

TREASURER REPORT

Fox Trail Property Owners Association, Inc.

As of May 29, 2024

This report covers Fox Trail Property Owners, Inc.(FTPOA) finances from January 1, 2024 to May 30, 2024. The report shows that the association is in good financial health and is staying within or under budget. As of writing, the POA is expected to spend less than in fiscal year 2023.

Major Findings

- The major expenses for YTD 2024 came from landscaping expenses (\$29,950 YTD) Evan Bachove legal expenses (\$15,845 YTD) and Canal treatment (\$ 15,357 YTD)
- The reserve fund is robust for an association of this size but there is no Reserve Fund Study or current estimates of necessary capital road or other maintenance that may be warranted.
- There has been an improvement ! We lowered storage fees by \$178.02 per month (\$2,136.24 saved annually) due to moving to a closer and less expensive facility.
- More savings! As we will use a no cost meeting space, saving over \$1,000.00 dollars a year.
- Cash flow has been sufficient to allow for budgeted expenses including a \$3,083 a month transfer to the Reserve Account.
- Accounts are spread out over multiple banks to keep under the FDIC limit of \$250,000.00 per Bank per Depositor.
- The SouthState Operating Account consistently carries a large balance for a non-interest-bearing account. This amount exceeds the annual budget and FDIC limit.
- Some current bank accounts have lower or no interest accruing. See account balances for interest rates.
- Article VIII section 3 of the FTPOA Bylaws require financial audits to be completed annually. There are no records of any audit with Coastal Property Management.

Financial Challenges

- The reserve account and balance sheet appear healthy but do not reflect the deferred maintenance on major projects- roads repair, fencing replacement or repair, canal inspection and canal improvements.
- There are significant increases in costs related to maintenance that may make continuing to defer not prudent.
- It is unknown whether any increase in yearly dues for homeowners may be indicated for fiscal year 2025 until needs assessments and estimates for maintenance are completed.

Next Steps

- Reallocate funds between current operating and investment accounts to increase the interest accruing and to comply with FDIC limits.
- Update and improve the long-term planning to obtain estimates for deferred work and factor in rate of inflation to assess Reserve sufficiency.
- Perform long-term simulations of cash flow and balances under various investment scenarios.
- Regarding completion of an Audit as required under the Bylaws, obtain three cost estimates, and add to the June meeting agenda.

Income Information YTD: Annual Maintenance Fee Revenues Collected YTD : \$ 211, 000.00
 Interest Income YTD: \$ 18, 799.00
 Accounts Receivable YTD: \$ 7, 918.00

2024 Budget: \$ 228, 065.00
 2024 Budgeted but Unearned \$ 160, 775.00

Cash on Hand:

Account Balances	Interest	5/28/2024			
Capital One Money Market	2.2%	\$ 248,813.61			
Ithink Reserve Money Market	4%	\$ 240,973.76			
South State Operating Account	0	\$ 340,628.49			
South State Reserve Account	2.53%	\$ 75,031.15			
Synovus Reserve Checking	0	\$ 1,000.00			
Synovus 13 mo CD	4.75%	\$ 236,931.21			
Total Balance		\$ 1,143,378.22			

A copy of this report will be published for the use of members only on the Costal Property Management website.

Report submitted by:



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 Treasurer, Fox Trail Property Owners, Inc.