



April 4, 2019

Re: 2018 Audit Report and Assessment

The HOA Board has received a draft version of the 2018 Audit Report from our auditor. We expect the final version early next week at which time it will be available to all residents on the Argus website.

As you know, in 2018 the Developer elected to pay assessment by lot rather than by budget deficit as had been done in prior years. This led to a projection of a significant operating deficit for the 2018 budget year and a projected homeowner assessment of approximately \$100 per household in April 2019 to cover this deficit. The HOA Board held multiple negotiations with the Developer throughout the year to extend a subsidy from The Islands for 2018.

The Board is now pleased to inform homeowners that for the year ended December 31, 2018, the Developer has elected to contribute approximately \$60,000 towards the deficit. This subsidy is not required and is in addition to the per lot assessment the Developer had paid at the beginning of 2018. The HOA has a cash position rolled over from prior years that is sufficient to handle any remaining deficit. Therefore, the Board is pleased to inform homeowners that there will be no special assessment for 2018.

The Developer stated that he “elected to make this contribution for 2018 because of the ongoing mutually beneficial and cooperative relationship that exists with the current HOA Board”. The Board is grateful for the Developers continued support.

The HOA Board