

AHPOA TREASURER'S REPORT FOR THE YEAR ENDED MAY 31, 2023

Budget and Finance Committee achievements:

- Appointment of Jerry Saylor and Lynn Roose to serve on the Committee.
- Good active committee:
 - Jerry brings prior AHPOA Treasurer experience and significant organizational knowledge.
 - Lynn brings new perspectives and strong QuickBooks knowledge.
 - Committee reviewed and approved the fiscal 2023-24 budget prior to its ratification by the Board.
 - Committee assisted on and resolved the final bank reconciliation of 2022-23 for the operating bank account.
 - Committee reviewed the full General Ledger for the fiscal year before it was sent to the entire Board for an additional follow-up review.
- Communications to membership:
 - Detailed answers to one-off questions from members during the year.
 - Memo (approved by legal counsel) related to the intra-year cash transfer policy that is part of the proposed By-Laws changes today. Publication on the member secured website.
 - Letter to the membership related to the dues and assessments approved by the Board prior to January 2023 billing. Publication on the member secured website.
 - November (semi-annual) financial statements posted on the member secured website, prior to the appellate decision on the SNC matter.
- Better By-Laws compliance:
 - Active Finance Committee, as cited above (Article XI, Section 3).
 - Dual signature on all checks above the stipulated By-Laws minimum (Article VI, Section 4).

Financial statement highlights:

- All bank accounts are fully reconciled with no outstanding unreconciled items.
- Total cash on hand is **\$36.5K**, comprised of the 3 bank accounts listed on the balance sheet.
 - The capital reserve account was increased this year by the By-Laws requirement of \$25 per lot (\$3,525).
- Accounts payable relate largely to unpaid legal bills from Hirzel Law PLC of almost \$11K. Those fees will remain unpaid until at least the decision by the Michigan Supreme Court on the SNC matter.
- P&L net bottom line of (\$7K) is directionally aligned with the 2022-23 budget (\$4.8K).
 - Revenue was \$4.6K higher than budget due to dues and assessments ratified by the Board in December 2022.
 - Operating expenses were \$6.5K higher than budget due to legal fees related to By-Laws review, the final settlement on the 2022 director civil suit (net of Director and Officer liability coverage), and other general matters.
- Cash flow was relatively neutral for the fiscal year. The net loss plus repayment of some approved road deposits (uses of cash) is slightly more than offset by the increase of AP cited above.
 - Important to note that while we report a loss of (\$7K) on the year, \$11K of that relates to legal fees that are unpaid.

Respectfully submitted,

Joe Donovan, Treasurer

Apache Hills Property Owners Association, Inc
Balance Sheet
As of May 31, 2023

ASSETS

Current Assets

Bank Accounts

Shelby State Bank Checking	\$7,832.47
Shelby State Bank Reserve	\$27,196.03
Shelby State Bank Trust	\$1,500.00

Total Bank Accounts	\$36,528.50
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Accounts Receivable

Accounts Receivable	\$2,255.24
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Total Accounts Receivable	\$2,255.24
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Other Current Assets

Undeposited Funds	\$0.00
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Total Other Current Assets	\$0.00
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Total Current Assets	\$38,783.74
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Fixed Assets

Accumulated Depreciation	(\$478.57)
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Boat Launch

Original cost	\$9,571.48
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Total Boat Launch	\$9,571.48
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Other fixed assets	\$10,032.50
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Total Fixed Assets	\$19,125.41
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TOTAL ASSETS	\$57,909.15
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Apache Hills Property Owners Association, Inc
Balance Sheet
As of May 31, 2023

LIABILITIES AND EQUITY

Liabilities

Current Liabilities

Accounts Payable

Accounts Payable	\$12,209.90
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Total Accounts Payable	\$12,209.90
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Other Current Liabilities

Capital Reserve	\$0.00
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Customer Deposits/Retainers	\$548.35
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Deferred Dues Income	\$0.00
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Road Deposits	\$1,500.00
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Total Other Current Liabilities	\$2,048.35
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Total Current Liabilities	\$14,258.25
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Total Liabilities	\$14,258.25
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Equity

Capital Reserve Committed Funds	\$0.00
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Retained Earnings	\$50,669.99
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Net Income	(\$7,019.09)
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Total Equity	\$43,650.90
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TOTAL LIABILITIES AND EQUITY	\$57,909.15
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Apache Hills Property Owners Association, Inc
Profit and Loss
June 2022 - May 2023

	<u>Actual</u>	<u>Budget</u>
<u>Income</u>		
Association Dues	\$36,307.50	
Late Fees	\$40.00	
Reimbursed Expenses - Income	\$0.00	
Total Income	\$36,347.50	\$31,725.00
Gross Profit	\$36,347.50	\$31,725.00
<u>Expenses</u>		
Dues and Subscriptions	\$890.00	
Insurance		
General Liability Insurance	\$1,529.00	
Total Insurance	\$1,529.00	
Office Supplies	\$42.39	
Postage and Delivery	\$284.92	
Printing and Reproduction	\$576.87	
Professional Fees		
Accounting Fees	\$915.00	
Legal Fees	\$34,233.43	
Total Professional Fees	\$35,148.43	
Reconciliation Discrepancies	\$0.00	
Rent	\$400.00	
Repairs & Maintenance	\$100.17	
Maintenance - Mowing	\$960.00	
Maintenance - Snow Plowing	\$3,150.00	
Repairs-Boat Launch	\$80.00	
Total Repairs & Maintenance	\$4,290.17	
Total Expenses	\$43,161.78	\$36,600.00
Net Operating Income	(\$6,814.28)	(\$4,875.00)
Other Income		
Interest Income	\$5.19	
Total Other Income	\$5.19	
Other Expenses		
Other Expense	\$210.00	
Total Other Expenses	\$210.00	\$0.00
Net Other Income	(\$204.81)	\$0.00
Net Income	(\$7,019.09)	(\$4,875.00)

Apache Hills Property Owners Association, Inc
Statement of Cash Flows
June 2022 - May 2023

	Total
<u>OPERATING ACTIVITIES</u>	
Net Income	(\$7,019.09)
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Accounts Receivable	(\$170.00)
Accounts Payable	\$12,209.90
Customer Deposits/Retainers	\$548.35
Road Deposits	(\$3,750.00)
Total Adjustments to reconcile Net Income to Net Cash provided by operations	\$8,838.25
Net cash provided by operating activities	\$1,819.16
Net cash increase for period	\$1,819.16
Cash at beginning of period	\$34,709.34
Cash at end of period	\$36,528.50

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AHPOA Total Dues and Assessments per Lot

