

PIPOA Treasurer's Report

for the

Board Meeting held on October 24, 2023

Financial Report as of September 30, 2023

Category	YTD Budget	YTD Actual	Difference
Revenue	\$2,293,700	\$2,374,492	\$ 80,792
Expenses	\$1,553,337	\$1,215,769	\$ (337,568)
YTD Budget Variance – Favorable/(Unfavorable)			\$ 418,360
Cash Balances	American Bank		\$ 198,169
	Herndon, Plant & Oakley		\$ 111,805
	Total Cash On-Hand		\$ 309,974
Total HPO Balance			\$ 13,136,332

Significant items of note since the last Board meeting:

1. During September, we transferred \$150,000 directly from HPO into our operating account at American Bank in accordance with our established procedures. As of September 30th, we have transferred \$350,000 out of HPO. Of that amount, \$250,000 was transferred to our account at American Bank. The remaining \$100,000 was transferred externally to our bulkhead contractor, Alchemist, as a down payment for materials used for the Eaglesnest bulkhead repair project. This was discussed at our August meeting.

In addition, after September 30th, we made two more wire transfers out of HPO. We once again transferred \$150,000 directly from HPO into our operating account at American Bank. We also made a second external wire transfer in the amount of \$32,520 to Formtech Enterprises, a subsidiary of Truline, as a 50% downpayment for additional bulkhead forms. All transfers were made in accordance with our established procedures.

2. It should be obvious that we are buying a significant amount, in dollar terms, of bulkhead materials. We are now buying directly from the manufacturer rather than the contractor to minimize costs and avoid mark-up on materials. We are also buying in truckload quantities to minimize trucking costs.

As a result, at any one time, we have excess materials. I am strongly considering the need to account for inventory in our monthly financial statements. Depending on the amount of unused inventory we have when we complete this work, you may see an Inventory line on next month's financial statements. It looks like we may be in the construction business.

3. Through September, we have collected approximately 88% of the CAM fees billed last January. This is comparable to where we were last year.
4. Our 2022 tax return was filed on time. Prior to filing, a draft was provided to all directors.
5. Last month I recommended that we authorize a Reserve Study to quantify the magnitude of the funds we need to address replacement of PIPOA assets: primarily bulkheads. I suggested that we determine the expected cost of such a report. During October, I did not make any progress in this area.
6. It's budget season. Last month, I had expected to work with Gary to provide a draft 2024 Budget. However, I left town, and I did not make any progress.

This concludes my report.