



MEMORANDUM

To: Neenah-Menasha Fire Rescue Joint Finance & Personnel Committee
From: Peggy Steeno, ^{PS}Administrative Services Director
Date: July 23, 2015
RE: Neenah- Menasha Fire Rescue Cost Distribution Formula

Background

As discussed at the August 26, 2014 Joint Finance & Personnel Committee Meeting, the City of Menasha does not have a means to calculate one of the factors that are part of the cost sharing formula which is used to determine how much each Community contributes to the joint fire rescue on an annual basis.

By way of details, the existing formula, which is part of the approved Neenah-Menasha Fire Rescue Merger Agreement, is comprised of the following five (5) factors:

1. The population of each community,
2. The equalized property value of each community,
3. The number of calls responded to in each community,
4. The number of square miles in each community, and
5. The square footage of all buildings in each community.

Analysis

In regard to the fifth factor noted above, square footage of all building, the City of Menasha does not have information available to complete this calculation. The City of Neenah is able to produce this number through its Storm Water Utility Billing process. However, the City of Menasha does not keep track of the square footage of all parcels in a similar manner, which prevents the calculation from being feasible for the City of Menasha.

In discussions with Neenah Finance Director, Mike Easker, both in 2014 and in 2015, we were unable to come up with another meaningful factor to replace this unachievable one. And, based on the attached analysis, dating back to the inception of the joint department, this specific portion of the formula does not substantially alter the percentage breakdown for each community on an annual or overall basis.

Fiscal Impact

The fiscal impact of removing the above noted factor from the calculation is not substantial, as illustrated through the attached analysis.

Recommendation

Staff, from both communities, recommends dropping the fifth factor noted above and raising the four remaining factors from 20% each to 25% each.

Please let us know if you have questions in advance of the next meeting on July 28, 2015; otherwise, both Director Easker and I will be at the meeting to discuss this with you.

NIMFR Formula
Compared Existing Formula to Proposed Formula
7/23/2015

	Existing Formula		check	Proposed Formula		check	Percent Variation		check
	Neenah Portion	Menasha Portion		Neenah Portion	Menasha Portion		Neenah Portion	Menasha Portion	
2015 Budget	60.55%	39.45%	100.00%	60.61%	39.39%	100.00%	0.06%	-0.06%	0.00%
2014 Budget	59.60%	40.40%	100.00%	59.46%	40.54%	100.00%	-0.14%	0.14%	0.00%
2013 Budget	60.51%	39.49%	100.00%	60.62%	39.38%	100.00%	0.11%	-0.11%	0.00%
2012 Budget	59.78%	40.22%	100.00%	59.76%	40.24%	100.00%	-0.02%	0.02%	0.00%
2011 Budget	59.58%	40.42%	100.00%	59.79%	40.21%	100.00%	0.21%	-0.21%	0.00%
2010 Budget	59.55%	40.45%	100.00%	59.72%	40.28%	100.00%	0.17%	-0.17%	0.00%
2009 Budget	59.45%	40.55%	100.00%	59.46%	40.54%	100.00%	0.01%	-0.01%	0.00%
2008 Budget	59.69%	40.31%	100.00%	59.73%	40.27%	100.00%	0.04%	-0.04%	0.00%
2007 Budget	60.23%	39.77%	100.00%	60.53%	39.47%	100.00%	0.30%	-0.30%	0.00%
2006 Budget	60.67%	39.33%	100.00%	60.28%	39.72%	100.00%	-0.39%	0.39%	0.00%
2005 Budget	60.87%	39.13%	100.00%	60.53%	39.47%	100.00%	-0.34%	0.34%	0.00%
2004 Budget	60.64%	39.36%	100.00%	59.68%	40.32%	100.00%	-0.96%	0.96%	0.00%
2003 Budget	61.07%	38.93%	100.00%	60.73%	39.27%	100.00%	-0.34%	0.34%	0.00%
Average	60.17%	39.83%		60.07%	39.93%		-0.10%	0.10%	