

From: William S. Cole <wcole@axley.com>
Sent: Wednesday, March 5, 2025 12:51 PM
To: Brian Helming
Cc: Dawn Bartel; Sandi L. Holcomb
Subject: RE: EML - HOVMSD Treasurer issue - 3-5-25

Hi Brian,

It is important to note initially that it is the Legislature (through passage of sec. 200.09(8), not HOV, which imposed the burden on the Kaukauna treasurer to perform these duties for HOV. The statute clearly requires HOV to pay the treasurer, but leaves the amount to the discretion of the HOV commission. I say this to distinguish the concept raised in Mr. Van Rossum's email concerning payment by the school district for SRO costs. In that instance, that is an agreement between the school district and city for a particular discretionary service. As such they are free to negotiate any terms the two of them wish. Here, however, the Legislature requires the Kaukauna treasurer to undertake these duties. Conversely, and just as importantly, it requires HOV to utilize the Kaukauna treasurer for these services. Ultimately, my point is that HOV is free to consider increasing the compensation as Mr. Van Rossum proposes to equate the city's workload and exposure imposed by this requirement. However, the amount is in the sole discretion of the Commission; and neither can the city refuse the duties nor HOV avoid using the Kaukauna treasurer.

In several ways, this required arrangement does make sense. You will note HOV is empowered to establish a tax levy per sec. 200.13(2). The tax is imposed and collected by the municipalities through their clerk and treasurer. Similarly, sec. 200.13(5) permits HOV to impose a tax to cover borrowings. The municipalities (again through their clerks and treasurers) place these taxes on the tax roll, collect them, and the allocate them to the District.

As far as options, yes we can clearly lobby the Legislature to amend the statute. That would obviously take some time. Additionally, it may not be deemed appropriate for the reasons expressed above.

Another option would be for HOV and Kaukauna to contract with another entity to undertake the day to day finance work. Ultimately, the Kaukauna treasurer would remain legally responsible, but that exposure could be mitigated by requiring the contracted entity to post a fidelity bond in favor of HOV and Kaukauna, and in the contract require them to maintain insurance and indemnify HOV/Kaukauna for any suits, costs, expenses arising from them improperly discharging the duties. The Commission and Kaukauna could then decide how to apportion those contracted costs among themselves.

Bill

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