

Date: June 18, 2024, 2024  
 To: Lely Civic Association Board of Directors  
 From: John Clifford, Treasurer  
 Re: June 2024 Treasurer's Report

Due to the rescheduled April meeting, this is the first Treasurer's Report since the beginning of the fiscal year and summarizes the March and April 2024 financial reports prepared by Anchor Associates.

## Current Balances and Monthly Changes

Month	Checking	Savings	Total	\$ Change	\$ Change2	\$ Cumulative Change	% Cumulative Change
Feb-24	\$ 64,703.22	\$ 10,695.66	\$ 75,398.88	--	--	--	--
Mar-24	\$ 89,146.01	\$ 10,700.19	\$ 99,846.20	\$ 24,447.32	32.4%	\$ 24,447.32	32.4%
Apr-24	\$ 85,466.82	\$ 10,704.57	\$ 96,171.39	\$ (3,674.81)	-3.3%	\$ 20,772.51	27.6%
May-24	\$ 83,329.58	\$ 10,709.10	\$ 94,038.68	\$ (2,132.71)	-3.3%	\$ 18,639.80	24.7%

The LCA remains financially sound, with dues trickling in. Our spending is below budget for May, likely due to the fact that we amortize large bills, like insurance, across the year while paying them in lump sums once or twice. Looking at our year to date variances these figures show up. We're doing well on controlling the expenses we can, such as office expenses, legal expenses and documentation revisions.

## Dues

We are owed \$13,395 in dues and unpaid fines as of May 31 across 116 members, or just over 25% of our members, with 10 members in arrears for 2 or more years. We need to push to collect all past due amounts.

## Fines Assessed

There's an additional \$4,000 owed to the LCA for violations, half of which is owed by one HOA member (the lender for the foreclosed reverse mortgage property AKA 'the rat house'). Because of upcoming changes to Florida HOA statutes, we must start the collection process before July 1 or likely lose the ability to collect these fees. I will get this information from Anchor and work with the Executive Committee to get the process started the week of June 1 (after Memorial Day). The Board met with our attorney last fall at Anchor's office and adopted a collections policy based upon the attorney's recommendations. This is what we'll use.

## Potential Areas for Concern

The one concern I have about the budget is the risks of increased legal costs because of some recent actions, namely what has occurred at the recent Violations Hearing, and the

mentions of additional need to seek legal advice. It doesn't take a lot of issues at \$375/hour to exceed our allocated budget of \$4,000. While \$4,000 is less than 5% of our cash on hand, any money spent on legal fees doesn't increase the value of the HOA to its members; at best case legal advice preserves the value of the HOA by reducing our exposure to risk. This is one area that we should really try to minimize if possible, and the Executive Committee developed a policy for requesting legal advice that, if followed, should help us do this.

Respectfully,

John Clifford  
LCA HOA Treasurer