

Towns seeking review of Rock-Koshkonong Lake District audits

By NEIL JOHNSON

Saturday, Feb. 9, 2013

TOWN OF ALBION — With a Wisconsin Supreme Court decision on lake levels pending and a landmark lake dredge project hung up by unsteady weather, the Rock-Koshkonong Lake District has its hands full.

Now, a group of towns seeks to throw another iron on the lake district's fire.

The town of Albion and the town of Koshkonong within lake district boundaries are calling for a review of the district's spending going back as far as 2000.

The towns are not calling for a forensic audit, a more detailed spot check for glaring fiscal errors in the lake district's books—at least not yet.

But officials from the town of Albion are concerned the district hasn't made proper public disclosure of its audits, particularly those detailing the "special charge," and how the district later spent the money.

Bob Venske, a supervisor for the town of Albion, said his town board and the Jefferson County town of Koshkonong are preparing a letter to the lake district that requests lake district financial audits going back several years.

Venske believes there have been years when the district did not publish financial statements and did not make full financial audits available to the public.

"All this money that has been collected over all these years, where is it?" Venske said.

Part of the towns of Milton, Fulton, Koshkonong, Sumner and Albion are within the boundaries of the district.

Residents of the towns who reside in the district are assessed a "special charge" in the form of a flat, per parcel lot fee. The charge is in lieu of a property tax levy and is based on the district's budget, which is largely tied to projects planned by the district.

District residents approved a \$40 per lot "special charge" this year during the annual meeting last summer.

Lake District Chairman Brian Christianson said the district's finances are placed in front of district residents every summer at the annual meeting. That's when the district unveils its proposed budget and financial statements along with a reading of an audit done by a third-party accountant.

"We are in complete compliance with state statutes on budgeting, disclosures, lake level orders, taxpayer rights, and maintain open communication at all times," Christianson wrote in an email to The Gazette.

Lake District Attorney Bill O'Connor said that while state law does require yearly audits for lake districts, the law does not specify how detailed the audits have to be, or whether they have to be submitted in written form.

He said it is common practice for lake district auditors to use "statistical analysis" instead of a line-by-line audit.

Venske said he's not accusing the lake district of fiscal mismanagement. He simply wants to learn whether the audits are accurate and complete under parameters of the law.

Venske said the Jefferson County town of Sumner is considering signing onto the letter.

Lot fees have stuck in the craw of some lake districts that believe the fees aren't fair to all parties.

Albion Town Attorney Tim Fenner said that state statute for assessing lake district fees requires that a "special charge" does not exceed \$2.50 per \$1,000 of assessed valuation. Under that rule, the maximum fee for a person with a \$100,000 lot would be \$250.

Lake district fees have never gotten that high, according to records. Yet Fenner argues that a flat fee doesn't take into account differing property values or people's respective ability to pay.

"What this is doing, I suspect, is that it shifts the cost from valuable lakefront properties to those (with less valuable properties) who aren't on the lake," said Fenner.

In the past, the district has discussed replacing the "special charge," with a property tax but the idea has been shot down by district residents during voting in at least one annual meeting.

Published at: <http://www.GazetteXtra.com/news/2013/feb/09/towns-seeking-review-rock-koshkonong-lake-district/>