

To: Peter Thornton (peter.thornton@comcast.net)
Subject: FW: Ian Revenue and Expenditure status through April 30, 2023
Attachments: Ian Revenue and Expenditure thru April 2023 Portrait.pdf

Creciente Owners

Attached and embedded in this email is an analysis of Ian expenditures and revenues. This is posted on the "Hurricane Ian" website.

The finance team has received questions that we feel other owners may find of interest. The following are some of those questions. The questions are being answered in our effort to provide as much financial data as possible in as easy to understand manner as possible.

How is my regular assessment being spent?

Each owner's regular assessment thus far in 2023 is being spent in the following manner:

- Total regular assessment per month (171*830) = \$141,930.
- Flood, property, and other insurance per month (monthly accrual) = \$78,308.59
- Transfers to the Replacement Account per month = \$21,250.
- Remaining expenditures per month (includes salary, legal, utilities, etc) = \$20, 555.91
- Unspent funds increasing our Operating Account balance per month = \$21,815.50

What happened to the Replacement Account cash that we had saved at 12/31/2022?

Those funds, along with the \$21,250 that is being added to the Replacement Account each month and interest earned, are still available for us. In addition to the funds shown as available on the attached Ian Expenditures and Revenues Report, there is approximately \$900,000 available in the Replacement Account.

How are our funds being invested?

Our documents require all our funds to be Federally insured. We are using a feature from our bank, whereby each night our funds are swept out and invested in up to \$250,000 increments in banks all over the country. This enables us to be able to immediately transfer out any portion we need to spend. During April, our interest income totaled \$36,068.63 for both Operating and Replacement. In March, the interest rate was 3% and in April the interest rate was 3.5%.

When should owners expect another special assessment?

Prior to any future special assessments, we will continue to analyze future expenditures and their timing, compared to our available funds. We, along with the Board, will determine how close we want to time the special assessment to the anticipated need for funds to rehabilitate our property. Please keep in mind that any special assessment will need approval from the Board, and that the proposed special assessment must be in the hands of all owners for comment at least 2 weeks prior to the Board voting on any special assessment.

What is happening with the unspent Operating Account funds?

Prior to 2023, we purchased a 12 month policy for all the various insurance policies every year. Due to the hurricane, we were only able to buy Property Insurance for the period 1/1/2023 – 5/31/2023. The Insurance committee is working to get our property insurance for the 12 month period beginning 6/1/2023. At May 31, we anticipate our Operating cash balance to be approximately \$600,000. This may or may not be sufficient to cover the policies.

What happens if we do not have enough cash to pay for the Property Insurance policy on 6/1/2023?

We would first like to see if we can make a short-term loan from our Replacement Account. Normally this action would require 2/3 of all owners to approve the loan; however, the fact that we are under a declaration of emergency might over-rule that requirement from our documents — this would seem to be the best alternative and something that the Finance team feels we should investigate with our attorney. Other options include paying the insurance premium in multiple payments or borrowing funds from a bank to supplement our available funds.

Why have we still not paid the \$2,000,000 we owe True North?

We are waiting for the Property Insurance provider to complete their review of the True North billings and related details. We are concerned that the True North detail may not have been sufficient. If so, we will need to ask True North to provide further information.

Creciente Ian Activity

Fund Source	November 2022	December 2022	January 2023	February 2023	March 2023	April 2023	Total
Flood Insurance		700,000		650,000	5,353,684		6,703,684
Special Assessment #1		2,052,000					2,052,000
Property Insurance				500,000	5,235,463		5,735,463
Special Assessment #2					2,052,000		2,052,000
Total Revenue		2,752,000	0	1,150,000	12,641,147	0	16,543,147

Payee	November 2022	December 2022	January 2023	February 2023	March 2023	April 2023	Total
Reflow Plumbing	498	686		40			1,224
W.J Johnson & Associates	1,900						1,900
True North Restoration	428,869	274,845	411,828		646,324		1,761,866
Pavese Law Firm	5,856	1,726	1,370	2,370			11,322
Florida Structural Group	300,000	586,367		774,798	471,705	146,017	2,278,886
All County Waste	594	25					619
Consult Engineering		1,333				4,708	6,041
Fort Myers Beach Public Works		7,118					7,118
SOCOTEC			6,550				6,550
Moen Brothers Plumbing			837	13,555	295		14,687
Crowther Roofing			393,412				393,412
Pro Temp Mechanical Company				23,191	53,945	44,069	121,205

PARKER/MUDGETT/SMITH ARCHITECTS					10,678	51,388	62,065
Greenwire LLC					624		624
Mike Close (reimburse McDougal Inter)						250	250
Johnson Controls						118,354	118,354
Mike Douglass Plumbing						22,755	22,755
McDougal Interiors						750	750
A & S Plumbing						1,694	
Total Expenditures	737,717	872,099	813,996	813,954	1,183,570	389,985	4,809,627
Month Net Change	-737,717	1,879,901	-813,996	336,046	11,457,577	-389,985	
Ian Running Balance Net Income	-737,717	1,142,183	328,187	664,233	12,121,810	11,731,826	11,731,826

Note: True North has billed Creciente approximately \$2,000,000 that has not yet been paid.

Note: 6.5 owners have not yet paid this special assessment; so, this figure should be offset by \$78,000 of accounts receivable