

**Hillsboro Cove Homeowner's Association
Annual Meeting 9 April 2024
St. Martin Lutheran Church**

The meeting was called to order by President Bill Daly at 6:05 p.m. He welcomed the members and introduced the other Board members and Nick Harris from Realty Performance Group.

The president introduced the candidates for the board: William Daly, Brad Reed, John Solberg.

Nick Harris reported for the RPG Management Company. He summarized the financial report for 2023 and noted the major maintenance expenses for the past year. He expressed appreciation for the Board.

Debbie Gerlach explained the responsibilities of board members.

John Solberg talked about communications and the new Greenlight internet option.

Richard Johnson introduced the newly revised Rules and Regulations.

Richard Johnson announced that Bill Daly and John Solberg had been elected to the board.

Bill Daly reported on several topics:

- Paving plans for this year
- Tree work done this past year
- Cleaning of storm drains
- Revamping committees
- Roof assessments

Ann Delehant made a pitch for people to get involved in the community relations committee.

Mike Mello raised concern about speeding and disobeying of stop signs in the neighborhood.

Bill Daly reminded residents that only guests should park in guest parking.

Bill responded to a number of questions from homeowners.

The meeting was adjourned at 7:30 p.m.

Respectfully submitted,
Richard Johnson, Secretary

2023 EOY Financial Report

Taken from Independent Auditor's Report by Bonn, Dioguark & Ray, 2024

BALANCE SHEET

Assets	2023	2022
Cash and cash equivalents	445,663	542,753
Accounts receivable from Homeowners	2,360	4,170
Accrued interest receivable	-	-
Prepaid expenses	8,081	7,300
Total Assets	456,104	554,223
Liabilities		
Accounts Payable	11,701	11,573
Pre-payments from homeowners	20,589	15,153
Contract Liabilities (Reserves)*	486,827	590,182
Accrued income taxes	1,904	-
Total Liabilities	521,021	616,908
Fund Balances		
Operating Fund (Operations)	-	-
Major Maintenance Fund**	(64,917)	(62,685)
Total Fund Balances	(64,917)	(62,685)
	456,104	554,223

* Contract liabilities is accumulated Reserve funds free from Operating Fund loans.

**The negative value in the Major Maintenance Fund is the balance of loans made to the Operating Fund in previous years. It is being repaid by positive EOY balances of the Operating Fund.

REVENUES AND EXPENDITURES

	2023		2022	
	Operating Fund	Major Maintenance Fund	Operating Fund	Major Maintenance Fund
Revenues				
2023 Assessments	366,748	213,572	352,416	209,184
Contract Liabilities Transferred		103,355		-
Interest	8,717	-	1,022	-
Other	254	-	809	-
Total Revenues	375,719	316,927	354,247	209,184
Expenditures				
Fixed Contracts (Including Insurance)	285,080	-	267,859	-
Payroll-General Maintenance	82,909	-	57,934	-
Professional Services	7,523	-	9,988	-
Other Expenditures	2,439	-	2,660	-
Deck Repairs, rebuilding	-	106,190	-	25,584
Roofing	-	-	-	3,289
Painting/ Staining	-	-	-	-
Interior Repairs	-	1,625	-	5,616
Siding Repairs	-	1,483	-	9,190
Gutter Repair, replacement	-	-	-	9,857
Road, Driveway & Parking repair/sealing	-	130,644	-	47,225
Tree Removal, replacement & pruning	-	23,218	-	33,551
Water,Sewer,Electric, Misc Infrastructure	-	52,732	-	14,060
Miscellaneous	-	1,035	-	4,601
Total Expenditures	377,951	316,927	338,441	152,974
Revenues minus Expenditures	(2,232)	-	15,806	56,210
Transfer Operating Fund -> Maj. Maint. Fund				
Borrow Operating Fund <- Maj. Maint. Fund	2,232	(2,232)	(15,806)	15,806
Fund Balances - Beginning of the Year	0	(62,685)	0	(78,491)
Fund Balances - End of the Year	0	(64,917)	0	(62,685)

See NOTE OF EXPLANATION (page 2) regarding Transfer & Borrow

FUND BALANCES AND CONTRACT LIABILITIES (RESERVES)		
Major Maintenance Fund		
	2023	2022
Maj. Maint. Fund Balance -- Begin the Year	(62,685)	(78,491)
Net EOY Operating Fund balance	(2,232)	15,806
Maj.Maint. Fund Balance, Beginning New Year	(64,917)	(62,685)
Contract Liabilities (Accumulated Reserves)		
	2023	2022
Balance Beginning of the Year	590,182	533,972
Transfer EOY (To+,From-) Contract Liabilities	(103,355)	56,210
Contract Liabilities at Start of the New Year	486,827	590,182
Maj.Maintenance Fund balance	(64,917)	(62,685)
Cash Available in Reserves	421,910	527,497

NOTE of EXPLANATION

Each year the Budget is divided into two parts: the Operating Fund (OF) and the Major Maintenance Fund (MMF). The MMF is for expenditures we designate as Reserve expenditures, generally of long term impact. These two funds are independent. At the end of each year, any excess MMF funds are transferred to the "Reserve" accumulation account, Contract Liabilities. (See the Balance Sheet.) If MMF expenditures exceed the amount budgeted for the year, funds are transferred from Contract Liabilities to make up the shortfall. At year's end, excess operating funds are transferred to the MMF. Any shortfall in the OF is borrowed from the MMF, and is carried forward as a deficit in the MMF. As a result, actual cash available for "Reserve" Expenditures is the amount in Contract Liabilities less any deficit in the MMF.