

**VILLAGE OF WALDO BOARD OF TRUSTEES
MEETING MINUTES FROM
JUNE 14, 2021
IMMEDIATELY FOLLOWING PUBLIC HEARING ON ORDINANCE 2021-02**

1. The meeting of the Waldo Board of Trustees was called to order at 6:06 p.m. In attendance were President Dekker, Trustees Jerry Hammarlund and Mike Hintz, Bruce Neerhof, Michelle Brecht, Rodney Schroeter (*The Review*), David Hamaan (accountant), Curtis Lentz and Chris Madgwick. Trustee Steve Bunnow was absent.
2. Confirmation of Compliance with the Open Meetings Law was present.
3. All stood to recite the Pledge to the Flag. The President then asked for a moment of silence for Trustee Mark Spitz who died 4 days after our last meeting together.
4. The Minutes of May 10, 2021 were briefly reviewed and approved after a motion by Mike Hintz and a second by Jerry Hammarlund.
5. President Dekker shared that he had asked Chris Madgwick to fill the void left by Mark Spitz and serve the rest of his term as Trustee. Motion to approve of this appointment: Mike Hintz. Seconded: Jerry Hammarlund. Approved.
6. The clerk administered the ceremonial Trustee Oath. This term expires in April 2022. Michelle shared that it was worth noting that last month's meeting with Mark Spitz marked exactly 5 years of his service as a Trustee. Gary thanked Chris for stepping up to serve again. Chris joined the others at the Board table.
7. Jason Liermann, our Police Chief, sent a report on the Food Truck event June 11th at Memorial Hall. His only concern for the event is one that concerns him with the other large events; parking along the southside of W. First St. It is a dangerous when people cross the street to reach their vehicles there. He ended with, "I understand that there is a brewery truck coming possibly next month, but they are working on some paperwork with the state. I have a call into a local agent regarding some questions I have on licensing and serving alcohol or fermented beverages. I will send a reply when I hear back. I am not totally against the idea but have questions that need answers, and I could not find them in statute."
8. David Hamann, the Village accountant, from Corson, Peterson & Hamann was introduced and invited to give an overview of the 2020 financial reports and the status of both the Village and Utility. This report will be posted at the bank, post office, Village Hall, and website. A copy will be attached to these minutes as well; see below.

Board Meeting Discussion Points - 06-14-21—from David Hamaan

Compilation - A compilation provides no assurance on an entity's financial statements. The CPA takes financial data provided by the entity and puts the data in a financial statement format that complies with generally accepted accounting principles. There is no testing or analytical procedures performed during a compilation.

Review - A review provides limited assurance on an entity's financial statements. During a review, inquiries and analytical procedures present a reasonable basis for expressing limited assurance that no material modifications to the financial statements are necessary and they are in conformity with generally accepted accounting principles.

Audits - An audit provides the highest level of assurance on an entity's financial statements. An audit provides assurance that an entity's financial statements are free of material misstatements and are fairly presented based upon the application of generally accepted accounting principles. Testing transactions and evaluating internal control systems.

Form Preparation - Prepare Form C for the Village that is required to be filed annually with the Wisconsin Department of Revenue by May 15th and prepare the PSC report for the Utility to be filed with the Public Service Commission by March 31st annually.

Village of Waldo

Revenues

The Village started the 2020 year with a balanced budget. Revenues were budgeted in the amount of \$315,000 and expenses of \$315,000. That includes the debt service. The Village ended the year with revenues of \$12,555 more than expenses so \$12,555 was added to fund balance during 2020.

Actual revenues were \$348,000 which was \$33,000 over budget. The majority of the additional revenue

came from state aids and grants, from COVID-19, that were not budgeted.

- Routes to Recovery
- Election Grant
- Building permits

Total revenues of \$348,000 consisted of:

- Property taxes 59%
- Intergovernmental revenues (state aids) 33%
- License and permits 1%
- Public charges for services 1%
- Miscellaneous 6%

Expenses

Actual expenses were \$336,000 which were more than budgeted expenditures but the additional grant monies were all spent during 2020.

Cash – Financial Position

At 12-31-20 the Village had \$593,537 of cash in its bank accounts. \$429,095 was advance tax collections for 2021 so \$164,442 in total for year ended 12-31-20. This \$164,442 was in six separate bank accounts:

Restricted:

Cemetery Fund - restricted for cemetery - \$7,578

Mill Pond Dam - restricted for the Mill Pond Dam - \$1,517

Recreation - restricted for recreation programs within the Village - \$8,456

The remaining \$146,891 was in the debit account, money market account and general fund checking

Money market - committed for capital projects \$127,293

General fund checking - \$19,598 ($\$146,891 / 12 \text{ months} = \$12,245$)

Total expenses for the Village per year are roughly \$245,000 per year, excluding debt service. So, on average it takes roughly \$20,500 per month to pay the monthly expenses of the Village. When you look at the balances in the money market and general fund checking as of 12-31-20 there was about 7 months in reserves at year end.

Debt

Loans at 12-31-20

Clean Water Fund Loan

- 35% general obligation debt for construction of the wastewater treatment plant
- Loan balance at 12-31-20 was \$561,840
- 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 12-31-20 was \$60,488. This loan will be paid in full in 2022.

Property tax levy for 2020 was \$203,978 with a general levy portion of \$113,186 and debt service portion of \$90,792.

Discuss Highway V Project and Dam Spillway

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. Its books and records are maintained under accrual accounting and capital purchases are capitalized and depreciated much like a private sector business.

At 12-31-20 the Waldo Water & Sewer Utility had \$507,977 of cash in 5 separate bank accounts at Waldo State Bank.

- General operations & maintenance checking account - \$112,736
- Sewer equipment replacement fund - \$155,616 (Requirement of Clean Water Fund Loan and DNR)
- Debt service - 2 (60 month) certificates of deposit – totaling - \$153,106 (Requirement of Clean Water Fund Loan)
- Water equipment replacement fund - \$86,519

The water and sewer utility has annual operating expenses of roughly \$240,000, not including principal or interest on its debt, so with having \$112,736 in the general checking means the Utility could operate for almost six 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 12-31-20

Clean Water Fund Loan

- 65% revenue debt for construction of the wastewater treatment plant
- Loan balance at 12-31-20 was \$1,043,417
- 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 2020 total revenues of \$299,871 consisted of \$101,875 for the water and \$197,996 for the sewer. Water revenue breakdown:

- Residential, multi-family, commercial, industrial and public authority user fees charged during 2020 were \$46,640 (46% of revenues).
- Public Fire Protection was \$20,793 (21% of revenues).
- Rents from water tower \$34,442 (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 versus being direct billed.

Revenues for the sewer consisted of \$197,996 and these all consisted of user fees.

To sum things up for the Water & Sewer Utility it started the year on January 1, 2020 with \$469,207 in its five bank accounts and ended the 2020 year with \$507,977. That is an increase of \$38,770. There was roughly 10,682 spent in capital improvements.

The strong financial position of the Utility allows the utility to finance various capital improvement projects without having to borrow money.

Clean Water Fund loan requirements - 110% debt coverage ratio.

Sewer Revenues = \$197,996

Operations and maintenance = \$92,118

Net Income or cash generated = \$105,878

Debt service (principal and interest) = \$107,742

Debt Coverage 110% = \$118,516 Dave answered several questions and left the meeting at 6:48 p.m.

9. Liquor Licenses are issued annually. They, by State Statute run from July 1 to June 30. Waldo has 3 establishments that are regularly issued Liquor Licenses. Kvindlog's Services receives a Class "A" license. Chissy's Pub & Grille and Leicht's Waldo Café receive a Class "B" license. The main difference between a Class "A" and a Class "B" is that the restaurants serve the alcohol they are licensed to serve.

Kvinglog's sells the alcohol they are licensed to sell, and it is taken "Away" from their premise to be consumed.

- Motion to approve: **Class B** Combination liquor & beer license to sell, deal and traffic in fermented malt beverages and intoxicating liquor for Chissy's Pub and Grille was made by Chris Madgwick and seconded by Jerry Hammarlund. Approved.
- Motion to approve: **Class B** Combination liquor & beer license to sell, deal and traffic in fermented malt beverages and intoxicating liquor for Leicht's Waldo Café was made by Chris Madgwick and seconded by Jerry Hammarlund. Approved.
- Motion to approve: **Class A** Retail combination liquor & beer and "Class A-Cider" to sell, deal, traffic in fermented malt beverages, "Hard Cider" & intoxicating liquor was made by Chris Madgwick and seconded by Jerry Hammarlund. Approved.

10. **Annual Cigarette License.** Application for licensing from July 1 through June 30 for Kvinglog's Services, Inc. Motion to approve: Chris Madgwick. Seconded by Jerry Hammarlund. Approved.

11. **Operator Licenses** are also issued annually for the period of July 1 to June 30th. This is often referred to as a "bartender's license". Occasionally there will be an Operator qualified and requesting an Operator License for a portion of the year. This would be for employment at one of our local businesses (above) OR to serve at an event that has been issued a Temporary License for a fund-raising event (Lions Club pork chop dinner, WFD brat/fish fry). Most Operator Licenses are issued annually for the full year along as the same meeting as the Class A and Class B licenses. The following Operator Licenses were issued.

OPERATOR (BARTENDER) LICENSES:

AT CHISSY'S- (all returning for renewal)

- Heather Allen
- Rebekah Flores
- Rachel Schultz

Motion to approve Heather Allen, Rebekah Flores, and Rachel Schultz for Operator Licenses on behalf of Chissy's Pub and Grille was made by Chris Madgwick and seconded by Jerome Hammarlund. Approved.

AT WALDO CAFE'— (all returning for renewal):

- Jade Miller
- Jacob Miller
- Megan Sitzberger

Motion to approve Jade Miller, Jacob Miller and Megan Sitzberger for Operator Licenses on behalf of Leicht's Waldo Café was made by Chris Madgwick and seconded by Jerome Hammarlund. Approved.

AT KVINGLOG SERVICES, INC.

NEW: Ashley Kay Flunker

(All returning for renewal):

- MariLynn Ballbach
- Aden Dulmes
- Susan Gromacki
- James Parrish
- Jarret Parrish
- Denise Vanderkin

Motion to approve Ashley Flunker, MariLynn Ballbach, Aden Dulmes, Susan Gromacki, James Parrish, Jarret Parrish and Denise Vanderkin for Operator Licenses on behalf of Kvindlog's Services, Inc. was made by Jerry Hammarlund and seconded by Chris Madgwick. Approved.

For Waldo Fire Department Fund Raising Events- (all returning for renewal)

- Brandon Berth
- Lori Murray
- Leslie Winter

Motion to approve Brandon Berth, Lori Murray, and Leslie Winter for Operator Licenses on behalf of the Waldo Fire Department was made by Jerry Hammarlund and seconded by Chris Madgwick. Approved.

12. Per the Plan Commission recommendation and the Public Hearing discussion the Board reviewed Ordinance 2021-04 amending Chapter 195 of the Waldo CODE establishing residential fence regulations. Motion to approve Ordinance 2021-02 as presented was made by Mike Hintz. Seconded by Chris Madgwick. Approved.

13. The policy of issuing a Resolution based on the DNR Compliance Reporting on behalf of Treatment plant operations is an annual event. Even when the Treatment plant receives all "A" grades, it has been the standing attitude to continue to officially commit to high quality standards. The Water and Sewer Utility Board passed Resolution 2021-04-CMAR in the meeting preceding this one. The Village Board chose to confirm their commitment to this Resolution as well. The Village Board chose to Confirm Resolution 2021-04-CMAR which states, "Resolved that the Wastewater Treatment Plant and collection system will continue to be maintained to a high level". Motion by Mike Hintz. Seconded by Chris Madgwick. Confirmed.

At 6:55 Curtis Lentz excused himself from the meeting.

14. On Friday, June 9th a Food Truck Community event was held at the Memorial Hall parking lot and grassy area. It was well attended and organized by employees of Waldo State Bank. The Village Board had approved of the event and of two others planned for July 9 and August 13. At the time of this approval there was no discussion of including Beer vendor trucks. With the concerns of adding this vendor to an already tricky traffic situation, our Police protection was asked to monitor the event with this addition in mind. The Police Report was referred to at Item #7. Knowing that the organizers would like to begin their July 9th event planning in earnest, the Board discussed the various issues involved. In the end the decision was reached to request the event to be moved to the Park. The board will wait on further information and discussion from Jason Liermann regarding ways to make the Memorial Hall site safer for future events. Jerry Hammarlund: "Responding to the safety and welfare of the residents and recognizing traffic concerns at the Memorial Hall site I make a motion to approve the Food Truck events of July 9 and August 13 with the condition that they move to the Village Park for the events." Seconded by Mike Hintz.

15. Facility Rental Application for July 25, resident Diane LeClair, the Park, Paid. Motion to approve: Chris Madgwick. Seconded by Jerry Hammarlund. Approved.

16. The Clerk-Treasurer has given notice of resignation. She will be moving for family needs. The Board discussed advertising options for her replacement. A employment opportunity advertisement draft was presented. Motion was made by Chris to allow Bruce to advertise according to his discretion, keeping the President up to date. Seconded by Mike Hintz. Approved.

17. Bruce requested that the Board consider “opening up” (a Post Covid phrase) the Village facilities without restrictions. Motion to open the Village facilities without restrictions: Mike Hintz. Seconded by Jerry Hammarlund. Approved.

18. The Monthly Vouchers were reviewed. Chris Madgwick made a motion to approve disbursement of checks #15309-#15352 plus online payroll liabilities for a total of \$24,897.25. Seconded by Mike Hintz. Approved.

The Treasurer’s Report included a profit and loss/budget to actual report and a Balance sheet report comparing 2020 to 2021 to date. Michelle also shared that a submission to the State Debt Collection agency for 2018 Memorial Hall damages was finally paid. \$201.86 was paid in full. Motion to approve the Treasurer’s Reports was made by Chris Madgwick and seconded by Mike Hintz. Approved.

19. The Administrator’s Report on Village interests included the following:

- Gary, He, Michelle, and the County Representative (Emily) met with a resident regarding the Hwy V (East First St) widening project.
- The white dump truck blew a hydraulic line and was repaired.
- Bruce has pursued an estimate for trimming park trees and removing an old park light pole.
- ARPA funding is due at the end of June. Michelle has submitted the necessary paperwork. The plan currently is to use the funds for the storm sewer on Cty V or toward the dam spillway improvement.
- Gary and Bruce went to the Heads of Government meeting. The head of the economic committee is interested in giving us help in developing the farmland adjacent to the Treatment Plant.
- Lawns R Us is our current lawn mowing contract. They reached out to Bruce and shared that they have sold their business to Dan Schneider. Dan and his son Brady will take over the contract.
- Gary has found an option for the cemetery water tank.

20. The Police Report for May was reviewed. Waldo had 2 speeding tickets issued, 9 warnings given, a stop sign hit & run incident, 4 complaints investigated. 11 hours logged and 60 miles.

21. Correspondence from the Clerk included the monthly *Municipality* magazine and information on the American Rescue Plan funds that are pending.

22. Reports and updates from the Board included some discussion about unkempt properties. When properties have unlicensed vehicles being stored, there’s repercussions per Waldo CODE. If they are not mowing or are getting cluttered with debris, we have no recourse stipulated in our CODE. If there’s proof of rodent infestation, with certain paperwork the Health Department can be called in. Mike Hintz asked for contact information for one of the mentioned properties. He would like to reach out and help them with the mowing.

23. There were no public comments.

24. Motion to adjourn: Mike Hintz. Seconded by Jerry Hammarlund. Adjourned.