RESPONSE TO CONSTITUENT INQUIRIES CONCERNING TOWN EXPENDITURE OF ARPA FUNDS

Wisconsin Towns hold annual budget hearings at which the Town Board presents the proposed budget for the upcoming year to the electorate. At this meeting, the electorate may be asked to raise the levy limit to accommodate increases in costs for the upcoming year. If the electorate approves this request, the levy is then increased and the increase will be shown on the tax bills. If the levy increase is not approved, then Wisconsin Statutes give the Town Board the right to borrow money without electorate approval to accommodate the increases and the levy is automatically increased to reflect the additional expenses plus the interest on the loan.

At the Budget Hearing on November 3, 2022, the Budget presented to the electorate included a levy increase to account for the increased cost of Fire and EMS service. The electorate rejected the request on a vote of 47 to 24. Rather than borrow money to fund this increase, the Town Board amended the proposed budget and did not raise the levy.

A significant number of our constituents insisted that the Town enter into an agreement for Fire & EMS services with the Village of Palmyra for 2023 and beyond. These constituents, as well as members of the Palmyra Village Board and Palmyra Village Public Safety staff, actively interfered with attempts by the Town of Palmyra Fire and EMS Committee to negotiate with neighboring districts with higher ratings (the Village of Palmyra department is only a “basic” department) for Fire and EMS services. Due to their activities, the Town of Palmyra was left with no option but to contract with the Village of Palmyra for Fire and EMS services. The cost of this service for 2023 is $220,616.

As a condition of entering into any contract with the Town, the Village required the Town pay an additional $73,842, which they claimed as a debt for services provided in 2022, although the contract under which we were being provided services in 2022 did not include that amount. The Town Board and the Town legal counsel believed that the Town would have prevailed in a court action, but ultimately, the Board agreed to pay the disputed debt for 2022, in order to reach agreement with the Village for Fire & EMS services for 2023 and beyond. The Town Board used money from the Town LGIP account (Local Government Investment Pool) for payment of this disputed debt. This was not included in the Town operating budget, and thus was not taken from the levied funds.

The Town of Palmyra has received $127, 381.64 from the Federal American Rescue Plan Act (ARPA). In the spring of 2022, at the Wisconsin Towns Association district meeting, Town of Palmyra board members were instructed in the appropriate and acceptable uses of ARPA funds. There are various things for which these funds can be used. However, within those categories, there are certain restrictions. These funds were not intended to be used for routine operating expenses for which the town does not wish to levy. The “final rules” regulating expenditures of ARPA funds state clearly that these funds are to be used “prospectively”, or in other words for projects looking forward into the future. Misappropriation of these funds would result in the Town having to pay back the funds to the National Treasury.

As you know, the Town of Palmyra owns the Palmyra Municipal Airport. This airport has been in existence for 80 years and during that time has been operated by volunteers and has not required tax funds from town property owners. The fact that improvements at the airport have qualified for, and been funded with, Federal and State grants speaks to the Airport’s excellent record and reputation created by these volunteers. Over the years, the airport has grown in importance and today is known as having one of the best grass runways in the Midwest. Flight for Life Helicopters use it as a landing area when needed in the community. The airport is the debris management site should the Town suffer a weather emergency such as the tornado which hit Eagle several years ago. The National Guard uses the airport for training purposes. During the Covid outbreak, the Town used the Airport Garage for board meetings and elections to avoid people having to crowd into a smaller space.

The Town Board voted unanimously at the December 12, 2022 regular Town Board meeting to allocate $82,000 of ARPA funds for equipment for safety services at the Palmyra Municipal Airport for the following reasons:

1. The Palmyra Municipal Airport is a government service provided by the Town of Palmyra, and safety equipment for the airport qualifies as an approved and encouraged expenditure.
2. The Palmyra Municipal Airport provides direct emergency services to the tax-payers of the Town of Palmyra and the surrounding community.
3. Funding for equipment to improve safety services at the Palmyra Municipal Airport is within the scope of allowable and suggested uses for ARPA funds.
4. Equipment purchased using ARPA funds will provide opportunity for additional safety at the Palmyra Municipal Airport for many years to come.