

Date: February 5, 2025
 To: Lely Civic Association Board of Directors
 From: John Clifford, Treasurer
 Re: January 2025 Treasurer's Report

This is the January 2025 Treasurer's report, reflecting our status as of the end of December 2024. I apologize for the tardiness; as many of you know the December financials weren't received until January 22, and I had to have surgery on my broken finger before that and have been recovering since then.

Current Balances and Monthly Changes

Month	Checking	Savings	CDs	Total	\$ Change	% Change	\$ Cumulative Change	% Cumulative 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%
Dec-24	\$ 29,303.41	\$ 10,786.03	\$ 20,000.00	\$ 60,089.44	\$ (2,069.38)	-3.4%	(15,309.44)	-20.3%

The LCA remains financially sound. We still have outstanding dues/assessments totaling \$4,900, and outstanding fees totaling \$2,100 from 37 homeowners. You'll notice the recent inclusion of a column for our funds invested in CDs. The interest generated from our contingency fund and our CD will help the HOA overcome some of the impacts of inflation.

As of the end of December we continue to be 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. *Although this happened after the December board meeting and these numbers, we did receive full reimbursement for the cost of the repairs on the storm pump infrastructure from Hibiscus' contractor so that we'll put another \$7,500+/-, depending on the actual cost of advice from our lawyer, back into our operating account... Hooray! Of course, the reimbursement will substantially reduce our spending for the year to below our forecasted budget... another Hooray!*

We continue to track well against our forecasted spending and are \$2,465 under budget as of December 31. Our biggest category of overspending against our forecasted budget continues to be office expenses from Anchor and I'm trying to get to the bottom of this.

Our draft budget for FY 2025 was approved at the December board meeting to be put in front of the membership at our annual meeting. I feel confident that we will be able to continue to run within our funds for the next fiscal year. The storm pump issue led to discovering an agreement of shared responsibility for all storm pump-related expenses with Lely Country Club POA and then to remind

them of their obligations so I expect our expenses in that category will drop by around half, or approximately \$1,000 per year from its average of \$2,000 a year since 2004.

I am happy to report that the proposal to add a \$50 fee to both the Sales/Purchase application fee and the Lease/Rental application fee was approved by the Board at the December board meeting and took effect as of January 1st of this year. That should generate us a couple of thousands of dollars a year of additional income and help offset rising costs without raising dues or increasing any other fees paid by homeowners. Any fee that creates income for the HOA without costing current homeowners anything is good in my book.

Dues and Fines

We are owed \$4,900 in dues and an additional \$2,100 in unpaid fines as of December 31 across 37 members (a decrease from 39 members, \$5,095 in delinquent dues, and \$2,100 in delinquent fines from last month) totaling \$7,000 and representing about 15% 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 32 members (6.8%) 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 would like to believe that most of the delinquent homeowners likely aren't aware of being overdue, but I've heard that in Unit 1 there are some residents who are waiting to see if their delinquency will be noticed. My plan if I remain Treasurer is to ensure that anyone who is over a year late and thus owes us \$200 or more is to send these homeowners to collections on July 15, 2025. We need this money to be able to function in the face of rising costs due to inflation, and \$100 is by far the lowest fee that any HOA charges in this area.

Please, if you aren't sure if you paid your dues this year, check with me to make sure you aren't delinquent!

continues on next page

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. We have also learned of the huge financial responsibility of the storm pump; why the 2004 Board decided to accept the financial burden of shared responsibility when this was solely the responsibility of Lely Country Club POA (LCC) to where it's included in their bylaws is beyond me... what a mistake! We've spent around \$2,000 a year, on average, on pump maintenance and operation (\$40,000) and haven't been billing LCC until recently. It's gotta go.

I am reaching out to our County Commissioner Rick LoCastro to see about how we can get the County to include replacing the pump with a weir or other flood control structure and take over responsibility as part of the Rattlesnake-Hammock stormwater/sewer program, to get it off our plate. I want to use this information to work with the Board and develop a plan to do so this Spring.

Respectfully submitted,

John Clifford
LCA HOA Treasurer