



Message from the Chairperson

Jim Bartlett

The tone of last year's meeting was to improve the weed harvesting process and to move forward with the bog removal effort. I believe we made some progress in both of these areas.

One big change this year is that we contracted with JNT Marina (Jeff Widner) to provide and manage the weed harvest crew. Jeff had provided assistance to the district last fall and indicated to us his interest in improving the harvesting function. We requested bids this spring, and Jeff submitted the low bid for providing this service.

In addressing the weed cutting process, under the direction of Tammy Steinke, we focused on three areas:

1. Start early. The weeds were not killed over the winter, so we began the cutting process earlier than ever before. Jeff's crew began cutting in late April and had completed a cycle of both lakes by Memorial Day.
2. Increase cutting time. Jeff had the crew out on the lake early in the morning and staying the full 40 hours. Machine maintenance was switched to Saturday to avoid cutting into cutting time. The weed transport was used to allow the cutters to keep harvesting and the cutters were moored close to the work site to reduce time spent driving to the target area.
3. Friday cleanup. Cutting creates floaters. When possible, the crew used the 7-ft. cutter to pick up floaters along the shorelines where they had mowed.

We feel these efforts helped and that the lake quality improved this year over last year. If you agree, please tell Jeff and/or his crew that you appreciate their efforts.

Another major change this year was in chemical treatment. Under Gary Marvin's direction, our chemical contractor completed the spraying of the lake by the first week of June. In addition, Gary had them spray more of the shoreline and further out than in previous years. By all of the feedback, the results were very good. We plan on continuing with that approach next year.

Gordon Phillips has prepared a grant request for assistance in bog removal. Essentially, We have asked the state for a matching grant to assist us in covering the bog removal expenses. The hearing on our request is not until late August, but we are hopeful that the state will pay 50% of our bog removal costs.

During the annual meeting we are going to present proposals for three major expenditures. These expenditures would allow us to expand the level of service we provide,

but are not necessary to maintain the current level of service.

1. Convert the weed transport from a 90 HP outboard to a diesel engine and to modify the equipment to include stabilizer bars— estimated cost of \$21,000. We would only proceed with this project if we could obtain a 50% grant from the DNR.

Actual Cost to district $\$21,000 \times 50\% = \$10,500$, less $\$3,500$ estimated value of replaced outboard = $\$7,000$. Diesel should operate for 10 years, $\$700$ per year cost versus the estimated outboard cost of $\$1,600$ per year. In addition, gas savings of approximately $\$1,000$ per year.

2. Purchase an additional 12-ft. cutter for the district at a cost of $\$122,000$. Again, we would only proceed if we received a 50% grant from the DNR, leaving a district cost of $\$61,000$. Additional costs of $\$7,500$ for labor and $\$2-4,000$ operating costs.

With this equipment, we would increase our mowing capacity by 50%. This increase would allow us to better control the weeds in the core portions of the lake, e.g., the south bay and the shallower bays of both lakes. The additional equipment would also allow us to increase our bog removal efforts.

3. The level of weeds in the core of the south bay was very bad. Given the need to address the lake as a whole earlier in the year, the weed crew could not address this area until early July. When they did cut in this area, they created a proportionally higher level of floaters. These floaters showed up on shores throughout the lake.

If the weeds are as bad next year, and if the DNR would permit us to spray the core of the lake (approx. 35 acres), we could spray the lake early in the year at a cost of approximately $\$9,500$ to $\$12,500$. Eliminating the weeds would reduce the floaters throughout the lake and increase the usability of those bays. This program would not address any of the area south of the island in Whitewater Lake, only areas inside of the buoys.

Nominees for Board

Two positions on the District's board of directors will be open and need to be filled at our Annual Meeting on August 21st. The membership will decide which of the candidates will serve for the next three years. The candidates are:

(Continued on page 2)

Message from the Chairperson, *Continued from page 1*

Brian Morris, wife Becky, have owned property on Whitewater Lake since 1995 and have been full time residents for the past two years. He is retired with 40 years experience in the transportation industry, managing stand-alone business units in marketing, sales and operations.

He would like to help the board create a consistent business plan for the harvesting of weeds, the prompt elimination of the floating masses and the maintenance of the existing equipment in a cost efficient manner. He is presently involved with the Lake Management Board in an appointed position – handling the fish stocking of our two lakes.

Mark Skidmore lives with his wife, Kate and three young children, 4, 2 and a newborn. He is a professor of economics at University of Wisconsin-Whitewater. Previous to

this, he taught as a professor of economics at Northern Illinois University for 6 years. They lived 5 years on State Park Rd. and have lived on Pine Knoll Dr. for a year. He is currently working on a project for Delavan Lake Improvement Assn. and in this project they're trying to assess the relationship between the quality of the lake water and economic activity. This includes property values, how often people come to visit the lake and how much money they're spending in the community while in the area. He has learned a lot more about the biology and science of the lake as they sort the economic effects. He is very interested in the Board activities.

James Felland, wife Laura, have lived on Whitewater Lake for ten years. He owns an automotive parts supply business in Janesville. He was

the last full time apprentice tool and die maker hired at Parker Pen in Janesville and the family also farms 300 acres. He also owns Inwave Internet and his firm set up the web page for the Greater Whitewater Lake Property Association.

(www.gwlpooa.org). He has experience with machinery and is interested in maintaining lake quality.

Richard Kelley, wife Mary Ellen, have lived part time for six summers on Whitewater Lake. They reside in Glendale Heights IL the rest of the year. They have five grown children and one grand child who enjoy the lake. Dick's sister lives next door on Chapel Drive so their homes are a great family gathering place. His son has been on the ski team for six years and they all love the lake and want to retain the beauty and quality of the lake. ♦

Bog Update

Last year we received authorization (contract) from the DNR to remove up to 19,000 cubic yards of bog material to create a boating channel along East Lake Shore Drive. The contract was issued as a “dredging” contract and thus qualifies for 50% State cost sharing grant, provided we do not proceed with the project prior to formal submission of the grant. *In hindsight it was therefore beneficial that we were unable to begin removal in the fall of 2003.*

The contact with the DNR extends for ten years through August 2013 and only **one (1)** grant application for this project can be submitted within a ten year period. The total cost for the project over ten years was budgeted not to exceed \$350,000 and thus the State sharing would approximate \$175,000. The budget includes an “in-kind” charge for the use of District equipment in this project and this “in-kind” charge will be credited to our 50% cost sharing. This would reduce the total cash cost to the District to approximately \$ 60,000 to \$70,000 over the budgeted project life of six years. These are reasonable expectations considering the variables involved.

The total project cost **could be less** through a combination of improved productivity, less subcontracting and reduction in need to remove 19,000 cubic yards. We would continue to monitor this project annually and submit an accounting of expenditures to the DNR.

A resolution was passed by the Board of Commissioners to submit the grant request to the Waterways Commission on Thursday, June 10, 2004 by a vote of 3 to 2. The application was submitted to the Waterways Commission on June 11th and will be formally presented to the next meeting of the Commission on August 25, 2004. We anticipate a response within ten business days or less based upon past experience and begin removal after Labor Day. ♦

**WHITEWATER/RICE LAKE MANAGEMENT DISTRICT
PROJECTED 2004 AND PROPOSED 2005 BUDGET**

	2004			OVER(UNDER) BUDGET PROJECTED	PROPOSED BUDGET 2005	INCREASE (DECREASE) 2004 BUDGET	%
	SIX MONTHS ACTUAL	FULL YEAR PROJECTED	BUDGET 2004				
OPERATING ACTIVITIES							
I Harvesting Operations							
Payroll/Contract Services	\$ 24,659	\$ 54,550	\$ 34,400				
Payroll Taxes	-	-	2,800				
Workmen's compensation	-	-	1,500				
Help wanted advertising	-	-	300				
sub-total	24,659	54,550	39,000	15,550	50,000	11,000	28%
Repairs & Maintenance	1,323	4,000	5,000	(1,000)	4,000	(1,000)	-20%
Fuel	1,532	6,331	3,000	3,331	6,000	3,000	100%
Insurance - other	(247)	6,600	4,500	2,100	7,000	2,500	56%
Equipment storage		4,200	3,600	600	4,200	600	17%
Supplies	749	1,500	2,000	(500)	2,000	-	0%
All other	333	1,495	1,000	495	1,500	500	50%
Total Harvesting Activities	\$ 28,349	\$ 78,676	\$ 58,100	20,576	\$ 74,700	16,600	29%
II Chemical Treatment & Other One-time Major Application	\$ 17,308	\$ 17,308	\$ 15,800	\$ 1,508	\$ 23,500	7,700	49%
					\$ 12,500	12,500	100%
III Bog Removal Project	-	\$ 15,000	\$ 15,000	\$ -	15,000	\$ -	0%
IV Administration	\$ 1,838	4,516	\$ 5,100	\$ (584)	\$ 7,000	\$ 1,900	27%
Total Operating Expenses	\$ 47,495	\$ 115,500	\$ 94,000	\$ 21,500	\$ 132,700	\$ 38,700	29%
Deficit Recovery				\$ (21,500)	\$ 21,500		
sub-total				\$ -	\$ 154,200		
CAPITAL ITEMS							
V Current year funding	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ 10,000	\$ -	0
TOTAL TAX LEVY 2004 VS 2005			\$ 104,000		\$ 164,200	60,200	58%

(*) Includes \$34,000 of proposed one-time charges

Special Thanks

Special thanks to members Mark and Lynne Muschinski who operate Marlin Printing & Graphics. Mark and Lynne designed and printed the newsletter at no charge to the district. Please think of Marlin Printing if you need any printing or graphics work.

Thanks to member Brian Heller who just returned home from a 17 month tour in Iraq. Brian and wife Bonnie own Home Works Landscaping. *Welcome Home Brian and Thank You for Your Efforts!*

Last, but not least, thanks to board treasurer, Gordon Philip, for handling the district's accounting work. Gordon took over a job formerly handled by an accounting firm at significant cost saving to the District. ♦

COMPARATIVE BALANCE SHEET
Years Ended December 31, 2002 and 2003

	2002	2003
ASSETS		
Cash - checking accounts	\$ 19,308	\$ 32,750
Cash - reserves	36,723	36,966
Total cash balances	<u>56,031</u>	<u>69,716</u>
Grants Receivable - DNR	6,250	—
Fixed Assets - Cost	308,299	308,299
Accumulated Depreciation	<u>(123,389)</u>	<u>(150,581)</u>
Net Fixed Assets	<u>184,910</u>	<u>157,718</u>
Total Assets	\$ <u>247,191</u>	\$ <u>227,434</u>
LIABILITIES & EQUITY		
Current liabilities - accruals	\$ 3,409	\$ —
Equity:		
Balance January 1	253,238	243,782
DNR Grants	7,750	(6,250)
Interest Income—		
Equipment Fund	1,657	876
Equipment Fund provision	—	10,000
Depreciation provision	(34,862)	(27,192)
Gain (loss) on disposal of assets	31,000	(4,065)
Operating deficit	<u>(15,001)</u>	<u>10,283</u>
	<u>243,782</u>	<u>227,434</u>
Total Equity	\$ <u>247,191</u>	\$ <u>227,434</u>

STATEMENT OF CASH FLOW
Year Ended December 31, 2003

Beginning Cash Balance— January 1, 2003	\$ 56,031
Sources of Revenue	
Proceeds from Tax Assessments	\$ 101,500
Proceeds from Sale of Equipment— net Weed Rake	9,500
Interest income— Equipment fund	876
Miscellaneous	<u>330</u>
Total Sources of Revenue	112,206
Changes in Working Capital	
Decrease in Accrued Expenses	<u>(1,362)</u>
Total Changes in Working Capital	(1,362)
Capital Purchases:	
Purchase of Weed Rake (see above)	<u>(13,565)</u>
Total Capital Purchases	(13,565)
Operating expenses 2003	<u>(83,594)</u>
Ending cash balances— December 31, 2003	\$ <u>69,716</u>

**Comments: 2004 Projected Spending
and 2005 Proposed Budget**

Gordon Philip

Harvesting Activities

* In the 2004 budget we provided for **3,100 hours** of harvesting activity beginning on a limited basis on May 10th and continuing through August 28th. Combining gross wages, payroll taxes, workmen's compensation coverage and hiring costs, our average hourly rate would be **\$12.58**.

In the process of exploring harvesting alternatives, we solicited bids for outsourcing the harvesting and bog removal operation and entered into a contract with JNT Marina to provide and manage the labor under our direction at the all inclusive rate of \$12.50 per hour, approximately equaling our budgeted hourly rate.

However, we elected to get a head-start on the weeds and began operations in mid-April. Due to the heavy amount of weeds, particularly in the South Lobe, and increased number and volume of Saturday pick-ups, we are **forecasting** approximately **4,400 hours** this season. This is 42% in excess of **budgeted hours**.

This, together with higher fuel costs and consumption associated with higher hours are the principal contributors to the projected operating **deficit of \$21,500**. At the time of publication, we are exploring possibilities to minimize this deficit without impairing harvesting activities and secondly *if state statutes permit us to spend in excess of the approved budget*.

* The \$50,000 budget for 2005 is based upon **3,700 hours @ \$13.50 per hour**. This represents a 16% **reduction in hours from 2004** and an 8% **increase in hourly rate**.

* All other Harvesting expenses are unchanged from current 2004 spending levels.

Chemical Activities

* In 2004 we chemically treated 52 acres (45 Whitewater, 7 Rice Lake) at an average cost of \$305 per acre.

In 2005 we have identified specific areas and extend our coverage to a total of 70 acres, an increase in acreage of 35%. This would approximate less than 10% of the total of Whitewater and Rice Lake acreage.

* As a secondary consideration, depending upon DNR approval and lake conditions in the Spring, would be an aggressive application in the South Lobe of up to 41 additional acres at a cost of \$12,500. **This is viewed as a one-time event**.

Bog Removal Activities

* In 2004 we are projecting spending the budgeted provision of \$15,000 for the bog removal project. Should

we obtain the 50% financial assistance grant, this should be less in 2004.

We are leaving the budget provision of \$15,000 unchanged in the 2005 budget, which should we obtain the grant would likely result in a surplus in this activity in 2004 and 2005 or provide an opportunity to accelerate the removal process.

We're still in a learning mode and JNT will be training with Inland this Fall on operating procedures and more accurate projections can be made following the 2004 season.

Administrative

- Spending is projected to approximate \$4,500, \$600 less than the 2004 budget of \$5,100 with the reduction in the cost of the newsletters thanks to Mark and Lynne Muschinski.
- The 2005 budget is being increased to \$7,000, and increase of \$2,500 over current projected spending with a \$2,000 increase in legal fees to address District attachment and detachment issues.

Capital Budget

- An annual provision of \$10,000 for the Equipment Fund is included in the 2005 budget as it was in 2004. Should voters decide to proceed with the two proposed capital projects, we would have approximately \$18,000 remaining in the Equipment Fund at the December 31, 2005. ♦

SCHEDULE OF FUND BALANCES Year Ended December 31, 2003

	GENERAL FUND	CONTINGENCY FUND	EQUIPMENT FUND	TOTAL CASH
Balance January 1, 2003	\$ 3,409	\$ (9,861)	\$ 62,483	\$ 56,031
CASH RECEIPTS				
Tax revenue	91,500		10,000	101,500
Contributions	325			325
Miscellaneous	5			5
Interest Income			876	876
Proceeds from sale of Weed Rake			9,500	9,500
sub-total	<u>91,830</u>	<u>—</u>	<u>20,376</u>	<u>112,206</u>
CASH DISBURSEMENTS				
Payment of 12/31/02 accruals	(1,362)			(1,362)
2003 Operating expenses	(83,594)			(83,594)
Purchase of Weed Rake			(13,565)	(13,565)
sub-total	<u>(84,956)</u>	<u>—</u>	<u>(13,565)</u>	<u>(98,521)</u>
Balance December 31, 2003	10,283	(9,861)	69,294	69,716
Proposed transfer to Contingency Fund	(10,283)	10,283		
Fund Balances at December 31, 2003	<u>—</u>	<u>422</u>	<u>69,294</u>	<u>69,716</u>

COMPARATIVE STATEMENT OF INCOME & EXPENSE Years Ended December 31, 2002 and 2003

	2002	2003	Budget
INCOME			
Tax Assessments	\$ 80,000	\$ 101,500	\$ 101,500
Gain(loss) on disposal of assets	31,000	(4,065)	
DNR Grants for Equipment	7,750	(6,250)	
Interest income - Equipment Fund	1,657	876	2,500
Donations	300	325	
Miscellaneous	8	5	
Total Income	<u>\$ 120,715</u>	<u>\$ 92,391</u>	<u>\$ 104,000</u>
OPERATING EXPENSES			
Harvesting operations	59,287	57,823	58,100
Bog Removal operations	16,567	1,474	15,000
Weed Spraying & control	13,604	18,117	15,800
Administrative expenses	5,851	6,180	5,100
Total Operating Expenses	<u>95,309</u>	<u>83,594</u>	<u>94,000</u>
Net Income	25,406	8,797	10,000
TRANSFERS TO EQUIPMENT FUND			
Budgeted Equipment Fund provision		10,000	10,000
Gain (loss) on disposal of assets	31,000	(4,065)	
DNR Grants for Equipment	7,750	(6,250)	
Interest income - Equipment Fund	1,657	876	2,500
OPERATING SURPLUS (DEFICIT)	<u>(15,001)</u>	<u>8,236</u>	<u>(2,500)</u>

Whitewater/Rice Lakes Management District Minutes of Annual Meeting

August 23, 2003

Chairman Bernie Tangney called the Budget Hearing/Annual Meeting to order at 9:15 a.m. at Lakeview Elementary School on August 23, 2003. He began by stating that Bill Norris had passed away last Sunday and he asked Gary Marvin to say a few words. Marvin said Bill had been a good friend, neighbor and one of the founders of the Lake Management District and was chairman for nine years. He did a lot to bring this organization to where it is today. The service at St. Patrick's is being held at 10:30 a.m. today and several members have mentioned they would like to attend. People that want to attend the service may fill out the voting ballots and place in the box before they leave.

Tangney continued by listing the handouts that were available at the registration table. They included: Agenda of meeting, copy of the financial statements and ballot slips. He then introduced the current board members: Gary Marvin, secretary, chemical treatment chairman and Walworth County Lake Assoc. representative; Gordon Philip, treasurer and bog chairman; Doug Goodrich, harvesting—he will not be running for candidate this election; and Jerry Grant, county representative. Absent was Art Schmitz, equipment and Norm Prusener, Whitewater township representative. Also introduced were Rose Marie Berg, clerk and Tangney's wife Linda. He continued by introducing John Brunner, president of the Property Owners Association, Tom Ganfield a very active volunteer and former board member. Tom and Mark Muschinski (introduced also) do the secchi readings on the lakes to verify the clarity of the water. Tom does the readings on Whitewater Lake and Mark on Rice Lake. Tom Ponyicsanyi, Fish Stocking chairman, was introduced.

Tangney said State Law indicates we must introduce the budget first. Last year we presented the budget, tabled it and went into committee discussion. By the time we got back to discuss the budget, a lot of people had left the meeting. This year we are going to go into the budget, category by category, and will probably take care of a lot of the committee reporting during this time. It will be opened up to discussion that way and we hope to get the most important things done before the meeting gets too long.

The first item of the budget is harvesting. The bottom line for harvesting is a proposed \$56,800 which is 60% of the budget. Jim Bartlett wanted to know why we were going down in the budget from previous years when the weeds were bad and we didn't do a good job of harvesting. Goodrich replied in 2001 the budget was

\$67,517. The big variance there was parts and repair for \$12,000 and we're budgeting \$7,000 this year. There was some deferred maintenance from the previous year. We compare the budget in 2004 with projected 2003 wages of \$34,000 and we are projecting \$28,000 in 2004. The main reason for the difference is we had an extra employee in the budget for 2003 who was going to operate the weed/rake to help the floater situation. The rake did not work out and we never had that situation.

Tom Ponyicsanyi asked Goodrich if he could give the tonnage we had removed according to the dollar. He said in the past we've spent a lot less and had taken out a lot more tonnage. Philip said he has reports through July 19th, but they were not in terms of tonnage, but in terms of total machine hours on lake harvesting and how many loads were taken off. He cited an example through the week ending July 19th 462 machine hours on water and took out 214 loads. We're averaging about 2 loads per hour. Tom wondered how that compared to previous years. Dave Clevin had information on the previous years: 1998 - 1,005 tons; 1999 - 1,526 tons; 2000 - 1,204 tons; 2001 - 441 tons; 2002 - 889 tons. Philip said he would get the information for the last six years and publish it in the next newsletter.

A member asked if we are considering purchasing an additional machine that might have the capability of going into the shoreline. Why is there no consideration in the budget? Philip replied we are looking at the formation of a committee for the purpose of evaluating how to properly deal with the floaters along the shoreline. Last year we thought we had a solution and had a line item of \$12,000 for the purchase of the weed/rake. Unfortunately our solution did not work out. Right now, speaking for the board, we do not have a definitive solution that can do it. We found out the equipment mentioned in the newsletter was not being used for our purpose. We took the cutter blade off the rake we had returned to the vendor and had it mounted on our 7-ft. harvester to simulate what the \$58,000 machine could do. We tested it and it failed. We do not have a solution at this time and that's why we don't have a line item in the proposed budget. The member said we should be looking at getting a much higher tonnage removal as experienced in the earlier years, rather than what we did in the last two years. Philip said that is the goal. He thinks with a new harvesting member on the board and more importantly a new crew chief. He feels the success of a good harvesting operation is really dependent on a good crew chief.

Another member said he felt the board has failed to get

competent people for the harvesting and we've been on at least a two-year bad run.

Philip said that in his mind he feels we had not acted quickly enough in finding a replacement for the crew chief that was not doing his job. Tangney responded that tonnage is a very easy thing to measure and we agree that we have not done the job well. He said tonnage is not the best measure. It is the quality we've done along the shoreline. He also said we had good people working, but unfortunately we feel the direction they received from the person leading them was inadequate and we did change crew chiefs about 2 weeks ago. Normal cutting hours is Monday through Thursday starting at 7:30 a.m. until 4:30 p.m. On Friday they came in for four hours of maintenance and Saturday pick up was supposedly filling up extra time.

Another member wanted to comment on the low lake level the past two years. We've been in a drought. Some people have lost trees. Three years ago we had a lot of water, a hard winter, the ice was very thick and we didn't have weeds. She thinks the criticism for the last two years is rather severe. We have to bear in mind what Mother Nature does and we have no way to control her. When the lake level is low, the weeds are going to be high. When the ice is very thick, we don't get a lot of weeds because during the winter they aren't growing. She was not invalidating what had been said, but she thinks it is a valuable point that the weather has an effect on how many weeds are created.

Chuck Chamberlain said we used to use the transporter and now we use the big harvester to haul the weeds to shore, which is down time on the harvester. Tangney agreed that is one of the areas where we were inefficient. Goodrich said we were insisting on using the transporter more. However we lost an employee due to illness, so we were short an employee. Joan Wittenberg asked why we can't start harvesting earlier on Rice Lake. Tangney said he is part of that problem. He thought the harvester was needed more on Whitewater Lake.

Tom Potrykus suggested we increase the budget to do the job on Rice Lake and wherever needed. He thought we should attack the problem rather than save a few dollars now. He received a round of applause and Tangney said you're the people who can do it. Vic Potocki said he would not take his grandchildren to swim due to the condition of Rice Lake. He asked if we are doing any type of benchmarking against other lakes with similar depths, weeds, tonnage removed and cost. Maybe they

have some ideas that we are not seeing. Our situation with personnel and equipment is pretty much normal in every day operations no matter what we do. However, the people here are dissatisfied with the service. Maybe we're closed in our parameters as to what we're trying.

Tangney said he is not the only one making decisions in regard to Rice Lake. He brought in two other board members to observe the conditions and they agreed the harvesting operation would be better used elsewhere. He also said they have been attending the Wisconsin Association of Lakes convention the last two years and they have been receiving a wealth of information from this. We also have talked to several lake districts about their harvesting and also the equipment to use.

Tangney also hopes that when we leave the meeting today, we have a list of people willing to investigate possible solutions to the floating weeds and shoreline weeds. A member said the committees meet during the week when it is not feasible for the weekend people to attend meetings. Tangney said we would meet when convenient.

Another member suggested we extend the harvesting to after Labor Day. Tangney said the board will discuss this and if the manpower situation is available we will be working on it.

Hal Beebe suggested we raise income to accommodate the expense. Ponyicsanyi disagrees with spending more money if we are not getting the efficiency out of what we are doing now. Another member said he would like to summarize what he is hearing that the weed situation is getting worse and we're all concerned. Cutting the budget is not the answer and we need to increase efficiency. We also need to compensate for the weather.

Ken Johnson suggested we raise the budget a little so that we have extra money and if we need it to use because of bad weather conditions or buying new equipment it will be there. If efficiency is increased and we do not have the need for the money, we will have a surplus. Tangney said good point. Daniel Durn made a motion to keep the budget as it stands.

Jerry Millin said he came to a board meeting in July and offered names of five volunteers to work and the use of a dump truck to help remove weeds. Tangney said we would not let them use our machines and pointed out that this last week our 7-ft. harvester was rolled over in the

(Continued on page 8)

lake. Tangney said it could be very dangerous to have volunteers run the equipment.

Christie Culven then seconded the motion to keep the budget at \$56,800. Another member urged members to feel that a greater budget will allow the board to do more in the future years than has been done in the past couple years. A new motion can be brought forward to give them more flexibility and some contingency that will enable them to do more in future years if it is determined that other avenues can be solved with a higher budget. Round of applause. Tangney reviewed the motion to reduce it to \$56,800 from \$58,100 last year. A vote was taken— 55 voted to keep it the same and 79 were opposed. Motion does not pass.

Gerry McCarthy presented another motion to give the board a 20% contingency in the proposed budget for next year in the event that they and their committee find an alternative use for these funds that will result in a better harvesting program than the ones we have experienced in the past couple years. This would be an increase of \$11,500 in the proposed budget. Gene Migli seconded the motion. Ron Fero asked why on earth would you give another 20% when you had 27% last year and it didn't work. A vote was taken with 57 voting yes to increase the budget 20% and 84 against. This motion did not carry.

Rich Gunter made a motion to change the harvesting budget to \$58,100 – the same amount as 2003 budget. Vic Pitocki seconded the motion. Laura Sullivan said the problem is not money but efficiency and schedules. Goodrich agreed that more money with the same amount of crew and the same machines is not going to have a very big impact on the amount of weeds taken out of the lake. A little more efficiency and solving the problem with floaters is needed. A bigger crew with pitchforks and barges would work with a bigger budget. He is again asking for a committee to form to solve this problem. Raising hands took a vote, majority ruled, **motion carried.**

A member asked whether the board had ever considered out-sourcing the management of the weed cutting. Tangney answered yes, and it is one of the items on the table right now.

Weed Treatment

Budget proposed \$17,700 – 19% of the budget. Marvin said the only thing different next year is that they will try to just chemical treat in 3 areas rather than harvest. The far north lobe up past the State Park– would not be cut at all. Woodchuck Alley and Isabel Bay are the two other areas that will only be chemically treated. Marvin said he

was very happy with the treatment on June 4th until about the end of July when all of a sudden the floaters that came up from the boat props became rooted and came up again. We had treated about 350 plus homes and now they're back. The DNR goes out and approves the areas cited for spraying.

A question was raised regarding the use of phosphorous in lawn fertilizers. Marvin responded he thinks responsible lake owners know not to use phosphorous near the lake. The only problem is to keep the professional lawn maintenance companies from using phosphorous and we need to work on them. Tom Ganfield was asked what type of fertilizers we should use. He said there are a couple of different products but they're hard to find. He asked the member to see him after the meeting and he would refer the products to him. Basically, they encourage no phosphorous be used. It will say on the bag if phosphorous is contained.

A woman asked if we ever thought of reclaiming the northeast portion of Rice Lake. We haven't in the past, but Marvin said that we would the State would get involved in that area.

A question was asked if we are doing as much treating as we could. He replied we could probably do more if we wanted. Marvin said we did treat the Chapel area up to and including the marina early in spring. Some weeds have come back now.

James Bronson made a motion to approve the weed budget proposed of \$17,700. Lyle Wilson would like to see more money put into spraying rather harvesting. Motion seconded to approve as presented. Vote was 46 opposed and 79 in favor. **Motion passed.**

Mike Keaton moved that a harvesting employee be allowed to speak. The employee had passed out a flyer to members as they came in. Tangney said this board of directors would stand by their decision that there is nothing to be gained by this. Keaton replied the board is putting the lid on fair disclosure and open discourse and he thought Tangney should resign over this. Tangney asked if he wants his job and would he step up here and do it. Keaton asked for two minutes and Tangney again said the board will stand by their decision. Keaton said there was a motion made and seconded and we need to call a vote. A member said the chairman has the authority to opt or not. Tangney opted to not.

Bog Removal

Philip said the proposed budget is \$15,000 – 16% of the budget. To date we have spent a total of \$21,403 and those expenses are comprised of payroll, payroll taxes,

and repair on the equipment, fuel and consulting fees. We had a permit from the DNR to remove 10,000-sq. ft. of surface area in Phase I. We have probably taken out approximately 14,000-sq. ft. Tonnage is very difficult to estimate because the bog is very heavy. Cost comes out to about \$1.50 per sq. ft. of removal. Philip has asked for other estimates and no one wants to come out and offer an estimate. We do not include cost of insurance and storage fees in the bog costs. We are also waiting for DNR approval for Phase II to remove another 90,000-surface ft. of the bog. To remove the balance of 86,000-sq. ft. using the figure of \$1.50 sq.ft. would cost about \$265,000.

The line item of \$15,000 is for next year and intended to address the issue over time. Bog removal process begins after Labor Day and once we start this process all hours are charged to bog removal. A good portion of the bog has not come back. Gene Migli made a motion to approve the proposed bug budget. Edna Barber seconded, majority ruled, **motion passed.**

Tangney apologized he skipped step one of our agenda. This was to have the members approve the deficit from 2003 budget. Philip said we had a deficit of \$15,001, the majority was due to repairs to equipment— mostly on the old harvester and conveyor. We also went over budget by about \$1,5000 on bog removal. We had \$5,140 in the contingency fund from previous years, which we used for part of the deficit. The law does not allow us to carry over a deficit in the general fund.

We can do one of several things, which is proposed in the budget. One is to increase the 2004 budget by that amount to cover the deficit today or basically allow a permanent borrowing or approve the transfer of funds from the equipment fund to the general fund to cover the deficit. This is the recommendation of the board to allow the equipment fund to cover the 2002 deficit. Tom Ponyicsanyi made a motion to that effect. Vic Potacki seconded, overwhelming majority voted for, **motion carried.**

General and Administrative

Gerry Millin moved to accept the proposed budget of \$5,500, motion seconded, no discussion, **motion carried.**

Equipment Fund Reserve

Proposed budget is \$10,000. Al Beebee moved to accept, Bill James seconded no discussion, **motion carried.**

Total approved budget is \$106,300.

A member asked the board to bring to the membership in the form of a newsletter a list of options that may

improve the quality of life on the lake changing what we are doing. Tangney said we will do the best we can.

Tangney again asked if anyone is interested in working with us on a new committee studying options relative to the floater weeds and the shore line weeds. He asked members to give their names and phone numbers to the clerk after the meeting.

Marvin informed the members that the 2003 Walworth County Clean Sweep effort would be collecting hazardous chemicals, etc. that you want to get rid of. These may be taken to Elkhorn on September 27th from 8 to noon.

Election of Commissioners

Tangney said members may vote for one or two of the three people running. Each candidate gave a brief summary of his or her qualifications:

Jim Bartlett: He would like to deal with the weed problem. Process has to be more efficient. Chemicals should be used more and less cutting. He doesn't know the answer, but we definitely have to communicate back to the membership. One of the first steps would be to talk to the people who did it in the past and find out why it worked for them. The other issue that's very important— Rice Lake— there is a sense of fairness and we need to take care of it. He toured the lake and thinks we lost a lot of the lake to weeds and something has to be done to address that. Bog removal— it is much better this year, but we have to get a more aggressive policy for that. He doesn't have the answer but he would like to think that for the next meeting, we will have a way to get rid of them in a somewhat timely manner. He thinks ten years is too long.

Tammy Steinke: She had a huge speech written out, but didn't bother with it because she said that obviously everyone feels the same way here. The weeds are a problem, the way the system is being run is a problem and Rice Lake is turning into a swamp. She has talked with people on Whitewater. She doesn't believe that residents should pick up their own weeds. She's done some research on the machines and talked to some of the farmers that run machinery similar to this and they're saying that if you ran these two machines we have in a tandem at about 2-1/2 to 3 miles an hour, it would be slow enough where the weeds would come to the top right away and the elevator could pick up those weeds. There's just no organization that she can see. There should be a schedule and know where they're going

(Continued on page 10)

every day. She thinks we need a change and both lakes should be taken care of. She hopes we will get that.

Bernie Tangney: He retired 7 years ago and decided that Lake Management was the organization he would give his time to. When they moved to the lake their children were two to fourteen. Today they have nine grandchildren that come to the lake, ages five to sixteen. He is pleased that the lakes are as good today, or better, for his grandchildren as they were for his kids. He's been on the board for 8 years. Two years as treasurer, second two years as secretary and four years as chairman. This job can be very frustrating and the last couple of weeks especially. He feels his experience can be very beneficial for the future progress of Lake Management.

Treasurer's Report

Tangney entertained a motion to accept as presented in the newsletter. Tom Ponyicsanyi made the motion to approve, Daniel Berg seconded, overwhelming majority voted yes and the **motion passed**.

Chemical

Covered earlier

Harvesting and Equipment

Covered earlier

Brian Morris asked if there was a way of getting a copy of the bylaws. He asked if there was something in the bylaws to allow members to vote in absentia. Tangney said it was not allowed, but bylaws can be changed

He also said anyone wishing a copy of the bylaws should leave their names with the clerk and she would see they receive a copy.

Bog

Don Oker asked if there was still a bog committee. Philip replied it is inactive, but Jim Bartlett had mentioned we should increase activity and it could be resurrected. Oker also asked if we have a crew that is competent to work on the bog at this time. Tangney responded we're working on it with Inland.

Log on to

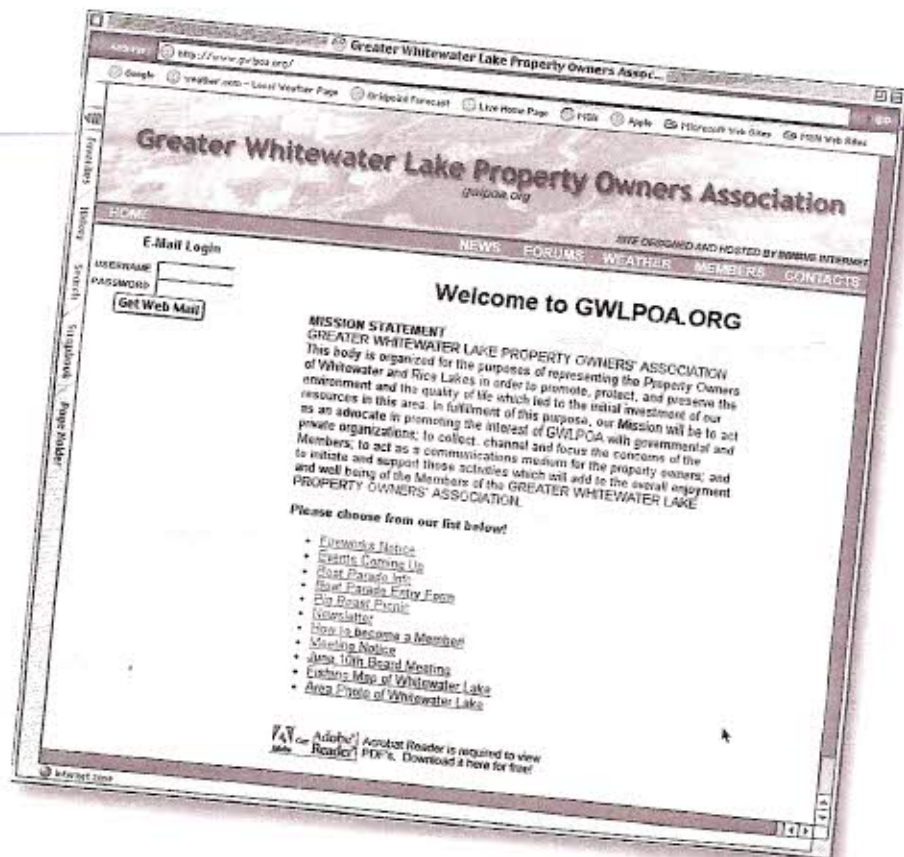
www.gwlpoa.org

For News

Information

Upcoming Events

Members' Forum



Fish Stocking

Tom Ponyicsanyi called Doug Welch, DNR, who schedules the fish for the lakes. He scheduled fish for our lakes for 2002 and in 2003 but we found that none had been stocked. This year we're on the agenda for 32,000 walleyes for Whitewater and nothing for Rice. Next year he has not predicted the numbers yet but there is nothing that has been cut from the State budget so far. We have a budget of \$1,000 for our stocking. Rice Lake does not receive any DNR stocking at all due to it freezing out in the past. He has a running battle with the DNR over this.

Walworth County Lake Association

Marvin said we are a member of this newly formed organization and they were meeting today and he couldn't make it. This organization is to share information and see what works where. Joan Wittenberg asked if it was safe to swim in Whitewater Lake due to the report of algae. The answer was yes. Another member asked if the water in our lakes is tested for safety. Marvin replied it is at Whitewater Beach but he has not ever seen the results. He thought you could check on the DNR website or the rangers would have this information. Someone said there were a lot of weeds at the beach. Tangney said we did pick up weeds there.

New Business

Morris made a motion to solicit both town boards to enact an ordinance to forbid the use of fertilizers containing phosphorous in the Lake Management District, Ponyicsanyi seconded, **overwhelming majority carried.**

Jerry Millin said people living over 200-ft. from the lake level do not have to pay Lake Management taxes. This was per Chicago Title. He said there is a distinction between a man-made lake and a natural lake. Chicago Title told him that he falls into the 200-ft. mark. He said we could be sued in a class action suit for collecting taxes all these years. Tangney said he did not think these

statements were correct and Millin should get all the facts and they would be published in the newsletter. Millin also said the DNR "dam guy" told him our Rice Lake dam was leaking. Tangney said that the "dam guy" told him that it was not leaking.

Philip said he heard at the WAL's convention this year that new regulations regarding shorelines are planned for 2004. The DNR is in the process of revising the codes as to what property owners can and cannot do on their lakeshores. There will be some new rules coming out, probably in spring, such as 35-50' of your shoreline, under certain conditions, would have to be returned to a natural state. You can learn more on their website: www.dnr.state.wi.us and go to the topic "shoreline management". We will update in the newsletter when we have more information.

The DNR is proposing some changes at the Parkside launch that might happen in 2005. They may increase trailer-parking slots from 15 to 25.

The next Annual Meeting is scheduled for Saturday, August 28, 2004- before the Labor Day weekend.

A member stated that as a member of the association, he wanted to say that though the board was beat up today, the board puts in a lot of time and as one person he wanted to thank Tangney and the board for all their time and effort. Loud applause

Greg Berg and Tom Ganfield counted votes. The final count was 128 for Jim Bartlett, 81 for Tammy Steinke and 69 for Bernie Tangney. Bartlett and Steinke were elected for the two positions - each for 3 years.

Motion to adjourn, seconded and so moved. The board will now meet in executive session for a few minutes. Adjourned at 11:45 a.m.

Respectfully submitted,

Rose Marie Berg
Clerk

Budget Hearing and Annual Meeting Agenda

August 21, 2004 • 9:00 a.m.

The 2005 Budget Hearing will be held at 9:00 AM followed by the 2004 Annual Meeting of the Whitewater-Rice Lakes Management District at Lakeview Elementary School on Townline Road, Whitewater, Wisconsin. All members of the district are encouraged to attend. The meeting agenda will include the following:

- Vote on the deficit in 2004 budget.
- Discuss and approve 2005 Budget
 - Talk by Barry Mess, Biological Services Inc. on chemical spraying and weed harvesting options.
 - Budget discussion by major category– Harvest, Chemical, Bog, Administrative, Fish Stocking. To be integrated with Committee reports
 - Purchase Proposals
 - Convert the weed transporter from an outboard motor to a diesel system– Cost \$21,000.
 - Purchase an additional 12-ft. weed harvesting machine– Cost \$123,000.
 - Apply chemicals to treat the core area of the south bay (approx. 35 acres) if weeds are extensive and approved by DNR– \$9675 to \$12,795.
- Election of two commissioners each for three-year terms. Each candidate will make a brief presentation
- Review and approve minutes of 2003 Annual Meeting
- Treasurer's and Audit Report
- Old Business
- New Business

Adjournment

A short organizational meeting of the board will immediately follow for the purpose of electing officers and appointing committee assignments.

OCT 16 BIENNIAL MEETING GWLPOA
60048/0000



60048-0000
11

RICHARD A CHARIS
DENISE T CHARIS
29457 OAK SPRING LN
LIBERTYVILLE

DM 00003

