

White Horse Park CA

Financial Report- Month of August, 2020

Summary and Commentary

August puts WHP into the Peaks the Spending Cycle for WHP. Our cash outlay for July and August was at highest point along with the Heavies Usage of the park has peaked.

-The Pool has been definitely impacted by COVID-19. The cost (monitor and disinfections) and Regulatory defined controls were required.

-The Marina and Boatyard remain in full operation. Marina users and Boat Owners should be planning seasonal shutdown.

- Park Manager and Maintenance fully engaged and overwhelmed, but keeping our park in sparkling shape while managing abnormal issues arising. You will see the earlier timed electric readings being done. This is to coincide more efficiently with Choptank reading schedule. In addition, an Audit of the WHP electric hookup at main breakers is set to begin as well. This has been performed in past by park managers and BOD. Errors and / or modifications will need notified owners subsequently for correction. You will see Park Manager and Maintenance begin its off season check list, preventive maintenance and special list of maintenance.

-WHP, as reported in previous Commentary, has had a Cable issue that has reached a pivotal point. Finally, Mediacom this week notified the BOD of September 1 new 5 year contract (effective September 1) commencement the past questioned overcharges will not be relieved. The charges will be announced when 1st billing recied as contract does not unclude franchise, other taxes and charges,... Therefore, a decision is left for Unbilled 5 months of charges. This will verify the contract and establish the new forward payment for Cable. In addition, Mediacom did not relieve the Late Fees for the differences paid versus billed (April to August).

******FOR SALE the Electric Car. Speak to the WHP Office personnel for information.******

*August, 2020 results provide \$22,646 gain which should be adjusted for due to** late billing received for Trash \$4,700 (See notes 1 below)*

As a Point of Clarity with the Billing Cycle versus the payment of Utilities this is allowing for the catch-up of the billing the present position of the P/L.

	Month	YTD
<i>Current reported Loss or (Surplus) as of August 31, 2020</i>	<i>\$(22,646)</i>	<i>\$45,605 loss</i>

Note 1 Adjustments to add- utility billing-electric, water/ sewer, cable*

	<i>up-to-date</i>	<i>up-to-date</i>
<i>-Trash <u>unbilled</u> by Republic</i>	<i><u>\$ 4,700</u></i>	<i><u>\$ 4,700</u></i>
<i>Adjusted Loss / (Surplus) August, 2020</i>	<i>(\$18,000)</i>	<i>\$50,000 loss</i>

This translates to WHP YTD is over budget. With PEAK cash outflows curving down subsequently the recovery will be short for Balanced P/L outlook.

This timing issue has been a part of WHP financial issue far into the past. It should be addressed moving forward in a new budget cycle with changes to the billing process and other determining factors.

Source of Capital/ Income

Interest Income- Certain questions on the interest rate and resulting income have been persistent by a very few. Please understand we know you are not as informed on rates as our

accountants and BOD members on bank relationship services and interests allowances. Look no further than you own saving accounts for the meager interest rate on savings/ balances. Also, if interest income becomes a driving force of consequence to our revenues we will already sought resolution to the significance of this problem.

Note 2 Utility Income Last month's reported Timing Issue for the payment of the utility billing compared with the Membership Billing \$81,000. (Electric - \$35,000 + Water and Sewage \$43,000 + Cable \$3,000) has been caught up in new billings. As reported it has balanced out with August reporting. The lower cash outlays and inflows are results from Less Membership use and a budgeted 5% increase while only 3% increase was received.

Note 3 Cable Income New 5 year agreement selected by WHP Membership with recent notice September 1 effective date. Will cause adjustment after Billing received to verify amount for member payments. Second, a Special Billing for differences between April- August Cable costs will be forthcoming at that time too. No Back Dating of contract allowed by Mediacom plus No Remission of late fees for disputed charges as good faith effort by Mediacom.

Marina Fee Income- Increased fees for slips and stickers reducing the shortfall for YTD.

Mailbox Fee- This is based on the policy for rental of mailboxes. Any Security Deposits are held in a Balance Sheet Account secured to return upon termination of the Mailbox Agreement. Security Deposits cannot be used for expense of repairs etc unless call used by the owner and not repaired before redemption.

Real Estate Forms- Resale Certificate income- based on increased final sales of properties. We have experienced an Up-Tic in property sales at better values. Still Values remain lower than 2017/ 2018 Residency issue commencement and our peak...

Expenses/ Spending

Operations

Telephone-savings from WHP controlled and billed employee phones versus phone allowance for personal phones.

Postage- Savings from more use of website and emails for notices, newsletter, etc vs. snail mail.

Professional- Other- The payment for the Positive and Clean Audit and Preliminary Reserve Study to be analyzed and discussed with engineers

Repairs

Water/ Sewer/ Grounds— The Park Manager and Maintenance people have been very busy with unusual repairs. YTD- self inflicted septic required septic work, Member hydrants replacements, Separate Sewer Pipe, and Marina water flow.... Many of the park hydrants have been in need of replacement for some time and are gradually be completed. 5ZTon HVAC compressor.

Electrical-Various Pedestal replacement/ repair, pole lighting, pool light,

Contracts

Pool- the contract pricing is on target with the over budget a Direct Relationship to Cpv19-19 requirements.

Security- Thank you ahead you Advanced Security for adding benefits to WHP BOD hard fought improved protection systems. Some cost/ benefit relationships do not show up in dollars nut Peace of Mind.

Note 1 Trash- **Late billing received from Republic not booked \$4,700.

Payroll and Professional fees other

These two categories should be added and netted for correct viewing... Savings by BOD in staff reduction and outsource for professional support is paying Dividends not just in dollars but in credibility of information.

Utilities

Cable- See Note 3 above

Electric- See Note 2 above

Water and Sewer- See Note 2 above

Reserves

Funding as budgeted with no use. Reserve Sweeps- It is a product that allows us to work with the same bank but stay within FDIC limit by moving funds to other FDIC insured bank accounts.

Asset Purchases- (Approved by BOD) YTD

Boat Deck \$1,509

Tankless Water Heaters \$7,950

Accounts Receivable and Collections

There a few minor members still owing their slip and or other marina fees. These are being addressed. Other than this there is a some creeping into the near 90 day category (effecting voting rights- see statement mailed individuals). One of the Foreclosures is likely result in a Recovery as in years in the past a year-end windfall accounting for the reduced Bad Debt. In general the Account Receivable is now in significantly improved condition, not just in total but in aging. This effort will produce future benefits in a significant reduction in collections and bad debt write offs as we experienced from past unfortunate lack of attention.

With Governor Hogan's continued expected adjustments use and cost may be impacted. Cost actions to be selective and with *possible future intervention of Covid-19 in mind (?)*.

Future Costs of material value November 14 Meeting at Convention Center which includes all candidates invited to provide thoughts/ comments/ answers to members

*(see website notice- <https://www.whpca.org/files/134864834.pdf>
<https://www.whpca.org/files/134929134.pdf>*

New Insurance Contract (Signed)- current expires September 22. New coverage to include marina property and Cyber. All BOD member voted and agreed without reservation(s).

Note 3 Special Billing

Note 3 New Cable charge each month due soon

Treasurer

Ed Scheiner