



WESTERN LAKES FIRE DISTRICT

1400 Oconomowoc Parkway, Oconomowoc, WI 53066

Phone: 262-567-8282 Email: info@westernlakesfd.org

WESTERN LAKES FIRE DISTRICT Notice of Meeting

The Western Lakes Fire District's Fire Board will meet at the **City of Oconomowoc Police Department, located at 630 E. Wisconsin Avenue, Oconomowoc, Wisconsin** on Wednesday, June 11, 2025 beginning at 6:00 P.M. to address the following agenda:

1. Call to order
 - a. Fire Board
 - b. Municipal Boards
2. Proof of Notice of Meeting for Western Lakes Fire District
3. Pledge of Allegiance
4. Introductions
5. Public Comment
6. Consent Agenda
 - a. Minutes of September 11th, 2024, Joint Owners Meeting
7. Presentation – 2024 Annual Financial Audit
8. Presentation – Partner2Learn regarding Clifton Strengths, Professional Development, Succession Planning
9. Presentation – District Updates (2024 Year in Review, 2025 Projects, 2026 Budget Goals)
10. Discussion/Action – Revised and Restated WLF D Intermunicipal Agreement
11. Future Meetings
 - a. Fall Budget Meeting – Wednesday, September 10, 2025 at 6pm location: City of Oconomowoc Police Department.
12. Adjournment

It is possible that members of and possibly a quorum of members of other governmental bodies may be in attendance at the above stated meeting to gather information. No action will be taken by any governmental body at the above-stated meeting other than the governmental body specifically referred to above in this notice.

Pabst Station: 1400 Oconomowoc Parkway; Oconomowoc, WI 53066 – Fax: 262-569-6430
Dousman Station: 107 S. Main Street; Dousman, WI 53118 - Fax: 262-431-4812
Oconomowoc Station: 212 S. Concord Road; Oconomowoc, WI 53066 – Fax: 262-569-3297
Sullivan Station: 912 Front Street; Sullivan, WI 53178 – Fax: 262-593-8123
Okauchee Station: W349 N5060 Shady Lane; Okauchee, WI 53069 – Fax: 262 567-0503
Stone Bank Station: W335 N7107 Stone Bank Road; Oconomowoc, WI 53066 – Fax: 262-966-2831

Western Lakes Fire Board

Joint Owners Meeting

September 11, 2024

Call to Order

- George Morris called the meeting to order at 6:03 p.m. Board members present were George Morris, Kent Lorenz, Mike Tompkins, Bill Riemenschneider, Dan DeBehnke, and Scott Carter. Jeff Roemer was excused.
- Each of the municipalities called their meetings to order.
- Also present was the City of Oconomowoc Common Council, Village of Summit Board, Village of Dousman Board, Town of Ottawa Board, Town of Oconomowoc Board, Town of Merton Board, and Village of Lac LaBelle Board.

Proof of Notice

- Chief Bowen announced that the district notice was posted at 3:53 p.m. on September 6, 2024.

Pledge of Allegiance

- The Chief Elected Officials from the Municipalities led the group in the Pledge of Allegiance.

Public Comment

- George Morris opened the meeting to comments from the public, of which there were none.

Consent Agenda

- A motion was made by the City of Oconomowoc (Rosek), seconded by the Town of Ottawa (Rupp) to approve the June 12, 2024 Joint Owners Meeting Minutes. Motion Carried.

Presentation – EMSMC Medical Billing Updates

- Representatives from EMSMC, the third-party medical billing company contracted by the District, provided an update on medical billing practices and the District's performance. Sarah, Noreen, and Beth detailed the medical billing process, including the District's payer mix and the amounts collected per trip. It was noted that the District exhibits a substantial proportion of Medicare patients relative to other comparable agencies. Overall, the District is performing above average in terms of collection percentages and procedures when compared to other EMS providers, leading to favorable collection outcomes. EMSMC recognized the administrative efforts of Chief Bowen, Deputy Chief Warren, and Billing Specialist Matzelle in attaining these revenues. The District's operations contribute significantly to local customer service, relationship management, and quality assurance, all of which enhance the billing process.

Presentation – District Updates

- Chief Bowen delivered a comprehensive update regarding the District's operations for the current year, emphasizing both staffing enhancements and improvements in response times following the implementation of the first and second phases of the staffing plan. The Chief presented a detailed analysis of the net positive advancements achieved in daily staffing levels, alongside recruitment and retention initiatives within the District. This included a comparative evaluation of deployment times from each station on an annual basis in 2022, 2023 and year to date 2024, juxtaposed with the previous year's data. All stations have experienced a decrease in deployment times, attributed to the strategic changes that have been enacted to date. Moreover, additional information was provided regarding the scene arrival times for staffed fire apparatus, such as engines and ladders, in response to fire-related incidents. Overall, there have been significant positive developments in both deployment and scene arrival times compared to the prior year.

Presentation – 2025 Operating Budget and 5-Year Capital Improvement Plan Amendments

- Chief Bowen provided a detailed overview of the substantial changes in the 2025 budget compared to the 2024 budget. The 2025 operating budget encompasses the third phase of the District's proposed sustainable staffing and funding plan, which represents 20% of the original referendum amount. This phase includes the annual wages and benefits for positions added mid-year in 2024, as well as the addition of six firefighter/paramedic positions and three lieutenant positions. A significant number of personnel were hired at entry-level or mid-grade salaries, on the basis of which the referendum projections were established. Consequently, over the next three to five years, many personnel will progress through the wage steps from entry-level pay to maximum compensation. In terms of wages for District staff, a 3.0% cost-of-living adjustment (COLA) and wage increase has been incorporated for full-time employees. Presently, wage adjustments ranging from 2% to 4% are being implemented across various locations, while certain agencies are seeking adjustments exceeding these projections, reaching as high as 8%. The funding allocated for part-time positions in 2025 has been decreased due to the introduction of additional full-time positions, reflecting a continuing decline in the availability of part-time personnel within the region. Furthermore, the Wisconsin Retirement System (WRS) contribution rate for employers of protective service employees has increased by 0.95%. Insurance costs, especially workmen's compensation, have risen due to higher payroll, but large claims have decreased. The District's modifier factor is 1.74 for 2024, with a decline expected in 2025. A 9.9% increase in health insurance costs, based on ETF-approved rates, applies only to employer contributions, with the District continuing to cover 87% of the lowest-cost plan. A placeholder for potential administrative consolidation aims to improve operations and efficiency. This will help absorb the workload if an administrative bureau position is eliminated through attrition, allowing better collaboration and time management. The District Administration budget reflects increased personnel costs and education funding, including uniform allowances for new full-time positions. It also covers the total cost of Civic Systems accounting and payroll software, with the first payment due in 2024, facilitating the transition to in-house accounting due to the retirement of the previous provider and the addition of a Finance Manager. In Fire & EMS Operations, rising fuel costs correlate with increased staffing and service calls, while EMS fuel costs have decreased. Maintenance costs have surged due to a 13% rise in call volume, leading to more wear and tear on apparatus, alongside inflationary pressures.
- Chief Bowen provided an overview of the Capital Budget, highlighting extensive evaluations of the District's capital requirements. The management team and various committees assessed operations and staffing, projecting annual inflationary increases for capital expenses of 2.5% to 3.8% over the next five years. Current apparatus lead times are between 24 and 48 months. To address this, the District has secured a capital budget approval through 2029, allowing for the specification and bidding of apparatus at locked-in costs. The 2028 Capital Improvement Plan (CIP) allocates \$55,000 for enhancements to the Emergency Operations Center at the City of Oconomowoc Police Department. As the Joint Emergency Management Director, Chief Bowen's proposed upgrades will integrate the EOC across municipalities. Continuous evaluation of apparatus, equipment, and facilities remains a priority, enabling the prioritization of needs and potential budget amendments. This systematic approach has allowed for maintained or reduced budgets for the Capital Improvement Plan, supporting strategic investments to prevent costly repairs or replacements.

Discussion/Action – 2025 Operating Budget

- The municipalities each discussed amongst themselves in open session the presented budgets.
- Alderman Rosek inquired about the rationale behind the decision not to increase the fees for Fire Inspections at the same percentage as other fees and the overall budget. He highlighted that the costs associated with providing these services are rising, and it is equitable for those utilizing the service to bear the accompanying financial responsibilities. Chief Bowen and the Board acknowledged this concern, indicating that it had indeed been evaluated. However, due to the

increase in the general levy impacting these same businesses, the decision was made to refrain from raising the fees this year, particularly as they had been increased in the previous year. Ultimately, the municipalities deliberated on this matter and reached a consensus to maintain the current fee structure.

- Administrator Frye expressed gratitude to Chief Bowen and the Fire Board for their modifications to the initially proposed budget, which initially included a 4.5% increase, subsequently adjusted to a 4% increase. He recognized the challenges presented by the current inflationary environment and commended the effort to balance the budget appropriately.
- Trustee Scully raised concerns regarding the implementation of the staffing plan and not fully backfilling positions during vacation periods. Chief Bowen clarified that this adjustment was a concession made during the assessment of the overall budget increase, which fluctuated between 4% and 4.5%. While this decision will undoubtedly affect daily staffing levels, the proposed staffing increases for 2025 are still demonstrated as a positive advancement, as planned with the implementation of Phase 3. This matter will be included in the budget requests for 20265.
- President Riley raised inquiries regarding the increase in overtime expenses. Chief Bowen and the Board explained the methodology used to determine overtime costs, noting that full-time personnel typically work an average of 56 hours per week, resulting in overtime as a consequence of their work schedule. With a rise in the total number of full-time employees, there has been a corresponding increase in general overtime. The District remains committed to managing these expenditures diligently and continually assesses these costs.
- The municipalities conveyed appreciation to District Administration and the Fire Board for their diligent efforts in formulating this budget. In light of substantial escalations in operational costs beyond local control, such as insurance, the overall increase in the general operating budget of 4% is commendable.
- A motion was made by Village of Summit (Riley) and seconded by the Village of Dousman (Queen) to approve the 2025 Operating Budget and Funding by Municipalities as presented. Motion carried.

Discussion/Action – 5 Year Capital Improvement Plan Amendments

- The municipalities each discussed amongst themselves in open session the presented capital budget.
- Kraig Arenz appreciates the consideration for Emergency Operations Center and the sharing of these costs between the municipalities and having a joint EOC along with a secondary location.
- A motion was made by the City of Oconomowoc (Spiegelberg) and seconded by the Village of Summit (Arenz) to approve the District's Capital Improvement Plan as presented for through 2029. Motion carried.

Future Meetings

- Spring Joint Meeting – Wednesday, June 11, 2025 at 6pm at the City of Oconomowoc Police Department.

Closed Session

- The District Fire Board will convene into closed session pursuant to section 19.85(1)(e), Wisconsin State Statutes, Deliberating or negotiating the purchase of public property, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session: "Intermunicipal Agreement."
 - Also, in attendance (and noticed separately) will be elected officials from the City of Oconomowoc, Village of Summit, Village of Dousman, and Town of Ottawa.
 - The Fire Board will not return into open session at the conclusion of the closed session.
- At 8:15 p.m. a motion was made by City of Oconomowoc (Magnus) and seconded by Village of Summit (Riley) to move to closed session.

- A motion was made by Mike Tompkins and seconded by Bill Riemenschneider of the Fire Board to move to closed session by roll call vote. Affirmative roll call vote by all board members.
- At 8:55 p.m. the closed session ended.

Adjournment

- At 8:55 p.m., a motion was made by Town of Ottawa (Rupp) and seconded by Village of Summit (Riley) to adjourn the Joint Owners Meeting. Motion Carried.
- At 8:55 p.m., a motion was made by Dan DeBehnke and seconded by Kent Scott Carter to adjourn the Meeting. Motion carried



Memorandum

TO: MAYOR MAGNUS & CITY OF OCONOMOWOC COMMON COUNCIL,
PRESIDENT RILEY & VILLAGE OF SUMMIT BOARD, PRESIDENT QUEEN
& VILLAGE OF DOUSMAN BOARD, CHAIRMAN RUPP & TOWN OF
OTTAWA BOARD, CHAIRMAN KLJNK & TOWN OF MERTON BOARD

FROM: BRADLEY R. BOWEN, FIRE CHIEF/EMERGENCY MANAGEMENT
DIRECTOR

SUBJECT: INTERMUNICIPAL AGREEMENT CHANGES

DATE: FRIDAY, JUNE 6, 2025

CC: FIRE BOARD & FIRE COMMISSION

Dear Elected Officials,

I am pleased to present to you a copy of the draft Amended and Restated Intermunicipal Agreement (IMA) for the Western Lakes Fire District, which expands the ownership of the District to include the Town of Merton. This initiative commenced in 2019, when the Town of Merton expressed an interest in collaborating with the District for Fire and Emergency Medical Services. Subsequently, the District began providing these services to portions of the Town of Merton on January 1, 2020, through a contractual agreement, exemplifying the spirit of cooperation among municipalities in delivering essential services.

At the conclusion of 2023, I initiated collaboration with a workgroup composed of representatives from each of your municipalities, focusing on proposed modifications to the existing 2017 IMA. Each municipality was represented throughout the revision process in 2023 and 2024. This workgroup endeavored to update the IMA to reflect the operational needs of the District and the municipalities, while incorporating the Town of Merton as a partner in this revised and restated agreement.

We have partnered with Attorney Allen D. Reuter of Reuter, Whitish, & Evans, based in Madison, Wisconsin, for the development of the revised agreement. Attorney Reuter served as the legal counsel responsible for drafting the original 2017 agreement among the City of Oconomowoc, Village of Summit, Village of Dousman, and Town of Ottawa. The draft agreement is now before you, encompassing input from the workgroup of municipal representatives, the vision of your municipal boards, and the final legal expertise related to these agreements.

To facilitate your review of this agreement, I have included a summary of changes detailing the significant modifications within this revised and restated agreement, in comparison to the original version approved in 2017. I anticipate your feedback and look forward to taking action on this agreement during our Joint Meeting scheduled for Wednesday, June 11, 2025.

1. Amended and Restated Intermunicipal Agreement
 - a. Incorporate the Town of Merton, "Merton" into the agreement as a partner of the agreement.
2. Article III: District Boundaries
 - a. Incorporate the Town of Merton into boundaries

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3. Article V: Fire Board

a. Composition of the Fire Board

- i. Current – seven (7) person board comprised of two (2) voting members from the three largest municipalities, and one (1) voting member from the smallest financial contributing municipality.
- ii. Revised – seven (7) person board with each municipality having one (1) representative. The largest financial contributing municipality will have a second representative. The seventh (7th) representative will rotate between the remaining four municipalities at the expiration of the term in the following order: Summit, Dousman, Merton, Ottawa, Oconomowoc)
 1. All municipalities are included in the seventh representative order in the event any of them are not the largest financial contributor. Which ever is the largest will be skipped.
 2. Ottawa has a second board member seat that will become the Merton seat on the board.

b. Fire Board Duties – general updates to the responsibilities of the board to fit the current operations of the District.

c. Budget Process and Municipal Approval

- i. Current – approval of operating and capital budgets that do not exceed a 104% increase over the prior year budget if Municipalities representing 80% of the operating cost share approve the budget. Greater than 104% requires unanimous budget approval.
- ii. Revised – approval of joint operating and capital budget that does not exceed 104.5% increase of the prior year budget, provided that a majority of the municipalities affirmatively approve such budget. Greater than 104.5% requires unanimous budget approval.
 1. Please note that legal does not endorse or recommend the original draft submitted by municipalities, which permitted an increase of 103% with a simple majority approval and a budget approval exceeding 103%, requiring a supermajority. Legal advises that a threshold requiring unanimous approval be established. Consequently, the revised budget approval has been set at 104.5%, which aligns with the average annual increase of the Consumer Price Index (CPI) plus 2% over the past decade. Legal further states that the threshold amount can be any number agreed upon by the parties of this IMA. Based on budgetary projections the increase of 104.5% was identified as an increase that allows to consideration of the municipalities of an increase that meets the growing demands of Fire/EMS and staffing changes in the years to come.

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- d. Levy Limit Resolution – added to the agreement that each municipality will adopt a resolution allowing all municipalities to utilize the levy limit exception provided in 66.0602(3)(h), Wis. Stats, or any other statute that allows a municipality to exceed its levy limit to fund fire and/or EMS services.
 - e. Financing Formula Recalculation
 - i. Current – recalculated every three years, and then phased in over three years.
 - ii. Revised – recalculated annually.
 - f. Excess / Surplus Funds
 - i. Reference District fund balance policy in agreement. Use of surplus funds to offset capital expenditures when fund balance exceeds policy.
4. Article VI: Fire Commission
- a. Composition of Fire Commission
 - i. Current – five (5) person commission comprised of one (1) voting members from each municipality and one rotating member between the municipalities at the expiration of the term.
 - ii. Revised – five (5) person commission with each municipality having one (1) representative.
 - 1. The rotating commission representative term ends in 2025, currently held by the Oconomowoc. This will become the commission position for Merton.
5. Article VII: Payment of Budgeted Expenses
- a. Payment schedule by municipalities to the District of budgeted expenses.
 - i. Current – 10% of monies owed by the Municipality by January 15 and the balance on or before the last day of February of each year for the operating budget. Capital payment due to the District within 60 days of notice.
 - ii. Revised – 70% of monies owed by the Municipality by January 15 and the balance on or before June 15 of each year for the operating budget. Payment of amounts owed for the capital budget shall be remitted to the District in full by February 15 annually.
6. Article IX: Fire Stations
- a. Revised and Restated - Language regarding the Municipalities transferring ownership of the respective stations and land to the District. (Pabst Farms Station – Oconomowoc, Concord Station – Oconomowoc, Stone Bank Station – Merton). The Dousman Station is currently titled to the District.

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- b. Revised – added language to allow the District to house equipment or apparatus from partner governmental agencies or regional assets pursuant to an agreement approved by the board.
 - c. Revised – Termination of the District
 - i. I. Language regarding the transfer of station and land ownership back to the respective municipalities.
7. Article X: Amendments
- a. Revised – language regarding the agreed-upon single sum contribution by Merton of \$30,000.00 to the District’s fund balance upon execution of this Agreement.
8. Article XI: Termination/Withdrawal
- a. Term of Agreement – five (5) years
 - b. Withdrawal Fee – fee charged to withdrawing municipality of twenty five percent (25%) of that Municipality’s contribution to the Fire District’s operating budget in the calendar year prior to the date of it’s notification to withdraw.
9. Signatures
- a. Updated to reflect changes in elected officials, clerks, and add Merton.
10. Article regarding Additional Owners
- a. The workgroup and municipalities requested language to be included in this IMA regarding future municipal partners and owners. Legal feels that this does not belong in the agreement as the terms of adding future owners will be worked out in a revised IMA between the current and new owners which must be adopted by all parties of the IMA.
 - i. Legal said that a guideline could be drafted by the Fire Board to outline what the pathway of joining the IMA looks like and provide a roadmap.

In closing, I hope that this overview of the changes to the Revised and Restated Inter-Municipal Agreement for the Western Lakes Fire District aided you in reviewing the document. Included with this memorandum is the current 2017 Agreement between Oconomowoc, Summit, Dousman, and Ottawa; and the clean Revised and Restated Inter-Municipal Agreement between Oconomowoc, Summit, Dousman, Ottawa, and Merton.

I look forward to your feedback or questions on this agreement by Friday, May 23, 2025. I would like to have this as a discussion and action item for the Joint Municipal Meeting scheduled for Wednesday, June 11, 2025 at 6pm.

Sincerely,

Bradley R. Bowen, Chief
Western Lakes Fire District

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**AMENDED AND RESTATED INTER-MUNICIPAL AGREEMENT FOR THE
GOVERNANCE AND OPERATION OF
THE WESTERN LAKES FIRE DISTRICT**

This Agreement is entered into pursuant to § 66.0301, Wis. Stats., by and between the City of Oconomowoc, a municipal corporation (hereinafter referred to as “Oconomowoc”), the Village of Dousman, a municipal corporation (hereinafter referred to as “Dousman”), the Village of Summit, a municipal corporation (hereinafter referred to as “Summit”), the Town of Ottawa, a body corporate and politic (hereinafter referred to as “Ottawa”) the Town of Merton, a body corporate and politic (hereinafter referred to as “Merton”).

WHEREAS, in 2017 the Dousman Fire District and City of Oconomowoc Fire Department were consolidated pursuant to an intergovernmental agreement to create the Western Lakes Fire District (hereinafter referred to as “Western Lakes” or the “District”); and

WHEREAS, Merton currently receives contracted fire protection and emergency medical services from Western Lakes and desires to become a governing member of Western Lakes; and

WHEREAS, the Western Lakes Fire Board and elected officials of the participating municipalities have met to consider the request and have agreed to amend the current agreement governing Western Lakes to revise its governing structure and clarify other provisions for its future operations; and

WHEREAS, it is the desire of the municipalities to provide for a continuation of the tradition of excellence established by the Dousman, Oconomowoc, Summit, Okauchee, and Stone Bank fire and EMS services which previously served the lands within the District and are now parts of Western Lakes;

NOW, THEREFORE, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

ARTICLE I: PURPOSE

The purpose of this Agreement is to amend and restate the existing agreement creating and governing Western Lakes. It is the intent of the parties that the Western Lakes will continue to provide proper fire and emergency medical service protection for all persons and properties located within the district consistent with intergovernmental cooperation as authorized by §66.0301, Wis. Stats.

It is the common belief of the participating municipalities that greater protection against fire losses and medical emergencies within the consolidated fire district can be secured by the joint ownership and operation of fire and emergency medical service equipment and that a more effective fire district can be promoted by the joint and mutual cooperation of the municipalities, and that the cost of protection can be more equitably shared.

The governing bodies of the participating municipalities, in regard to the operation of the District, the Western Lakes Fire Board (as defined herein), and Western Lakes Fire Commission (as

defined herein), intend to reserve to themselves only those duties and responsibilities provided in this Agreement.

ARTICLE II: CREATION OF FIRE DEPARTMENT AND FIRE BOARD AND FIRE COMMISSION

A. Municipalities. Dousman, Summit, Ottawa, Oconomowoc, and Merton shall hereinafter be referred to as the “Municipalities” or each as a “Municipality.”

B. Western Lakes Fire District. The Municipalities previously created the District as a joint fire district to provide fire and emergency medical services within its boundaries. It is the intent of the parties that Western Lakes will continue to provide such services under this restated Agreement within the boundaries as delineated in Article III.

C. Fire Department. The Western Lakes Fire Department (hereinafter “Fire Department”) as previously established as a joint fire department shall continue to carry out the firefighting and other emergency response functions as such within the District as provided in this restated Agreement.

D. Fire Board. The joint municipal fire board previously created as a joint agency of the Municipalities and known as the Western Lakes Fire Board (hereinafter “Fire Board”) shall continue to govern the operations of the District as provided in this restated Agreement.

E. Fire Commission. The joint municipal fire commission known as the Western Lakes Fire Commission (hereinafter “Fire Commission”) shall continue to function as the fire commission for Western Lakes under §62.13(2m), Wis. Stats. as provided in this restated Agreement.

ARTICLE III: DISTRICT BOUNDARIES

A. Area. The District shall consist of, and provide services to, all of the territory on the date hereof within the boundaries of the following:

- City of Oconomowoc
- Village of Dousman
- Village of Summit
- Town of Ottawa
- Town of Merton

B. Modifications to District Boundaries. The boundaries of the District may be changed from time to time upon recommendation of the Fire Board and unanimous approval by the Municipalities. Any lands attached or annexed by any of the Municipalities shall be automatically included in the District boundaries. Any territory detached from any of the Municipalities to a city, village or town other than one of the Municipalities shall be automatically detached from the District. Annexations and detachments shall not affect the contributions owed by any Municipality in the year they become effective.

C. Mutual Aid Agreements. A letter will be mailed to all mutual aid departments informing them of the change in boundaries. To the fullest extent allowed by law and consistent with the terms of existing agreements the Municipalities intend that:

1. All mutual aid agreements currently in place on the effective date of this Agreement will continue in effect;
2. The District will assume all mutual aid obligations heretofore accepted by the Municipalities, the District, or any previously existing fire departments of the Municipalities which are now part of Western Lakes; and
3. Continuation of the existing mutual aid agreements will provide the Municipalities and District with the same benefits that the Municipalities and/or their previously existing fire departments received prior to entering this Agreement.

D. Service Contracts. Contracts between the District and other municipalities or fire departments of municipalities for fire and/or emergency medical services shall continue in effect for the term provided in the contract, except that the existing service contract with the Town of Merton shall terminate on the effective date of this Agreement. During the term of any such contracts, the District shall perform the obligations under such contracts on behalf of the Municipality obligated thereby, and any revenue received by the Municipality for such service shall belong to the District. Thereafter, contracts may be entered into by the Fire Board with approval by all Municipalities.

ARTICLE IV: FIRE DEPARTMENT

A. Duties. The Fire Department shall be responsible, within the boundaries of the District, for fire protection, emergency medical services, rescue operations, hazardous materials (Haz-Mat) services, fire prevention and education, fire inspections, and such other duties as assigned by joint resolution of the Municipalities.

B. Composition. The Fire Department shall be comprised as set forth in the rules and regulations of the Fire Department. The rules and regulations of the Fire Department shall include a provision that no elected official of the Municipalities, no member of the Fire Board, and no member of the Fire Commission may serve in any capacity on the Fire Department.

C. Operational Policies. The Fire Department shall adopt rules and regulations for its control, management, and governance and for the regulation of its business and proceedings that, after adoption by the Chief of the Fire District, shall become effective and operative upon approval by the Fire Board. Amendments of the same shall be adopted and approved in the same manner.

D. Compensation. All compensation and benefits to be paid to the officers and all other employees of the Fire Department shall be determined by the Fire Board and payment of the same shall be made from the funds appropriated to the Fire Department, all of which must be specifically approved as part of the budget process.

E. Fire Chief. The Fire Chief shall serve as the liaison between the Fire Board and Fire Department, the Fire Commission and Fire Department, and the Municipalities and Fire Department.

ARTICLE V: FIRE BOARD

A. Duties. The Fire Board shall be responsible for overseeing the operation of the Fire District and shall have the specific duties and responsibilities as set forth herein.

B. Composition. The Fire Board shall be composed of seven (7) voting members. Each Municipality shall be entitled to appoint, and be represented at all times by, one (1) voting member. The member responsible for the largest contribution to the District budget shall be entitled to two (2) appointments to the Board.

1. Appointments. All current members of the Fire Board shall remain in office for the balance of their respective terms. Upon the expiration of a member's term, the member shall continue in office until a successor is appointed.
2. Appointment of Successors. Upon the expiration of any term after the date of this Agreement, or in the event of a vacancy in any appointment for any reason, a successor shall be appointed in accordance with the following provisions:
 - (a) If the member was appointed by the municipality responsible for the largest contribution to the District budget when the expiration or vacancy occurs, the appointment shall be made by the governing body of that municipality. .
 - (b) If the member was the only appointee of a municipality not described in sub. (2)(a), the appointment shall be made by the governing body of the Municipality making the original appointment.
 - (c) Except as provided in sub. (2)(a), if the member was appointed by a municipality with more than one appointee on the District Board, the appointment shall be made as follows:
 - (i) The first such vacancy occurring after the date of this Agreement shall be filled by appointment by the governing body of Merton.
 - (ii) The second such vacancy shall be filled by appointment by the governing body of Summit. Thereafter, upon expiration of that member's term, or upon the seat becoming vacant for any other reason, the appointment shall be made by one of the municipalities on a rotating basis in the following order:

- Dousman
- Merton
- Ottawa
- Oconomowoc
- Summit

Provided, however, that if the municipality otherwise entitled to make an appointment under this subpar. (iii) has two (2) appointees serving on the District Board pursuant to sub. (2)(a), the appointment authority shall pass to the next municipality in the order provided above.

3. Qualification. All members so appointed must, throughout their terms, be electors of the Municipality by which they are appointed. No member shall be a member of the Fire Commission, Fire Department in any capacity, nor elected official or employee of a Municipality.

C. Term.

Each member appointed to the Fire Board shall serve for a term of three (3) years. The term of each member shall commence on May 1 of the year in which the appointment is made. Each member appointed shall continue to serve until a successor is appointed and qualified.

D. Officers.

1. *Election of Officers.* At its first meeting after May 1 each year, the Fire Board shall choose from its members a President to preside at its meetings, a Vice President to act in the absence of the President, a Secretary and a Treasurer. Each such officer shall continue to hold office until a successor is elected by the Board.
2. *Bond.* Officers of the Fire Board whose duties include the signing of checks shall furnish a bond, paid for by the Fire Board, in such amount as shall be required and approved by the Fire Board, which shall be adequate to cover the funds entrusted to his/her care.
3. *Duties.*

(a) President. The President shall:

- (1) Preside at all meetings of the Fire Board;
- (2) See that all orders and resolutions of the Fire Board are carried out;
- (3) Execute all contracts and agreements and approve the bill list

as duly authorized by the Fire Board;

- (4) Initiate the audit/compilation process pursuant to Article V, Section O and submit a complete and detailed report of the financial condition of the Fire District to the Municipalities on or before June 30 of each calendar year for the previous calendar year;
- (5) Report to the Fire Board all matters within the President's knowledge regarding the Fire District;
- (6) Communicate with the Municipalities as reasonably requested and needed. Municipalities shall receive copies of communications between the President and any of the Municipalities on request, and no such communications shall be confidential between the President and any single Municipality;
- (7) Perform such additional duties as may be prescribed from time to time by the Fire Board;
- (8) Sign checks, including digital signatures where applicable, as required by the Fire Board policies; and
- (9) Review meeting agendas with Fire Chief prior to board meetings and ensure proper posting of notices of such meetings and the provision of other notices in accordance with the Wisconsin Open Meetings Law.

(b) Vice President. The Vice President shall:

- (1) Discharge the duties of the President in the event of the President's absence or disability; and
- (2) Sign checks, including digital signatures where applicable, as required by the Fire Board policies; and
- (3) Perform such additional duties as may be prescribed from time to time by the Fire Board.

(c) Secretary. The Secretary shall:

- (1) Assure that complete and accurate records of all of the proceedings of the Fire Board meetings held pursuant to Article V, Section F are prepared and maintained;
- (2) Perform all general duties which are normally incident to the

offices of Secretary subject to direction of the Fire Board;
and

- (3) Perform such additional duties as may be prescribed from time to time by the Fire Board.

(d) Treasurer. The Treasurer shall:

- (1) Countersign (digitally where applicable) all checks after the same have been signed by the President or Vice President;
- (2) Keep an accurate account, in accordance with generally accepted accounting practices (GAAP), of all monies received and disbursed;
- (3) Provide a financial report to the Fire Board monthly or as requested by the Fire Board.
- (4) Perform all general duties which are normally incident to the office of Treasurer subject to direction of the Fire Board; and
- (5) Perform such additional duties as may be prescribed from time to time by the Fire Board.

E. Compensation. No salary or other compensation shall be paid by the District to the Fire Board officers or other members. Any Municipality may elect to compensate its appointed members in its discretion from its own funds.

F. Meetings.

1. *Regular and Special*. The Fire Board shall hold regular meetings at a place within the District, on dates and at a times, to be fixed by the Fire Board for transacting such business as may require its attention. Special meetings of the Fire Board may be held whenever called by the Secretary upon direction of the President or upon written direction of any two (2) members of the Fire Board or upon written direction of any two or more Municipalities. The Clerks of the Municipalities shall be notified of any regular or special meetings at least 24 hours before such meeting is held, provided, however, that such notice may be waived by any member of the Board by written consent. A written record of the Fire Board's proceedings shall be transmitted in a timely manner to the Municipalities, Fire Board, Fire Commission, posted to the District's website, and maintained by the Fire Chief.
2. *Reporting*. The Fire Chief shall report to all Municipalities at a frequency determined by the Fire Board, but at least annually.
3. *Notice*. All meetings of the Fire Board shall be properly noticed as prescribed in §19.84, Wis. Stats., and, except as provided in §19.85, Wis. Stats., all

meetings of the Fire Board shall be open to the general public.

G. Quorum and Required Votes. A majority of the members of the Fire Board shall constitute a quorum for the transaction of any business at a meeting of the Fire Board. The affirmative vote of a majority of the quorum of members is required for any action of the Fire Board, except to the extent a supermajority vote is expressly required under this Agreement.

H. By-Laws. The Fire Board shall adopt rules, policies, and by-laws as it deems necessary for its control, management, disbursement of funds, and governance and for the regulation of its business and proceedings which, after adoption by the Fire Board, shall not become effective and operative until approved by the Municipalities. Bylaws shall be approved by a vote of 2/3 of the entire membership of the Board. Amendments to the by-laws shall be adopted and approved in the same manner.

I. Budget.

1. The Fire District, Fire Board, and Fire Commission shall each have their own operating budget within the overall budget.
2. *Budget Process.*
 - (a) The Fire Chief shall submit a proposed budget for the Fire District (and the Fire Commission shall submit its proposed budget pursuant to Article VI, Section I) to the Fire Board not later than July 15 of each year for the next fiscal year beginning January 1. Such budget shall be set forth on a line-by-line basis the items of revenue (including without limitation interest income, charges to the Municipalities, charges to end users, service charges to municipal entities or fire departments and monies received from the State of Wisconsin for highway calls) and operating and capital expenditures of the Fire District. Upon receipt of the same, a special meeting or meetings shall be called by the Fire Board to discuss, amend, enlarge, or reduce the various items of the proposed budget and to make final recommendations regarding the same. In the event the Fire Chief does not submit a budget by July 15, then the Fire Board shall prepare the same.
 - (b) For the particular purpose of presenting the proposed budget and for the additional purpose of acting as an advisor to the Fire Board, the Fire Chief or his/her designee shall serve as the only representative of the Fire District, and all requests, suggestions, advice, and problems shall be presented to the Fire Board by the Fire Chief or his/her designee who shall in all respects represent the Fire District membership.
3. *Budget Submittal.* The Fire Board shall submit a consolidated Fire District budget (including the operating budget for the Fire Board and Fire

Commission) to the Municipalities no later than September 1. If the Fire Board fails to do so, the budget, as submitted by the Fire Chief and the Fire Commission, shall be submitted to the Municipalities. The budget shall then be reviewed by a joint meeting of the Fire Board, the Municipality's governing bodies, Fire Commission, and the Fire Chief or his/her designee for the purpose of discussing and considering said budget, including any reductions thereof or additions thereto prior to the adoption thereof by the Municipalities. Said joint meeting shall be held between September 1 and September 30 each year.

4. *No Taxing Powers.* The Fire Board shall not have taxing powers.
5. *Municipal Approval.* All funding and expenditures in the budget must be authorized and approved by the Municipalities. Each Municipality hereby agrees that it may be deemed to have approved any annual Fire District operating and capital budget that does not exceed 104.5% of the prior year's operating and capital budget, provided that a majority of the Municipalities affirmatively approve such budget. If a proposed budget increase is greater than 4.5%, the budget must be approved by all Municipalities. A final budget shall be adopted by the required number of Municipalities no later than November 10. If the required number of Municipalities fail to adopt identical operating or capital budgets for the Fire Board for the upcoming year by November 10 of any year, the previous year's operating or capital budget, as the case may be, shall be deemed to be adopted by the Municipalities for the next calendar year.
6. *Levy Limit Resolution.* The Municipalities shall each adopt a resolution allowing for all Municipalities to utilize the levy limit exception provided in §66.0602(3)(h), Wis. Stats. or any other statute that allows a municipality to exceed its levy limit to fund fire and/or EMS services. Adoption of this resolution does not require any Municipality to utilize the exception in any given year.
7. *Financing Formula (Distribution of Costs).* The Municipalities shall contribute a proportionate share of the Fire District budget determined in accordance with this paragraph.
 - (a) The Fire Chief shall recalculate the proportionate share to be paid by each Municipality as a percentage of the total operating and capital budgets annually.
 - (b) Call Volumes used in determining Municipal contribution shares will include calls within the District boundaries as described in Article III and will not include contract or mutual aid calls outside these boundaries, inter-facility transfer calls, or calls occurring at an event within the boundaries in which the District is being reimbursed for providing standby coverage. Call Volume is assigned to the

Municipality in which the service is rendered.

- (c) Each Municipality's percentage of financial contribution to the District's operating budget shall be based on the following:
- (1) Call Volume: Fifty percent (50%) of the total operating budget contribution shall be shared among the Municipalities in proportion to each Municipality's percentage share of call volume. The call volume figures used in this calculation shall be the average of each Municipality's total calls for service over the then most recent three (3) full calendar years as determined by the Fire District's Fire and EMS Records Management Software.
 - (2) Population: Fifteen percent (15%) of the total operating budget contribution shall be shared among the Municipalities in proportion to each Municipality's percentage share of the total population of all the Municipalities. The population figures used in this calculation shall be the average of each Municipality's total population over the then most recent three (3) calendar years as determined by the State of Wisconsin Department of Administration Demographics Service Center (or any successor) as of December 31 of each year.
 - (3) Equalized Value of Improvements: Twenty percent (20%) of the total operating budget contribution shall be shared among the Municipalities in proportion to each Municipality's percentage share of the total equalized valuation of real property improvements in all the Municipalities. The equalized value figures used in this calculation shall be the average of each Municipality's total equalized value of improvements over the then most recent three calendar (3) years as most recently determined by the State of Wisconsin Department of Revenue (or any successor) as of December 31 of each year.
 - (4) Equalized Value of Land: Fifteen percent (15%) of the total operating budget contribution shall be shared among the Municipalities in proportion to each Municipality's percentage share of the total equalized valuation of land of all the Municipalities. The equalized value figures used in this calculation shall be the average of each Municipality's total equalized value of land over the then most recent three (3) calendar years as most recently determined by the State of Wisconsin Department of Revenue (or any successor) as of December 31 of each year.

(d) Each Municipality's annual financial contribution to the District's capital budget shall be based on the following:

(1) Fixed Percentage Cost: The first thirty-six percent (36%) of the total capital budget contribution, net of contributions made by other entities pursuant to service contracts, shall be paid by the Municipalities in the following shares: Oconomowoc 8.5%, Summit 11.1%, Dousman 5.5%, Ottawa 5.7%, Merton 5.2%.

(2) Sixty four percent (64%) of the total capital contribution shall be shared among the Municipalities in proportion to each Municipality's percentage share of the operating budget as determined under in Article V, Section I.7.c above.

8. *Sources of Funds.* Each municipality may determine the source of funding for its contribution to the capital budget.

J. Expenditures. The Fire Board is solely responsible for all expenditures of the budget. The Fire Chief is responsible for administering the annual budget for the Fire District and shall be accountable to the Fire Board for the same. The Fire Chief shall present an itemized list of all invoices to be paid each month to the Fire Board. The Fire District shall not pay any invoice until approved by the Fire Board, unless otherwise authorized in the Fire Board rules, and which is in accordance with the annual budget approved by the Municipalities.

K. Property, Equipment and Supplies. The Fire Board shall have the power to purchase, lease, sell, and dispose of all of the property, equipment, apparatus, and supplies of the Fire District, as authorized as part of the budget approval or otherwise as set forth in Article XI. Sale of equipment owned by the Municipalities shall comply with Article XI.

L. Assessment of Costs to End Users. The Fire Chief under the direction of the Fire Board shall have authority to bill end users for all assessments of costs of fire and rescue services, fire inspections, emergency medical services, and any other services performed by the Fire District and shall be responsible for collecting the same. General policies regarding costs for such services shall be established in the rules, policies, and/or by-laws of the Fire Board. The Fire Board shall be responsible for hearing and determining appeals of aggrieved persons respecting assessment of costs of such services. The Municipalities agree, upon request of the Fire Board, after reasonable attempts to collect the same by the Fire Board, to place on their respective tax rolls as special charges pursuant to §66.0627, Wis. Stats., all costs properly charged under this paragraph. Any monies collected hereunder shall be remitted to the Fire Board within forty-five (45) days of receipt of the same. Further, any monies collected under this section shall be shown as revenue of the Fire Board in the budget.

M. Insurance. The Fire Board shall at all times keep in full force and effect liability insurance and insurance for replacement value of the equipment and the participating Municipalities shall be named as additional insureds affording them full protection (less reasonable deductibles)

against claims, casualties, losses, and liabilities occurring in operation of the Fire District, Fire Commission, and Fire Board, including insurance for the equipment referenced in Article VIII, and the fire stations referenced in Article IX, and provide the participating Municipalities with copies of the same.

N. Audit/Compilation. The Fire Board shall have a financial audit or compilation performed on an annual basis by an independent certified public accountant (or firm of certified public accountants). The results of the audit or compilation must be transmitted to the Municipalities no later than June 30 of each year for the preceding fiscal year.

O. Excess Funds.

1. *Surplus Funds.* All budgeted funds which are not spent prior to the end of the year shall be retained by the Fire District. These surplus funds shall be shown on the annual budget request, and in the budget approved by the participating Municipalities. Surplus funds may, upon approval of the Municipalities, be used to fund shortfalls in current or future budgets. In the event termination of the Fire District surplus funds shall be returned to the participating Municipalities as determined by the current year Financing Formula percentages set forth in Article V, Section I (2) (c). A fund balance in accordance with the District's fund balance policy will be maintained, and surplus funds exceeding this fund balance may be used to offset capital expenditures.
2. *Capital Equipment Fund Line Item.* All proposed capital equipment expenditures included in the budget which are not spent prior to the end of the year shall be retained by the Fire District. These remaining budgeted funds shall be shown on the annual budget request as a fund reserve set aside for capital purchases. The reserve fund may, upon approval of all of the Municipalities, be used to fund shortfalls in capital equipment purchases identified in current or future budgets. Upon termination of the Fire District, the capital equipment fund shall be returned to the participating Municipalities as determined by the current year Financing Formula percentages set forth in Article V, Section I(4)(d).
3. *Contingency Fund Line Item.* The budget shall include a contingency fund, which in addition to the surplus funds, may be used by the Fire District to fund shortfalls in current budgets. Any unspent contingency funds at the end of the year shall be deemed surplus funds.
4. *Miscellaneous Revenues.* The Municipalities shall retain any and all monies received from the State and/or Federal Government for any purposes (except as set forth below). All other fire and emergency medical service programs as authorized by the Fire Board from which monies are received (including charges to end users, fire department dues payments, grants, and monies received from the State of Wisconsin EMS Funding Assistance Program; but excluding charges to end users imposed by the Municipalities) shall go

directly to the Fire Board. Funds may be used to fund shortfalls in future budgets or for capital purchases and shall be shown as revenue of the Fire District in the budget.

ARTICLE VI: FIRE COMMISSION

A. Duties. The Fire Commission shall have the duties as set forth in §62.13, Wis. Stats., excluding the optional powers as set forth in §62.13 (6), Wis. Stats.

B. Composition. The Fire Commission shall be composed of five (5) voting members. The members must be electors of the Municipality from which they are appointed throughout their terms. The members shall not be members of the Fire Board or Fire Department in any capacity, nor elected or appointed officials or employees of the Municipalities.

C. Appointments. All current members of the Fire Commission shall remain in office for the balance of their respective terms. Upon the expiration of a member's term, the member shall continue in office until a successor is appointed.

D. Terms.

1. *General*. All Fire Commission members shall be five (5) years commencing on May 1 in the year of their appointments.
2. *Vacancies*. Any vacancy on the Fire Commission shall be filled by appointment by the governing body of the Municipality appointing the member whose seat has been vacated to fill such vacancy for the remainder of the term, provided, however, that the first vacancy or term expiration occurring in a seat held by a member appointed by a Municipality with two representatives shall be filled by appointment by Merton. The Municipality making an appointment shall promptly notify the Clerks of all other Municipalities of the appointment.

E. Officers.

At its first meeting after its creation and thereafter at its first meeting after January 1 of each year, the Fire Commission shall choose from its members a Chairperson to preside at its meetings, a Vice Chairperson to act in the absence of the Chairperson, and a Secretary/Treasurer to keep a correct and complete record of all proceedings of the Fire Commission.

F. Compensation. No salary or other compensation shall be paid for service on the Fire Commission either as officers or as members.

G. Meetings.

1. *Regular and Special*. The Fire Commission may hold a yearly organizational meeting to conduct business, but otherwise need not hold regular meetings. The Fire Commission shall hold special meetings at the

call of the Chairperson or any two commissioners and otherwise upon the filing of a complaint requiring Commission action. The Clerks of the Municipalities and the Secretary of the Fire Board shall be notified of any special meeting at least 48 hours before such meeting is held. The Fire Commission shall keep a written record of its proceedings which shall be transmitted in a timely manner to the Municipalities, Fire Commission, and Fire Board.

2. *Quorum.* Three (3) members present of the Fire Commission shall constitute a quorum for all purposes.
3. *Notice.* All meetings of the Fire Commission shall be properly noticed as prescribed in § 19.84, Wis. Stats., and, except as provided in § 19.85, Wis. Stats., all meetings of the Fire Commission shall be open to the general public.
4. *Required Votes.* In order for a motion to be adopted, three (3) affirmative votes from members of the Fire Commission are required.

H. By-Laws. The Fire Commission shall adopt rules, policies, and by-laws as it deems necessary for its operation and for the regulation of its business and proceedings which, after adoption by the Fire Commission, shall not become effective and operative until approved by the Municipalities. Amendments of the by-laws shall be adopted in the same manner.

I. Budget. The Fire Commission shall submit a proposed budget to the Fire Board not later than July 15 of each year for the next fiscal year beginning January 1. All expenditures of the Fire Commission shall be as set forth in the line items of the budget. Upon receipt of the same, a special meeting or meetings shall be called by the Fire Board to discuss, amend, enlarge, or reduce the various items of the proposed budget and to make final recommendations regarding the same. In the event the Fire Commission does not submit a budget by August 1, then the Fire Board shall prepare the same.

J. Hiring.

1. *Fire Chief.* The appointment of the Fire Chief shall be made by the Fire Commission.
2. *Appointment and Promotions.* The Fire Chief shall appoint subordinate sworn full-time firefighting and EMS employees and sworn Officers subject to approval by the Fire Commission. A subordinate is only a regular full-time sworn firefighting or EMS employee or Officer of the Fire Department below the rank of Fire Chief. Subordinates do not include any other employee of the Fire Department.
3. *Non-sworn Positions.* The Fire Chief may appoint any other employee of the Fire District at the direction of the Fire Board.

K. Disciplinary Actions Against Fire Chief and Subordinates. The Fire Commission shall be responsible for hearing and determining disciplinary actions against the Fire Chief and sworn subordinates pursuant to §62.13, Wis. Stats.

L. Legal Advice/Legal Fees. The Fire Commission may retain its own attorney with approval of the Fire Board.

ARTICLE VII: PAYMENT OF BUDGETED EXPENSES

Budgeted expenses of the Fire Board, Fire Commission, and Fire District shall be paid as follows. Without the necessity of billing for or receiving an invoice, seventy percent (70%) of the monies owed by each Municipality, as shown in the adopted operating budget, shall be remitted to the Fire Board on or before January 15 and the balance on or before the June 15 of each year. Payment of amounts owed for the capital budget shall be remitted to the District in full by February 15 annually.

If a participating Municipality fails to make all or any portion of any payment required under this Agreement in a timely manner, such Municipality shall remit to the Fire Board interest at the rate of one percent (1%) per month or any fraction of a month on the outstanding balance due.

ARTICLE VIII: OWNERSHIP OF EQUIPMENT

The District shall own and control all equipment and apparatus used for operation. All fire and EMS vehicles and apparatus shall be titled in the name of the "Western Lakes Fire District."

ARTICLE IX: FIRE STATIONS

A. Ownership. The District currently owns a Fire Station (land and improvements) located at 107 S. Main Street in the Village of Dousman (the "Dousman Station"). Promptly after execution of this Agreement, title to all other Fire Stations owned by the Municipalities and their associated land shall be transferred to the Fire District as follows:

1. Oconomowoc will convey title to the Fire Stations (land and improvements) located at 1400 Oconomowoc Parkway (the "Oconomowoc Station") and at 212 South Concord Road (the "Concord Station") in the City of Oconomowoc to the Fire District by warranty deed, free and clear of all liens and encumbrances except existing easements and general and municipal ordinances, promptly upon execution of this Agreement. Title to the Oconomowoc Station and the Concord Station shall be subject to the reversionary interest of Oconomowoc under the terms of sections D and E of this Article.
2. Merton is a co-owner of the Stone Bank Station located in the Town of Merton and has agreements in place allowing it to transfer title to the Stone Bank Station to the District. Merton will convey title to the Stone Bank Station (land and improvements) to the Fire District by warranty deed, free and clear of all liens and encumbrances except existing easements and general and municipal

ordinances, upon execution of this Agreement. Title to the Stone Bank station will be subject to the reversionary interest of Merton and the Village of Lac La Belle under the terms of sections D and E of this Article.

B. Alterations and Maintenance of Fire Stations. The District shall be responsible for all maintenance, repairs, and improvements to the Fire Stations and lands conveyed to it under this Article, as well as any Fire Stations subsequently acquired by the District. The District shall be solely responsible for all utilities, and other operational costs associated with the Fire Stations. The District shall maintain property and casualty insurance with full replacement value coverage on all Fire Stations. In the event of damage to any Fire Station by fire or other casualty, the Fire District shall restore it to substantially the condition it was in immediately prior to the casualty loss unless otherwise approved by the Municipality in which the Fire Station is located. Fire Stations shall be maintained in full compliance with federal and state laws and regulations and local ordinances, and in a manner consistent with the condition of other public buildings maintained by the Municipality in which they are located.

Use of Fire Stations. Each Fire Station shall be used only for the operations of the Fire Department including administrative offices, personnel, general operations, Fire Board and/or Fire Commission functions and housing of its firefighting and EMS apparatus/equipment. The District shall keep the firefighting equipment and apparatus in the fire stations as determined by the Fire Chief and reported to the Fire Board at its regular monthly meeting.

C. The District may house equipment or apparatus from partner governmental agencies or regional assets pursuant to an agreement approved by the Fire Board.

D. Termination of District. In the event this Agreement is terminated, or the District dissolved in any manner, the ownership of the Fire Stations shall be determined as follows:

1. *Oconomowoc and Concord Stations.* Title to the Oconomowoc Station and the Concord Station shall be reconveyed to Oconomowoc for \$1.00 by special warranty deed free and clear of all liens and encumbrances except those existing at the time of acquisition of the Fire Stations by the District, general and municipal ordinances and such other encumbrances as may be approved by Oconomowoc.
2. *Dousman Station.* Title to the Dousman Station shall be conveyed to either Summit, Dousman or Ottawa, as those parties may mutually agree, by special warranty deed free and clear of all liens and encumbrances except those existing at the time of acquisition of the Dousman Station by the District, general and municipal ordinances and such other encumbrances as may be approved by the grantee. In the absence of mutual agreement, the Dousman Station shall be sold. Unless Summit, Dousman and Ottawa agree on an acceptable sale price and a method of sale within sixty (60) days after the effective date of termination, the Dousman Station shall be sold at public auction. Except to the extent otherwise agreed by Summit, Dousman and Ottawa, the net sale proceeds, after deduction of all costs associated with the sale, shall be remitted to Summit, Dousman and Ottawa based on the

percentage contribution of capital expenditures by each over the previous 10 years. Other Municipalities shall have no right to share in the proceeds of the sale of the Dousman Station if sold upon termination of the District.

3. *Stone Bank Station.* Title to the Stone Bank Station shall be reconveyed to the Town of Merton and Village of Lac LaBelle as tenants in common for \$1.00 by special warranty deed free and clear of all liens and encumbrances except those existing on the date of acquisition of the Stone Bank Station by the District, general and municipal ordinances and such other encumbrances as may be approved by the Town of Merton and Village of Lac LaBelle.
4. *Newly Built Stations Constructed by the District.* Any Fire Stations acquired by the Fire District other than those identified in pars. 1-3, shall be purchased from the Fire District by the Municipality in which such station is located. The Fire Board shall cause each such station to be appraised by a competent appraiser, and the sale price shall be the fair market value as determined by the appraisal. The purchasing municipality shall be given a credit against the purchase price equal to the purchase price multiplied by that Municipality's most recent percentage contribution to the Fire District's capital budget prior to termination.
5. *Timing of Conveyances.* All conveyances of Fire Stations under this section D shall occur on the effective date of dissolution of the Fire District, except that in any case where an appraisal is necessary, the Fire Board shall commission such appraisal(s) promptly upon a determination that the Fire District will be dissolved, and the conveyance shall occur not later than thirty (30) days after receipt of the appraisal for each Fire Station. In the event the conveyance occurs after the effective date of dissolution, the purchasing Municipality shall have the right to use the respective Fire Station prior to the conveyance, but shall be solely responsible for all maintenance and expenses related to such Fire Station, shall keep the property insured to the same extent as it was insured by the Fire District, and shall hold the Fire District and each of the Municipalities harmless from any loss, liability or expense, including reasonable attorney fees, arising out of such use.

E. Withdrawal from District. Disposition of Fire Stations in the event of withdrawal by one or more Municipalities without dissolution of the Fire District shall be governed by this section.

1. *Withdrawal by Oconomowoc.* In the event of withdrawal of Oconomowoc from the Fire District, the Fire District shall convey the Oconomowoc Station and the Concord Station to Oconomowoc for the aggregate sum of \$1.00 by special warranty deed, free and clear of all liens and encumbrances except those existing on the date of acquisition of the station by the District and general and municipal ordinances. If requested by the Village of Summit at least sixty (60) days prior to the effective date of such withdrawal, Oconomowoc shall enter into a lease with Summit for the use of the Oconomowoc Station on terms and conditions identical to the lease for such

facility between those parties entered into prior to the creation of Western Lakes, except the termination date of such new lease shall be the later of (i) the scheduled expiration date under the prior lease, or (ii) ten (10) years after the effective date of withdrawal. Except for such lease obligation, neither the Fire District nor any Municipality other than Oconomowoc shall have any further interest in the Oconomowoc Station or Concord Station, and Oconomowoc shall have no further interest in, or right to payment for, the value of the Dousman Station or Stone Bank Station. Any other Fire Stations located within Oconomowoc shall be purchased by Oconomowoc on the terms and conditions contained in Section D(4) of this Article. Any such other Fire Stations located outside of Oconomowoc shall be valued as provided in Section D(4) and payment made to Oconomowoc under the provisions of Article XI Section B(2).

2. *Withdrawal by Summit, Dousman or Ottawa.* In the event of withdrawal by Summit, Dousman or Ottawa, the withdrawing Municipality shall purchase any Fire Station located within its municipal boundaries (other than the Dousman Station), on the terms and conditions contained in Section D(4) of this Article. The Dousman Station shall remain in the ownership of the District until such time as the last of Summit, Dousman or Ottawa withdraws from the District, at which time the Dousman Station shall be conveyed to Summit, Dousman and Ottawa as tenants in common for the aggregate sum of \$1.00 by special warranty deed, free and clear of all liens and encumbrances except those existing on the date of acquisition of the station by the District and general and municipal ordinances.
3. *Withdrawal by Merton.* In the event of withdrawal by Merton, Merton shall purchase any Fire Station located within its municipal boundaries (other than the Stone Bank Station), on the terms and conditions contained in Section D(4) of this Article. The Stone Bank Station shall be conveyed to Town of Merton and Village of Lac LaBelle as tenants in common for the aggregate sum of \$1.00 by special warranty deed, free and clear of all liens and encumbrances except those existing on the date of acquisition of the station by the District and general and municipal ordinances.

ARTICLE X: AMENDMENTS

The Municipalities may alter, amend, and/or rescind all or any of the provisions of this Agreement; however, such changes shall not take effect until reduced to writing and approved by all the Municipalities. Any proposed amendment shall be submitted to the Fire Board at least thirty (30) days prior to the meeting of the Fire Board at which such amended is to be considered. Any amendment which adds additional parties to this Agreement shall include provisions requiring such additional parties to contribute funds toward the District's then existing fund balance in an amount and on terms determined by the Municipalities. Merton shall pay the District a single sum of \$30,000 upon execution of this Agreement as its contribution to the District's fund balance.

ARTICLE XI: TERMINATION/WITHDRAWAL

A. Term. This Agreement shall take effect upon the date stated herein after the adoption by the governing body of each Municipality of a resolution approving the Agreement and authorizing its execution. This Agreement shall remain in effect in perpetuity subject to the following:

1. All Municipalities shall participate in this Agreement for a minimum of five (5) years commencing on February 1, 2025.
2. Any Municipality wishing to withdraw from this Agreement may do so effective at the end of any calendar year after 2030 by providing two (2) years' written notice addressed to the Clerk of each of the other Municipalities.
3. This Agreement may be terminated at any time by the written consent of all Municipalities, provided that this Agreement and the joint Fire Board and Fire Commission shall continue to exist for the purpose of disposing of all claims, distribution of assets, and all other functions necessary to terminate the affairs of the Fire District.

B. Allocation of Assets and Liabilities.

1. *Disposition of Assets on Termination.* In the event of the termination of this Agreement, the Fire Board shall cause all of the apparatus, equipment and other personal property owned by the Fire District to be appraised by competent appraisers, and the Fire Board is authorized to sell such assets to the Municipalities at the appraised value provided, however, that if more than one participating Municipality desires to purchase a particular asset, it shall be sold to the highest bidder. Failing to dispose of such assets to the Municipalities, the Fire Board is authorized to sell or dispose of the remaining assets in any commercially reasonable manner. Sale of the assets may not commence prior to four (4) months before the Dissolution Date. No delivery of any asset to the purchasing party may occur until the effective date of the dissolution of the Fire District. The Fire Board shall apply all cash assets, including the proceeds of any sale, to first pay all of its outstanding liabilities and obligations. Any fund balance remaining after all liabilities and obligations are satisfied shall be divided among the Municipalities in proportion to the then current year Financing Formula percentages set forth in Article V, Section I (4)(c).
2. *Distribution to Withdrawing Municipality.*
 - (a) *Valuation of Assets.* In the event of withdrawal from this Agreement by any of the Municipalities hereto, the Fire Board shall purchase the interest of the withdrawing Municipality or Municipalities in any or all of the apparatus, equipment and other

personal property owned by the District at the then book value thereof (that is, cost less depreciation). Depreciation on fire trucks and other similarly long-lived equipment shall be computed on a straight-line basis of 15 years and depreciation on all other equipment shall be depreciated on the basis of the regularly accepted life for such equipment. A withdrawing Municipality shall have no interest in, or right to payment for, any Fire Stations or other real property and fixtures owned by the District, except real property purchased by the District after the date of this Agreement that is not listed in Section IX.A. For avoidance of doubt, the Fire Stations listed in listed in Section IX.A shall be excluded from the value of assets used to calculate any payment to a withdrawing Municipality. In the case of later-acquired real property, the value thereof shall be determined by an appraiser selected by the District, with the cost of such appraisal deducted from the payment due to the withdrawing Municipality or Municipalities.

- (b) *Allocation to Withdrawing Party.* The withdrawing Municipality's share of the District assets shall be determined by multiplying the total value of the District's assets as determined under par. (a) by the percent of the total Fire District operating budget contributed by the withdrawing Municipality in the year the withdrawal becomes effective.
- (c) *Surplus Funds.* The withdrawing Municipality shall also receive its proportionate share of the surplus funds of the District on hand as of the withdrawal date. This shall include a proportionate share of any funds set aside and earmarked for any future expenditure and any operating budget surplus remaining on the effective date of the withdrawal.
- (d) *Allocation of Liabilities.* The withdrawing Municipality shall be charged with its proportionate share of outstanding debt incurred for District purposes calculated in the same manner as its share of assets under par. (b).
- (e) *Payment Options.* The District may elect to make the payment in a lump sum or in annual installments over a period of not more than five (5) years with the first payment due on the effective date of the withdrawal. The District shall not be obligated to pay interest on the outstanding balance in the event the payment is made in installments.

C. Survival of Debt Service Obligations. If this Agreement is terminated or dissolved in any way or if any of the Municipalities withdraw from this Agreement and are no longer a party to this Agreement, the obligation of each Municipality, if any, to annually pay a share of debt incurred by the District shall survive such termination, dissolution, or withdrawal and shall continue if needed until the debt is no longer outstanding.

D. Appointments after Withdrawal. In the event one or more Municipalities withdraw from this Agreement, the appointments made by such Municipality(ies) to the Fire Board and Fire Commission shall become immediately vacant. The authority to appoint replacement members to the positions vacated shall be made by the governing bodies of the remaining Municipalities in the following order of priority:

1. *Fire Board.* One member shall be appointed by the Municipality providing the largest contribution to the District operating budget, provided that such appointment will not result in the Municipality having the power to appoint a majority of the members, in which case the appointment shall be made by the second largest contributor. If more than one position is vacated, the second and subsequent appointments shall be made by the next largest contributors to the District operating budget (in order of percentage of contribution) not otherwise acquiring an additional appointment under this paragraph. After each remaining Municipality has acquired an additional appointment under this section, subsequent appointments shall be made in the same order of priority, except that the restriction against appointment of a majority of the members shall not apply.
2. *Fire Commission.* Appointments to fill vacancies on the Fire Commission under this section shall be made by the remaining Municipalities in the same order as provided in par. 1 above.

E. *Withdrawal Fee.* As a condition to exercising its right to withdraw from this Agreement, the withdrawing Municipality shall pay the Fire District at the time of notification of withdrawal pursuant to section XI A.(2) a withdrawal fee equal to twenty five percent (25%) of that Municipality's contribution to the Fire District's operating budget in the calendar year prior to the date of its notification. If all parties mutually agree to the withdrawal of a Municipality from the Fire District, the withdrawal fee may be waived.

ARTICLE XII: ADDITIONAL PROVISIONS

A. Binding Effect. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of all of the parties hereto and their permitted assigns. No party to this Agreement may assign any of its rights or delegate any of its duties or obligations under this Agreement without the prior written consent, in its sole discretion, which cannot be unreasonably withheld, of all of the other Municipalities.

B. Rules of Construction. The captions in this Agreement are inserted only as a matter of convenience and in no way affect the terms or intent of any provision of this Agreement. All defined phrases, pronouns, and other variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular, or plural, as the actual identity of the organization, person, or persons may require. No provision of this Agreement shall be construed against any party hereto by reason of the extent to which such party or its counsel participated in the drafting hereof.

C. Choice of Law and Severability. This Agreement shall be construed in accordance with the internal laws of Wisconsin. If any provision of this Agreement shall be contrary to the

internal laws of Wisconsin or any other applicable law, at the present time or in the future, such provision shall be deemed null and void, but shall not affect the legality of the remaining provisions of this Agreement. This Agreement shall be deemed to be modified and amended so as to be in compliance with applicable law and this Agreement shall then be construed in such a way as will best serve the intention of the parties at the time of the execution of this Agreement.

D. Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto regarding the terms and operations of the Fire Board, Fire Commission, and Fire District, except for any amendments to this Agreement adopted in accordance with Article X hereof, and replaces the existing agreement governing Wester Lakes, which agreement is hereby terminated. This Agreement supersedes all prior and contemporaneous agreements, statements, understandings, and representations of the parties regarding the terms and conditions of the Fire Board, Fire Commission, and Fire District, except as provided in the preceding sentence. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making such waiver.

E. Notices. All notices, requests, consents, or other communication provided for in or to be given under this Agreement shall be in writing, may be delivered in person, by facsimile transmission, by overnight courier, or by mail, and shall be deemed to have been duly given and to have become effective: 1. one (1) day after having been delivered in person or by facsimile; 2. one (1) day after having been delivered to an overnight courier; or 3. three (3) days after having been deposited in the mail as certified or registered mail, all fees prepaid, directed to the parties or their assignees at the following addresses (or at such other address as shall be given in writing by a party hereto): City Clerk, City of Oconomowoc, 174 East Wisconsin Avenue, Oconomowoc, Wisconsin 53066, with a copy to the Mayor and City Administrator; Village Clerk, Village of Dousman, 118 S. Main Street, Dousman, WI 53118 with a copy to the Village President; Village Clerk, Village of Summit, 2911 N. Dousman Road, Oconomowoc, WI 53066 with a copy to the Village President and Village Administrator; Town Clerk, Town of Ottawa, W360 S3337 Hwy 67, Dousman, WI 53118 with a copy to the Town Chairperson, and Town of Merton, W314 N7624 Highway 83, P.O. Box 128 North Lake, WI 53064, with a copy to the Town Chairperson. Notices and other communications may also be delivered by electronic mail and shall be deemed delivered at the time of acknowledgment of receipt thereof by the intended recipient.

F. Expenses. Except as otherwise specifically provided in this Agreement, the parties shall pay their respective expenses and costs incurred or to be incurred in negotiating and carrying out the terms of this Agreement, including without limitation all of their respective attorneys' fees.

ARTICLE XIII: EFFECTIVE DATE

This Agreement is effective immediately upon full execution of the parties.

[Signatures appear on following pages]

Dated this _____ day of _____, 2017

TOWN OF OTTAWA

Cheryl Rupp, Town Chairman

ATTEST:

Lori Geyman, Town Clerk/Treasurer

Dated this _____ day of _____, 2017

VILLAGE OF DOUSMAN

Cindy Queen, Village President

ATTEST:

John Roth, Village Administrator/Clerk/Treasurer

Dated this _____ day of _____, 2017

VILLAGE OF SUMMIT

Jack Riley, Village President

ATTEST:

Debra Michael, Village Administrator-Clerk/Treasurer

Dated this _____ day of _____, 2017

CITY OF OCONOMOWOC

Robert Magnus, Mayor

ATTEST:

Gina Kozlik, City Clerk

TOWN OF MERTON

Tim Klink, Town Chairman

ATTEST:

Donna Hann, Town Clerk