

RKLD 2020-2021 Transactional Audit Report

The RKLD Audit Committee met at 7 PM on August 25, 2021, at the Fulton Town Hall to conduct the transactional audit of 2020-2021. In attendance at this meeting were Bryan Meyer, representing Milton Township, Evan Sayre, representing Fulton Township, Bruce Hudson, representing Albion Township, Len Mueller, representing Sumner Township, and Justin Shultz, representing Koshkonong Township. Also in attendance were RKLD treasurer Mark Meyer, and RKLD chairman Alan Sweeney.

Treasurer Meyer provided the audit committee with transactional bank records and copies of all invoices for cross reference and review dating from January 2020, through December 2020. The committee reviewed these records and found them to be clear and satisfactory.

The committee asked treasurer Meyer to explain some of the new record-keeping procedures and their benefit to the public. Meyer explained several new policies that the RKLD board has implemented. Every expense comes before the board for approval on a monthly basis now rather than quarterly, which makes it easier to track expenses for both the board and constituents alike since the time frame from meeting to meeting is shorter. Additionally, all expenses now require board approval, not just items over \$2500 as was the case in the past. He further explained that RKLD is maintaining physical copies of invoices for record-keeping purposes, which was not done in the past.

The committee asked why the audit committee was formed. Meyer stated that the resolution that formed the audit committee was passed as a measure of transparency. The resolution grants each of the five townships that in the lake district the ability to review the finances of the district. The resolution gives each township chairman the power to appoint a member of the audit committee. The appointee may be the town chair or a person of their choosing, which means any concerned constituent can seek appointment for this committee through their town chairman. The committee is also a cost-saving measure for taxpayers. A formal audit can cost over \$10,000, and the district only has detailed records of spending beginning in 2020, Meyer's first year as treasurer, so an audit would not go back very far in time or be good value. A reconciliation of the books by an accounting service is another option but this also costs several thousand dollars, or around 1-2% of the district's total yearly budget. An audit committee transactional audit allows public participation in the process and saves the district money while meeting statutory requirements.

The committee then discussed how revenue is received. Meyer stated that revenue comes from eight municipalities, the five townships and three counties that contain the district. Revenue is deposited in lump sums, though the district at times receives odd revenue on occasion as not all property taxes are paid on time. The district is paid by each municipality after the municipality receives the payment from RKLD property owners.

The committee inquired what is the process for moving money from one of the segregated funds to the general fund or between one segregated fund and another. Meyer stated that this has not occurred during his tenure. The two segregated funds have accumulated interest while the general fund has been used to pay bills.

The committee asked if Meyer receives any compensation for his bookkeeping. Meyer explained that he does not receive compensation and that his motivation for keeping accurate, detailed records is to

ensure taxpayer money is applied to worthy, tangible projects that benefit constituents. He again emphasized the goal of enhanced transparency of records and process.

A motion was made by Evan Sayre, seconded by Bryan Meyer, and unanimously approved by the audit committee to approve the 2020-2021 transactional audit.

The meeting adjourned at 7:35 PM.

Respectfully submitted by: Justin Shultz