



KRONENWETTER POLICE DEPARTMENT

"Community Focused, People First"

Established 2004

CHIEF OF POLICE
TERRY MCHUGH

POLICE LIEUTENANT
CHRIS SMART-DEFOE

TO: PRESIDENT VOLL
FROM: POLICE CHIEF TERRY MCHUGH
SUBJECT: KFD ALCOHOL SALES AT MOVIE UNDER THE STARS
DATE: NOVEMBER 25, 2024

Initial Information and Assignment

On Wednesday, 11/20/2024, you forwarded an e-mail from citizen Sean Dumais, which is included below, and asked me to look into this. Mr. Dumais' complaint is based on the Fire Department's alcohol sales on September 13, 2024, at the Movie Under the Stars at Towering Pines Park. Mr. Dumais also attached the DOR *Alcohol Beverages Law for Retailers* guide and DOR form AB 220 to his e-mail. As a note, this issue recently came up on a November 13th Facebook post under the *Kronenwetter Civic Discourse* page.

Board Members,

It has recently been called out on social media that our Village Fire Department was selling alcohol at the village "Movie under the stars" event on 16-Sep-24 at Towering Pines Park as a fundraiser. I, as well as what I assume would be most of the Village residents, FULLY support our FD personnel and have no issue with fundraising for needed equipment. I do, however, have an issue with our villages' continued complete disregard (ignorance is not an excuse) for following the law. Over the past 2 years this has moved from one or two "mistakes" into the category of habitual offending and disregard for the law, and it must stop. I find this continued laissez-faire attitude towards our municipality's violations from the board very disturbing. A few of you have made a very hard push for "ethics" and "codes of conduct" however it is becoming increasingly apparent that these efforts are only passionately pursued when they are directed towards someone you dislike or disagree with, and you are completely apathetic when it comes to enforcing these principles if they do not serve your purposes. I would also say that it has become obvious that you intentionally turn a blind eye to them when they can further your own personal agendas. When it comes to holding employees or Board members that you find favor with accountable for their actions some would say you are being outright obstructionist in your frenzy to be friends of the staff and politically aligned Board members instead of representatives of the citizens. Your oath is to the constitution of the State of Wisconsin and the citizens of the Village of Kronenwetter, not to your standing on social media, likes from staff, or accolades from sensationalist reporters who don't care about the truth or anything in our Village other than headlines that get them views. Please remember the oath you took when reading the remainder of this email.

I have attached the State of Wisconsin's Retail Alcohol Beverage Licensing Guide for Municipalities if you would like to verify any of the facts that I am about to present to you. I have further called the State and spoken directly to them to verify that my interpretation of these statutes is in fact correct so we can avoid the "that's not how I interpret it" game. I also verified that at no time did the state authorize our FD to sell alcohol nor is there a state statute that does allow for this. As most of you know I am involved with and/or run multiple local nonprofits and have obtained licensing for alcohol sales on multiple occasions, so I am very familiar with the process. I will outline it here in a brief format. If you would like to fact check me you can refer to my attachment or respond to this email requesting the statue I am pulling from. I would be more than happy to provide you with the information.

- 1. To sell alcohol at an "event" you must first obtain a Class B Temporary License unless you meet one of the exemptions in state statute 125.06 which we do not.*
- 2. To obtain a Class B temp license, you must fall under one of the following categories:*
 - a. Bona fide clubs*
 - b. County or local fair associations or agricultural societies*
 - c. Churches, lodges, or societies that have been in existence for at least six months prior to the date of application*
 - d. Veterans' organization posts*
 - e. Chambers of commerce or similar civic or trade organizations organized under Ch. 181 to promote economic growth and opportunity within a local geographical area*
- 3. Class B Temp licenses are ONLY issued by the municipality in which the event takes place, the state does NOT issue licenses, they issue permits to wholesalers and manufactures.*
- 4. According to the Village of Kronenwetter Alcohol Licenses page, the process to obtain the Class B Temp starts with filling out form AB-220 (also attached to this email). There is then a process the Clerk must follow up with.*
- 5. After the form has been submitted and all the requirements have been verified by the Clerk, the request is to go before the Village Board for approval.*
- 6. Once the Village board approves the license, the purchase of the allowed beverages must then be made through a State permitted wholesaler, not a local store. The allowed beverages are: "Fermented malt beverages" means any of the following:(a) Any beverage made by the alcohol fermentation of an infusion in potable water of barley malt and hops, with or without unmalted grains or decorticated and degerminated grains or sugar containing 0.5 percent or more of alcohol by volume.(b) Any beverage recognized by the federal department of the treasury as beer under 27 CFR part 25, except sake or similar products*
- 7. At the event there must be at least one person on the premises that holds an Operator (bartender) license overseeing the sales of alcohol, and the Class B Temp license must be displayed at the site of the sales.*

On a social media thread where this violation was brought up, I asked if the FD did in fact have a raffle license to be running the raffles at the event and did we have an alcohol license for the alcohol sales? Of her

own volition Chief Theresa did message me a photo of our legitimate raffle license. I thanked her, stated my opinion that all of this drama could have been avoided if the proof was just posted in the beginning of the discussions and everyone's personalities didn't need to get in the way, asked her why our raffle number was not on the raffle tickets we issued and someone else's was (also a crime) and then asked her if there was in fact a legit alcohol license. I was not answered, and I was immediately blocked by her on social media. Another citizen did provide me with an email from the Clerk responding to an open records request he made asking for all the Class B Temporary Alcohol license issued by the Village board for this calendar year to date and it stated there was only one issued and it was to the Peplin memorial VFW Post, not our municipal FD.

A municipality does NOT qualify for a Class B temp License. IF they did in fact qualify, none of the steps outlined by the law were followed. There are no other provisions by the State or the Village that would allow such activity.

To avoid any possible smoke and mirrors, the 2023 State Senate Bill 848 amended state statute 125.06(6) that allows municipal employees to sell alcohol at parks owned by the municipality IF, and only if, the following criteria are met: under an ordinance, resolution, rule, or regulation enacted by the governing body. Kronenwetter has no such ordinance, resolution, regulation or any record of the Board authorizing such this action.

I have now laid out my case that our Municipal Fire Department (a Department of the Village as a whole) has broken the law, I have presented the process which must be followed and doesn't appear to have been. I have provided you with the supporting laws and statutes. I, a citizen of Kronenwetter, am hereby officially requesting that the Board perform their due diligence and verify my concern is valid and true and that the FD acted on their own accord and were not in fact misled by another staff member outside of the FD or a Board member. If my concern is proven to be true and factual and is not the result of another staff member outside of the FD or a Board member providing erroneous information to the FD, the Board should then pass the findings of fact to the Police and Fire Commission with direction to investigate the root cause(s) of the violations of our state law and take whatever fair and just disciplinary action they see fit for those responsible for the violations. If the FD was acting under erroneous information provided by a staff member or Board member and did in fact believe they were following the law, then the Board needs to pursue the root cause and take whatever fair and just action needs to be taken. Furthermore, I request that the Board take this identification of a weakness in the Villages processes as an opportunity to improve and implement measures to prevent such actions from occurring again in the future.

Thank you for your time

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*Sean Dumais
Owner / Lead Trainer
Central Wisconsin K-9, LLC.
715-870-2095*

Follow up with Clerk LaBarge

At close of business on 11/20/2024, I stopped up to see the Clerk and asked her if she had any alcohol licenses for the Kronenwetter FD (more specifically, for the fall Movie Under the Stars event). Clerk LaBarge said the FD did not have a license but advised me that Special Agent Kurt Goodreau with the WI Department of Revenue, Division of Alcohol Beverages, advised the FD did not need a permit because the event they sold alcohol at was Village sponsored. Clerk LaBarge said she was with Chief O'Brien when they called SA Goodreau to find out if the FD could sell alcohol at the Movie Under the Stars at Towering Pines Park. Clerk LaBarge said they called the Dept. of Revenue (DOR) before the event to make sure the FD was doing things correctly.

Clerk LaBarge suggested we call SA Goodreau to confirm the information, which we did. We posed the question to SA Goodreau about whether the FD needed an alcohol permit for this event in the park and SA Goodreau said they did not since it was a Village sponsored event. He said the only caveat was the question of where the money went, that is, to an official Village account or to a non-Village account the FD had set up for their donations.

SA Goodreau laid out two scenarios, which are as follows:

- a. FD brings the cash to the Treasurer, and he/she deposits it in a VOK account, then no permit is required.
- b. FD brings the cash to a non VOK bank account, then a permit is required.

I advised I could not get too far into the weeds on this and may end up having to request an outside investigation (if so requested), and SA Goodreau advised that if he were investigating this and found a permit had been required, he would just issue a warning and advise the FD to correct any future sales. SA Goodreau said this kind of thing (alcohol sales w/o a permit/license) "happens all the time."

As stated in the above paragraph, a full-blown investigation would have to be outsourced, so I did not get into further details specifically outlined in Mr. Dumais' complaint because I was primarily interested in the initial recommendation to Chief O'Brien. I wanted to gather some basic facts to get a feel for the situation and then see what President Voll and Attorney Turonie advised.

Follow up with Account Clerk Fisher

On Thursday, 11/21/2024, I spoke to Account Clerk Fisher to see if she could check the records of deposits into the FD Donation Fund, and she found a \$9,337 cash deposit on 10/11/2024. She wasn't sure if that money was solely from the Open House or if it was the combined cash from the Movie Under the Stars and the open house, but she had it marked as coming from the open house. Because both events took place within a few weeks of each other, AC Fisher speculated that the FD may have just held onto the money from the Movie Under the Stars and waited to deposit it with the open house money at the same time. AC Fisher said when the FD has fundraising events like these, they bring the cash in an envelope, give it to her, and ask that it be deposited into the FD Donations Fund. She said when they brought that cash to her, they did not specify if it was from one or both events.

AC Fisher found FD credit card documents showing the FD purchased alcohol (beer and seltzer) at Sam's Club on 08/21/2024 for \$413.07. She had that noted as "beer for sales out of donation fund." That Movie Under the Stars got postponed due to rain and was rescheduled for 09/13/2024, which is the day of the alcohol sales. She spoke to Chief O'Brien later in the day and Chief O'Brien told her that the cash deposited on

10/11/2024 was from three sources: a donation from a citizen, Movie Under the Stars, and the open house event.

Follow up with Former Treasurer Lisa Kerstner

I also spoke to former Treasurer Lisa Kerstner on 11/21/2024, who said the same thing with respect to how the cash is brought up to the front office and then deposited into the FD account. She said the FD gave the money to Sarah, not her. Former Treasurer Kerstner told me she was also present when Clerk LaBarge and Chief O'Brien called SA Goodreau, and she confirmed that he told them that no permit was required because this was a Village sponsored event. She also believed it was likely that the FD waited for both events to be done and then turned the cash over to the Village in one lump sum. She stated that Chief O'Brien has always had money from events like this deposited into a Village account.

Follow up with Chief O'Brien on 11/21/2024

Chief O'Brien said she checked with the State DOR before the event to make sure they were doing things correctly and confirmed that SA Goodreau told her, Clerk LaBarge, and former Treasurer Lisa Kerstner that the FD did not need a permit because it was a Village sponsored event. Based on this advice, Chief O'Brien believed she was proceeding correctly. Chief O'Brien stated that she turned over the money from the Movie Under the Stars, the FD open house, and a citizen donation in one lump sum to AC Fisher. This is the money AC Fisher had logged into the FD Donations account on 10/11/2024. Chief O'Brien told me she was going to send AC Fisher a statement attesting to that fact. Chief O'Brien sent AC Fisher an e-mail on 11/24/2024 attesting to the fact that the \$9,337 in cash she turned in was from those three sources.

Follow up Meeting with President Voll and Attorney Turonie

You and I had a phone conference with Attorney Turonie on Friday, 11/22/2024, to discuss this. I provided you both with the basic information I had. Attorney Turonie's legal opinion was that the FD could not legally sell alcohol at the Movie Under the Stars event. To do so in the future, Attorney Turonie said they either need to partner with an eligible entity who has an alcohol license, or the Village needs to create alcohol-related ordinances related to Mr. Dumais' point regarding 2023 Senate Bill 848. This provision allows municipal employees to sell beer at municipal parks under an ordinance, resolution, rule, or regulation enacted by the governing body and Kronenwetter does not have anything along those lines. He stated in either case, a licensed bartender must be on site. Attorney Turonie recommended that the Village creates alcohol-related ordinances, and advised he could help facilitate that.

No further follow-up was requested on my part.