

Koontz Lake Conservancy District  
Meeting August 8th 2015

Present :

President        John Ullrich  
Vice President Jim Berger  
Secretary      Vicki Borst  
Attorney        Ethan Lowe

John Ullrich started the meeting explaining why a district needs to be formed. John explained that we have had sponsorship from KLA which does not make a lot of revenue. Their primary revenue is from Bingo and from a membership fee of \$40.00. We need funding to take care of issues that may or may not be covered by LARE Grants.

Ethan Lowe explained how we can form a district.

- A conservancy district is a unit of government so it is not treated any differently than any other city, town, county or any other unit of government. It is held to all the same requirements as far as budgetary requirement. The State Board of Accounts will go through all funds.

The formation process starts with the signing of a petition, which must be signed by Freeholders (property owners) meaning your name must be on the deed of the property.

Who decides who the board members shall be?

The members are appointed by the county commissioners. After the initial terms, the property owners elect the Board of Directors. Starke County election process is in the Spring and is required to be on a Saturday or Sunday before or shortly after July 4<sup>th</sup>, allowing all property owners to be able to vote in the election process.

Requirement for the next step.

1. Again signing of petitions. Petitions must obtain 30% of the freeholders within the proposed district. There are approximately 350 – 375 freeholders in the boundaries. Meaning we need 90 to 100 signatures to start the process. Only one freeholder per freehold is permitted to sign. A freeholder is one who holds the title to the real estate property. ( signatures must be on the property title).
2. Petitions are filed with the Starke County Circuit Court when enough valid signatures have been acquired.
3. Due to the majority of boundaries which are in Starke County, Judge Hall of Starke County Circuit Court will decide if the Conservancy will or will not be formed.
4. Once the decision is made whether or not the Conservancy may be formed an initial hearing will need to be setup a legal notice must be published. Notices must also be sent out to those individuals who did not sign the petitions, advising them of the hearing. The sole purpose of the initial hearing is for the court to forward to the County Auditors, the petitions so they can determine the correct amount of signatures have been obtained and that the petition is in proper order.

This is just the first steps and it is just the beginning. It will then go to the Department of Natural Resources who then has a public hearing and publishes legal notices. As part of the hearing the petitioner for the creations of the conservancy will put into evidence the terms of why the conservancy is needed and the terms of the purposed budget and benefits and why it is not going to be a burden on those in the boundaries of the conservancy district.

The staff then looks at the evidence provided in the public hearing and will prepare a written report with their

and he will consider if the conservancy should or should not be formed. Once the report has been filed with the Circuit Judge he will then set the matter for a second hearing. The purpose of the hearing is to determine whether the district should or should not be formed. A legal notice once again must be published. At the public hearing evidence will be provided as to why the Conservancy District is needed and what that means in terms of funds which are needed. After the second hearing it is then decided by the Circuit Judge if the Conservancy District is needed.

Assuming the district is formed the County Commissions will then appoint the board members. Once the board is appointed and will begin to have meetings and under Indiana's open door policy they must provide 48 hours in advance notice of the meetings and must start working on the district's plan. Meaning a document spelling out purpose for which it has been created. For example: How the district plans on the lake enhancements (dredging, weed control etc.) which then goes to the Circuit Court which then refers it to the Department of Natural Resources, who then reviews it and makes a recommendation on it and then goes back to the Circuit Court Judge, who then decides whether or not to adopt the recommendation.

There are 9 purposes for which a conservancy can be created. One that is being proposed here is for only one of those purposes which is primarily lake enhancement.

- A big question is always finances and how they are raised. Real Estate Tax is the most effective way. The Conservancy District works with the county and will be a line item on your Property Tax Bill. The county collects the tax and like any Unit of Government is paid twice a year. The County Treasurer sends a check to the Conservancy District.

In terms of getting the budget approved (which is an annual project that any unit of government does) the board of directors must provide a meeting of the annual budget that must be of public notice. Once there is a public hearing they then have 90 days to finally adopt the budget. All of this happens in the fall and must be submitted by November 1<sup>st</sup>. Once the budget has been approved by the Conservancy Board of Directors it then goes to the County Council to review and they give a non-binding recommendation. It is then given to the Local Government Finances which is a state agency out of Indy which oversees all budgets for Conservancy Districts and all units of government that purpose real estate tax. It is then determined if the budget is acceptable.

Can the budget go up or down? Currently the proposed budget is between \$60,000.00 and \$70,000.00 that is basically what that Unit of Government has to live with. There is however, the ability for the budget to grow. Typically between 2 or 3 percent but it does not have to grow. Each year it would be permitted to grow 3 percent. But it does not have to grow. In terms of funds themselves it is the Conservancy District's Board of Directors that approve these funds. The State Board of Accounts is a state agency that audits the funds to be sure that all of the funds are properly accounted for and expended.

- In terms of the annual election process, the Conservancy District is required to file an annual report with the Circuit Court which has jurisdiction and control over the State Board of Accounts. The Department of Local Government Finances has the district under the microscope at all times as well as the property owners.
- Questions And Answer's

How many are on the Board of Directors? It depends on the number of "freeholds" that are in the district. It must be odd numbers and between 3 and 11.

Does the DNR still approve what is done as far as Lake Enhancement ?  
Yes and on an annual basis and requires permitting.

Are the people off the Lake getting a "free ride"? Boundaries must be decided based on who benefits the most. Freeholds on the Lake do benefit the most. People across the street do derive a benefit .  
But not as much as Lakefront freeholds.

How many homes are on the lake? There are about 350-375 freeholds on the lake. A freehold is if your home is on 3 lots then it is considered 1 freehold. Meaning Freeholder is the property owner and freehold is the property.

Is there an estimate of what weed control will be and how much needs set aside for dredging? Weed control for what is allowed to do is regulated by the DNR. What was spent on weed control this past year? \$12,000.00 was spent this past year (which includes the grant). Weed control would be a part of the line items pertaining to the budget.