

**Town of Winchester**  
8522 Park Way, Larsen, WI 54947  
**Town Board**  
**Minutes**  
October 9, 2017—6:00 p.m.

A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll call

Present were Chairman Kriescher, Supervisor Joas, Treasurer Schwartzbauer, and Clerk Stevens. Supervisor Mathison arrived at 6:04 p.m.

Also present were 9 community members.

B. PUBLIC COMMENT

Matt Olson, 8303 Sauby Road, asked the Board if they would be allowing comment during the various business items or if public comments all had to be made at the beginning of the meeting.

Chair Kriescher stated they usually do not allow comment during business items, but there will be an upcoming public hearing for the electors to review the proposed budget within the next few weeks.

Mr. Olson stated he would just make a few comments before the Board got into the business items. He started by asking for clarification regarding the Resolution to Exceed the Levy Limit. He asked if it is to pay for the work done on Sauby Road. Supervisor Joas explained the Board borrowed the funds for the Sauby Road work and the funds resulting from the resolution would be used for future road work.

Mr. Olson said he understood there was quite a bit of money borrowed to pay for the Sauby Road project and asked how that would be getting repaid. Supervisor Joas explained that the loan is a 4-year note with a payment of approximately \$26,500 per year which is added to the levy as debt service each year.

Mr. Olson clarified that the resolution is intended for future road work. Supervisor Joas stated that is its intent and it will hopefully be sufficient enough so the Board does not need to borrow money again and thereby saving interest costs.

Mr. Olson then commented about the agenda item referring to Financial Protocol, stating that as listed it is not clear what will be discussed. He requested clarification. Chair Kriescher stated he could make it clear, and that he would cover that business item first as soon as the public comment portion of the meeting is concluded.

Dave Pavlik, 5179 Fairview Road, said he thinks he has an idea of what the business item is about, but he would like to know for sure because if the Board is not going to allow comment during the business discussions, he would like the opportunity to voice his opinions now. Chair Kriescher stated that when he explains the item, he would allow the public to comment on it.

Darlene Bork, 5173 CTR II, asked the Board to add \$2,000 to the budget with the intent of purchasing new chairs for the Town Hall. She noted the chairs have been used since the hall was built and are showing their age and many she cannot get the fabric clean and the welds are breaking.

C. BUSINESS

**The Business items were taken out of order with item 3 being addressed first.**

1. CY 2018 Budget Discussion

The Board began discussion of the CY 2018 budget. Chief Forbes asked if he would be able to clarify a few things relating to the budget, which had been put off at the last meeting. Chair Kriescher said that was ok, but that they were not going to discuss the credit card request. Chief Forbes said he understood.

Chief Forbes continued by asking for clarification that the Town pays for EMS services and that it is not in his budget. Supervisor Joas said that the way it is explained in the budget summary is that the Fire Department budget of \$64,015 includes the approximate payment of \$10,000 for EMS services. Chief Forbes said for 2016 and 2017, that expense should not come out of his budget because he is not responsible for providing the Town with the service, the Town is. Therefore, the bill for EMS services should go to the Board, not to the Fire Department. He stated he is not paying it for 2017, and it is not coming out of his budget. He stated the Fire Department is not responsible for providing EMS service for the Town of Winchester—The Town of Winchester is responsible for the community. Supervisor Joas stated that the funding for the service was included as part of the Fire Department line item in the CY 2017 budget. The Chief asked to clarify the numbers stating that out of his \$64,015, the \$10,000 EMS service payment is deducted leaving him with only \$54,015 in his budget. Supervisor Joas confirmed that was correct and how it was set up.

Chief continued by stating he wanted to discuss was the end of the year and books not matching, what [the Board] plans to do. He continued stating he is going to request that the Town sit down in a closed door meeting to go

through the books. Chair Kriescher stated it cannot be a closed door meeting. Supervisor Joas stated we could go through line by line to reconcile the books. Chief Forbes asked when that could be scheduled because what he has in his books does not match what [the clerk] is reporting and he needs to know what he has for funds left. Clerk Stevens stated she could print out a spreadsheet of her books which contain very detailed memo lines describing what the expenses are. The Chief stated he has turned in invoices which he specified where he wanted them to come out of and then they come out of some place different. Clerk Stevens offered to pull every invoice and compare it to the spreadsheet, noting that if assigned incorrectly, they can easily be moved. Chair Kriescher stated that [the Board] can audit every invoice and confirm each expense.

Chief Forbes stated there was one time when he was charged tax on office supplies and he should not be paying that. Clerk Stevens explained that she is able to drive into Town, approximately 30 miles round trip, to purchase supplies, but then she would be charging mileage at the federal rate of 53 cents per mile for approximately \$15, or she can use her credit card and pay \$3 or \$4 in sales tax and have the items delivered for free. She stated she went with the cheaper option to save money. Chief stated she should have asked him about that before doing it and he should have known about it before doing it. Chair Kriescher stated that the meeting was to discuss the budget. Chief Forbes said how can he do a budget when his numbers don't come out. He continued stating there was a \$200 payment from the Larsen Winchester Sanitary District for use of one of the Fire Trucks to clean the lift stations. He said he never received it. Clerk Stevens explained that she received the payment and the treasurer deposited the funds. She did not know where to assign the income and therefore consulted with the auditor from Erickson and Associates, who directed her to assign it to "Unanticipated Revenue." She explained that is what she did and clearly indicated in the transaction memo that it was for services provided by the Fire Department.

Chair Kriescher again stated this was a budget workshop. He told the Chief he understands his questions, but what he is after will take several hours to go through and this meeting is not about that.

Dan Buser, 8965 Faith Road, asked if there is any way to do a full audit of the Fire Department Budget to make sure the books match. Supervisor Joas stated that is what the Board will have to do. He also noted that the annual audit performed by Erickson and Associates also checks the books for accuracy. Mr. Buser said he just wants to make sure that the Fire Department funds are not getting used for any other stuff, not for roads or anything. Supervisor Joas stated the funds designated to the Fire Department are for the Fire Department. Chair Kriescher stated that they will sit down and review all of the invoices. He said the process is difficult and it takes a long time to learn. He said he would not know how to do it. He continued stating [the clerk] sometimes has to call the auditor to ask what to do with things. Adjustments can be made. He noted [the Board] will go through it soon. Chair Kriescher asked Chief Forbes if that was alright with him. The Chief stated he did not have a choice. Chair Kriescher stated he does not have a choice, because he answers to the Town Board.

The Board continued with discussion of the CY 2018 Budget, starting with a line-by-line discussion of the expenses. Supervisor Joas noted some minor adjustments in fund numbers including reductions to the Board Per Diem allowance. Dave Pavlik asked why the Board would reduce the line to a value less than the actual expense amount for the current year. Supervisor Joas explained that it would be the intent to limit the expense, while maintaining the needed training workshops and meeting attendance. He also noted that the line item can also be adjusted later in the calendar year if the amount proposed proves to be insufficient.

Clerk Stevens explained that it is important to keep in mind that a budget is not a financial document, but rather a policy document which analyzes the Town's revenue sources and how the Board wishes to allocate that funding to provide the services required and needed. She also noted that the Board is able to make adjustments to the budget throughout the year if needed.

Supervisor Joas continued by suggesting an increase to the office copy machine fund due to the recent update regarding the "health" of the copier, an increase to the Town Hall funding for the potential need for new chairs. The Board continued discussing the line items. Dog Control was questioned as the year-to-date total was only \$84, but the budgeted amount was \$1,000. Clerk Stevens explained that the expenses for that don't come in until the end of December. The Board referenced previous years' actual expenses and determined the \$1,000 value was sufficient and appropriate.

Supervisor Joas noted that he would like to add \$721 to the Fire Department's line as that is the amount the 2% dues should be increased. The line item then came to \$64,736. Dave Pavlik inquired regarding to the \$10,000 for the First Responders Contract, and if those funds are calculated into the \$64,736. Supervisor Joas confirmed they were included, but for CY 2018, those funds would support the in-house services instead of paying the contract to Clayton.

Chair Kriescher asked about the Building Inspectors expenses and why they were calculated lower than 2017. Supervisor Joas explained that the expense is directly related to the income line. If no permits are issued, no expense is incurred. For budget purposes, he explained, an average is used because there is no way to predict exactly how much income and expense there will be relating to the service.

Supervisor Joas went over the transportation line items noting the current amount allocated totals \$182,600. He asked the Board what they would like to add to the item for additional projects in 2018 and subsequently ask the

residents to approve through a resolution to exceed the levy limit in order to fund road projects. He noted he is working with the County LRIP committee to submit road projects for grant funding, but without knowing if the Town will be awarded any grants, he is not comfortable counting on that funding. He stated he would like to see the transportation budget increased by \$100,000 to fund a couple larger projects and possibly some smaller maintenance projects if costs allow.

Tim Seager asked what the percent increase the \$100,000 would have on property taxes. Clerk Stevens explained that she approximated the mil rate. She explained that the 2017 mil rate was 1.26/\$1,000 of value and with the \$100,000 the mil rate would increase to approximately 2.15/\$1,000 of value.

Matt Olson, 8303 Sauby Road, commented that he feels the \$100,000 increase seems a bit excessive as it is almost doubling the levy. Supervisor Mathison stated that he thinks [the Town] needs to get ahead on the roads. He noted the roads are falling apart faster than [the Town] can repair them.

Tim Kempin, 8366 Pheasant Run Trail, asked what happens with the \$23,115 which the electors approved over the Levy last year. He asked if it is part of the \$100,000 or if it is separate. Supervisor Joas explained that that is a separate ongoing funding which is part of the transportation budget and the \$100,000, if approved, would be over and above that. Mr. Olson stated the Board has to keep in mind that many residents are on a fixed income and cannot afford such a drastic increase. Chair Kriescher stated that is why the Board has a public hearing and the electors vote to approve or deny the resolution to exceed the levy. He stated the Board is looking at the roads and something has to be done, and if not done, they will just continue to fall apart and then have to be completely rebuilt.

Tim Kempin asked if the road rating report is available for review. Supervisor Joas explained that it is on the website.

Tim Seager, 5126 County Road II, asked if there is a limit to how much the levy can be raised. The Board explained that if approved by the electors through a resolution, there is no limit that they knew of. Mr. Seager asked why the Board was not considering the surcharge fee which he had asked about at another meeting. Supervisor Joas explained that he had researched the idea and found that while that is allowed, whatever funds are raised by the special charge would have to be deducted from the allowable levy, which ultimately does not accomplish what is intended. Mr. Seager asked if the electors can ask for money to support the Fire Department using a resolution to exceed the levy limit. He requested funds be added to the resolution for the Fire Department, stating we need roads but we also need a fire department. He said to add it to the resolution and let [the electors] decide. Supervisor Joas explained that they could ask the electors for a higher amount for the electors to consider, or the electors could approve a lower amount. Supervisor Joas asked the Board to suggest a number for the Fire Department so a resolution could be drafted. Chair Kriescher asked the Chief if \$10,000 or \$20,000 would be enough to supplement his budget. Chief Forbes stated he was going to ask for the \$64,015 plus the 2% dues on top of that. He noted the cost when with Clayton was about \$55,000 so basically what the Town Board is paying would be the same--\$55,000 for fire protection and \$10,000 for first responders. Additionally he wants the 2% dues added over and above that. Chief Forbes stated if [the Town] didn't have a fire department, they wouldn't have the 2% dues and therefore the money should go to him. He also noted that it is required that the dues be used for specific things. Supervisor Joas asked the Chief what additional funding he thinks he needs. Tim Seager suggested to the Chief to ask for additional money as part of the Resolution. Chair Kriescher stated he should just pick a number--\$10,000, \$20,000. Chief Forbes stated he would use whatever he can get, \$20,000.

Dave Pavlik commented that he is trying to figure the 2% dues out. He was looking at the revenues and found the 2% dues at approximately \$6,400. Chief explained that he wants that on top of his budget. Mr. Pavlik stated he doesn't think the Board has an option, that money must be used by the Fire Department. Supervisor Joas stated that it has always subsidized the fire department budget. Mr. Pavlik asked what the history of the dues is. He wanted to know when operating as a joint department, if the dues were part of that budget or if it was over and above the budget. Supervisor Joas stated the dues were part of the budget. Chief Forbes said the only reason the Town gets the 2% dues payment is because the Town has a fire department. He emphasized he wants the \$64,015 plus the 2% dues. Supervisor Joas added the 2% dues to the fire department budget, totaling \$71,126. Chief Forbes stated that total would include EMS. Chair Kriescher said to round it up to \$72,000. Mr. Pavlik stated he was still concerned with the numbers. Chief Forbes responded by asking what kind of fire department do you want—a \$30,000 fire department or a \$60,000 fire department? Mr. Pavlik stated he wants to see justification for the cost, whatever the cost may be. But there should be an itemized budget to justify the cost.

The Board moved on to Sanitation fees. An adjustment was also made to the tipping fees for Winnebago County as the draft budget line seemed too low compared to previous years' actual numbers. The rest of the costs were determined to be fixed costs and no further adjustments were made.

The Board recalculated the totals for each category resulting in a grand total for anticipated expenditures of \$562,835. Revenues totaled \$540,101 which results in a shortfall of \$22,734.

Clerk Stevens noted that Willow Pines Mobile Home Park is delinquent on the personal property taxes. She noted she has sent certified letters which are returned unclaimed. Clerk Stevens said that the owner called earlier in the

week and spoke with the Treasurer. Treasurer Schwartzbauer said she was told a check for \$1,000 was being sent in as an attempt to catch up with the payments.

Dave Pavlik asked what the potential is for the LRIP grants. Supervisor Joas stated he thought the Town may receive some funding but will not know until early December and he does not want to count on the funding for planning purposes. Supervisor Joas said if grant funding were received, the Board would move some road projects up in order to get ahead of things. Therefore, the resolution to exceed the levy would still be needed to cover the scheduled projects. Dave Pavlik stated maybe [the Town] can't afford to put the extra \$100,000 into the transportation budget and the grant funding should be used to reduce that amount. He suggested making part of the resolution funding contingent upon what is received from the LRIP program. Mr. Pavlik stated that if we don't get any grant funding, maybe [the Town] cannot afford to do the work proposed unless funds are pulled from somewhere else. Supervisor Joas confirmed that, but said if the electors approve the resolution to exceed the levy by \$100,000 in order to fund the work. He also stated he did not think the Board could put a contingency on the resolution. Clerk Stevens explained that the deadline for the Levy Limit worksheet is December 15<sup>th</sup>, so the Board has some flexibility to determine how much grant funding may be received and would supplement the revenues for 2018. They could ask the electors to consider and approve a resolution and then hold it until the first week of December before submitting. If grant funding is received and the resolution is not needed, they could choose not to submit it. If grant funding is not received, they would still have enough submission time to process the resolution.

The Board decided to subtract the \$22,734 deficit from the transportation line in order to balance the budget. They asked Clerk Stevens to make the revisions to the document and the Board would then review it again at its next meeting. At that time, they would also discuss how much they will request the electors to approve to exceed the levy limit.

Matt Olson asked when the public hearing and the special electors meeting will be held. The Board thought they would schedule the meeting for just before a regular Town Board Meeting. Mr. Olson suggested holding that public hearing and electors meeting as a separate meeting. The Board agreed it may be better to do so. They asked the Clerk to add the date selection to the next agenda.

## 2. Resolution to Exceed the Levy Limit

The Board noted they had covered this during the Budget discussion and they will address the item at the next meeting.

## 3. Financial Protocol

Chair Kriescher explained that Financial Protocol refers to the way the Town's invoices are taken in, how they are distributed and how the bills are paid. He said he had gone to a couple different Towns to ask how they process their bills, which is according to State Statutes. He summarized the process for the town stating the bills would come in, [the clerk] would open the envelopes, mark it down in her ledger and make sure there is enough money to pay those bills. Then she would bring them to the next Town Board meeting. She would present the ledger report with the bills for the Board to review. If there are any questions they would be addressed and then the Board approves the bills for payment. He continued stating the next day, the treasurer writes the checks. The treasurer then records the bills in her ledger, so that [the Town] ends up with two ledgers which should be compared at the end of each month to make sure everything matches. Then [the treasurer] signs the checks, then [the chairman] comes in and signs the checks, and then they go to [the clerk] for her signature and her review to make sure the checks match the bills as approved. He finished by stating the clerk then sends the checks out.

Chair Kriescher continued by stating he went over the process with the Town's Attorney who confirmed it as correct. He said he spoke with a Treasurer of another Town who has been in position for over 30 years and she said she writes the checks as well. She noted the clerk is to receive all the mail, the clerk takes in all the information and records it for the Town, anything and everything. The Treasurer takes in all the revenue, the taxes, etc. and records it in her ledger. But when [the clerk] gets the invoices, she records them and reports them to the Town Board for approval, and then [the treasurer] writes the checks.

Matt Olson, 8303 Sauby Road, commented that to him it sounds like the process is just as the State Statutes are written. Chair Kriescher confirmed that stating Attorney Sorenson had explained it to him and that is how the Statutes are written. He also stated he had talked with other Town Chairman and that they all agreed the person writing the checks should not be the person touching it last. He stated the system gives double checks, going through [the clerk], [the treasurer], and the Town Board, and the books should match. He said it is tax dollars and [the Board] has to make sure the bills are getting paid.

Matt Olson then asked if the process is to apply to all of the bills and that all of the bills will be paid from the Town's account. Chair Kriescher confirmed it is for all of the Town bills including the Fire Department. He said that if the Chief wants to give copies of his invoices to [the treasurer] that is fine, but he still must give copies to [the clerk] because she has to record everything that comes in.

Clerk Stevens asked for clarification of the process because as the Chair had recounted it, there is a discrepancy in the actual process. She explained that after the Chair and Treasurer sign the checks, she then reviews them and signs them and then returns them to the Treasurer for disbursement. She expressed concern because Chair Kriescher said the person writing the checks should not be the last person to touch the checks, which, in fact, is contradictory to the current process as directed by the Chair. Chair Kriescher explained that the goal is to have the double checks and the two separate sets of books to track the bills.

Matt Olson stated the two sets of books is good, but he is concerned that there does not get to be other ways of paying bills. He noted this is all in Statutes and there cannot be too much variation between Towns because they all have to operate according to the same Statutes. He noted there may be some minor variations, but overall it must all be the same. But all the bills need to be paid according to the State Statutes. Chair Kriescher confirmed stating he is absolutely correct.

Dave Pavlik, 5179 Fairview Road, commented that the Statutes and the Towns process are set up to have two or three people reviewing the disbursements in order to avoid and misappropriation of funds and to minimize the likelihood of any theft or fraud.

Chair Kriescher agreed and noted that the books are public record and that anyone can make a request for copies of the books to review them .

Treasurer Schwartzbauer asked to make a correction. She noted that the last person who signs the checks is not supposed to mail them. And she confirmed that the current process follows that.

Supervisor Joas asked if Chair Kriescher intended to have Attorney Sorenson draft a policy document to clarify this process. Chair Kriescher explained that Attorney Sorenson said that is not necessary because it is in the Statutes, but that [the Board] will see how things proceed and do so if necessary.

Dave Pavlik asked if this process was making a major change in the procedure. Chair Kriescher said the only change is that [the clerk] was writing the checks, which has been done that way for years, and now [the treasurer] will be writing them. Clerk Stevens confirmed stating that she would write the checks because her computer program generated the checks as part of the reporting process. She would print them and bring them blank with no signatures, as vouchers to the Town Board meeting. After approval of the accounts payable, Chair Kriescher would sign the checks, she would then sign the checks, and then provide the bills and the checks to the Treasurer for her review and disbursement. She explained that she is no longer printing them, so the process now adds an extra step for [the treasurer] (writing the checks) and an extra step and review for her to re-verify the checks again, but otherwise the process is as it has always been.

Chair Kriescher concluded by stating anyone can request copies of the accounts at anytime. He also noted he would discuss writing up a policy with Attorney Sorenson.

#### D. NEXT MEETING

The next regular Town Board meeting will be Monday, October 16, 2017 at 7:00 p.m.

Agenda items are to include CY 2018 Budget, Resolution to Exceed the Levy Limit, Date selection for the CY 2018 Public Hearing and Special Electors Meeting to Approve the Levy, and any other business which may arise.

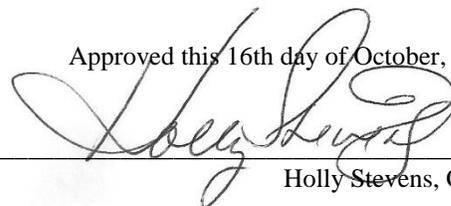
#### E. ADJOURNMENT

Supervisor Mathison made a motion to adjourn at 8:18 p.m.

Second by Supervisor Joas

Motion carried by unanimous voice vote

Approved this 16th day of October, 2017



Holly Stevens, Clerk