another one at 2 A.M. on a Sunday, and only two POC responders came and the rest of the crews were career people on overtime. Another firefighter said, “I worked over 500 hours unscheduled over time in 2017, and already have almost 300 hours accumulated by April 29 in 2018. We need more full-time salaried employees because Fitchburg is growing fast.

Have you ever served as an EMT or Paramedic in either a stand-alone EMS District or in a combined Fire and EMS organization?

Yes, all. Average 19 years

Do you currently have any licensure as an EMT or Paramedic?

Yes, all career Fitchburg fire fighters are required to be trained (by Fitch-Rona paramedics) and to maintain at least EMT-Basic licensure. Two still have EMT-Advanced standing.

How well do you think you work on a day-to-day basis with Fitch-Rona personnel within the Station you are regularly assigned in Fitchburg (Please rate on a scale of 1-5, with 1 best and 5 worst situation)? **1.3 average**

How well do you work with FREMS paramedics in cases of fire, accidents or other emergencies in Fitchburg (Please rate on a scale of 1-5)? **1.15 avg.**

One scenario we have been asked to examine is the impact of consolidating EMS and Fire Services under a unified Fitchburg Fire and EMS department Supervisory and Command structure. Do you have an opinion on whether this would be a beneficial thing or a concern as relates to:

- A. The delivery of fire services for City residents **1.6 avg.**
- B. The sharing of resources such as funds, facilities, and equipment **1.3 avg.**
- C. Communication between the two services **1.4 avg.**
- D. Your future as a Career Fire Fighter with the City **1.0 avg.**

General Comments:

- A. "Responses for both Fire and EMS should be faster under a combined department—If EMS gets to a fire location first, they could clear and turn-on hydrants to be ready for the first trucks. Then if Fire trucks have EMS equipment on board and training, they could clear tracheas, resussitate victims, start defibrillators, etc. in anticipation of the ambulance. It's a win-win."
- D. Several respondents said that they had zero concern about merging Fire and EMS on their personal careers. One said that cross-training paramedics and firefighters could address the critical need for more full-time career staff in both departments.

What would be your attitude if the City did incorporate EMS services into its Fire Department and proposed in future years to gradually phase-in cross-training of Firefighters to also become paramedics or licensed EMT?

In general, five employees said this (cross-training) is a good idea, but I am too old and don't want to devote 1-3 years to go back to school to become an ALS Paramedic. Almost all interviewees felt that cross-training new hires would be a good idea.

One younger FF/Inspector was interested in working in a combination Fire Service and Advanced Life support unit as a Firefighter/Paramedic. The person said in fact, they might leave Fitchburg Fire in a few years if they could get into an area combo department.

What is your opinion of whether Fitchburg should become part of a multi-municipal Fire District for southern Dane County?

(3) Supported idea. One veteran Fire fighter said, "I have supported a combine fire department with Oregon, Verona and Fitchburg for years, because boundaries just get in the way of fastest response. Another said, "the time to have done this would have been when all three of the departments had part-time chiefs, and one was retiring. Now, it is probably too late with two, and now a third, new buildings being erected in Fitchburg and Verona, and all three communities having full-time experienced Chiefs."

Dear Mayor Gonzolaz- {sic, Gonzalez}

As requested, I have provided some notes regarding items that were presented in the Fire-EMS Study that are inaccurate, or I feel present a bias opinion of Fitch-Rona EMS that should be considered for correction.

Starting on page 1, Mr. Elsass states a concern expressed by the staff about the repeated studies regarding merging Fire and EMS. He states that the earliest copy he found was in 2001. Would Mr. Elsass have asked, I have copies of studies that were sponsored by the City of Fitchburg in 1985, and another in 1992. A time, that I may add, Mr. Elsass was actually the City Administrator of Fitchburg. This information does not change the outcome of the proposed changes, but in my opinion reinforces his apparent disregard for the personal concerns presented to him from our staff.

DE – I became Fitchburg’s first City Administrator in 1988. I served as the Mayor’s appointee to Fitch-Rona commission as one of three City representatives from 1989-92. Our study did follow up on EMS staff concerns regarding the frequency and purpose of previous District staffing studies, as evidenced by the three studies cited in depth in our introduction. We did not include studies prior to 2000 because of changed conditions in the District and in city fire departments during this century.

On page 5, the staffing model of Fitch-Rona is incorrect. It is states that “Part-time staff is used to cover Wednesday and Sundays providing coverage for the seventh day of the week...”. These days are covered with our Full-Time time and are referred to as Kelly Shifts. We do utilized Limited-Term Employees (LTE) to cover openings for sick time, vacations, and events, as is referenced in the reports. We do not employ Part-Time employees, as this title actually has Union representation connotations (CM – Suggested new language to accommodate Chief Anderson’s concerns) Fitch-Rona operates two full-time Advanced Life Support ambulances 365 days of the year providing 24/7 service to the City of Fitchburg, City of Verona and Town of Verona. Fitch-Rona employs 14 full-time Paramedics and approximately 7 Limited Term Employees (part-time Paramedics) to provide 24/7 coverage. Full-time staff works two 24-hour shift per week that results in eight hours of scheduled overtime per week. Limited Term Employees are used to cover open shifts created by personal days, vacation, sick leave and other leaves of absence and/or late notice absences per the Collective Bargaining agreement.

On page 8, Mr. Elsass references Fitch-Rona’s participation in the Health and Dental Plan programs. He quotes contract language, “ In the case of the EMS district, the contract with its paramedics states that the District pays 95% of the Group Health Collective (sic, Cooperative) (HMO) standard plan, unless the employee chooses to participate in the State of Wisconsin health insurance plan, in which case the Employer will pay 88% and the Employee pays 12%.” As I am sure you aware, as a District, all of our employees are under one health insurance provider and cannot selectively choice between the two providers. This language is similar to the language in most other Collective Bargaining Agreements examines and is by no means “convoluted”, as referenced by Mr. Elsass.

DE – I don’t know what other Collective Bargaining Agreements are being referred to by Chief Anderson. Employees of both the City of Verona and City of Fitchburg Fire Department are required to participate

in the City employee health and dental plans, which also require the employee to enroll in the lowest cost plans offered by the municipality (currently UW Health Quartz for Fitchburg), or else pay higher employee contributions for higher priced plans offered. Verona firefighters IAF Local 311 language also requires participation in the City's lowest cost plan, among numerous options, or face higher employee premiums.

This same section also references the higher premium cost to Fitch-Rona. The District does review its health insurance programs every few years. This last review determined that since the State plan does not offer an Employee+1 option, many of our employees who are enrolled in that program would have had to enroll in the family program for that same coverage. The overall cost *would have actually been higher* to Fitch-Rona, and subsequently, to the municipalities, through the State Health Care program.

DE – Please see above

As I am sure you are also aware in this section, Mr. Elsass recommends in the future, to bring FitchRona employees under the City of Fitchburg's Health and Dental policies. A recommendation that is not even feasible since our paramedics are not employees of the City of Fitchburg. This should be basic knowledge for a former City Administrator.

DE – We fully understand that Fitch-Rona full-time staff are not considered City employees for benefit and pay-roll purposes. However, four off our six options (B, C, D, and E) call for these employees to be incorporated into one or both cities' operations primarily for the purpose of creating costs savings for the employer and taxpayer. As stated in the report, having its own health and dental insurance programs is costing taxpayers nearly \$30,000 a year in higher premium subsidies. This is because Fitch-Rona with only 14 employees in its health plan has considerably less buying power than a City like Fitchburg which has 10 times the enrollees. FREMS also provides 95% funding of a platinum health plan which costs it (and its municipal benefactors) \$413 a month more for a family plan than the comparable Fitchburg plan. This works out to just over \$4,800 a month. Employee + 1 plans are also more expensive by about \$255 a month according to figures provided us by FREMS former business manager Lonn Schwartz and Finance director Misty Dodge. Family dental plans cost FREMS District \$396 more a year vs. the comparable Fitchburg employee plan.

On page 10, Mr. Elsass attempts to describe the training for an EMT. He is correct that the course is currently a 180 course, but if offered at most Technical Colleges over one semester, not two.

(CM) EMTs complete a course that is about 180 hours in length or one or two semesters. (reference MATC Madison website)

On page 11, Mr. Elsass states, "We did not however, find an example in which any full-time career employee in FREMS was disciplined for breaking safety or other work rules while on the job. Anderson...said that generally FREMS' administration is only reviewing his veteran staff of paramedics to make sure they are adequately trained in the latest medical techniques, and that they are filing required medical and run data as required by the State of Wisconsin." Mr. Elsass did not request a copy of the forms used for evaluation of our employees which include areas about patient interactions, station duties, effective communication, professionalism, reliability, decision making, and adaptability. Mr. Elsass continues to say, "When pressed, neither he nor union representative Kyle Wells could remember any member of the union receiving either a written warning letter or a suspension with or without pay for improper conduct or causing an accident or injury while at work over the last 5 years." I will start with the comment that I don't believe that I was "pressed" by Mr. Elsass. His use of words such as this

imply that administration at Fitch-Rona is hiding something, and has no place in a professional document that should be taking an unbiased approach to its outcomes. As for the information itself, Fitch-Rona has an established progressive disciplinary process that starts with a written-verbal warning, not a warning letter. It is true that no employees have received a letter. There have been multiple incidences in the first six months of my tenure where employees have received verbal-written warnings for their actions.

As for Mr. Elsass's comments regarding the "collegial" nature of the supervisory structure at Fitch-Rona, EMS as a profession, is structured differently from the fire service. Each paramedic crew is expected to respond to a call, assess, manage, and make decisions on their own, or as a crew, and transport a patient. The fire service is structured to be task-oriented. An apparatus, or supervisor, responds to the scene and directs crews on the appropriate tasks to provide threat mitigation, or fire suppression. This is not implying that firefighters are not highly trained as well, but the nature of work leads paramedics to be trusted to perform their duties as individuals without direct supervision. Fitch-Rona provides oversight through an active CQI process that reviews their performance on the medical side, and we solicit responses from our patients via the billing process on the overall encounter, with frequent praises on the professionalism and caring nature of our crews.

The paragraph goes on to state that there is "very little oversight of personnel at either city fire stations or in the field, particularly after day-time hours when two management staff leave." Every morning, our stations video conference for a morning briefing, and frequent trips are made between the stations by administration to ensure good communication. While referencing supervising their performance in the field, I am not sure what Mr. Elsass is looking for as a comparison to the fire service since, as referenced above, fire and EMS operations are inherently different.

I will repeat comments made earlier that statements made by Mr. Elsass such as, "While we cannot cite any specific wrongdoing, harm to patients, or misuse of public property, the lack of regular command and control could heighten the possibility of future abuses." insinuate wrongdoing on the part of Fitch-Rona paramedics and have no place in a professional, unbiased report. As the study was requested to conduct a comparison between the EMS and Fire department, I would question what management supervision is present at the fire stations for on-duty fire crews after their "management staff leave"?

I would also look for supported research from Mr. Elsass regarding a statement that "5-6 letters of reprimand in 2.5 years of supervision is an," approach...more consistent with progressive discipline models employed in Wisconsin city and village public safety departments."

DE – This is a judgement call on my part. I base it on my 14 years as a personnel director for four different municipalities during which time I have never seen a public safety organization (Police, Fire or EMS) go even one year, let alone five years, without a written employee warning or suspension for a breach of agency rules or an accident involving agency property. As far as staff oversight, station-based commanders are preferable to once a day conferences or 24-7 phone contact initiated by the employee.

Contrary to the statement made by Mr. Elsass that "Fitch-Rona paramedics do not have a supervisory chain of command that is available 24/7", Deputy Chief Dostalek and myself, alternate an Officer-in-Charge position that is clearly communicated to the crews. We are available via cellphone 24/7. In 2016, the District obtained a pager tone. Should the crew not be in a position to call via the phone, an OIC can be paged to respond, or call the crew, via the 911-center.

In regards to concerns over building maintenance and other staff responsibilities, there is a list of station duties that has existed since Fitch-Rona first shared quarters at Fitchburg Fire Station #2 in 1993. This list clearly identifies areas that each department is responsible for. None of the issues brought up in the study have ever been brought to the attention of administration of Fitch-Rona. **CM & DE This is already referenced. "During interviews with both Fire Chiefs we heard that Fitch-Rona paramedics do not answer station phones or participate in cleaning of shared station areas which include outside areas of the station. Paramedics do clean their apparatus and maintain their individual sleeping areas."**

Referencing the comment about not answering the phones. Each fire station has a separate phone line for the Fire Department and EMS District. I would not expect the Firefighters to answer the EMS line since if it goes unanswered, it is redirected to the other station, as is the fire line. Subsequently, no corrective actions have been taken, or required "enforcement" and they are addressed in "regular personal evaluations and/or progressive discipline", as Mr. Elsass states administration fails to do.

The administrative staff of Fitch-Rona EMS, and Fitchburg Fire currently meet monthly, and Fitch-Rona shares the same office space as the Fire Chief in Verona, resulting in frequent communication, as Mr. Elsass recommends the Chiefs do, but fails to recognize that we already do. **CM -- This recommendation is for all three chiefs to meet monthly and not just Chief Anderson and Verona Fire Chief Giver.**

On page 13, Mr. Elsass proposes, *"it would seem prudent to make similar adjustments in bargaining a successor contract with the FREMS unit to permit the option of bringing those employees under Fitchburg's employee benefits plans under the same conditions going forward."* As mentioned, earlier, as Fitch-Rona paramedic are NOT employees of the City of Fitchburg, this proposal is not a feasible option and should be understood by a past City Administrator.

DE – This issue was addressed earlier, but if a dissolution and/or re-configuration of the District can be negotiated with the other two municipal members, these paramedics and other staff can be made employees of either or both Cities, just as the rural Verona Area Fire District was incorporated into the City of Verona organizational structure in 2014.

On page 40, Mr. Elsass states, "Interviews and Commission minutes indicate that the voting process on policy and finances operates mostly by consensus among equals on the governing body. Meanwhile FREMS is employee-driven on budgeting and hiring decisions. The past Chief developed his own budget and capital equipment budget, and the Commission made few changes to the final products." As mentioned previously, if this study was meant to do a true comparison between the Fire and EMS Services, I would venture to say that the Fire Chief does *his* own budget projections and requests *his* capital equipment in cooperation with his commission, in the same manner at Fitch-Rona. By leaving out any comparison, these statements imply some wrong-doing or impropriety on the part of Fitch-Rona.

Mr. Elsass states that the hiring practice of Fitch-Rona "contrasts" with the Wisconsin Fire and Police **{sic, Commission}** hiring process. He states these statues "utilize merit testing and eligibility lists to ensure public safety employees are hired based on best qualifications, rather than other factors such as potential favoritism, or nepotism." The hiring process at Fitch-Rona includes a written aptitude test that was developed from the Wisconsin Technical College System paramedic program. We require completion of an American Heart Association scenario-based resuscitation. The candidates are then

interviewed by a panel consisting of employees and management, must complete a physical aptitude test that has been developed to ensure there is no bias against age, or gender, and a final interview with the Chief. I can assure that Fitch-Rona is hiring the best paramedics to serve the community, without prejudice, bias, “favoritism or nepotism” as, again, implied by comments made by Mr. Elsass.

D.E. – The main point is that Police and Fire commissions in Wisconsin operate under a series of State statutes relating to recruitment, testing, promotion, accommodation for disabilities, hiring discrimination (seven categories of protected classes), and discharge of public safety personnel and their supervisors. An independent EMS District and its governing Commission may or not be subject to selected court opinions on these subjects but, are not currently included under similar State laws that govern municipal Fire and EMS operations.

Comments made in page 47, regarding the budgeting process at Fitch-Rona are not completely accurate. Though Fitch-Rona is not a true “department” of the City of Fitchburg, the District has been compliant with all requested step of the budget process in the City of Fitchburg, just as the Fire Department is. There are additional steps needed because of the nature of the District structure, in that the budget for Fitch-Rona is also discussed, and approved, at the EMS Commission level, which it should be noted, includes a City Council member, or Town Board member from each municipality, who are direct links to the municipalities. He goes on to state, “the City Council does not get involved with amending or otherwise altering the operational priorities of the District.” I would ask how many other City departments, or specifically, the Fire Department, receive the kind of operational scrutiny from the City Council that is proposed by Mr. Elsass. My assumption would be none. The same paragraph states, “any analysis or fiscal projections for items such as wages, salaries, and other operating expenses is done entirely internally by District staff with no oversight or assistance requested of City professional fiscal staff.” Preparation for this current budget year included multiple meetings with the Finance Director in Fitchburg for consultation and information sharing. I argue that the City professional fiscal staff is most likely not as informed about Medicare reimbursement, the rising cost of pharmaceuticals and training requirements, as the internal staff of Fitch-Rona, and may not be as much of an asset when preparing the department budget as Mr. Elsass proposes.

D.E. – The Chief’s opinion that the EMS Commission scrutinizes his budget submissions and spending in the same amount of detail as is given Fitchburg or Verona’s fire department equivalents by a city finance department, finance and public safety committees, and full City council is simply an unwarranted assumption and, in our opinion, not based on past precedent.

Page 48 questions a budgeting of overtime. Another example of Mr. Elsass stating information and presumptions of incompetence, without asking questions. In 2017, there were 2 months of time when Fitch-Rona had 2 employees out of work on non-work related medical leave, and one of those employees out for 7 months. Hence, the actual overtime budget was extraordinarily high, and the 2018 budget request did not require the proposed increase by Mr. Elsass. This can be directly linked as well to the questions raised by Mr. Elsass made in comments on page 51 regarding the large, unrestricted cash reserves at the end of 2017. The majority of the hours of the employees out on short-term disability were covered by Limited-Term Employees resulting in a higher fund balance at years end. If the reserves at the end of the year are greater than 20%, it is in the District bylaws that those funds are returned to the municipalities, or the EMS Commission may vote to place those funds in the restricted account that funds the post-retirement health care payments made to employees per the Collective Bargaining

Agreement. Unlike Mr. Elsass comments, no questions were raised during the 2018 annual external audit by the CPA firm. DE & CM -- We believe in this paragraph Chief Anderson is only addressing "unscheduled OT," which in 2017 was \$95,000 and we were not questioning. What pages 48-49 of the report are addressing is "Scheduled" OT costs of over \$235,000 in 2017 which are created by scheduling regular overtime of approximately 280 hours a year for every full-time paramedic at 1.5 times normal salary. This overtime occurs because EMS employees are eligible for OT after 40 hrs. work in every two-week cycle and thus get an "automatic 8 hrs. of it every 13 days. This works out to between \$8,800 to \$11,900 in annual guaranteed overtime based on years of experience for all 14 FTE staff. This would not happen in a fire department with EMTs who are also deployed as firefighters and must work 53 hours in a cycle to be eligible for time-and-a-half. It is for this reason we have suggested that a combination, cross-trained department model could save up to \$177,000 a year in the Scheduled Overtime account.

The above concern starts to address Mr. Elsass concerns over the designated segregated funds maintained by Fitch-Rona. He states, "Several of these appear to be unnecessary because they correspond to operating budget line items, and not ongoing capital replacement projects or pension/benefits accruals." If Mr. Elsass had asked questions related to these funds, he would have found that two of them are directly related to capital replacement projects such as the Ambulance line item and the Sick Time/Insurance fund which is directly related to the Post-Retirement Health Care provisions. Each other line items listed is either restricted use by state statues, such as FAP funding, which cannot be used to replace items that should be budgeted, or to ongoing, high dollar operational needs such as the legal fees needed for contract negotiations every three years. As previously asked, if Mr. Elsass believed that, "the amounts are all rather small and so this is not a material concern", why would he include this in his report unless to create doubt about the competence of Fitch-Rona's operations?

DE – The ongoing, segregated funds that were questioned were not the ones listed above. Instead, I questioned why carry-over from one time or annual operating budget items such as, Payment to Medical Director, Collective Bargaining Negotiations, and Bike Response Program needed to be in segregated non-lapsing funds.

With respect to the Capital Planning process, I would like to correct Mr. Elsass statements that Fitch-Rona is planning to purchase two new ambulances in in 2019. I have presented to the City Council previously this year that the District intends to purchase one new ambulance, as part of our normal replacement rotation, and retain one of our older ambulances that would normally have been sold. This allows us to expand the staffing of the new station without asking for more funding outside of normal planned expenditures. Fitch-Rona follows the same procedures as all other internal departments of the City as they apply to Capital requests. He is also incorrect in the cost of a first response vehicle. In 2018, Fitch-Rona reduced the requested funding of the vehicle by \$30,000 to \$60,000 in an effort to working cooperatively with our municipalities to keep capital requests down. Both of these corrections reduce Mr. Elsass \$1,004,000 dollar shock value number to less than (\$400,000) for both vehicles.

DE – Back in March when we interviewed Chief Anderson for this project he was contemplating whether he needed two new ambulances (1 main vehicle and a second replacement or back-up located in Fitchburg) as a result of growth in demand in Fitchburg and the addition of a new fire station on its eastside. That is why we used the phrase FREMS "could be requesting" two new ambulances in the

2019 budget. Apparently, he and the City of Fitchburg have come down on the side of only considering one new ambulance and one fly-car for the 2019 capital request. We will revise this paragraph to reflect current negotiations. DE – We still disagree with the Chief's math even with those changes from the Capital plan (i.e. Our figures come out 1 ambulance equipped - - \$457,000 + \$60,000 command car = \$517,000 assessed to Fitch-Rona member communities in 2019).

It is also questioned in the study about the purchasing practices of Fitch-Rona with regards to ambulance purchases. Similar to the Fire Department, it is in the best interest of our responders to know where their equipment is during an emergency. We currently have four ambulances from the same company. Regardless of the ambulance a crew is in, all of the equipment is in the same place. Our vendor provides state contracting for the chassis, and continues to provide reliable and outstanding service for any issues that arise.

D.E. – Not quite sure how a Minnesota based vendor can provide Wisconsin state contracting discounts but, will take Chief Anderson at his word.

On page 53, Mr. Elsass makes reference to a perceived lack of oversight in budget management. He states, "It is then entirely up to the Chief if any subsequent action is taken to address the potential overspending. We did not find indication that the District had any such overspending reporting requirement calling for advance notification from the Chief to either its finance committee or the full Commission when such limits were reached." Each month, an operational budget update is shared with the entire commission and explanations for overages are provided to the commission as a whole. If the study was truly to be making comparisons between the Fire and EMS services, I would question if this same diligence is made at the Fire Commission meetings.

D.E. – Fitchburg Fire Department does not report to a Commission, but rather has budget scrutiny through the Administrator and Finance Department, the Finance Committee, and the Mayor and full Council. This review process was compared thoroughly with FREMs process in Sections E & F. of our report.

On page 55, Mr. Elsass makes the statement, "equipment such as mobile beds, defibrillators, oxygen masks, etc. are also ordered exclusively through one medical supply company which does not necessarily ensure best prices at lowest cost to the municipalities and their taxpayers". Fitch-Rona pays a membership fee to the Wisconsin EMS Association, as do over 700 other EMS agencies in Wisconsin. The EMS Association provides representation for EMS organizations to the State Legislature, as well as negotiates purchasing contracts for its members to provide better savings for municipal agencies. With those contracts in place, we primarily use two companies for the majority of our disposable and durable good purchasing.

DE – This is all well and good, but all contracts should be publicly bid or re-bid every 2-3 years under standard public purchasing standards to ensure competitive pricing and transparency to vendors.

On page 57, Mr. Elsass makes a recommendation that Fitch-Rona discontinue the use of a part-time accountant and contract services back to one of its municipalities. He lists an example of other agencies that have consolidated. He uses a reference to MPSIS, which has absolutely nothing to do with the accounting practices of any agency listed, including Fitchburg. It is a records management sharing service! He refers to the City of Sun Prairie EMS, which is a true department of the City of Sun Prairie, and not a District as Fitch-Rona is, and graciously assumes that either municipality has a financial director with a person who has an additional 16-hours a week to assume to role needed to manage the accounts at Fitch-Rona for less cost.

D.E. – We estimate that Fitchburg and the Verona’s could save about \$35,000 a year in municipal payments if one of the member community’s finance department took over most financial duties performed currently by the FREMS business manager (Please see pages 57-58). Misty Dodge was consulted on this issue and stated that City of Sun Prairie provides these services for the MPSIS, tri-municipal dispatch service, and it works quite well. She also believes that her staff in Fitchburg Finance could take on the district duties within the parameters of their current city-wide work load. The new Fitch-Rona business manager makes roughly \$19,000

This same section continues to grossly misunderstand the borrowing practice of capital expenditures of the municipalities and their relation to FitchRona. The process proposed by Mr. Elsass is the process that is followed by the District and its municipalities by joining large projects together for better rates.

DE – We politely disagree with Chief Anderson’s interpretation of how the current FREM’s capital budget affects present and future municipal payment costs of the Cities of Fitchburg and Verona. We also believe that there are considerable savings to be had if one of the cities finance departments could do the biennial borrowing for large items such as ambulance replacement and fly-cars.

As an example, we calculate under the 2017 adopted FREM’s CIP, the District will be asking members for approximately \$500,000 for new vehicles in 2019 (See Page 2 of this Letter). Since the District is not permitted to borrow long term, it will pay cash for this equipment and will bill each member its share in two equal payments in February and August of next year. Fitchburg’s additional municipal payment will be 49.9% or roughly \$250,000, but since the City finance committee does not permit borrowing for long term, stand-alone projects less than \$500,000, this money will go on the levy to be paid as part of property taxes payable in 2019. However, if Fitchburg’s Finance Department were appointed and contracted to be the District’s financial agent (or Verona’s Finance Department), or if EMS was transferred to a City based operation, the City could then borrow for large capital expenditures over a 10-15 year period and the principal and interest payments would be spread more equitably among current and future taxpayers and users of EMS services.

As an example of potential savings to the City in 2019-2020, let’s assume that Fitchburg’s share of \$250,000 in EMS capital costs is part of a district wide borrowing package of \$500,000 borrowed at current rates of 3% over 15 years. According to amortization tables, Fitchburg would pay \$1,726 a month for 180 months beginning late 2019 (first year’s payment of borrowing is usually 50% of that year’s full principal and interest owed), and its first full year annual payments in 2020 would total \$20,717. The savings to taxpayers in the short run would be \$250,000 - \$31,000 = +\$219,000.

Mr. Elsass references the Wisconsin EMS Association statement that “there is {no} single way to deliver (CM)EMS services and one model 0as not found to be inherently better than the other”, once, but frequently cites the position statement from the International Association for Fire Chiefs statement, which not surprisingly, supports a fire-based EMS system. In support of those recommendations, I would argue that Fitch-Rona EMS and Fitchburg Fire, though separate entities, already model many of the listed benefits, while Fitchburg shares the overall operational costs. As an Emergency Medical Responder organization, Fitchburg Fire does provide continuity of patient care with Fitch-Rona paramedics using the same patient reporting platform. CM – I respectfully disagree. The Fitch-Rona model does not allow for full incorporation of the IAFC’s support for fire-based EMS. Please see pages 60-61 of the report to see the IAFC’s position on a fire-based EMS model. Also, we would reiterate that it is the WI EMS Association’s statement that reads, “There is no

one best way to provide emergency medical services.” However, it is our opinion that there are better ways to provide the most “cost-effective” and “timely” delivery of those services than an independent, stand-alone model.

Our two departments share the same set of protocols and the same medical director. Dr. Mike Mancera, please note the correct spelling, is the emergency physician who actively works with Fitchburg and Fitch-Rona EMS to ensure current, evidence-based protocols, and a robust quality assurance program.

On page 68, as Mr. Elsass summarizes his interviews with myself and Deputy Chief Dostalek. His summary of my biography is incorrect. I was never an Acting Chief. Previous Chief Myrland retired December 31st, and became the Chief on January 1st. I was not a Lieutenant with Fitch-Rona. The Lieutenant position did not actually even exist when I returned as a full-time Deputy Chief to the ranks of Fitch-Rona from my position as a Limited-Term Employee, while working full-time at the Technical College. Mr. Elsass continues that I state that I “did not have a lot of observations regarding the future of the Fitch-Rona EMS district”. I argue that the entire next paragraph summarizes a lengthy discussion about the future of Fitch-Rona and the expansion of the District, and again, misquoting the request for purchasing ambulances for the District.

DE – We will make appropriate corrections to the Chief’s biography and Dr. Mancera’s name in the report. Regarding the latter, I could not read my own notes from my earlier interview with Chief Anderson. Bad penmanship!

Thought I cannot correct statements made by Chief Pulvermacher, I would like to note that it is stated in his summary that the City does not receive State Department of Health Service Funding Assistance Program (FAP) funds. Though this is true, the application from Fitch-Rona for these funds that is submitted each year includes a roster of all of the Full-Time firefighter/EMT’s on both fire departments, as well as the sponsorship of the Emergency Medical Responder license of the Fitchburg Fire Department. In return, last year alone, Fitch-Rona shared over \$2,000 of those state received funds with the City of Fitchburg Fire Department to pay for training supplies and equipment.

On page 71, Mr. Elsass is incorrect in stating the level of EMS service provided my Mount Horeb Fire/EMS. They are an EMT-Advanced service, not a BLS. CM -- Per the DHHS website Mount Horeb Is an EMT-Advanced service. We will change this in the report.

Final notations regarding the study would be similar to those raised during the Council meeting. Since there is no substance to matrix on page 79, I would question a few things. I would like to know how the response times were increased in every other option, other than the status quo. The location and number of ambulance would stay the same in any one of those options, yet status quo is lower. This same logic follows in the topic of potential for increased revenue. With the exception of a regionalized approach, nothing changes in the District in many of those options. CM -- We rated the potential “reduced” response times as “Low”. Therefore, we did not say response times would be “increased”.

I would also look for more clarification regarding “More Incident & Administrative Coordination”. There is such a difference in the None versus High probabilities, yet, I don’t believe the response coordination

would change in a City run response. No additional apparatus would be dispatched to any EMS incident any more than is already configured, so how does this probability change?

Finally, I would look for some rubric regarding how they determined sustainability. Currently, the average employment time of our paramedics is just under 13 years. I would claim that the sustainability of an EMS-only organization, such as ours, has stability in staff as is proven, yet, a large disparity is again reported.

D.E. and CM – Sustainability assessment was based on likelihood that both Fire and EMS services would retain sufficient highly qualified and experienced Firefighters and EMS paramedics over a 10-25-year period. Currently, Fitchburg and Verona fire departments are facing issues with a decreasing number of Paid-on-Call responders. Cross-training of career employees with both skill sets provides a larger pool of responders for both services and the most efficient deployment of those responders. Sustainability assessment also included a review of containing future increases in EMS operating losses (i.e. municipal subsidy payments) under each model.

Please let me know if there are any further questions that you may have, or if any follow up is needed.

Patrick Anderson
EMS Chief
Fitch-Rona EMS District