CONSOLIDATED FIRE SERVICES IN MILWAUKEE COUNTY'S SOUTH SHORE

Public Policy Forum

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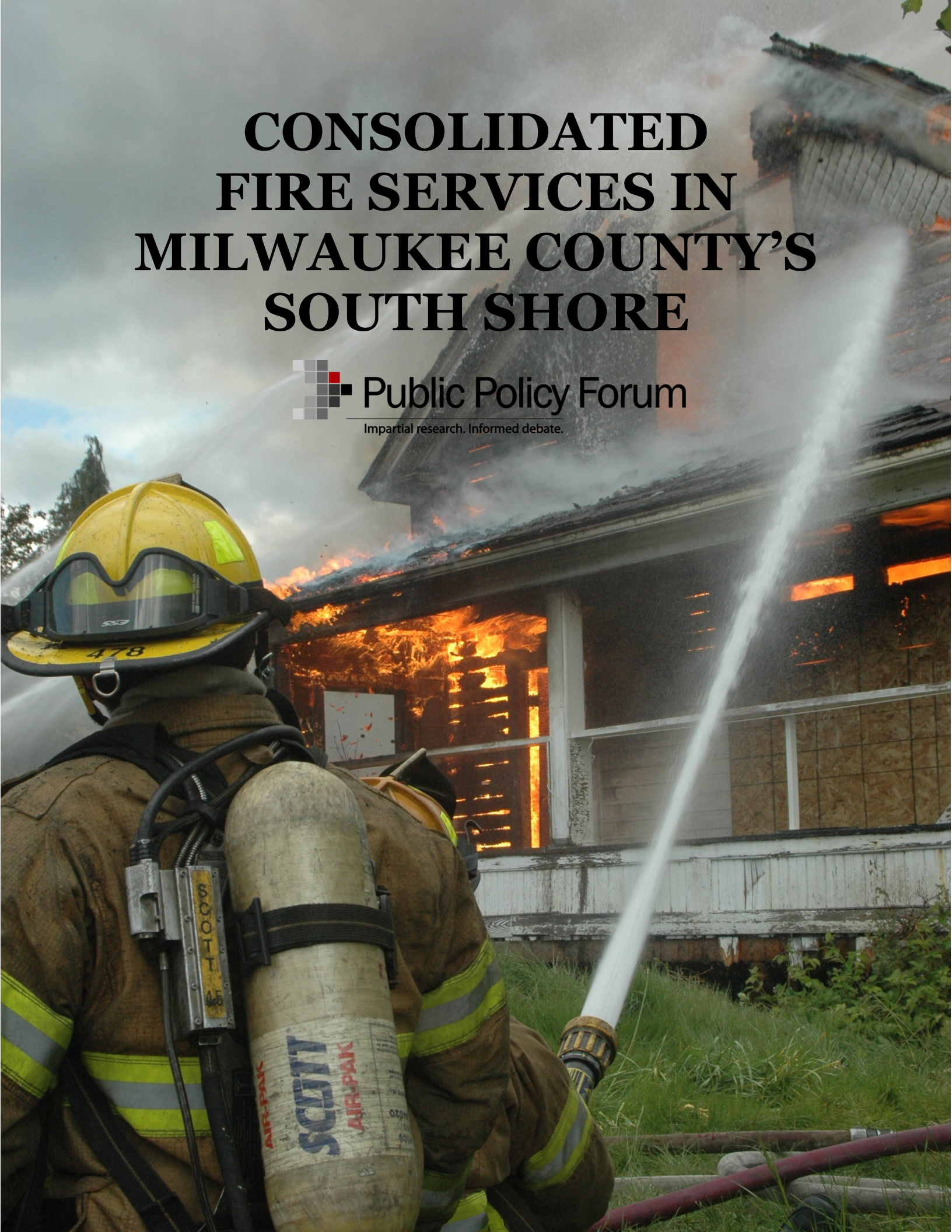

ABOUT THE PUBLIC POLICY FORUM

Milwaukee-based Public Policy Forum – which was established in 1913 as a local government watchdog – is a nonpartisan, nonprofit organization dedicated to enhancing the effectiveness of government and the development of southeastern Wisconsin through objective research of regional public policy issues.

PREFACE AND ACKNOWLEDGMENTS

This report was undertaken at the request of municipal leaders in Cudahy, South Milwaukee and St. Francis to explore possibilities for sharing or consolidation of fire services. It follows a report on possible approaches for a consolidated public safety dispatch operation (published in September 2012) that similarly was requested by the three cities. We thank officials from the three cities for their financial support of this project, and we hope that elected officials, fire department administrators and civic leaders from the three communities will use the report's findings to inform discussions during upcoming policy debates and budget deliberations.

Report authors also would like to thank the fire chiefs, city administrators/finance managers and other municipal staff who participated in our deliberations and assisted us in our efforts to gather budget and operational data on the three fire departments. Finally, we wish to thank the Greater Milwaukee Committee for its partnership in facilitating the ICC Shared Services and Cooperation Work Group and for its financial support of this report.

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EXECUTIVE SUMMARY

A combination of rising fixed costs and declining state aids – combined with an inability to fully apply the provisions of Wisconsin Act 10 to police and fire personnel – has prompted several municipal leaders in Milwaukee County to explore the possibility of sharing or consolidating public safety services with neighboring communities as a means of possibly reducing costs while maintaining or improving service levels. At the request of several of those leaders from the southern part of the county, the Public Policy Forum has recently published reports on possible fire service consolidation in Franklin, Greendale, Greenfield, Hales Corners, and Oak Creek, and on possible public safety dispatch consolidation in the South Shore communities of Cudahy, South Milwaukee, and St. Francis.

In this report, we tackle the possibility of fire service consolidation in the three South Shore communities. The analysis begins by laying out specific demographic and related characteristics of the three cities that help determine their demand for fire and emergency medical services, and how that demand may impact their compatibility as consolidation partners. We also consider the operations and budgets of the existing fire departments – again with an eye toward determining the viability of consolidation – and the extent to which the three departments currently coordinate and share services.

We find that while St. Francis is distinct from the other two cities in geographic size and population, there are many similarities among them in terms of important characteristics like population density and income. Furthermore, we find that a strong cooperative relationship already exists between the three fire departments. Those factors suggest that a logical next step for those interested in pursuing additional cooperation would be a fully consolidated department.

To develop consolidation options, Forum staff held lengthy meetings with the chiefs and other personnel from the three cities and consulted with fire department officials and consultants in Milwaukee County and elsewhere in the United States. Based on those deliberations, we present three scenarios for possible full consolidation. It is assumed that under each scenario, the consolidated department would have identical governance, command and administrative structures, as well as the same apparatus and equipment. In addition, it is assumed that one of Cudahy's two fire stations could be eliminated under each of the scenarios, so that the three cities collectively would be served by three stations – one each in Cudahy, South Milwaukee and St. Francis.

The distinguishing factor among the three scenarios is the 24-hour shift staffing model:

- **Scenario 1** is based on a minimum staff per shift of 18, or six at each of the three stations. This staffing configuration assumes that each station optimally would be able to send four firefighters out on an engine and/or ladder truck. In the case of simultaneous emergency medical services calls (EMS), two firefighters would remain available at each station. This was the minimum staffing model recommended by the three South Shore chiefs when asked to consider a consolidated department.

- **Scenario 2** is based on lower minimum staffing of 15 per shift, or five per station. This staffing pattern is similar to that employed by Milwaukee County's North Shore Fire Department (NSFD), though the NSFD has two additional stations. It is assumed that each engine/ladder truck would be staffed by three firefighters. Under a scenario in which two ambulances from a single station are out on calls, staff would need to be moved from a different station (or called back) to keep that station in service.

- **Scenario 3** is based on minimum staffing per shift of 17 – five in St. Francis and South Milwaukee and seven in the central station in Cudahy where an additional paramedic unit would be stationed. This scenario assumes that either three or four firefighters would staff an engine/ladder truck, and provides additional capacity at the Cudahy station to accommodate situations in which two ambulances are out simultaneously from that station.

Our fiscal analysis estimates that the impacts of a consolidated department could range from a collective added annual operating cost of $67,000 in Scenario 1, to an $890,000 savings in Scenario 2. Scenario 3 comes in between the two, at $248,000 in estimated savings. In addition, under each of the scenarios, we estimate that the three cities would save more than $1.7 million in vehicle replacement costs over the next seven years because of the ability to shrink the size of the collective vehicle fleet.

With regard to programmatic impacts, we find that a consolidated South Shore fire department could improve the quality and uniformity of firefighter/EMS training, reduce dispatch times, and enhance advanced life support services. We also point out, however, that the reductions in minimum staffing levels contained in Scenarios 2 and 3 may create programmatic concerns. Whether the staffing flexibility afforded by a consolidated department would offset those concerns is a key operational question that will need to be considered by public safety officials in any consolidation discussions.

While the purpose of this report was not to recommend a specific course of action, it does conclude with the following observations:

- To the credit of the three cities and their fire chiefs, there already is considerable service sharing and cooperation among the three departments. Additional operational improvements might be generated by enhanced service sharing through creation of joint bureaus for training, fire inspections, and/or vehicle maintenance, but we find that such actions could *increase* the costs of those functions.

- Full consolidation, on the other hand, does have potential to produce substantial annual operating savings and longer-term vehicle replacement savings. That potential depends upon the staffing model that is used for the consolidated department, and it must weigh the service-level issues that might arise with leaner staffing models. A key question is whether a consolidation option exists that might accommodate the need for budget savings *and* maintain (or perhaps enhance) existing levels of service? When viewed in that context, it appears that Scenario 3 – which suggests minimum staffing levels of five at the St. Francis and South Milwaukee stations and seven at the Cudahy station – may be most worthy of further consideration.

- The decision to pursue consideration of a consolidated South Shore fire department is further complicated by the potential for widely varying fiscal impacts in the three individual communities. Based on our meetings with leaders of the three communities, however, we are optimistic about the prospects for an intergovernmental agreement that would amicably address the specifics of paying for a consolidated department should the three cities decide to pursue that approach.

BACKGROUND

In the spring of 2011, the Intergovernmental Coordinating Council (ICC) – a body consisting of the chief elected officials from Milwaukee County's 19 municipalities and the county itself – voted to establish a new work group to explore possibilities for shared services and functional consolidation. The work group – which is facilitated by the Forum in partnership with the Greater Milwaukee Committee (GMC) – has met regularly since that time and has discussed and collected data on several potential areas considered ripe for shared services, including property assessment, property tax collection, public works and joint health care purchasing.

At one of its earliest meetings in June 2011, the ICC work group also discussed the potential for coordinating, consolidating or sharing fire services in southern Milwaukee County. Work group members cited the benefits experienced by the North Shore Fire Department (which has seen improved response times and reduced administrative overhead since its creation in 1995), the recent retirement of several fire chiefs in the southern part of the county, and growing facility and vehicle needs as rationales for exploring shared services or consolidation. They also noted that municipal fire departments in the southern part of the county already cooperate in terms of mutual response agreements and other activities.

In August 2011, the Forum and GMC organized a special meeting for leaders of the eight southern Milwaukee County communities to discuss the initiation of a formal study process. One outcome of that meeting was an analysis of possibilities for coordinating, sharing or consolidating fire and Emergency Medical Services (EMS) among five municipalities: Greenfield, Franklin, Oak Creek, Greendale and Hales Corners. That analysis was completed and released in May 2012.

The communities of Cudahy, St. Francis and South Milwaukee followed a separate track from the other southern Milwaukee County communities, partly because those three cities already had explored fire service consolidation several times, including a study in 2000 conducted by the TriData consulting group. Early in 2012, the mayors of Cudahy, St. Francis and South Milwaukee approached the Forum to conduct two separate studies, one on public safety dispatch services and a second on fire protection/EMS services. Each of the municipalities adopted resolutions indicating their support for the studies and their willingness to make a small financial contribution to them. The dispatch study was completed in September of 2012 and the fire study was launched early in 2013.

This study was conducted by the Forum with the participation and oversight of the city administrator or finance director from each of the cities, as well as active participation from the three fire chiefs. In fact, while not endorsing any specific approach, the chiefs met regularly with Forum researchers throughout the study process to share information and discuss operational details of various service sharing options.

CHARACTERISTICS OF STUDY AREA

A review of demographic, housing and tax-related indicators demonstrates that there are many similarities between the three communities. St. Francis is unique in a few ways, including its supply of multifamily housing, recent growth trends, and older population. South Milwaukee, on the other hand, has a smaller commercial presence, and its housing is primarily comprised of single family units with larger household size than either of the other two cities.

One of the first questions typically asked by elected officials and citizens with regard to proposals for fire service consolidation is whether their own municipality would receive inequitable treatment from the consolidated department. Service-level concerns often arise from fears that some participating jurisdictions may have higher demands for service, thus negatively impacting response times and attentiveness for other participants. Similarly, individual municipalities often worry that the cost allocation methodology for a consolidated department will not appropriately reflect their usage and need for fire department services, causing them to subsidize service for their neighbors.

Consequently, before considering the possibility of fire service consolidation, it is important for potential participants to understand how their respective communities compare to one another with regard to certain demographic and physical characteristics that are logical indicators of service demand and ability to pay. If the differences are pronounced, then it may turn out that consolidation would not be a viable option, or that the cost allocation formula developed to pay for the consolidated department would have to appropriately reflect those differences. In this section, we briefly review several such relevant characteristics.

The cities of Cudahy, South Milwaukee, and St. Francis cover a combined 12.1 square miles in southeastern Milwaukee County, accounting for about 5% of the county's land area. According to Wisconsin Department of Administration estimates, the three cities had a combined population of 49,118 in 2012, which was about 5.4% of the county's total.

General geographic and demographic information for the three cities shows both similarities and differences. As shown in **Table 1**, St. Francis is roughly half the size of the other cities, both in area and population. St. Francis also is distinct in that its population has grown by 10% since 2000, while Cudahy and South Milwaukee experienced slight population declines.

The population of St. Francis is older than the other two cities, with a slightly higher percentage of people over the age of 65 and a much lower percentage of population under the age of 18. Generally speaking, people over the age of 65 generate a higher demand for emergency medical services (EMS). One segment of the older population, those living in nursing homes and assisted living, has a particularly high impact on emergency services. **Table 1** shows that the group quarters population, a total of 578 residents, is concentrated in South Milwaukee and St. Francis.

Table 1: General geographic and demographic information

	Cudahy	South Milwaukee	St. Francis
Area (sq. miles)	4.77	4.80	2.55
Total population (2012)	18,340	21,238	9,540
Population change, 2000-2012	-89	-18	878
% of residents 65 or older (2010)	15.7%	15.6%	17.5%
% of residents under 18 (2010)	21.5%	21.5%	15.9%
% of residents living in Group Quarters	0.4%	1.4%	2.1%

Sources: U.S. Census Bureau

Housing characteristics, such as housing density and the number and age of housing units, also are relevant to fire protection services. **Table 2** shows that the housing stock in St. Francis is newer than the other two cities, based on the percentage of units constructed since 2000. More than half of the housing units in St. Francis are multi-family and a majority of those units are in large apartment buildings with 20 or more units. While South Milwaukee has the lowest percentage of multi-family housing units, it has more housing units per square mile than either Cudahy or St. Francis. This statistic seems contradictory, but could be explained by differences in the average size of housing units and/or relative amounts of open space and other land uses in the three communities. South Milwaukee has the largest average household size, which reflects its preponderance of single family housing, and its higher population under the age of 18.

Table 2: Households and housing units

	Cudahy	South Milwaukee	St. Francis
Total housing units (2010)	8,662	9,722	4,828
% of units in multi-unit structures (2010)	44.7%	37.8%	51.1%
% of units in 20+ unit structures	9.8%	7.2%	27.9%
Housing Units per square mile	1,815	2,025	1,893
Persons per Household	2.31	2.44	2.06
Median housing value, owner occupied (2010)	$159,600	$170,700	$160,700
% of units built since 2000	7.8%	5.8%	11.6%

Source: U.S. Census Bureau

Since property taxes play a crucial role in funding local government services, the property wealth and property tax capacity of each city also are relevant factors. **Table 3** shows the 2011 equalized property values of the three cities, as well as 2011 property tax collections and tax rates per $1,000 of property value.[1] Gross tax rates are nearly identical across the communities. Commercial assessed value makes up a smaller percentage of the total in South Milwaukee than the other two communities at only 17.3%.

[1] The gross tax levy and tax rate reflect property tax payments made by residents to support their local school district, municipality, Milwaukee County, and other taxing entities.

This is one reason that per capita assessed value is more than 20% lower in South Milwaukee as compared to Cudahy and St. Francis.

Table 3: Property values and property taxes, 2011

	Cudahy	South Milwaukee	St. Francis
Municipal assessed value	$1,225,012,000	$1,117,925,000	$639,395,000
Per capita assessed value	$66,794	$52,637	$67,022
Commercial assessed value	$294,812,000	$193,541,000	$161,328,000
Commercial assessed value as % of total	24.1%	17.3%	25.2%
Total property tax levy	$33,489,630	$34,246,114	$17,642,921
Gross tax rate	2.7%	2.7%	2.8%

Source: Wisconsin Department of Revenue

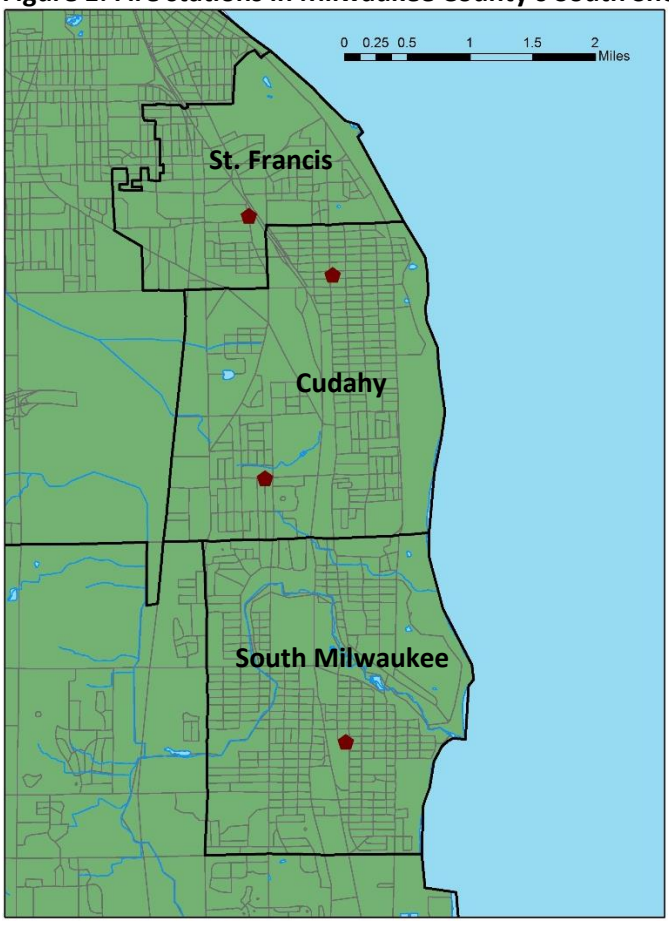
DESCRIPTION OF CURRENT FIRE SERVICES

The fire departments in Cudahy, South Milwaukee and St. Francis engage in a variety of emergency and non-emergency services, though the majority of the workload in each department is related to EMS. Notably, demand for EMS is higher in the study area than in comparable suburban communities. The three communities spent $7.6 million in 2012 to provide for fire protection and EMS services, with 81% of that amount coming from local taxpayers. The service received for that expenditure appears to be of high quality based on average response times and ISO ratings.

This section reviews basic activities, staffing levels, equipment, and finances of the three fire departments to provide additional context for the consideration of consolidation opportunities. As with the characteristics described in the previous section, this information may shed light on the viability of consolidation, as departments with highly dissimilar service levels and expectations for their fire and EMS services may not be good matches for a consolidated approach; and on the determination of an equitable cost allocation formula should consolidation be pursued.

Each of the three cities is served by an independent fire department that provides a wide range of fire and emergency response services. Cudahy is served by two fire houses, while South Milwaukee and St. Francis have one each. **Figure 1** shows the locations of the four fire houses in the area.

Figure 1: Fire stations in Milwaukee County's South Shore communities



Fire Department Activity Levels

Fire Department activities include both emergency response (fire and EMS), and non-emergency activities such as building inspections, training, and others. With regard to EMS, each of the three departments provides basic life support (BLS) services, and South Milwaukee also provides advanced life support (ALS) services (also known as paramedic services).[2] St. Francis receives ALS services from the City of Milwaukee, while Cudahy relies on South Milwaukee for its ALS services.

Emergency Response

Based on the activity data depicted in **Table 4**, it is clear that EMS incidents make up the bulk of each department's emergency response activities. Combined, the three departments experienced an average of 13.9 EMS incidents per day in 2012. The data also show that actual building fires – while far more demanding of a department's resources than EMS calls – are a relatively rare occurrence.

In considering fire response, it is important to note that the number of reported fire incidents can vary greatly from year to year. In addition, there is a good deal of variation in how each department defines "Other Fire Response." Similar incidents can be categorized differently, or even counted differently, in each of the three departments. Statistics on building fires and other fires are more comparable across jurisdictions.

Similar problems with comparability can emerge with regard to gauging EMS activity levels. In **Table 4**, we use data on "EMS Incidents" that were obtained from Milwaukee County EMS and reflect BLS and ALS transports plus non-transports (i.e. patients who refused transport or died at the scene). An alternative approach would have been to use EMS response data, but that indicator is more problematic given that deployment of EMS resources varies across communities according to the nature of the incident and the resources that are available at the time.

[2] Advanced life support services refer to a level of pre-hospital emergency care that can include invasive life-saving procedures. These services differ from basic life support services in that they may involve the use of drugs or invasive skills, and require provision by individuals with an advanced form of paramedic training. A BLS response ambulance typically is staffed by two firefighters who have been trained as emergency medical technicians (EMTs). An ALS response ambulance typically is staffed by two firefighters who have been trained as paramedics, which is a more advanced form of emergency medical training.

Table 4: Fire department activity levels, 2012[3]

	Cudahy	South Milwaukee	St. Francis
Building Fires	Not Provided	28	19
Other Fires	Not Provided	43	13
Other Fire Response (1)	Not Provided	346	198
Total Fire Response	299	417	230
Total EMS Incidents (2)	1,857	2,100	1,068
Simultaneous calls	150	315	216

(1) "Other Fire Response" includes false alarms, investigation of hazardous conditions, and all other fire responses.

(2) South Milwaukee recorded 733 ALS transports and for purposes of comparison, we estimate in the table that half of those originated in Cudahy. 125 transports by the City of Milwaukee Fire Department originating in St. Francis are included in the St. Francis total. The data include only calls that generate a patient care record.

Sources: Cities of Cudahy, South Milwaukee and St. Francis; Milwaukee County EMS

Table 5 compares EMS indicators for the three South Shore cities with three comparable fire departments in the county. The data suggest that demand for EMS service is higher in the three South Shore cities than in the other three service areas. Adjusted for population, the South Shore cities have 18% to 40% higher rates of EMS incidents than comparable areas.

Table 5: EMS response and patient transports, comparison with other suburban areas

	Oak Creek	NSFD	Wauwatosa	South Shore
Area	28.6	25	13.25	12.12
Population 2012	34,908	64,767	47,068	51,130
EMS Incidents	2,696	4,497	3,873	5,024
EMS Incidents/1,000 pop	76	70	82	97

Source: Milwaukee County EMS

Mutual Aid

An important aspect of fire response for municipal fire departments involves the provision and receipt of mutual aid with other departments. For the South Shore communities, a strong level of mutual aid exists within the departments that comprise Emergency Management Zone E in Milwaukee County: Cudahy, St. Francis, South Milwaukee and Oak Creek.

[3] For this and all subsequent tables that contain data regarding the operational and financial characteristics of individual fire departments, the source of the information was the fire departments or municipalities themselves.

Mutual aid is initiated when a working still occurs, which is defined as a fire that exceeds the capability of a single fire department. When a working still is called, the other four departments are automatically dispatched and respond to the extent that they have available units. In 2012, 35 working stills were called in Zone E. Of that total, 19 were in one of the three South Shore cities. (Mutual aid is described in more detail in the next section.)

Mutual aid is provided under a tiered response system. A fire or other emergency incident that exceeds available resources in Zone E is elevated to a higher level of mutual aid, which is governed by the Mutual Aid Box Alarm System (MABAS). Cudahy, South Milwaukee and St. Francis are members of MABAS, which is a network of fire departments in 51 Wisconsin counties that provides mutual aid to each other when requested.[4] A request for mutual aid through MABAS is dispatched through the City of Wauwatosa and is initially dispatched to all fire departments within Milwaukee County, other than the City of Milwaukee. The three departments responded to a total of 6 MABAS calls in 2010.

In a large-scale emergency (such as the Patrick Cudahy fire in 2009), the mutual aid system extends even further to secure assistance from fire departments throughout the state and even neighboring states.

Response Times

Response times are an important measure of fire and EMS services given that a few minutes can make a difference in mitigating serious outcomes to people and property. All three departments measure response times by on-route response, which means the time from when a vehicle leaves the station until it reaches the incident location. Fire and EMS response times for the three cities are shown in **Table 6.**

Table 6: 2012 Average response times (in minutes)

		Cudahy	South Milwaukee	St. Francis
Time out the door to on scene	Fire responses	2:00	3:48	2:38
	EMS responses	2:00	2:44	2:38

It is difficult to assess the adequacy of these response times, as national fire protection organizations typically establish standards for total response time, which is the sum of on-route time, the time required to answer and dispatch the call, and the time that elapses between dispatch and turnout of the fire or EMS vehicle. Total response time is the most accurate barometer of the amount of time someone seeking a fire or EMS response must wait for that response. We were unable to secure total response time data for the Cudahy, South Milwaukee and St. Francis fire departments, but conversations with chiefs from the three cities and other fire department officials in Milwaukee County indicate that overall response times generally are considered to be very good.

ISO ratings are another widely referenced indicator of fire department service capacity and quality. ISO – an organization that provides information about property/casualty insurance risk to the insurance industry – has developed a rating system that assesses the ability of local fire departments to provide

[4] MABAS was initiated in Wisconsin in the 1980s (and came to Milwaukee County in 2006) as a means of ensuring back-up for individual fire departments in situations where their resources are stretched because of a severe or long-lasting emergency.

fire protection services. ISO ratings are based on a scale of one to 10, with a rating of one indicating superior service capacity, and a rating of 10 indicating failure to meet ISO's minimum criteria. All three of the fire departments in the study area have ISO ratings of four. For purposes of comparison, only 21% of fire departments in the state have been awarded an ISO rating of four or better.

Non-Emergency Activities

While emergency response is their primary duty, fire department staff conduct a number of routine or non-emergency-related activities. These include fire inspections, fire investigations, public education programs, training, and some vehicle and facility maintenance.

Fire inspections

The three departments conduct a combined 4,740 building inspections per year to ensure compliance with fire codes. The following summarizes how each department approaches its fire inspection responsibilities.

- **Cudahy** – inspections performed by six on-duty firefighters while on shift, with one lead inspector (a lieutenant) who supervises and organizes inspection activities. Firefighters who conduct a substantial number of inspections receive an annual stipend of $300.

- **South Milwaukee** – three firefighters are assigned inspection duties and attempt to prioritize that activity while on their regular shifts. The work of the inspectors is overseen by the chief. Each inspector receives a stipend of 1.75% of base salary.

- **St. Francis** – four firefighters are assigned inspection duties, with one serving as lead inspector. No stipends are provided.

Each of the departments also contracts with a private fire inspection engineer to perform plan reviews and certain inspections that are of a highly technical nature, such as buildings or structures with sophisticated hydraulic equipment. Each of the chiefs reported that the amount spent on such inspections does not have an appreciable impact on their overall budgets as the cost is offset by permit fees.

Training

Each of the three departments has a designated training officer (either a captain or lieutenant) who is assigned to coordinate training. The training officer – who is part of a shift and has other primary duties in addition to training – is responsible for establishing and implementing monthly training schedules and participating in meetings with other training officers from Milwaukee County departments. The training officers also participate in the organization of joint training exercises, which have occurred occasionally among the three departments (as well as other departments from Zone E and throughout the county), particularly in instances where grants have been identified to support the cost of specialized training sessions.

Vehicle Maintenance

Routine vehicle maintenance in each of the three departments is handled by firefighting staff who have appropriate experience, training and interest to handle the task. In St. Francis and Cudahy, two firefighters conduct and/or oversee routine vehicle maintenance activities, while South Milwaukee does not have a specified number but uses a captain to oversee vehicle maintenance activities. Cudahy is the only one of the three to provide extra compensation, as each of the two firefighters involved with vehicle maintenance receives a $300 annual stipend.

With regard to major vehicle repair work, two of the three departments (St. Francis and Cudahy) use an outside vendor. The third – South Milwaukee – gives the city's Street Department the first opportunity to handle the repair, and contracts it out if the department cannot handle it.

Public Education and Fire Prevention

Each of the three departments commits resources to public education with the aim of preventing fires and injuries. For example, the Survive Alive House gives schoolchildren a chance to practice fire survival skills. Other fire prevention programs are aimed at encouraging the use of smoke detectors and other fire prevention measures.

Fire Vehicles and Apparatus

Vehicles and related equipment are another important component of fire protection. **Table 7** shows the apparatus owned by each department.

Table 7: Fire department apparatus

	Cudahy	South Milwaukee	St. Francis
Fire engines	2	2	2
Ladder Trucks	1	1	1
Ambulances	3 (incl. one backup)	3	2
Staff vehicles	0	2	1
Utility trucks	2	2 (incl. one mini-pumper)	1
Other	Hazardous materials response trailer, lake bank equip.	Rescue raft, rescue boat, rescue trailer, gator	Survive Alive house, Police/Fire major event unit

Fire Department Personnel and Budget

All three fire departments employ full-time fire chiefs, firefighters and related personnel. Two of the three cities – South Milwaukee and St. Francis – also utilize paid-on-call firefighters for a small portion of their service provision.

The staffing composition and levels of each of the three fire departments are shown in **Table 8**. Paid-on-call firefighter positions were converted to full-time-equivalents (FTEs) to allow comparison. The table shows that Cudahy and South Milwaukee have very similar staffing levels.

Table 8: Fire department staffing (FTEs)

		Cudahy	South Milwaukee	St. Francis
Command Staff	Chief	1	1	1
Fire Fighters	Battalion chief	3	N/A	N/A
	Captain	N/A	3	3
	Lieutenant	3	3	3
	Firefighter/EMT	18	18	9
	Paid-on-call firefighter	N/A	0.4	0.1
Administrative Staff	Secretary/Administrative assistant	0.5	1	N/A
TOTAL:		**25.5**	**26.4**	**16.1**

Currently, Cudahy and South Milwaukee each schedule eight line staff per shift, which includes firefighters, lieutenants, and captains/battalion chiefs, and both departments require a minimum of six per shift to be on duty at all times. St. Francis schedules five total line staff per shift and requires a minimum of four.

Table 9 provides 2012 expenditure estimates for the three departments. Personnel costs account for the vast majority of each department's total expenditures, so it is not surprising that total departmental expenditures align very closely with staffing levels. It also is important to note that some municipalities may include certain fire department-related costs (e.g. building/vehicle maintenance, fiscal and human resources, retirement costs) in departmental budgets, while others may include those costs in other areas of their budgets, thus impeding comparability.

Table 9: Estimated fire department expenditures, 2012

	Cudahy	South Milwaukee	St. Francis	Total
Salaries and Wages	$1,849,932	$1,861,945	$1,215,374	$4,927,251
Fringe Benefits	$937,339	$903,630	$535,050	$2,376,019
Other Expenses	$134,385	$124,684	$49,167	$308,236
Total	**$2,921,656**	**$2,890,259**	**$1,799,591**	**$7,611,506**

Note: Salary amounts for South Milwaukee and Cudahy are derived from payroll data.

Table 10 provides additional detail on the components of salaries and wages, specifically paid-on-call and overtime. Paid-on-call staff are used in South Milwaukee and St. Francis and are compensated on an hourly basis. These positions are called in as support when incident response reduces available on-duty staffing below a pre-determined minimum.

All staff, with the exception of fire chiefs, are eligible for overtime pay. In combination, the three departments spent $592,752 in overtime in 2012, or about 12% of total wages. The use of overtime in each department is a function of several factors. One factor is high activity levels, which require off-duty firefighters to respond and be paid overtime. Overtime also is commonly used to fill in for unanticipated absences that cause staffing levels to fall below minimum allowances. Another use of overtime is to fill in for vacancies due to long term illnesses or turnover. Finally, overtime is paid when

staff participate in offsite training, and it may be used to allow firefighters to perform certain administrative tasks.

Table 10: Detailed wages and salaries expenses, 2012

	Cudahy	South Milwaukee	St. Francis	Total
Base Salaries	$1,643,456	$1,546,606	$1,046,835	$4,236,897
Overtime	$184,089	$263,124	$145,539	$592,752
POC Wages	$0	$22,115	$23,000	$45,115
Admin Wages	$22,387	$30,100	$0	$52,488
Total Salaries	**$1,849,932**	**$1,861,945**	**$1,215,374**	**$4,927,251**

Each department uses different strategies to manage overtime spending within the context of its total number of firefighting staff, the number of staff scheduled per shift, and the number of staff that must be granted time off according to bargaining agreements. Consequently, overtime spending can vary sharply by municipality and from year to year within individual municipalities. For example:

- In St. Francis, with a minimum staffing level of four, when an ambulance is on a call only two firefighters remain to staff a fire engine. In that situation, the St. Francis fire chief generally will call in two firefighters on overtime to maintain minimum coverage and to preserve the department's ability to respond to a second EMS call or a fire.

- In South Milwaukee, 2012 overtime was unusually high due to vacancies. One captain's position was vacant the entire year and three firefighter positions were vacant through August.

- Under existing bargaining agreements, the three departments must collectively grant time off to five firefighters per shift. During summer months and holidays, this can create scheduling inefficiencies that lead to additional overtime.

Property taxes, and to a much lesser extent other discretionary local revenues, are the primary source of revenue supporting fire department operations in all three cities. The second largest source of revenue is reimbursement revenue from EMS activity.[5] Additional sources include each city's share of a 2% charge levied by the State of Wisconsin on certain insurers, South Milwaukee's share of a countywide EMS payment, and fees charged for fire inspection services. A breakdown of 2012 revenue sources supporting each fire department is shown in **Table 11**.

[5] Patients are charged a fee by municipal EMS providers in Milwaukee County for provision of EMS services. Fire departments use private billing companies to handle their fee collections, including reimbursement from private insurance, Medicare and Medicaid.

Table 11: Fire department major revenue sources (2012 actual)

	Cudahy	South Milwaukee	St. Francis	Total
Locally allocated public resources	$2,380,754	$1,843,536	$1,589,272	**$5,813,562**
Intergovernmental revenue		$137,928		**$137,928**
Ambulance conveyance recovery	347,762	$786,840	$224,303	**$1,011,143**
2% fire dues revenue	$37,000	$39,971	$21,816	**$98,787**
Fire Inspection fees	$28,922	$60,650		**$60,650**
Other	$37,785	$4,935		**$42,720**
Total	**$2,832,223**	**$2,873,860**	**$1,835,391**	**$7,541,474**

Note: Total revenues are not equivalent to total expenditures because salary data in Table 11 for Cudahy and South Milwaukee were derived from payroll sources, not budgeted amounts.

OPPORTUNITIES FOR ADDITIONAL SERVICE SHARING

A great deal of cooperation and service sharing already exists between fire departments in Cudahy, St. Francis and South Milwaukee. A centralized approach to training, fire inspections, and vehicle maintenance could improve service and efficiency, but it is likely to come at an added cost to each department. If full-scale consolidation is not seen as desirable, then the three cities may want to further consider joint service provision for these three functions, but they should do so with the recognition that such an approach likely would not produce fiscal savings.

Before considering possibilities for a consolidated fire department to serve Cudahy, South Milwaukee and St. Francis, it is important for policymakers to understand the current working relationships between the three departments, and to consider possibilities for enhanced service sharing that fall short of full consolidation. According to one of the chiefs, "in many ways, we already operate as if there were no borders." In this section, we describe the activities that support that statement, as well as possible additional opportunities to enhance fire department service sharing among the three cities.

Current Shared Services

Mutual aid

As described in the previous section, the three fire departments provide mutual aid to each other in the case of a working still, which is defined as a fire or other incident that exceeds the response capacity of a single department. Mutual aid is critical because fires can grow suddenly, causing significant damage and injury, and quickly exhausting the resources of a single department. Similarly, one or two major incidents occurring at the same time can overwhelm one city's fire department.

When a commander calls a working still, the four other agencies in Zone E are automatically dispatched. The mutual aid plan identifies the specific resource that each community can contribute, whether engines, ambulances or ladder trucks. Assuming that those resources are not already in use, they will be sent to assist the requesting agency. **Table 12** shows the number of working stills that were called in each of the Zone E cities in 2012.

Table 12: Zone E working stills, 2012

City	Working Stills
Cudahy	6
South Milwaukee	10
St. Francis	3
Oak Creek	15
Total	**34**

Automatic Aid

Cudahy and St. Francis also have a specific type of mutual aid agreement, called automatic aid. The two departments have identified buildings with a higher risk to life or property. If an incident is reported at any of those properties either through a 911 call or an alarm, both fire departments automatically

respond. In 2012, according to data provided by the St. Francis Fire Department, Cudahy called for automatic aid four times and St. Francis called for automatic aid 12 times.

EMS

A high level of cooperation between the three departments also exists with regard to EMS. While each city maintains its own basic life support services, each also routinely calls its neighbors for back-up support, particularly during times of high activity. With regard to advanced life support services, as mentioned previously, South Milwaukee is the service provider for both itself and Cudahy, while St. Francis relies on the City of Milwaukee.

Special operations

Cooperation between the three departments extends to special operations. South Milwaukee owns a rescue boat that it shares with the other two departments on an as-needed basis, while Cudahy maintains a hazardous materials response trailer that is deployed when necessary to the other communities. Each of the three departments has trained staff capable of performing water rescue, extrication, hazardous materials control activities, and confined space rescue activities. Any incidents related to those activities typically would draw a response from all three departments, as well as from others that comprise Zone E.

Training

Training is crucial to maintaining both firefighting and EMT/paramedic skills. The three departments generally share training opportunities to the extent that staff can attend without reducing minimum staffing.

Additional Service Sharing Opportunities

Fire Inspection and Prevention

In discussions with the three Chiefs, additional cooperation among the three communities in the area of fire inspections – and fire prevention in general – was seen as a worthwhile goal. The chiefs pointed out that the December 2000 study of possible fire service consolidation between Cudahy and South Milwaukee prepared by TriData, a Virginia consulting firm, suggested that a Joint Prevention Service Bureau be created to handle inspections, public education, and other prevention activities regardless of whether full consolidation was pursued. The benefits of a joint inspection and/or prevention bureau include enhanced coordination and supervision of inspection activities that would result from having a staff that was dedicated solely to inspections; and greater reliability for business owners, as inspectors who double as firefighters often must cancel inspection visits when called away by emergencies.

Despite those benefits, however, it became apparent in discussions with the chiefs that creation of a joint inspection bureau would produce an additional cost for the three departments. Because inspection duties at each department are now performed by firefighting staff, dedicating staff solely to inspection and prevention would require additional personnel and, therefore, increased expenditures.

Another potential drawback to a joint inspection bureau is the differences in building codes among the three cities, which may require staff from a joint fire inspection bureau to be well-versed in multiple sets of regulations. (To the extent that a joint inspection bureau is considered further, the three cities also might wish to consider establishing uniformity among their building codes.)

Finally, the chiefs pointed out that there is a benefit to having firefighters conduct inspections in that they gain greater familiarity with the buildings and structures that they may be called upon to protect.

Vehicle Maintenance

The three chiefs agreed that there would be merit in considering a joint vehicle maintenance bureau both to coordinate and conduct routine maintenance and to hold a single contract for outside major repair work. There would be potential to reduce costs with a single contract, but the chiefs felt that personnel cost savings would be unlikely from coordinating routine maintenance because none currently dedicate staff solely to that function.

Training

The Chiefs agreed that funding of a joint training officer to serve the three departments collectively would be beneficial. Some of the advantages of a joint training staff would be greater standardization of protocols among the three departments, which is desirable in light of the high levels of mutual aid. A joint training officer also could promote efficiency by scheduling joint training sessions that could be attended by larger numbers of staff.

A practical problem cited by each of the chiefs, however, was their limited ability to send staff to training sessions offsite without breaching minimum staffing requirements, thus requiring the use of call-backs or overtime to fill the gap. In addition, because each departmental training officer functions as a regular captain or lieutenant and has myriad other duties, none of the chiefs felt that the appointment of a joint training officer would allow them to eliminate their existing training position. Consequently, while the cost of a joint training officer position would be split among the three departments, each department's share would represent an added cost that could not be offset with a personnel reduction elsewhere.

Apparatus/Equipment

As noted above, the three departments already share specialized equipment for water rescue and hazardous materials response. With regard to fire vehicles, the only potential sharing opportunity identified by the chiefs was the possible sharing of a ladder truck. It was agreed that three ladder trucks should not be required for a geographic area that is the size of the three cities combined. This is an area, therefore, that would merit further exploration, but the fact that none of the three departments cited a need to replace its existing ladder trucks within the next five years indicates that pursuit of this option in the near term likely is not warranted.

FULL CONSOLIDATION OPTIONS

Leaders from the three cities who commissioned this report asked for specific consideration of options in which their fire protection and EMS operations would be consolidated into a single department that would jointly serve all three. To develop such options, the authors held lengthy meetings with the chiefs and other personnel from the three cities, consulted with fire department officials and consultants in Milwaukee County and elsewhere in the United States, and reviewed relevant literature. In this section, we describe and analyze fiscal and operational details of multiple scenarios for a possible consolidated fire department to serve Cudahy, South Milwaukee and St. Francis.

Our analysis of three distinct staffing models for a consolidated fire department to serve the South Shore shows that the impacts – depending on the number of 24-hour shift positions – would range from an added annual collective operating cost of $68,000, to collective annual operating savings of $250,000 to more than $890,000. The analysis also indicates that the three cities would experience a substantial savings in vehicle replacement costs under each of the three staffing scenarios. How those savings would be distributed among the three cities depends on negotiation of a cost-sharing formula, which could determine the desirability and viability of a full consolidation approach for each municipality.

Operational Concept

"Full consolidation" refers to a consolidated Cudahy-St. Francis-South Milwaukee Fire Department, which this report will refer to as the CSSFD.[6] The CSSFD would operate under a "closest unit responds" framework in that engines or ambulances located closest to a fire or EMS call would respond to the incident, regardless of municipal boundary. The consolidated department would provide both BLS and ALS services in the three communities, and it would employ joint training, vehicle maintenance and fire inspections as described in the preceding section. In addition, it would have a unified command, operational philosophy, equipment procedures, rules and regulations, and administrative services (including fiscal/accounting, information technology, procurement, and human resources). All personnel would be employees of the CSSFD (as opposed to the individual municipalities in which they are stationed), and all fire equipment and vehicles housed in the three municipalities would be owned by the consolidated department.

In the pages that follow, we present three scenarios for possible full consolidation. It is assumed that each scenario would have identical governance, command and administrative structures, as well as the same number of fire stations and the same apparatus and equipment. The distinguishing factor among the three scenarios is the 24-hour shift staffing model, which is based on the number of firefighters and lieutenants on duty per shift.

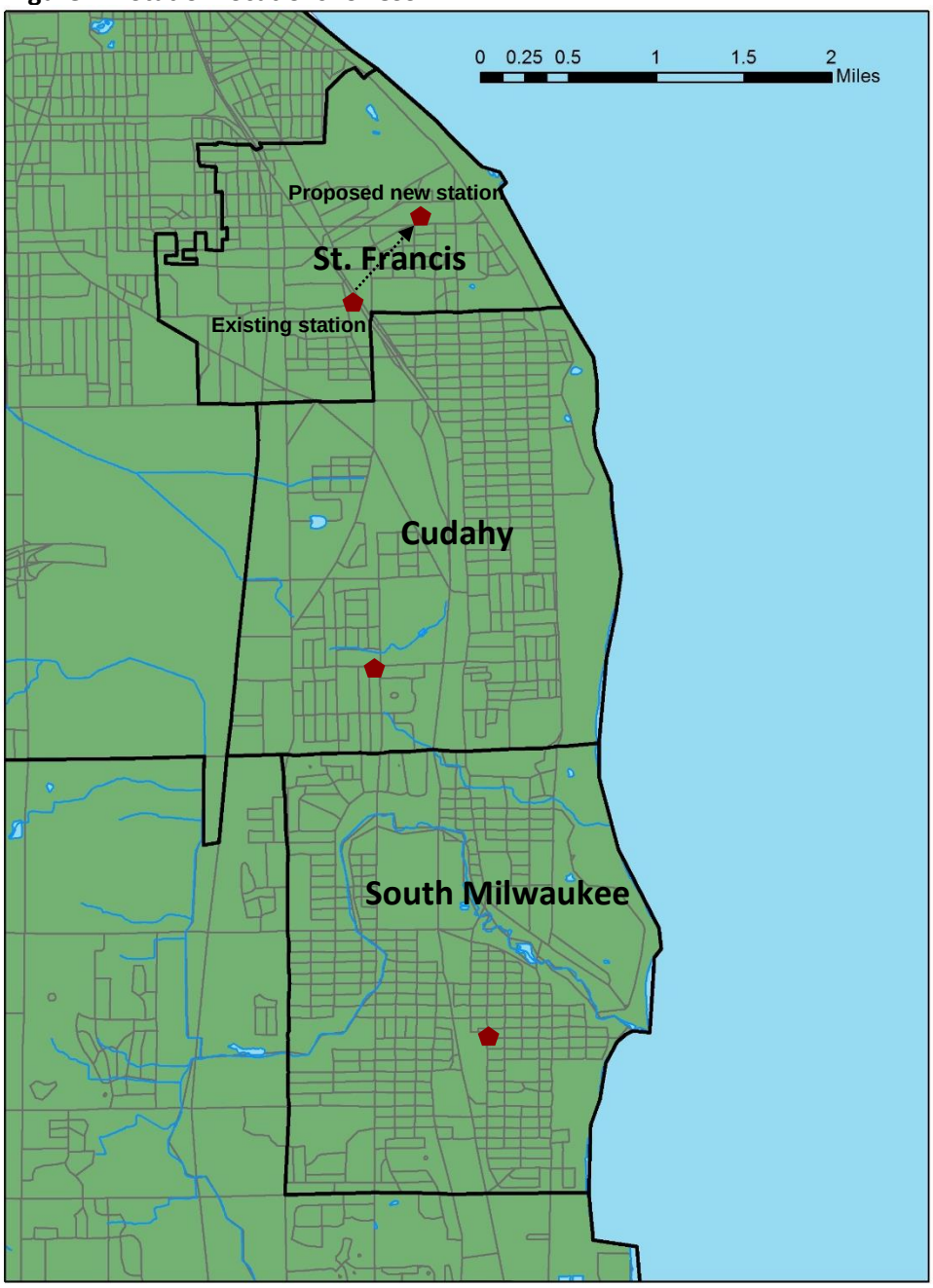
The actual staffing and operation of a consolidated department could resemble one of these scenarios, or it could feature elements of one or more of these scenarios. In addition to staffing models and governance, other factors that will affect consolidation include city finances, community perceptions of fire response and service levels, and union negotiations. Instead of a precise description of a future consolidated department, these scenarios are intended to give a general picture of how consolidation might look and what its financial and operational impacts might be.

[6] We have named the new department for ease of reference in this report. The actual name obviously would need to be selected by the three communities.

Number and Location of Fire Stations Under Consolidated Model

The three fire chiefs agreed that under a consolidated framework, three stations would be able to serve the South Shore area effectively. As shown in **Figure 2**, the three stations would consist of the existing stations in St. Francis and South Milwaukee, and Station 2 in Cudahy. It should be noted that while city officials have decided to move the existing St. Francis station to the new city hall location about three-quarters of a mile north of its current location on South Nicholson Avenue, the new location was not determined to be a detriment to the emergency response capability of a three-station consolidated department.

Figure 2 – Station locations for CSSFD



Under this approach, the St. Francis station would be the first responder for the northern third of the area, which means that it would continue to provide the closest response not only for all of St. Francis, but also for northern parts of Cudahy. The Cudahy station would be the closest responder for much of Cudahy and also for northern sections of South Milwaukee, while the South Milwaukee station would provide the closest response for the remainder of that city. Operationally, the three stations would function as a unified department, automatically providing back-up coverage for the entire area and co-mingling staff and apparatus when appropriate. The three stations would comprise one battalion overseen by a single battalion chief for each shift.

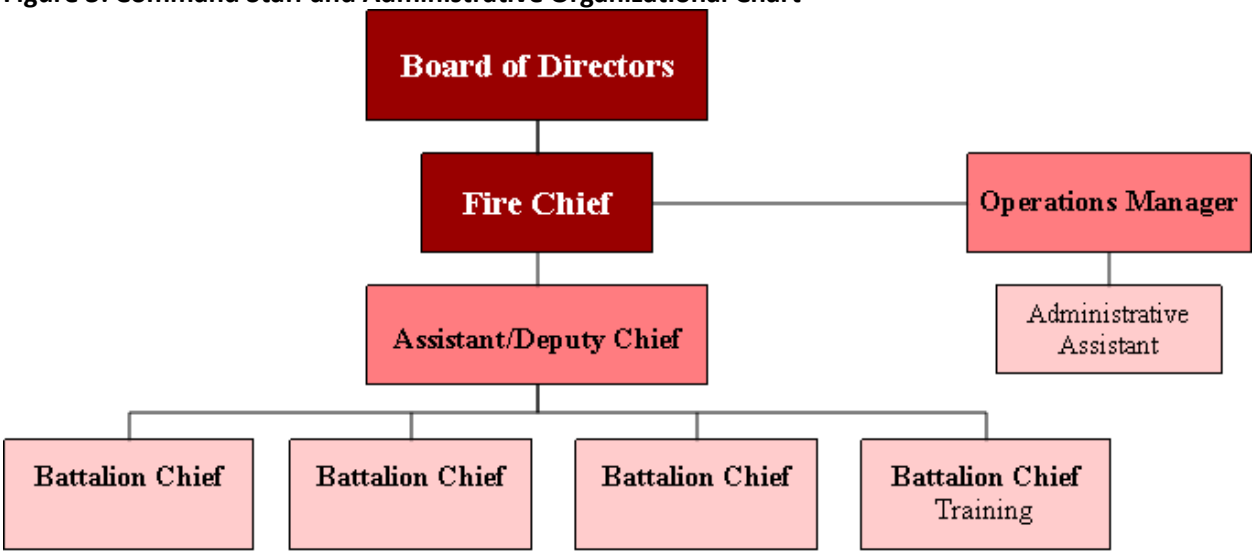
It also is assumed that the consolidated department would provide its own ALS services. Consequently, St. Francis no longer would be served by the City of Milwaukee, and Cudahy and South Milwaukee would now obtain ALS services from the CSSFD, as opposed to South Milwaukee. Operationally, it is assumed that initially, Med 10 (staffed with two paramedics) would relocate to the central station in Cudahy, and that the north and south stations would have paramedic first response (PFR) ambulances staffed by one EMT and one paramedic. The presence of paramedics at fire departments in Cudahy and St. Francis ostensibly would represent an upgrade in EMS service in those communities. Also, it would provide an opportunity for the consolidated department to ultimately hire and train additional paramedics so that each ambulance could be a full ALS unit.

Command Structure and Staffing

Based on the operational framework outlined above, a command structure for the new department would consist of one chief, one assistant chief, and four battalion chiefs, as shown in **Figure 3**. Currently, there are nine battalion chiefs/captains among the three departments, with three at each city. Under a consolidated department, three battalion chiefs (one per shift) would fulfill the command function. A fourth battalion chief is added to the staffing plan to serve as the training coordinator; this battalion chief also would provide scheduling back-up for the other three battalion chiefs.

The new command structure also would reduce the number of fire chiefs from three to one, though an assistant chief position has been added. The assistant chief would have responsibility for administration and operations, and would serve as the coordinator for all fire inspection and prevention activities.

Figure 3: Command Staff and Administrative Organizational Chart



This staffing plan for a consolidated department includes two new administrative positions – an operations manager and an administrative assistant – to handle fiscal, human resources, procurement and public information duties, as well as to provide administrative support for the chief and assistant chief. The two administrative positions under this scenario would replace 1.5 full-time equivalent (FTE) administrative positions that currently exist within the three departments. It also is assumed that a half-time master mechanic position would be created for the new department to handle routine vehicle repairs and maintenance and to coordinate contracted support for more extensive vehicle repair needs (as described in the previous section). Finally, information technology support is assumed to be obtained from an outside vendor.

Table 13 shows management/administrative staffing for the CSSFD as compared to current management/administrative staffing among the three departments collectively. The total number of management and administrative staff declines from 13.5 to 8.5.

Table 13: Management/administrative staffing, current versus consolidated

Classification	Current	Consolidated Department
Fire Chief	3	1
Assistant Fire Chief	0	1
Master Mechanic		0.5
Battalion Chiefs/Captains	9	4
Subtotal	12	6.5
Operations Manager		1
Administrative Assistant	1.5	1
Subtotal	1.5	2
Total Management/Admin Staff	**13.5**	**8.5**

24-Hour Shift Staffing

Three scenarios are presented with regard to 24-hour shift staffing (i.e. general firefighter/paramedic staffing, including lieutenants). The first option was developed by the three fire chiefs after a series of meetings with Public Policy Forum staff. The other two scenarios were developed by Forum staff after analysis of shift staffing models in other Milwaukee County fire departments and discussion with local experts. All three consolidation options would employ the governance, administrative, and operational frameworks described above.[7] The following summarizes each of the three scenarios:

- **Scenario 1** is based on a minimum staff per shift of **18**, or six at each of the three stations. This staffing configuration assumes that each station optimally would be able to send four firefighters out on an engine and/or ladder truck. In the case of simultaneous EMS calls, two firefighters would remain available at each station. In terms of staffing levels, this would be considered an upgrade

[7] A minor exception is that the third ambulance at the Cudahy station would serve as a back-up in Scenarios 1 and 2, while it would be viewed as fully operational in Scenario 3.

over existing capacity at the St. Francis station, which currently has a minimum staffing level of four. The reduction in stations from four to three could have a slightly negative impact on some response times, however.

- **Scenario 2** is based on lower minimum staffing of **15** per shift, or five per station. This five-per-shift staffing pattern is similar to that employed by Milwaukee County's North Shore Fire Department (NSFD).[8] It is assumed that each engine/ladder truck would be staffed by three firefighters. Under a scenario in which two ambulances from a single station are out on calls, staff would need to be moved from a different station (or called back) to keep that station in service.

- **Scenario 3** is based on minimum staffing per shift of **17** – five in St. Francis and South Milwaukee and seven in the central station in Cudahy where an additional paramedic unit would be stationed. This scenario assumes that either three or four firefighters would staff an engine/ladder truck, and provides additional capacity at the Cudahy station to accommodate situations in which two ambulances are out simultaneously from that station.

In order to determine the total number of staff required for each of the three scenarios, it is necessary to take into account the number of shifts actually worked by firefighters/paramedics and lieutenants per year. The total number of shifts per year is 121.33 (2,912 hours per year divided by 24 hours/shift). However, because firefighters are entitled to vacation, holidays, sick leave and family sick leave, the average number of shifts actually worked by individual firefighters is less than that.

Using payroll records and other information provided by each department, we were able to calculate the average number of shifts worked per year by each classification of employee in the three departments combined. This calculation, as shown in **Table 14**, indicates that the average shifts worked varies by rank. That is because lieutenants and captains/battalion chiefs tend to have longer tenures than firefighters. Also, captains in St. Francis receive two additional management days, while captains in South Milwaukee receive six additional personal days, which decreases the number of shifts they work each year. To develop an estimate for our staffing model, therefore, we calculated the average number of shifts per year worked by *lieutenants and firefighters only* at the three departments, which came to 104.31.

Table 14: Average shifts worked per year by rank, 2012

Rank	Shifts Worked per Year
Battalion Chief/Captain	97.33
Lieutenant	99.83
Firefighter	105.71
Total Staff	**102.75**
Total Lieutenants and FFs only	**104.31**

[8] The NSFD does have five stations as opposed to the three envisioned for the CSSFD, which allows 10 additional firefighters to be on duty at any given time; however, the NSFD also covers a geographic area that is roughly twice the size of the area that would be covered by the CSSFD.

Using that calculation, we are able to estimate in **Table 15** the number of 24-hour staff needed to accommodate the minimum staffing levels in each scenario. The calculation of current shift staffing is based on 102.75 shifts per year, which includes battalion chiefs/captains, as shown in **Table 16**. To develop an estimate for our three consolidated staffing models, we base the staffing calculation instead on the average number of shifts per year worked by lieutenants and firefighters only, or 104.31. This analysis shows that seven to nine additional 24-hour staffing positions would be needed above the minimum staffing levels described in each scenario to account for time off.[9]

Table 15: Required 24-hour shift staff

	Current	Scenario 1	Scenario 2	Scenario 3
Shift Staffing	17.74	18.00	15.00	17.00
Total Shifts/Year	6,473	6,570	5,475	6,205
Shifts/Person	102.75	104.31	104.31	104.31
Required Staffing	63.00[10]	63.00	52.00	59.00
Min Shift Staffing	53.21	54	45	51
Staff needed to cover time off	9.79	9	7	8

Table 16 (on the following page) compares the combined staffing of the three departments (administrative/management plus 24-hour shift staffing) with staffing plans of each of the three scenarios. Scenario 2 would produce a reduction of staff from current levels, Scenario 1 would produce an increase in total staff, and Scenario 3 would yield a staffing level that is identical to the current level.

The table also shows our assumed breakdown of 24-hour staff (lieutenants, firefighters, and firefighters/ paramedics) under each scenario. It is assumed that nine lieutenants would be required, or three per shift. The staffing for paramedic and firefighters in **Table 16** is based on shift staffing of four paramedics (one ALS unit and two PFR units in the north and south) for Scenarios 1 and 2 and a total of six paramedics for Scenario 3. The total paramedic staffing is derived based on the average of 104.31 shifts per year.

[9] Table 15 indicates that there are currently a sufficient number of firefighters (assuming that no one is out on long-term leave, etc.) to staff 17.74 positions per shift across all three departments. This number represents the average number of firefighting staff per shift and is therefore higher than the minimum shift staffing of 16 (six in Cudahy and South Milwaukee and four in St. Francis).

[10] This figure includes battalion chiefs/captains, who are included in minimum staffing levels currently but would not be in the consolidated department scenarios.

Table 16: Projection of total staffing, three consolidation options

Classification	Current	Scenario 1	Scenario 2	Scenario 3
Fire Chief	3	1	1	1
Assistant Fire Chief	0	1	1	1
Master Mechanic		0.5	0.5	0.5
Battalion Chiefs/Captains	9	4	4	4
Subtotal	12	6.5	6.5	6.5
Operations Manager		1	1	1
Administrative Assistant	1.5	1	1	1
Subtotal	1.5	2	2	2
Lieutenants	9	9	9	9
Firefighter Paramedic	11	14	14	21
Firefighter EMT	34	40	29	29
Subtotal	54	63	52	59
Total Department Staffing	**67.5**	**71.5**	**60.5**	**67.5**

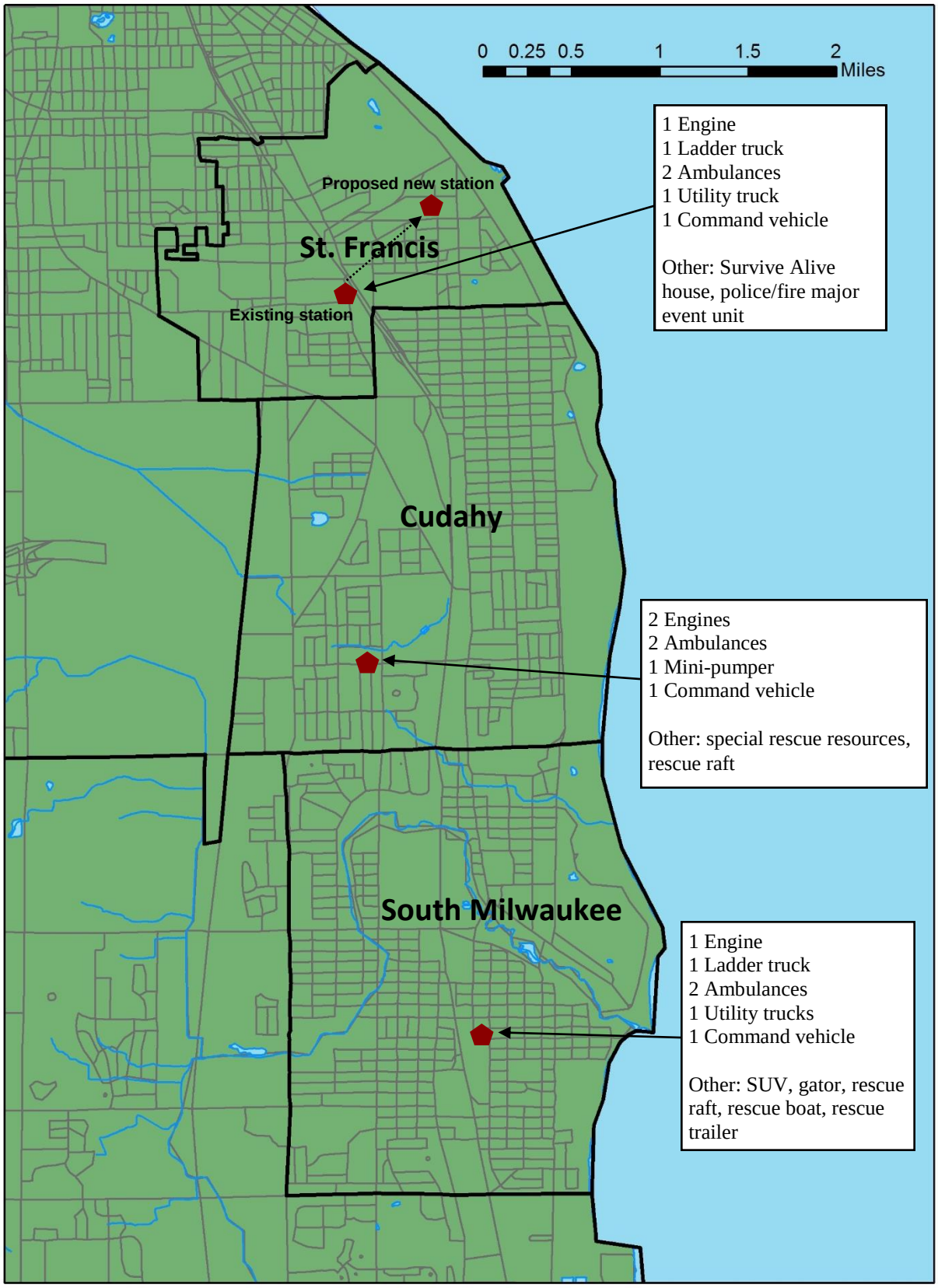
Vehicles

The number of vehicles required under a full consolidation model would be substantially reduced, mainly as a consequence of the reduction in the total number of fire stations, as well as the ability of a unified command to strategically deploy apparatus as a single department. Discussions with the chiefs determined that there would be a need for six ambulances, four engines and two ladder trucks, thus allowing for two ambulances at each of the three stations, and either two engines or an engine and a ladder truck at each station. It is assumed that the fleet of other miscellaneous vehicles – including utility trucks, command vehicles and special operations vehicles – would remain unchanged from today's combined fleet. **Table 17** shows how the fleet of engines, ambulances and ladder trucks under this model compares to the current fleet, while **Figure 4** shows the distribution of apparatus among the three stations.

Table 17: Engines, ambulances and ladder trucks, current versus consolidated model

Current Combined Fleet		Full Consolidation Combined Fleet	
Engines	6	Engines	4
Ambulances	8	Ambulances	6
Ladder trucks	3	Ladder trucks	2

Figure 4: Vehicle distribution under consolidation model



Fiscal and Operational Analysis

Based on the staffing projections shown in **Table 16** above, we can estimate the cost of each of the three consolidation scenarios. Developing a fiscal model relies on carefully researched assumptions regarding salaries and benefits. Many of these assumptions were reviewed (and in some cases jointly developed) by fire chiefs and administrators from the three cities.

It is important to note that this fiscal model is designed to give policymakers a broad illustration of the types of fiscal impacts that might occur and should not be considered a precise prediction of actual costs and revenues. For example, the fiscal impacts of personnel changes cannot be precisely calculated until decisions are made regarding pay and benefits for staff of the new CSSFD; the impact on individual municipalities cannot be calculated until decisions are made regarding funding allocations and revenue collections; and savings from the reduced fleet cannot be precisely calculated until decisions are made regarding the disposition of surplus equipment and how municipalities will be reimbursed for equipment retained by the new department.

Operating Budget Impacts – Personnel

Because salaries and fringe benefits comprise the vast majority of the expenditure budgets of the three fire departments, they are the primary focus of our fiscal analysis. Estimating the salary and benefit costs of each of the three scenarios is complicated by the fact that each municipality employs different salary and benefits structures, each employs different budgeting procedures to take into account retiree pension and health care liabilities, and each has different procedures governing use of overtime.

Consequently, our approach is to average wage and benefit levels across the three departments and use that average to develop a proxy for current personnel expenditures. This proxy of personnel expenditures differs from actual wage amounts primarily in that it assumes that all positions are filled. In reality, some positions are vacant almost all of the time due to long term illness or injury, time off accorded under the Family and Medical Leave Act (FMLA), or turnover. Typically, long-term vacancies are offset with overtime. As a result, the proxy estimate of current personnel expenditures should show higher amounts of regular salary expense and lower overtime than actual.

Approaching the fiscal analysis in this manner allows us to estimate a potential personnel savings for the three departments collectively. Models of cost allocation are considered separately, because ultimately the cost allocation will determine individual impacts for each municipality.

Table18 shows the estimates of average annual salary by position that were used to calculate staffing costs for each of the three scenarios. The estimate of current salary expense also is based on the averages in **Table 18**, with some modifications.[11] The table also shows that we are applying a fringe

[11] We used 2012 payroll data from the three departments to calculate the average salary for battalion chief/captain, lieutenant, Firefighter EMT, Firefighter Paramedic, and Administrative Assistant. The current average salary for Fire Chiefs also was used in calculating the estimate of current personnel expenditures. In calculating personnel expenditures under the three consolidation scenarios, the salaries of Assistant Fire Chief, Master Mechanic and Operations Manager were based on salary estimates of equivalent positions in the NSFD. Also, because the CSSFD fire chief position would have a greater scope of responsibility than any of the three existing departments, but a slightly smaller scope than the NSFD, we used a salary estimate that was in between the two.

benefit rate of 54.7% to each salary amount to calculate an additional fringe benefit cost associated with each position. That rate was determined by averaging the current fringe benefits rates of the three departments.

Table 18: Average salaries used for fiscal analysis

	Salaries	Benefits	Total
Fire Chief	100,000	54,664	154,664
Asst Fire Chief	85,000	46,464	131,464
Master Mechanic	65,730	35,930	101,660
Battalion Chiefs/Captains	78,534	42,929	121,463
Operations Mgr	67,730	37,024	104,754
Admin Asst	36,740	20,083	56,823
Lieutenants	68,869	37,646	106,515
Firefighter/Paramedic	66,222	36,199	102,422
Firefighter	62,145	33,971	96,116
Fringe Benefit Rate	54.7%		

Table 19 compares the estimate of current salary and benefits costs for the three fire departments with projected salary costs for the new department under each of the three scenarios.[12]

Table 19: Summary of personnel costs

	Current	Scenario 1	Scenario 2	Scenario 3
Management/Administrative	1,582,380	984,386	984,386	984,386
24-Hour Shift Staffing	5,353,226	6,237,189	5,179,909	5,896,861
Total	6,935,606	7,221,575	6,164,295	6,881,247
(Savings)/Cost		285,968	(771,311)	(54,360)
OT Efficiency Reduction		(150,515)	(50,172)	(125,429)
Total (Savings)/Costs		**135,453**	**(821,483)**	**(179,789)**

[12] Our estimate of current personnel costs, shown as $6,935,606 in **Table 19**, is higher than actual 2012 expenses of $6,678,000 (base salaries + fringe benefits + administrative salaries) because the proxy estimate assumes all positions are filled. For the sake of consistency, the assumption that all positions would be filled also is included in our fiscal estimates involving the three scenarios, even though that may not be the case in any given year.

In addition to calculating salaries and benefits as described above, **Table 19** includes an estimate of overtime savings for each scenario. Scenario 1 is projected to result in a 30% reduction in current combined overtime spending by the three departments, while Scenario 2 is assumed to result in a 10% reduction and Scenario 3 in a 25% reduction.[13]

The premise that overtime will be reduced under the different consolidation scenarios is based on several factors. These include assumptions that battalion chiefs no longer would be expected to work overtime to achieve minimum 24-hour staffing levels; that in a larger consolidated department, management would have more flexibility to move staff from one station to another to cover unanticipated shifts off; and that the maximum number of staff that must be granted time off on any single day would be fewer than the current five allowed by the three departments collectively, thus increasing scheduling efficiency.

It is important to note that there are a variety of factors that may impact actual personnel savings and costs that are not included or accounted for in our modeling, including the following:

- The model does not take into account potential savings that would accrue to individual municipalities from no longer needing to provide various support services to their fire departments, such as fiscal, accounting, human resources, etc. In some cases, there would be no fiscal savings, as the positions that handle those functions could not be eliminated despite the reduced workload. In other cases, however, municipalities may be able to reorganize or eliminate portions of positions, or reduce the amount spent on outside contracts for auditing or similar functions.

- The organizational framework assumes that information technology support for the new department would be contracted to an outside vendor. Consequently, no cost for this function is included in the personnel estimate. While there would be an actual new cost for this service that may reduce the size of overall potential savings, it also may be possible to offset a sizable portion of that cost by reducing existing levels of contract spending on information technology within individual municipal governments.

- The model does not take into account potential personnel savings that might result from a shift of responsibility for fire department facility maintenance from municipal governments to the CSSFD. In addition, potential personnel savings within individual municipalities from no longer having to devote public works department resources to fire vehicle maintenance are not included because they are not easily quantifiable.

Operating Budget Impacts – Other

In addition to the personnel-related impacts shown in **Table 19**, our fiscal modeling incorporates two additional impacts. One relates to the savings related to closing Station 1 in Cudahy. City staff report that closing that station will reduce utility costs by approximately $12,000, and there are likely to be some additional savings relating to supplies and facility maintenance as well. Total savings relating to

[13] Actual overtime expenses for the three departments collectively totaled $592,752 in 2012. Because some of that total was attributed to vacant positions, however, we deducted an amount of overtime equivalent to one vacant position ($91,000). Consequently, the remaining overtime expense of $501,717 is the basis for the calculation of overtime savings.

the closure of Station 1, therefore, are conservatively estimated at $15,000. No savings are anticipated from the possible sale of the building and property, as its disposition is uncertain at this time.

In addition, our model incorporates an increase in ALS transport revenue relating to additional ALS revenue that would be collected in St. Francis and that no longer would be retained by the City of Milwaukee as that city's current ALS provider. That amount is estimated at $53,616 based on 125 ALS runs per year in St. Francis and revenue of $428/run.

Table 20 incorporates these additional fiscal impacts to arrive at a total annual fiscal impact for each of the three consolidation scenarios.

Table 20: Estimated total fiscal Impact of consolidation scenarios

	Scenario 1	Scenario 2	Scenario 3
Personnel Costs/(Savings)	135,453	(821,483)	(179,789)
Station Closure Savings	(15,000)	(15,000)	(15,000)
Additional ALS Revenue	(53,616)	(53,616)	(53,616)
Total Cost/(Savings)	**66,837**	**(890,099)**	**(248,405)**

As mentioned previously, the fiscal impacts shown in **Table 20** are based on a variety of assumptions and variables. They should be considered, therefore, as general indicators of the overall direction of fiscal impact, rather than as exact estimates.

Operating Budget Impacts on Individual Municipalities

As previously noted, it is difficult to estimate how each individual municipality might be impacted financially from a consolidated department given the many factors that would be involved in determining a cost allocation formula for the new department. Negotiations would take place in the context of a much broader intergovernmental agreement, and any agreement on cost allocations also could be influenced by discussions regarding the disposition of apparatus, equipment, and buildings, among other things.

Despite the inherent difficulty involved, the chiefs and administrators determined that there still would be merit in providing insight into distinct allocation approaches and the extent to which the allocation methodology could impact each municipality's consideration of the full consolidation model. Consequently, we developed two different allocation methodologies that demonstrate the range of potential impacts for individual municipalities.

For the purposes of illustrating the impacts of the two cost allocation methodologies, we only apply the methodologies to the estimated total fiscal impacts shown in **Table 20** above. It is important to note that should the three cities pursue a consolidated department, the allocation methodology instead would be applied both to the total expenditure budget of the new department and the anticipated revenues derived from EMS and other fees. The expenditure budget would include not only the personnel costs cited above, but also any additional costs related to supplies, uniforms, utilities, contractual services, etc. It is impossible for us to determine those costs at this time, but we would

assume that they would be similar to the total costs currently incurred by the three departments collectively, which is about $308,000 (see **Table 9** on page 15). Consequently, we do not attribute any additional savings or costs related to non-personnel expenditures to any of the full consolidation models.

With regard to revenues, those would involve the full range of reimbursements collected for BLS and ALS services, fire inspections, etc. The cost allocation formula would have to determine whether all revenues collected by the CSSFD would be subtracted from the expenditure total to derive a net expenditure amount that would be allocated on a formula basis to each city; or whether, conversely, any revenues collected in individual cities would revert back to those cities, with the formula being applied to the gross expenditure total.

The two hypothetical allocation formulas and their impacts on each city are shown below. Ultimately, the physical, demographic, budget and other characteristics described in earlier sections of this report should play a primary role in determining an equitable allocation formula if consolidation is pursued.

Contribution Formula 1: NSFD model

This formula is based on the formula originally used by the NSFD upon its creation in the mid 1990s. It uses three equally weighted factors: population, assessed value and fire department activity level. We applied those three factors to population, assessed value and call volume in the South Shore cities to derive a relative percentage share of savings, as shown in **Table 21**.

Table 21: Contribution percentages based on three factors in NSFD contribution formula

	Cudahy	South Milwaukee	St. Francis
2012 Population	37.3%	43.2%	19.4%
2012 Assessed Value (in 1,000,000s)	41.1%	37.5%	21.4%
2012 Call Volume	37.0%	41.8%	21.3%
Average Percentage	38.5%	40.8%	20.7%

Table 22 applies these percentages to the costs and savings shown in **Table 20**.

Table 22: Costs/(savings) of consolidated fire scenarios using NSFD allocation methodology

	Cudahy	South Milwaukee	St. Francis	Total Savings
Scenario 1	25,704	27,296	13,837	**66,838**
Scenario 2	(342,305)	(363,515)	(184,278)	**(890,098)**
Scenario 3	(95,529)	(101,448)	(51,427)	**(248,405)**

Contribution Formula 2: Savings/costs from consolidation shared equally by the three municipalities.

This allocation model, shown in **Table 23**, divides the total savings under each scenario equally among the three municipalities. Compared with the previous methodology, under this methodology St. Francis gains a substantially higher levels of savings for the two scenarios that produce cost savings, and a larger share of increased costs for the option that produces added expenditures.

Table 23: Costs/(savings) of consolidated fire scenarios using equal allocation methodology

	Cudahy	South Milwaukee	St. Francis	Total Savings
Scenario 1	22,279	22,279	22,279	**66,838**
Scenario 2	(296,699)	(296,699)	(296,699)	**(890,098)**
Scenario 3	(82,802)	(82,802)	(82,802)	**(248,405)**

Vehicle Replacement Savings

As referenced above, consolidation will allow for an overall reduction in the size of the existing collective fleet of vehicles maintained by the three departments. Some savings from a reduced fleet would be derived from selling surplus apparatus, but a larger savings amount would be produced by eliminating the need for certain vehicle replacement.

Table 24 quantifies the savings attributable to the reduction in vehicle replacement needs through 2020. Vehicles cited in **bold** represent those vehicles that would not need to be replaced because of the smaller fleet size. For example, St. Francis needs to replace an ambulance by 2014, but this expense could be avoided under a consolidated scenario because a reduction in ambulances would occur anyway. The attrition of two engines, both at St. Francis, also could be absorbed under a consolidated department, with a total overall savings of $1.7 million through 2020.

Table 24: Full consolidation model – vehicle replacement savings

	Cudahy	South Milwaukee	St. Francis	Cost/Vehicle	Total Cost
2014 or earlier		ALS Ambulance	**Ambulance**	$150,000	$150,000
2015		**Ambulance**		$150,000	$150,000
2016	Ambulance				
2017			**Engine**	$700,000	$700,000
2018					
2019	Ambulance				
2020			**Engine**	$700,000	$700,000
Total to 2020					**$1,700,000**

In addition, South Milwaukee's ladder truck could be sold if the departments are consolidated, which would result in estimated revenue of $125,000.[14] Total estimated savings related to vehicle replacement through 2020, therefore, are $1.825 million.

[14] Estimated vehicle costs and resale values included in this table were derived from discussions with chiefs and administrators from the three municipalities, review of recent vehicle purchases by Milwaukee County fire

The information contained in **Table 24** serves only as an illustration of potential vehicle replacement savings that would occur under a consolidated department. The actual process of shrinking the combined fleet likely would be different from that depicted in the table, as it would depend on the actual inventory of vehicles at each fire house. It also should be noted that our calculation does not include additional savings that could be realized from a reduced expense for hoses, radios, breathing apparatus and other equipment, as well as from reductions in vehicle maintenance costs.

Savings related to vehicle replacements represent a reduction to a future liability, rather than immediate cash savings. Both Cudahy and South Milwaukee fund vehicle replacements through bond issues, or borrowing (though Cudahy also has obtained grant funding to replace fire vehicles). In effect, the reduced need for vehicle replacements would reduce future capital expenses relating to each city's fire department, allowing for either a reduction in borrowing, or for a reallocation of bond funds to other capital needs within each jurisdiction. The sale of the excess ladder truck, however, is a cash savings that would be realized in the year that the asset is sold.

Savings realized by individual municipalities also would be impacted by the following:

- Whether each municipality actually intends to replace vehicles per its vehicle replacement schedule.
- Whether legal and logistical issues might be worked out to allow vehicles no longer required at a fire house in one of the three municipalities to be transferred for use at one of the others.
- Whether substantial revenue could be realized by selling other unneeded vehicles.
- How the three municipalities decide to allocate savings from their collective effort to share vehicles. For example, would the municipalities agree to allow those who are avoiding replacements to reap the full savings, or would such savings be "pooled" and re-distributed to all three on a formula basis in recognition of the fact that the savings would accrue from the collective effort to operate under an operational consolidation framework?

departments, and consultation with national firms that engage in the resale of fire apparatus. Also, we only include proceeds from the sale of a ladder truck in our vehicle savings calculation because the revenue produced by selling other vehicles would not be substantial.

GOVERNANCE AND PROGRAMMATIC IMPACTS OF FULL CONSOLIDATION

This section considers non-budgetary impacts of fire service consolidation. These include a discussion of governance options and the myriad related issues that would need to be deliberated to begin to plan for a consolidated department; and the programmatic issues that should surround any deliberations regarding full consolidation, including a change in minimum staffing at the Cudahy and South Milwaukee stations.

A decision to pursue a consolidated fire department in the South Shore cities will need to involve consideration of more than dollars and cents. Important questions regarding governance and the mechanics of consolidation will need to be deliberated, and the answers to those questions could determine the financial and programmatic efficacy of consolidation for each city. Those questions range from the disposition of vehicles and facilities, to personnel issues involving current employees and retirees, to the composition of the governing board. In addition, consolidation would involve programmatic and staffing changes that could have an impact on service quality and timeliness. While the Public Policy Forum does not possess expertise in fire department operations, we cite both potential positive and negative programmatic consequences in this section. Ultimately, those consequences will need to be deliberated by the three chiefs in consultation with city administrators and elected officials, and discussed in the context of potential fiscal advantages.

Governance

Under each of the consolidation scenarios, it is assumed that the new department would be governed by its own board of directors. Among other things, the board would set policy, approve the budget, assist in long-range planning, and negotiate labor and management contracts. The specific composition of the board would need to be determined by the three municipalities. As a point of reference, the NSFD Board of Directors is comprised of the mayor/village president (or his or her designee) from each of the seven member communities. The NSFD also maintains a separate fire commission to address personnel issues.

The legal authority for the three communities to establish a consolidated fire department is contained in Section 66.0301 of the Wisconsin Statutes, which allows municipal governments to form intergovernmental agreements for the joint administration and delivery of certain types of services. Elected officials from the three communities would need to develop such an agreement if they decide to pursue a consolidated department. That agreement would establish the basis for many of the administrative, jurisdictional and logistical details of the new department, including the following:

- **Equipment**. Assuming that ownership of fire department equipment would transfer to the consolidated department, the intergovernmental agreement would have to specify how to assess the value of existing equipment and determine which equipment the new department would use. The NSFD used an independent appraiser to value all equipment. The new department then purchased what it needed from individual municipalities, with unneeded equipment retained by each municipality to dispose of as it wished.

- **Facilities**. As discussed above, each of the full consolidation scenarios assumes that Cudahy would retain its existing Station 2 on East Ramsey Avenue, and that the existing Station 1 on South Packard Avenue would be closed. The intergovernmental agreement would need to determine whether and how the disposition of this facility would be addressed among the three communities (e.g. would

any demolition costs and/or land sale revenues accrue to the consolidated department or only to the City of Cudahy). The agreement also would need to address whether ownership of the existing facilities would transfer to the new department, and which of the existing facilities would serve as the main administrative headquarters. Under the NSFD agreement, the municipalities agreed to transfer custody, use and control of buildings to the consolidated department, but not ownership. If that approach were used for the CSSFD, then an additional consideration would be whether individual municipalities would be responsible for any repairs or maintenance required to bring each fire house to a similar level of condition and functioning before consolidation occurs.

- **Personnel**. The new department would require a new union contract, salary/benefit structure and work rules for departmental personnel. The intergovernmental agreement could be prescriptive regarding those issues, or it could empower the chief or board of directors to negotiate and formulate those important details. The agreement also should address the liability of pension and other post employment benefits for retired firefighters. That liability could stay with each city or conceivably be transferred to a consolidated department. Pension liabilities of current fire department employees also are relevant to this discussion.

- **Funding Formula**. A key to the new department would be the creation of a funding formula dictating the annual contributions of each municipality, as well as the treatment of paramedic, fire inspection and other revenues. As noted above, in the NSFD, the funding formula is based on a calculation that equally weighs population, equalized property valuation, and usage. The NSFD agreement also contains cost-control language that limits annual increases in operating and capital budgets.

Programmatic Considerations

Beyond projections of cost savings, it is important to consider other impacts of consolidation on fire protection and emergency medical services in Cudahy, South Milwaukee and St. Francis. Recognizing that the Public Policy Forum does not possess expertise on fire and EMS operations, this section briefly considers some of the potential benefits and disadvantages of consolidation.

Programmatic Benefits

The previous discussion of enhanced service sharing opportunities among the three departments provides a starting point for a consideration of programmatic benefits. For example, under the CSSFD, a battalion chief would be responsible for training, which is likely to improve the quality and uniformity of firefighter/EMS training. The additional management and finance positions also could improve administrative capacity, while consolidated procurement may produce savings in supplies and equipment. Finally, a dedicated inspection bureau could improve the performance of fire inspection services.

Consolidated departments also have been shown in other jurisdictions to improve fire and EMS response. In the South Shore communities, such improvement may result from the following:

- Under each of the consolidation scenarios, battalion chiefs are removed from the minimum staffing count, ensuring that they are available to act as incident commanders rather than as front line responders.

- While the three departments currently are closely linked through mutual aid agreements, the process of calling for mutual aid creates a lag in terms of additional dispatching and mobilization. Under a consolidated department, there would be a single, coordinated incident response from the first dispatch.

- Under all consolidation scenarios, ALS service is enhanced. Cudahy and St. Francis now run BLS response only, but under all three consolidation scenarios these stations would run paramedic first response units. Under Scenario 3, two paramedic units would be stationed at the central station, further improving ALS service in the area.

Finally, fire consolidation logically should be viewed as a precursor to dispatch consolidation, which itself has potential to improve emergency response in the South Shore cities and produce operational and equipment savings, as discussed in a separate study released by the Forum in September 2012.[15]

Programmatic Disadvantages

Any discussion of intergovernmental program consolidation raises the potentially negative impact of loss of local control. In the case of the South Shore, each of the three cities would need to determine whether the loss of its ability to unilaterally determine fire and EMS staffing, protocols, and budgets would result in any negative service-level impacts.

A potentially more significant programmatic disadvantage is the reduction in minimum staffing at the South Milwaukee and Cudahy stations under Scenario 2 from six to five, and from six to five at the South Milwaukee station in Scenario 3 (Scenario 3 proposes a seven-person minimum at Cudahy). This is somewhat offset by an increase in the minimum staffing at the St. Francis station in both scenarios from four to five. A decrease in staffing will change operations and may ultimately affect response times.

The nature of that programmatic impact balances on the controversial question of the minimum number of firefighters that should be available in a station to respond to a fire. This question was considered at length by TriData in its 2000 study of South Shore fire consolidation, which concluded that "…four-person staffing is more efficient and effective than three-person staffing for non-trivial fires. For example, in many situations one four-person unit can do as much work as two three-person units because it can be split into a pair of two-person teams whereas a three-person unit should not be divided for safety reasons." As noted above, South Milwaukee and St. Francis currently staff a fire engine with four individuals, though if an ambulance is out on a call, then the engine may be staffed with as few as two. Cudahy staffs an engine with three and if necessary sends an engine from the second station, for a total response of six individuals.

With a five-person minimum, most of the time each station would be able to adequately staff an engine with four or even five firefighters. In those cases where an ambulance is out on a call, however, only three firefighters would remain in a station to man an engine. Currently, the chiefs call back off-duty

[15] It is difficult to conceive how a single fire department could be dispatched by three separate dispatch centers. In the North Shore, fire consolidation did precede dispatch consolidation by several years. During those intervening years, however, each of the multiple North Shore dispatch centers transferred calls to a single dispatch center which then communicated with the fire department, thereby increasing dispatch time and causing citizens to repeat their request for 911 services.

firefighters to maintain minimum staffing levels on busy days. Under a consolidated scenario, the battalion chief on duty instead would have the ability to reassign staff from one station to another to maintain coverage. Whether the flexibility afforded by a consolidated department would offset any negative impacts associated with lower minimum staffing levels is a key operational question that will need to be considered by public safety officials in any consolidation discussions.

OBSERVATIONS AND CONCLUSIONS

This report responds to a request by administrative and elected officials in Cudahy, South Milwaukee and St. Francis to explore the possible creation of a consolidated fire department to serve the three cities. The research and analysis contained in this report does not produce a conclusive determination of the merits of a consolidated department. Rather, it provides information on potential fiscal and operational impacts that would be derived from various service sharing and consolidation options, and in so doing provides a means to consider whether one or more consolidation options are worthy of further pursuit. The report also reveals that there are several critical unknowns involving staffing, equipment, and governance that would need to be further deliberated and resolved before an informed decision could be made by each of the three city governments.

While the purpose of this report was not to recommend a specific course of action, our research, modeling and deliberations with the chiefs and administrators have produced the following observations and conclusions:

- To the credit of the three cities and their fire chiefs, there already is considerable service sharing and cooperation among the three departments. While operational improvements might be generated by attempts to enhance that service sharing through creation of joint bureaus to conduct training, fire inspections, and/or vehicle maintenance, we find that such actions could *increase* the costs of those functions. The departments should continue to consider these and other ways in which they might pursue additional service or equipment sharing to enhance operational efficiency, but they should do so with the understanding that such limited strategies are unlikely to yield considerable financial savings.

- Our analysis reveals that full consolidation, on the other hand, does have potential to produce substantial annual operating savings and longer-term vehicle replacement savings, depending upon the staffing model that is used for the consolidated department. It is beyond the scope of this study and the expertise of its authors to evaluate the service-level pros and cons of the three staffing models presented in this report, and to weigh those against projected financial impacts. We do believe, however, that it is important to consider those issues not only in the context of how the consolidated department might optimally like to staff itself, but also in the context of growing budget constraints that soon may force consideration of cuts to *existing* levels of staffing and service in the three individual departments.

- Indeed, a key question is whether a consolidation option exists that might accommodate the need for budget savings *and* maintain (or perhaps enhance) existing levels of service? When viewed in that context, it appears that Scenario 3 – which suggests minimum staffing levels of five at the St. Francis and South Milwaukee stations and seven at the Cudahy station – may be most worthy of further consideration. That scenario provides enhanced ALS service – which reflects the reality that EMS calls account for 84% of the activity levels of the three departments combined – while arguably maintaining fire protection capacity.

- The decision to pursue consideration of a consolidated fire department in Milwaukee County's South Shore is further complicated by the potential for widely varying fiscal impacts in the three individual communities. While we viewed this to be a sizable obstacle to potential fire department consolidation in our 2012 analysis for the five other southern Milwaukee County communities, we

observed a level of cooperation and interest among top administrators and elected officials in Cudahy, South Milwaukee and St. Francis that makes this issue a far lesser concern in the South Shore cities. In fact, based on our meetings with leaders of the three communities, we would be optimistic about the prospects for an amicable process to develop an intergovernmental agreement to sort out the specifics of a consolidated department should the three cities decide to pursue that approach.

We suggest that each of the three cities consider this report within the context of its own financial forecasts and its own public safety needs and concerns, and determine which (if any) of the options outlined in the report it is interested in exploring. As they do so, we would urge them to keep in mind how possible changes in dispatch services in the three cities would impact fire and EMS consolidation, as well as the influence of other outside factors like a new countywide trunked radio system and continued questions about Milwaukee County's financial contribution to municipal EMS services.

If elected, administrative and public safety officials in the three cities decide to pursue a consolidated department, then we would strongly suggest not only that they flesh out the operational details of a desired staffing scenario, but also that they consider the potential framework for an intergovernmental agreement and cost allocation formula, which would allow for conclusive determination of individual operational and fiscal impacts. If that approach is taken, then the Public Policy Forum stands ready to assist with facilitation and/or research support.