

HGI Treasurer Report
HGI Board Meeting
September 15, 2022

August 31, 2022 financial statement

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|-------------------------------|----------------|
| South State operating account | \$ 100,574.37 |
| Petty cash | \$ 200.00 |
| Subtotal gross | \$ 100,774.37 |
| Due (To)/From Reserves | \$ (12,788.00) |
| Total net | \$ 87,986.37 |

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|-------------------------------|---------------|
| Fidelity Hurricane deductible | \$ 141,507.39 |
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|-----------------------------|----------------|
| Fidelity reserve account | \$1,978,695.86 |
| South State reserve account | \$ 67,737.90 |
| Subtotal | \$2,046,433.76 |
| Due (To)/From Operating | \$ 12,788.00 |
| Total Reserve | \$2,059,221.76 |

Treasurer Notes

1. All Building Corporations paid the additional insurance payment for the year.
2. Hampshire Gardens preliminary estimated 2023 budget was provided to the HGI Board for review. Big picture changes in the estimated 2023 budget; total capital reserves funding decreased by \$83,642 due mainly to a fully funded seawall project based on the latest est. in 08/2022 of \$986,000, insurance expense in the operating budget increased by \$191,972 to \$730,826, and the remaining operating budget is basically flat. Please note, using the budgeted insurance expense, by Feb. 2023, 20 unit buildings need to pay \$61,934 and 2442 needs to pay \$49,548 to cover the insurance cost of \$730,826.
3. Recommend the Board approve engaging Gerstle, Rosen and Rosenberg to prepare our annual audited financial statement and tax returns. The new engagement letter covers calendar years 2022 and 2023 at a cost of \$5,300 per year. That is a \$200 increase per year over the prior two-year contract. Request a motion and vote to approve the Gerstle, Rosen, Rosenberg engagement letter.