

## CHAPTER 3: FINANCE AND TAXATION

### 3.01. Title/Purpose.

This chapter is entitled "Finance and Taxation." The purpose of Chapter 3 is to establish rules and procedures for the financial and fiscal management of the Town's affairs and business.

### 3.02. Authority.

The Town Board has the specific authority, powers, and duties, pursuant to Wis. Stat. §§ 60.10, 60.22, 60.23, 60.40, 60.41, 60.42, 60.44, 60.45, 60.46, 60.47, 65.90, 74.12 and chs. 66, 67, and 70, to manage, supervise, and direct the fiscal operations of the Town, and to develop, maintain, and implement a fiscal management system for the Town.

### 3.03. Adoption of Ordinance.

The Town Board has, by adoption of this chapter, confirmed the specific statutory authority, duties, and powers of the Town, its officers, employees, and agents as established by the above noted chapters and this chapter, to manage, supervise, and direct the fiscal operations of the Town and to develop, maintain, and implement a fiscal management system for the Town.

### 3.04. Fiscal Year.

The fiscal year for the Town is the calendar year.

### 3.05. Budget Adoption.

A. The Town Board shall adopt an annual budget.

B. The Town Board shall establish the duties of the Town Clerk in preparing and presenting to the Town Board the Town's annual budget. The duties, at minimum, are the following:

(1) The Town Clerk will prepare a budget timetable for the Town Board.

(2) The Town Clerk will prepare a budget worksheet for the Town Board.

(3) The Town Clerk will obtain estimates for the Town Board on the revenues and the cash balance for the year end.

(4) The Town Clerk will prepare and present expenditure requests to the Town Board.

**3.06. Budget Hearing.**

The Town Board shall conduct a budget hearing prior to the adoption of the budget, pursuant to Wis. Stat. § 65.90. At least 15 days prior to the budget hearing, the Town Clerk shall publish a Class 1 notice containing the time and place of the budget hearing, a summary of the budget, and notice of the place where the budget, in detail, is available. The Town Clerk shall post notice of the budget hearing in at least three public places at least 15 days prior to the budget hearing. The budget hearing shall be held at the Town Hall unless otherwise noted by the published or posted notice.

**3.07. Elements of Budget.**

Each budget prepared by and approved by the Town Board shall include the following:

- A. All existing indebtedness;
- B. All anticipated revenue from all sources for ensuing year;
- C. All proposed appropriations for departments, committees, commissions, and boards and active or reserve accounts for the next year;
- D. All actual revenues and expenditures for preceding year;
- E. All actual revenue and expenditures for not less than six months of the current year;
- F. All estimated revenues and expenditures for the balance of the year; and
- G. All anticipated unexpended or unappropriated balances and surpluses.

**3.08. Elements in Budget Summary.**

Each budget summary prepared by and approved by the Town Board shall include the following:

- A. All expenditures by major expenditure category for the proposed budget, the budget in effect, and the budget of the preceding year;

B. All revenues by major revenue service for the proposed budget, the budget in effect, and the budget of the preceding year;

C. Any financial source and use not identified in subsections 3.08.A. and 3.08.B., above; and

D. All beginning and year end balances for the proposed budget, the budget in effect, and the budget of the preceding year.

### **3.09. Initial Preparation of Budget.**

The annual budget shall be initially prepared by and approved by the Town Board based on the data and estimates provided by the Town Clerk. The Town Clerk and the Town Treasurer shall assist the Town Board in preparing the annual budget.

### **3.10. Approval of Budget.**

The Town Board, after the public hearing, shall act upon the annual budget. The Town Board may amend the annual budget prior to final adoption. The annual budget shall be finally adopted by the Town Board on or before the regular November meeting. The annual budget, as finalized, shall be adopted by a majority roll call vote of the members of the Town Board.

### **3.11. Changes in Final Budget.**

The amount of the tax to be levied or certified, the amounts of the various appropriations, and the purposes of the appropriations stated in the approved annual final budget may not be changed unless authorized by a roll call vote of two-thirds of the members of the Town Board.

### **3.12. Expenditure of Funds.**

The Town Board shall not authorize money to be drawn from the treasury of the Town, nor shall the Town Board incur any obligation for the Town for the expenditure of money, except as these expenditures or obligations are made pursuant to the annual final budget appropriations or are made pursuant to any revised annual budget appropriations. Any unencumbered budget balance of the authorized appropriations shall revert back to the general fund and shall be subject to reappropriation by the Town Board. No order for payment may be issued in excess of funds available or appropriated for the purpose for which the order is drawn unless authorized by a two-thirds roll call vote of the Town Board.

### **3.13. Claims and Payments.**

A. **Claims Procedure.** The Town Board shall develop and maintain a policy and plan, pursuant to Wis. Stat. §§ 60.44 and 893.80, to manage and control any legal

claims against the Town, its officers, employees, and agents. All claims filed pursuant to Wis. Stat. § 893.80 shall be filed with the Town Clerk. The Town Clerk shall immediately contact the Town Chairperson regarding the claims. The Town Chairperson shall arrange any appropriate and necessary meeting of the Town Board for actions, pursuant to Wis. Stat. §§ 60.44 and 893.80, to allow or disallow any claim. The Town Chairperson shall, at his or her discretion, contact the Town Attorney regarding the claim prior to the meeting of the Town Board.

B. **General Policy for Claims.** No claim, account, or demand for payment against the Town shall be paid until a voucher has been filed with or prepared by the Town Clerk. All claims, accounts, and demands for money shall be filed with the Town Clerk.

C. **Action on Claims.** The Town Board shall approve or disallow any claim made under Wis. Stat. § 893.80.

### **3.14. Financial Book/Annual Financial Statement.**

A. The Town Board annually shall prepare a written annual statement of the financial condition of the Town. This statement shall be prepared and submitted by the Town Board at the annual Town meeting. In addition, the Town Clerk shall maintain a finance book, which shall contain a complete record of the finances of the Town. This finance book shall show the receipts, with the date, amount, and source of each receipt, to disbursement, with the date, amount, and object of each disbursement.

B. The Town Board has approved assistance in preparing the annual financial statement. The following persons will aid the Town Board in preparing the annual statement: Town Clerk, Town Treasurer, and an accounting firm retained by the Town.

C. The annual financial statement shall include previous years' revenues and expenditures and the current indebtedness of the Town.

### **3.15. Public Contracts.**

A. **Items Required for Bids.** The Town Board shall advertise for bids for any public contract. The term "public contract" means a contract for the construction, execution, repair, remodeling, or improvement of any public work or building, or for the furnishing of materials or supplies, with an estimated cost to the Town greater than \$5,000.00. The Town Board shall name the purchasing officer for the Town. The Town Board shall, prior to execution of any public contract, require proof of notice of publication, if publication of the bids are required pursuant to Wis. Stat. § 60.47. The Town shall not enter a public contract with an estimated cost of more than \$5,000.00, but not more than \$25,000.00, unless the Town Board or a Town official or employee designated by the Town Board gives a Class 1 notice under Wis. Stat. ch. 985 before the execution of the contract.

B. **Advertising Required for Bids.** The Town Board or its designee shall, except as noted in subsection 3.15.D., below, advertise for proposals to perform the terms of a public contract with a value of more than \$25,000.00 by publishing a Class 2 notice under Wis. Stat. ch. 985.

C. **Lowest Bidder.**

(1) The Town shall let a public contract for which advertising for proposals is required to the lowest responsible bidder.

(2) The Town Board shall comply with the requirements in Wis. Stat. § 66.0901 relating to bidder's proof of financial responsibility, correction of errors, separation of contracts, bidder's certificate, settlement of disputes, and payment of public contracts.

D. **Exceptions to Bid Process.** This chapter does not apply to any public contract entered into by the Town with another municipality. For purposes of this chapter, a "municipality" is defined as the state or any department or agency thereof, or any city, village, town, county, school district, public library system, public inland lake protection and rehabilitation district, sanitary district, farm drainage district, metropolitan sewerage district, sewer utility district, water utility district, mosquito control district, municipal electric company, county or city transit commission, or regional planning commission. In addition, the public bid requirements are optional with respect to public contracts for the repair and construction of public facilities in the Town when damage or threatened damage creates an emergency. An emergency must be declared by the Town Board prior to entering into the contract, and the emergency must endanger the public health or welfare of the Town. This exception does not apply when the Town Board declares that the emergency no longer exists. Finally, the public bid requirements do not apply to any public work performed directly by the Town.

**3.16. Property Tax Collection.**

A. **Membership of Board of Review.** The Town Board and the Town Clerk shall comprise the Town of Darien Board of Review (hereinafter referred to as the "Board of Review"). The Town Clerk shall be the clerk of the Board of Review. No assessor for the Town may serve on the Board of Review.

B. **Compensation for Board of Review.** The members of the Board of Review shall receive salary compensation as established by the Town Board.

C. **Procedure.** The Board of Review shall proceed in compliance with Wis. Stat. ch. 70. The Board of Review process shall be as follows:

(1) The Board of Review will meet annually at any time during the 30-day period beginning on the second Monday of May. The meeting shall be at the

Town Hall located on Foundry Road, Town of Darien, Walworth County, Wisconsin, unless otherwise designated by the Town Board. A majority of the members will be a quorum.

(2) All meetings of the Board of Review are to be open to all citizens at all times. No formal action of any kind shall be introduced, deliberated upon, or adopted in any closed session or closed meeting of the Board of Review.

(3) The first meeting of the Board of Review will be conducted for at least the number of hours noted in Wis. Stat. § 70.47.

(4) The Board of Review may adjourn from time to time until business is completed. If the meeting is adjourned for more than one day, a written notice shall be posted on the outer door of the place of the meeting stating what time the meeting will be adjourned.

(5) The Town Clerk shall keep a record in the minute book of the proceedings.

(6) The Board of Review shall carefully examine the roll or rolls and correct all apparent errors in description and computation. The Board of Review shall not raise or lower the assessment except after hearing.

(7) The Board of Review shall receive objections, shall provide a hearing, and shall correct the assessments, pursuant to Wis. Stat. § 70.47.

(8) The Town Clerk shall make the changes to the assessment roll ordered by the Board of Review, as follows: in full or on before January 31 or in two equal installments, unless the total real property tax is less than \$100.00. If less than \$100.00, the taxes are due by January 31. If paid in two installments, the first installment is due on or before January 31 and the second payment is due on or before July 31. All special assessments, special charges, and taxes are due on or before January 31. The first payment is to be paid to the Town Treasurer and the second payment is to be paid to the Walworth County Treasurer.

### **3.17. Investment Procedure/Public Depository.**

A. **Long Term Investment Depository.** The Town Board may order the Town Treasurer to invest long term funds and temporary funds not needed by the Town and to order specific dollar investments in specific financial institutions and in specific types of investments. These funds, however, must be invested in one of the approved financial institutions and approved investments noted in Wis. Stat. §§ 66.0603, 66.0607, and 34.01(5).

B. **Temporary and Long Term Fund Depository.** The Town Board shall, from time to time, designate one or more public depositories for temporary and long term deposits, pursuant to Wis. Stat. § 34.05(1).

### **3.18. Appropriations.**

A. **Nonappropriation Items.** The Town Board may appropriate Town funds as established by law.

B. **Items to Review in Appropriations.** The Town Board, prior to approving any appropriations, and assuming the Town Board has the proper appropriation authority, shall review, at minimum, the following:

- (1) The current availability of funds under the approved Town budget.
- (2) That the proper Town authority approved the purchase of the item or service.
- (3) That the item or items to be received by the Town are of the same type, amount, and designation as the item originally approved by the Town authority.
- (4) That the item or items to be received by the Town are in satisfactory quality and quantity.
- (5) That the item or items have been and will continue to be received in a timely manner by the Town.
- (6) That the Town has had no past legal or financial problems with or concerns regarding the vendor or the service provider.
- (7) That the Town has complied with the proper bidding law and ordinances regarding the item or items.
- (8) That the proper Town authority that approved the item or service and the Town Board have no direct or indirect conflict or interest regarding the item or service.
- (9) That the Town has not been charged with any sales tax.
- (10) That the Town has not already paid previously for the item or service.
- (11) That the vendor or service provider has the financial, commercial, and legal ability to fully comply with any contract.

(12) That no real or alleged conflict of interest or ethical concerns have been raised regarding the appropriation.