

To all Kings Lake Members:

It has been brought to our attention that there have been some questions circulating on social media regarding the request on this year's annual meeting proxy for our membership to waive an audit for our 2024 financials. This also includes a recommendation to vote NO.

For you to make an informed decision, here is some background information that you should know when considering how to vote.

Every year the association completes an independent annual review of the financials prepared by our management company. Each audit review costs about \$4,000 and the costs will increase to \$5,500 in 2025 when it is time to engage our provider to review our 2024 books.

Other than some minor adjustments, our last audit review completed recently for our 2022 fiscal year found no discrepancies or action items required for our budget process or the 2023 budget.

Our 2023 year-end financial report compiled by Seacrest has been uploaded to our website. Our 2023 audit review is currently in process by The Davis Group. Audit reports are available to view on our [kingslake.today](http://kingslake.today) website.

In some associations, Boards opt to put the question to spend money on an audit to the members. Up until recently under state statute, our association was not required to have an audit based on our revenues, yet we have engaged the Davis Group each year. Considering our rising administrative costs, the board decided to have the decision rest with the membership. A yes vote means that we will waive the audit review just for the 2024 year for a savings of about \$5,500. A no vote would just continue with what we have been doing all along.

We hope this addresses your questions or concerns.

Kings Lake Board of Directors