

Treasurer's Report

Reporting Period Ending: March 31, 2026



Financial Variances from Budget

Total Income

Month income is about **\$56,600**, which is about **\$3,700 over budget**.

Year-to-date income is approximately **\$165,000**, tracking ahead of plan.

Total Expenses (Operating + Non-Operating)

Month expenses total about **\$69,800**, which is about **\$12,100 over budget**.

Year-to-date expenses total approximately **\$177,000**, about **\$4,000 over budget**.

Net Operating Result

The Association recorded a **net operating loss of about \$13,100 for March**, compared to a budgeted loss of about **\$4,800**.

Year-to-date net loss is approximately **\$20,400**.



Total Assets

Total Assets: approximately **\$2,170,000**

Operating Cash: approximately **\$78,700**, down from February due to higher March expenses.

This includes Reserve Funds totaling approximately **\$2,110,000**.



Reserve Funds & Investments

Reserve Fund Breakdown

Schwab Investments: approximately **\$1,272,000** (*per statement*)

South State Reserve: approximately **\$495,000**

BB&T Money Market Reserve: approximately **\$159,000**

Cadence Bank Reserve: approximately **\$211,000**

South State Allocation: approximately **\$8,800**

Investment Activity

March market appreciation: approximately **\$3,847** (*Schwab statement*)

Year-to-date investment gains are now approximately **\$10,000+**.

Reserves continue to benefit from stable Treasury-based returns.



Budget Variances – Year-to-Date (Top Over-Budget Categories)

Professional / Legal Fees: over by about **\$4,000**

Landscaping Contract Timing Variance: over budget early in year

Roof Repairs: approximately **\$2,000** over budget due to timing

Trash (Quarterly Timing): large variance but expected annually

Overall, variances remain primarily **timing-related**, not structural.



Aged Receivables (as of 3/31/26)

Outstanding homeowner receivables total approximately **\$39,000–\$40,000**

Prepaid balances total approximately **(\$37,600)**

Receivables remain **stable month-to-month**, with no major new delinquent accounts added.

The majority of outstanding balances continue to be concentrated in:

- Long-term delinquent accounts
 - Attorney-managed collections
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Prepaid Assessments

Prepaid homeowner assessments total approximately **\$37,500**

This reflects strong forward payments from homeowners and remains a positive indicator of cash stability.

Per-Unit Year-to-Date Summary (Jan–Mar, 182 homes)

Income: approximately **\$300 per unit per month**

Operating Expenses: approximately **\$200 per unit per month**

Reserve Contributions: approximately **\$135 per unit per month**

Net Operating Result: approximately **(\$37) loss per unit per month**

True Reserve Funding (after offsets): approximately **\$95 per unit per month**

The FPAT Reserve Study recommends **\$131 per unit per month**, leaving a shortfall of approximately **\$36 per unit per month**, before considering investment gains.

Cash Flow Summary

March experienced a **negative operating month**, driven by:

- Higher-than-normal repair and maintenance activity
- Timing of vendor payments
- Ongoing legal expenses

Operating cash decreased from approximately **\$93,000 to \$78,700**.



Key Observations

March expenses were elevated primarily due to timing and one-time items

Reserve contributions remain consistent and strong

Investment performance continues to contribute positively

Receivables remain stable with no expansion in delinquency exposure

Cash position remains solid despite temporary decline



Ongoing Concerns

Operating losses continue early in the year due to expense timing

Legal costs remain elevated

Reserve funding still below FPAT target without investment support

Seasonal and infrastructure-related repairs continue to impact budget



Summary

March reflects a heavier expense month within the normal quarterly cycle.

Despite the operating loss, the Association remains financially strong with:

- Approximately **\$2.17M in total assets**
- Over **\$2.1M in reserves**
- Continued **positive investment performance**
- Stable **collections and receivables**

The financial position remains solid, with short-term fluctuations driven primarily by timing rather than structural issues.

Respectfully Submitted,

Paul Renaud
Treasurer, Eagles' Reserve Homeowners Association, Inc.