Joint Meeting West Salem Village Board of Trustees, Town of Hamilton, And Town of Barre

November 14, 2007

Meeting called to order at 7:00 p.m. by West Salem Village Board President Dennis Manthei. Village Board Trustees present: Diana Engel, J. Terry Hanson, Harold Hoffman, James Leicht, and Merlin Wehrs. Excused: Helen Harold. Town of Hamilton Supervisors present: Chair Richard Schomberg, Supervisor Blaine Lee, and Supervisor Rob Galbraith. Town of Barre Supervisors present: Chair Ron Reed, Supervisor Kenneth Batzel, and Supervisor Roger Wolter. Also present: West Salem Volunteer Fire Department Chief Dave Munson, Fire Protection District Member Jerry Unser, Sr., Fire Protection District Member Reuben Oldenberg, County Board Supervisor Ray Ebert, and West Salem Village Administrator Teresa Schnitzler.

The purpose of the Joint Meeting was to consider amending, altering, or rescinding provisions of the West Salem Fire Protection Agreement. In February of 1972, an agreement was entered into between the Village, and the Towns of Barre and Hamilton for the purpose of providing adequate fire and rescue protection to the three municipalities. Page Five of the Agreement under the subheading <u>Fiscal Matters</u> sets forth the fire protection district's budget requirements and procedures. One of the provisions regarding adoption of the fire district budget states:

"Provided, however, that at no time without the unanimous consent of the governing bodies of the signatory municipalities may the Board of Trustees adopt a budget which would impose a tax rate or a payment out of the general fund exceeding one mill."

The 2006 Fire Protection District levy was \$169,939.16 on all three municipalities. The 2007 levy submitted by the Fire District in September was \$237,811.39, amounting to a 40% levy increase. According to the Wisconsin Department of Revenue, fire departments and fire districts do not have the legal authority to levy a tax. Therefore, the amount levied for fire protection must be included in the town and village levies. This also means the fire protection levy is included with the rest of the municipal levy when calculating levy limits. The Department of Revenue also states levies for fire protection are not excluded from levy limits. The first requirement is the total fire cost allocated among participating municipalities cannot increase more than the CPI plus 2%. For

2007, this is a total of 4.3%. The Fire District Board met on November 5, 2007, and amended its proposed budget levy to \$177,246.53, the 4.3% allowed by State Statutes.

The Village of West Salem attorney reviewed the 1972 Agreement, and it is his opinion the present agreement should be amended to include provisions for municipal review of the Fire Protection District's budget. He does not recommend holding the Fire Protection District to a specific amount or percentage increase because it would limit the municipality's ability to approve a larger increase for good cause in better fiscal times. With levy limits now in place by the State of Wisconsin, each municipality is limited on the percentage levy increases allowed. Individual municipal review and approval of the Fire Protection District's budget levy will ensure each municipality is able to comply with the mandated levy limits and continue services to each of their own municipalities.

Suggested Amendment:

FISCAL MATTERS

Annually on the first day of July, the Fire Chief of the West Salem Fire Protection District shall submit to the secretary-treasurer a budget for the next year. Such budget shall be reviewed by the board of trustees at their July semi-annual meeting. The board of trustees shall then prepare and approve a final, **proposed** budget for the next year. The secretarytreasurer shall immediately forward a complete copy of the approved budget to the clerks of the signatory municipalities. The governing board of each signatory municipality shall review such budget at its next regularly scheduled board meeting. By majority vote, each signatory board must approve the submitted budget before said budget is **considered final.** The clerks of the signatory municipalities will then notify the secretary-treasurer of the West Salem Fire Protection District of the governing body's decision. At no time may the board of trustees of the West Salem Fire Protection District adopt a final budget without the unanimous consent and approval of the governing bodies of the signatory municipalities. Upon approval of the West Salem Fire Protection District budget, the clerks of the signatory municipalities will then cause the payment to the West Salem Fire Protection District, either from the general fund or by a tax levy on the property owners involved in the West Salem Fire Protection District, an amount equivalent to their proportionate share of the total budget, predicated upon the equalized assessed valuation of the total property located within the West Salem Fire Protection District. Provided. however, that at no time without the unanimous consent of the governing bodies of the signatory municipalities may the board of trustees adopt a budget which would impose a tax rate or a payment out of the general fund exceeding one mill.

Merlin Wehrs, Secretary-Treasurer of the Fire Protection District Board and West Salem Village Trustee, recommended the Village President, Barre Chairman, Hamilton Chairman, and Fire Protection District Chair Reuben Oldenberg meet to review the entire Fire Protection Agreement for any updates or changes required.

Fire Chief Dave Munson detailed the remodeling project at the fire station and the ADA-mandated reasons for the project. In order to keep equipment safe and current and to continue payment on the loan, he felt the municipalities should consider granting the requested increases.

Village President Dennis Manthei felt the Fire Protection District should consider charging property owners for fire calls in order to supplement the District's budget. In addition, the West Salem Volunteer Fire Department Benevolent Association will provide a copy of their end-of-the-year audit to the three municipalities in order to present a complete picture of the fire department and district financial status. Fire Chief Munson agreed to supply the audit.

Motion by Merlin Wehrs, seconded by Richard Schomberg to refer the West Salem Fire Protection Agreement to the Village President, Barre Chairman, Hamilton Chairman, and Fire District Chairman to review and bring recommendations back to the three Boards. Motion approved by voice vote.

Motion by Trustee Hanson, seconded by Trustee Engel to adjourn the joint meeting at 7:44 p.m. Motion approved by voice vote.

Teresa L. Schnitzler, Village Administrator