



**LAUDERDALE LAKES LAKE
MANAGEMENT DISTRICT
MINUTES of 7/8/2017**

Meeting called to order by Chairman Mason, at 8:00 A.M.

A. Attendance:

Present: Chairman Mason, Debbie Ferrari, Jack Sorenson, Greg Wisniewski, John Summers, Don Sukala, and Rick Callaway.

B. Agenda:

The agenda was unanimously approved on a Sorenson / Sukala motion.

C. Minutes:

The minutes of June 17, 2017 were unanimously approved on a Ferrari / Callaway motion.

D. Discuss Long Range Plan

The first meeting was July 1 at Lutherdale. Attendance was a little light, there were about 60 people there, hopefully more people will be able to attend the next meeting. The meeting on July 29 at 10:00 at Lutherdale will be essentially the same, we will make a couple changes based on the input from constituents at the first meeting.

E. Develop Proposed 2018 Budget

Treasurer Ferrari stated that the presentation of the budget at the annual meeting this year will look different than it has previously. It will not be as understandable as it was previously. She previously provided budget templates to each board member for their project(s) and has them compiled into one spreadsheet. Specific changes relate to expenses which will be all broken out when previously they were lumped together into a net number. Ferrari stated that we will see a lot more detail than we have ever seen before, like it or not, unfortunately, because we are required to. It will be harder to understand, however it will provide more detail. We also will be more specific about costs of operations vs. capital costs.

Ferrari then reviewed each project template with the board member assigned to the project.

Aquatic Plant Management: In the past insurance was not broken out to various projects. Ferrari stated that she didn't know why it wasn't done previously and proposed that insurance costs for worker's compensation and liability be allocated back to aquatic

plant management the way it is for the golf course and the water safety patrol. Chairman Mason explained that the lake district budget used to include one line-item for insurance. When the district purchased the golf course, the insurance for the course was separated out so that the operation could be looked at individually and we could determine that it can cover operating expenses. In 2001, the insurance for the water safety patrol was separated out because that expense is reimbursable through the DNR. The insurance expenses for the remainder of the district has never been separated because it is a fixed expense for the district.

Wisniewski explained that he thinks the expense should stay as is. The numbers presented at the annual meeting need to be easy to understand. Adding insurance into the aquatic plant management budget will make it look like costs have dramatically changed when nothing really has. The truck is used by other organizations, but the aquatic plant management budget pays for all the repairs and maintenance. We can't start breaking down those costs and allocating them.

Sorenson explained how the insurance is billed and is allocated to the three different entities – water safety patrol, golf course, and lake district. There is no detailed breakdown from the insurance company to properly allocate liability, for example. Further, the truck utilized by the aquatic plant management team is also frequently used by the water safety patrol and occasionally by the golf course.

Ferrari said that we will take the accounting issue “off-line” for further discussion. Chairman Mason pointed out that we can't establish policies behind closed doors. We have to have an open meeting.

Ferrari also stated that she would like to see Clean Boats, Clean Waters be part of the Aquatic Plant Management budget instead of separating it in the budget, since Wisniewski manages it as a component of the organization. Wisniewski said that the project has always been separate, and that presenting it together at the annual meeting will make it look as though the budget for Aquatic Plant Management has increased significantly from one year to the next.

Septic and Piers: Ferrari commented that the presentation changes will be obvious as she presents the septic expenses and revenue at the annual meeting. It almost nets out to zero, so we have never included it in the budget previously. Now we have to show what we receive from the two towns and what we're paying to Associates in the budget presentation. For the annual meeting, she will display expenses lumped together except for those over \$10,000 that have to be broken out.

Summers pointed out that there is going to be a new contract for septic pumping this year, so the budget numbers presented are a best guess about what that new contract will look like. We don't anticipate any changes for piers, so those numbers have stayed the same.

Dam: Ferrari noted that the dam modification project was budgeted for 2016, and now in 2017 you are going to see the grant and the remaining expenses.

Sorenson noted that they have to budget a little higher than in the past, because we have to monitor the dam and the Sterlingworth embankment. Muskrats have gotten in one place again, so we have funds to maintain all the dam areas.

Insurance: Sorenson noted that he has budgeted a modest increase for insurance – we won't really know next year's costs until 2018. We recently had a worker's compensation audit, so those costs are projected to be a bit higher for next year. Ferrari explained how she has broken down the insurance costs on her spreadsheet.

Water safety patrol: Ferrari explained the revenue and expenses she has presented, and that reimbursement from the state isn't a fixed number. Significant changes are compensation and payroll taxes – we are going to end up higher this year than budget because of updated hours. She shows a significant increase for 2018 in payroll because our district is \$3/hour low compared to other lakes, and we plan to increase officer payroll accordingly. She will break out compensation and rent because they are over \$10,000. Everything else will be lumped together. She is also including funds to increase the equipment reserves.

General Lake District: Ferrari and Mason reviewed projections for rental income, environmental projects, mailings, website, legal, accounting, payroll services, community center, maintenance building, consulting, and general lake district operations. They also discussed the numbers in the budget for the contingency fund for the possibility of a new capital project.

F. Project Reports

Highway 12: Mason reported that we were quite successful with the petition to encourage the DOT and state elected officials to resurrect the EIS that was started and abandoned a year ago. Jeff Knight assembled the online petition and paper petitions, and he has a meeting with the Governor on Monday. The goal is to get them to complete the environmental impact study. If they do not do the study, they can and will start incrementally widening Hwy 12. We are convinced that the outcome of the study would show that the Red Line Route going west of the lakes is the appropriate path for the widened highway. Once that study is done, we may not need Jeff Knight anymore.

Jeff Knight also influenced SEWRPC (Southeastern Wisconsin Regional Planning Committee) as they generating their long-range planning report for this area. They stated that we need a 4-lane road to alleviate traffic in the area and they emphatically stated that the original route west of the lakes should be followed. That is something we accomplished early on. Now the next piece is the Environmental Impact Study. If you drive along the Whitewater bypass, you notice that the infrastructure is in place to widen that highway to four lanes as well. The state has prepared to widen the highway.

Dam: Sorenson reported that he hopes to have the easement document from the Sterlingworth within the next week. Then the dam modifications can commence. He really hopes the improvements are done before the end of the year.

County: Callaway had nothing new to report.

Town of LaGrange: Some constituents have complained to him about the geese on their properties. There was a lot of tree damage in the last few days. He has looked into the LED buoys that were discussed last month. Funds for that would come from the Town out of the launch ramp fees. The lights are \$195 each. Summers suggested that we could just mark the entrances to the channels, instead of all the buoys all the way through. If we get a good response from boaters, we could look at getting more for next year. The DNR has given us approval to add the LEDs. Mason reported that the northernmost buoy at Pebble Beach is missing.

Aquatic Plant Management: Wisniewski reported that everything was going well. Sterlingworth Bay has been heavy this year. The schedule is on the website. They will begin harvesting in sensitive areas over the next week (the DNR permit does not allow them to do so until after June 30.) Clean Boats, Clean Waters is likewise going well.

Septic: Summers reported that we have just begun the process to bid out the contract this year. The deadline to request the RFP information is August 4, and the deadline to submit bids is September 4. We will then open bids at the September meeting and make a recommendation at the October meeting.

Pier Inspection: Mr. Sidhu's pier is not on the Town agenda for next week as he asked for an extension. He has listed the property for sale. The deed for the changed lot lines has not been filed with the County. He would require a variance for the pier in the environmentally sensitive area.

Golf Course: Mason reported that the golf course is having a good year so far. There haven't been significant issues with equipment. The new equipment is working very well.

Pete Spaulding thanked the golf course for their help getting ready for the fireworks show. They had some issues getting fireworks in an out because the ground was so wet. He said they need to think of a "plan B" in case we have another year when it rains so much.

Water Safety Patrol: Ferrari reported that patrolling at Pleasant Lake Park is going well. The new officers have been working there. They check residency and require non-residents to leave. They haven't gotten any push back. There were a number of citations over the July 4th weekend, but no OWIs. The DNR did a ride-along with the officers over the weekend. Launch ramp duty went well. Chief Blanke is having surgery at the end of the month. Dredging at the boat house has helped with the boat picking up less muck. The new officers are doing well, which is good news for next year.

Mason reported that he has received complaints about the no anchor zone at Pebble Beach, and that he thinks the patrol boat should have a presence there to help keep people back.

Jerry Peterson reported that a property owner on Jansky Island is driving golf balls across the lake toward his party. If people see it is happening, please let him know or let the water safety patrol know since this is a safety issue across the channel.

G. Treasurer's Report:

Ferrari reported on current account balances:

Current accounts total \$209,488.27

Reserve accounts total \$308,048.12

Capital Project Fund is \$170,534.10

J. Other Business:

The District Dialogue has to be in the mail by August 14. The deadline for articles will be August 7. The announcement will be published in the Elkhorn Independent on August 17th and the 25th.

The next board meeting to finalize the budget will be July 30, 2017 at 1:00 p.m. to accommodate board members' schedules.

John Summers reported that he purchased a wire basket for the Sterlingworth launch. It seems to be working – people see the basket and put their seaweed in it instead of leaving it in the road.

The meeting was adjourned at 10:15 a.m. on a Sorenson / Ferrari motion.

Respectfully submitted by Andrea White.