To: Heather Gardens Metropolitan District

Audit/Finance Committee Members

Carrie Toennis, Controller

Lary Herkal, General Manager

Report on Audit/Finance Committee Meeting September 16, 2024

From: Rita Effler, Treasurer Heather Gardens Metropolitan District

The meeting was called to order at 1:04 PM by chair Rita Effler, Treasurer. Carol Anne Mayne, T. Lee Keene, Debbie Parker and Forrest McClure were present. (Debbie was on Zoom but came to the Board room on request of Chair.) Guests included Daniel Taylor, President of the Board and Gwen Alexander, Restaurant committee member.

Carrie Toennis, controller and Lary Herkal, General Manager, were on Zoom.

The meeting report from July 15, 2024 was approved with the note that the August meeting was canceled due to lack of a quorum.

Little time was devoted to the latest Financial reports, July, 2024.

It was agreed that there would be a meeting in the Boardroom at 10:00 AM on September 19th with Layne, the pump people. We are currently paying $1000 a day for water. Mr. Herkal informed us that the pump was ready, and they were just waiting for a reply about some additional work that we did not know they were waiting for a reply to. We were waiting for a reply from them!

We are scheduled to meet with our new accountant in the Boardroom at 11:00 AM on the same day.

Discussion concerning the managers’ budget followed. The chair expressed that she was expecting this budget as a base to work with. Lary Herkal was under the assumption that HGMD would have their new accountant prepare the budget. It was agreed that Mr. Herkal would discuss with the HGA board whether to prepare the managers’ budget per the, still in effect, Management Agreement.

To be assured August financials will be accurate, Treasurer agreed to submit all documentation used to issue checks through HGMD’s operating account by Treasurer to the Controller. These checks have all been audited by two members of the Audit/Finance Committee. This amounts to about $7,000 plus large capital outlays, fence, filter. Most of the $7,000.00 is for entertainment in the restaurant, performers wanting paid upon completion of performance.

A motion to raise golf fees $1 per round during the weekdays was presented as a recommendation from the golf committee and the Golf Manager, Greg Kohr. The anticipated increase to revenue will be included in the 2025 budget per approval by the Audit/Finance committee and with approval by the HGMD Board.

A motion to increase RV lot rental and fees was presented. There are some questions about how to word the motion. The intent is to raise the square footage cost of each space and add an equal proportion of the expense of the cloud monitoring fee to each space. The concept was approved and the Revenue will be included in the 2025 budget along with the Cloud annual fee as an expense.

Daniel Taylor presented forms for preparing a budget from scratch and assigned various portions to committee members.

The meeting adjourned at 3:00 PM. The Chair left, but committee members may have remained and conferred with Daniel.

The next Audit/Finance meeting will be posted but will be soon.