

**Special Meeting Minutes
Brodhead Common Council and
Brodhead Fire District Commission
Monday, February 12, 2018**

Present for Brodhead Common Council: Mayor Pinnow, Aldermen Nyman, Anderson, Huffman, Fox, and Peach. City Clerk Withee and City Attorney Mark Schroeder.

Absent: Alderman Huntington

Present for Brodhead Fire District Commission: Steve Hazeltine, Al Schneider, Pat Faessler, Ann Anderson and Deb Fox.

Absent: Aaron Withee

Mayor Pinnow called meeting to order at 5:00 PM. Roll call vote shows all Aldermen present except Huntington

Council presentation by Ann Anderson. She stated this has nothing to do with firefighters we appreciate everything they do. Al Schneider, Heather Osborne, Ann Anderson and Teresa Withee discussed numbers prior to the meeting tonight. Important to point out that district numbers are not audited. It is difficult to pick it apart not sure what numbers are accurate. Fire District rate of growth far outpaces the city budget. Fire budgets are not done timely. Depending on the current Decatur assessment rural is close to gaining another district member. At term of contract all assets and control go to the district. Base levy agreed upon of 195,828. Hydrant rental audited number is \$203,883. Corrected base number estimate of 171,616 with an increase of 1% annually. Estimated yearly savings of about \$50,000. Half of what rural members were saying. The Fire District Budget with an average 3% increase would be less than \$200,000 but the Fire District is currently at \$275,000. So the increase has been significantly more. If the fire department was back under the city we could save money with Insurance back under the city umbrella, snow removal, etc. Estimated budget of \$231,000 includes part time chief and secretary. Both rural and city could pay \$130,000 each.

Steve Hazeltine stated that the district needs to have a completed audit. He contacted a firm regarding an audit. The original 2012 rural numbers used budget not actual. Other income varies from year to year including 2% money and Lifequest. Estimated budget difference is \$15,000 and is not included in the levy amount. He stated they are paying \$68,000 for debt service. Clerk Withee stated that debt service is included in the budget. Ann stated that the 2012 numbers were agreed upon including debt service. Al asked if \$195,000 is with debt service included. Ann stated that yes it is included. Ann stated that the group that met agreed that the city has not saved almost \$500,000 but actually saved approximately \$250,000. Steve stated that his opinion is that the rural pays more because they would like a say in what is happening with the fire district. This goes back to the full time chief when they were paying 40% and had no say. They did not want to continue with full time chief. Steve stated that he hopes if there is a 4th member that the first commitment is to the district not the entities they represent. He stated that they have dealt with a 0% increase over several years but it is difficult to do future planning when there are no increases in budget. He said they need to keep politics out of the fire department.

Mayor Pinnow stated that his difficulty is with the makeup of the district because rural has experience with the fire department and two of our members have no fire experience and that puts us at a

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disadvantage. We want the district to work. The city does not have any long term hidden goals. We appreciate what the fire department does and we have a fiscal responsibility to the residents. If the fire district asks for 20% increase then cuts need to come out of every other department. We need to justify the spending to residents.

Hazeltine stated that there needs to be more open communication it is the only way to succeed.

Peach stated he would recommend that we have a budget we need to adhere to and can't deviate once set. City and Rural need to work together. Align budget deadlines closely to city budget and have an open candid discussion. Legal process to accrue funds for capital projects. Ann stated that Dick Pinnow discussed the 20 year plan and capital expenditures at the last meeting. Transparency is key and having an audit done would help to realize that.

Hazeltine stated that previous budget except for the last 2 years they have had at least \$30,000 to \$50,000 they were putting away for capital expenditures. Mayor Pinnow stated that information we have received from financial advisors is that we shouldn't hold onto money because it does not buy much in this day. Hazeltine stated that old rural boys don't believe in borrowed money. Deb stated that you used to be able to save money and earn interest but that is no longer the case.

Fox stated that her concerns are about decisions being made by rural members outside of the commission meetings. Items were acted on that had a financial impact. Decisions should not be made outside of the district meetings. Since she voiced that concern she has met with Steve, Heather and the Chief and had a good discussion. They have been working towards addressing those concerns. The long term plan will be shared with the rest of the council. Communication is the big issue and getting rid of the city vs rural attitude.

Huffman stated his biggest concern is a 3 vs 3 mentality over the past 5 years. Politics should not get in the way of the fire district. Communication and transparency are key.

Nyman has not attended a district meeting. Council members have not updated on fire district operations. We are saving money as a city.

Anderson stated if you look at the rate of growth the city will not save any money. The Fire District budget is growing at an average 3% increase and the city levy has been at approximately a 1% increase.

Nyman stated that everything goes up. Ann stated there is a cost of doing business and everyone's costs are going up. Nyman said they are the only department out there saving lives. It costs money to get equipment to save lives.

Pinnow stated then the levy needs to go up but we can't do that due to levy restraints.

Peach stated he was hoping that we wouldn't go down the road as to what department is more important than another. If we don't have clean water from the Water utility could have larger issues such as lead, we depend on the police to save lives. That argument does not merit when you discuss

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being fiscally responsible to the citizens of Brodhead. Can't go back on emotions to make a financial decision.

Schneider stated that 2013 numbers were not used for the baseline number because it was the transition year. Numbers are hard to figure and what number to use for a base year is a judgment call. These are the best numbers we have to date. Ann stated that yes these are the best numbers but they are not audited. The numbers shift because it is difficult to choose a base year. Numbers after the district are relatively clean but some of the numbers are off by about \$10,000. This is why they have decided to perform an audit to make sure the numbers are accurate.

Faessler stated that communication is a good place to start.

Hazeltine would like to see the district succeed. Getting young people involved. Introduce new programs to get younger people involved. There will always be budget issues.

Fox asked if keeping the district is the goal at this point. Hazeltine stated that there have been challenges but we need to continue to work together.

Faessler stated that keeping it volunteer will be one of the biggest challenges.

Adjournment: Motion to adjourn by Anderson. Second by Huffman. Five ayes. Adjourned at 6:20 p.m.

Adjournment: Motion to adjourn by Hazeltine. Second by Schneider. Three ayes. Adjourned at 6:20 p.m.

Douglas A. Pinnow, Mayor Approved this 20th day of March 2018.
Teresa Withee, City Clerk