

**MEETING MINUTES
PUBLIC SAFETY AND PROTECTIVE SERVICES
COMMITTEE SEPTEMBER 7, 2023**

1. Call to Order.
Meeting called to order at 6:01 p.m.
2. Roll Call.
Present: Gary Nickerson, John Heintz Taylor, Dan Nottling.
Excused: Dave Stellpflug.
Also Present: Deb Hall, Ginger Keleher, Rich Spurrell and Frank Rewasiewicz.
3. Discussion and/or action as necessary: Motion to approve August 31, 2023 meeting minutes. **Motion by John Heintz Taylor, second Dan Nottling to approve the August 31, 2023 meeting minutes. Motion carried.**
4. Discussion and /or action as necessary: Continuing Discussion on the Presentation by Rich Spurrell on the \$37,000.00, which is the Percentage of the additional \$100,000.00 requested by the Kettle Moraine Fire Board and to explore funding sources to avoid affecting the 2023 Budget for North Prairie, with recommendation to the Village Board.
Rich Spurrell was present to discuss the requested additional \$100,000 need for the Kettle Moraine Fire District, with the amount for North Prairie being \$37,000. The Fire Department is facing financial issues. In June there were checks that were overdrawn at the bank. In July they received the quarterly payments from the Municipalities roughly \$129,000. Rich stopped into the bank and asked for a balance on the account and the balance was \$130,000, so you take away what was just contributed, the account was empty. That leaves September, October, November, and December they are broke. The monies projected from the 4th quarter are not going to be enough to cover the bills through the end of the year. Rich presented to the Village of Eagle Board three numbers, \$100,000, \$150,000 and \$200,000 were presented not knowing what the Village of Eagle could afford. The Village of Eagle Board said they would support the \$100,000, but they don't necessarily want to keep putting good money after bad. There were questions raised about how this is being fixed. The simple answer is to get new staffing. The Fire Chief and Administrative Assistant are no longer employed with us. With a new budget review hopefully, we will have a more realistic budget. Rich Spurrell is not sure how North Prairie budgets, but Village of Eagle budget low on revenues and high on expenses to not over inflate the budget to be safe. The Fire Department budget was over inflated on revenues and under in expenses and that is how they got into this mess. The Fire Board is hoping that the extra \$100,000 will help them make it through the end of the year. Payrolls averages around \$11,000 and that would leave around \$50,000 per month for bills. The last couple of months have been between \$25,000 and \$40,000 for bills and he believes that the fire department can maintain this number. The Assistant Chief said that without buying anything and just covering what they have they should be fine for the rest of the year. The Village of Eagle did approve the \$100,000 with their share being 21% or \$21,000 with the stipulation that if all three Municipalities do not approve the \$100,000, that they would still give the \$21,000, but as an advancement of the 2024 budget. If all three municipalities agree to the percentages, then that money would be to help cover the bills this year and they would still give the entire budget amount for 2024. The Town of Eagle did the same stipulation with a

contribution of 42% or \$42,000. There have been questions regarding the audit of the Fire Department, the audit company must finish the Village of Eagle and they are waiting for the financial paperwork from the fire department and the administrative assistant did not give them anything for the fire department part of the audit. They will start the audit for the fire department once the Village of Eagle is completed. The audit for Kettle Moraine Fire District would be for 2021 and not 2022. The 2021 audit has not been completed for the fire district. John Heintz Taylor questioned that the joint venture for the fire department has not gone well and would like to know if North Prairie would have been better to be a stand-alone department. Rich has been asked that from the other Municipalities. Dan Nottling stated that at the last meeting they were told that this short fall was due to legal expenses and payroll. His is wondering how much was the fire chief issues costing the fire department/municipalities? What kind of deal did he make to walk away? Rich Spurrell stated that per the separation agreement with the Fire Chief, he cannot talk about what was given to the Fire Chief. Deb Hall asked if he could give a dollar amount. John Heintz Taylor stated that money spent were public funds and we should be able to know the amount. Rich Spurrell stated again that the agreement states he as a board member cannot talk about the agreement. Can an open records request be made for this information? The 2024 budget does not have anything regarding the separation agreement. Will we be having this same conversation next year? Is the agreement the reason that the fire department is having the short fall? The short fall is because of lack of execution by the department and lack of oversight from the board. There is nothing being budgeted for in 2024 Budget for the separation agreement. John Heintz Taylor would like to know what remedies are in place so this does not happen again in 2024. Should there be training for budget for the people in the position. The Fire Chief was responsible for creating the budget and presenting to the Fire Board, who then took it to the municipalities. Two people were removed from the position. This is not the 1st time that North Prairie has been blindsided with bills that John Heintz Taylor feels we should not have been paying. A couple of years ago the Fire Board came with a bill for \$7000 for the then chief's work to divide up the fire district percentages and he voted to not approve that payment then, but the board did approve the \$7000 payment. So this is a repeat of someone not being able to budget. Deb Hall stated that in 2022 there was a \$20,000 payment to the Fire Department for utilities and building maintenance. Rich Spurrell stated that it was news to him about the \$20,000 payment. Rich Spurrell would like to have the Village provide the information about this payment and forward the information to him, because on the books they have a carryover of \$50,000 and it should have been \$70,000 with the extra from North Prairie, then they are in even worse shape than he thought. The former administrative assistant was not good at getting the monthly expenses versus what was in the budget to the fire board. This is now the second time that North Prairie has been approached about extra money. Deb Hall is very concerned that the Kettle Moraine Fire District is costing North Prairie \$300,000 when it was supposed to cost \$189,000. Deb Hall has been very open and vocal about the numbers not being good that have been presented to North Prairie about the merger, and that is on the Village Board as well. The 2023 fire department was presented with only one presentation to the board before it was presented to Municipalities. The 2024 budget is going to be a sticker shock. There will be some corrections, and this will be a more accurate budget. There are steps for better budgeting. The budget for North Prairie for 2021 for fire was \$220,257, 2022 was \$240,441, that could be proof of the extra \$20,000. We just have to prove we paid it and not where the fire department put it. It could be used for the building, and it could be very confusing. The ask of the

three Boards have been to contribute their percentage share of the \$100,000 so the department does not go broke for the rest of the year. The ask for North Prairie is \$37,000. The other two boards have approved their share. Is this payment being asked for immediately or can the payment be spread out over a couple of months? Will there be another request in November? Deb Hall would now like a monthly reporting of the finances for the Fire District, here are the expenses and here are dollars. It is greatly concerning that we are being asked for \$37,000 what happens if they need more. How are the payment to be made, it is up to North Prairie. Both of the Eagles have made their full payment, so the district is not in need of it just yet and in October the 4th quarter payments are to be made. Things will be tight towards the end of the year. The Fire Board has been in discussions about the additional money and feel that this should be enough to get through the year. The \$100,000 and the 4th quarter payment. Monthly expense payments should be around \$20,000. John Heintz Taylor will have to wait until he hears about the open records request reply, however, how much of this shortfall is due to what the Board was told at a prior meeting – poor budgeting for wages and legal expenses and whether that is correct information and if that was wrong that is what well said. Gary stated that he told the Board that and he could have been wrong. Rich believes that they are in line. Some lines items will be on track while others will be over. They have not been given an accurate accounting. Legal expenses are over. Deb Hall asked if this was a program problem or personnel problem or a combination of both? Rich believes it was an operator problem and the person is now removed. They have a person currently who knows how to run the program. The ad is out there about hiring an administrative assistant. Rich is hoping to have a more accurate accounting for the next Fire Board meeting, which then can be given to the Municipalities. Dan Nottling would like to know where we are at with a new fire chief and how will it affect the 2024 budget. It could because they would not have the number yet. The assistant chief said he would have a budget to the Fire Board at their September meeting to then get it to the Municipalities. What is the funding source for the \$37,000? We have the LifeQuest monies from the North Prairie fire department billings and in that account the is \$49,104.60. North Prairie could use this account to pay the \$37,000. Both Eagles have monies sitting in their fire department accounts as well and used that money for their share. John Heintz Taylor has had limited exposure to cases like this, and when money was put in to save it from bankruptcy, there was a requirement that a plan be put in place for corrective action. As a Trustee of North Prairie he would be very interested in getting a corrective plan before he would vote in favor of the additional \$37,000. Rich Spurrell stated that the board would be sending over monthly reports and would hope that our member would be giving these reports to the North Prairie board. John Heintz Taylor stated he is not asking about the monthly reports, he would like a corrective action plan so that the request for additional money does not keep happening. Deb Hall stated that she feels there would be no recourse if the plan was not presented, what she hears is that the fire district is failing and as a member of the Village Board this is unacceptable we have been in this situation for 1½ year and the Village Board and the citizens have been put in a very difficult spot because due diligence was not done and while some are looking for a corrective action plan and she is looking for an alternative plan as to what we will be doing for fire services in the future. Dan Nottling asked if there is a dissolution clause on the merger and what it is? To Deb Hall this is a much larger issue than the \$7000, the \$20,000 or the \$37,000, it is an overall issue that there was not a plan in place and the due diligence was not done and she specifically told the Village Board at that time that the numbers were not valid and that board at the time chose to move forward. While Deb Hall does not

want the fire district to fail, but it is and she is not seeing an alternative that it will succeed. While we knew that there would be bumps in the road, this is a pretty huge crater. Rich Spurrell stated that this is not a bump, it is a cliff. This committee may make the recommendation to the Village Board on the \$37,000, but they should be also looking at how we should proceed. We do not get up dates to the Village Board and they are not being received. They should be coming both from the Fire District and the North Prairie Fire Board members and the Village Board is not receiving updates. Gary Nickerson stated that we must make a decision on the \$37,000 request. Per the agreement we cannot make a decision on what to do for 5 years on the dissolution from the Kettle Moraine Fire District. If the committee/Village Board does not approve the payment to the Fire District, it will not be added to the 2024 budget, but the Fire Department will be operating at a lesser amount. The Department would have a tough 2024. There will be no action tonight on this item.

5. Adjourn.

Motion by John Heintz Taylor, second by Dan Nottling to adjourn the meeting at 6:45 p.m. Motion carried.