

Date: December 17, 2024
 To: Lely Civic Association Board of Directors
 From: John Clifford, Treasurer
 Re: December 2024 Treasurer’s Report

This is the December 2024 Treasurer’s report, reflecting our status as of the end of October 2024.

Current Balances and Monthly Changes

Month	Checking	Savings	CDs	Total	\$ Change	\$ Change2	\$ Cumul Change	% Cumul Change
Feb-24	\$ 64,703.22	\$ 10,695.66		\$ 75,398.88	--	--	--	--
Mar-24	\$ 69,151.01	\$ 10,700.19		\$ 79,851.20	\$ 4,452.32	5.6%	\$ 4,452.32	5.9%
Apr-24	\$ 68,571.82	\$ 10,704.57		\$ 79,276.39	\$ (574.81)	-0.7%	\$ 3,877.51	5.1%
May-24	\$ 69,834.58	\$ 10,709.10		\$ 80,543.68	\$ 1,267.29	1.6%	\$ 5,144.80	6.8%
Jun-24	\$ 68,505.37	\$ 10,713.48		\$ 79,218.85	\$ (1,324.83)	-1.7%	\$ 3,819.97	5.1%
Jul-24	\$ 67,599.08	\$ 10,718.01		\$ 78,317.09	\$ (901.76)	-1.2%	\$ 2,918.21	3.9%
Aug-24	\$ 50,054.75	\$ 10,722.54		\$ 60,777.29	\$ (17,539.80)	-28.9%	\$ (14,621.59)	-19.4%
Sep-24	\$ 48,137.67	\$ 10,726.61		\$ 58,864.28	\$ (1,913.01)	-3.2%	\$ (16,534.60)	-21.9%
Oct-24	\$ 53,393.89	\$ 10,741.27		\$ 64,135.16	\$ 5,270.88	8.2%	\$ (11,263.72)	-14.9%
Nov-24	\$ 31,393.32	\$ 10,765.50	\$ 20,000.00	\$ 62,158.82	\$ (1,976.34)	-3.2%	\$ (13,240.06)	-17.6%

The LCA remains financially sound. Although we had a delinquent homeowner pay their dues, we still have outstanding dues/assessments totaling \$5,095, and outstanding fees totaling \$2,100. You’ll notice the recent inclusion of a column for our funds invested in CDs. Note also that we’ve made more money in interest in the last two months in our contingency saving account that we made in the eight months prior before working to get a higher interest rate. The net result of better investments will be a 2.5% increase in annual income in the future.

As of the end of November we are slightly ahead of projections on our income due to fines and newsletter ads. Our interest income won’t show until the end of the fiscal year (February) but, as above, we should end up with a \$1,000+ surplus in our budget at the end of the year. Getting a partial reimbursement for the storm pump repairs was key; the Board is also working to get total reimbursement for these repairs (\$7,632.68) from the owner of Hibiscus Golf Course and we are confident of eventual success. Of course, the reimbursement will substantially reduce our spending for the year.

We’re tracking well against our forecasted spending and are \$1,470 under budget as of November 30. Our ‘Office Expenses’ (expenses charged to us by Anchor) is by far the largest over-budget category (\$2,445.78) and I am working to get a full understanding to report to the Board. I again remind the Board to be mindful of our policy of seeking Board approval before incurring additional expenses with Anchor or Peck & Peck (our lawyer).

I received a draft budget from Anchor, based on our spending patterns for the past couple of years, immediately after the last board meeting and have used it to prepare a budget proposal for the

Board to consider for the next fiscal year, updating it with more accurate expense figures. I will present the updated budget proposal to the Board at the December 2024 Board meeting.

Dues and Fines

We are owed \$5,095 in dues and an additional \$2,100 in unpaid fines as of November 30 across 39 members (a decrease from 40 members, \$5,195 in delinquent dues, and \$2,100 in delinquent fines from last month) totalling \$6,195 and representing about 13% of our annual budget. We have around 8% of our members delinquent with their dues, with 5 members remaining in arrears for 2 or more years (down 1 from last month) and thus 34 members (7.5%) who are delinquent for 2024 dues only. Anchor has sent all 5 past due accounts to collections after sending each account a 30-day demand letter as required by law. I'll repeat my call for assistance from the rest of the Board to remind people of their HOA dues obligations. Once again, for HOA members, if you are not sure if you are current on your dues feel free to reach out to me, your unit representatives, or Anchor Associates. I will be glad to let you know your status. I'm sure most of the delinquent homeowners likely aren't aware of being overdue. Please, if you aren't sure if you paid your dues this year, check with me to make sure you aren't delinquent!

To summarize this section, we are a small HOA with very low annual dues, and thus do not run a significant surplus. Thus, it is very important that our members pay their dues on time.

Potential Areas for Concern

As I reported last month, we are in good financial condition and can withstand a couple of major unexpected expenses equivalent to the recent pump issues. The long-term economic trends indicate that in the next several years we will start to see expenses begin to exceed our income from dues.

I am working to find ways to increase the HOA income without increasing costs for homeowners. The proposed budget includes an increase in rental and purchase approval fees from \$150 to \$200; currently Anchor keeps all revenues from these fees, with the new proposal adding \$50 that would go to the HOA. This increase, paid by tenants (rentals) or new homeowners (purchases), if in place for 2024, would have provided another \$1,700 in income for the HOA at no cost to existing HOA members.

Respectfully submitted,

John Clifford
LCA HOA Treasurer