

Robin Bennett

From: Steve Mahoney
Sent: Wednesday, August 11, 2021 4:49 PM
To: David Mickaelian; Todd Martyn-Jones; Tom O'Neil; Courtney Murrell
Cc: John Dundas; Terry Watson; Robin Bennett
Subject: TDA June 2021 Account Reconciliation as required by Section 5500 of Davis-Stirling Act.
Attachments: TDA Accounts June 2021.pdf; TDA Section 5500 Account Reconciliation June 2021.pdf

Ladies and Gentlemen,

This note is a formal acknowledgment that I have completed a review of reconciliations of Tahoe Donner Association's ("TDA") operating and capital funds reserve accounts for the month of June 2021 as called for in Section 5500 of the California Civil Code.

In connection with this review, I have reviewed (i) month-end account statements for Tahoe Donner's principal operating and investment accounts as provided by TDA's banks and investment/brokerage firms, (ii) a summary reconciliation of activity in these accounts prepared by TDA's Controller (Tom O'Neil), and (iii) reconciliations of our principal bank accounts provided by our Accounting Department identifying differences between the bank-provided month end balance and TDA's general ledger as of June 30, 2021. I have made appropriate inquiries of TDA staff as to satisfy me that my review of the operating and reserve account investment and bank accounts was conducted in accordance with the requirements of CA Civil Code 5500.

I have enclosed (i) a pdf of the reconciliation worksheet for June containing a statement that in my opinion the reconciliation is correct in all material respects, and (ii) a pdf of the actual account statements that were reviewed.

There are several follow-up items (identified in my handwritten notes on the reconciliation) that need management's attention. These follow-up items are as follows:

Note 1 - The amount of cash on hand at TDA according to the internally prepared report (\$26,350) differs from the amount shown on the reconciliation worksheet (\$26,650).

Note 2 - Why do the debits and credit that appear on the reconciliation worksheet differ from the debit and credit amounts that appear on the bank statement? Please explain.

Note 3 - The GL balance according to the bank reconciliation (see page 16 of the attached statements) differs from the reconciliation worksheet by circa \$65,000. Please explain.

Note 4 - The combined balances at the local Wells Fargo Bank branch exceed the FDIC insurance limit. Please correct as you see fit.

Note 5 - Please contact our CIT Bank (f/k/a Mutual of Omaha Bank) account representative and confirm the next CD renewal date. From memory, I recall that it is later in August. Suggest that we close this account to simplify our administration efforts.

Tom, please be prepared to discuss items #1-#5 above at the next Section 5501 Sub-Committee meeting scheduled for August 24, 2021.

Given my concerns about the security of sensitive Tahoe Donner information, only senior staff members, the Chair and Vice chair of the Finance Committee, and the other member of TDA's Board of Directors who attended the June 5501 Sub-Committee meeting (Courtney Murrell) will receive the reconciliation and account statement materials.

Courtney, please review the attached reconciliation and account statements and send an email to this group acknowledging that you too are satisfied with the reconciliation. Thank you.

Robin, please attach this note to the 5501 report that is circulated to the full Board at a future meeting.

Please reach out if you have any questions. Thanks to all.

Regards,

Steve Mahoney

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