

AUGUST 26, 2013 WHEATLAND TOWN BOARD MEETING

Meeting was called to order by Chairman William Glembocki at 6:30 p.m. on Monday, August 26, 2013 at the Town Hall in New Munster. Town Board members present – Chairman Glembocki and Supervisor Andrew Lois and Supervisor Kelly Wilson. Others present: Clerk Sheila Siegler, Treasurer Deborah Vos, Kathryn Andrea, Town Auditor and Jack Elliott, Kathy Elliott, Marilyn Magnuski, Marc Kaiser, Rachelyn Hadad, Brett Butler, Jeff Butler, Brian Boeckenstedt, Bill Heeg, and West-of-the-l editor Darren Hillock.

Notices were posted in six public areas and the town website. The *Kenosha News* and *Westosha Report* were notified. Individuals who have requested meeting notices by e-mail were also sent agendas as required by state law. Property owners abutting Parcel #95-4-119-031-0400 were notified by First Class Mail.

Minutes of the August 12, 2013 town board meeting were moved for approval by Andrew Lois and second by William Glembocki. Motion carried.

- **Fire Dept. Report – none**
- **Public Comments – none**
- **Final Approval of Audit Reports for 2010 thru 2012 – presentation by Kathryn Andrea, Andrea & Orendorff LLP**

Kathryn Orendorff presented Final Audits for the three years. 2010 & 2011 were done in 2012 and 2012 this spring. All three years have similar statements. Her presentation will focus on the 2012 audit report and highlight some areas to make the board familiar with some of the audit areas. She noted the staff has converted the previous bookkeeping system of spreadsheets and data bases to a QuickBooks software accounting program. It allows for a more organized system and better reporting to the board as the financial picture relates to the budget. This was a big step with a lot of extra work and the staff has come a long way in the past two years. There is still one area that needs to be completed to finish out the assets picture. Capital assets including buildings, roads, etc. need to be valued and included in the total value.

Page 1 of the 2012 audit report opinion statement notes these financial statements are the town's responsibility. Our responsibility is to express an opinion of those statements. Government account is a little different than business accounting in that we have two types of statements a "for profit" and a government way. With all the staff went thru and all this adjustment, the reporting building and roads as assets has not been completed. That's another big step. Thus we can't give an opinion on that.

Page 2 of opinion letter – We have offered a clean opinion with the exception of asset reporting. That's good!

Page 3 & 4 of the audit - These pages consist of balance statements, fixed assets and long term debt and show the road loan. The town's fiscal year is the calendar year. Statements of cash show a large balance at the end of the year due to the collection of property taxes. The cash shows on the balance sheet at year end but the property tax money is paid out by February 20th of the next year.

These are the revenue and expenditure accounts with which you are familiar. This shows expenses and the revenue sources that fund the programs.

Page 5 – balance sheet with the government accounting and thus shows no long term debt. It is the page that is important to a bank for bonding. The unassigned balance of \$350,000 is a very healthy fund balance. Guidelines recommend a 17% **minimum**; so, you have a good balance. Chairman – isn't 25% usually recommended? Kathy Andrea – there are guidelines but you can set your own. You don't want to levy higher than what you need but then you also don't want to be so low you need to borrow to pay bills. The balance is higher this year because the floodplain grant expenses were repaid in 2012. You collected more than budgeted and under-spent in other categories. This also contributed to the high balance.

The financial notes are good for the board to look at. They explain how, in accounting, we look at funds. It is a good resource for the board

On page 24 of the financial notes, we have to state if any line items were over budget. The public works expenses were \$1,820 over budget and of course, the grant shows \$106,998 over budget in revenue.

Page 25, at the bottom of the page, it shows restricted and unrestricted cash. It shows money at the bank and in the Wisconsin Local Government Investment Fund.

Page 28 – lists the debt for road bond with an ending balance \$470,000. Statutes limit

municipalities to a percentage of assessed value. In Wheatland's case it would be \$14 – \$15 M. You are well under the limit. Page 30 shows the payment and interest coming up.

Page 30 shows the restricted Jankowski-Iselin Escrow for subdivision paving of \$20,599 and municipal court funds. Page 31 is a listing of other "assigned" funds for town hall building fund, New Munster Park and the fire department.

We meet with the board because we report to you. We have to point out the deficiencies in the Town's internal controls that we consider to be a material weakness. We had to do some journal entries and we had to train staff. Regarding the segregation of duties - a small office is not conducive to segregation of duties. You should try to separate as much as you can so it takes more than one person to complete a process. We point this out to the board because that is where you come in. You should ask questions and keep an eye out. Kathy Andrea said quarterly financial reports showing relation of revenue and expenses to the budget are important. Chairman Glembocki said he looks over invoices before he signs checks. Supervisor Lois said the board is now receiving monthly reports of finances and budget.

Kathy Andrea said there were no difficulties while performing the audit in regard to disputes with the staff. She noted that during the audit, they look at the risk for something to go wrong. They check invoices and payments. They look at how it's supposed to work and see if there are weaknesses.

Supervisor Lois asked if we will do this annually. Chairman said that would be his thought. Lois said it would be easier if we kept it up. Kathy Andrea said annually would be better. If you skip a year, an auditor has to check all the skipped year's balances.

Chairman said the board saw the draft for the 2010 and 2011 as it was developing. The board had no questions.

Andrew Lois moved a motion to accept the 2012, 2011, and 2010 audit reports as presented. Kelly Wilson seconded. Clerk said all are similar except for the figures. The format is the same. Chairman said that if we look thru and find something we question, we can bring it up at another meeting. Motion carried. Chairman thanked Andrea for her presentation.

- **Jack Emerson Elliott & Kathleen Eileen Elliott, PO Box 798, New Munster requesting a variance** to allow re-construction of a 12' x 7' covered porch addition onto the west side of an existing non-conforming residence located 3.2' from 346th Ave. The porch will come no closer to the street than existing house. Property is located at 34516 Geneva Rd., Tax Parcel #95-4-119-031-0400.

Jack Elliott said the house was built in 1935 before there were setbacks required. He has to rebuild the existing porch and the roof over because it has deteriorated. He is not coming any closer to the road than his existing house. The porch will not be enclosed.

Kelly Wilson moved approval of a favorable recommendation to the Kenosha County Board of Adjustments for the variance requested by Jack & Kathleen Elliott for 34516 Geneva Rd. as per application. Andrew Lois seconded. Motion carried.

- **Ordinance No. 2013-002 – Amendment to Chapter 23 of the Town of Wheatland Code of Ordinances – Intoxicating Liquor and Fermented Malt Beverages**

- A. Waive second reading
- B. Adoption

Chairman said there was some concern the ordinance would harm someone like the Country Aire Banquet Hall which may not have a wedding for a period of time. Checking with the town attorney, the definition of "open for business" of 48 hours in a calendar month is a definition of inactivity. 90 or more consecutive days of inactivity would be the trigger to begin revocation proceedings. Example: not open for 2 months and then open for 48 hours in a calendar month would begin the next 90 day period. Showing the banquet hall and meeting with prospective users would be considered being "open for business" if alcohol was available for sale. Supervisor Lois advised that a log be kept by the Country Aire operators.

William Glembocki moved to waive the second reading for Ordinance 2013-002 – Amendment to Chapter 23. Kelly Wilson seconded. Motion carried.

Kelly Wilson moved to adopt Ordinance No. 2013-002 – Amendment to Chapter 23 setting requirements for alcoholic beverage licenses to be "open for business" in order to retain the license. William Glembocki seconded. Motion carried.

- **Creation of an ordinance for restricting ice bike racing on Lilly Lake**

Chairman Glembocki said after numerous meetings and discussion on this subject, he is proposing the town set the days and time for riding motorized bikes on Lilly Lake to Saturday, 10 – 2 and Sunday, 10 – 4. We need to move forward with this ordinance. He does not want a decibel restriction but

will suggest to bikers that muffler systems are pointed to the ground. This will be a far start to controlling the activity. We'll see what we have at the end of the season.

Supervisor Lois asked about centralizing the riding to the middle of the lake. Chairman said he does not feel that is the way to go

Marc Kaiser, 33114 80th St. said the board had talked about only certain winter months. Chairman said, after thinking about that, it would be difficult. You could have frozen water in December and open water in January or February with the way the weather is changing.

Marc Kaiser said the noise is the real problem. Every motorcycle should be required to have a muffler. He handed the board copies of Wisconsin Administrative Code 305.39 and 347.39 which, he said, states motorcycles must have mufflers. Chairman said he will speak to the town attorney regarding the code Kaiser presented.

Kaiser said the Pavlich house has the brunt of the excessive noise. There should not be a problem with requiring a manufacture-approved muffler system.

Kaiser also commented that he thought the hours were too restrictive.

Andrew Lois moved a motion to authorize the creation of an ordinance for restricting motorized bikes on Lilly Lake to Saturday 10 – 2 and Sunday 10 – 4 with a muffler to be required. Kelly Wilson seconded. Motion carried. Ordinance will be drafted by the town attorney and presented for adoption at the next board meeting. Chairman said the manufacture-approved system would not work. A law officer can see if there is a muffler at a glance. But if the officer had to check as to whether it was an approved system, it would hinder the enforcement of the ordinance.

- **Alcoholic Beverage Operator Licenses (Bartender):**

A. Thomas A. Johnson, Burlington - *Independent*

Kelly Wilson motioned to approve a bartender license for Thomas A. Johnson. Andrew Lois seconded. Background and alcohol server certification requirements have been met. Motion carried.

- **Reports**

A. Road report – 314th Ave./71st St. culvert repair – Chairman said the county highway commissioner has not had to the time follow up. DNR agent, commissioner and chairman did have a 3-way conference regarding the permit. There is not a cost but we do need to file for the permit. He will report at the next meeting. Jeff Butler commented there was a pot hole that needed fixing in front of Wally Kerkman's house on 373rd Ave. Chairman said it will be ordered for repair.

B. Treasurer's Report for July – Treasurer reported \$850,070.36 as the July 31, 2013 Net Worth. Andrew Lois moved approval of the detailed listing of revenue for July. William Glembocki seconded. Motion carried.

C. Building Inspector's Report – next meeting

D. Constable Report – a summarized report for April thru July was accepted by the board. Supervisor Lois asked that Kenosha County Sheriff be asked to do extra patrol on 368th Ave. in the vicinity of Wheatland Center School now that school is starting. Chairman will speak to the constable.

E. Election equipment proposal – 8/14/13 county clerk meeting – Clerk reported to the board that at a recent meeting, the county clerk had arranged for a demonstration of new election equipment from ESS (Election System Software). Our AccuVote ballot counter was purchased in January 1995. The TSX handicapped accessible system was added in 2005. New equipment has been forecast for 4- 5 years but it is coming in the next year or so. The anticipated cost will be in the \$9,000 range for both pieces of equipment. Somehow, we will have to fit this in the budget.

F. Update on progress of repair - Doloris Hudson, 4708 328th Ave., #95-4-219-351-0750 – The time is up on the repair extension and the building inspector will have a report at the next meeting.

G. Other reports – Chairman said we will need to change the time of the next town board meeting to 7:30 p.m. He will be attending a 6:30 meeting at the county center. Kelly Wilson moved approval of a motion to change the Sept. 9, 2013 meeting from 6:30 p.m. to 7:30 p.m. Andrew Lois seconded. Motion carried.

- **Announcements –**

- September 1, 2013 – “Just Live” Music Festival – New Munster Park – Suicide Prevention Fundraiser – 12 Noon – 7 pm

- **Correspondence –**

- **Financial matters:**

A. Purchase approval – none

B. Other financial matters – Road Improvement Loan – report on status. Chairman reported

a closing date has not yet been set. He said if the rate changes from 2.5%, he will be bringing this back to the board.

- **Adjournment**

William Glembocki moved a motion to adjourn at 7:45 p.m. Andrew Lois seconded. Motion carried.

Respectfully submitted,

Sheila M. Siegler, Clerk