

**Lake Keesus Management District
2015 Budget Hearing
September 4, 2014
Merton Town Hall, North Lake, WI**

Commissioners Present: Craig Musbach, Chair; Judy Reinders, treasurer; (Sue Sesolak commissioner Emeritus acting secretary for Kenn Belter).

1. The 2015 LKMD Budget Hearing was called to order at 5:34pm. on Thursday, September 4, 2014, at the Merton Town Hall by Craig Musbach.
2. Confirmation of Postings: Sesolak confirmed that the meeting had been posted with the Town of Merton, Town Library, LKMD boat launch on 8/19/14, and all riparian owners were sent a first class mailing containing the agenda of the Budget Hearing and the 2015 proposed budget.
3. The Treasurer's Report was read by Judy Reinders. Balances in the account were disclosed as \$144,095 in the checking/money market account; and \$85,681 in the CD account for a total of \$229,777.
4. Musbach walked through the proposed budget, highlighting changes from last year:
 - Line 18: anticipating using grant money offered by the state to fund purchase of a new weed harvester, which will result in a reduction in next year's maintenance costs.
 - Line 19: quote to replace buoys (the town may cover the costs, but LKMD would be responsible to purchase anchors/ropes/chains for \$100-\$200.
 - Lines 28/29: In past years, we have held back \$17K on the budget to save for future equipment purchases and facilities needs. This year, the proposed plan is to not add to this fund, but instead using the fund to purchase equipment.
 - Lines 33-35: new items including a placeholder for possible chemical weed treatment in 2015, \$20K; \$4K is allotted for a potential sea wall if needed where the harvester is unloading, (unloading spot is getting to the end of the permit. We are looking into extending this permit for 2 more years.
 - Line 39: notes a paper loss on the sale of the current truck. (historically, we have not depreciated equipment).
 - Line 40: Labor for repair of harvester including winterization/summarization.
 - Line 48: added \$1K (this is a reserve "rainy day" fund for misc. such as insurance deductible. Considering \$1K for launch site engineering study/plan to possibly move harvester to launch site.
 - Line 57 on: a summarization of equipment and DNR funding. We are considering converting old harvester into a barge to hold weeds while harvester cuts.
 - Line 65: \$30K allotted for a new-to-us dump truck purchase.
 - Total equipment costs \$267,620 (\$95K to be covered by DNR)
 - Line 74-75: summary of accounts. We have approx. \$40K in the bank. We will not contribute to the replacement fund this year; however, it is anticipated that in the 2016 budget, the replacement fund will be reinstated.
5. Questions were fielded:
 - How much will we have left after equipment purchases? *\$41K*

- When would we get the equipment? *If we order this winter, we will get it in Spring 2015.*
 - Could we sell the old harvester? (instead of converting it to a barge). *If we sell it instead, we lose \$16K of funding from DNR as it was part of the grant. We have 2 years to make this decision.*
 - Carrera raises concern of funding for chemical treatment of weeds, when this has not been presented yet to riparians. She requests line item be removed.
 - Response to Carrera: There is a meeting with the DNR scheduled for Oct. 16th to talk about chemical treatment. All riparians will be notified and welcome to attend and give input. The reason for a budget is to have the line item as a place marker and give the riparians the power to fund this project should they decide to proceed.
 - Carrera commented that there has not been adequate information to riparians on this chemical treatment issue. Response by Musbach: There has been at least 3 meetings and two communications to riparians. People will decide after hearing the presentation on October 16th whether to do this project. Postcards of meeting and email and all the conventional posting methods will be used to inform people of the meeting.
 - P. Dross calls point of order . “By taking this (chemical treatment funding) out of the budget, we are taking away the people’s ability to have a voice to do it or not.”
 - P Dross makes a motion to approve the budget as presented. (Budget gets approved in Annual Meeting).
 - L. Milbrath comments that we can have discussion on budget items during annual meeting.
 - E. Schlumpf comments, “What good is it to have the meeting on the 16th, if we couldn’t spend the money?”
 - Musbach clarifies that any expenditure over \$10K must have a line item on the budget. The purpose of the line item is to allow us to follow the rules of itemization.
6. P. Dross makes motion to end discussion on budget; 2nd by N. Dross; no opposition.
- 7.E. Schlumpf motion to adjourn: M. Schlumpt second; no opposition.

Meeting adjourned 5:54pm.