

TREASURERS REPORT

OCTOBER 17, 2020

The following report summarized an overview of the following reports:

Summary of Operations

Accounting Summary

Maintenance Account Balances

Account Balances as of 9/30

Regions Operating Account	\$49,769.56
Regions Rental Op	\$0
Regions Reserve	\$283,715.00
Bank of America	\$503,137.81
Suntrust Reserve	\$508,137.00

Results from Operations.

Our revenue shortfall from rental management fees due to closures is approximately 30,000. Our condo fee payments are on budget. Overall, we have a reduction in cash available from May 31 of approximately \$59,000. We have had several major projects ongoing, including the concrete restoration for which we have paid \$42,000, Karin's Engineering for the roof project \$11,000 and Dolphin Docks for the new stairs of \$5,000 and we moved the payment for the initial steps from the reserve account to the Operating Account as it should have been paid from reserves initially.

Our payroll is over budget by almost \$50,000 for the year; most of which was due to our prior manager's \$66,000 salary which was not anticipated in the budget and some office overstaffing. Our engagement with Sentry Management will reduce the overall payroll by reducing our allocation of Michael and Kerri's pay to 50% with Sentry Management and Sentry Vacation Rentals taking on the other 50% of their pay. 2020 has been an extraordinary year and unpredictable and it was your Board's decision to try as hard as could to protect our employees income stability while we were never sure what staffing we would need next in the Covid environment.

Overall, our internal profit and loss statement shows a loss of \$17,000 year to 9/30 from operations.

ACCOUNTING SUMMARY:

I reported in June that our 2019 books were not in auditable condition and our accountants, Charles Belotte determined that they were unable to work with us; partially due to the time they believed

they would need to be in our office to work on adjustments and an unwillingness to work with us other than remotely.

We hired Hartsock & Mann to prepare our tax return. Rick Mann is nearly complete with his review of and adjustments to our 2019 books. We have paid, out of caution, \$5,000 to the Internal Revenue Service for potential corporate tax liability and we have at the IRS an unreimbursed tax credit of \$1,700. We should be in a position to have the return completed before the end of the month and get the refund of the payment recently made.

Going forward, our general ledger will be revised in the Sentry system, our books will be in auditable form and we should have a much easier year in 2020 where I feel certain we will have losses to report. The transition of our books is currently ongoing.

OTHER MATTERS

Maintenance Account Balances. We have developed a collection policy in coordination with Sentry. Sentry will not take the easygoing approach that we have had with respect to owners that do not pay pretty much on time. If any owner has an issue with timely payment and needs to work out an arrangement, please advise me or Cheryl so that the intent to lien process can be altered for a specific situation. Under Sentry, each Owner will have access to their complete payment history and sums due. As soon as our accounting system is turned over, log in information will be distributed.