

Received 11-30-05
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COUNCIL GROVE LAKE ASSOCIATION

P.O. Box 13 Council Grove, KS. 66846

Dave Baker-Chairperson
George Forrester-Vice Chairperson
Vernon Hay-Treasurer
Andy Hutter-Secretary

Danny L. Matthews, City Administrator
City of Historic Council Grove
313 West Main, P.O. Box 313
Council Grove, KS 66846

Dear Mr. Matthews,

Thank you for your reply of November 2, 2005. I have shared your response with the executive board and via our web site, to the entire Lake Association. The data you provided does help clarify issues we had about the city budget and Lake income and expenditures.

As we continue to plan and make recommendations on annexation and lease agreements, this financial information is critical. I'm sure you would agree that these important decisions that affect the city of Council Grove and the Lake Association must be based on accurate information. The executive committee believes that your latest communication is a step in the right direction.

However, we still have several questions in areas that need clarification. It is our intent to be as accurate as possible as we share information with our membership. Because the city does not have a designated budget for the Lake, we recognize the difficulties you must face in documenting both income and expenditures. We seek clarification on the following items:

- x • 2004 building permit income. We need to have a breakdown of how many permits were issued, when, and for what address.
- x • 2004 lease transfer income. How many lease transfers and the address of each.
- Clarification on the amount of gravel purchased, transported, and where used. Is this an annual expense or prorated over several years?
- Disposal permits (What are they?)
- Personnel Services. Is this several people? What does it cover? We need a breakdown of all salaries
- What is capital outlay?

- ✕ • King's rent. Is this income or expense?
- Projected 2005 expenses show large increases in personal services and equipment expense what are the causes for these increases?

In addition to clarification on the above items, we also request the long-term projection by the mayor include not just lease income, but all income received from the Lake. On the part of the Lake Association, we will research additional income produced by economic development in the region. Working with state economists we plan to illustrate the tax revenue produced by the enhanced economic development of Lake residents. We plan to pursue an economic impact study to illustrate the additional tax revenue produced by the Lake residents.

For the Executive Board,



Dave Baker
President, Council Grove City Lake Association