

**Lake Ripley Management District
ANNUAL MEETING MINUTES
August 21, 2004**

I. Call to Order

The Annual Meeting of the Lake Ripley Management District (LRMD) was called to order by Chairman John Molinaro at 9:04 a.m. Secretary Derek Hoffman was then asked to take roll call. Board members present were John Molinaro, Mike Sabella, Sheri Walz and Derek Hoffman. Joanne Knilans, Paul Jorstad and Dennis McCarthy were absent. Others present included Paul Dearlove (Lake Ripley Priority Lake Project Manager), Gary Zibell (Cambridge Cable 12), Donna Hutter (Cambridge News), and the following electors: Ann Molinaro, Roger Rude, Kent Brown, Jane Jacobsen-Brown, Chuck Seeley, Jennifer Beaumont, Dick Kruger, Sharon Tomasello, Ted Lewandowski, Maureen Belleson, Nick Belleson and Craig Miller.

II. Approval of 2003 Annual Meeting Minutes

Minutes of the 2003 Annual Meeting were distributed for review. *Hoffman moved to approve the minutes as written. Sabella seconded. Motion carried unanimously.*

III. Nomination of Board Candidates

Ballots were distributed to elect candidates for two open positions on the Board. Nominees appearing on the ballot included Mike Sabella (incumbent) and Jane Jacobsen-Brown, and space was included for write-in candidates. Molinaro asked if there were any motions from the floor to nominate a write-in candidate. Seeing none, he requested that all electors cast their ballots so they could be tabulated.

IV. Chairman's Report

Molinaro presented the following State of the Lake Report:

“The Wisconsin Constitution states that the navigable waters in the state are public waters, and therefore to be enjoyed by all for swimming, fishing, hunting, navigation and the viewing of natural scenic beauty. This principle is known as the Public Trust Doctrine. In the next several months, you may be hearing a lot more about the Public Trust Doctrine as the Department of Natural Resources attempts to rewrite and clarify the rules which govern the waters of the State. These rules allow local units of government like the County, the Township and (to a lesser extent) the Lake Management District to create ordinances, providing they are not less restrictive than those created by the State. All Lake Districts operate under the principle that the lakes of Wisconsin belong to everybody. So, when we make recommendations to the Township or the County, we must consider, to the best of our abilities, what is best for the lake as a whole.

As we have for the last 13 years, we continue to manage many programs that benefit the lake. Our Non-point Pollution program has restored miles of shoreline and drainage ditches in an effort to keep pollution out of Lake Ripley. We have been extremely lucky to have this grant extended through 2006. Our weed harvesting program continues to remove non-native species of aquatic vegetation from the lake while helping the “good weeds” to thrive. The Lake District Preserve has restored wetlands and native prairie, and stopped runoff from entering the lake. The nature trail provides natural scenic beauty for all of us to enjoy. Our Lake Watch program run by volunteers helps to make Lake Ripley safer for all forms of recreation.

Lastly, we remain stewards of Lake Ripley, standing up to those who would use the lake for their own benefit without consideration of others. Sometimes, we gently remind those who unknowingly and unintentionally do things that could harm the lake by providing them with educational material and technical advice. Other times, we have to stand up to those who see ‘more as better’ regardless of the affect on the lake. All the many jobs we do are based in the Public Trust Doctrine that the lakes of Wisconsin belong to all of us.”

V. Treasurer's Report

Treasurer Mike Sabella reviewed his role and responsibilities as treasurer of the organization, which is primarily to safeguard the assets of the LRMD and Lake Ripley Priority Lake Project (LRPLP). Responsibilities include preparing financial reports, collecting revenues, paying all operating expenses, and satisfying IRS reporting

requirements. He then distributed and reviewed a summary of the Balance Sheets for the LRMD and LRPLP. The summaries compared the periods 12/31/02 vs. 12/31/03, and 6/30/03 vs. 6/30/04.

LRMD: As of 12/31/02 and 12/31/03, total cash and receivables (including monies loaned to the LRPLP account) totaled \$92,646 and \$113,293, respectively. This equated to an increase in net assets of \$20,647, or 22.3%. As of 6/30/03 and 6/30/04, total cash and receivables totaled \$114,527 and \$148,249, respectively. This equated to an increase in net assets of \$33,722, or 29.4%.

LRPLP: As of 12/31/02 and 12/31/03, total cash and liabilities (including monies owed back to the LRMD account) totaled -\$3,995 and \$11,627, respectively. This equated to an increase in net assets of \$15,622. As of 6/30/03 and 6/30/04, total cash and receivables totaled \$20,688 and \$31,210, respectively. This equated to an increase in net assets of \$10,522, or 50.8%.

Sabella concluded that both entities remain fiscally sound.

Under Section 33.29(2) of the Wisconsin Statutes, Sabella noted that the Board is required to have an audit of the organization's financial transactions prepared at the close of each fiscal year and presented at the Annual Meeting. The audit may be performed by an outside accounting firm or an internal committee comprised of Lake District residents. The Board elected to convene an internal committee chaired by Chuck Seeley. Sabella reported that the Committee met on July 31, 2004. Committee members included Chuck Seeley and Patricia Kruger. Sabella was also in attendance to present the accounting records and answer questions. As presented in the minutes that were distributed, an exception was found in the summarization of the payroll for the year 2003. Payroll in the total amount of \$330 paid to two harvester employees was not included in their 2003 W-2 wages. Sabella explained that a letter will be sent to these employees to indicate that the wages in question will be included in their 2004 wages. No other errors were found. The Committee then concluded that the financial records, with the exception noted above, reflect properly, accurately and fairly the financial condition of each entity for the year ended December 31, 2003.

VI. Budget & Tax Levy

Copies of the 2004 proposed budget were distributed. Molinaro reviewed the procedure for approving the budget, and explained that the law requires a separate vote for each line item in excess of \$5,000. He then described each budget category in detail, indicating whether there would be any anticipated carryover, and explaining the nature of any proposed changes in funding levels. A summary of the 2005 budget is presented below.

	2004	2005	%CHANGE
PROJECTS			
LRPLP LAG	34000	39000	+14.7
LRMD ACRA CONTRIBUTION	10000	4500	- 55.0
WEED HARVESTING	4500	4500	
LAKE DISTRICT PRESERVE	4900	3000	- 38.8
LAKE WATCH	250	250	
CONSERVATION EASEMENTS	1500	1500	
NO-WAKE REGULATION	3500	3500	
INSURANCE			
GENERAL LIABILITY	1400	1400	
MARINE & TRUCK	1000	1000	
WORKERS' COMPENSATION	900	900	
OPERATIONS			
LEGAL COUNSEL	3000	3000	
DUES/CONFERENCES	1000	1500	+50.0
OFFICE/MAILINGS	500	700	+40.0
CONTINGENCY	1500	1500	
COMMISSIONER STIPENDS	4900	4900	
CAPITAL RESERVE & LAND ACQUIS.	10000	10000	
TOTAL	82850	81150	- 2.1

LESS CARRY OVER	<26300>	<34500>	
REQUIRED TAX LEVY	56550	46650	- 17.5

Motions and discussion related to the two budget categories in excess of \$5,000 are summarized below.

Molinaro discussed why additional money is budgeted each year to supplement the Lake Ripley Priority Lake Project's Local Assistance Grant (LRPLP LAG). The proposed 14.7% funding increase for 2005 is partially intended to cover the anticipated shortfall in the \$46,350 state grant that is supposed to pay for administering the program. He explained that the grant has not been adjusted for inflation over the last several years. The proposed increase is also intended to help build a reserve account that can be tapped to cover operating expenses when the grant expires at the end of 2006. ***Sabella moved to approve the LRPLP LAG budget category for \$39,000. Walz seconded. Discussion included an objection by Roger Rude who opposed budgeting money until it was needed upon expiration of the grant. Motion carried 8-1 by those electors present at the time of the vote.***

Molinaro explained that \$10,000 is budgeted each year to fund a Capital Reserve & Land Acquisition account. He pointed out that the account currently stands at \$72,900. Monies can be carried over from year to year to help pay for large capital equipment expenditures and land purchases. ***Sabella moved to approve the Capital Reserve & Land Acquisition budget category for \$10,000. Hoffman seconded. Motion carried 10-0 by those electors present at the time of the vote.***

Finally, Molinaro summarized the total requested budget, the affect of anticipated carryover, and the resulting tax levy. He revealed that the actual assessed valuation of all property included on the tax rolls for the year 2004 was \$191,837,998. If the tax levy of \$66,650 is approved, the estimated mill rate will be 0.2432 per \$1000 of assessed value ($\$46,650/\$191,837,998 = 0.0002432$). In other words, a \$100,000 assessed valued home would be taxed \$24.32 per year. Overall, this would result in a decrease of \$14.21 per \$100,000 of assessed valuation. Molinaro emphasized that the Board works very hard to keep the budget under control by securing grants and being very fiscally conservative. ***Ted Lewandowski moved to approve the 2005 budget in its entirety. Dick Kruger seconded. Motion carried 11-1 by those electors present at the time of the vote.***

VII. Tabulation of Vote & Election of Officers

Ann Molinaro tabulated the 15 ballots that were cast. The final vote was 15-0 in favor of Mike Sabella and 14-1 in favor of Jane Jacobsen-Brown to serve three-year terms (one write-in vote for Roger Rude). A special thank you was also extended to Joanne Knilans for her past service on the Board, and for leading the Lake Watch program over the years.

VIII. Adjournment

Roger Rude moved to adjourn the 2004 Annual Meeting. Chuck Seeley seconded. Motion carried unanimously. Meeting adjourned at 9:45 a.m.

Next regular meeting: September 18, 2004 (9:00 a.m. @ Oakland Town Hall)

Respectfully Submitted,

Derek Hoffman, Secretary

Date

Recorder: PDD