

**VILLAGE OF WALDO BOARD OF TRUSTEES  
MINUTES OF THE AUGUST 10, 2020 MEETING**

1. President Gary Dekker called the meeting to order at 6:00 p.m. In attendance were President Dekker, Trustees Chris Madgwick, Jerry Hammarlund, and Mark Spitz. Trustee Mike Hintz was absent. Also present were the Village accountant ( David Hamann) *The Review* correspondent ( Rodney Schroeter) and the clerk-treasurer( Michelle Brecht).
2. The meeting was held in compliance with the Open Meetings Law.
3. Gary Dekker led in the pledge to the Flag.
4. The Minutes of July 3, 2020 were reviewed and approved with a motion by Chris Madgwick and a second by Mark Spitz.
5. David Hamann was introduced. Mr. Hamann has been the Waldo accountant for about ten years. He is from the firm of Corson, Peterson & Hamann in Sheboygan. He began by reviewing the financial status of the Utility and then of the Village. During this presentation, Rodney Schroeter left his tape player at the Board table and waited in his vehicle. For the purpose of historical context, face masks were worn by those present. Mr. Hamann's report will be included at the end of these Minutes. Here are a few points from discussion/questions that were handled. The Culvert project that the Village had not planned for this year may push us overbudget. At the end of the year we can transfer money from the Money Market Project Fund to cover the overage. Mark Spitz shared his concern that we should strive to not need to keep dipping into the Project Fund, but actually add to it. The Project Fund should have enough in it to cover 4 months of expenses based on \$16,000 per month. We currently have about six months' worth. There was also discussion about long range planning for the next ten years. Barring unforeseen catastrophes, the plan should allow for the Village to maintain the current tax rate for ten years. The List of Large Projects planned will be included at the end of these Minutes. The Village will have a loan drop off in 2022 and plan on borrowing at that time; with debt service payments to be scheduled at the same amount as we are currently paying. This will allow for the project list to be accomplished. While the accountant was still present, the evening's Treasurer's Report was reviewed. (Item 9). David Hamann left the building at 7:25 p.m. Rodney Schroeter returned for the rest of the Village Board meeting.
6. The Police Contract was not available so Item 6 was tabled.
7. Tiffany's Waldo Café is being sold to Christina Leicht. An application for Class B liquor and beer was presented. Motion to approve a Class B liquor/beer license for Leicht's Waldo Café was made by Chris Madgwick and seconded by Mark Spitz. Approved.
8. Operator Licenses for Leicht's Waldo Café were reviewed. Motion to approve Jade Miller and Jacob Miller's Operator licenses was made by Chris Madgwick and seconded by Jerry Hammarlund. Approved.
9. Check #14908-14943 plus online payroll liabilities were the disbursements reviewed. The larger or not-routine items included the following:
  - a) Check 14916, \$1535.85, annual 2% Fire Dues to Waldo Fire Dept. The State pays the Village this amount each year and we turn it over to WFD.
  - b) Check #14917, \$1,227.05 new computer & IT set-up
  - c) Check #14918, \$4,500.44 Lyndon St storm sewer, road side ditch & culvert (Capital Outlay)
  - d) Check #14933, \$737.72 new "hacker-proof" computer back up
  - e) Check #14935, \$3,275, annual financial oversight & filing Municipality Form C-accountant. Motion to approve these for a total of \$32,949.76 was made by Mark Spitz and seconded by Jerry Hammarlund. Approved. The Treasurer's Report was approved after a motion by Mark Spitz and a second by Chris Madgwick. (The report had been reviewed while the accountant

was in the building.) Michelle shared a bit about the Federal Routes to Recovery grant that has allocated funds for municipalities to cover expenses related to dealing with the COVID-19 pandemic. We will receive \$1,588.08 by the end of August from our first submission to this grant. This leaves \$6442.92 remaining. We have been encouraged to use the funds to get remote work sites set up in case of quarantining. Quotes for iPads for the Trustees, laptops for the DPW and home office equipment for the clerk-treasurer were reviewed. Motion to approve the purchases for remote access per the quotes was made by Chris Madgwick and seconded by Jerry Hammarlund. Approved. Of note, the recent purchase of office computer and backup system will be submitted to another grant that focuses on providing cyber security. This grant should cover most of the cost we incurred with these two purchases.

10. Bruce Neerhof gave his Village Administrative Report. It included the following:
  - a. Homestead Development it moving along. 3 homes are actively being constructed and a 4<sup>th</sup> plans on submitting plans and application within the week. The rest of the utilities are about to be completed as well.
  - b. West First Street trailer needs to secure a plumber and then a permit will be issued.
  - c. Parks and Village facilities are closed until Phase III of County Restart program
  - d. Ayers engineers will inspect the Mill Pond dam on August 27<sup>th</sup> at 9:00 a.m. Mike is sprucing up a few things in preparation.
  - e. The Village Hall fire bell was painted by Dean Buelke. He is now currently working on caulking, repairing and painting the East side basement exposure windows at the Memorial Hall.
  - f. Greg Schnell from the County Highway Dept. will attend the September Village Board meeting to discuss the upcoming Hwy V project
11. The July Police Report was reviewed. Of note for Waldo: 1 citation for no proof of insurance, 9 warnings, 1 complaint attended. The complaint included "7-10-20 EMS Call in 800 Block of W. Second St. 32 year old male found unresponsive. Upon arrival, there was no scenes of life and it was obvious the party was deceased for a multiple number of hours. Probably overdose, but turned the investigation over to the Sheboygan Sheriff's Office." Served 10 hours & 45 miles logged.
12. Correspondence from the Clerk included the monthly Municipality magazine, A letter from our Property Insurance and Liability Insurance carriers, and a flyer advertising Waldo's first Food Truck event to be held in the Memorial Hall parking lot on August 14<sup>th</sup>.
13. Reports and Updates from the Board: Mark Spitz asked for updates on the following unfinished 2020 Board business
  - a. The Pet Ordinance: a committee of the Board had been meeting/working on amending this for the Waldo Code. When COVID entered the picture, their meetings stalled.
  - b. The Private Wells permitting or abandoning: It is ongoing but has stalled for a couple of weeks while Michelle concentrated on the election August 11<sup>th</sup>. The deadline to notify the office of private well status is Oct. 1, 2020. Michelle will start contacting people again after the election is tied up.
  - c. The overnight parking status: New signage has been ordered and should arrive by the end of the week

Gary Dekker shared that a resident had reached out to the Clerk regarding the possibility of a golf cart ordinance amendment. We have started to review other communities ordinances in preparation. The resident was invited to present their request to the Board personally or with an email letter but failed to do so for this meeting. The request is tentatively on the September agenda in case they decide to pursue addressing the Board .

14. No Public Comment

15. Motion to adjourn: Mark Spitz. Seconded: Jerry Hammarlund. Adjourned 8:07 p.m.

## General Fund

Year	Project	Est. Cost
2022	CTH V Upgrades	\$170,000
2026	Dam Spillway	\$50,000
2026	Cemetery Expansion	\$20,000
2026	Depot Street	\$50,000
2026	N Lawson	\$24,000
2026	N Lyndon	\$22,000
2026	N Harmon	\$22,000
2026	W Second	\$22,500
2026	W Third	\$22,500
2026	W Fourth	\$22,000
2026	Memorial Hall Roof	\$40,000
2026	Pheasant Run Paving	\$100,000
	Total	\$565,000

## Utility Fund

Year	Project	Est. Cost
2024	Water Tower Land	\$15,000
2024	Well Bowl Assembly	\$10,000
2026	Backup Well	\$250,000
2028	Paint water tower interior	\$30,000
	Total	\$305,000

Board Meeting Discussion Points - 08-10-20 - from David Hamann  
Corson, Peterson & Hamann

Village of Waldo

At 12-31-19 the Village had \$523,925 of cash in its bank accounts. \$373,297 was advance tax collections for 2020 so \$150,628 in total for year ended 12-31-19. This \$150,628 was in six separate bank accounts:

Restricted:

Cemetery Fund - restricted for cemetery - \$6,905

Mill Pond Dam - restricted for the Mill Pond Dam - \$1,513

Recreation - restricted for recreation programs within the Village - \$8,435

The remaining \$133,775 was in the debit account, money market account and general fund checking

Money market - committed for capital projects \$126,077

General fund checking - \$7,698 (\$220,000 / 12 months = \$18,333)

Loans at 12-31-19

Clean Water Fund Loan

- 35% general obligation debt for construction of the wastewater treatment plant
- Loan balance at 12-31-19 was \$606,017
- This loan has a 2.4% interest rate and goes through the year 2031 with annual payments of principal and semi-annual interest payments (total roughly \$58,000 per year).

Waldo Bank Four Year Loan

- Loan taken out in 2019 for \$125,000 to pay for capital projects that were completed in 2019.
- Balance at 12-31-19 was \$90,816. This loan will be paid in full in 2022.

Revenues

For 2019 total revenues were \$460,522 with total expenses of \$477,648 which resulted in expenses over revenues of \$17,126.

Total revenues of \$460,522 consisted of:

- Property taxes 61%
- Intergovernmental revenues (state aids) 30%
- License and permits 1%
- Public charges for services 1%
- Miscellaneous 7%

Property tax levy has a general levy portion of \$109,954 and debt service portion of \$95,704.

This was the second year that expenses ended the year more than revenues. In 2018 the Village was \$15,000 expenditures over revenues and in 2019 \$17,000 expenditures over revenues.

There was \$142,000 spent on capital improvement projects with \$55,181 spent towards renovations at the Village Hall and \$62,820 for High Street road improvements. These projects were finance with a \$125,000 four-year loan from Waldo State Bank along with a portion of the High Street road improvements with a Local Road Improvement Grant and Sales Tax Money (2018 and 2019) that the County pays over to the Village semi-annually.

### Waldo Water & Sewer Utility

The Waldo Water & Sewer Utility is an enterprise fund of the Village of Waldo. This means it has its own chart of accounts and is run much more like a business. It's books and records are maintained under accrual accounting and capital purchases are capitalized and depreciated much like a private sector business.

At 12-31-19 the Waldo Water & Sewer Utility had \$469,207 of cash in 5 separate bank accounts at Waldo State Bank.

- General operations & maintenance checking account - \$124,620
- Sewer equipment replacement fund - \$132,728 (Requirement of Clean Water Fund Loan and DNR)
- Debt service - 2 (60 month) certificates of deposit – totaling - \$149,918 (Requirement of Clean Water Fund Loan)
- Water equipment replacement fund - \$61,940

The water and sewer utility has annual operating expenses of roughly \$230,000, not including principal or interest on it's debt, so with having \$124,620 in the general checking means the Utility could operate for almost seven months and pay its operating expenses without collecting any user fees. This is a very, very strong financial position and allows the Utility the ability to pay for larger capital projects without having to borrow money to do so.

Loans at 12-31-19

#### Clean Water Fund Loan

- 65% revenue debt for construction of the wastewater treatment plant
- Loan balance at 12-31-19 was \$1,125,460
- This loan has a 2.4% interest rate and goes through the year 2031 with annual payments of principal and semi-annual interest payments (total roughly \$108,000 per year).

For 2019 total revenues of \$296,548 consisted of \$99,836 for the water and \$196,712 for the sewer.

#### Water revenue breakdown:

- Residential, multi-family, commercial, industrial and public authority user fees charged during 2019 were \$45,490 (46% of revenues).
- Public Fire Protection was \$20,793 (21% of revenues).
- Rents from water tower \$33,552 (33% of revenues) - (Verizon and Mercury).

The Public Fire Protection charge is for recovering the cost of water expenses for fighting fires and the extra capacity built into the water system necessary to rapidly deliver a large volume of water to a fire anywhere within the municipality's water service area. This charge is added to the property taxes of versus being direct billed.

Revenues for the sewer consisted of \$196,712 and these all consisted of user fees.

To sum things up for the Water & Sewer Utility it started the year on January 1, 2019 with \$463,112 in its five bank accounts and ended the 2019 year with \$469,207. That is an increase of \$6,095. There was roughly \$80,000 spent in capital improvements the majority of these capital improvements were a portion of the costs of \$58,000 were for the generator and electrical upgrades.

Most small Class D utilities are not able to pay for projects like the projects in 2019 without having to borrow to do so. This shows the financial strength of the water and sewer utility.

Looking at the first seven months of 2020 the Utilities revenues are up about \$5,000 compared to the first seven months of 2019 and expenses are up about \$25,000 compared to the first seven months of 2019. Some of these expenses are unusual expenses which include \$2,200 spent on the abandonment of a private well at Memorial Hall, \$6,560 for a sewer lateral repair for a customer and \$4,000 spent on fine screen repairs. In total roughly \$3,000 high in total revenues than projected and \$8,000 over budget for total expenses.

