

From the Glenmore Community Association:

Press Release 7/20/09

Glenmore Community Association – Financial Audit and Mike Comer
Glenmore Community Association has received the results of the financial audit being undertaken by Robinson, Farmer, Cox Associates. The original scope of the audit was to review 2008, but following concerns around the recent disappearance of our Treasurer, Mike Comer, the audit was extended to include the first six months of 2009, as well as a review of the balance sheets and some transactions during the previous three years.

We have confirmed that sufficient funds are available to continue ongoing operations and maintenance, and for payment of all bills. However, the audit has revealed that a total of \$666,446 is missing from our operating and reserve accounts due to apparently unauthorized activity by Mr. Comer over the last four years. Unauthorized checks were issued from the association to Glenmore Associates, and incoming payments from Glenmore Country Club were recorded, but not in fact received. (Glenmore Country Club is wholly owned by Glenmore Associates).

The cash-flow statements and balance sheets issued each month by Mr. Comer showed no record of these transfers, which were discovered during the auditor's detailed examination of the association's bank account statements. It appears that Mr. Comer acted alone in these matters, without the knowledge of any other individuals within the Country Club, Glenmore Associates, or the GCA.

We have been in discussions with representatives of Glenmore Associates, who have shared their concern with us, and who have offered to provide restitution of the missing funds, though some of this will not be immediately available. Legally binding arrangements will be made to secure the repayment.

The audit also identified various procedures which we plan to introduce to improve internal control of the recording and approval of the association's transactions. Other actions taken by the Board of Directors of the Glenmore Community Association include:

- The appointment of a new Treasurer (W.A. Pace)
- The appointment of a new Secretary (Betsy Gohdes-Baten)
- The appointment of a resident CPA as book-keeper
- The closing of all previous bank accounts
- The temporary postponement of major capital expenditures such as road resurfacing

Mike Comer was a well-liked and trusted member of the board for 15 years, acting as a representative of the developer, and we are all dismayed by current events. Our thoughts and prayers are with the family.