

Silver Springs Garden Homes Homeowners Association, Inc.

February 21, 2023

To our fellow homeowners:

Enclosed are our 2022 year-end financial statements.

2022 was an extremely difficult year for your association in terms of its accounting. The northern Arizona area has a lack of qualified and experienced bookkeepers and accountants willing to take on new clients.

In Spring 2022, when we obtained our 2021 income tax returns from Mahon Accounting and Tax LLC – which had been doing our bookkeeping and taxes – we were informed Mahon would no longer do bookkeeping. Mahon referred SSHOA to a person with whom Mahon had a good working history. Everything went well until August, when our Treasurer did not receive our monthly financial statements. Repeated efforts to contact her were unsuccessful.

Mahon was asked to get our financial data from the person to whom it had referred SSHOA. After some months, Mahon reported the person could no longer perform bookkeeping activities, and Mahon had our data. Mahon brought the profit and loss statement up to date through October. Meanwhile, our Treasurer was tracking bank balances the entire time.

We began searching for a bookkeeper. Our Treasurer diligently sought such a person for months. A Camp Verde firm finally expressed interest to do our bookkeeping. The firm then found it did not have the necessary QuickBooks program and was unwilling to purchase it.

In February 2023, our new Treasurer located Chris Hamilton, who has over twenty years' experience in business and professional bookkeeping. SSHOA purchased and now has the necessary QuickBooks program. Chris was engaged by SSHOA, corrected previous mistakes, completed the profit and loss statement, and compiled year-end financials ready for our 2022 tax return, due May 15th.

Chris accomplished an amazing job in verifying our 2022 financials. With this finished, she will be managing our 2023 bookkeeping requirements.

Our internal audit committee recommended, in 2020, that SSHOA establish a capital reserve fund to maintain its capital assets. This was implemented by the Board and our cash capital reserves have grown:

January 31, 2023 - \$72,227.69
January 31, 2022 - \$51,255.36
January 31, 2021 - \$22,481.36
January 31, 2020 - \$0.00.

The Silver Springs Wash reserve – *which funds are restricted by terms of an agreement with the City of Cottonwood* -- was \$15,546.38 on January 31, 2023.

Contact our Treasurer by email, gcr11@q.com, with any question concerning these SSHOA financial statements.