



Report to Village Board

Agenda Item:

Meeting Date: June 10, 2024

Referring Body: Trustees Eiden Charneski and Buchkowski-Hoffmann

Committee Contact: none

Staff Contact: Peter Kampfer

Report Prepared by: Ken Charneski

AGENDA ITEM: Discussion and action regarding village legal fees

OBJECTIVE(S): Determine whether or not the current burn rate of legal services line item funds is justified, and what can be done to reduce these costs.

HISTORY/BACKGROUND:

The cost of general legal services for the Village had been about \$10-16,000 annually through 2021, with a spike in 2022 due to a very large Public Information Request, and separation issues with the former village administrator.

In 2023, the expenditures on general legal fees exceeded \$41,000. In 2024 the budgeted amount for legal fees was depleted by March 25th and the Board approved a budget amendment for an additional \$45,000.

About \$32,700.00 of that is now spent, and the balance of that line item budget is anticipated to be again depleted once the incoming invoices are paid.

The three trustees bringing this item forth find this exorbitant burn rate of taxpayer funds to be unacceptable, and that it needs review, investigation, and a solution. Much of these costs are shrouded in secrecy, and appear to be unauthorized.

The attached email to Mr. Ludi (village administrator at the time) summarizes the problems with these expenditures. He did not reply to that email, and at the May 13 Village Board meeting he said further explanation was forthcoming in his exit interview. President Voll has said that no exit interview has been received as of June 1st.

GEN-001 is a policy intended to reduce legal costs, but even with the restrictions in that policy, legal costs have skyrocketed out of control, as it has not been used as intended.

One solution to the high costs, might be to return to a monthly review of attorney bills that was discontinued about the time that the current attorney was hired. An example of a packet report for a review like that, is the attached report from 2021, which was a time when these costs were more closely monitored.

Per Kronenwetter Policy, Gen-009, any 2 Trustees shall be allowed to add items to the Village Board's agenda and the Village President may not remove these items

PROPOSAL: Discussion and action on developing any ideas for a solution to runaway legal costs

RECOMMENDED ACTION: As the Board decides.

FINANCIAL

Financial Consideration/Action:

FUNDING SOURCE:

Account Number/Title: #
Current Adopted Budget: \$
Spent to Date: \$
Remaining Budget: \$
Requested Amount: \$
Remainder of Budgeted Amount, if approved:

ATTACHMENTS: April 30th email to Mr. Ludi, GEN-001, packet report from Jan 25, 2022, Latest invoices from Dempsey, von Briesen, Wolfgram attorneys.