

To: Members of NEMSD District
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NEMSD Budget: The Whole Story

To fully understand the proposed NEMSD budget, we need to look at the whole story — not just one number. The following is a benefit/cost analysis of the budget and our service:

The 2026 Budget: Why it is Higher and What We Are Getting For It?

Whenever the 2026 Budget increase is challenged — it is essential to tell the whole story behind the numbers. It's one thing to say that the budget has gone up, and to stop there. But, it is far more important to explain why.

What we will see is that NEMSD has provided a very high level of service while functioning within the initial projected budget.

The 2026 Budget is the product of many hours of very careful research and analysis. It reflects a prudent projection of what it will cost to run the system next year.

We should be asking ourselves two questions: “Why is it higher?” and, “What are we getting for it?”

The simple answer is that it is higher because the 2025 Budget, which was based on our best estimates of what it would cost to run the system, left out some mission critical expenses — that were proven essential during our first year of operations — AND the revenues fell short of our projections.

Equally important is what we are getting for our money.

I. The Benefits

Simply stated, we are getting a strong ambulance system that is achieving success at a rate that is unheard of for a “start-up” enterprise. We are being served at a very high level by a workforce that we can stand up against any in the state.

A. An Experienced, Dedicated Workforce

How strong is our workforce?

The least experienced of our Paramedics has 10 years of service. Our Paramedics far exceed minimal qualifications — we have critical care and flight medics; one of our medics is in nursing school and another taught our Chief.

Our EMT's are a very strong group. We have some Advanced EMT's and many with several years of experience.

Thirteen of our Fourteen full time employees are also trained Firefighters; that is an important supplement to our four towns' fire and accident responses.

Our Chief has a statewide reputation for excellence in Emergency Medical Services. Our Deputy Chief has a deep knowledge of our local area and has served it all of her life. Together, they have carried the heavy burden of not only setting up the system for success but also running calls when needed.

Most districts, providing services like ours, have a separate administrator position; in addition to all of the other things they are doing, Jason and Jessie have carried this responsibility—thereby saving the district a significant amount of money.

Our workforce is stable — which is not always the case with start-up operations. In fact, we have a growing list of highly qualified people wanting to serve as part-time fill-ins and/or seeking full time employment. That is a testament to the culture we have created and the way the staff has been received and treated by our towns' people.

Note: 90% of our 2026 Budget is being spent on our workforce wages and benefits. We are putting our money in the people who are serving us. (Although the Wisconsin Cost of Living Index went up around 3% this year, our workforce is not receiving a raise.)

B. Serving Us at a Very High Level

What is our staff achieving? How well are they taking care of us?

Our average time from **dispatch to hitting the road is around 80 seconds**; that is faster than the recommended national standard.

They are getting **to scene in under 14 minutes**; let's be clear, we cannot control time to scene. That is a function of the roads and driveways in the Northwoods. But, let's not forget that under our old system, there were calls where the ambulance did not leave the station for an extended time because the volunteers had to come from home or work to the station before leaving for the destination.

As we talk about our success, our volunteers have made a great contribution to the mission. They have integrated seamlessly into the operation — both running calls and training with our paid staff.

Another important benchmark of our success is the fact that around **80% of our patients have received Advanced Life Support interventions** from our paramedics.

There are people walking the streets of our towns who might not have survived but for the immediate response and high level of Paramedic care they were provided.

A reliable, fast response with highly trained, well equipped, compassionate responders — that was our goal. In our first year we have achieved it.

That is why we are a model that is being praised and studied by others.

That is the VALUE of what we are getting for our money.

II. The 2026 Budget

If 90% of the Budget is in Wages and Benefits, and we are not giving our staff raises, why is the budget being increased 20.5%?

The answer is simple: Our revenues did not reach the level we projected for the year. And, the 2025 Budget did not contain mission critical expenses — the amounts for which were determined by our actual spending in 2025. To cover those differences, the 2026 Budget was increased \$359,484. Below are the major, mission critical, expenses included in the increase:

A. The Revenue Shortfall

We only receive revenue when we transport patients. We correctly estimated that we would run around 425 calls but we did not know how many of them would result in transports. It turns out that we are transporting around 70% of our patients; this is consistent with the national average of call/transport ratio. In addition, there was a carryover from 2024 of \$100,000, which we do not have going into 2026. In the 2025 Budget we estimated \$463,840 in revenue. Using what we have learned, we are now budgeting for \$262,586. The shortfall is \$201,254.

That, alone, counts for 55% of the budget increase.

B. Payments to the Towns and the Manitowish Waters Fire Company for Ambulances and Volunteer Stipends

Three of the towns, Boulder Junction, Presque Isle, and Winchester have signed agreements with the District to allow it to use their ambulances; Manitowish Waters has not; instead, a separate and distinct entity, the Manitowish Waters Fire Company has entered an agreement with the District. Under the agreements, the ambulance owners are to provide the District with fully equipped and properly maintained ambulances. In return, they receive \$12 for every “loaded mile” for which their ambulances are used; a loaded mile is one in which a patient is onboard and headed to a hospital. This reimbursement was not included in the 2025 Budget. The 2026 Budget includes \$80,000 to cover this expense.

Those same 3 towns, and the Fire Company, compensate their volunteers for running calls with the district. The 2025 Budget did not have an amount to cover that cost. The 2026 Budget has \$15,000.

The payments to the towns accounts for 26% of the increase.

C. Insurance Premiums and Accounting and Legal Fees

The initial budget did not contain funding for: Directors’ Insurance and/or Professional Liability Insurance. The total in the 2026 Budget is: \$13,500.

We also found ourselves in need of both legal and accounting services: \$8,200.

D. Additional Mission Critical Items Not in 2025 Budget Included in 2026 Budget

To be accredited, our District had to obtain the services of a Medical Director; we added an outstanding doctor who has enabled us to adopt a patient forward set of medical protocols. **\$8,000.**

Our start-up costs have been subsidized by the generous contributions of those from whom we are “renting” our facilities at a very reduced rate. For 2026, we have added an amount to cover Station Supplies: **\$10,000.**

And, there was some vehicle maintenance, not covered by the towns, that we had to account for: **\$1,000.**

Together, these mission critical additions and corrections are 93.7% of the 2026 Budget increase. No pay raises. No frills. Simply an adjustment for the revenue shortfall and the inclusion of mission critical expenses — the need for which was proved by the actual spending in 2025.

Category	2025 Budget	2026 Budget	Difference	Notes	% of 2026 Increase
Income/Revenue	\$463,840	\$262,586	\$201,254	Revenue Shortfall: Transports and No \$100,000 Carry Over	55.9841%
First Responder Stipends	\$0	\$15,000	\$15,000	Not included in 2025 Budget	4.1726%
Medical Director	\$0	\$8,000	\$8,000	Not included in 2025 Budget	2.2254%
Mileage Reimbursements	\$0	\$80,000	\$80,000	Not included in 2025 Budget	22.2541%
Vehicle Maintenance	\$0	\$1,000	\$1,000	Not included in 2025 Budget	0.2782%
Directors Insurance	\$0	\$2,500	\$2,500	Not included in 2025 Budget	0.6954%
Professional Liability Insurance	\$0	\$11,000	\$11,000	Not included in 2025 Budget	3.0599%
Station Supplies	\$0	\$10,000	\$10,000	Not included in 2025 Budget	2.7818%
Accounting Fees	\$0	\$5,000	\$5,000	Not included in 2025 Budget	1.3909%
Legal Fees	\$0	\$3,200	\$3,200	Not included in 2025 Budget	0.8902%
Increase in 2026 Budget			\$336,954		93.7327%
Increase for 2026	\$1,747,038	\$2,106,522	\$359,484	20.5% Increase	

The 2026 Budget is a carefully crafted to continue the excellent service the District is receiving without making significant deviations from the service model. It is a “maintenance budget” based upon our actual experiences in 2025.

How accurate was the 2025 Budget projection upon which it is built? Very. As one can see, below, our projected spending was almost spot on.

Here is a table setting forth the changes and amounts:

2025 Budget to Actual Projected Spending	Estimate	Projected Spending	
	\$1,747,038.00	\$1,747,538.00	99.97%

The Bottom Line:

The whole story is now clear.

In our worst moments, when we dial 9-1-1, we are receiving a reliable, rapid response from highly trained, well equipped, compassionate responders.

The 20.5% budget increase for 2026 will allow us to continue that stellar service. There are no “soft spots” in that budget. More than 93% of the increases come from two categories, a revenue shortfall and mission critical items that should have been in the 2025 Budget.

We are receiving great benefit from the District and we should continue to support it.