

WALKER LAKE SHORES LANDOWNERS ASSOCIATION

Annual Financial Report for July 27, 2019 General Membership Meeting

Prepared by Carol Gillen, Treasurer

Walker Lake Shores Landowners Association has 509 property owners on its assessment rolls at this time with varied rights and responsibilities to Walker Lake.

269 in Pennsylvania Lakeshores

139 in Walker Lake

58 in Maple Park

43 in Hinkel Estates

278 property owners in Pennsylvania Lakeshores & Walker Lake contribute to our common roads.

Our audit for the Fiscal Year 2018 is currently underway:

313 members in 2018 at year end; 261 members to date in 2019

\$245,922 total income for 2018 (including \$30,000 insurance proceeds)

\$192,268 total expenses

\$ 53,654 Net Income

\$ 25,722 Loan Principal

\$ 36,667 Road funds transferred to Lake Reserve

(\$8,735) Net Income with considerations to loan principal and transfers

Financial controls implemented:

Our office does not accept cash. (Credit card payment or online payment capability is being researched by Finance Committee for next year).

To assure that assessment levels are appropriate, the income and expense for each type of fee (lake, road, or member) is calculated on an ongoing basis with monthly reports to the board, and with any overages or shortfalls determined at year end and carried forward to the following year.

Lake/Road/Member reporting also assures that the funds are used for the purposes for which they were collected.

Vouchers, paired with oversight from committee chairs and board authorization, are used to verify expenditures and reimbursements.

The Finance Committee reviews all bank statements each month.

External audits have been conducted annually, with the 2018 audit currently underway.

Our Quickbooks file is current with all accounts reconciled monthly.

Going forward:

Accounts Receivables are being actively pursued. All property owners are expected to pay assessments, independent of usage. Those who have the right to use, have the obligation to pay. Finance charges, payment plans and small claims court are in use. Engaging a collection attorney is also recommended.

A Reserve Study will be proposed for 2020 to help us to create savings goals for each income/expense stream based on useful life of existing assets, to make us prepared when replacement is necessary.

Aging assets, lack of planning for replacement, and deferred maintenance are a great, emerging challenge.

Part of that challenge comes from the fact that only our Lake Reserve has any developed capacity. A Road reserve is anticipated to start this year. Member lacks reserves and will need much greater investment to carry its obligations to the maintenance of the Clubhouse, Office & tennis court. How will this be accomplished with an optional fee? Can the community come together to support these assets?