



April 4, 2023

Dear Village Residents and Property Owners:

I am writing to share information with you about important due diligence efforts that the Village Board is working on related to emergency medical services (EMS). I want our residents and property owners to understand why the Village is researching our options for EMS (which I will cover below), but I would like to start by outlining the current EMS that the Village is part of, Deer-Grove EMS (DGEMS).

DGEMS is a top-notch service staffed by a very dedicated and competent team. We should all be thankful and proud to have such a great group of people standing at the ready when we need their help.

The Village is one of three equity and voting “Municipal Partners” that form the DGEMS District as outlined in an Intergovernmental Agreement that is in place through December 31, 2032. A Municipal Partner may withdraw from the District and Agreement at the end of any fiscal year, by providing one-year notice to the partners. The equity partners consist of: the Village of Cottage Grove, Town of Cottage Grove, and Village of Deerfield. DGEMS also provides contract service to the Town of Deerfield and a portion of the Town of Pleasant Springs. The formula that determines cost-sharing for the service is based on each municipality’s equalized value (i.e. total fair market value of property). The current cost-sharing distribution is as follows: Village of Cottage Grove 54%, Town of Cottage Grove 30%, Village of Deerfield 16%. DGEMS is governed by a Commission consisting of six members, with each municipality receiving two seats (or 1/3 of the total vote). DGEMS operates out of two stations; one in the Town of Cottage Grove and one in the Village of Deerfield.

The Village Board has a fiduciary responsibility to residents, businesses, and any property owner in the Village. It is the Board’s duty to provide the very best service we can, and do so in a cost-effective manner. The due diligence process we’re partaking in is meant to fulfill our responsibility to you. Why is the Village performing due diligence regarding EMS? There are two main reasons why the Village Board finds it imperative that we, as a Village, understand our options for EMS. 1) Governance issues and inequities within the DGEMS District; 2) The Village’s rapid population and commercial development growth.

- 1) *Governance and inequities*: Despite the Village of Cottage Grove being the majority equity partner of DGEMS, the Village has only 1/3 of the vote to make decisions regarding the service. Because of this system, the Village does not have the authority to ensure that the payment structure of DGEMS can be flexible over time so that the portion of the costs of DGEMS paid by Village taxpayers is fair and equitable. For instance, even though the Village of Cottage Grove has significantly more population than our partners, and therefore we experience the majority of calls for service and pay more in costs than the other two communities combined, the DGEMS Commission is adamant that resources continue to be allocated 50/50 between the Deerfield station and Cottage Grove station. Simply put, this means that the Village of Cottage Grove is subsidizing the costs of EMS in our partner communities and the two towns with which DGEMS provides contract services, and the degree to which this is the case will only increase over time as the Village of Cottage Grove’s growth outpaces the other partners. This governance structure and funding formula are not sustainable for the Village of Cottage Grove taxpayers as we see increasing budgetary pressure from state-imposed limits on property tax increases and as we try to prioritize keeping taxes on residents as low as possible. I and our Village DGEMS Commission members worked hard during the recent DGEMS contract revisions (as well as during various times over the past decade) to communicate this problem to our partners and we advocated for a more equitable funding formula, to no avail. DGEMS Commission members from the Town of Cottage Grove and Village of Deerfield have not

been open to modifying the governance structure or funding formula for DGEMS. This made it clear to the Village Board that we need to better understand the options for EMS that may be available in the future.

- 2) Village growth: The Village's population has increased 35+% over the last three years. The Village's current population is about 9,600, and we anticipate further increases to about 12,500 by 2030. The Village's equalized value is currently about \$1 billion and we project that value increasing to \$1.8 billion by 2030. In the context of DGEMS, all of this growth will only exacerbate the inequitable governance structure and inequities within the current service. The Village's financial share will continue to increase, while allocation of resources remains split 50/50, and the Village will have 1/3 of a say in DGEMS decisions.

Current Status and Next Steps

I want to make it clear that the Village remains in an information gathering and feedback stage of the process. The Board is not proposing a change in providers, but rather researching options. This process may lead to a change if we're able to find solutions to the issues referenced above. I would only vote for a change if we're able to accomplish goals of improving our existing circumstances, while providing similar or better service in a more cost-effective way.

The Village ultimately received estimated proposals for EMS from the following area providers: City of Madison, Village of McFarland, and City of Sun Prairie. To date, the Village has held two Public Involvement Meetings (PIMs) to discuss this information gathering process. We have already received excellent feedback and suggestions from participants, including from many of the DGEMS staff. All documents discussed during the PIMs can be found here:

<https://www.vi.cottagegrove.wi.gov/645/Village-Projects>. We remain committed to transparency on the research being conducted and will continue to post documents to this page. There is no deadline for the Village Board to "make a decision" regarding EMS. Additional agenda items are forthcoming at future Village Board meetings this spring and summer.

Please provide us with your feedback. We were elected by you, to serve you. You may reach the entire Village Board by sending an email to: villageboard@village.cottage-grove.wi.us. You may also provide verbal or written feedback during the public comment period of Village Board meetings. We would also be happy to meet individually with you or have a conversation over the phone. Please reach out via email or to staff at Village Hall (608.839.4704) to arrange a meeting.

It is a pleasure and my honor to serve the Village of Cottage Grove.

All the best,



Village President John Williams