

**DUE TO AN INSUFFICIENT
NUMBER OF ULLPOA BOARD OF
DIRECTORS BEING PRESENT AT
THE OCTOBER 19, 2019
ANNUAL MEETING, THESE
MINUTES WILL REMAIN
UNAPPROVED.**

**UNITED LOST LAKE PROPERTY OWNERS ASSOCIATION
12th ANNUAL MEETING - October 19, 2019**

The 12th Annual Meeting of the United Lost Lake Property Owners Association was called to order by President Perry at 10:01 a.m. on Saturday, October 19, 2019 at 404 Lake Court. President Perry welcomed everyone in attendance.

Attendance: Carol Brown (*Vice-President*), Wes Jaros, Dan Perry (*President*), Kim Rogers (*Secretary*), Toni Vella, Cheryl Wash, and Ed Workman (*Treasurer*).

Absent: Jon Arneson.

Guests: see ATTACHMENT A.

PLEDGE OF ALLEGIANCE

MEMBER COMMENTS: Members Judy Schwarz, Mary Sullivan and Roger Asplund.

MOTION TO APPROVE OCTOBER 19, 2019 AGENDA: see ATTACHMENT B. Wes made a motion to accept the October 19, 2019 agenda, seconded by Ed, after which President Perry requested that Community Event Report be added after Committee Reports. Wes amended his motion to include this request, after which Ed seconded the amended motion. A voice vote was taken, and all present were in favor, none opposed. (7 yeas, 0 nays).

READING OF OCTOBER 20, 2018 MEETING MINUTES: Kim read the October 20, 2018 Annual Meeting minutes, which had been previously approved by the ULLPOA Board at their December 2018 meeting.

PRESIDENT'S REPORT: see ATTACHMENT C.

TREASURER'S REPORT: see ATTACHMENT D.

COMMITTEE REPORTS

SECURITY: No report given.

COVENANTS, BY-LAWS & RULES & REGULATIONS: see ATTACHMENT E.

ACC/ECC: see ATTACHMENT F.

ROADS: see ATTACHMENT G.

PROPERTIES, PARKS & MAINTENANCE: see ATTACHMENT H.

COMMUNITY EVENT REPORT: see ATTACHMENT I.

NEW BUSINESS

FINANCIAL REVIEW COMMITTEE REPORT: Toni read a report that was signed by 2 of the 3 committee members (see ATTACHMENT J). Jerry Sellers, the 3rd committee member was present at today's annual meeting, and publicly stated that he did not sign off on the report because he believed the committee was conducting themselves outside the scope of the function outlined in the By-Laws.

MEMBERSHIP RESULTS OF ELECTION BALLOT: Carol reported that of the 234 election ballots received, 233 were valid, and 1 was invalid. The four (4) candidates who received the most votes were Kim Rogers, Doug Jones, Mike Huber and Mary Sullivan.

MEMBERSHIP RESULTS OF 2020 BUDGET BALLOT: Carol reported that of the 229 budget ballots received, 227 were valid, and 2 were invalid. There were 142 YES ballots, and as a result, the 2020 budget passes.

ESTABLISH 2020 DUES & ASSESSMENTS: With the 2020 budget passing, and in order to meet the budgeted 2020 dues & assessments, Ed recommends a \$25.00 increase per tier, as follows: Tier 1 \$362.00, Tier 2 \$387.00, Tier 3 \$412.00, and Tier 4 \$437.00. After discussion, Ed stated that the increase in the 2020 dues & assessments would be between \$25.00 and \$27.00 per tier.

MOTION: After Wes initially made a motion to increase the 2020 dues & assessments by \$25.00, seconded by Cheryl, Wes revised the motion to reflect a \$25.00 to \$27.00 increase per tier, after which Cheryl seconded the revised motion. A roll call vote was taken, and those in favor were Wes, Cheryl, Carol, Ed, President Perry and Toni. Kim voted no. **(6 yeas, 1 nay).**

ADJOURNMENT: Wes made a motion to adjourn, seconded by Kim. A voice vote was taken, and all present were in favor, none opposed. **(7 yeas, 0 nays).** Meeting adjourned at 11:26 a.m.

Submitted by Leslie Edgar, Office Manager _____

12TH ANNUAL ULLPOA MEETING

OCTOBER 19, 2019

NOTE: NO MEETING IS TO BE RECORDED IN ANY FASHION WITHOUT ACKNOWLEDGEMENT BY THE BOARD

- | | |
|--|--|
| ✓ 1. Carol Walkman | ✓ 24. Marilyn Ditzler |
| ✓ 2. Ben Winkler | ✓ 25. Gerald Kurl |
| ✓ 26 LOT
3. ROBERT + KATHERINE QUINNETT | ✓ 26. Robert Kurl |
| ✓ 4. Melody Jackson | ✓ 27. Kelly Satchell |
| ✓ 5. Diane Jacobich | ✓ 28. Diane Brown |
| ✓ 6. Lynn Harris | ✓ 29. Roger D. Dyer |
| ✓ 7. John Harris | ✓ 30. Marge Asplund |
| ✓ 8. John Malhotra | ✓ 31. Jerry Sellen |
| ✓ 9. Leo Vengani | ✓ 32. Amy Warrick |
| ✓ 10. Kathi Vengani | ✓ 33. Mel Jacobich |
| ✓ 11. Ken Schwarz | ✓ 34. J Leonard |
| ✓ 12. Judy Schwarz | ✓ 35. LINDA RYBA |
| ✓ 13. Madeline Thibet | ✓ 36. Robert Krueger |
| ✓ 14. Pamela Thibet | ✓ 37. Anola & Chris D'Amico |
| ✓ 15. Mary Sullivan | ✓ 38. Phil Vella (he) |
| ✓ 16. Charlie Moore | ✓ 39. Bjorn Borge (he) |
| ✓ 17. Kerry Malin | ✓ 40. Judie Leonard (he) ok see #34 |
| ✓ 18. Gary Grohning | ✓ 41. Bob Branscom (he) |
| ✓ 19. Maurin Branscom | ✓ 42. Shawn Parich (he) |
| ✓ 20. Ken Branscom | ✓ 43. Charles Carroll (he) |
| ✓ 21. Sue Hill | ✓ 44. Mike Huber (he) |
| ✓ 22. Frank & Winona Hill
Walt + Kathy | ✓ 45. Tom Spede (he) |
| ✓ 23. Shanbaug | 46. _____ |

Attachment A

**12th ANNUAL ULLPOA MEETING, OCTOBER 19, 2019 10:00 A.M.
404 LAKE COURT - LAKE COURT CENTER**

**NO MEETING IS TO BE RECORDED IN ANY FASHION WITHOUT
ACKNOWLEDGEMENT BY THE BOARD**

WELCOME TO AUDIENCE
ROLL CALL
PLEDGE OF ALLEGIANCE

MEMBER COMMENTS

MOTION TO ACCEPT AGENDA
READING OF OCTOBER 20, 2018 MEETING MINUTES
PRESIDENT'S REPORT
TREASURER'S REPORT

COMMITTEE REPORTS:

SECURITY
COVENANTS, BY-LAWS AND RULES & REGULATIONS
ACC/ECC
ROADS
PROPERTIES, PARKS & MAINTENANCE

Add: → Community Event Report

NEW BUSINESS:

FINANCIAL REVIEW COMMITTEE REPORT
MEMBERSHIP RESULTS OF ELECTION BALLOT
MEMBERSHIP RESULTS OF 2020 BUDGET BALLOT
ESTABLISH 2020 DUES & ASSESSMENTS

ADJOURNMENT

NEXT MEETING: SATURDAY, NOVEMBER 16, 2019 @ 9:00 AM

NOTE: OFFICERS WILL BE ELECTED AT AN EXECUTIVE SESSION IN JANUARY 2020.

Attachment B

PRESIDENT'S REPORT Annual Meeting - October 19, 2019

Good morning everyone, welcome to our Annual Meeting.

While this is not news to those who've been intently watching, there have been a variety of changes in how this Board is doing business this year.

First, member comments are now included at the beginning of each public meeting agenda so any member in good standing can weigh in on agenda items – or other items of concern or interest - before any action is taken by the Board. All you have to do is sign up on the member comment form that we've been using for a couple of years.

Second, but even more significant, was the action to resolve risk and liability issues related to our service arrangement with the law enforcement officers that have aided this community for several years. Resolving these issues took a significant amount of time and education to determine the best course of action to correct a long-standing problem. I'd like to highlight the particular efforts of both our Security Chairman, Jon Arneson, and Treasurer, Ed Workman, for their work in concert with the officers to develop the solution to get *our* Security team back on the job – which was always the objective.

Third, we've realigned some of the regular tasks that committees have taken on in the past in order to gain more efficiency in how we operate. One notable example is that responsibility for all mowing contracts (roadside and parks) now falls under the scope of our Properties, Parks & Maintenance Committee, I'd like to thank Chairman Wes Jaros for taking on the added weight – and the renewed emphasis on deferred maintenance and improvement that his whole committee has embraced. I've also asked each committee to contribute to building an execution calendar to make it clear when preparatory actions for recurring events need to occur. The goal is to build the playbook that very few of your current board members were given.

Fourth, social events are continuing - planned and conducted by those willing to do so. Social Club Chair Cheryl Wash and her team will continue to invite those who want different events to step forward and see their own ideas through.

I could highlight other accomplishments – or dissect mistakes - for the rest of the morning. Instead, I'll simply state that our success or failure absolutely depends on the efforts of volunteers. Thanks to all those – present or not – that gave of their own time, and sometimes sweat or cash, to make our place better.

This year has not been pain free. As long as we have Board members coming and going, there will always be adjustment periods with a learning process. This year there are four Board seats due for election and (for the first time in three years) more than enough candidates to fill the seats. We'll learn the results later in this meeting. Regardless of the outcome, I am grateful to have worked with a Board made up of members that have each clearly demonstrated their desire to improve our Community.

Dan Perry, President

Attachment C

Treasurers Report

10-19-2019

- 1) Income in Line, Generally we collect 97-98 %
- 2) RFGI Collections Have Had Some Success, no longer Throwing Good Money after BAD.
- 3) We will Finish the year with a surplus reflecting Road work not completed. We have a loss carry forward which should allow us to not pay taxes on this amount.
- 4) I will be bringing to the Board approximately 25K ~~from Oct~~ in AIR in Nov meeting to clear our accounts receivables.

Attachment D

Respectfully



Ed Workman
VHBOA Treasurer 2019

Report – 2019 Annual Meeting
October 19, 2019

Covenants, By-Laws and Rules Regulations Update

I would like to thank the members of our committee – Dwayne Tracy, Laurie Perry, Charlie Carroll and Carol Workman, for their work so far. Also, to welcome – Toni Vella as she has asked to join the committee as well. If you have any interest in joining this committee, please let us know.

Our committee has started meeting to begin discussion on the update of our Covenants. Our Covenants became our main governing document on June 25, 2011. They were adopted by 80.8% of the property owners at that time. These Covenants are binding on all property owners for a period of 10 years. They will renew ~~as is~~ for another 10 years on June 25, 2021, unless we make changes. A copy of the current Covenants can be found on our website.

Since I have lived in Lost Lake, I have heard that this or that should be changed. If there are changes or other ideas that you have please send them to me at this e-mail: cbrownlostlake@yahoo.com. If you would like to write a letter, please send the letter to the Office at 903 Missouri Rd., Dixon, IL 61021. In the last newsletter, I had asked for input from the community, I have received three comments so far.

If the committee and then the board decide that changes are needed, the Revised Covenants will be submitted to the property owners of Lost Lake for approval. To approve these revisions, 51% of the property owners of the original numbered lots, need to vote yes to make changes, for example- if you own 5 of the original numbered lots, you would have 5 votes. If 51% of the original numbered lots do not vote yes, then the current Covenants will remain in force for another 10 years. Please remember that if you choose to not vote, that is the same as voting NO to any changes.

We hope to have any revisions out to the members to review and make comments next year at this time, with the final documents out for vote early in 2021.

Respectfully,
Carol Brown, Vice-President
Chair, Covenants, By-Laws and Rules & Regulations

Attachment E

2019 ACC/ECC YEARLY REPORT
10/19/19

2019 was an awesome year for our Lost Lake Community. Many residents in our community made improvements to their homes. Permits were given for a garage, storage sheds, necessary fences, decks, patios, solar panels and 63 tree permits.

I enjoyed meeting and working with many great people in our community. I'm also happy to say no fines were issued in 2019.

I'd like to thank Dave Shaw and Mike Swartz for their time serving on the ACC/ECC Committee.

Thank you for allowing me to serve as the ACC/ECC Chairperson.

Kim Rogers
ACC/ECC Committee Chairperson

Attachment F

ROADS COMMITTEE REPORT Annual Meeting - Oct 19, 2019

This year included a new Roads Committee and the need to continue establishing practices to ensure fair competition for contracts at Lost Lake. This need includes where, how, and how long, opportunities to bid on contracts are advertised. This need also included standardizing bid specifications so all those interested in bidding are competing on level ground without favoring any particular supply vendor. It is important that our community have standard practices that are documented and can be repeated over time.

Work to repair potholes and other degraded pavement is ongoing – our initial scope of work, which drew an accepted bid lower than anticipated, was completed within eight days of that decision. The Board voted last month to expand the scope to repair additional areas with the selected contractor, and those that of you that joined us this morning might have noted the new paint marks on our roads. That work should be completed within the next few days.

As was the case in 2017, we completed no chip and seal work this year. I've reviewed in detail what records I could find for prior chip and seal work and have developed most of next year's hit list, subject to committee and board review and approval.

Regarding snow plowing last year, the Board's selection of a new contractor - coupled with a sudden and severe winter, prompted many residents to share their comments or concerns through the entire season. I made every effort to listen to the members of our community and respond to all respectfully, provide solutions where I could, and explain the circumstances clearly when I could not.

Last year's experience and the lessons learned provided a large amount of insight into how to draft the request for proposals for this year's contract. The deadline for bids for this year's plowing contract is October 28th. A special Board meeting has been set for the evening of November 1st to select a vendor, along with other business.

I'm sure whoever is the Roads Committee Chairman in the coming year will appreciate knowledgeable volunteers to serve on this important committee.

Dan Perry, Chairman

Attachment 6

PROPERTIES & PARKS COMMITTEE REPORT – 2019 ANNUAL MEETING

This year has been a very busy and productive year for our committee.

The first order of business was soliciting contractors for our grounds mowing and roadside mowing. After improvements were made to the bid specs, ads were placed in local newspapers in March. At our April board meeting, the grounds mowing was awarded to Daniels Landscaping and the roadside to Ken Oltmanns – both of whom were the incumbents and offered the best value for each contract.

After our first committee meeting in April, our members visited our 3 major parks – Eastside, Friendship, and Unity - to decide what repairs were necessary for safety purposes and the type of updating needed to make them more attractive keeping in mind our limited budget.

Eastside and Friendship had both been neglected for many years with steel rebar sticking out of the old rotting timbers at Friendship and the playground at Eastside being taken over by weeds. Rusted metal playground equipment also posed a hazard to children with chipping paint and many rough edges at both locations.

Despite the record amount of rainfall this past spring, work began in May with the old timbers removed at Friendship and new plastic edging installed along with a weed barrier and a truckload of mulch. 2 pieces of metal equipment were also sanded and re-painted with bold new colors. Fresh sand was also added to the sandbox there.

At Eastside, huge amounts of mulch were added, a couple more pieces of metal equipment were sanded and painted, pieces of wood equipment and the park benches there stained, and sand was added to the sandbox as well. Incidentally, much of the work at both parks was done by volunteers which saved the community considerable amounts of money.

At Unity Park, the porta potty which had been awkwardly placed in the middle of the field there and dangerously close to the bottom of the sledding hill, was moved to a more discreet and less visible spot but yet more accessible to the picnic table area. Fresh sand was also added to the sandbox there as well.

Attachment #

In June, volunteers removed overgrown and dead plants at the West Gate entrance. They then weeded the area and new vegetation was planted. In July and August, our volunteer efforts were directed to improve the look at the POA building. A truckload of dirt was delivered and spread and grass seed laid. Dead bushes were removed, new vegetation was planted, and more mulch was added. I think the results at both locations have been quite attractive.

In August, work began on the East Side guardhouse which also had been neglected for many years. Due to the amount of rotting that had taken place, a contractor was hired to strip off the lower sections of 3 sides of the structure and rebuild it piece by piece. A volunteer then applied multiple layers of stain at no cost to the community. A few more boards need to be replaced and stained but all work on the building should be completed before the end of this month.

In September, a volunteer cleaned the interiors of both guardhouses which were in absolutely slovenly condition. This work was done in anticipation of our security staff spending more time at the front gates and performing some of their work inside both structures.

Other miscellaneous committee work done this year included the constant repair or replacement of lighting at both gates, many repairs on the gates themselves, and the repair of the water line at the west entrance.

I've mentioned volunteerism many times and for good reason. Not only does this sacrificial work save our members thousands of dollars, but it also can serve as a way of bringing our members together as we all work towards making Lost Lake the very best community we can be. So besides my contributions, I want to recognize the following individuals who have done the rest of the heavy lifting with the landscaping this year. They are Bille and Bob Branscum, and Cindy and Charlie Carroll. Please give them a round of applause.

Looking forward to next year, here are our goals.

- 1) Replace the old metal slide at Eastside Park which is in very poor and dangerous condition with a modern plastic multi-slide unit with an elevated wood platform.

Attachment #

- 2) Add new modern playground pieces to Eastside which I think children would love as well as replacing the current dilapidated basketball backboard and rim on the concrete pad there.
- 3) Work in conjunction with a homeowner who offered to improve the baseball field at Eastside by eliminating the grass infield and replace with an all dirt one so kids as well as adults could actually play ball there!
- 4) Re-landscape the East Side entrance area.
- 5) And last but not least – especially from a safety perspective – contract the cutting back of vegetation from our road easements that has literally consumed road signs and created many dangerous obstructed view intersections. Since this trimming has been neglected for many years, I have already begun a personal, on-site, detailed study of our entire subdivision and will soon begin writing up bid specs for contractor quoting next spring. We have budgeted enough monies for at least a start to this work which should begin next summer.

Finally, for too many years, the POA, RCD, and the LLUD did not communicate with each other effectively; let alone work in conjunction for the greater good of the community. At times they seemed to be at odds with one another; as witnessed about 4 years ago when our community was forced to pay over \$50,000 to haul away silt which we could have had done for free if there had been cooperation and effective communication between the RCD and POA. It was the reason I ran for office and is an example of why the POA decided a couple of months ago to begin discussions with the RCD and the Utility District to explore any and all ways we can more efficiently run this community. I volunteered to take on the role as the coordinator and I am pleased to report to date there have been multiple conversations with directors of both of our fellow boards as to what specific actions we could take that would enhance each one of our operations. While conversations are still in their infancy, I am very encouraged by the welcoming and open spirit and attitudes displayed by members of all 3 boards. Stay tuned for details as they develop.

Attachment #

Social Committee Report for 2019

Page 1 of 2

The social committee has truly come a long way. I would like to thank the present board for adding the social committee as an ad hoc board committee. You may all have noticed that we no longer refer to this group as a committee but rather a club, the reason for this is simple, changing this from committee to club sounds more like fun than work. The Social Club now has a website with a community blog that can be found on the web listed as LOSTLAKESOCIALCLUB.COM Moving forward it is hoped that this blog will be a place where we can all share something interesting about community happenings. It could be an announcement of an achievement or a beautiful picture of our lake or critters that share this community with us.

The social club chair holds a position on the current board but we are a freestanding committee with our own treasury. After many successful events it was decided to open a checking account to keep our funds safe. Carol Workman and I serve as co treasurers on this account. Our current treasury has a total of \$1265.56.

Moving forward the intention is to run a Welcome BBQ every year so that new neighbors have the opportunity to meet others in our community and foster an atmosphere of friendship. We also hope to be able to fund some of our kids events such as the fishing derby, an ice fishing clinic & any other fun events or activities that would be enjoyable for the community as a whole.

I would also like to thank all of the many residents that have stepped forward to help out with our past years events. Whether they have chaired an event or served as worker bees seeing to it that no one person got slammed with all of the work. I especially want to thank Carol Workman and Natalie Winebaugh that have always been there to pick up the slack for sharing their enthusiasm in helping with many of the past activities. I also want to thank Cindy Carroll & Bille Branscum for helping to hang our event notifications at the gates in the kiosks. There are many more people out there that have helped out in so many ways, please know that you are very much appreciated as we could not have been able to run so many of these fun social activities without your help.

Some of the events that we held over the past year include,

Chili cook-off, 911 presentation and potluck, wine tasting, Easter egg dash, New Resident welcome BBQ with kayak races, family float day which was an extremely wet event but we had a great turnout and laughed a lot, & the kids fishing derby. We took a shot at encouraging residents to come together with our Friendship Cafe where we sold home baked goods and served coffee. If there would be interest from the community we can once again offer this throughout the winter months after our monthly POA meetings.

Moving into the fall and winter we will be holding some more events including the kids halloween party, the Fall Fiesta on November 2nd, our kids Christmas party on December 7th, and on January 19th we will have a souper bowl event, lastly in February 15th we will once again host the Wine/Craft beer tasting event, which was one of our best attended social events.

I
Attachment

Social Committee Report for 2019

Page 2 of 2

Our social club is also trying to move forward with a formal welcome committee, where current residents can volunteer to welcome new neighbors into our community by paying them a visit to personally drop off a welcome packet that we hope will eventually be chock full of valuable resource materials and contact information that will make their transition to our community a warm and welcoming experience.

The social club will be working hard to bring more social events to our community as well as continuing on with many of the events held over the years. The social group will also assist with putting our community garage sale together.

We are always looking for volunteers to help in anyway, whether it be to chair an event, or work behind the scenes on a committee. With volunteerism no one person will ever be expected to run every event. Moving forward we hope to have quarterly planning meetings which will be posted in our newsletter, the Next Door site, our Community FB page and our social club website. All are encouraged to suggest events or activities and to join the fun.

Once again, I want to thank everyone that has helped with our events over the past year & to the board for acknowledging that social events and activities are a perk to living in Lost Lake. Our community is a wonderful place & I look forward to meeting and welcoming many more of our neighbors to share in the friendship & beauty of our little slice of heaven.

-Cheryl Wash
Social Club Chairperson

Attachment I

I would like to say something before I read the report. Before I began this review, I obtained a copy of the basic financial review checklist used by the Presbyterian Church USA. This checklist is very similar to the steps used in past financial reviews here at the POA.

However, page 2 of this checklist suggests that an expanded financial review be performed every two or three years. Because Charlie Carroll and I had several questions after reviewing the expenses listed on the Accounts Quick Report that was provided to us, we decided to expand our review. This is in line with the phases of a financial audit which I have included in the report I am about to read.

Attachment 5

Financial Review Letter

The fundamental purpose of a financial audit is to provide independent assurance that management has, in its financial statements, presented a "true and fair" view of a company's performance and position. We realize that we performed a financial review and not an audit. But we feel the purpose of our review is to provide a "true and fair" view of the ULLPOA's performance and position.

We chose to utilize the three phases of a financial audit as follows:

- Phase 1: plan and design an audit approach.
- Phase 2: perform test of controls and substantive test of transactions. In simpler terms, this is looking at internal controls that the ULLPOA has put in place. This is to be followed up by evaluating ULLPOA's recording of transactions by verifying the monetary amounts of transactions.
- Phase 3: perform analytical procedures and tests of details of balances. Where internal controls are strong, auditors (in our case, reviewers) rely on substantive analytical procedures. This is defined as the comparison of sets of financial information, and financial with non-financial information to see if the numbers 'make sense' and that unexpected movements can be explained.

Finally, the report being read today is a summation of our findings. Our full report, which amounted to eight typewritten pages, was presented to the ULLPOA Board (Board) president and treasurer under separate cover.

Findings

We found that the operating effective of internal controls was adequate as discussed below.

- The Board Treasurer performed the bank reconciliations.
- Funds transfers from the money market account to the checking account were approved by a Board officer prior to transfer.
- Time sheets were approved by a Board officer.
- Petty cash reconciliations were performed monthly by the Board president.
- Invoices were approved by a Board member and attached to the expense document.

We did find issues when we attempted to perform the substantive test of transactions and when we performed analytical procedures and tests of details of balances. The summary of our concerns is discussed below:

Roads Improvements and Repairs.

These two items made up over 47 percent of 2018 expenses. We wanted to compare the scope of work included in roads contracts to what was expensed. However, we were unable to perform this analysis because we were unable to obtain the roads contracts.

We recommended in our report to the Board that the Roads Committee develop an annual and 5-year plan for roads improvements. Although we acknowledge that this recommendation may be out of scope, we commend the Board President when he announced that he was planning to engage an engineering firm to evaluate our roads in the September Board meeting.

Attachment J

Snow and Ice Removal

The Board Treasurer stated in his response that our comments on snow and ice removal were outside of scope. We included this in our review because the contract was let in 2018 and expenses were incurred in that same year. We reviewed the 2018/2019 snow removal contract and found that it did not address, among other things, timeliness and penalties for non-compliance. We have provided the Board President with a draft proposal for the 2019/2020 period. However, this draft also does not address timeliness and penalties for non-compliance. We recommended that the Roads Committee complete the draft report.

Administration

Our main concern in this area was that there was no employee handbook. We felt that one that defined regular hours, authorization for additional hours, holiday and personal time was needed to effectively analyze payroll. We stressed the need for an employee handbook because payroll costs could potentially be over twenty percent of 2020 expenses. The Board Treasurer disagreed with our including this assessment. However, we included it in the report to document the impact of not having defined roles, rights and responsibilities.

We also found non-material issues with the posting and handling of petty cash, mileage, and postage. Our concerns were addressed in our report to the Board.

Our overarching recommendation for the Administrative function was the establishment of a Finance/Personnel/Administrative committee. This committee would write the employee handbook and review timesheets for compliance with the handbook, set forth administrative policy and provide independent contract administration.

We also recommend that next year's Financial Review committee review the full report submitted to the Board and determine whether effective corrective action has been taken.

In closing, we would like to commend the Board President and the Treasurer for their cooperation in this review.

Respectfully submitted,

Charles Carroll

Antoinette Vella

Attachment