

Hilton Head Island Motorcoach Resort

Semi-annual meeting financial report

- Gerry Fagan, POA Treasurer
- Bobby Lowman, Finance committee
- Jim Skellett, Finance committee
- Pam June

2018 3 Qtr. Financial Summary

Combined Year to Date

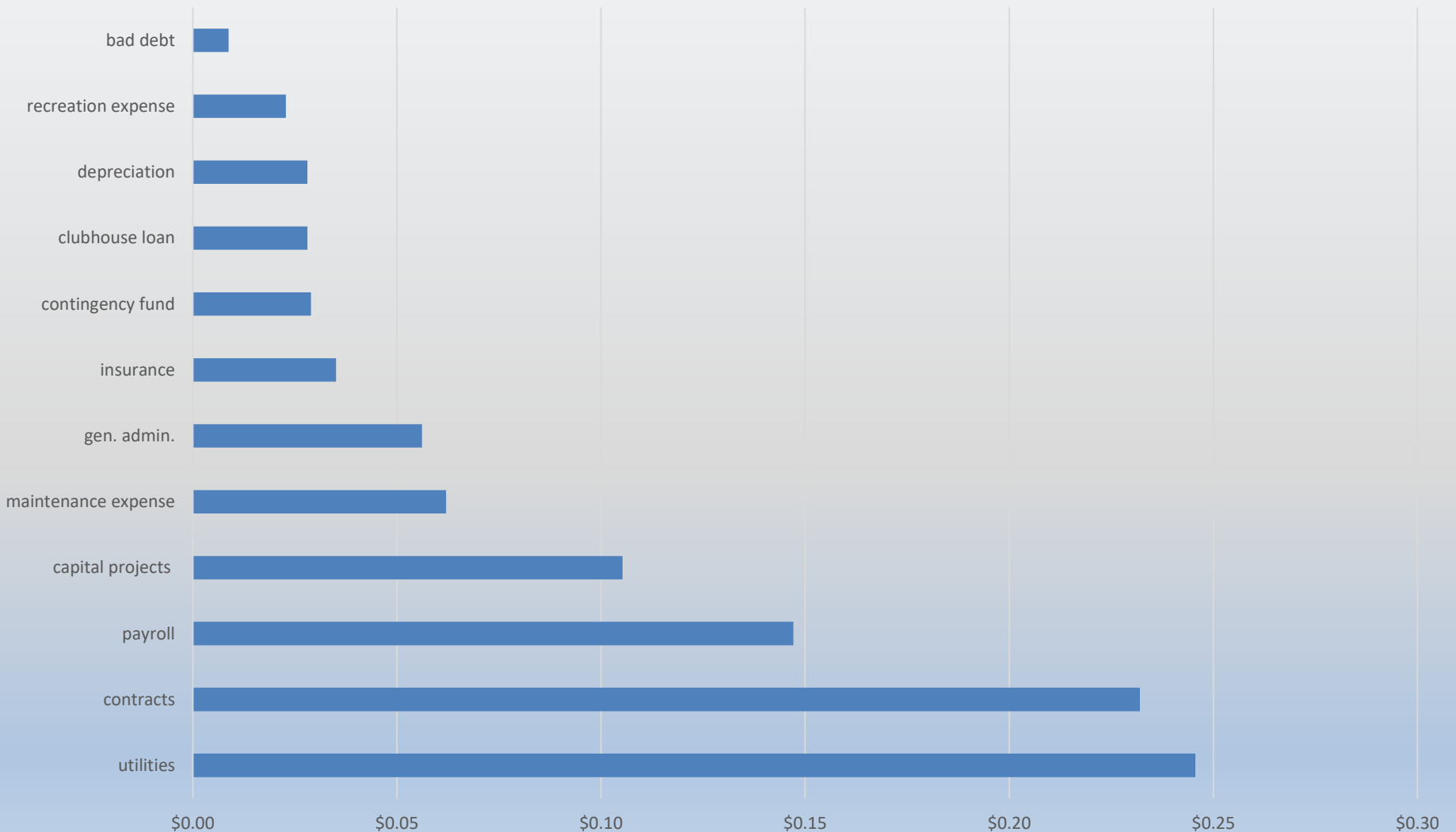
HHIMR 2018 Revenue and expenses, 9 months								
2018, 9 months				2017, 9 Months				
	POA	LLC	Total	POA	LLC	Total	increase/decrease	
Revenues								
Maintenance fees	\$ 721,800		\$ 721,800	\$ 662,570		\$ 662,570	\$ 59,230	
Recreational fees	\$ 57,280	\$ -	\$ 57,280	\$ 25,548	\$ -	\$ 25,548	\$ 31,732	
Site Rentals		\$ 493,164	\$ 493,164		\$ 328,305	\$ 328,305	\$ 164,859	
Commissions		\$ -	\$ -		\$ 34,518	\$ 34,518	\$ (34,518)	
Transfer fees	\$ 67,510	\$ -	\$ 67,510	\$ 8,175	\$ 3,875	\$ 12,050	\$ 55,460	
Other operating Revenue	\$ 55,191	\$ 9,634	\$ 64,825	\$ 49,557	\$ 34,945	\$ 84,502	\$ (19,677)	
Misc. Income	\$ 5,975		\$ 5,975	\$ 12,411	\$ 27,808	\$ 40,219	\$ (34,244)	
Total Revenues	\$ 907,756	\$ 502,798	\$ 1,410,554	\$ 758,261	\$ 429,451	\$ 1,187,712	\$ 222,842	
Total Expenses 3 quarters *	\$ 802,729	\$ 408,435	\$ 1,211,164	\$ 724,463	\$ 325,182	\$ 1,049,645	\$ 161,519	
<small>*see owners webpage for complete expense listings</small>								
Net Income (loss)	\$ 105,027.00	\$ 94,363.00	\$ 199,390	\$ 33,798.00	\$ 104,269.00	\$ 138,067.00	\$ 61,323	

***Complete financials are available on the HHIMR Owner's website**
note: many adjustments at year end will change outcomes

Your resort's balance sheet to date (2018 3 qtr.)

		POA	LLC	Combined
Total assets	\$	1,727,928.00	\$ 389,315.00	\$ 2,117,243.00
Total liabilities	\$	539,683.00	\$ 121,255.00	\$ 660,938.00
Total equity	\$	1,188,245.00	\$ 268,060.00	\$ 1,456,305.00
Total liabilities & equity	\$	1,727,928.00	\$ 389,315.00	\$ 2,117,243.00

Your POA dollar(2018 3qtrs.)

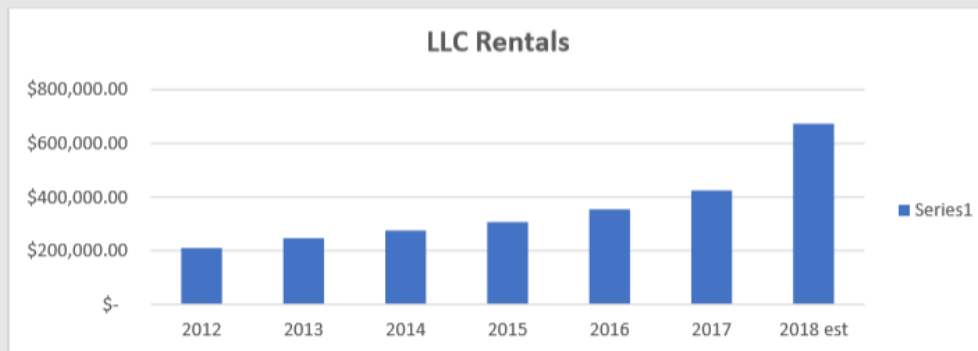


Your LLC dollars

Changing direction!

Site rentals (net)

2012	\$	210,303.00
2013	\$	246,400.00
2014	\$	275,739.00
2015	\$	306,843.00
2016	\$	354,500.00
2017	\$	424,294.00
2018 est	\$	674,000.00



Expenses LLC

2013	\$	315,383.00
2014	\$	390,546.00
2015	\$	456,718.00
2016	\$	493,772.00
2017	\$	441,010.00
2018 est	\$	425,000.00



LLC Rentals 2018 (3 qtrs.)

	LLC Rentals	
Rental nights	2018 (3 Quarters)	average/night
3 qtrs rental nights	11456	
Total rent collected (3 qtrs)	\$973,327.00	\$85.00
Rent paid to owners in the rental pool	\$486,663.00	
LLC participation to POA (2018 est.)	\$120,000.00	

Clubhouse loan

Balance Nov 2017	\$ 142,845.00
Balance Nov 2018	\$ 120,728.00*
Current loan rate	2.80%
matures	3/5/2023

* secured with a S. Atlantic Bank CD

Going forward with your assets

Planning, Planning, Planning..

REPLACEMENT RESERVE REPORT FY 2011
**OUTDOOR RESORTS AT HILTON HEAD ISLAND
OWNERS ASSOCIATION**



Annual needs is the 1st step

Description	Estimated amount	Notes
outdoor light upgrade 2 year program	\$ 5,000.00	
pagoda lights	\$ 3,000.00	new led program
water system upgrades 3 yr. program	\$ 6,000.00	mapping of current system and replacment of bad valves
Misc. electrical repairs	\$ 3,000.00	
Garage door MB	\$ 2,800.00	
decorations club and offices	\$ 2,000.00	annual program
hot water heaters	\$ 1,500.00	
Asphalt repair and sealing	\$ 30,000.00	annual program
Spa finish	\$ 5,000.00	
chain link fence repairs and maint	\$ 4,000.00	annual program
AC/heat office	\$ 10,000.00	
pool furniture	\$ 5,000.00	annual program
Tree trimming	\$ 10,000.00	
Non- scheduled Repairs	\$ 30,000.00	
	\$ 117,300.00	

Annual Budgeting for asset repairs & replacements

10 Year asset replacement/improvement workbook

Years 2017-2028		2018	2019	2020	2021	2022
Starting balance		\$ -	\$ 21,700.00	\$ 24,420.00	\$ 18,820.00	\$ 24,705.00
Annual budgeted contribution to capital improvements account	\$ 130,000.00	\$ 130,000.00	\$ 130,000.00	\$ 130,000.00	\$ 130,000.00	\$ 130,000.00
Budgeted Expenditures		\$ 108,300.00	\$ 127,280.00	\$ 135,600.00	\$ 124,115.00	\$ 105,750.00
Year end balance after expenditure		\$ 21,700.00	\$ 24,420.00	\$ 18,820.00	\$ 24,705.00	\$ 48,955.00
Cumulative Expenditures		\$ 108,300.00	\$ 235,580.00	\$ 371,180.00	\$ 495,295.00	\$ 601,045.00
Cumulative Receipts/deposits		\$ 130,000.00	\$ 281,700.00	\$ 436,120.00	\$ 584,940.00	\$ 739,645.00
Per Unit average minimum monthly funding	\$ 27.02					

CASH FLOW METHOD MINIMUM ANNUAL FUNDING OF REPLACEMENT RESERVES . The Cash Flow Method is founded on the concept that the Replacement Reserve Account is solvent if cumulative receipts always exceed cumulative expenses. The Cash Flow Method calculates a MINIMUM annual deposit to Replacement Reserves that will: Fund all Projected Replacements listed in the Replacement Reserve Inventory Prevent Replacement Reserves from dropping below the Minimum Recommended Balance allow a constant annual funding level between peaks in cumulative expenditures

Asset repairs and replacements

List of HHIMR Asset review- repairs/replacement/additions 2018

Complete remodel of Bathrooms and shower-pool area
Repurposed guard shack into mailroom w/ 401 private boxes
Completion of new gate project with new card and MH security
tree removal around pool
tree pruning in pool area and common areas
installation of gas fireplace in clubhouse
new carpet in upstairs clubhouse
removal of 78 problematic trees in the resort-per Bartlett Tree and Inventory Management Plan
asphalt repair roads along with reshiming of driveways
new pool furniture--addition of 6 tables, 24 chairs and 6 umbrellas
new light fixtures
new hot water system clubhouse
hired architect for planning of elevator in clubhouse
installation of new walkway at welcome center
water system repairs and replacement of shut off valves within clubhouse
replacement of garage doors maintenance building
new plantings in pots, irrigation in pots and beds at pool
new maintenance heavy duty work cart
tennis court surface repairs from Hurricane Matthew damage
Purchased 2 new fryolators for the snack shack
Purchased new piano for the Clubhouse
Contracted with outside vendor to replace all washers and dryers
Tree replacement in Wexford area (scheduled)
Installed speed deterrent
Refinished the spa hot tub
Hired new auditors
Upgraded insurance to protect resort in the event of computer data theft
Upgraded insurance to provide for coverage from impaired driving
Power washed roof of clubhouse, snack shack and pool side restrooms
installed new computer LLC
purchased 2 paper shredders, clubhouse, mailroom
new gas grill for Snack Shack
Installed an outside sink, automatic door closer and window slider on the Snack Shack
purchased 2 new microwaves, Clubhouse, Snack Shack

PROPOSED FUTURE PROJECTS	
Items	Estimated Cost
Second Floor Clubhouse Chair Replacement	\$ 5,250.00
Elevator/Handicap Bathroom Clubhouse Design	\$ 5,500.00
Elevator	\$ 175,000.00
Maintenance Building Roof	\$ 2,000.00
Maintenance Building Restroom	\$ 1,600.00
Water System Valve Repair (Phase 1 est.)	\$ 4,000.00
Clubhouse Projector / Screen Installation	\$ 2,395.16
Clubhouse Upstairs Redesign/Lighting/Window Treatments	\$ 15,000.00
Pavers for Dog Stations	\$ 4,100.00
Pavers for all Phase Pathways	\$ 15,000.00
Install Damper Controls First Floor Clubhouse	\$ 9,890.00
Install Split System Heat Pump in Mail Room	\$ 3,890.00
Install Split System Heat Pump in Maintenance Shop	\$ 4,630.00
Install Split System Heat Pump in Snack Shack	\$ 3,980.00
Install Return Duct in Control Room Second Floor Clubhouse	\$ 375.00
General Maintenance Service Twice per year on Seven Units	\$ 1,490.00
Soffit repairs	\$ 1,000.00
Walkway/Bike Path out of Resort	\$ 80,000.00
Spin Bike for Exercise Room	\$ 2,000.00
Landscape for Front of Office Building	\$ 5,000.00
R/R Pool Deck	\$ 20,000.00
Sprinkler Repairs	\$ 1,200.00
Replace Pumps in the Lift Station near Dunnigan's Alley	\$ 15,000.00
Clean Storm Drains and Sump Pumps	\$ 5,000.00
Pool Electrical Panel	\$ 17,290.00
New Dog Park	\$ 40,000.00
Repair/Repurpose 2 tennis courts	\$ 80,000.00
	\$ 520,590.16
We budget \$120,000 per year for repairs and purchases of resort assets, if we use half for this list \$60,000	\$ 60,000.00
We had earmarked \$100,000 from the POA cdars for the elevator	\$ 100,000.00
New Balance	\$ 360,590.16
divided by 401 owners/year	\$ 899.23
quarter	\$ 224.81

Thank You

Please feel free to contact any of us on the finance committee with your concerns, suggestions and comments.

This is your resort and it is our mission to listen and respond to your suggestions.

- *Gerry Fagan, Lot 54*
- *Bobby Lowman, Lot 167*
- *Jim Skellett, Club manager*