

Subject:

October 2024 – Critique of Restricted Money Market A/C #11015

On November 6, 2024, the September and October bank statements were posted to the ACC website. Two of these statements reported transactions in Rio Bank Money Market Account (MMF) general ledger account #11015 and were mislabeled as CIF. This money market account was opened in June 2023 to serve as a depository for Reserve Funds cash that was not otherwise invested in CDs.

On September 19, 2024, an explanation was provided as to the purpose of the Rio Bank Restricted MMF general ledger account #11015. [Click here for this explanation.](#) This account was established for the express purpose of segregating Reserve Funds cash from Operating and/or CIF cash. Since February the Association has been inappropriately comingling CIF transactions (receipts and disbursements) in this account with Reserve Fund cash.

The following is a schedule that presents activity in Restricted Money Market A/C #11015. The 8/30/24 balances are a summary of our previous analysis of transactions from June 30, 2023, through August 30, 2024. [Click here for this analysis.](#) The remainder of the schedule lists the transactions from August 31, 2024, through October 31, 2024.

Date	Description	Amount	Balance	Reserve Fund	CIF Activity	
					CIF Revenue	CIF Expenses
08/30/24	Balances	<u>\$112,371.18</u>		<u>\$102,466.59</u>	<u>\$46,657.42</u>	<u>(\$36,752.83)</u>
	Missing Data (Interest?)	210.07	112,581.25		210.07	
09/20/24	Home Sales	2,280.00	114,861.25		2,280.00	
09/27/24	Home Sales	2,280.00	117,141.25		2,280.00	
09/30/24	Interest	201.07	117,342.32		201.07	
10/04/24	Home Sales	2,280.00	119,622.32		2,280.00	
10/23/24	Unidentified (Home Sale?)	2,545.00	122,167.32		2,545.00	
10/23/24	Unidentified (Home Sale?)	2,355.00	124,522.32		2,355.00	
10/30/24	Unidentified (Home Sale?)	2,545.00	127,067.32		2,545.00	
10/30/24	Home Sales	2,280.00	129,347.32		2,280.00	
10/31/24	Interest	195.50	129,542.82		195.50	
10/30/24	Mower Lease Payment	(1,227.60)	128,315.22			(1,227.60)
10/31/24	Mower Lease Payment	(1,227.60)	127,087.62			(1,227.60)
10/31/24	Mower Lease Payment	(1,483.06)	125,604.56			(1,483.06)
10/31/24	Mower Lease Payment	(1,483.06)	<u>124,121.50</u>			(1,483.06)
10/31/24	Balances	<u>\$124,121.50</u>		<u>\$102,466.59</u>	<u>\$63,829.06</u>	<u>(\$42,174.15)</u>
	Missing Reserve Fund Transfers 2/1/24 - 10/31/24			\$18,000.00		

As of October 31, 2024, the account should have a cash balance of \$120,466.59 (\$102,466.59 current balance + \$18,000 representing 9 months of cash transfers from the Operating account as payments on the internally financed loan). This will require a cash transfer from the Operating Checking account to the Rio Bank Restricted MMF.

Also, the net balance of CIF transactions \$21,654.91 (\$63,829.06 receipts - \$42,174.15 expenses) should be transferred to either the operating account or a separate CIF checking account. Restricted Money Market A/C #11015 was opened to serve solely as a depository for Reserve Funds cash not invested in CDs.

Sid & Terry Glandon
Lot #93