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November 9, 2017

Board of Directors
Walker Lakeshores Landowners' Association
100 Walker Lake Road
Shohola, PA 18458-2416

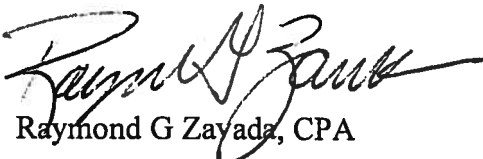
Dear Members of the Board:

We have been engaged to conduct an audit of the financial statements of the Association for the year ended December 31, 2016. The audit is currently in progress. While performing audit procedures, a situation came to our attention that we must communicate to you.

There were frequent ATM cash withdrawals (every few days) from the Association's main checking account throughout the year. The withdrawals were always in the amount of \$300.00 (the maximum daily amount for ATM withdrawals from Wayne Bank). If the withdrawal took place at a bank other than Wayne Bank, it totaled \$303.50, including the bank's fee. These withdrawals were not recorded in the accounting records and do not appear to be authorized. We investigated the nature of these transactions directly with the Deposit Operations Department of Wayne Bank through their corporate office in Honesdale, PA. They indicated to us that all of the transactions were cash withdrawals and that all of them were initiated with the debit card issued to the former President/Treasurer. The cash withdrawals totaled \$22,001.00 for calendar year 2016, including the related bank fees. A preliminary review of available 2015 bank statements indicates that the same pattern of transactions was prevalent in 2015 as well.

We are required to communicate this matter to you. We will inform you of any other matters that come to our attention as the audit progresses.

Sincerely,



Raymond G Zavada, CPA

RGZ/djb