

PIPOA Treasurer's Report

for the

Board Meeting held on January 23, 2024

Financial Report as of December 31, 2023

Category	YTD Budget	YTD Actual	Difference
Revenue	\$2,358,700	\$2,527,620	\$ 168,920
Expenses	\$2,071,116	\$1,971,847	\$ (99,269)
YTD Budget Variance – Favorable/(Unfavorable)			\$ 268,189
Cash Balances	American Bank		\$ 120,952
	Herndon, Plant & Oakley		\$ 132,584
	Total Cash On-Hand		\$ 253,536
Total HPO Balance			\$13,057,745

Significant items of note since the last Board meeting:

1. We ended the year over a quarter million dollars better than our budget projected. I inherited this budget from my predecessor and cannot take credit for these results. However, most of this "improvement", nearly 70%, is due to better-than-expected results from our investment account. Gains were also made because the budget anticipated hiring a second bulkhead maintenance contractor (that was never done) and hiring a project manager at the beginning of the year that was not done until November. We would have been more than a half million dollars better than projected, if not for unforeseen major bulkhead repairs on Hawksnest Bay.
2. As noted last month, the Board, along with our Executive Director, has become more aggressive in our collection efforts. In December we filed liens on fifteen properties; copies of the recorded liens have been sent to affected owners. The Board is now considering moving forward with foreclosure of three to five of these properties. More on this next month.
3. Also in December, the PIPOA sent out a required second 90-Day Notice of Past Due Account to 10 members. If these accounts are not brought current within the 90-day notice period, liens will also be filed on these properties.

4. We believe our collection efforts are paying off. Normally, December is the lowest month for collections; usually \$3,000 to \$5,000. This December we collected over \$40,000 in past due accounts. In January, we expect to collect a similar amount, with some of our biggest past-due accounts becoming current by the end of the month.
5. At the December meeting the Executive Director noted that former members of the Sea Pines subdivision were still carried in the TOPS database. As background, the Sea Pines subdivision voted to remove themselves from the PIPOA several years ago. The Executive Director stated that staff resources were being unnecessarily consumed manually removing Sea Pines addresses from all mailings, billings, late notices, and election materials. He requested that the Board consider removing former members of the Sea Pines subdivision from the TOPS database.

I investigated the situation and learned that, indeed, over 500 names and records located in the Sea Pines subdivision were still being carried in TOPS; this included even former owners who had long ago sold and moved away. Of these 500 former members, 32 still owe CAM and late fees totaling \$3,647.72. Efforts to collect these amounts over several years have not been successful.

I recommend that \$3,647.72 be written off and that all 500 former members be removed from the TOPS database, but archived so that they can be restored if necessary.

6. With respect to our proposed Reserve Study, I have learned that these types of firms provide an estimate of the cost of the study without visiting the property or even meeting any of the staff or board. I have now contacted three companies. I have received one proposal and expect to receive two additional proposals within the next two weeks.

This concludes my report.