

WHITEWATER-RICE LAKES



Management District

P.O. Box # 301

Whitewater WI, 53190



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53190-0000

BUDGET HEARING/ANNUAL MEETING NOTICE

AUGUST 2003

The Budget Hearing and 2003 Annual Meeting of the Whitewater-Rice Lakes Management District will be held on **Saturday, August 23rd, 2003, 9:00 a.m. at Lakeview Elementary School on Townline Road, Whitewater WI.** All members of the District are encouraged to attend.

Except for the provision for Special Meetings, described in our District by-laws, these Annual Meetings represent the only opportunity for District property owners to assist in defining the future direction of our Lake District programs. Therefore, it is important for you to attend. Please make your calendars and **PLAN TO BE PRESENT.** Election of two Board positions will take place during the meeting. Your vote is important.

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

This is the last direct communication from your Lake District you will receive prior to the Annual Meeting on August 23rd. Notices of the meeting will, however, be published in the Whitewater Register during the two weeks prior to the meeting.



WHITEWATER-RICE LAKES MANAGEMENT DISTRICT



P.O. Box 301
Whitewater, WI 53190

ANNUAL MEETING INFORMATION – AUGUST 2003

MESSAGE FROM THE CHAIRMAN, BERNIE TANGNEY:

At the 2002 annual meeting the board was advised to research and purchase a “weed rake” if the board determined the rake would do the job we wanted. The board felt the rake would do the job with some modifications to the original product. We did purchase a Hockney rake for \$12,500 plus \$1,056 in modifications totaling \$13,565.

Unfortunately the rake did not perform to our expectations. It lacked power backing up with a load, was difficult to maneuver and the weeds did not always react as expected (did not float). To pick up these weeds after pulling them from shore with the weed rake required the full time support of one of our two weed harvesting machines. Totally removing one of our harvesters from weed cutting is unacceptable. The machine was sold back to the manufacturer for \$9,500. We kept the modified parts including the rake.

We are looking for a solution to floating weeds that accumulate in areas that change with the wind and other changing factors. Inland Dredging (manufacturer of our 10-ft. harvester) suggests a \$58,000 machine that is basically a six-ft. paddle wheel driven harvester with a rake mounted below the cutter head and storage for 300 cubic feet of weeds. To operate as a weed rake, drive close to shore, lower the rake, back out, raise the rake, back past the weed pile, lower the head and drive forward picking up the weeds.

The nearest machine exactly like this is in Danbury CT. To simulate this machine we will mount the rake under the cutter head of our 7-ft. harvester and test the operational theory. We feel this test will be very similar to the six-ft. machine proposed by Inland and give us better results to report to the membership at the August meeting.

We recommend a committee be formed to evaluate the various options available to solve the floating weed problem. If purchase of additional equipment is the solution, a special meeting can be called for membership approval or permission can be granted to the committee to proceed under specific guidelines.

There is a very good chance that The Wisconsin Water Ways Commission would pay 50% of the \$58,000 or whatever equipment we may wish to purchase.

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 23rd. The membership will decide which of the candidates will serve for the next three years. The candidates are:

Jim Bartlett, who with his wife, Barbara, purchased a home on Whitewater Lake in 1996 and have lived here full time since 2000. He established a tax preparation business in Janesville and last year opened a second office in Beloit.

Prior to 2000, he had been a manager/consultant in the information systems field, focusing on improving the processes involved in developing computer systems and managing the development efforts. He was also active on two boards, serving two terms on the Buffalo Grove (IL) Park District Board and six years on the Big Powderhorn (MI) Lodging Board. Both boards were similar in some ways to this Board because they involved a significant seasonal element and recreational issues.

Jim feels that the Lake Management Board plays a critical role on our enjoyment of the lakes as well as the continued growth in our property values. Weed removal and resolution of the bog issue address both areas. “I feel my interest and background would allow me to make a contribution to this effort.”

Tammy Steinke, who has been a full time resident on Rice Lake for five years. Since 2000 she is the owner-operator of a liquor store in Milton. She had worked in the general assembly area at General Motors with her husband, Dan, and was assistant store manager at a beauty supply firm. She also was in sales at a waste oil fuel burner distributor and was a licensed property and casualty agent at an insurance firm.

128/81
69.

Water Testing

www.DNR.state.wi.us

"I notice the overwhelm of the Board, the limit in budgets and the idle machinery. I also note the condition of Rice Lake on a daily basis and feel that my involvement can be beneficial and a positive addition to the Board.

"One idea that comes to mind is to form a volunteer Rice Lake group to aid in the removal of weeds and debris. A similar program would be that of a volunteer fire department. We supply the manpower and the equipment is available to the group.

"My goal is to keep our property values up and keep this area as beautiful as possible."

Bernie Tangney is the current president of the Board.

He attended Marquette University and worked for National Cash Register for 22 years as a technician and 15 years for EDS as a process control coordinator at General Motors.

He and his wife, Linda, have owned property on Rice Lake since 1973 when they built a summer cottage. In 1996, it became their primary home. Their four children grew up enjoying these lakes and now they bring their nine grandchildren to continue the enjoyment.

He has been on the Lake Management Board for eight years, including four years as chairman. He served two years as treasurer and two as secretary and chemical treatment chairman.

"I enjoy working with the volunteer board on day to day issues of lake management. More importantly, I feel we need to look to the future for the long term management of these beautiful lakes so future generations can continue enjoying them as my family has."

**BUDGET HEARING AND ANNUAL MEETING AGENDA
AUGUST 23, 2003 - 9:00 AM**

The 2004 Budget Hearing* will be held at 9 AM, followed by the 2003 Annual Meeting of the Whitewater-Rice Lakes Management District at Lakeview Elementary School on Townline Road, Whitewater WI. All members of the district are encouraged to attend. The meeting agenda will include the following:

Rice Lake - no stocking

OK
OK

Vote on deficit in 2003 budget

Discuss and approve 2004 Budget

To include discussion and member questions of decreases/increases and any purchases being considered. Also vote on any changes to proposed budget during this period

OK

Election of two commissioners each for 3-year terms from 3 nominees: Jim Bartlett, Tammy Steinke and Bernie Tangney. Each will make a brief presentation as to their qualifications

*2000 North
400 Rice
wally - wa 2000*

Review and approve minutes of 2002 Annual Meeting

Treasurer's and Audit Report

Presentation of the following committee reports:

Note: Much of the committee reports will be discussed during the proposed 2004 budget

- Chemical Treatment
- Harvesting & Equipment
- Fishing Stocking
- Walworth County Lake Association
- Bog

Bog - contract

next mtg - Aug 28, 2004

- Old Business
- New Business

- Announce election of two new board members - each for 3-year term
- Public comments
- Establish 2004 annual meeting date

- Adjournment

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

FROM THE TREASURER, GORDON PHILIP

Financial Results for the Year Ended December 31, 2002:

Total operating expenses for the year ended December 31, 2002 were \$95,309. Spending was up \$4,931 (5%) from 2001 and exceeded budget by \$12,809 (16%). Comparison to budget is as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Increase (Decrease)</u>	<u>%</u>
Harvesting Operations	\$46,100	\$59,287	\$13,187	29%
Bog Removal Operations	15,000	<u>16,567</u>	1,567	10%
Weed Spraying & Other	16,800	13,604	(3,196)	(19%)
Administrative Spending	<u>4,600</u>	<u>5,851</u>	<u>1,251</u>	27%
Totals	<u>\$82,500</u>	<u>\$95,309</u>	<u>\$12,809</u>	

Operating Deficit in 2002:

The operating deficit for 2002 consists of the following elements:

- Actual spending in excess of budget \$12,809
- The tax assessments were \$80,000 with the remaining \$2,500 representing projected interest income of the Equipment Fund 2,500
- Donations and miscellaneous General Fund income (308)

Gross operating deficit for 2002 \$15,001

Less: Balance in Contingency Fund (5,140)

Net Operating Deficit due to Equipment Fund \$ 9,861

As the net operating deficit of 2002 of \$9,861 was funded by the Equipment Fund, one of several options must occur.

1. Increase the 2004 budget by \$9,861 to repay the Equipment Fund
2. Approve a permanent transfer from the Equipment Fund to the General Fund in the amount of \$9,861.

The Equipment Fund:

At December 31, 2002 there was \$52,622 in the Equipment Fund for future capital purchases. This balance is *after* funding the General Fund deficit of \$9,861.

The projected balance in the Equipment Fund at December 31, 2003 is as follows:

Balance:	January 1, 2003	\$52,622
•	2003 Budgeted Contribution for Tax Revenue	10,000
•	Interest Income	900
•	Loss on return of Shoreline Rake	(3,000)
•	Cost of Modifying 7' harvester for removal of floaters using attachment from Shoreline Rake	<u>(2,000)</u>
Balance:	December 31, 2003 projected	<u>\$58,522</u>

With a projected balance of \$58,522 in the Equipment Fund, it is the Boards' recommendation that a permanent transfer be approved to fund the net operating deficit in 2002 in the amount of \$9,861 from the Equipment Fund.

Proposed Operating Budget for the year ended December 31, 2004:

First total spending for the year ended December 31, 2003 is *projected* to be \$101,673 which would be a break-even for the year (no surplus, no deficit).

The proposed 2004 budget of \$105,000 represents an increase of \$3,500 (3%) over the 2003 assessment of \$101,500. With approximately 700 homeowners in the district, the average increase would approximate \$5.00 for the year.

WHITEWATER/RICE LAKES MANAGEMENT DISTRICT
PROPOSED 2004 OPERATING BUDGET

	2001 ACTUAL	2002 ACTUAL	2003 BUDGET	2003 PROJECTED	2004 BUDGET
HARVESTING					
Wages - Harvesting		21,050	21,600	17,600	20,000
Saturday Pick-up		1,512	2,300	2,400	2,000
Maintenance		6,266	6,000	5,800	4,600
Training		465	800	4,400	1,800
Shoreline weed raking	-	-	3,700	-	-
Total Wages	30,054	29,293	34,400	30,200	28,400
Employment Taxes	2,422	2,096	2,800	2,060	2,300
Fuel	2,495	2,541	3,000	2,500	3,000
Insurance	5,915	7,349	6,000	7,800	8,000
Parts & Repair	12,382	10,877	5,000	6,300	7,000
Permits & Fees	-	479		450	500
Supplies & Other	9,053	2,249	2,000	1,900	2,500
Storage	3,456	2,785	3,600	3,600	3,600
Grading & O/S Services	720	860	500	500	900
Advertising	131	68	300	250	300
Telephone	889	690	500	200	300
Total Other	37,463	29,994	23,700	25,560	28,400
Total Harvesting	67,517	59,287	58,100	55,760	56,800
					60%
WEED TREATMENT & OTHER					
Weed Chemical Treatment	8,875	12,162	13,300	14,810	15,000
Permits, fees, & notices	1,428	1,442	1,500	1,493	1,700
Fish Stocking			1,000	-	1,000
Lake Survey Fee	1,680	-	-	-	-
Total Weed Treatment & Other	11,983	13,604	15,800	16,303	17,700
					19%
BOG REMOVAL					
Wages	3,920	10,885	12,000	10,320	10,320
Employment Taxes	316	778	1,000	830	830
Fuel		724	800	650	650
R&M		4,040	700	700	1,000
Hauling & Grading		140		2,000	2,200
Professional fees & Permits	600	-	500	500	-
Total Bog Removal	4,836	16,567	15,000	15,000	15,000
					16%
GENERAL & ADMINISTRATIVE					
Clerk Salary	1,158	1,519	1,110	1,089	1,200
Employment Taxes	88	109	90	90	100
Dues & Fees	326	394	300	486	500
Office Supplies & Expenses	491	440	200	150	200
Convention Expenses	609	706	600	445	600
Newsletters	946	964	1,500	950	1,000
Postage	291	361	200	300	300
Mileage	1,633	1,143	350	900	900
Telephone	-	76		200	200
Legal Fees	500	139	750	-	500
Total General & Administration	6,042	5,851	5,100	4,610	5,500
					6%
TOTAL OPERATING EXPENSES	90,378	95,309	94,000	91,673	95,000
EQUIPMENT FUND RESERVE	-	-	10,000	10,000	10,000
TAX ASSESSMENT	80,000	80,000	104,000	101,673	105,000
OTHER GENERAL FUND INCOME	305	308	300	325	-
SURPLUS (DEFICIT)	(10,073)	(15,001)	(2,200)	152	-

ANNUAL MEETING MINUTES
WHITEWATER-RICE LAKES MANAGEMENT DISTRICT
AUGUST 24, 2002

Chairman Bernie Tangney called the Budget Hearing/Annual Meeting to order at 9:05 a.m. at Lakeview Elementary School on August 24, 2002. He began by listing the handouts that were available at the time members entered the room, they included: Agenda of meeting, copy of the financial statements, harvesting report and ballot slips. Also available was a sign up sheet to receive by email, news from the Wisconsin Association of Lakes. Board members introduced were: Gary Marvin, secretary and Chemical Treatment, Art Schmitz, Harvesting and Equipment; Norm Prusener, township representative; Gordon Philip, treasurer and Bog chairman. Also introduced was Rose Marie Berg, clerk. Absent: Jerry Grant, new county representative. He replaced Toby Shroble who had represented the county for many years. Mike Plier recently resigned from the Board due to other commitments. Tangney also introduced John Brunner, president of the Property Owners Association, Tom Ganfield, a very active volunteer and former board member. Tom and Mark Muschinski 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. Jim Mulcahy, Kathy and Mike Hoar were present from the Bog committee. Tom Ponyicsanyi, Fish Stocking chairman, was unable to attend. Tangney also introduced his wife, Linda, who is a big help assisting with his duties.

In order to comply with State laws, the present meeting is now termed Budget Hearing/Annual Meeting. Gordon Philip said this is important and future meetings will be titled accordingly. He went on to say the budget as presented in the newsletter was to conform to what the State of Wisconsin requires. There is a suit going on with the homeowners on Lauderdale Lakes because their lake management district did not publish and present the budget in proper format. Philip stated our budget has been \$80,000 for a number of years.

Philip went on to present the proposed budget for 2003. He went over the line items and highlighted the following:

- Increase from \$25,800 to \$30,700 in payroll & taxes
- Insurance increase from \$5,000 to \$6,000 - he's been advised premiums will increase by 12%
- Decrease in fuel cost from \$4,500 to \$3,000
- Decrease in bog activities from \$15,000 to \$10,000

Total budget came to \$82,500 with a deficit of \$2,500. Last year we had a contingency fund of \$5,140. This year the projections published here were before our last August board meeting and we were looking at a pretty close to break-even in 2002. Due to the additional spraying and harvesting costs, however, we will probably be over budget again this year. If we are over this year, we will probably go through the \$4,500 in contingency funds, which will force us to borrow from the equipment fund. This means that at some point in time we will need to have a line item in our budget to recover proceeds and pay back the equipment fund. He will get into the equipment fund later when he goes through the 2001 statements. A member asked if we are allowed to go higher than the \$80,000 goal. Philip responded we are allowed to go up to 2.5 mils. The member stated he was surprised we have been able to hold the \$80,000 for so long a period and that the bog removal was being lowered from \$15,000 to \$10,000. Philip stated there would be more discussion later when the bog committee presented their report, but the main reason it was reduced was to hold the budget in line with the \$80,000. The board did not want to come to the meeting with an increase, but there is no reason why we can't go higher. Tangney stated having the budget hearing first isn't the best way to proceed, but that is what the law requires. He wanted to follow the law; rather than get into the problem other districts have by being challenged after the fact on not having done things properly. Since the budget was presented, vote and discussion was deferred until later in the meeting. Tangney asked if anyone had a problem with this. No one responded.

Tangney stated the financial books were reviewed during the year and found to be in order by Dave Byrne and Sue Zawislak. Dave was a school administrator and Sue had a career in banking.

Treasurer's Report: Philip presented the comparative balance sheet and the comparative income statements. A significant increase was the labor cost for the harvesting crew – an increase of \$5,114 due to using the crew for maintaining and refurbishing equipment to ready for sale. Obviously payroll taxes increased also. This also resulted in an increase of \$5,057 for repairs and maintenance.

Operating expenses were over budget by \$19,822. Weed Spraying & Other was under budget by \$4,417. Bog removal was also under by \$9,164 as the 2001 season ended earlier due to equipment problems. Total operating expenses for 2001 were \$84,800 resulting in an overage of \$6,375. The deficit for operating expenses was \$10,073 which came out of the contingency fund, leaving a balance of \$5,140 in that fund for future periods such as 2002. A member found an error in the assets of the 2000 balance sheet. Motion was made to approve the treasurer's report with correction made as noted and a general mailing to the membership will be made of the corrected statement. Motion seconded and approved.

Tangney recognized Philip for the great job he is doing on keeping the financial records and doing the payroll gratis. In the past we paid an outside firm \$1,800 yearly for this service. A round of applause followed.

Motion was entertained by Tangney to approve the minutes of the 2001 Annual Meeting which were included in the August newsletter. There being no corrections or additions, motion seconded and approved.

The two candidates for election to the Board, Gordon Philip and Doug Goodrich, were introduced to the membership. Each made a brief presentation as to why they felt they were qualified to serve on the Board. The person who gets the most votes will get the 3-yr. term and the other will get the 1-yr. term. Ballots were passed out and election results will be announced later in the meeting.

Tangney requested all homeowners post their house numbers on the lakeside. It will make identifying property easier and help if assistance is needed in an emergency situation.

Committee Reports

Chemical Treatment: Marvin stated he is not at all happy with the weed situation. The District has spent more time and money this year than either of the last two years. He went out again yesterday and is dismayed at the amount of weeds. Many places have been treated three and four times. The prolific amount of weeds is due to the mild winter and the heat this summer. Next year they will begin treatment earlier, but they do have to wait until the water temperature is at least 60 degrees. In August they used a dry chemical which is supposed to last longer. He mentioned the DNR has to approve the areas to be treated prior to the first chemical treatment of the year.

He also advised property owners should not water their lawns or gardens from the lakes for two weeks after the weeds have been treated or they may be damaged. It is safe to drink the water, swim, etc. right after treatment.

Harvesting and Equipment: Schmitz said he and Marvin work together to try and control the weeds. Marvin's job is to kill all the weeds from the shoreline to the piers. Schmitz's job is to keep weeds down from the end of the piers to the buoy lines and keep traffic lanes open and weeds down below the boat props, which create the floaters. He thanked Philip for keeping him in line with the budget and that Tangney pitches in wherever needed. He went on to explain why they are over budget on labor. One of the reasons is due to the hours spent on Saturday mornings picking up weeds from the ends of piers. This cost approximately \$2,400. He feels this is a service needed by the homeowners. They also continue to use the transport on the lake for efficiency. They harvest weeds on one side of the lake and unload them onto the transport; the transport goes over to shore where they unload them onto the trailer. His goal is to eliminate the transport. Working with the Town of Richmond in obtaining an access point that is owned by the Town could do this. The transport unit is only used approximately 20 min. of every hour and we pay an employee for all this time. This would eliminate approximately \$5,000 from the budget.

Another increase in labor expenses was due to starting a little earlier. This year we began one week early to get the lake ready for the holiday weekend. Last year we did not start till the first week in June. This year they are just finishing up harvesting now. Tonnage presently being reviewed is about half of what it was 3 weeks ago. Schmitz is not happy with the floaters this year. They have been making as many as 61 stops on Saturday mornings. Last week end there were so many stops, they filled the transporter with about 8-tons of weeds. This is a huge task for homeowners to pull and then pile the weeds on their pier. One way to get around this could be the purchase of a piece of equipment, which is not a large weed harvester, but a much smaller combination weed cutter and weed rake. The weed harvester is too big to go close to shore; it could become damaged due to shallow water or objects in the water. This machine is a cutter, a cutter-rake combination or a rake only. It would cost approximately \$12,500 and it appears we could get half of this back from DNR grant money. It would cost about \$5,000 a year for an

employee to operate and approximately \$400-500 for fuel bringing the cost for purchase and operation (for one year) to about \$12,000. The rake would go in and pick up the weeds at the shoreline and drag them out into the lake. It would work in conjunction with the harvester. The harvester would come by and pick up the weeds. This machine can sit in as little as 10 inches of water because nothing is loaded onto the machine. The rake is 10-ft. wide.

A question from the floor was why the north west lobe of Rice Lake was not harvested. The reply was that this specific area is State land and the goal is to remove weeds adjacent to residential property. Rice Lake was only harvested once this year. It was scheduled another time, but conflicted with the chemical treatment. Since Tangney lives on Rice Lake, Schmitz relies on him to advise when harvesting is required. Schmitz said homeowners also can contact him if they feel harvesting is needed.

A member questioned if the harvesters could use GPS gear. Tangney said to his knowledge it was not accurate with cross cutting. He requested that anyone having more information furnish the board this info. They are open to new ideas. Some floaters are created with the harvester, but again, this is part of the reason for cross cutting. The crew does try to pick up floaters while harvesting and they go back the next day to check for floaters. Boats also create many floaters.

Schmitz reviewed the harvest log, which showed this year they have harvested 889 tons YTD. In the year 2001 only 441 tons were harvested. Weeds this year are growing in a depth of 8 to 10 ft. deep. Harvesting is not done in these areas.

Schmitz went on to explain progress on bog removal. In 2001 the crew worked 97 hrs. and removed almost 510 tons or a total of 866 cubic yards. The harvester holds 10 yards per load at a cost of \$50 an hr. This includes fuel and labor costs. This year they have worked on a piece of bog which had broken off and floated to a homeowner's pier. It took 5 hrs. and 1.5 loads. They plan on starting the test bog removal site August 26th full time with the large harvester while keeping the small harvester on weed harvesting until harvesting is finished. They have the potential to work on the bog 5 days per week @ 10 hr. days removing 10 loads per day. He would like to have two people work overtime – paying them \$12 per hr. as opposed to \$8 per hr. If we were to go to an outside firm, they would charge \$35 hr. for one person. In his opinion we should use our people and stretch the day out.

Schmitz then entertained questions from the floor. One being how would our use of the Richmond lake access affect homeowners property and wouldn't it increase boat traffic by our improving this landing. Schmitz said there is not a lot of parking space near the site, so he didn't think that many outside boats would use it. Schmitz also said he thought that from a legal standpoint we are a municipal entity. He believes we could have the right to use this access as a municipal entity and prevent the public from using it. He also said that right now the land is being used by private citizens who have boats and piers out there. A property owner said he is afraid it will become a much-used public access and will lower neighbors' property values. Schmitz asked whether the District wants to spend an unnecessary \$15,000 a year or should we pursue the access?

In answer to a question, Philip said to proceed with Phase II we have to submit a new permit to the DNR and because we will be removing a lot more material, we have to do an environmental assessment. In the past we have used Aron Associates who formerly were with the DNR and have a good relationship with them. This time Tom Ganfield, Bog Committee member, is going to do the application and environmental assessment forms at no charge. He also has quite a bit of experience with the DNR. Philip thinks this application will proceed faster than the Phase I permit approval. In Philips estimation, we do have the DNR's support behind us. A number of people confronted with the bog issue are concerned with property values. He stated a prospective buyer was interested in purchasing property on East Lake Shore Drive. They contacted the DNR and asked what is being done with the bog and what will happen in the future. The DNR's response was they are very supportive of what the Lake Management District was doing and felt we are on the right track in removing and dealing with the bog situation. We cannot submit the application until Phase I is complete.

He does not feel we are a year behind on the removal. Last fall was very ambitious because it was brand new to us and we never really got started. If we don't complete Phase I by October of this year, we will be behind. If progress does not proceed satisfactorily, it can always be an option to approve a special assessment to get it done in one year using an outside firm, which would be more aggressive. After Phase I is completed and we have the

permit for Phase II, we will at that point in time determine how Phase II will be removed. Are we going to do it with our equipment on a piece meal basis or are we to look for a contractor, which will be more dollars and require an assessment? It would be more practical to address this issue at next year's meeting. Ganfield stated it usually takes 6-9 months to receive DNR approval for permits. If we apply in late fall, we should have the permit by August 2003 and cannot start removal until the bog comes up, which usually is in late August.

A member stated he feels the 7-ft. harvester could come in close to shore (and has in the past) to remove his extensive amount of weeds. Schmitz agreed, but if he does it for one person, he will have to do it for all. He agrees and sympathizes with the homeowner. This is one of the reasons he would like to purchase the weed cutter/rake previously discussed. He said there was an article recently that the weeds are getting worse and this is the worst year in 25 years. The same owner said he doesn't think they run the harvester blades deep enough. Schmitz replied they lower the sickle bar until they churn up mud. When mud is churned up it means they are too deep. The maximum depth is 5 ft. for the sickle bar.

Motions:

1 - Motion was made to modify the budget to allow purchase of the cutter/rake upon approval as proposed. The money would come from equipment reserve. Question asked if Schmitz had looked at other options. He replied he had looked into the purchase of a pontoon boat and fitting it with paddle wheels. Estimates were about \$25,000. He will request a demo for the Board to observe it in operation before purchase. Motion seconded, vote unanimous to approve purchase pending board approval.

2 - Motion presented to modify the budget to increase \$4,000 for operation of above piece of equipment. Seconded, unanimously approved.

3 - Motion made to modify budget to include \$2,500 for Saturday morning pick up. Seconded, unanimously approved.

4 - Motion made to modify budget to include \$10,000 for equipment reserve. We have not been building an equipment reserve. Seconded, unanimously approved.

5 - Motion made to modify budget to increase bog removal budget to \$15,000 (\$5,000 increase). Motion seconded, majority carried, approved.

Tangney read the vote tally results - Gordon Philip 3-year term, Doug Goodrich 1-year term.

Fish Stocking: Tom Ponyicsanyi has been working with the DNR and we will have fish planted. Survey needs to be taken on Rice Lake to determine amount.

A member questioned whether we could charge user fees for boat launching. Philip replied he has questioned WAL and they are exploring user fees and he will follow up. He agrees user fees would be very useful and cited a few other examples. Schmitz said some lakes have instituted user fees and found the DNR stepped in and said you have to provide parking etc. If you don't listen to them, they will take away other monies like fish stocking, etc. Schmitz then suggested members could form a committee and take on the responsibility to investigate the possibility of charging fees. The Board is stretched thin with the new and existing assignments. Another member suggested we contact other townships to hear their experience with user fees and their interaction with the DNR.

Motion: 6 - Motion presented to approve a Board member working on the harvesting crew, to be compensated for his time. This would be done on a short-term basis only in order to keep the work going. The by-laws will be amended to state accordingly in the future. Motion seconded, unanimously approved.

Boundary Line: Tangney said he was proposing to change the existing boundary lines. The purpose was to expand the District and incorporate the homeowners that enjoy the lake benefits on a regular basis and do not pay any dollars to the Lake District. Agricultural land would be exempt. A member inquired if the purpose was to include more non-waterfront owners. He said this would result in vastly different interests in how we run the lake. Off-water owners could overtake the district and the on-water owners become a minority. For example, off-water owners would not be interested in purchasing the cutter/rake, which would benefit only on-lake owners, etc. The Board has to answer to the body and if many off-lake owners came to an annual meeting, on-lake owners could be out voted and we would lose control. Tangney agreed this was a good point. Another member stated this was a big issue and membership was not notified this would be discussed. Tangney responded it was published in the May

newsletter but not in the August issue. It had been published in the agenda in the local newspaper, which conformed to the by laws. A member then stated that many attendees of this meeting had already left and there were not that many people left to vote on such an important issue.

Another member stated the Board is doing their fiduciary responsibility by trying to hold the budget where it is, but a few more dollars on a tax bill is not such a big issue. Another member said the tax collected for the Lake District is almost lost on the total tax bill.

Motion:

7 – Motion made to table the pursuit of changing the boundary lines. Seconded, vote taken, majority ruled to table.

Old Business:

Dockominium Issue: Tangney reported WAL won the dockominium case in Lake Geneva, but future attempts will be made using different approaches.

New Business:

A member questioned the placement of the buoys. Tangney responded the township did not want to relinquish their responsibility. He suggested concerned members attend the town meeting. John Brunner of the Property Owners Association said he had spoken to Ron Fero and that the association would supply reflecting tape to be placed on the buoys. Fero is receptive to their help. Marvin said he had called Fero this morning and requested buoys be placed to note the bog because this is a safety issue. Marvin suggested other members also call to state their concerns.

Motion:

8 – Motion made to amend the proposed budget from \$80,000 to increase budget to \$101,500 and the four increases are:

- \$4,000 wages and payroll taxes for operating the rake/cutter
- \$2,500 Saturday pick-up
- \$5,000 bog removal from \$10,000 to \$15,000
- \$10,000 added to equipment reserve fund

Motion seconded, approved.

The 2003 Annual Meeting will be held on Saturday, August 23rd at 9:00 a.m. – same location. There being no further business the meeting was adjourned at 12:10 p.m.

Respectfully submitted,

Rose Marie Berg
Clerk