

## Financial and Compliance Concerns for Deerfield Resort HOA

The table below outlines the key areas of concern for members of the HOA, and the soon to be elected board of directors. This table identifies and prioritizes areas requiring immediate attention and corrective action to restore financial stability and compliance within the Deerfield Resort HOA.

Category	Issue	Details	Actions to Take
<b>Financial Records</b>	Incomplete Records	Records received were incomplete, primarily bank statements and canceled checks.	Obtain complete and detailed financial records, including full transaction histories.
<b>Tax Compliance</b>	Failure to Manage Payroll Taxes	No payments made to IRS for payroll taxes in multiple years; NSF fees; irregular payment patterns.	Review all payroll tax payments and IRS correspondence; address compliance issues.
<b>Insufficient Fund Transactions</b>	NSF Fees and Irregular Payments	\$1,190 in NSF fees in 2021;\$1,505 in NSF in 2022: 77 total checks processed as insufficient funds for 2021 & 2022	Investigate causes of NSF fees; ensure sufficient funds for operations.
	Large Payments to IRS	Multiple large payments to IRS (e.g., \$44,190.08 in February 2024).	Verify the legitimacy and necessity of these payments; ensure proper tax filings.
<b>Unexplained Transactions</b>	Unexplained Payments and Withdrawals	Multiple unexplained transactions, such as \$6,048.15 to Marcus Rentals and \$8,286.00 to Jake Sweeney Automotive.	Investigate and document the purpose and justification of these transactions.
<b>Budget and Reserves</b>	Absence of Budget and Reserves	No budget provided; lack of contingency funds or reserves.	Develop and implement a budget; establish and maintain appropriate reserves.
<b>Commingling of Funds</b>	Mixing HOA Funds with For-Profit Entity Funds	Commingling of Deerfield Resort funds with Fields Development Company and Fields Real Estate funds.	Separate Deerfield Resort HOA funds from for-profit entity funds; ensure compliance with legal standards.
<b>Regulatory Compliance</b>	Legal and Fiduciary Compliance	Potential breaches of fiduciary duty; deviations from standard practices.	Review legal obligations and fiduciary duties; implement corrective actions as needed.