

**Lake Ripley Management District
Annual Meeting Minutes
August 18, 2007**

NOTE: These minutes are considered DRAFT until they are approved at the next Annual Meeting of the electors.

I. Call to Order

Chairman Molinaro called to order the Annual Meeting of the Lake Ripley Management District electors at 10:08 a.m. on August 18, 2007, at the Oakland Town Hall. Board members present included John Molinaro, Mike Sabella, Mike Burow, Gene Kapsner, Jane Jacobsen-Brown and Dennis McCarthy. Derek Hoffman was absent. Others present included Gary Zibell (Cambridge Cable TV 12), Paul Dearlove (LRMD Lake Manager) and a total of 17 voting electors, including four eligible electors on the Board. Non-board electors included: Theresa Baker, Steve Marshall, Georgia Gomez-Ibanez, Bill Trout, Judy Trout, Shirley Teske, Kent Brown, Karen Bennett, Anne Kapsner, Ann Molinaro, Charles Seeley, Dottie Seeley and Tim Young.

II. Approval of 2006 Annual Meeting Minutes

Minutes of the 2006 Annual Meeting were distributed for review. *Jim Rank moved to approve the minutes as written. Motion was seconded by Georgia Gomez-Ibanez. Motion carried unanimously.*

III. Nomination of Board Candidates (Names appearing on the ballot: Michael Sabella and Jane Jacobsen-Brown, incumbents)

Ballots were distributed for the purpose of electing candidates to fill two open positions on the Board. Incumbents Michael Sabella and Jane Jacobsen-Brown were the only nominees appearing on the ballot, with additional space provided for write-in candidates. Molinaro reviewed the procedure for getting names placed on the ballot, and then asked if there were any motions from the floor to nominate additional candidates. Seeing none, he requested that all electors cast their ballots so they could be tabulated by the election committee.

IV. Chairman's Report

Molinaro announced that due to recent developments concerning zebra mussels in Lake Ripley, he planned to share his time with a DNR invasive species expert. He explained that zebra mussel larvae were recently discovered in Lake Ripley as a result of ongoing monitoring efforts, suggesting the presence of a breeding population. Molinaro then introduced Maggie Zoellner, a DNR aquatic invasive species specialist. Zoellner explained that Lake Ripley was the latest in a growing number of area lakes to be listed as an infested waterway. She said it was unknown how the zebra mussels first got into the lake, but suspected it was from transient boating. She then described what zebra mussels are, where they originated, how they reproduce and spread, what kind of impacts they might have on the lake, and what precautions people can take to prevent their spread to other lakes. Zoellner said it was impossible to accurately predict how Lake Ripley will respond to the invasion. She said there was no treatment for zebra mussels, and that available controls mostly deal with slowing their spread or preventing the clogging of utility pipes. Zoellner felt that while Lake Ripley is very well managed, it will always be susceptible to invasive species introductions given that it is a heavily used public waterbody in close proximity to Lake Michigan.

A question and answer period followed Zoellner's report. Afterwards, Molinaro pointed out that the District has had to deal with exotic species invasions before, and that work will continue to monitor and manage the lake to minimize potential impacts. He announced that a press release and Lake Ripley E-Bulletin would be going out on Monday, and requested email addresses from those who were interested in receiving future e-bulletins on lake-related matters. Bill Trout commented that the Ripples newsletter was another good vehicle for raising public awareness.

V. Treasurer's Report

Sabella reviewed his role and responsibilities as treasurer. He said his job primarily involves safeguarding the financial assets of the District. This work includes following all standard accounting procedures, performing double-entry bookkeeping, and reconciling the bank account each month. It also includes collecting revenue, paying operating expenses, preparing monthly financial summary reports, preparing quarterly and annual financial statements, and satisfying all government reporting requirements.

It was reported that back on June 30, 2006, the combined assets of the LRMD and Priority Lake Project totaled \$186,156. As of June 30, 2007, there were total assets of \$193,021 following the merger of the two entities. Assets include both a demand account and an investment account consisting of a \$95,000 bank CD earning about 5.3%.

As per Section 33.29(2) of the Wisconsin Statutes, Sabella explained that the Board is mandated to conduct an annual audit of the District's financial transactions. The audit is prepared at the close of each fiscal year and presented at the Annual Meeting. Statutes allow the audit to be performed by an outside accounting firm or an internal audit committee comprised of Lake District residents. He said the Board elected to convene an internal audit committee that met at the District office from 10:00-12:15 on August 11, 2007. Committee members included Chuck Seeley (Chair), Jim Rank and George Kledzik, with Sabella in attendance to present the accounting records and answer questions. At Sabella's request, Seeley reported on the committee's findings. In two instances, Seeley reported that vendor invoices were not marked paid with reference to a check number. This operating procedure was established to assure that a properly approved invoice is not paid multiple times. Seeley said the committee concluded that the procedural exceptions had no effect on the financial statements for the year ended December 31, 2006. No other exceptions or errors were found. The audit committee concluded that the financial records, with the operating procedural exceptions noted, reflect properly, accurately and fairly the financial condition of the LRMD and Lake Ripley Priority Lake Project for the year ended December 31, 2006. The audit committee members were thanked for all their time and good work. Molinaro pointed out that considerable cost savings were realized by performing our own internal audit. He then commended Sabella, who is a certified public accountant, for all the time and expertise he volunteers over the course of a given year to ensure that the District remains in good fiscal shape.

VI. Budget & Tax Levy

Copies of the 2008 budget were distributed to the electors for consideration (see attached). The budget was duly noticed and published as per Section 33.46 of the Wisconsin Statutes. Molinaro noted that the 2008 budget request was presented and discussed at length at the budget hearing immediately preceding the Annual Meeting. An overview of the budget was then provided. The total tax levy requested, after subtracting any carry over, was \$110,211. Recent statutory changes were then reviewed pertaining to the required content and format of the budget, and the voting procedures for adopting it. He explained that while the District budget has decreased compared to prior years, a fairly substantial, one-time increase in the tax levy was necessary to cover the loss of the DNR funding. He said the Board had anticipated and prepared for this event, and that it has and continues to work hard to budget and spend in the most conservative manner. He said there was nothing unusual in the proposed budget which pretty much represented business as usual. Based on the proposed tax levy and estimated valuation of property in the District, the mill rate was estimated at 0.53 per \$1,000 of assessed valuation (\$53 for every \$100,000 of property value).¹ *Karen Bennett moved to approve the 2008 budget as presented. Motion seconded by Georgia Gomez-Ibanez without discussion. Motion carried unanimously.*

VII. Tabulation of Vote & Election of Board Members

At Molinaro's request, Dearlove introduced the two candidates—Mike Sabella and Jane Jacobsen-Brown—who currently serve as treasurer and secretary of the Board, respectively. A brief recess was taken while the election committee tabulated the 17 ballots that were cast. The tabulation showed that each of the candidates won re-election by unanimous votes.

VIII. Action on By-Laws

Molinaro reported on the advice received from Attorney Bill O'Connor, legal counsel to the District, concerning the District's by-laws. He said legal counsel was of the opinion that the by-laws should be repealed at the Annual Meeting, namely because they are subservient to and occasionally in conflict with Wisconsin Statutes that currently govern lake district law. Because the by-laws were taken directly from the statutes at the time they were adopted, they do not reflect subsequent changes to those statutes and have questionable utility. Molinaro said the recommendation was to formally adopt a resolution to repeal the by-laws, with the exception of any procedural motions or specific policies previously approved by the Board or Annual Meeting electors. Dearlove indicated that the exceptions he was able to find included expanding from a five to seven-member Board, the establishment of

¹ The Certification of Equalized Value for 2007 from the Wisconsin Department of Revenue, dated 10/03/07, established a total equalized value of \$233,918,588 for the Lake District. Based on \$110,211 tax levy, the mill rate would be 0.4711 per \$1,000, or \$47.11 for every \$100,000 of assessed property value.

Board stipend rates, and procedural requirements for nominating candidates to be included on the ballot. He explained that a resolution could be read and adopted at this Annual Meeting to repeal the by-laws, or it could wait until the next Annual Meeting if the electors wanted the extra time to consider the matter. Molinaro added that, in the interim, copies of the by-laws could be posted and distributed at request, and that a committee could be formed to take a closer look at the by-laws and make recommendations.

Karen Bennett said she was not adequately familiar with the by-laws and preferred to wait until the next meeting to take any action. ***Bennett moved that the Board prepare recommendations for the 2008 Annual Meeting in consideration of repealing the by-laws, including what procedural matters and policies should be preserved without conflicting with state statutes. Motion was seconded by Dottie Seeley. Motion carried unanimously.***

IX. Adjournment

Tom Staley moved to adjourn the 2007 Annual Meeting at 11:10 a.m., and was seconded by Chuck Seeley. Motion carried unanimously.

Respectfully Submitted,

Jane Jacobsen-Brown, Secretary

Date

Recorder: PDD

	2006 ACTUAL	2007 JAN-JUNE ACTUAL	2007 JAN-DEC ESTIMATED	2008 PROPOSED
Revenues:				
Real Estate Tax Levy	\$ 43,400	\$ 44,014	\$ 67,570	\$ 110,211
Grants	78,185	-	15,000	-
Interest Income	4,979	717	4,127	-
Carry-over	41,150	39,000	39,000	2,700
Other	1,170	-	-	-
Total Revenues	168,884	83,731	125,697	112,911
Projects:				
Staff Payroll Fringes Taxes	54,734	28,670	57,340	60,236
Landowner Cost Sharing	32,077	5,163	27,713	10,000
Weed Harvesting	6,597	363	4,975	5,000
Lake District Preserve	2,783	-	2,000	2,000
Special Programs	-	112	500	500
Conservation Easements	-	-	-	500
No Wake Regulation	215	-	-	-
Insurance:				
General Liability	1,449	1,879	1,879	1,900
Marine & Truck	1,475	1,053	1,053	1,400
Worker's Compensation	921	921	921	925
Operations:				
Legal Counsel	1,451	2,010	2,510	3,000
Dues & Conferences	1,372	903	1,503	1,500
Office & Community Outreach	3,830	1,817	4,753	7,750
Contingency	28	53	1,500	1,500
Commissioner Stipends	4,600	2,100	4,550	4,900
Rent	1,800	1,050	1,800	1,800
Capital Reserve, Land & Equipment Acquisition	8,000	-	10,000	10,000
Total	121,332	46,094	122,997	112,911
Balance	\$ 47,552	\$ 37,637	\$ 2,700	\$ -

	CAPITAL RESERVE, LAND & EQUIPMENT ACQUISITION	F. K. ELSON MEMORIAL	FRIENDS OF THE PRESERVE
Non-Lapsible Fund:			
Balance at 12/31/06	\$ 89,815	\$ 634	\$ -
2007 Estimated Additions	10,000	130	1,600
2007 Estimated Interest	4,500	10	40
2007 Estimated Expenditures			
Tree Drop	-	(577)	-
Estimated Balance at 12/31/07	<u>\$ 104,315</u>	<u>\$ 197</u>	<u>\$ 1,640</u>