

Note to readers: This report covers all the activity in which the treasurer is involved - with the exception of those items that are covered in the report from the Facilities & Finances Support Team (finances function).

FINANCIALS AND FINANCIAL SITUATION

- 1) The 7/31/24 financials have been completed and distributed.
- 2) After seven months of 2024 we have operating revenue of \$139,460.50 and operating expense of \$59,855.07 for a net income of \$79,605.43.

MONTHLY ASSESSMENTS

It is time to celebrate!!!. At the end of July we have only owner with outstanding assessments as receivables for the association – and the expectation is that this temporary situation (due to health issues of that owner) will be resolved soon.

SHOW US THE MONEY! As of July 31, 2024 - \$209,942.82

| | |
|-----------------------------|--------------|
| BOC Checking | \$77,603.24 |
| Fidelity Operations Savings | \$7,075.89 |
| Fidelity Reserve Savings | \$125,263.69 |

OTHER TREASURER ACTIVITIES - STATUS INFORMATION

1) Investment Management Status: *The finance team previously produced and distributed information on our MF Investment Management portfolio. The “book” value, as opposed to “market value”, for each month was used for our financials in 2023. For 2024 we are using the “market value” for our financials. For full transparency both values are reported in the Financial Statement Notes each month. The table that follows provides a view of our increasing monthly values – using the “book” value for the Operating Fund and the “market” value for the Reserve Fund. NOTE: Since none of the Operating Fund monies are invested, there is no separate “market” value involved.*

| Month | Operating Savings Value [\$] | Reserve Savings Value [\$] | Total Value [\$] |
|---------------------|-------------------------------------|-----------------------------------|----------------------------|
| 12/31/22 <i>BBF</i> | <i>6,560.92 (book)</i> | <i>85,251.87 (book)</i> | <i>91,812.79 (book)</i> |
| 12/31/23 <i>BBF</i> | <i>6,874.27 (book)</i> | <i>117,642.08 (book)</i> | <i>124,516.35 (book)</i> |
| January 2024 | <i>6,903.36 (book)</i> | <i>122,027.16 (market)</i> | <i>128,930.52 (market)</i> |
| February 2024 | <i>6,930.59 (book)</i> | <i>122,495.86 (market)</i> | <i>129,426.45 (market)</i> |
| March 2024 | <i>6,959.83 (book)</i> | <i>122,903.41 (market)</i> | <i>129,863.24 (market)</i> |
| April 2024 | <i>6,988.16 (book)</i> | <i>123,342.77 (market)</i> | <i>130,330.93 (market)</i> |
| May 2024 | <i>7,017.56 (book)</i> | <i>123,734.40 (market)</i> | <i>130,751.96 (market)</i> |
| June 2024 | <i>7,046.16 (book)</i> | <i>124,229.28 (market)</i> | <i>131,275.44 (market)</i> |
| July 2024 | <i>7,075.89 (book)</i> | <i>125,263.69 (market)</i> | <i>132,339.58 (market)</i> |

Note1: *We moved monies into reserve savings (planned for JAN 2023, executed in FEB 2023) so all the 12/31/22 = 1/1/23 reserve monies would be in its own account (\$96,862.78).*

Note2: *We moved monies into reserve savings (planned for JAN 2024, executed in JAN 2024) so all the 12/31/23 = 1/1/24 reserve monies would be in its own account (\$117,642.08).*

Note3: *As of 7/31/24 we have 63% of our monetary assets invested in Operating Fund or Reserve Fund investment accounts. Also, as of 7/31/24, our \$209,942.82 monetary assets are split between the Operating Fund (\$42,525.74) and the Reserve Fund (\$167,417.08).*

2) Multi-year Planning Team Status: *The team (AKA the MF RP/RF Study Team) has effort going on in two areas, which are a) revising the current Multi-year Planning document and b) determining what outside resource to use in the reserve*

(property management) arena to validate our locally produced plan and provide consultation in areas where we have no local expertise. Working assets with Lowell Richardson of PMI we obtained three bids for a Reserve Plan/Reserve Fund Study. The team brought forward a recommendation in the second area for consideration at the 6/24/23 board meeting - with the recommendation being approved. A Reserve Advisors engineer made an onsite visit on Tuesday, 8/22/23, to initiate the study. The Study Team has received the Study Report and created a Study Team Executive Summary (which includes recommendations for board review & approval) that was an agenda item at the 11/4/23 board meeting. It was decided at the 11/4/23 board meeting that slightly revised versions of the first two recommendations would be voted on at the 11/28/23 board meeting. The third recommendation was approved at the 11/4/23 board meeting.

The Study Team brought forward two proposals for board consideration at the 11/28/23 board meeting. These proposals were based on team-perceived opportunities for improvement in our current practices and processes related to the Reserve Plan/Reserve Fund arena. Both recommendations were approved.

On Saturday, 7/20/24, the RP/RF Study Team met to determine (and start) the process for analysis of, and action on, the Reserve Advisor report. However, the work session instead became a discussion on needed changes to the current planning activities schedule, with focus on a needed increase in scope for the Declarations Revision Project being done now and the activities related to the Reserve Advisor Report and the 2025 Phase One Budget being deferred until later. A proposal to that effect from the team to the board was considered and approved at the 7/27/24 board meeting.

An action item for the Team out of the 7/27/24 board meeting was to provide some initial draft material to be used at the owner-oriented Town Hall Meeting which will be held in conjunction with the Annual Meeting in September. That material (in the form of a single document) has been produced and will be reviewed and approved (as is or modified) by the board at its 8/17/24 board meeting.