LEGAL FEES REPORT for 1/1/24 – 7/31/24

(Based on a review of paid legal invoices)

LEGAL FEES PAID BY CATEGORY

14th Floor Litigation = $32,252.00
Other Litigation = $17,968.00*
General = $208,551.31**, ^
Collections = $28,645.97***
Mediation = $112,657.50
Arbitration = $126,717.00^

TOTAL = $537,477.78

*This includes an apparent duplicate billing/payment of $3,217.50.
** General/MISC = Developer Issues, Magistrate Hearings, Travel, Consultation, Phone Calls, Emails, Postage
*** This may include some apparent duplicate payments.
^ Includes payments for work done in **2022 & 2023!**

AUDIT NEEDS

> Books show $467,555.53 in Legal Fees paid through **June**. Invoices show $17,470.35 paid in **July** from Operating account and $76,992.50 from SA account. **TOTAL = $562,018.38.**
> Research possible duplicate payments.
> Research potential duplicate payments for work done in 2022 & 2023.
> Determine which payments made from Operating Account, should have been made from SA account. Recommend adjusting and provide this information to person(s) auditing the Special Assessment account and creating the Special Assessments Report.

REVIEW NEEDS

> Legal oversight – authorization of work to be done; invoices posted for owners to see (with redactions, if needed).
> Accounting process – categorization and identification of invoices by legal; BOD approval of payment of invoices; identification of funds to be paid from Operating and from SA.
> Collections & Foreclosures accounting – individual accounting statements; receipt of funds – how accounted for and how applied. Note: This can have an impact of funds collected that should be designated to our SA account funds; Other collection efforts.