

## 2023 ANNUAL MEETING

- ❖ **CALL MEETING TO ORDER**
- ❖ **VOTER REGISTRATION REQUIRED**
- ❖ **ELECTOR VOTING AT THIS MEETING – 4 SEPARATE AGENDA ITEMS; 2 BALLOTS**

**ATING BALLOTS WILL BE TALLIED DURING THE MEETING WITH RESULTS ANNOUNCED**

- ❖ **MEETING DECORUM**

- **ONLY ONE PERSON SPEAKS AT A TIME**
- **RECOGNIZED BY BOARD CHAIRMAN**
- **SPEAK TO BOARD NOT OTHER RESIDENTS IN AUDIENCE**
- **3 MINUTE MAX PER PERSON**
- **USE MICROPHONE, STATE NAME AND ADDRESS**
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➤ **QUESTIONS, CLARIFICATIONS, NEW INFORMATION,  
VERSUS YOU HOW YOU INTEND TO VOTE**

❖ **LAUDERDALE LAKES LAKE MANAGEMENT DISTRICT  
OVERVIEW**

➤ **CHAPTER 33 OF WISCONSIN STATE STATUTES -  
BY-LAWS FOR LAKE DISTRICTS**

➤ **ALLOWS FOR LOCAL CONTROL OVER LAKE ISSUES**

❖ **INTRODUCTION OF COMMISSIONERS**

- ❖ **JIM KROEPLIN - DAM,  
ENVIRONMENTAL PROJECTS, WATER  
SAFETY PATROL**
- ❖ **JOHN GILMARTIN - SEPTIC PUMPING, PIERS AND  
BUILDING MAINTENANCE**
- ❖ **JANE MARCHESE LARSON – SECRETARY, CLEAN  
BOATS CLEAN WATERS**
- ❖ **BRIAN HOLT - WALWORTH  
COUNTY  
REPRESENTATIVE**
- ❖ **DON SUKALA - TOWN OF LAGRANGE  
REPRESENTATIVE**
- ❖ **DEAN BOSTROM – CHAIRMAN, GOLF COURSE**
- ❖ **GREG WISNIEWSKI – TREASURER,  
AQUATIC PLANT MANAGEMENT**

**❖ BOARD COMMITMENT TO  
TRANSPARENCY/OPEN COMMUNICATIONS**

**📁 ZOOM FUTURE BOARD MEETINGS**

**📁 SUBSCRIBE ON WEBSITE**

**❖ RECOGNITION OF FORMER COMMISSIONERS**

**❖ APPROVAL OF ANNUAL MEETING MINUTES OF  
SEPTEMBER 3, 2022**

**❖ COMMISSIONER ELECTIONS - COMMISSIONER # 2  
and #3**

**❖❖ CONSIDER NEW GOLF COURSE CLUBHOUSE  
PROPOSAL AS APPROVED JUNE 3, 2023, BOARD  
MEETING AND THE CORRESPONDING LOAN IN THE  
AMOUNT OF NOT TO EXCEED \$1,200,000**

**❖❖ PLANNING PROCESS STARTED IN NOVEMBER 2021**

**➤ CLUBHOUSE TOPIC HAS BEEN ON EVERY BOARD  
AGENDA SINCE NOVEMBER 2021**

**➤ 4 EMAILS UPDATES SENT TO ALL LAKE DISTRICT EMAIL  
SUBSCRIBERS**

➤ **4 ARTICLES WRITTEN IN LLIA “SHORELINES”**

➤ **2022 ANNUAL MEETING**

➤ **2022 & 2023 DISTRICT DIALOGUE, JUNE 2023 DIRECT  
MAIL**

❖ **FINANCIAL IMPLICATIONS - DEAN BOSTROM, CHAIRMAN,  
LLLMD BOARD**

❖ **PLANNING PROCESS - JACK SORENSON, CHAIRMAN  
MUNICIPAL LAND PLANNING COMMITTEE**

❖ **CLUBHOUSE DESIGN – SCOTT RHYAN, MEMBER OF  
MUNICIPAL LAND PLANNING COMMITTEE**

❖ **CLUBHOUSE FINANCING VARIABLES - UNKNOWNNS  
BEYOND CONTROL AT THIS TIME**

➤ **ALL INCLUSIVE BUDGET NOT TO EXCEED \$1,200,000**

➤ **MAY BE LESS BASED ON CONSTRUCTION BIDS  
RECEIVED AND IN-KIND DONATIONS**

■ **BASED ON STARTING CONSTRUCTION IN FALL OF 2024**

■ **INCLUDES ALL DESIGN AND BIDDING PROCESS  
EXPENSES (CONCEPT DESIGN PHASE WAS \$20,000)**

- INTERIOR EXPENSES – ALL FURNISHINGS, FIXTURES & EQUIPMENT
- EXTERIOR EXPENSES - NEW WELL, SEPTIC FIELD, PAVED CART STORAGE, PATHS SURROUNDING CLUBHOUSE, LANDSCAPING, TREE REMOVAL, PATIO & TRELLIS & CLUB STORAGE BUILDING
- BASEMENT FINISHES NOT INCLUDED EXCEPT ROUGH IN PLUMBING

❖ **LOAN REQUIRED TO FINANCE CONSTRUCTION COSTS OVER 8 TO 10 MONTHS**

- **8% BANK LOAN, THIS ASSUMPTION IS WORSE CASE SCENARIO (ALL PREVIOUS PROJECTIONS OF TAX IMPACT HAVE BEEN BASED ON SECURING AN 8% LOAN)**
- **5.75% LOAN FROM WISCONSIN STATE BOARD OF COMMISSIONERS PUBLIC LANDS**
- **HAVE NOT PROMOTED 5.75% LOAN BECAUSE WE CAN NOT APPLY WITHOUT VOTER APPROVAL OF TAX TO REPAY LOAN OBLIGATION AND NO GUARANTEES OF APPROVAL**
  - **WISCONSIN'S OLDEST STATE AGENCY**
  - **1.4 BILLION IN TRUST FUND ASSETS**
  - **LAKE DISTRICT'S ARE ELIGIBLE APPLICANT OF LOANS**

- **LOANS BECOME A GENERAL OBLIGATION OF THE BORROWER AND REQUIRE THE BORROWER TO LEVY A TAX SUFFICIENT TO MAKE ANNUAL PRINCIPAL AND INTEREST PAYMENTS WHEN DUE**
- **NO APPLICATION FEES, ORIGINATION FEES OR PREPAYMENT FEES**
- **CURRENT 20 YEAR LOAN RATE: 5.75% (RATE COULD GO UP OR DOWN BY FALL OF 2024)**
- **LOAN WILL NOT NEED TO BE SECURED UNTIL EARLY FALL OF 2024**

◆ **LOAN OF \$1,200,000 FOR 20 YEARS AT 5.75% = ANNUAL PRINCIPLE & INTEREST PAYMENTS OF APPROXIMATELY \$100,000**

◆ **LOAN OF \$1,200,000, FOR 20 YEARS AT 8% = ANNUAL PRINCIPLE & INTEREST (P&I) PAYMENTS OF APPROXIMATELY \$120,000**

◆ **LAUDERDALE LAKES COUNTRY CLUB/ GOLF TRENDS AND FINANCES**

➤ **GOLF STATISTICS AND TRENDS**

- **NATIONAL GOLF FOUNDATION REPORTED THAT A RECORD (3.3 MILLION) NUMBER OF NEW PEOPLE PLAYED GOLF IN 2022**
  - **DAILY PLAY ACROSS U.S. HAS INCREASED SIGNIFICANTLY OVER PAST 4 YEARS**
  - **2022 ROUNDS PLAYED FINISHED UP 13% VERSUS 5 YEAR PRE-PANDEMIC AVERAGE FROM 2015 -2019**
  - **JUNIOR GOLF AND YOUNG ADULT GOLF PARTICIPATION ARE THE FASTING GROWING AGE GROUP OF GOLFERS OVER PAST 3 YEARS**
  - **TOTAL NUMBER OF FEMALE GOLFERS SINCE 2019 HAS INCREASED BY 14%**
  - **TRENDS POST COVID - OUTDOOR EXPERIENCES, RENEWED ENTHUSIASM FOR GOLF**
  - **GOLF IS A LIFETIME/FAMILY ACTIVITY**

◆ **LAUDERDALE LAKES COUNTRY CLUB**

- ◆ **ROUNDS PLAYED HAS INCREASED STEADILY OVER PAST 4 YEARS**
  - **2020 – 13,990**
  - **2021 – 14,211**
  - **2022 – 14,875**

- **2023 – THROUGH JULY 31, IS UP 1,337 ROUNDS FROM PRIOR YEAR TO DATE**
- **JUNIOR GOLF HAS STEADILY INCREASED EACH OF THE PAST 3 YEARS**

➤ **YEAR END REVENUES AFTER EXPENSES**

- **2018 – (\$11,328)**
- **2019 - \$3,313**
- **2020 - \$47,525**
- **2021 - \$25,910**
- **2022 - \$39,499**
- **2023 - \$40,617 (as of 6/30/2023)**

➤ **YEAR END CASH RESERVES**

- **2018 - \$32,809**
- **2019 - \$30,079**
- **2020 - \$80,785**
- **2021 – \$129,350**
- **2022 - \$142,913**
- **2023 - \$196,822 (as of 6/30/2023)**

➤ **POST COVID TRENDS - RELOCATING TO VACATION DESTINATIONS, LAKE PROPERTIES,**

➤ **LAUDERDALE LAKES COUNTRY CLUB HAS UNIQUELY FAVORABLE CIRCUMSTANCES**

- **VACATION DESTINATIONS ATTRACT MORE GOLFERS**



- 9 HOLE GOLF COURSES ARE BECOMING MORE ATTRACTIVE DUE TO SHORTER PLAYING TIME
- BEAUTIFUL SETTING, VIEW OF LAKE FROM EVERY HOLE

◆ **GOLF COURSE/LAKE DISTRICT COMMITMENT TO CONTRIBUTE TOWARDS NEW CLUBHOUSE ANNUAL PRINCIPAL AND INTEREST PAYMENTS**

- \$40,000 CONTRIBUTION INCLUDED 2024 BUDGET TOWARDS P & I PAYMENT
- ABILITY TO EXTEND GOLF SEASON PRIOR TO APRIL AND BEYOND OCTOBER
- YEAR - ROUND USE MULTI-PURPOSE USE OF CLUBHOUSE WILL ENABLE GOLF COURSE TO GENERATE ADDITIONAL REVENUE
- FUNDRAISING COMMITTEE WILL CREATE OPPORTUNITIES TO GENERATE ADDITIONAL REVENUE
- ESTABLISHING LAKE DISTRICT RESIDENT RATES FOR GOLF AND RENTALS
- OVERALL GOLF COURSE IS WELL MAINTAINED

- **ANNUAL CLUBHOUSE MAINTENANCE EXPENSES WILL DECREASE WITH NEW BUILDING VERSUS SOON TO BE 103-YEAR-OLD BUILDING IN POOR CONDITION**

## **➤ FUNDRAISING COMMITTEE**

- **SCOTT RYHAN WILL ELABORATE FURTHER ON POTENTIAL OPPORTUNITIES TO GENERATE BOTH CASH AND IN-KIND DONATIONS OF MATERIALS AND SERVICES**

## **❖ HOW LAKE DISTRICT PARCELS/PROPERTY ARE TAXED**

- ❖ **ORIGINALLY BASED ON EQUALIZED ASSESSED VALUATION (EAV) SAME AS TAX PAID TO LAKE DISTRICT OPERATING FUND**
- ❖ **AFTER CONSULTING WITH ATTORNEYS, OUR FINANCIAL ADVISOR, LAKE DISTRICT ASSOCIATION STAFF WE HAD TO CHANGE OUR ORIGINAL POSITION FROM TAXING BASED ON EAV TO TAXING AN EQUAL AMOUNT FOR ALL QUALIFYING TAX PARCELS**
- ❖ **STATE STATUTES DICTATE THAT SPECIAL ASSESSMENTS AND SPECIAL CHARGES FOR CAPITAL PROJECTS SHALL BE APPORTIONED ON A REASONABLE BASIS BY DETERMINING THE BENEFITS TO EACH PARCEL FROM THE PROJECT**

- ❖ **ALL PARCELS THAT ARE DETERMINED TO HAVE A CURRENT OR FUTURE POTENTIAL BENEFIT SHALL BE TAXED AT AN EQUAL RATE**
  - ❖ **THE EQUAL TAX DOLLAR AMOUNT PER PARCEL WILL VARY SLIGHTLY BY THE TOTAL NUMBER OF PARCELS THAT ARE DETERMINED TO BENEFIT FROM THE PROJECT**
  - ❖ **LAKE DISTRICT INFORMATION SENT BY MAIL IN EARLY JUNE REPORTED THAT THE TAX IMPACT WOULD BE BASED ON EAV (RECENT FLIER DISTRIBUTED BY A LOCAL RESIDENT)**
  - ❖ **DISTRICT DIALOGUE MAILED IN AUGUST WITH THE ANNUAL MEETING AGENDA (PAGES 2 - 6) CLARIFIED THAT THE TAX IMPACT WOULD NOT BE BASED ON EAV BUT ON AN EQUAL RATE PER PARCEL**
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- ❖ **SUMMARY OF TAX IMPLICATIONS PER PARCEL TAXED**
    - **ORIGINALLY BASED ON TAX BEING APPLIED TO 1667 PARCELS OF TOTAL 1871 TAX PARCELS WITHIN LAKE DISTRICT (District Dialogue)**

➤ **APPLYING THE EQUAL TAX TO 1667 PARCELS WOULD HAVE MEANT THAT RESIDENTS WITH A SECOND PARCEL THAT DID NOT HAVE LIVING QUARTERS WOULD HAVE BEEN TAXED**

➤ **THE LAKE DISTRICT'S INTENTION IS TO ONLY APPLY THE TAX TO PARCELS THAT HAVE LIVING QUARTERS AND VACANT PROPERTY THAT IS DETERMINED TO BE BUILDABLE**

➤ **THERE ARE APPROXIMATELY 1450 OF THE 1871 TOTAL**

**PARCELS THAT EITHER CURRENTLY HAVE LIVING QUARTERS OR CAN BE DEVELOPED TO ALLOW LIVING QUARTERS**

➤ **NUMBER OF PARCELS THAT ARE TAXED INFLUENCES**

**THE EQUAL AMOUNT PAID PER PARCEL THAT IS**

➤ **TAXED**

➤ **THERE ARE APPROXIMATELY 1450 OF THE 1871 TOTAL**

**PARCELS THAT EITHER CURRENTLY HAVE LIVING QUARTERS OR CAN BE DEVELOPED TO ALLOW LIVING QUARTERS**

➤ **BOARD WILL ESTABLISH A TAX APPEAL AND REVIEW PROCESS - NOTICES WILL BE SENT TO ALL LAKE DISTRICT RESIDENTS**

➤ **8% INTEREST LOAN, TAX IMPACT PER PARCEL =  
APPROXIMATELY \$72 PER PARCEL (\$120,000 ANNUAL  
LOAN PAYMENT DIVIDED BY 1667) (DISTRICT DIALOGUE)**

❖ **FOUR DIFFERENT TAX IMPACT SCENARIOS**

❖ **ASSUMPTIONS INCLUDE BORROWING \$1,200,000**

❖ **2024 BUDGET ALREADY INCLUDES \$40,000  
CONTRIBUTION FROM GOLF COURSE**

**8% LOAN WITH ANNUAL \$40,000 CONTRIBUTION  
FROM GOLF COURSE , TAX IMPACT PER PARCEL =  
APPROXIMATELY \$55 PER PARCEL (\$80,000 ANNUAL  
LOAN PAYMENT DIVIDED BY 1450)**

**8% LOAN, TAX IMPACT PER PARCEL =  
APPROXIMATELY  
\$83 PER PARCEL (\$120,000 ANNUAL LOAN  
PAYMENT DIVIDED BY 1450)**

**5.75% LOAN, TAX IMPACT PER PARCEL =  
APPROXIMATELY \$69 PER PARCEL (\$100,000 ANNUAL  
LOAN PAYMENT DIVIDED BY 1450)**

**5.75% LOAN WITH ANNUAL \$40,000 CONTRIBUTION  
FROM GOLF COURSE, TAX IMPACT PER PARCEL =**

***APPROXIMATELY \$41 PER YEAR (\$60,000 ANNUAL  
LOAN PAYMENT DIVIDED BY 1450)***

**❖ PLANNING PROCESS - JACK SORENSON, CHAIRMAN  
MUNICIPAL LAND PLANNING COMMITTEE**