

**TO:** HEIDELBERG BEACH ASSOCIATION  
**FROM:** JACK CORRIGAN  
**SUBJECT:** JUNE 30, 2018 - YEAR END FINANCIAL STATEMENTS  
**DATE:** 9/30/2018

Attached to this memorandum is a complete copy of Heidelberg Beach Association's June 30, 2018 and 2017 Financial Statements as prepared by Dick Castele, Treasurer Of Heidelberg Beach Association.

Documents provided for review included the following:

1. Copy of year-end financial statements.
2. Copies of all deposits made for the year.
3. All bank checking account bank statements from Northwest Savings Bank along with check stubs for the year.
4. Printouts obtained from Erie County Auditor's Office on land valuation
5. Copy of current certificate of deposit with Northwest Savings Bank — interest rate .25%, 12-month term.
6. Vendor invoices from which payments were made.
7. Calculation of assessment documents.
8. Church accounting records.

We have reviewed the financial statements and all supporting documentation as provided by Dick Castele and offer the following comments:

1. This year's financial statements are consistent with last year's presentation.
2. Major increase in cash balances due to assessments collected during the year. 13 cottages paid an accelerated amount, 16 paid \$3 ,000 and 19 paid on the delayed option — total 48 cottages.
3. Church accounting is included as a separate schedule in the report. Bank deposit receipts and weekly reports were providing for review. The Church accounting has always been included in the general fund account. I would recommend that the Church funds be segregated from the general fund like the tennis funds are as this is not part of the general fund. A new bank account would be required that the CCWW would account for and control This set of records could be included in the year end reports, not as part of the general fund but as a separate line item.
4. Should we also include tennis club and boat club activity in the year-end report? Are these considered part of the community or separate activities?
5. Cash receipts and cash disbursements journals were reviewed, a sample of each was traced to the supporting documents and all transactions were properly accounted for.
6. We reviewed bank statements and paid bills and found everything to be accounted for without any material differences.
7. Detailed spreadsheets of income, expense items, and the calculation of assessments were reviewed. Everything agreed to the report as prepared.
8. Roger Nehls was replaced as the second signatory on the bank accounts with Northwest Savings Bank by Jack Corrigan subsequent to June 30, 2018.
9. New land valuations sent out by Erie County Auditor's Office will be used in the calculation on the next assessment.

We believe that this year's financial statements provide a fair accounting for the fiscal year ended June 30, 2018. Thanks to Dick for his all efforts.