Rock Koshkonong Lake District Budget Hearing
August 27, 2022
9:00 a.m. at Racetrack Park
900 Stoughton Rd, Edgerton WI 53534

Rock Koshkonong Lake District Annual Meeting
Immediately following budget hearing
Racetrack Park
900 Stoughton Rd, Edgerton WI 53534

Annual meeting will be held outdoors, please bring your own chair
Per state statute, voting must be completed in person with no absentee or proxy voting allowed

- Call to Order
- Approval of 2021 Annual Meeting Minutes
- Nomination of Board candidates two open positions

15 Minute Break – INITIATION OF VOTE
No Ballots will be given after the vote begins

- Chairman's Report
- Presentation by Rock River Coalition
- Treasurer's Report
- Review 2021-22 Transactional Audit Report
- Approval of Budget and Tax Levy
    - Amend 2020 Borrowing Resolution – National Exchange Bank Proposal
    - Apply Grant Award to Water Control Project
    - Repurpose Lake Management Fund to Water Control Project
    - Resolution 2022-23 Adopting a Budget Appropriating Funds and Authorizing Expenditures for Fiscal Year Ending December 31, 2023
- Tabulation of vote and election of board members
- Adjournment

Rock Koshkonong Lake District Meeting of the Board of Commissioners
Immediately following Annual Meeting at Racetrack Park

- Call to Order
- Election of Board Officers
- Adjournment

RKLD 2021-2022 Transactional Audit Report

The RKLD Audit Committee met at 6:00 PM on June 22, 2022, at the Fulton Town Hall to conduct the transactional audit of 2021-2022. Attendees of the meeting were Bryan Meyer, representing Milton Township, Justin Shultz, representing Koshkonong Township, Mark Meyer the RKLD treasurer, and RKLD chairman Alan Sweeney. The Towns of Fulton, Sumner, and Albion were encouraged to send representatives to the audit committee meeting but declined attendance.

Mark provided the audit committee with transactional bank records and copies of all invoices from January of 2021, through May of 2022. The committee reviewed the records and found them to be clear and satisfactory.

Treasurer Meyer emphasized that the purpose of the audit committee is to serve the RKLD constituents through transparency and cost savings. Any resident of the lake district can seek to serve on this committee and review the transactions by contacting their town chair. Besides transparency, the other main benefit to the district is cost savings. A formal audit can cost as much as $10,000, about 15% of RKLD's yearly operating costs. The audit committee transactional audit of RKLD's financials provides transparency, saves the district money, while also meeting statutory requirements.

There was a discussion of the nature of RKLD's revenue. Mark explained that most revenue comes in big chunks from each of the townships as they receive the money, but there are sometimes smaller checks that he explained to be related to delinquent revenue. There followed a discussion of the flow of delinquent revenue from the counties, to the townships, down to the RKLD and how this process works.

The committee discussed the USGS payments, as the records showed that there was some back and forth with USGS payments being sent out electronically and then returned to RKLD, before being paid out again. Mark said that this was because USGS does not take electronic payments.

There was a discussion of what types of insurance RKLD maintains. Mark explained that RKLD pays for a worker's compensation policy for dam operations. He also said that a new item included in the cost of operations is real property insurance. In the past, the RKLD did not maintain insurance in case of catastrophic damage on the dam. This past year, after learning about this vulnerability, the board approved a policy of $1,000,000 on the dam as a safety measure, without yet knowing the valuation of the real property. More recently the dam was appraised at approximately $1,500,000 so the insurance policy will need to be adjusted upwards to reflect this valuation.

A motion was made by Justin Shultz and seconded by Brian Meyer, and unanimously approved by the committee to approve the 2021-2022 transactional audit.

The meeting adjourned at 7:20 PM.

Respectfully submitted by: Justin Shultz

ROCK KOSHKONONG LAKE DISTRICT

INCOME STATEMENT - CASH BASIS WITH BUDGET FOR 2022 and 2023

		2021 Budget	2021 Actual	Difference	2022 Budget	2022 YTD 6-1	2022 YE TC	2023 Proposed Budget
TOTAL REVENUE		**322,000**	**348,260**	**26,260**	**322,000**	**237,043**	**84,957**	**322,000**
COST OF OPERATIONS								
OFFICE SUPPLIES/MTG EXP		5,000	4,870	130	3,750	186	3,564	3,750
INSURANCE		3,500	4,761	-1,261	4,750	0	4,750	**5,500**
PRINTING/POSTAGE		2,500	3,268	-768	1,700	0	1,700	**3,500**
PROFESSIONAL FEES						0	0	
	ACCOUNTING	2,000	875	1,125	2,800	0	2,800	**500**
	LEGAL GENERAL	7,000	5,663	1,337	7,000	691	6,309	7,000
WEBSITE		3,000	798	2,202	3,000	875	2,125	**1,800**
PUBLIC INFORMATION		2,500	3,202	-702	2,500	17	2,483	**3,000**
INDIANFORD DAM MGT						0	0	
	UTILITIES	2,400	847	1,553	1,400	407	993	1,400
	MAINT REPAIR	4,050	615	3,435	3,450	0	3,450	**3,900**
	USGS STATIONS	22,000	14,719	7,281	24,000	22,475	1,525	24,000
	CLEANING AND BOOM	15,000	14,400	600	15,000	6,663	8,337	15,000
DUES AND FEES		400	321	79	400	0	400	400
OTHER	BOUYS (Inatall/Remove)	850	2,248	-1,398	3,500	1,505	1,995	3,500
TOTAL COST OF OPERATIONS		**70,200**	**56,587**	**13,613**	**73,250**	**32,820**	**40,430**	**73,250**
						0	0	
LAKE MANAGEMENT						0	0	
DAM FUND SAVINGS		30,000	30,000	0	30,000	0	30,000	30,000
NEW INITIATIVES		27,000	24,870	2,130	23,950	300	23,650	23,950
INDIANFORD DAM MODIFICATION		4,800	20,594	-15,794	4,800	0	4,800	4,800
BOATER SAFETY, BUOYS								
TOTAL LAKE MANAGEMENT		**61,800**	**75,464**	**-13,664**	**58,750**	**300**	**58,450**	**58,750**
TOTAL WATER CONTROL (LOAN)		**190,000**	**190,000**	**0**	**190,000**	**0**	**190,000**	**190,000**
TOTAL ALL COSTS		**322,000**	**322,051**	**-51**	**322,000**	**33,120**	**288,880**	**322,000**
GENERAL FUND NET				**26,209**				
		1/1/2021	**INTERNAL**	**12/31/2021**	**1/1/2022**	**INTERNAL**	**6/1/2022**	
GENERAL FUND		103,145	-114,545	**129,354**	**129,354**	-82,368	220,909	
			-30,000			-30,000		
WATER CONTROL PROJECT		0	114,545	755,316	755,316	82,368	758,393	
			700,000					
LAKE IMPROVEMENT FUND		107,196		107,275	107,275		107,311	
DAM SEG FUND		711,318	-700,000	41,701	41,701	30,000	71,717	
			30,000					

2022 RKLD Annual Meeting - Water Control Project Financing

Original Budget Approved	$	2,275,000.00
2020 Funding	$	(75,000.00)
Dam Fund Allocation	$	(700,000.00)
Borrowing Approval	$	1,500,000.00

2020 Borrowing Resolution up to $1.5M/10YR/3.25%/No Fees/$190K Payment
****Grant award to be deposited in dam fund.***
****General fund allocation of $30K per year dam fund savings***

Dam Fund Allocation	$	(700,000.00)	Complete 10-5-21
2019-20 General Fund Balance	$	(82,368.00)	Complete 1-5-22
2021 Loan Payment	$	(190,000.00)	Complete 10-26-21
2021 LKWA Donation- Cleaning Boom	$	(2,500.00)	Complete
2021 General Fund Balance	$	(20,000.00)	Approve
2022 Loan Payment	$	(190,000.00)	Complete 7-14-22
Grant Award	$	(400,000.00)	Amend Resolution
Lake Improvement Fund	$	(107,000.00)	Amend Resolution
	$	(1,691,868.00)	
	$	583,132.00	

2020 Borrowing Resolution Amendment up to $1.1M/8YR/3.9%/$1,500 fee/$190,000 Payment
****Grant award applied to project. 200K prior to completion, 200K after***
****General Fund allocation of $30K increase to $60K/YR when loan is paid***

Plan reduces overall interest cost 60% and term by 4 years.

Tax will reduce 50% if no other capital projects are approved (when loan is paid)

Current Budget	$ 322,000.00	100%
Annual Pament	$ (190,000.00)	
Increase Savings	$ 30,000.00	
Anticipated Budget	$ 162,000.00	50%

Dam Fund Savings Plan: 71K current balance + 5 years @ 30K + 8 years @ 60K =701K by 2035

Years	**$ 583,132.00**	**$ 690,132.00**	**$ 1,090,132.00**
1	$ 415,874.15	$ 527,047.15	$ 942,647.15
2	$ 242,093.24	$ 357,601.99	$ 789,410.39
3	$ 61,534.88	$ 181,548.46	$ 630,197.39
4	$ (126,065.26)	$ (1,371.15)	$ 464,775.09
5			$ 292,901.32
6			$ 114,324.47
7			$ (71,216.88)
Interest	***$ 50,802.74***	***$ 68,496.85***	***$ 168,651.12***