

**Lake Lemon Conservancy District  
Board of Directors Meeting Minutes  
Riddle Point Park Shelter House  
August 13th, 2011**

**The August 13, 2011 meeting of the Lake Lemon Conservancy District was held at the Riddle Point Park Shelter House and was called to order by Chairman John Schell at 11:10 a.m.**

**BOARD MEMBERS PRESENT: John Schell, Marty Mann, Pam Dugan, Tina Thrasher, and Dennis Friesel. ALSO PRESENT: Bob Madden, Manager; Adam Casey, Board Recorder; and LLCDC Freeholders (see attached sign-in sheet) ABSENT: Tim Specht, Bruce Cassal, and Rachel Atz, CBU Representative.**

**I. OPENING COMMENTS (Schell)**

- Schell thanked all freeholders for attending the meeting.

**II. APPROVAL OF MEETING MINUTES (Schell)**

a. Approval of June 8<sup>th</sup>, 2011 Board Meeting Minutes.

1. Madden briefed the board members and freeholders that the tape recording of the June 8<sup>th</sup>, 2011 board meeting was missing. Board recorder Casey read a written statement (previously mailed to board members) aloud to the freeholders and board members present, detailing the disappearance of the audio tape.
2. New security measures have been taken at the LLCDC office to address any potential security breaches. Actions taken include installing new locks on the office doors and getting a locking file cabinet to store board meeting minutes and recordings.
3. The LLCDC Attorney was contacted regarding the missing tape. Madden summarized the Attorney opinion to the public. (See Attached)

**SCHELL MOTIONED TO APPROVE THE JUNE 8<sup>TH</sup> BOARD MEETING MINUTES AS WRITTEN. SCHELL STATED THAT HE DISAGREED WITH ITEM V (CONFLICT OF INTEREST), SECTION D, OF THE MINUTES. MANN SECONDED THE MOTION. ALL "AYES". MOTION CARRIED.**

b. Approval of July 16, 2011 Board Meeting Minutes.

**DUGAN MOTIONED TO APPROVE THE JULY 16<sup>TH</sup> BOARD MEETING MINUTES AS WRITTEN. THRASHER SECONDED THE MOTION. ALL "AYES". MOTION CARRIED.**

- c. Approval of July 20, 2011 Board Budget Meeting Minutes.

**FRIESEL MOTIONED TO APPROVE THE JULY 20<sup>TH</sup> BUDGET MEETING MINUTES AS WRITTEN. DUGAN SECONDED THE MOTION. FOUR “AYES”. 1 ABSTENTION. MOTION CARRIED. (NOTE: MANN ABSTAINED DUE TO BEING ABSENT FROM THIS MEETING)**

### **III. TREASURER’S REPORT (Friesel)**

- Friesel presented the budget as of July (see attached).
- The Public Hearing for the proposed 2012 LLCD Budget is scheduled for September 7, 2011, 6:00 p.m.

**FRIESEL MOTIONED TO APPROVE ALLOWANCE OF VOUCHERS FOR THE MONTH OF JULY, 2011. THRASHER SECONDED THE MOTION. ALL “AYES”. MOTION CARRIED.**

### **IV. MANAGER’S REPORT (Madden)**

#### **A. CATS:Update**

- Madden has met with the Monroe County Commissioners to discuss the possibility of having CATS video tape the LLCD board meetings. The Commissioners agreed that it was a good idea and that they would need an official written request from the LLCD Board of Director’s.
- The Director’s in attendance agreed that the minutes of meetings should be a tool to document motions and actions and should not be viewed as a verbatim transcript of the meetings.

**MANN MOTIONED TO ALLOW MADDEN TO CREATE AN OFFICIAL REQUEST LETTER AND TO PURSUE THE VIDEO TAPING OF THE LLCD BOARD MEETINGS BY CATS. DUGAN SECONDED THE MOTION. ALL “AYES”. MOTION CARRIED.**

#### **B. 2011 Vegetation Control: Update (Casey)**

- During the 2011 boating season the amount of vegetation in the lake has been considerably less than 2010. To date there has been 2 vegetation treatments, July 22<sup>nd</sup> and August 10<sup>th</sup>. A total of 18.75 acres of submersed vegetation has been treated along with 21 acres of lotus and spatterdock. The total 2011 vegetation treatment cost to date for vegetation treatments is \$15,183.50.

### **C. Barge Operations: Update**

- The dredging on the east side of Pt. Idalawn will be finished up this coming week.

### **D. Private Use of Dredged Material**

- A freeholder has contacted the LLCDC asking about ownership rights of lake sediment that has been removed using private funds. The freeholder would like to know if they can give the dredged material to other private parties.
- Written report from the LLCDC Attorney acknowledged ownership of sediment belongs to the CBU. The LLCDC insurance agent stated that if the LLCDC were to allow people to take the sediment they should create a liability waiver form. (See Attached)

### **V. SUBMITTAL OF DISCLOSURE FORMS (Schell)**

- Schell submitted 5 state disclosure forms to the LLCDC Board for review by the LLCDC Attorney.

### **VI. DNR LAW ENFORCEMENT DISCUSSION (Mann)**

- Mann stated that he had been receiving complaints about Conservation Officers on lake lemon being rude and overbearing.
- Madden recapped the history of the presence of DNR Conservation Officers on Lake Lemon.
- Freeholders in attendance agreed that safety is of the utmost importance and that the presence of Conservation officers on Lake Lemon should not be decreased.

### **VII. DISCUSSION OF “DEAD DOCKS” (Friesel)**

- Freeholder Gail Tala said that she has paid for a shallow unusable dock area in order to save the location. Tala believes that there should be a lower price on unusable sublease areas if freeholders are just paying to hold on to the location
- Directors Mann and Friesel said that it is not a bad idea to look into a decreased sublease cost for unusable areas and that the issue should be examined over the winter.

### **VIII. PUBLIC COMMENT**

- Topics discussed during the public comments section included
  1. Director Mann's proposed conflict of interest rules.
  2. The petition to have Chairman Schell resign from the Board of Directors.
  3. Overgrown trees and shrubs along the long causeway and Riddle Point Park shoreline.

**IX. NEW BUSINESS/ CORRESPONDENCE FOR FUTURE AGENDA**

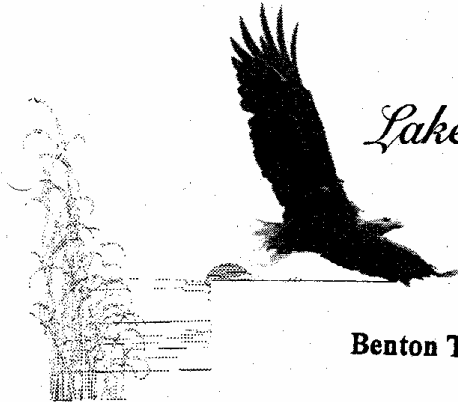
**A. September 7, 2011, Public Hearing, 2012 Proposed Budget, 6:00 P.M.**

**X. ADJOURNMENT**

**MANN MOTIONED TO ADJOURN THE MEETING. THRASHER SECONDED THE MOTION. ALL "AYES." MOTION CARRIED. MEETING ADJOURNED AT 12:55 P.M.**

Meeting Minutes submitted by:

Adam Casey  
Board Recorder



# Lake Lemon Conservancy District

**MONTHLY MEETING**  
**Benton Township Senior Citizens Building**  
**6:00 PM**

Date: 8-13-11

Name	Lake Address	District
Scott Anderson	4184 WALKER LANE	
Glen, Susan	Salmon 7017 E Spillway	
Roger Fiesel	6089 Northshore Dr	6
John & Norma Kucy	7647 Tunnel Rd	1
Randolph	4092 Chateaufort Ln	7
John Horne	South Shore	4
GORAN MCILHARRIS	8002 Lakewood	
Karel Miller	7098 LAKEVIEW	
Donna Ryan	4238 Watson Rd	7
DOLORES FREIBURGER	7636 HILLTOP	5
Randy Pruden	7667 N. John Young Rd	1
Marshall Pruden	" " "	1
Janis Ann	7675 N Tunnel Rd	1
Barbara Ritter	7750 Willowood	2
Frank & Beth Brown	7665 N John Young Rd	1
MACK THOMAS	7797 N JOHN YOUNG RD	1
Bob Taylor	8069 N Lakeview	1
Sandy Taylor	" "	1
Bob Hanger	8015 N Lakewood	1
Les Wadzinski	9173 E Southshore Dr.	
Winckelbach	7783 John Young	7
GURIA GAITALIA	8920 Southshore Dr.	5
Agnes Bachmann	7700 Lakewood Dr.	
ALAN/SARA McNAAB		6

7599 North Tunnel Road, Unionville, IN 47468  
 Phone 812/334-0233 • Fax 812/335-0038



*Lake Lemon Conservancy District*

To: LLCDD Board of Directors  
Thru: Bob Madden, Manager  
From: Adam Casey, Board Recorder  
Subject: Missing Audio Cassette Tape of June 8, 2011 Board Meeting  
Date: July 19, 2011

A few days after the June 8<sup>th</sup> 2011 Board meeting I started working on the draft of the minutes. I placed the tape on my desk in the office. A week after the board meeting Bob Madden went on vacation. During that time the tape was reviewed by board member Marty Mann and freeholder Barb Ritter. I also listened to the tape approximately a half a dozen times while continuing to work on the minutes. Upon Manager Madden's return I played the tape for him. The tape continued to sit on my desk after the draft minutes were finalized (approximately July 8<sup>th</sup>, 2011). The tape was on top of a stack of 3 tapes in total. After the July 16<sup>th</sup> Board meeting, I returned to the office to review the tape and find the statements of concern. The tape was no where to be found. I have continued to diligently search the office and dumpster to no avail. Throughout a given day there is foot traffic coming in and out of the office and it is possible the tape got bumped off the desk without being noticed. I am confident in the accuracy of my minutes and the reiteration of the statements that have been questioned by Chairman Schell. I will continue to search for the audio recording of the June 8<sup>th</sup>, 2011 board meeting and will report my findings when and if it occurs.

Adam Casey  
Lake Biologist/Board Recorder

7599 North Tunnel Road, Unionville, IN 47468  
Phone 812/334-0233 • Fax 812/335-0038

August 6, 2011

*Via Email Only*

Bob Madden  
Lake Lemon Conservancy District  
7599 North Tunnel Road  
Unionville, IN 47468

***This correspondence is attorney work product and is confidential and protected from disclosure by the attorney-client privilege. This correspondence is intended for the named recipient and the Directors of the LLC only.***

RE: LLC Board of Directors meeting cassette tape  
Our File No.: 11820-0

Dear Bob:

You have requested that I provide you with a legal opinion regarding what action, if any the Board of Directors might take with regard to the following situation:

Shortly after the Board of Directors' meeting held on July 16, 2011, the LLC Office discovered that a cassette tape, containing the recording the Board's meeting of June 8, 2011, could not be located. Lake Biologist/Board Recorder Adam Casey provided the Board of Directors with a written statement regarding the tape on July 19, 2011, describing the circumstances regarding the missing tape and his efforts to locate the tape. The information, fully detailed by Adam, will not be repeated here.

Under the circumstances, the LLC Office and staff took action reasonably necessary and appropriate to respond to the matter once it was determined that the cassette tape was missing. It was reported that a diligent search was undertaken, written notice sent to the board within days, and the incident fully documented by the LLC Office.

The question now arises as to what, if any, other action should be taken with regard to the missing cassette tape. Certainly, this topic should be discussed by the Board of Directors at its upcoming meeting. The tape, a record of an official proceeding, is gone, the Board has been informed of this fact, but may also wish to discuss if any additional action should be taken in response to it.

If the tape was removed from the LLC Office by someone, without interviewing those that might have had access to the LLC Office, determining who took it could be quite difficult. If the Board determines that law enforcement should be notified and an incident report filed, it is likely that the matter would be reviewed by a police officer, various individuals associated with

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400 West Seventh Street | Suite 104 | P.O. Box 2639  
Bloomington, IN 47402-2639  
Phone: 812.332.4200 | Facsimile: 812.331.4511  
afp@ahmcp.com | www.ahmcp.com

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the Office and Board interviewed and a public report filed after an investigation. If a suspect was identified through that process, the information would be turned over to the local prosecuting attorney's office for review and determining whether a crime has been committed and if a person should be so charged. Except for the investigation stage, generally police reports and certainly, prosecutorial proceedings are open to the public.

The Board may wish to ensure that the incident is recorded as a part of its official records and take no further action nor expend additional resources on the matter. Each Director is charged with acting in the best interest of the District and exercising sound judgment on behalf of the LLCDC. In evaluating its decision, the Board may take into account the value of the item missing, the content of the missing item, and whether the same is necessary or important to the LLCDC's ongoing operations and activities.

The content of the tape has been reduced to typed minutes of the meeting. At a minimum, the LLCDC Office affirms that the minutes prepared are an accurate representation of the taped proceedings. There apparently is some dispute regarding what was said during the June 8<sup>th</sup> Board meeting and an objection interposed by the Board chairman in the process of approving the minutes. Regardless of whether the tape can be located or whether reasonable people might disagree about statements at a public meeting, the Board may also take into account the weight to be given to the disputed discussion and whether it calls into question a vote or determination of a matter under consideration by the Board.

On a procedural level, since the tape cannot be located and a dispute continues regarding the meeting minutes, once the meeting minutes are presented again for approval and there is an objection, the objection may be made and the Board may proceed to vote on the minutes with any objection noted in the record. Since the matter in dispute does not affect an action of the Board, there is little more that can be done to resolve the dispute regarding approval of minutes. And, as indicated, it does not impact a vote of the Board as to a particular matter and its inclusion, actually optional, as minutes traditionally reflect actions or votes of board members, not statements or opinions on various topics discussed during the meeting.

Please let me know if you have any further questions on this matter.

Very truly yours,

*/s/ Angela F. Parker*

Angela F. Parker

333494/11820-0



LAKE LEMON CONSERVANCY

Financial Statements

For the Period Ending

January 1, 2011 thru July 31, 2011

**(UNAUDITED)**

**Watkins Accounting  
113 E. 19<sup>th</sup> Street  
Bloomington, IN 47408**

LAKE LEMON CONSERVANCY

I have compiled the accompanying balance sheet for LAKE LEMON CONSERVANCY as of July 31, 2011 and the related statements of income for the period then ended, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statements of retained earnings and cash flows required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Shirley Watkins, CPA  
August 3, 2011

LAKE LEMON CONSERVANCY  
BALANCE SHEET  
July 31, 2011

ASSETS

CURRENT ASSETS

Petty Cash	\$	100.00
PEOPLES STATE BANK		201,747.28
Change Fund		200.00
CD's General Fund		181,008.85
CD's Cumulative Maint Fund		55,978.83
Cumulative Maint. Savings		<u>5,102.81</u>

TOTAL CURRENT ASSETS \$ 444,137.77

PROPERTY AND EQUIPMENT

Trucks	\$	110,251.25
Other		7,350.00
Boats		209,750.00
Other Fixed Assets		<u>99,501.66</u>

TOTAL PROPERTY AND EQUIPMENT \$ 426,852.91

TOTAL ASSETS \$ 870,990.68

**LAKE LEMON CONSERVANCY  
BALANCE SHEET  
July 31, 2011**

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Fica & Federal Taxes Payable	\$	5,331.56	
State and Co. Withholding Pay.		1,458.44	
		1,458.44	

TOTAL CURRENT LIABILITIES			\$ 6,790.00
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NON-CURRENT LIABILITIES

LONG-TERM DEBT NET OF CURRENT	\$	160,116.37	
		160,116.37	

TOTAL NON-CURRENT LIABILITIES			\$ 160,116.37
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EQUITY

General Fund	\$	569,950.09	
Encumbered Fund		55.00	
Cumulative Maintenance Fund		38,441.47	
NET INCOME (LOSS)		95,637.75	

TOTAL EQUITY			\$ <u>704,084.31</u>
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TOTAL LIABILITIES AND EQUITY			\$ <u><u>870,990.68</u></u>
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**LAKE LEMON CONSERVANCY  
INCOME STATEMENT  
For The Period**

	<u>July 01, 2011 To July 31, 2011</u>	<u>January 01, 2011 To July 31, 2011</u>
<b>SALES</b>		
Watercraft Permits	\$ 21,922.00	\$ 88,821.00
Launch Fees	3,082.00	13,433.00
Marina & Club Fees	0.00	2,000.00
Sublease & Lake Access Fees	490.00	26,155.00
Property Tax - Brown Co.	0.00	41,565.35
Property Tax - Monroe Co.	0.00	109,546.61
Interest	255.47	1,560.79
Grants & Donations	980.90	6,351.90
Fishing Tournament	0.00	750.00
Park Reservations	0.00	3,000.00
Park Admission Fees	12,615.00	23,866.00
Other	<u>0.00</u>	<u>50.71</u>
<b>Total SALES</b>	<b>\$ <u>39,345.37</u></b>	<b>\$ <u>317,100.36</u></b>
<b>Total GROSS PROFIT</b>	<b>\$ 39,345.37</b>	<b>\$ 317,100.36</b>
<b>GENERAL &amp; ADMINISTRATIVE</b>		
Manager	\$ 4,409.42	\$ 30,865.94
Fica	1,652.26	6,035.32
State Unemployment Tax	92.75	193.50
Retirement	1,818.88	5,412.26
Health Insurance	1,215.14	8,197.50
Life Insurance	0.00	1,263.00
Gate Attendant	2,839.25	8,206.63
Park Maintenance Technician	917.00	2,110.50
Lake Patrol	276.00	1,257.00
Lake Biologist	3,452.00	9,364.50
Dredger	6,576.00	8,528.00
Dredger (other)	0.00	10,160.00
Assistant Dredger	3,128.00	4,064.00
Assistant Dredger (Other)	0.00	4,336.00
Season & Launch Permits	0.00	1,148.33
Daily Permits	0.00	294.24
Receipt/Tickets Books	0.00	344.89
Printer, Copier & Computer Sup	0.00	523.66
Miscellaneous-Other	300.79	705.67
Postage	229.28	772.86
General Business Supplies	34.55	268.02
Regular Gas	897.80	2,743.81

**LAKE LEMON CONSERVANCY  
INCOME STATEMENT  
For The Period**

	July 01, 2011 To <u>July 31, 2011</u>	January 01, 2011 To <u>July 31, 2011</u>
Diesel	\$ 0.00	\$ 3,897.73
Building & Grounds .	462.60	1,556.74
Boat/Weed Harvester/Truck	193.57	662.51
Dredging Supplies	18.28	1,688.65
Radio/Communication Equipment	0.00	520.00
Signs & Nautical Markers	0.00	1,983.37
Accounting Services	450.00	3,150.00
Grass	1,812.50	5,437.50
Attorney	3,075.00	5,085.00
Consulting Engineer	0.00	100.00
Other Prof/Secretarial Service	90.00	314.60
Phone, LDT, Pager, E-Mail	344.82	2,074.68
Subscriptions	0.00	138.70
Newsletter	572.90	572.90
Ads	0.00	165.10
Other	46.75	1,177.74
Insurance	0.00	33,980.00
Electric	474.95	3,646.80
Water	77.15	346.31
Trash	151.95	465.11
Port- O-Lets	0.00	608.00
Pump Holding Tank	100.00	175.00
Building & Grounds	163.00	4,862.00
Boat	309.00	1,717.00
Dredging Equipment Maintenance	296.00	1,230.00
Equipment Rental	0.00	818.50
Water Testing	40.00	3,681.00
6% Marina Permit Sales	665.46	2,011.08
Dam/Spillway Inspection	0.00	222.50
Disposal Site Preparation	0.00	10,991.68
Debt Service (Dredging Equip.)	1,895.01	5,899.64
Other Services and Charges	0.00	1,512.14
Fireworks	6,500.00	6,500.00
Ramp Repairs	0.00	5,575.00
Patrol Boat	<u>866.58</u>	<u>1,900.00</u>

**LAKE LEMON CONSERVANCY  
INCOME STATEMENT  
For The Period**

	<u>July 01, 2011 To July 31, 2011</u>	<u>January 01, 2011 To July 31, 2011</u>
Total GENERAL & ADMINISTRATIVE	\$ <u>46,444.64</u>	\$ <u>221,462.61</u>
Total NET OPERATING INCOME (LOSS)	\$ <u>( 7,099.27)</u>	\$ <u>95,637.75</u>
NET INCOME (LOSS) BEFORE TAX	\$ <u>( 7,099.27)</u>	\$ <u>95,637.75</u>
NET INCOME (LOSS)	\$ <u>( 7,099.27)</u> =====	\$ <u>95,637.75</u> =====

**LAKE LEMON CONSERVANCY DISTRICT  
INCOME OVER EXPENDITURES SUMMARY  
GENERAL FUND  
For the One Month Ended July 31, 2011**

	CURRENT MONTH	2011 ACTUAL	2011 BUDGET	Positive (Negative) Budget Variance
<b>REVENUES</b>				
4000 Watercraft Permits	\$ 21,922.00	88,821.00	\$ 98,000.00	\$ (9,179.00)
4010 Launch Fees	3,082.00	13,433.00	14,500.00	(1,067.00)
4020 Marina & Club Fees	-	2,000.00	8,000.00	(6,000.00)
4030 Sublease & Lake Access Fees	490.00	26,155.00	25,000.00	1,155.00
4040 Property Tax - Brown Co.	-	41,565.35	50,000.00	(8,434.65)
4050 Property Tax - Monroe Co.	-	109,546.61	200,000.00	(90,453.39)
4060 Interest	255.47	1,560.79	500.00	1,060.79
4070 Grants & Donations	980.90	6,351.90	5,800.00	551.90
4080 Fishing Tournament	-	750.00	700.00	50.00
4090 Park Reservations	-	3,000.00	2,500.00	500.00
4100 Park Admission Fees	12,615.00	23,866.00	22,000.00	1,866.00
4110 Concessions	-	-	-	-
4120 Other	-	50.71	-	50.71
4130 Dredging/Rip-Rap Income	-	-	10,000.00	(10,000.00)
4140 Dredging Equipment Loan Proceeds	-	-	-	-
<b>TOTAL REVENUES</b>	<b>39,345.37</b>	<b>317,100.36</b>	<b>437,000.00</b>	<b>(119,899.64)</b>
<b>EXPENDITURES</b>				
<b>WAGES &amp; BENEFITS</b>				
<b>SALARIES &amp; BENEFITS</b>				
6000 Manager	4,409.42	30,865.94	52,913.00	22,047.06
6010 FICA	1,652.26	6,035.32	9,150.00	3,114.68
6020 State Unemployment Tax	92.75	193.50	588.00	394.50
6030 Retirement	1,818.88	5,412.26	7,098.00	1,685.74
6040 Health Insurance	1,215.14	8,197.50	14,000.00	5,802.50
6050 Life Insurance	-	1,263.00	1,265.00	2.00
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>9,188.45</b>	<b>51,967.52</b>	<b>85,014.00</b>	<b>33,046.48</b>
<b>HOURLY WAGES</b>				
6070 Gate Keeper	2,839.25	8,206.63	15,000.00	6,793.37
6080 Seasonal Labor	-	-	-	-
6090 Park Maintenance Technician	917.00	2,110.50	5,600.00	3,489.50
6100 Lake Patrol	276.00	1,257.00	4,800.00	3,543.00
6110 Lake Biologist	3,452.00	9,364.50	12,500.00	3,135.50
6111 Dredger	6,576.00	8,528.00	16,000.00	7,472.00
6112 Dredger(Other)	-	10,160.00	3,200.00	(6,960.00)
6113 Assistant Dredger	3,128.00	4,064.00	8,000.00	3,936.00
6114 Assistant Dredger(Other)	-	4,336.00	1,600.00	(2,736.00)
<b>TOTAL HOURLY WAGES</b>	<b>17,188.25</b>	<b>48,026.63</b>	<b>66,700.00</b>	<b>18,673.37</b>
<b>GRAND TOTAL WAGES &amp; BENEFITS</b>	<b>26,376.70</b>	<b>99,994.15</b>	<b>151,714.00</b>	<b>51,719.85</b>
<b>SUPPLIES</b>				
<b>OFFICE SUPPLIES</b>				
6120 Season & Launch Permits	-	1,148.33	1,000.00	(148.33)
6130 Daily Permits	-	294.24	200.00	(94.24)
6140 Receipt/Ticket Books	-	344.89	300.00	(44.89)
6150 Checks	-	-	200.00	200.00
6160 Printer, Copier & Computer Sup	-	523.66	500.00	(23.66)
6170 Miscellaneous/Other	300.79	705.67	800.00	94.33
6180 Postage	229.28	772.86	1,500.00	727.14
6190 General Business Supplies	34.55	268.02	500.00	231.98
<b>TOTAL OFFICE SUPPLIES</b>	<b>564.62</b>	<b>4,057.67</b>	<b>5,000.00</b>	<b>942.33</b>
<b>OPERATING SUPPLIES</b>				
6200 Regular Gas	897.80	2,743.81	3,500.00	756.19
6210 Diesel, Oil, Grease	-	3,897.73	10,000.00	6,102.27
6220 Janitorial Supplies	-	-	-	-
6230 Medical Supplies	-	-	-	-
<b>TOTAL OPERATING SUPPLIES</b>	<b>897.80</b>	<b>6,641.54</b>	<b>13,500.00</b>	<b>6,858.46</b>
<b>REPAIR &amp; MAINTENANCE SUPPLIES</b>				
6240 Building & Grounds	462.60	1,556.74	3,000.00	1,443.26
6250 Boats, Trucks	193.57	662.51	2,000.00	1,337.49
6251 Dredging Supplies	18.28	1,688.65	4,000.00	-
2 Rip Rap/Erosion Control	-	-	10,000.00	10,000.00
<b>TOTAL REPAIR &amp; MAINT SUPPLIES</b>	<b>674.45</b>	<b>3,907.90</b>	<b>19,000.00</b>	<b>15,092.10</b>



**LAKE LEMON CONSERVANCY DISTRICT  
INCOME OVER EXPENDITURES SUMMARY  
GENERAL FUND  
For the One Month Ended July 31, 2011**

	CURRENT MONTH	2011 ACTUAL	2011 BUDGET	Positive (Negative) Budget Variance
<b>OTHER SUPPLIES</b>				
6270 Boat Equipment	-	-	300.00	300.00
6280 Radio Equipment	-	520.00	500.00	(20.00)
6290 Signs & Nautical Markers	-	1,983.37	1,800.00	(183.37)
TOTAL OTHER SUPPLIES	-	2,503.37	2,600.00	96.63
<b>GRAND TOTAL SUPPLIES</b>	<b>2,136.87</b>	<b>17,110.48</b>	<b>40,100.00</b>	<b>22,989.52</b>
<b>SERVICES &amp; OTHER CHARGES</b>				
<b>PROFESSIONAL SERVICES</b>				
6300 Accounting Services	450.00	3,150.00	5,400.00	2,250.00
6310 Grass	1,812.50	5,437.50	18,000.00	12,562.50
6320 Attorney	3,075.00	5,085.00	7,000.00	1,915.00
6325 Fish Management Survey	-	-	-	-
6330 Consulting Engineers	-	100.00	14,000.00	13,900.00
6350 Other Services	90.00	314.60	500.00	185.40
TOTAL PROFESSIONAL SERVICES	5,427.50	14,087.10	44,900.00	30,812.90
<b>COMMUNICATION &amp; TRANSPORTATION</b>				
6370 Phone, LDT, Pager, Voice Mail	344.82	2,074.68	3,400.00	1,325.32
6380 Travel	-	-	200.00	200.00
6390 Hotel	-	-	200.00	200.00
6400 Meals	-	-	100.00	100.00
6410 Subscriptions/Memberships	-	138.70	300.00	161.30
TOTAL COMMUNICATION & TRANSPORTATION	344.82	2,213.38	4,200.00	1,986.62
<b>PRINTING &amp; ADVERTISING</b>				
6420 Newsletter	572.90	572.90	800.00	227.10
6430 Ads(Legal Notices)	-	165.10	300.00	134.90
6440 Ballots & Other Printing	45.75	1,177.74	1,500.00	322.26
TOTAL PRINTING & ADVERTISING	619.65	1,915.74	2,600.00	684.26
<b>INSURANCE</b>				
6450 Liab, Bldg, Equip, Work Comp	-	33,980.00	35,000.00	1,020.00
TOTAL INSURANCE	-	33,980.00	35,000.00	1,020.00



# Lake Lemon Conservancy District

Date: July 31, 2011

ALLOWANCE OF VOUCHERS

DENNIS FRIESEL  
Treasurer

(Report of Claims)

(IC 5-11-10-2 permits the governing body to sign the Accounts Payable Voucher Register in lieu of signing each claim the governing body is allowing.) We have examined the vouchers listed on the foregoing accounts payable voucher register and payroll journal, consisting of 9 pages, and except for vouchers not allowed as shown on the Register such vouchers are allowed in the total of \$49,752.40

Dated this 13<sup>th</sup> day of August, 2011


Signature of Governing Board

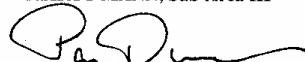
  
JOHN SCHELL, CHAIRMAN

BRUCE CASSAL, VICE-CHAIR

  
DENNIS FRIESEL, TREASURER

TIM SPECHT, Sub-Area II

  
MARTY MANN, Sub-Area III

  
PAM DUGAN, Sub-Area VI

  
TINA THRASHER, Sub-Area VII

7599 North Tunnel Road, Unionville, IN 47468  
Phone 812/334-0233 • Fax 812/335-0038

**LAKE LEMON CONSERVANCY  
CHECK REGISTER  
Peoples State Bank  
7/ 1/2011 To 7/31/2011**

<u>REF NO</u>	<u>DATE</u>	<u>TT DESCRIPTION</u>		<u>DIST. AMOUNT</u>
00014013	07/20/11	VC KROGER		-192.01
	1015	PEOPLES STATE BANK	192.01 cr	
	6170	Miscellaneous-Other	192.01 dr	
00014014	07/28/11	VC BOB MADDEN		-97.78
	1015	PEOPLES STATE BANK	97.78 cr	
	6250	Boat/Weed Harvester/Truck	12.81 dr	
	6251	Dredging Supplies	18.28 dr	
	6180	Postage	19.52 dr	
	6240	Building & Grounds	22.60 dr	
	6170	Miscellaneous-Other	24.57 dr	
00014294	07/06/11	VC INDIANA DEPT. OF WORKFORCE DEV		-92.75
	1015	PEOPLES STATE BANK	92.75 cr	
	6020	State Unemployment Tax	92.75 dr	
00014295	07/06/11	VC U S POSTMASTER		-44.00
	1015	PEOPLES STATE BANK	44.00 cr	
	6180	Postage	44.00 dr	
00014296	07/08/11	VC *VOID* WHITE RIVER CO-OP		0.00
00014297	07/08/11	VC B & B WATER CORP		-77.15
	1015	PEOPLES STATE BANK	77.15 cr	
	6470	Water	77.15 dr	
00014298	07/08/11	VC WHITE RIVER CO-OP		-822.80
	1015	PEOPLES STATE BANK	822.80 cr	
	6200	Regular Gas	822.80 dr	
00014299	07/08/11	VC PUBLIC EMP. RETIREMENT FUND		-1,818.88
	1015	PEOPLES STATE BANK	1,818.88 cr	
	6030	Retirement	1,818.88 dr	
00014300	07/14/11	VC WATKINS ACCOUNTING		-450.00
	1015	PEOPLES STATE BANK	450.00 cr	
	6300	Accounting Services	450.00 dr	

**LAKE LEMON CONSERVANCY  
CHECK REGISTER  
Peoples State Bank  
7/ 1/2011 To 7/31/2011**

<u>REF NO</u>	<u>DATE</u>	<u>TT DESCRIPTION</u>		<u>DIST. AMOUNT</u>
00014301	07/14/11	VC STAPLES CREDIT PLAN		-147.43
	1015	PEOPLES STATE BANK	147.43 cr	
	6190	General Business Supplies	16.47 dr	
	6440	Other	46.75 dr	
	6170	Miscellaneous-Other	84.21 dr	
00014302	07/14/11	VC BLOOMINGTON HARDWARE		-130.56
	1015	PEOPLES STATE BANK	130.56 cr	
	6240	Building & Grounds	130.56 dr	
00014303	07/14/11	VC ALL ABOUT BOATS		-1,356.34
	1015	PEOPLES STATE BANK	1,356.34 cr	
	6250	Boat/Weed Harvester/Truck	180.76 dr	
	6520	Boat	309.00 dr	
	6730	Patrol Boat	866.58 dr	
00014304	07/14/11	VC TEK PRINT		-694.66
	1015	PEOPLES STATE BANK	694.66 cr	
	6180	Postage	121.76 dr	
	6420	Newsletter	572.90 dr	
00014305	07/14/11	VC N ANDERSON EXCAVATING & LAWN		-1,812.50
	1015	PEOPLES STATE BANK	1,812.50 cr	
	6310	Grass	1,812.50 dr	
00014306	07/14/11	VC FLEX PAC, INC.		-281.56
	1015	PEOPLES STATE BANK	281.56 cr	
	6240	Building & Grounds	281.56 dr	
00014307	07/14/11	VC CITY OF BLOOMINGTON UTILITIES		-40.00
	1015	PEOPLES STATE BANK	40.00 cr	
	6560	Water Testing	40.00 dr	
00014308	07/15/11	VC ANDREWS, HARRELL, MANN, CARMIN		-3,075.00
	1015	PEOPLES STATE BANK	3,075.00 cr	
	6320	Attorney	3,075.00 dr	
00014309	07/15/11	VC SKY MAGIC PYROTECHNICS		-6,500.00
	1015	PEOPLES STATE BANK	6,500.00 cr	

**LAKE LEMON CONSERVANCY  
CHECK REGISTER  
Peoples State Bank  
7/ 1/2011 To 7/31/2011**

<u>REF NO</u>	<u>DATE</u>	<u>TT DESCRIPTION</u>		<u>DIST. AMOUNT</u>
	6681	Fireworks	6,500.00 dr	
00014310	07/15/11	VC KNIGHT TRASH REMOVAL		-10.00
	1015	PEOPLES STATE BANK	10.00 cr	
	6480	Trash	10.00 dr	
00014311	07/15/11	VC HOOSIER DISPOSAL		-141.95
	1015	PEOPLES STATE BANK	141.95 cr	
	6480	Trash	141.95 dr	
00014312	07/15/11	VC NATHAN EATON		-90.00
	1015	PEOPLES STATE BANK	90.00 cr	
	6350	Other Prof/Secretarial Service	90.00 dr	
00014313	07/15/11	VC TODD'S SEPTIC TANK SERVICE		-100.00
	1015	PEOPLES STATE BANK	100.00 cr	
	6500	Pump Holding Tank	100.00 dr	
0014314	07/15/11	VC WATKINS ACCOUNTING		-18.08
	1015	PEOPLES STATE BANK	18.08 cr	
	6190	General Business Supplies	18.08 dr	
00014315	07/15/11	VC ANTHEM BLUE CROSS BLUE SHIELD		-1,215.14
	1015	PEOPLES STATE BANK	1,215.14 cr	
	6040	Health Insurance	1,215.14 dr	
00014316	07/15/11	VC VERIZON WIRELESS		-79.83
	1015	PEOPLES STATE BANK	79.83 cr	
	6370	Phone, LDT, Pager, E-Mail	79.83 dr	
00014317	07/15/11	VC A T & T		-140.39
	1015	PEOPLES STATE BANK	140.39 cr	
	6370	Phone, LDT, Pager, E-Mail	140.39 dr	
00014318	07/20/11	VC VISA		-119.00
	1015	PEOPLES STATE BANK	119.00 cr	
	6180	Postage	44.00 dr	

**LAKE LEMON CONSERVANCY  
CHECK REGISTER  
Peoples State Bank  
7/ 1/2011 To 7/31/2011**

<u>REF NO</u>	<u>DATE</u>	<u>TT DESCRIPTION</u>	<u>DIST.</u>	<u>AMOUNT</u>
	6200	Regular Gas	75.00	dr
00014319	07/20/11	VC PAUL YOUNG TRUCKING		-128.00
	1015	PEOPLES STATE BANK	128.00	cr
	6510	Building & Grounds	128.00	dr
00014320	07/20/11	VC SOUTH CENTRAL REMC		-474.95
	1015	PEOPLES STATE BANK	474.95	cr
	6460	Electric	474.95	dr
00014321	07/20/11	VC PEOPLES STATE BANK		-11,500.00
	1015	PEOPLES STATE BANK	11,500.00	cr
	6670	Debt Service (Dredging Equip.)	1,895.01	dr
	2800	Long Term Notes-Net of Current	9,604.99	dr
00014322	07/20/11	VC SCHELL MARINA		-665.46
	1015	PEOPLES STATE BANK	665.46	cr
	6600	6% Marina Permit Sales	665.46	dr
00014323	07/20/11	VC COMCAST CABLE		-124.60
	1015	PEOPLES STATE BANK	124.60	cr
	6370	Phone, LDT, Pager, E-Mail	124.60	dr
00014324	07/28/11	VC INTEGRITECH EQUIPMENT REPAIR		-296.00
	1015	PEOPLES STATE BANK	296.00	cr
	6541	Dredging Equipment Maintenance	296.00	dr
00014325	07/31/11	VC RICHARD'S SMALL ENGINE, INC.		-62.88
	1015	PEOPLES STATE BANK	62.88	cr
	6240	Building & Grounds	27.88	dr
	6510	Building & Grounds	35.00	dr

TOTAL TRANSACTIONS: -32,799.70  
=====

BC - Bank Check 0.00  
BD - Bank Deposits 0.00  
BI - Bank Interest or Credit 0.00  
BS - Bank Service Charge 0.00

**LAKE LEMON CONSERVANCY  
CHECK REGISTER  
Peoples State Bank  
7/ 1/2011 To 7/31/2011**

<u>REF NO</u>	<u>DATE</u>	<u>TT DESCRIPTION</u>	<u>DIST. AMOUNT</u>
		BT - Bank Transfer	0.00
		BX - Bank Exchanges	0.00
		EC - Payroll Check	0.00
		VC - Direct Disbursement	32,799.70
		VP - Check/Cash Disbursement	0.00

**LAKE LEMON CONSERVANCY**  
**Payroll Summary**  
July 2011

	ADAM, CASEY		Alexander, Meredith M		Clayton, Harrison D		HAYS, L...	
	Hours	Rate	Jul 11	Hours	Rate	Jul 11	Hours	
<b>Employee Wages, Taxes and Adjustments</b>								
Gross Pay								
Salary			0.00			0.00		
Hour Pay -6110	33.5	16.00	536.00			0.00		
HOURLY PAY-6110	120	12.50	1,500.00	26	12.00	312.00	49.5	594.00
Reg Pay-6090			0.00		0.00	0.00		0.00
Reg Pay-6070			0.00		0.00	0.00		0.00
Reg Pay-6100			0.00	23	12.00	276.00		0.00
Reg Pay-6111			0.00		0.00	0.00		0.00
Reg Pay-6112			0.00		0.00	0.00		0.00
Reg Pay-6114			0.00		0.00	0.00		0.00
Reg Pay 6113			0.00		0.00	0.00		0.00
<b>Total Gross Pay</b>			<b>2,036.00</b>	<b>49</b>		<b>588.00</b>	<b>49.5</b>	<b>594.00</b>
Deductions from Gross Pay								
Insurance			0.00			0.00		0.00
<b>Total Deductions from Gross Pay</b>			<b>0.00</b>			<b>0.00</b>		<b>0.00</b>
<b>Adjusted Gross Pay</b>			<b>2,036.00</b>	<b>49</b>		<b>588.00</b>	<b>49.5</b>	<b>594.00</b>
<b>Taxes Withheld</b>								
Federal Withholding			-197.00			0.00		-42.00
Medicare Employee			-29.52			-8.52		-8.61
Social Security Employee			-85.51			-24.70		-24.95
IN - Withholding			-69.22			-19.99		-20.19
Davies Co			0.00			0.00		-10.40
Marion Co			0.00			0.00		0.00
Monroe Co.			-21.17			0.00		0.00
St. Joseph co			0.00			-6.10		0.00
<b>Total Taxes Withheld</b>			<b>-402.42</b>			<b>-59.31</b>		<b>-106.15</b>
<b>Net Pay</b>	<b>153.5</b>		<b>1,633.58</b>	<b>49</b>		<b>528.69</b>	<b>49.5</b>	<b>487.85</b>
<b>Employer Taxes and Contributions</b>								
Federal Unemployment			6.53			3.53		3.57
Medicare Company			29.52			8.52		8.61
Social Security Company			126.23			36.46		36.83
IN - Unemployment Company			11.50			3.33		3.36
<b>Total Employer Taxes and Contributions</b>			<b>173.78</b>			<b>51.84</b>		<b>52.37</b>



**LAKE LEMON CONSERVANCY**  
**Payroll Summary**  
July 2011

	HAYS, LARRY D		Hopkins, Joseph S		JACOB, MORROW L		Mann, Hunter C		
	Rate	Jul 11	Hours	Rate	Hours	Rate	Jul 11	Hours	Rate
<b>Employee Wages, Taxes and Adjustments</b>									
Gross Pay									
Salary	0.00								
Hour Pay-6110	0.00								
HOURLY PAY-6110	0.00								
Reg Pay-6090	0.00								
Reg Pay-6070	0.00		101.5	8.50				65.5	14.00
Reg Pay-6100	0.00								
Reg Pay-6111	0.00								
Reg Pay-6112	15.00								
Reg Pay-6114	16.00								
Reg Pay 6113	16.00								
<b>Total Gross Pay</b>		3,128.00	101.5		91.25		912.50	65.5	
<b>Deductions from Gross Pay</b>									
Insurance		0.00					0.00		
<b>Total Deductions from Gross Pay</b>		0.00					0.00		
<b>Adjusted Gross Pay</b>		3,128.00	101.5		91.25		912.50	65.5	
<b>Taxes Withheld</b>									
Federal Withholding		-253.00					-82.00		
Medicare Employee		-45.36					-12.51		
Social Security Employee		-131.38					-38.24		
IN - Withholding		-106.35					-29.34		
Davies Co		0.00					0.00		
Marion Co		0.00					0.00		
Monroe Co.		-32.53					-9.52		
St. Joseph co		0.00					0.00		
<b>Total Taxes Withheld</b>		-568.62					-125.09		
<b>Net Pay</b>		2,559.38	101.5		91.25		738.39	65.5	
<b>Employer Taxes and Contributions</b>									
Federal Unemployment		10.37					5.17		
Medicare Company		45.36					12.51		
Social Security Company		193.94					53.49		
IN - Unemployment Company		17.67					4.87		
<b>Total Employer Taxes and Contributions</b>		267.34					76.04		

## LAKE LEMON CONSERVANCY Payroll Summary July 2011

	Mann, H...		PATRICK, CAMPBELL		ROBERT, MADDEN E		Rupenthal, Keegan A	
	Jul 11	Hours	Rate	Jul 11	Hours	Rate	Jul 11	Hours
<b>Employee Wages, Taxes and Adjustments</b>								
Gross Pay								
Salary	0.00			4,409.42			0.00	
Hour Pay-6110	0.00			0.00			0.00	
HOURLY PAY-6110	0.00			0.00	31.5	12.00	0.00	
Reg Pay-6090	917.00	112	9.50	0.00			378.00	
Reg. Pay-6070	0.00			0.00			0.00	
Reg. Pay-6100	0.00			0.00			0.00	
Reg. Pay-6111	0.00			0.00			0.00	
Reg. Pay-6112	0.00			0.00			0.00	
Reg. Pay-6114	0.00			0.00			0.00	
Reg. Pay 6113	0.00			0.00			0.00	
<b>Total Gross Pay</b>	<b>917.00</b>	<b>112</b>		<b>4,409.42</b>	<b>31.5</b>		<b>378.00</b>	
Deductions from Gross Pay								
Insurance	0.00			0.00			0.00	
<b>Total Deductions from Gross Pay</b>	<b>0.00</b>			<b>0.00</b>			<b>0.00</b>	
<b>Adjusted Gross Pay</b>	<b>917.00</b>	<b>112</b>		<b>4,409.42</b>	<b>31.5</b>		<b>378.00</b>	
Taxes Withheld								
Federal Withholding	-25.00			-504.00			-20.00	
Medicare Employee	-13.30			-63.94			-5.48	
Social Security Employee	-38.51			-185.20			-15.88	
IN - Withholding	-31.18			-149.92			-12.85	
Daves Co	0.00			0.00			0.00	
Marion Co	0.00			0.00			-6.13	
Monroe Co.	-9.57			-45.86			0.00	
St. Joseph co	0.00			0.00			0.00	
<b>Total Taxes Withheld</b>	<b>-117.56</b>			<b>-948.92</b>			<b>-60.34</b>	
<b>Net Pay</b>	<b>799.44</b>	<b>112</b>		<b>3,460.50</b>	<b>31.5</b>		<b>317.66</b>	
<b>Employer Taxes and Contributions</b>								
Federal Unemployment	5.50			6.39			2.27	
Medicare Company	13.30			15.43			3.48	
Social Security Company	56.85			65.97			23.44	
IN - Unemployment Company	5.18			6.01			2.14	
<b>Total Employer Taxes and Contributions</b>	<b>80.83</b>			<b>93.80</b>			<b>33.33</b>	

**LAKE LEMON CONSERVANCY**  
**Payroll Summary**  
July 2011

	Scudder, Jarod V		WARTHAN, LEVI R		TOTAL	
	Hours	Rate	Hours	Rate	Hours	Rate
<b>Employee Wages, Taxes and Adjustments</b>						
Gross Pay						
Salary						
Hour Pay-6110		0.00		0.00		4,409.42
HOURLY PAY-6110	11	12.00		0.00	33.50	536.00
Reg Pay-6090		0.00		0.00	238.00	2,916.00
Reg. Pay-6070		0.00		0.00	65.50	917.00
Reg. Pay-6100		12.00		0.00	304.75	2,839.25
Reg Pay-6111		0.00	205.5	32.00	23.00	276.00
Reg Pay-6112		0.00		0.00	205.50	6,576.00
Reg Pay-6114		0.00		0.00		0.00
Reg Pay 6113		0.00		0.00	195.50	3,128.00
<b>Total Gross Pay</b>	11	132.00	205.5	6,576.00	1,065.75	21,597.67
<b>Deductions from Gross Pay</b>						
Insurance		0.00		0.00		0.00
<b>Total Deductions from Gross Pay</b>		0.00		0.00		0.00
<b>Adjusted Gross Pay</b>	11	132.00	205.5	6,576.00	1,065.75	21,597.67
<b>Taxes Withheld</b>						
Federal Withholding		0.00		-1,200.00		-2,459.00
Medicare Employee		-1.92		-95.36		-313.18
Social Security Employee		-5.54		-276.20		-907.12
IN - Withholding		-4.49		-223.59		-734.32
Davies Co		0.00		0.00		-10.40
Marion Co		0.00		0.00		-6.13
Monroe Co.		-1.38		-68.59		-208.72
St. Joseph co		0.00		0.00		-6.10
<b>Total Taxes Withheld</b>		-13.33		-1,863.74		-4,644.97
<b>Net Pay</b>	11	118.67	205.5	4,712.26	1,065.75	16,952.70
<b>Employer Taxes and Contributions</b>						
Federal Unemployment		0.79		0.00		49.60
Medicare Company		1.92		95.36		313.18
Social Security Company		8.18		407.72		1,339.08
IN - Unemployment Company		0.74		0.00		59.96
<b>Total Employer Taxes and Contributions</b>		11.63		503.08		1,761.82

**JULY 2011 BUDGET SUMMARY**

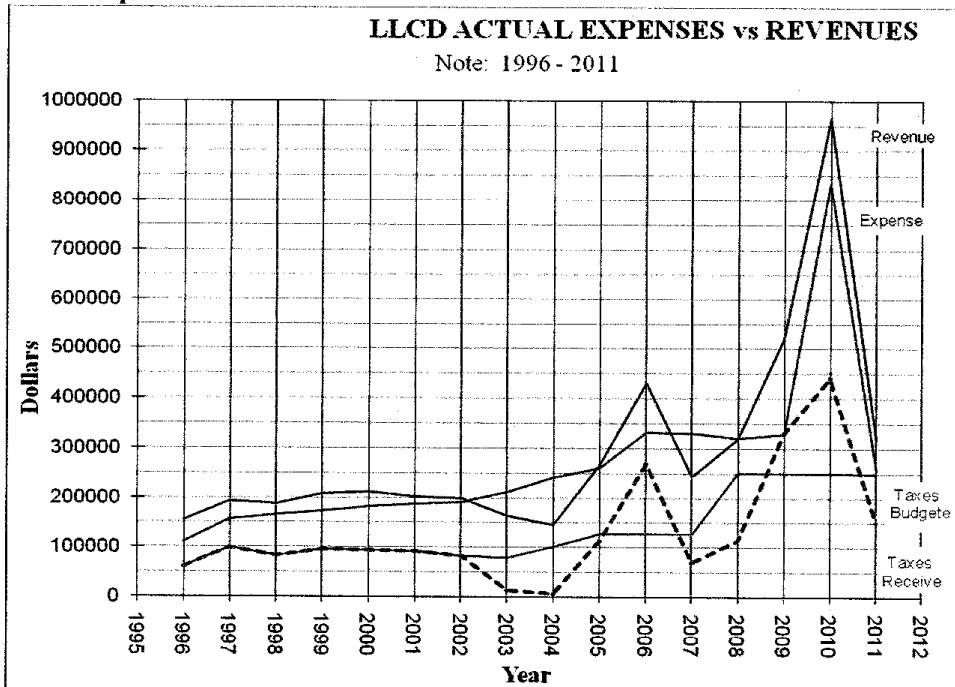
<b>1. Income:</b>	<b>\$39,345</b>	Watercraft/launch Permits	\$21,922
		Sublease & Lake Access Fees	\$3082
		Interest	\$255
		Park Res/admissions	\$12,615
<b>2. Expenses:</b>	<b>\$56,049</b>	Salary/Benefits:	\$23,677
		Supplies:	\$2,137
		Attorney:	\$3,075
		Grass	\$1,813
		Dredge Loan	\$11,500
		Fireworks	\$6,500
		Other services & charges	\$7,347

**3. June 2010/June 2011 Comparison:**

	<u>2010</u>	<u>2011</u>	
<b>Total revenue (-Taxes)</b>	<b>\$166,187</b>	<b>\$165,987</b>	(\$317,100 including taxes)
<b>Total Expenses</b>	<b>\$262,128*</b>	<b>\$257,413</b>	

*\*Excludes Dredge Equipment Purchase and loan proceeds*

**4. Revenue vs. Expenses**



- 4. Investments:**
- a) \$201,747 in PBS Checking.
  - b) \$181,009 in 2 CD's for General Fund.
  - c) \$55,979 in five CD's for Cumulative Maintenance Fund.
  - d) \$5,068 Cumulative Maintenance Fund Savings.

**6. Proposed 2012 Budget Public Hearing Sept 7, 2011, Benton Township Senior Citizens Bldg.**



July 27, 2011

Lake Lemon Conservancy District  
7599 N. Tunnel Rd.  
Unionville, IN 47468

RE: Public Removal of Dredging Material

To Whom It May Concern:

First Insurance Group represents Lake Lemon Conservancy District on its property and casualty insurance matters. We have been asked by Bob Madden to present you with an opinion as to the application insurance coverages on allowing public access and use of the material that is dredged from the lake and the impact of such activity on your insurance premiums.

On the application of coverage, your general liability policy states the following:

"We will pay the sums that the insured becomes legally obligated to pay as "damages" because of "bodily injury" or "property damage" to which this coverage applies.

There are a number of exclusions which apply to this coverage; most notable is the pollution exclusion which states the following:

This coverage does not apply to any actual or alleged "bodily injury", "property damage", "personal injury" ... caused by, resulting from, or arising out of the actual, alleged potential, or threatened emission, discharge, dispersal, seepage, migration, leaching, disposal, release, escape, or existing of "pollutants" or "exposure" to "pollutants"

On this basis of our review, we hereby offer the following opinions:

1. The general liability policy would provide coverage for the LLCDC as a result of suit resulting from the removal of material so long that it results in "bodily injury" or "property damage".
2. Coverage would not apply if the resulting "bodily injury" or "property damage" was the result of a pollution exposure such as the contamination found in the material.

In regards to the impact, we are of the opinion that there would be no direct premium impact on allow public access. However, there would be a higher risk exposure to the LLCD which can result in increased claim activity.

If the LLCD decides to proceed forward and allow public access to the material, we would offer the following recommendations in order to minimize your risk exposure:

1. Allow only restricted access to the material at times in which an employee of the LLCD can be present and monitor the activity on the site. During times of no supervision, the site will be locked.
2. Have all persons accessing the material sign a waiver holding the LLCD harmless of any negligence in the obtaining or use of the material.
3. Have all persons accessing the material sign a waiver indicating that they understand the environmental and health concerns in use of the material and hold the LLCD harmless from any complications thereafter.

***This opinion letter is drafted solely for the confidential use of the Board of Directors of the Lake Lemon Conservancy District. First Insurance Group or the author accepts no liability for the content of this opinion letter or for the consequences of any actions taken on the basis of the information provided. Final determination as to the application of insurance coverages shall be made by an adjustor based on the facts provided at time of claim.***

Sincerely,

Lance Eberle, CIC, CRM, MBA

August 6, 2011

*Via Email Only*

Bob Madden  
Lake Lemon Conservancy District  
7599 North Tunnel Road  
Unionville, IN 47468

*This correspondence is attorney work product and is confidential and  
protected from disclosure by the attorney-client privilege.  
This correspondence is intended for the named recipient and the  
Directors of the LLCDC only.*

RE: LLCDC Lake Sediment  
Our File No.: 11820-0

Dear Bob:

The LLCDC requested legal opinion on matters relating to the removal of sediment from the Lake and ownership of the material after removal and disposal. This opinion is based on the following statement of facts:

1. Lake sediment is located within the lake waters, which is property owned by the City of Bloomington and leased to the LLCDC for operation, management and control, pursuant to the Lease agreement executed on November 27, 1995.
2. Sediment is removed from the lake waters to create and/or improve boat access near freeholder docks and recreational areas. Private landowners pay the cost of sediment removal for purposes of the questions raised by this Letter.
3. The removed sediment is disposed of, with permission and under the LLCDC's authority, on property owned by the City of Bloomington.

The question has arisen regarding the ownership of the sediment, once removed.

The Lease Agreement between the Utilities Services Board for the City of Bloomington and the LLCDC is silent as to the issue of sediment removal and disposal. As such, there are no contractual provisions between the City and the LLCDC that speak directly to the question at hand.

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The common laws regarding ownership of property would apply in this circumstance. Clearly, the City of Bloomington owns the lake and the sediment contained in the lake as it is deposited over a period of years. Once removed, regardless of how or who removed the sediment, it does ownership does not transfer to another.<sup>1</sup> If sediment is dredged from the lake waters, it is done with the express consent and under the authority of the LLCD, who controls maintenance and operation of the lake property under its Lease with the City. An LLCD approved permit is required to dredge sediment from the lake (or make any other shoreline alterations and/or improvements). As such, the LLCD controls the removal and disposal of the sediment, whether by LLCD action through its dredging initiative or by payment from private landowners.

In this instance, the sediment that is removed is placed, by permission of the City of Bloomington, on property owned by the City. The LLCD has the authority to utilize the City's property for sediment disposal. It likewise has the authority to determine the ultimate disposition of the sediment placed on the property.

The removal of the sediment and disposal of the same from City of Bloomington property to City of Bloomington property, all under the authority of the LLCD, does not result in a private landowner acquiring legal title to the sediment upon its removal from the lake bed or shoreline. The LLCD has the authority, and in fact, arguably an obligation under its Lease with the City, to monitor and control the disposition of lake property for the benefit of the LLCD and its freeholders.

I have had an opportunity to review the insurer's letter regarding the matter. I would only comment that the recommendations made at the conclusion of Mr. Eberle's letter are well taken and merit serious consideration by the Board as it works to limit its legal liability and exposure to risk.

Please let me know if you have any further questions on this matter.

Very truly yours,

*/s/ Angela F. Parker*

Angela F. Parker

333494/ 11820-0

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<sup>1</sup> Although not directly implicated here, it should also be noted that a private landowner may not, as a matter of law, claim title to property of a government entity, such as the City of Bloomington. A private landowner may not acquire title by adverse possession when that property is owned by a municipality.



Subj: **Fwd: Agenda Request**  
Date: 8/4/2011 9:02:01 A.M. Eastern Daylight Time  
From: Llcdoffice@aol.com  
To: Llcdmadden@aol.com

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From: m.mann@landwatergroup.com  
To: Llcdoffice@aol.com  
Sent: 8/3/2011 3:15:07 P.M. Eastern Standard Time  
Subj: Agenda Request

Bob,

I would like to put on the agenda for the next board meeting a discussion and overview of the LLCD's cooperation with the DNR conservation officers. This year for some reason I am receiving numerous reports that the CO's are harassing our freeholders and the public on and around Lake Lemon. I support their efforts to enforce safety regulations but I am hearing about citations issued for improper size of registration numbers on boats and similar minor issues. I understand that the state has the right to operate on the lake, however the LLCD should reconsider its cooperation with DNR enforcement if it is true that the alleged harassment outweighs the benefits to our freeholders. Please note that I have not personally been affected by this matter, therefore my concerns are not personal but reflect concerns on behalf of my constituents, many who have been affected.

I would like you at the board meeting to:

Outline the relationship between LLCD management and the DNR conservation officers.

Describe the accommodations that LLCD has made at Riddle Point in support of the conservation offices.

Discuss your take on any reports of CO harassment around the lake.

At this time, I will not be calling for a change in the relationship or accommodation, however I will be requesting that LLCD management monitor the situation by developing a data base on list of complaints and citations issued (if available). If the LLCD board subsequently determines that the CO activity has evolved into harassment, I will strongly urge the board to change to relationship.

In summary, I would like this issue place on the agenda.

Thursday, August 04, 2011 AOL: Llcdmadden