To: Heather Gardens Metropolitan District

Board of Directors

Committee Members

Report from Rita Effler, Chair Audit/Finance Committee

February 16, 2024, Audit/Finance Committee 1:00 P.M. Board room and on Zoom.

The meeting was called to order at 1:00 P.M. by chair Rita Effler.

Members present were Rita Effler, Chair, Craig Baldwin, Forrest McClure, Nancy Reid , Lee Keene, and Debbie Parker. Carol Anne Mayne was excused.

Carrie Toennis, the controller, and Lary Herkal, GM, attended via Zoom with personal appearance as needed. Larry Davila, President HGA board, walked through the boardroom to enter the HGA management office but did not participate in the meeting.

November financial reports were discussed. The committee expressed concern for January reports so we can track what is happening with cost centers. Carried indicated January may be available by the end of February.

Access to Bank statements for Zion bank and Key Bank was discussed.

Lary Herkal presented a bid for repair of the kilns and asked for the authority to engage the vendor. He also asked if he could refund 50% of the class fee per resident request. None of us knew the kilns had been down for several weeks and expressed that it was customary for the clubhouse manager, acting manager, to see that proper maintenance is performed and has the budget to take care of it. We also explained that there was probably a procedure and policy regarding the refund. Later we contacted Lary and explained that the policy was to offer a refund or credit which Holly said Julie had done and that Julie had contacted class members regarding a 100% refund or credit toward another class per the PM. Lary will personally contact the resident who made the request.

Committee members discussed assorted reports containing much of the information we have been requesting, though not for the current year. Carrie has found ways to extract many of the details. These reports are not part of the Agenda packet because they contain confidential information.

Rita requested two committee members audit the paid invoices monthly. She has been doing it since receiving permission from management in October. Forest McClure and Nancy Reid will meet on the last Tuesday of the month at 11 AM in the boardroom, at which time Carrie will provide them with a list of Checks and ACH payments used for paying the invoices presented, HGMD expenses. This is a public meeting, and any member of the committee or public can attend. It is scheduled for the Boardroom if open, otherwise members will move to the library.

In the absence of Rita Effler, Treasurer (scheduled out of town for March and April) Daniel Taylor will inspect and authorize invoices prior to payment. This occurs on alternate Wednesdays at 1:00 PM or some other time as mutually agreed upon. Rita will be available on Feb 28th. Daniel will be responsible for March 13, March 27, April 10th,and April 24th.The meeting was adjourned at about 2:30 P.M.

The next HGMD Audit/Finance meeting will be held on Friday, March 15th, at 1:00PM with Nancy Reid chairing if Rita Effler is unable to Zoom in.