

Minutes of the 2023 Budget Meeting of the Potter's Lake Protection and Rehabilitation District held Saturday, September 9, 2023, at Town Hall, East Troy, Wisconsin.

Present: Commissioners Christine Celley, Bob Rice, Bill Roeber, MaryJo Jones, and Liz Sanders

Also Present: 64 Electors

Chairman Christine Celley called the Budget Meeting to order at 9:15 a.m.

Bill Roeber reported on the finances of the district. The below numbers were provided in a handout. We saw a small improvement in interest income this year as a result of higher interest rates. There are two CD's that mature in February that we will be cashing in to use for the dam project. Expenditures this year came in under budget as we did not have a weed treatment or any large expenses for repairs. The LPL Financial has a value of \$98,056.21 which is down from our cost basis of \$116,111. If this is held to maturity in 2028 the minimum that we would get back would be our original basis. Bill asked if anyone had questions on the 2023 plan and expenditures. He then went over the proposed budget for 2024. The district now has firm numbers for the dam and we have also budgeted in the event we need a weed treatment for next year. A constituent asked what the possibility of a whole lake treatment would be for next year. Christine responded that there was very little Milfoil this year and it was mostly natives that thrived in the lake over the past year. If anything, we would probably be doing a spot treatment. It was asked why we were budgeting so much for treatments. Jerry Kozic asked why the district was asking for an additional \$70,000 for the construction of the dam when there is enough in reserves to cover the cost. Christine asked for Kim Buchanan to comment on that. Kim asked if the proposed budget included a transfer of funds from the CD's to balance. It does. Kim stated that her auditor said that you should have 15% of your operating budget in reserves. Bob Rice commented that the district has not raised the assessment or levy since 1996. Bob went over the last 10 years income and expenses. The assets of the district in 2011 were \$381,049.23 and in 2023 \$266,059.72. The district has been using the interest from the CD's to off set what we are not collecting. Christine stated that we are a government entity and need to keep that in mind. She verified what Jerry said and maybe we should take a look at using some of the LPL money even if we have to take a small penalty. Jerry commented saying maybe we need to raise the assessment but we should still not be special assessing for the dam. Bob agreed that the assessment will need to be increased but was not in favor of taking a loss to get funds from the LPL account. Rick Witt commented that if a weed treatment was needed the district could spend everything it collects in 2024 just for the treatment and we still need funds available for our other expenses. Barry said that there may be a benefit in not taking money out of LPL because of current market conditions. We also need to have reasonable expectations for 2024 and be able to position ourselves accordingly. The issues have not been invasives plants in the lake but natives. Liz commented that in the prior meeting we had discussed options to be presented at the annual meeting. Those were voted on and are the only options that we will be able to choose from. Kim Buchanan stated that if the LPL money was used the district would have to increase their annual levy in order to cover operating expenses so either way people would be getting charged. Bob commented that if the LPL money was used, we would not be able to approve the budget as the current budget shows a transfer from reserves of \$172,784. Jerry commented that the option of borrowing money didn't make sense when we have money available. This was one of the 3 options presented. Bill Roeber explained that we would get a preferred rate being a government entity and we would have no closing costs on the loan. There was conversation about the amount of money in reserves and what is an appropriate amount to have on hand. Tim Krenke made a motion to approve the budget as presented the motion was seconded by Chuck Dewart. There was further discussion about the dam and a vote was taken to approve the budget as presented 43 voted to approve as presented and 12 voted against. Motion passed. Budget meeting was adjourned at 9:51am.

PLPRD 2023 ANNUAL MEETING - Sept 9, 2023 - TREASURER REPORT

POTTER LAKE PROTECTION AND REHABILITATION DISTRICT

ACCOUNT/DESCRIPTION	2023 Budget	PROFORMA 2023	2024 Plan
Receipts:			
Special Tax	\$39,700.00	\$39,507.00	\$39,700.00
District Levy Tax	\$11,300.00	\$11,101.17	\$11,300.00
Interest on Savings	\$1,000.00	\$3,036.21	\$1,100.00
CBCW Grant	\$4,000.00	\$4,000.00	\$4,000.00
Special Events	\$1,100.00	\$1,685.00	\$1,800.00
Transfer from Reserves	\$270,223.00	\$0.00	\$172,784.00
Special Dam Assessment			\$70,000.00
TOTAL RECEIPTS	\$327,323.00	\$59,329.38	\$300,684.00
Expenditures:			
Office, Advertising, Meetings	\$1,000.00	\$1,570.00	\$1,400.00
Dues and Subscriptions	\$425.00	\$452.50	\$500.00
Equipment, Tools and Vehicles	\$9,999.00	\$3,985.00	\$4,200.00
Computer and Web Expenses	\$2,500.00	\$703.00	\$1,200.00
Lake Functions	\$1,500.00	\$981.00	\$1,500.00
Utilities	\$525.00	\$440.00	\$550.00
Lake Projects	\$50,000.00	\$6,400.00	\$59,999.00
Dam Engineering	\$9,999.00	\$4,026.00	\$8,855.00
Dam Construction	\$200,000.00		\$188,000.00
Lawn Maintenance	\$0.00	\$1,802.00	\$2,400.00
Insurance	\$4,700.00	\$4,234.00	\$4,700.00
Banking	\$250.00	\$40.00	\$40.00

Fuel	\$1,000.00	\$700.00	\$1,000.00
Maintenance	\$4,325.00	\$2,400.00	\$2,000.00
Payroll Expenses	\$30,000.00	\$13,000.00	\$16,000.00
Payroll Fees	\$850.00	\$700.00	\$940.00
Professional / Legal Services	\$7,500.00	\$0.00	\$5,000.00
Misc Expenses, Promotional	\$500.00	\$257.25	\$150.00
Officer Compensation	\$2,250.00	\$2,250.00	\$2,250.00
TOTAL EXPENDITURES	\$327,323.00	\$43,940.75	\$300,684.00

CERTIFICATE OF DEPOSITS	CURRENT RATE	CURRENT BALANCE 8/31/2023	
Citizens Bank - xxxxx3476	4.89%	\$65,467.33	
Citizens Bank - xxxxx3468	4.89%	\$66,071.63	
LPL Financial**As of June 30, 2023	TBD	\$98,056.21	Cost basis: \$116,111
Citizens Bank Checking Account	0.01%	\$36,464.55	
		\$266,059.72	

Minutes of the 2023 Annual Meeting of the Potter's Lake Protection and Rehabilitation District held Saturday, September 9, 2023 at Town Hall, East Troy, Wisconsin.

Christine Celley called the annual meeting to order at 9:52am.

Christine reported on lake conditions. There is a small amount of Milfoil and located in small patches. Nothing unusual from other years. The majority of the weeds we had this year were native and were managed by harvesting. We are again experiencing low lake levels.

There was little discussion on the Treasurer's report as the budget meeting was held prior and answered most questions. There were some questions about the line item for lawn mowing and Chuck Cairns stated that he had been mowing the launch all summer. He also said that he would be interested in getting paid to mow it. That will have to be addressed next year.

There were five meeting minutes to approve. All of the minutes were emailed out prior to the meeting and some copies were on hand for anyone who wanted them. Joe Jones made a motion to approve the minutes as presented. The motion was seconded by Chuck Dewall. All were in favor and none were opposed. Motion carried

MaryJo Jones informed the group about the E-cycling in the Town of East Troy on October 7th and the Clean Sweep that Walworth County is having on October 6th & 7th. This is an opportunity to get rid of appliances and old household chemicals.

Bob Rice updated the group on the dam. The board had rebid the project based on the response from the constituents at our special meeting on June 10th. Bids ranged from \$170,850 to \$327,500. The low bid came from CW Purpero. CW Purpero would require us to test the soil at a cost of \$2,000 and if contaminated the cost per truck load to remove could be up to \$1,000 per load. This could add \$7,000 to their number. They think that this would be a project they would complete over the winter and have an approximate completion time of 2 weeks. The gate and grate would have to be ordered first. Bob Haines commented that there may be arsenic in the lake. When they looked at dredging several years ago signs of arsenic were present. A constituent also asked how we were going to address the berm. Bob explained that the berm would be another project and not part of the bid or permit. The trees on the lake side of the berm pose a problem

as their roots create channeling where the water erodes the soil around them. Right now, the water levels are low and currently there is no water around the dam area which will help with the project. Bob Rice made a motion to move forward with the bid from CW Purpero. The motion was seconded by Rick Witt. All were in favor and none opposed. Motion carried.

A ballot for voting on how to pay for the dam was handed out to all who were able to vote. Christine went over the three options available for the district to collect the \$70,000 needed for the dam project. Option 1 was for a one-time special assessment based on your property's total assessed value. Option 2 is for a 5-year loan and payments would be split equally amongst the 146 tax parcels. Option 3 was for an equal split base on 146 tax parcels. Barry asked for clarification on how the assessment would work. Is it based off of market value or assessed value? This would be based off of assessed value. Liz Sanders, Kim Buchanan, and Jerry Kozik tallied the ballots and reported back with the results. Option 1 based on total assessed property value received 12 votes. Option 2 for a loan over 5 years received 4 votes. Option 3 to split equally over 146 tax keys had 54 votes. The district will collect \$70,000 divided equally over 146 tax keys and the charge will be on the 2023 property taxes.

MaryJo briefed the group on the bylaws. The last time our bylaws were amended was in 2007 so they need to be updated. MaryJo will continue to work with other lake districts as well as an attorney and present them at the spring meeting.

Chairman Christine Celley's term expires at the end of 2023 and she will not be seeking reelection. She asked the floor for nominations. Cathy Schulz expressed an interest. Her husband's family has been on the lake for almost 100 years and Cathy has been coming here for the last 45 years. Two years ago, they built a new home on the property and now reside there full time. She has experience as a Treasurer, Co-President, and Secretary on other boards and committees. No one else came forward with interest. Joe Jones made a motion to elect Cathy Schulz as a new board member. The motion was seconded by Dympna Purvis. All were in favor and none were opposed. Motion carried.

Bob Rice went over all resolutions and asked if there were any questions. The next annual meeting will be set for September 14th 2024. There were no questions and Dale Marciniak made a motion to approve the resolutions as presented. Don Cameron seconded the motion. All were in favor and none opposed. Motion carried.

Spring meeting date was set for May 11th 2024.

Heather Schwar made a motion to adjourn the meeting. Meeting was adjourned at 10:21 am

Respectfully submitted,

Bob Rice
Secretary