

To: Board of Directors

From: Ray Springer

October 10, 2020

Re: Scopello Condominium Association, Inc.

Third quarter financial statements summaries and comments.

(All numbers in \$)

Below is a comparison of the Balance Sheets through September 30 of this year and last year.

	3Q2019	3Q2020	Change
Bank cash	52,318	52,328	10
Prepays	<u>21,198</u>	<u>22,556</u>	<u>1,358</u>
Current Assets	73,516	74,884	1,368
Reserves	100,926	108,619	7,693
Utility deposits	<u>1,660</u>	<u>1,660</u>	<u>-</u>
Total Assets	<u>176,102</u>	<u>185,163</u>	<u>9,061</u>
Current Liabilities	9,551	9,480	(71)
Reserves	100,926	108,619	7,693
Equity	<u>65,625</u>	<u>67,064</u>	<u>1,439</u>
Total Liabilities and Equity	<u>176,102</u>	<u>185,163</u>	<u>9,061</u>

Not much to comment upon. We still owe Otis about \$9,000 for the elevator upgrade, which would reduce the Reserves total, but they don't seem inclined to send us an invoice. Maybe at year end their accountants will wake up. Speaking of Otis, our long-term commitment for service ends on December 31, 2020. We pay them about \$5,500 per year to take care and monitor our elevators. I will confirm with them that our commitment is completed at year-end. We can then shop for another service if we desire. I know my predecessor was convinced we could save money. We probably can, but it's also nice to maintain the company that built and installed the elevators. I will get more information over the next few months and we can decide.

Our comparison to the Operating budget for the three months and nine months ending September 30, 2020 is summarized below:

	Favorable/ (Unfavorable)	
	3Q2020	YTD
Income	1	354
Admin Expense	277	264
Operating Expense	498	209
Repairs & Maintenance	1,612	2,733
Insurance Expense	(367)	(133)
Total	<u>2,020</u>	<u>3,428</u>

As it says, total operations are favorable to budget both for the quarter and YTD. I know that Jeff Walkowiak has not billed approximately \$1,900 for paint and repairs he did months ago. I also just approved an invoice for about \$300 for the AC guys who installed the vibration pads back in July. So, as adjusted, we are a little better than budget going into the fourth quarter. Fourth quarter is the quarter we usually make up some budget shortfalls. This year we should not have a problem making budget unless we have a catastrophe.

I am not advocating one way or the other, but we are in the position now to do the phase !! landscape project as proposed by Barry and/or do the outdoor lighting project that George was advocating. We can have a short meeting to discuss and decide. Or if I receive unanimous affirmative response, we can just proceed.

I know we have a big soffit problem on the Gulf side. The problem is that its 39 feet in the air with restricted access. Jeff had a group who said they would do it. They came out and hummed and hawed and eventually declined. Jeff still thinks he can get it done, otherwise I would plead with Tom White to help. Tom White has not been our friend, but I am getting desperate.

Best,

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