Village at Lake Chelan

Financial Verification and Analysis

2024

The financial committee volunteers included Danielly Davidson and Melani Joyal, homeowners in the Village. Our task was to go through the financial reports, bank statements and detailed transactions for the calendar year 2024 in order to write up a report that satisfies the HOA. This process was set up to avoid having to pay for a third party financial statement audit as required by the bylaws and State. The HOA was allowed to vote to approve this committee instead of hiring a third party audit, as it is financially very expensive and also difficult to obtain.

The process we went through is as follows ~

- Verified that the homeowners dues collected and charged were reasonable related to the number of lots in the Village over the time period.
- Requested comment on old outstanding accounts receivable as to the current status and actions being taken to collect as required by the HOA.
- Presented the idea to research getting a better interest rate on the reserve account.
- Went through all bank statements for the bank accounts held by the Village during the period to verify that the balances were reasonable based on the activities and that the funds held represent that activity. Verified that the bank accounts hold what is reported on the balance sheet. Bank statements have pictures of the checks that cleared and the deposit slip details. This allowed us to make sure that all checks were written to appropriate vendors.
- We asked detailed questions about items over certain dollar amounts as well as questions about payments to recipients we were not familiar with to get confirmation that they were payments for Village appropriate items. Any questions we had were provided to the 2024 treasurer Toni House, who proceeded to obtain and provide us with copies of invoices and explanations of the payments to our satisfaction.
- Compared the reserve account plans and bank balance held with the budgeted numbers and the third party reserve reports.
- Compared the financial reports prepared by the third party bookkeeper to budgeted amounts and actual transactions.

The above process, although not an accounting audit, provided no concerns that would contradict our understanding of what the Village should be doing. Our financial committee cannot guarantee that this is the case, but we feel that we spent a significant amount of time in the details and feel comfortable as homeowners that our HOA is being operated as it should. It also confirms that with this detailed analysis, we should feel confident in voting each year to forgo the third party audit and continue to form an annual committee to handle this process.

If you have any questions about our methodology or results, please let us know and we will provide more information.

Sincerely,

Melani Joyal and Danielly Davidson 07/23/26