

**Lake Ripley Management District
Budget Hearing Minutes
August 31, 2013**

The Lake Ripley Management District budget hearing was called to order by Chairman Molinaro at 9:00 a.m. at the Oakland Town Hall. Board members in attendance: Gene Kapsner, John Molinaro, Georgia Gomez-Ibanez, Mike Sabella, Dennis McCarthy, Jane Jacobsen-Brown and Walt Christensen. Also in attendance: Craig Kempel, Kent Brown, Debra Kutz, Rick Kutz, Ann Molinaro, Tom Erickson, Sharon Erickson, Bill Trout, Dave DeGidio, Ed Grunden, Bernie Gahan, Susan Graham (Wisconsin DNR), and Leah Garrison (Cambridge Cable TV 98).

The proposed 2014 budget was distributed to those in attendance (see attached). Molinaro noted that the budget committee met to draft the budget on July 12, 2013. The meeting had been noticed and was open to the public. Committee members consisted of Molinaro, Sabella and Dearlove. The proposed budget was reviewed by the Board on July 20, 2013, and then publicized via newsletter and published notice.

Sabella provided a detailed explanation of how the budget was constructed and presented. He reviewed how the numbers were derived for each line item on the budget, responding to questions as they arose.

Debra Kutz and Ed Grunden separately inquired about the higher harvesting-related expenses reported for the current year compared to the lower projected budget amount. Sabella pointed out that current year expenses included approximately \$9,500 in one-time, unanticipated repair and refurbishing costs on the harvester. Molinaro said funds are purposely budgeted each year to build up a capital reserve account that is able to cover these larger, non-operational capital expenses.

Bill Trout requested and received examples of when legal costs were incurred. For the current year, Molinaro explained that legal advice was sought on the proper use and reporting of restricted and unrestricted fund balances, and how such activity should be reflected in the annual budget presentations.

Sharon Erickson received clarification from Molinaro regarding intergovernmental roles and relationships associated with lake management, and how tax rates are impacted by each of the local governmental entities.

Molinaro pointed out that this was the first time in recent years when a small increase in the tax levy was being proposed. He said it was no longer proving feasible to sustain a static tax levy while still maintaining the basic services that residents demand. He next reviewed the recommendations of legal counsel to create a restricted "Lake Ripley Protection Fund" (see attached resolution). Also discussed was the proposal to use \$17,500 in general, unrestricted funds to reduce the requested 2014 tax levy.

Seeing no other questions or comments, Molinaro adjourned the budget hearing at 9:48 a.m.

Respectfully Submitted,

Jane Jacobsen-Brown, Secretary

Date

Recorder: PDD

LAKE RIPLEY MANAGEMENT DISTRICT

ANNUAL MEETING RESOLUTION 2013-01

CREATING LAKE RIPLEY PROTECTION FUND

Whereas, the Annual Meeting of electors and property owners of the District is responsible for the adoption of an Annual Budget for the District; and

Whereas, the Annual Meeting has, from time to time, adopted Annual Budgets that identified specific capital projects (including Preserve Maintenance and Development and Capital and Equipment Acquisition) and made appropriations for these projects to be held as non-lapsable funds until they are completed or terminated; and

Whereas, the Annual Meeting is authorized to create such non-lapsable funds to finance specifically identified capital costs and for maintenance of capital equipment; and

Whereas, the Board of Commissioners has reviewed the District's budget and financial reporting policies and practices, including capital projects and appropriations and has developed and recommended adoption of a revised format for the District's Annual Budget and this Resolution to consolidate and re-establish four separate existing non-lapsable funds established by the District into a single Lake Ripley Protection Fund and more clearly reflect the District's budget and program; and

Whereas, the electors and property owners convened at this 2013 Annual Meeting have determined to provide for a comprehensive program to consider and appropriate funds for approved capital and maintenance projects in the Annual Budget through the creation of a non-lapsable Lake Ripley Protection Fund, and for the Board of Commissioners to plan and carry out approved projects and to account for the sources and uses of the Fund.

NOW THEREFORE, BE IT RESOLVED THAT:

The electors and property owners convened at this 2013 Annual Meeting, pursuant to Sections 33.29(2) and 33(4)(d) of the Wisconsin Statutes, hereby establish a non-lapsable fund designated as the LAKE RIPLEY PROTECTION FUND (the "Fund") and a program to fund capital projects and maintain capital equipment as set forth below:

LAKE RIPLEY PROTECTION FUND

The Lake Ripley Protection Fund is a non-lapsable fund for the protection and maintenance of Lake Ripley. The Fund shall be used exclusively for capital and maintenance projects that are specially identified and listed in the Annual Budget ("listed projects") in amounts not exceeding the authorization therefore. The Fund shall consist of: (a) funds appropriated or transferred to the Fund for listed projects identified in the Annual Budget, (b) grant funds received by the District from the Wisconsin Department of Natural Resources or other sources for listed projects, (c) any gifts or grants received by the District for listed projects, and (d) all investment income of the Fund. The Annual Budget shall include an authorized amount for each listed project.

The Board of Commissioners may seek and accept funds from federal, state, local or private sources to be held in the Lake Ripley Protection Fund for use in connection with one

or more listed projects. The Treasurer shall separately account for funds appropriated or received for the Fund, including each listed project and the project's proportionate share of the investment income of the Fund. The Annual Budget proposed by the Commission shall identify each listed project, the year of the Annual Meeting in which each was approved and the amount appropriated or held in the Fund for each such project.

The Board of Commissioners may expend monies received or earned in the Fund for the listed projects not exceeding the amount authorized for each such project. However, upon its completion, the Board of Commissioners may expend any excess funds appropriated for a listed project for another listed project, and

BE IT FURTHER RESOLVED THAT:

The Capital Reserve, Land & Equipment Acquisition Fund, the E. F. Elson Memorial Fund, the Friends of the Preserve Fund and the Preserve Restoration & Development Fund, all as established by previous Annual Meetings of the District shall be dissolved and the balances of such funds transferred to the Lake Ripley Protection Fund upon the adoption of the District's 2014 Annual Budget, and

BE IT FINALLY RESOLVED THAT:

The District Treasurer and Lake Manager are directed to maintain a separate accounting of the Lake Ripley Protection Fund, including the balance of funds held, the earnings accrued and the amounts expended for each listed Fund project.

CERTIFICATION OF THE SECRETARY

The undersigned, Jane Jacobsen-Brown, states and certifies that she is the Secretary of the Lake Ripley Management District, and that the foregoing Resolution 2013-1 was passed and adopted on the 31st day of August, 2013 at the duly convened Annual Meeting of the electors and property owners of the District held at the Oakland Town Hall in Cambridge, Wisconsin.

Jane Jacobsen-Brown, Secretary

Date