

**Lake Ripley Management District  
Budget Hearing Minutes  
August 18, 2007**

Molinaro called the Lake Ripley Management District budget hearing to order at 9:00 a.m. at the Oakland Town Hall. Board members in attendance included John Molinaro, Mike Sabella, Dennis McCarthy, Gene Kapsner, Mike Burow and Jane Jacobsen-Brown. Derek Hoffman was absent. Other attendees included Gary Zibell (Cambridge Cable TV 12), Paul Dearlove (LRMD Lake Manager), Jim Rank, Ann Molinaro, Theresa Baker, Tom Staley, Karen Bennett, Steve Marshall, Judy Trout, Bill Trout, Shirley Teske and Kent Brown.

Molinaro explained the purpose of the hearing was to present the proposed 2008 budget and accept public comment. He said electors would then vote for the adoption of the budget at the Annual Meeting to be held immediately following the public hearing. The following budget was previously published and distributed for consideration:

**LAKE RIPLEY MANAGEMENT DISTRICT**

**2008 BUDGET**

	2006	2007	2007	2008
	<u>ACTUAL</u>	<u>JAN-JUNE ACTUAL</u>	<u>JAN-DEC ESTIMATED</u>	<u>PROPOSED</u>
<b>Revenues:</b>				
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	<u>1,170</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenues</b>	<u>168,884</u>	<u>83,731</u>	<u>125,697</u>	<u>112,911</u>
<b>Projects:</b>				
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	-	-	-
<b>Insurance:</b>				
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
<b>Operations:</b>				
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	<u>8,000</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
<b>Total</b>	<u>121,332</u>	<u>46,094</u>	<u>122,997</u>	<u>112,911</u>
<b>Balance</b>	<u>\$ 47,552</u>	<u>\$ 37,637</u>	<u>\$ 2,700</u>	<u>\$ -</u>

Non-Lapsible Fund:	CAPITAL RESERVE, LAND & EQUIPMENT <u>ACQUISITION</u>	F.K.ELSON <u>MEMORIAL</u>	FRIENDS OF THE <u>PRESERVE</u>
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>

Molinaro asked Treasurer Sabella to go over the budget. Sabella began by noting that a significant portion of the District's operations was no longer funded through the DNR's Priority Watershed Grant Program. As such, all operational expenses that used to be covered by the grant must now be covered by the District. It was explained that he, Molinaro and Dearlove met on 07/09/07 to draft the proposed budget. He described the methodology that was used to estimate next year's expenses and budgeting needs. Molinaro added that, by statute, the District was not able to carry over the majority of its funds from one year to the next. This requires first estimating the amount of any carry over based on six months of actual expenses, and then applying any unspent funds toward next year's budget.

Next, Sabella thoroughly reviewed each line item in the budget, explaining its purpose and how each dollar amount was determined. He reported that the *estimated* assessed valuation of all Lake District property included on the tax rolls for the year 2007 was \$207,336,400<sup>1</sup>. He said that if the 2008 tax levy of \$110,211 is approved at the Annual Meeting, the effective mill rate will be 0.5315 per \$1,000 of assessed value, or \$53.15 for every \$100,000 of assessed property value<sup>2</sup>. Molinaro pointed out that while an increase in the tax levy was required due to the loss of the DNR grant, total expenses for running the District will have actually fallen in comparison to the last two years.

The public was then invited to comment. Jim Rank questioned why only \$2,000 was budgeted for maintaining the Lake District Preserve. Molinaro replied that the \$2,000 would be sufficient to cover basic maintenance, such as trail mowing and a prescribed prairie burn. He said this amount may need to be adjusted in future years, depending partly on what a citizen planning committee advises. Bill Trout asked how money in the F.K. Elson Fund had been allocated this year. Dearlove replied that the money funded a tree-drop on the northwest side of the lake. He explained that the treefall was intended to serve as nursery habitat and structural refuge for fish and aquatic life in that area. Trout then asked about the origin of the money that pays for Board stipends and staff wages. Molinaro answered that it was predominantly through the tax levy. He said a recent \$20,000 DNR grant award would be used, in part, to offset some future staffing costs specific to the funded projects. Steve Marshall voiced concern about the tax increase. He said he lives off the lake and feels a change in direction was needed now that the 13-year grant had ended. He also wondered why such a large portion of the total budget was devoted to staff payroll, and whether efforts were being made to get more DNR money. This led to the following Board and citizen comments:

Molinaro replied that a full-time, professional employee was necessary given the amount and nature of the work that was required. He added that it would not be to the District's advantage to return to the days of volunteers working out of their basements. He said DNR and other lake groups point to Lake Ripley as a model for exemplary, proactive management. Molinaro indicated that many partnerships, project accomplishments and prior grant awards were due to staff efforts. He said that effective management of the lake protects all of our property values, and that most of the Town's tax base comes from the immediate lake area, benefiting those living both on and off the lake.

<sup>1</sup> Update: The Certification of Equalized Value for 2007 from the Wisconsin Department of Revenue, dated 10/03/07, documented a total equalized value of \$233,918,588 for the Lake District.

<sup>2</sup> Based on the Certification of Equalized Value for 2007, the mill rate would be 0.4711 per \$1,000 of assessed value, or \$47.11 for every \$100,000 of assessed property value.

Sabella recounted that the program started in 1990 with the milfoil infestation, and has since expanded to address other challenges. He said he felt Dearlove had the necessary credentials that the position demands. He said there was also continued diligence on the part of the Board and staff to keep expenses to a minimum. Sabella questioned whether the District should be more rather than less aggressive, suggesting the idea of hiring a lobbyist.

Karen Bennett voiced her support for the budget item. She gave the example of wetlands around the lake being protected from development due to staff and Board intervention. She said the District was the first line of defense in preservng the quality of the lake. She cited the Delavan Lake economic study as an example of why investing in long-term rehabilitation is so important.

Jacobsen-Brown said the Board was one of the most fiscally conservative groups of people she knows. She said she felt Dearlove must be fairly compensated, and that the Board was 100% in support of the position and associated compensation rate.

McCarthy echoed support for budget item. He commented on the value of the lake to the entire community in terms of contributing to everyone's quality of life. He said he has received many positive comments from friends and visitors regarding the Lake Ripley experience compared to other area lakes.

Burow pointed out that the electors at last year's Annual Meeting had expressed clear support for the budget item and Dearlove's position. He said the position was responsible for running the District and directing all its programs, which explains why it represents about half the budget. He said he felt the District was getting a real bargain.

Bill Trout asked what the Board felt about forming a committee to help go after additional grant support. Molinaro replied that grants were hard to come by these days. He added that the competitive nature of grants requires specialized grant-writing skills for which Dearlove has shown to be proficient. Molinaro said he learned from DNR that we received one of the highest scores ever awarded for a grant application, which led to the recent \$20K grant award. He said Dearlove and the Board will continue to keep an eye out for new funding opportunities.

***McCarthy moved to adjourn the hearing at approximately 10:00 a.m. Burow seconded. Motion carried 6-0.***

Respectfully Submitted,

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Jane Jacobsen-Brown, Secretary

Date

Recorder: PDD