



**Town of Oakland
Douglas County, Wisconsin**

**Special Town Board Meeting
July 28, 2026 @ 6:00pm
Oakland Town Hall**

The public may provide comments to the town board if a period for public comment is noted on the agenda and upon recognition by the presiding officer. Other comments may be requested on agenda items if the board believes public input would be beneficial.

AGENDA

Call to Order

Roll Call / Quorum Call / Verification of Public Notice

Items listed below are for discussion and possible action

- Applications for approval
 - Liquor License 03-2026 for Rellie's Rusty Axe Tavern LLC
 - Operator License 2026-02 for Danielle Hudacek
 - Operator License 2026-03 for David E Hudacek
 - Operator License 2026-04 for Gwenn Mari Lou Carlson
 - Operator License 2026-05 for Ashley M Stormberg
 - Operator License 2026-06 for Sydney M Plasch
 - Operator License 2026-07 for Ashley McGuire
 - Operator License 2026-08 for Andrew D Hudacek
- Review Memorandum from the Clerk regarding Collective Bargaining Agreement and responses from attorney and Department of Labor
- Insurance Policy Discussion
- Public Comment
- Adjournment



**Town of Oakland
Douglas County, Wisconsin**

MEMORANDUM

To: Town Board of Supervisors, Town of Oakland

From: Lydia Schroeder, Town Clerk

July 21, 2026

Subject: Statutory Non-Compliance and Payroll Certification Restrictions Regarding Collective Bargaining Agreement for General Municipal Employees

1. PURPOSE

As the statutory fiscal officer of the Town under Wis. Stat. 60.33 and 60.44, I am legally required to audit and certify all municipal disbursements and payroll claims. Please be advised that I cannot, and will not, certify payroll vouchers or administer compensatory (comp) time banks that violate federal statutory limits. Doing so exposes the Town, and myself personally, to severe administrative and financial liability

2. STATUTORY VIOLATIONS IDENTIFIED

Comp time and PTO cannot be estimated or averaged. payroll system and tax documents must reflect the precise amounts allowed to the employee. Allowable amounts were previously outlined in a union CBA and must be outlined as a Town Policy book to continue being paid.

The 7/18 pay stubs reflect inconsistent amounts with what has been entered into the Quickbooks software and tracked since the beginning of the year.

- Employee 1 had previously had 1464.27 hours of combined PTO and compensatory time and 137 hours of vacation for 2026. The current timecard reflects 412.27 hours of compensatory time and 1189 hours of PTO to be drawn from.
- Employee 2 had previously had 62.25 hours of compensatory time and 40 hours of vacation, and the current timecard reflects 42 hours of compensatory time and 88 hours of PTO.

This is a huge liability to have the numbers jump from total to total without proof creating red flags in the submitted quarterly wage reports. As the clerk, I have no supporting documentation of where these balances came from or how they were calculated.

Last August I presented the issue of generating 80 hour checks, not tracking and deducting compensatory time separately from earned PTO. I did what I could going forward with the payroll software and continued to provide information about the legality of PTO by FLSA standards, but was still unable to detangle the past practices and mixed compensatory and PTO bank. In January 2026 under the direction of the Wisconsin Town's Association lawyer, I reached out to our current law firm Weld Riley to advise over the potentially illegal union contract after the implementation of Act 10 in Wisconsin and the mixed PTO and comp bank exceeding FLSA limits as well as the town using compensatory time in lieu of OT. The response from Attorney Nathan Miller [Weld Riley CBA Memo - 1-12-2026.pdf](#) was to reduce the union contract to only the allowable wage increase language up to CPI maximums and he express the need for a policy book to outline the current offerings to the employees included but not limited to vacation days, pension contribution, health insurance premiums, etc. In May 2026 Attorney Nathan Cockerham confirmed that this contract is illegal and that compensatory time is capped at 240 hours total. [Research from Nate Cockerham.pdf](#)

SHORT ANSWERS:

1. The Town violated Act 10 by engaging in collective bargaining that was not limited to wages. Therefore, any resulting agreement could be declared null and void. The Town could also receive a complaint from the Wisconsin Employment Relations Commission (WERC), which has the authority to issue remedies for violations. It should be noted that a 12/2/24 ruling struck down parts of Act 10, including the provisions that restricted collective bargaining to base wages, but this decision has been appealed and is not final.
2. Unpaid overtime compensation for hours in excess of the 240-hour cap and an equal amount in liquidated damages, and civil penalties imposed by the U.S. Department of Labor (DOL).

This information has still not been used to resolve the issue, and it has now been almost an entire year. Nathan Miller provided further guidance available here [CBA Memo - 7-17-2026.pdf](#) as well as a sample **legal** union contract for the employees [Town of Oakland CBA 7-16-2026.pdf](#)

The town board does not have authority currently, because the contract is illegal, to continue issuing taxpayer funds for health insurance or pension without stating this benefit in the policy book. Working conditions, leave time and compensatory time policies are prohibited subjects of bargaining under Wis. Stat 111.70. Enshrining these terms into a certified union contract violates state restrictions on bargaining scope.

Union Dues cannot be deducted from a general municipal employee's salary [Wisconsin Legislature: 111.70\(3\)\(c\)](#)
Definition of a general municipal employee [Wisconsin Legislature: 40.02\(48\)](#)

Due to the still potentially illegal nature, lack of documentation for earned PTO and comp hours, and the lack of transparency to the taxpayers funding these accounts, I reached out to the Department of Labor for guidance. Honoring the previous and new CBA contract and continuing to treat it as valid continues to put the Town, that is already over budget, at risk for incurring monetary penalties. The WTA attorney cautioned that our insurance could discontinue coverage should this come to an investigation. Per the June meeting discussion, many residents made remarks about these penalties being far off or unlikely. Because this information has been discussed and not resolved, all it will take is one complaint to the Department of Labor to tip off an expensive investigation and all of these risks to become a reality.

The Department of Labor recommended hiring an accountant to review all of the payroll documentation and straighten the compensatory banks and PTO banks going forward to prevent fines for acting in violation of the FLSA standards. She provided Fact Sheet 23: [Fact Sheet #23: Overtime Pay Requirements of the FLSA | U.S. Department of Labor](#) and the FLSA document [FairLaborStandAct.pdf](#) page 20 is where the compensatory time is defined at 240 for non-public safety employees. [Wisconsin Legislature: 40.02\(48\)](#)

3. ADMINISTRATIVE ACTION AND FISCAL RESTRAINT WITH RECOMMENDED RESOLUTION

To avoid a formal federal audit by the US Department of Labor Wage and Hour Division, or a taxpayer derivative lawsuit in state circuit court for the unlawful expenditure of public funds, I strongly recommend that the Town Board immediately: Issue and emergency administrative directive suspending the implementation of the illegal contract provisions. Meet with legal counsel to formally amend or nullify the non-compliant sections of the agreement to align with federal FLSA limits and state Act 10 Parameters. This notice gives two weeks to correct the issue before another payroll cycle is due to the employees.

Respectfully Submitted,
Lydia Schroeder, Town Clerk
Town of Oakland, Wisconsin

Please direct all communications to Attorney Nathan K. Miller at the Wausau Office.
Email: nmiller@weldriley.com • Phone: 715.845.8234

MEMORANDUM

Sent Via Electronic Mail Only

TO: Pete Fornengo
Town Chair

Randy Polson
Town Supervisor

Dana Dolsen
Supervisor
Town of Oakland

FROM: Nathan Miller
Weld Riley, S.C.

DATE: July 17, 2026

RE: Town of Oakland Union Contract

Dear Town Board

As you are aware, your Public Works employees are unionized, and operate under a union contract. Back in January, I was provided a copy of the January 1, 2026 to December 31, 2026 Union Agreement and was immediately troubled, as it contained a number of prohibited subjects of bargaining. I then sent a Memorandum dated January 12, 2026, where I outlined the various reasons why the Union Contract was illegal. In sum, since Act 10, only base wages are allowed to be negotiated, anything more is illegal and constitute unfair labor practices as they are prohibited subjects of bargaining. See Wis. Stat. § 111.70(4)(mb).

It is my understanding that the Town Board met and made changes to the Union Contract that mainly focused on the Compensatory Time, due to the prior Union Contract most likely violating both the FLSA and the Big Beautiful Bill. The rest of the Union Contract basically stayed the same.

Weld Riley, S.C. A Wisconsin Limited Liability Entity

As stated previously, Act 10 eliminated collective bargaining with respect to hours and conditions of employment for general municipal employees (municipal employees who are not public safety employees). Act 10 only allows municipal employees to collectively bargain with respect to “wages”.¹ Unions can only bargain salary increases limited to the Consumer Price Index.²

The current Union Contract is still just as illegal and unenforceable as the prior version. As it stands, the Union Contract constitutes an unfair labor practice and thus poses liability upon the Town. The WERC would be the prosecuting/enforcing entity. This most likely has slid under the WERC’s radar because no one from the Union has complained; the Union Contract benefits them by “giving”³ them more rights than they otherwise would have.

In reality, Act 10 was a huge win for public employers, in that it took away bargaining rights from the general municipal employees, allowing the public employer to unilaterally change policies and procedures without any union/employee input. It broadened the public employer’s management rights. By continuing to engage in negotiations at this level with the Union, you are placing an undue burden on the Town and its citizens. You can make changes for the betterment of the Town.

Obviously, you still want people to work for the Town. The Town can outline the various benefits and policies it offers to its employees in an Employee Handbook. If the Town wants to maintain the same level of benefits and terms and conditions of employment found in the Union Contract, it could incorporate those into the Handbook. Alternatively, the Town could include those in a resolution and have the Town Board pass it at a meeting. Language should be included to clarify it is not a union contract.

The Town should still strive to be a competitive employer, it just needs to do so that is legal under the laws. If the Town is afraid it will lose its current Public Works employees because the Union Contract will only contain base wages, then the employees need to be educated. There is no other public employer in the state of Wisconsin that can bargain for more.

I am attaching the updated Union Contract that should be used going forward, to be legal under the law. There should be no kickback from the Union, as they should be very well aware the contract is illegal and unenforceable.

If you have any other questions, or would like further discussion or information, do not hesitate to ask. I would also be more than happy to attend a Town Board meeting to discuss this with everyone as well.

Attachment

¹ See Wis. Stat. § 111.70(4)(mb)1

² See Wis. Stat. § 111.70(4)(mb)2.a

³ It isn’t really a “give” because the contract is unenforceable