

March 26, 2023

Armbrust Acres Homeowners Association (AAHA) Board Members

Dear AAHA Board Members:

We have reviewed the 2022 Year End financial statements including the Balance Sheet as of December 31, 2022 and Income and Expenses Report for the year 2022 of the AAHA. We tested several items noted on these statements to assure the reasonableness of the financial information presented. During this review, we found no material discrepancies and the supporting financial data in good order. We believe the statements reasonably reflect the financial position of the association.

Balance Sheet Review:

We reviewed the statements of all banks (including the checking and saving accounts as of 12/31/2022) and the bank reconciliations prepared by the Treasurer. We verified that the reconciliation statements agreed with the balance sheet.

Statement of Income & Expenses Review:

We performed a reasonable test of income for 2022 and agreed it was properly reported.

We reviewed random outside vendor invoices, to test for proper recording in the General Ledger. No exceptions were noted and did not deem it necessary to expand our scope of invoices to review beyond random expense items.

On a monthly basis the Treasurer presents the Board of Directors with a report that includes the following:

- Balance Sheet
- Statements of Income and Expenses (current month and year-to-date)
- Copies of all bank statements and reconciliations, including copies of canceled checks and deposits
- Current Accounts Payable list and supporting invoices, which are approved and paid at the monthly meeting
- Copies of invoices, if any, paid between monthly meetings

Liens are filed and follow-up billings are being submitted for unpaid dues and assessments for prior years. A concerted effort had been made to collect all previous years' unpaid dues and playground assessments from delinquent homeowners in all Phases of Armbrust Acres.

All invoices are being paid by check and two signatures are required on every check. The Treasurer enters invoice numbers into QuickBooks, which will alert him if a duplicate is entered. The Treasurer is stapling the check stub to invoices when paid.

The Treasurer is investing excess cash in money market accounts at market rates.

Assessments of Dues: Although Armbrust homeowners were not assessed dues in 2019, 2020, and 2021, dues were assessed in 2022 by the AAHA Board. Since all residents are benefiting from the programs, projects, and efforts of the AAHA, all residents are billed. Payment is via check or thru Cheddar-Up—the digital payment and tracking tool used to collect money online.

The Audit Committee appreciates the work of the AAHA Board of Directors and their efforts to improve Armbrust Acres; and we feel the Treasurer is doing an excellent job and the record keeping is very organized.

Sincerely,

Thomas A. Shimerda and Robert (Bob) Sall