

PIPOA Treasurer's Report
for the
Board Meeting held on February 27, 2024
Financial Report as of January 31, 2024

Category	YTD Budget	YTD Actual	Difference
Revenue	\$2,134,950	\$2,142,501	\$ 7,551
Expenses	\$ 96,267	\$ \$101,107	\$ 4,840
YTD Budget Variance – Favorable/(Unfavorable)			\$ 2,711
Cash Balances	American Bank		\$ 57,111
	Herndon, Plant & Oakley		\$ 212,123
	Total Cash On-Hand		\$ 269,234
Total HPO Balance			\$ 13,594,967

Significant items of note since the last Board meeting:

1. There were no significant transactions in January to note. I will, however, make my annual note of caution. Under the accrual method of accounting, 90+% of our annual revenue is recognized on January 1st when it is billed. As such, annual net income this month, while accurate, is at the highest point it will be for the remainder of the year. In subsequent months, monthly expenses will exceed monthly revenue which will decrease annual net income each month through the end of the year. In addition, many invoices for expenses that were incurred in January were not received until month-end, or later, and are not reflected in this month's Income Statement.
2. We continue to aggressively pursue collection efforts. At year end, our delinquent account receivable exceeded over half a million dollars; just 21 owners owed half of that. In December we filed liens on fifteen properties. This has resulted in a few owners bringing their accounts current or agreeing to a payment plan. In February we collected a seriously past due account that owed over \$25,000. Still, many owners remain delinquent. At this point, I would like the board to consider moving forward with foreclosures. I realize this is an action that prior boards have not undertaken. However, this situation is becoming significant and simply not fair to the owners who do pay their CAM fees.

3. We have received a proposal from our auditor for this year's audit. The proposal is for \$12,300 and includes filing our annual tax return. This is an \$850 increase from last year. I will make a motion later in my presentation to approve this engagement.
4. I am still attempting to secure additional bids to conduct a Reserve Study with little success. I have one more lead that I would like to pursue before I recommend engaging the one firm that has submitted a proposal.

While this concludes my report, I would like to make two motions for the Board's consideration:

1. I make a motion to accept our Auditor's, Adamson & Company, Engagement Letter for the Fiscal Year 2023 Annual Audit.
2. I make a motion to authorize the Association's Secretary and Treasurer to proceed with foreclosure of up to five properties that currently have liens and are the worst offenders, with the stipulation that all legal documents will be approved and executed by the Association's President.