

Hello MPOA Delegates

Linked below please find the proposed MPOA Budget that was generated by the budget committee and distributed at the July Directors Meeting. This budget will be discussed at the Directors Meeting in August so it can be included and voted on at the September Annual Meeting. Please note, it does include an \$8.00 per lot increase in annual dues for 2025.

On behalf of the entire MPOA, I want to express heartfelt gratitude to the budget committee for dedicating countless hours to crafting this budget. It cannot be overstated: as a primarily volunteer-driven organization, our operational costs would be significantly higher without the tireless dedication and commitment of our volunteers. Their efforts in managing, maintaining, and enhancing the lake as well as supporting our community all helps to control expenses and ensure that our lake maintains the lowest annual dues among comparable lakes.

I encourage you to review the budget and discuss with your directors so we can have a productive, transparent, and collaborative conversation. The budget is not meant to be a pitch from either me nor the budget committee, but rather the best estimate of what the MPOA has to spend to maintain and protect the lake and the dam, and serve our members. The budget committee diligently went through this budget line by line, and included representation from residents of Hickory Falls, Highland Shores, Indian Ridge, Shore Hills, Wildwood, Wonder Center, Wonder Woods, Wooded Shores, and more.

What is our money used for? (% of the budget)

- **Lake Use & Safety - 5%**

These expenses encompass costs related to maintaining safe and sustainable recreational activities on and around the lake, ensuring that boating, swimming, and fishing are conducted in a manner that protects both the participants and the lake environment. They include the police patrol, buoys, printing decals, and stocking the lake.

- **Lake Renewal - 16.5%**

These expenses are to improve the lake's ecological health and water quality by addressing issues like pollution, invasive species, and sedimentation. These expenses include engineering, sampling and testing, rental of the sediment drying facility, and other lake renewal expenses as needed.

- **Dam - 14.5%**

Dam expenses for the lake include costs associated with the maintenance and repair of the dam, as well as monitoring and regulatory compliance to ensure structural integrity and environmental safety.

- **Payroll - 27.5%**

Payroll expenses for the lake include salaries, benefits, and related costs for essential person-

nel who manage financial records, oversee lake operations, manage access to the lake, and assist our membership.

- **Office & Building Expense - 5%**

Office and building expenses encompass costs related to operating the office as well as maintaining and operating the owned building. These include utilities, repairs, maintenance, and office supplies.

- **Professional Services - 6%**

Professional services expenses include fees paid for specialized services provided by external experts, such as legal counsel, accounting, consulting, and other professional advisory services necessary for the lake's management and operations.

- **Travel and Entertainment - 0.5%**

These are minimal expenses related to conferences and meetings.

- **Insurance - 23%**

Insurance expenses cover the costs of various insurance policies, including property, liability, and other relevant coverages to protect the lake, its assets, employees, and members from potential risks and financial losses.

- **Taxes, Licenses, and Fees - 2%**

This is mostly made up of real estate taxes.

Why the increase?

- As we all are aware inflation has impacted all of our expenses. It goes without saying that those increases will affect the MPOA as well.
- Beyond that we expect to have to spend more on Lake Renewal including our portion of gauge maintenance, sampling and testing, and engineering.
- Additionally we are expecting dam maintenance costs to increase.
- Insurance costs are also expected to increase.
- Finally we are increasing the budget for legal fees to begin collection efforts on some of the worst offenders.

I look forward to a lively, respectful, and constructive conversation at the August Director's meeting.

Thank you all,

Brad Dennison
MPOA President