

South Riding Proprietary, Inc.

Statements of Revenues and Expenses

For the Year Ended December 31, 2016 with Comparative Totals for 2015

	Operating	General	Capital	Replacement	Totals	
	Fund	Operating Reserve	Improvement Fund	Reserves	2016	2015
Revenues						
Assessments	\$ 5,010,311	\$ -	\$ 131,334	\$ 1,092,000	\$ 6,233,645	\$ 6,232,632
Disclosure packets	-	-	70,575	-	70,575	74,865
Late fees	42,100	-	-	-	42,100	51,591
Legal fees	24,121	-	-	-	24,121	25,297
Violation fees	20,585	-	-	-	20,585	17,378
Advertising	208,642	-	-	-	208,642	206,702
Celebrate South Riding	-	-	-	-	-	211,556
Oktoberfest	4,112	-	-	-	4,112	5,715
Triathlon	23,722	-	-	-	23,722	26,331
Community activities	73,445	-	-	-	73,445	110,021
Interest	120,290	-	17,254	-	137,544	132,148
Other income	77,516	-	-	-	77,516	79,725
Other income - capital improvement/easement	4,410	-	125,000	2,203	131,613	269,057
Total revenues	5,609,254	-	344,163	1,094,203	7,047,620	7,443,018
Expenses						
Administrative (common)						
Management staff and related	657,441	-	-	-	657,441	674,323
Financial management	154,628	-	-	-	154,628	140,714
Legal and audit	144,563	-	-	-	144,563	112,168
Professional consultation	3,850	-	-	-	3,850	7,511
Insurance	95,151	-	-	-	95,151	124,369
Administrative	71,239	-	-	-	71,239	81,131
Office supplies and equipment	10,923	-	-	-	10,923	13,381
Magazine	150,305	-	-	-	150,305	155,479
Information technology	50,053	-	-	-	50,053	44,877
Community events	138,967	-	-	-	138,967	60,387
Election committee	12,658	-	-	-	12,658	10,932
Committee and task force	33,292	-	-	-	33,292	39,818
Celebrate South Riding	-	-	-	-	-	261,491
Oktoberfest	16,608	-	-	-	16,608	14,443
Summer concerts	22,712	-	-	-	22,712	19,191
Star spangled	53,382	-	-	-	53,382	19,305

See the independent auditor's report and accompanying notes.

South Riding Proprietary, Inc.

Statements of Revenues and Expenses (Continued)

For the Year Ended December 31, 2016 with Comparative Totals for 2015

	Operating Fund	General Operating Reserve	Capital Improvement Fund	Replacement Reserves	Totals	
					2016	2015
Triathlon	25,207	-	-	-	25,207	26,592
Bad debt	14,576	-	-	-	14,576	20,883
Depreciation	34,523	-	-	-	34,523	39,465
Total administrative (common)	1,690,078	-	-	-	1,690,078	1,866,460
Operating (common)						
Community common area	1,039,628	-	81,582	44,236	1,165,446	1,142,108
Community roadsides	206,668	-	-	17,272	223,940	237,068
Maintenance facility	-	-	209,701	-	209,701	470,934
Streets	-	-	-	91,078	91,078	-
Fence	-	-	-	896	896	-
Signage	-	-	-	3,970	3,970	13,986
Other	56,951	-	55,312	8,116	120,379	116,084
Total operating (common)	1,303,247	-	346,595	165,568	1,815,410	1,980,180
Recreation facilities						
Payroll and related	315,027	-	-	-	315,027	319,460
Pool	366,408	-	-	131,622	498,030	510,107
Town hall	35,372	-	-	-	35,372	22,027
Tennis courts	1,197	-	-	-	1,197	10,048
Utilities	89,910	-	-	-	89,910	94,084
Other	35,465	-	-	48,284	83,749	76,681
Total recreation facilities	843,379	-	-	179,906	1,023,285	1,032,407
Operating (general)						
Single family homes	849,012	-	-	-	849,012	826,412
Townhomes	630,959	-	-	68,676	699,635	643,479
Common driveway	25,756	-	-	-	25,756	13,004
Total operating (general)	1,505,727	-	-	68,676	1,574,403	1,482,895

See the independent auditor's report and accompanying notes.

South Riding Proprietary, Inc.

Statements of Revenues and Expenses (Continued)

For the Year Ended December 31, 2016 with Comparative Totals for 2015

	Operating Fund	General Operating Reserve	Capital Improvement Fund	Replacement Reserves	Totals	
					2016	2015
Other						
Amberlea trash removal	109,220	-	-	-	109,220	107,979
SR town center trash	4,912	-	-	-	4,912	4,898
Total other	<u>114,132</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,132</u>	<u>112,877</u>
Total expenses	<u>5,456,563</u>	<u>-</u>	<u>346,595</u>	<u>414,150</u>	<u>6,217,308</u>	<u>6,474,819</u>
Excess revenues over expenses (expenses over revenues)	<u>\$ 152,691</u>	<u>\$ -</u>	<u>\$ (2,432)</u>	<u>\$ 680,053</u>	<u>\$ 830,312</u>	<u>\$ 968,199</u>

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South Riding Proprietary, Inc.

Statements of Changes in Fund Balance

For the Year Ended December 31, 2016 with Comparative Totals for 2015

	<u>Operating Fund</u>	<u>General Operating Reserves</u>	<u>Capital Improvement Fund</u>	<u>Replacement Reserves</u>	<u>Total</u>
Balance as of December 31, 2014	\$ 1,866,226	\$ 530,979	\$ 2,228,489	\$ 5,826,740	\$ 10,452,434
Excess of revenues over expenses (expenses over revenues)	<u>301,806</u>	<u>-</u>	<u>(134,859)</u>	<u>801,252</u>	<u>968,199</u>
Balance as of December 31, 2015 as previously stated	2,168,032	530,979	2,093,630	6,627,992	11,420,633
Prior period adjustment	(10,000)	-	-	-	(10,000)
Balance as of December 31, 2015 as restated	<u>2,158,032</u>	<u>530,979</u>	<u>2,093,630</u>	<u>6,627,992</u>	<u>11,410,633</u>
Excess of revenues over expenses (expenses over revenues)	152,691	-	(2,432)	680,053	830,312
Transfers between funds	(1,310,312)	38,129	1,240,000	32,183	-
Balance as of December 31, 2016	<u>\$ 1,000,411</u>	<u>\$ 569,108</u>	<u>\$ 3,331,198</u>	<u>\$ 7,340,228</u>	<u>\$ 12,240,945</u>

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South Riding Proprietary, Inc.

Statements of Cash Flows

For the Year Ended December 31, 2016 with Comparative Totals for 2015

	Operating Fund	General Operating Reserve	Capital Improvement Fund	Replacement Reserves	Totals	
					2016	2015
Cash flows from operating activities						
Excess of revenues over expenses (expenses over revenues)	\$ 152,691	\$ -	\$ (2,432)	\$ 680,053	\$ 830,312	\$ 968,199
Adjustments to reconcile excess of revenues over expenses (expenses over revenues) to net cash provided by (used in) operating activities:						
Depreciation	34,523	-	-	-	34,523	39,465
Bad debt expense (recovery)	14,576	-	-	-	14,576	20,883
Decrease (Increase)						
Assessments receivable	7,092	-	-	-	7,092	163
Accounts receivable - other	-	-	-	-	-	2,775
Accounts receivable - bonds	-	-	-	-	-	25,500
Accrued interest	16,609	-	3,298	(15,199)	4,708	(7,427)
Prepaid expenses	(22,091)	-	-	-	(22,091)	(6,702)
Increase (decrease)						
Accounts payable	33,711	-	(141,612)	54,320	(53,581)	19,871
Deferred income	(20,137)	-	-	-	(20,137)	27,734
Prepaid assessments	28,680	-	-	-	28,680	17,003
Net cash provided by (used in) operating activities	245,654	-	(140,746)	719,174	824,082	1,107,464
Cash flows from investing activities						
Acquisition of property and equipment	(32,182)	-	-	-	(32,182)	(41,984)
Redemptions of investments	546,345	245,000	1,200,000	1,176,000	3,167,345	2,649,748
Purchases of investments	-	-	(1,930,274)	(1,785,827)	(3,716,101)	(4,219,147)
Net cash provided by (used in) investing activities	514,163	245,000	(730,274)	(609,827)	(580,938)	(1,611,383)
Cash flows from financing activities						
Interfund borrowings/repayments	90,507	(270,726)	140,389	39,830	-	-
Transfer between funds	(1,310,312)	38,129	1,240,000	32,183	-	-
Net cash provided by (used in) financing activities	(1,219,805)	(232,597)	1,380,389	72,013	-	-

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South Riding Proprietary, Inc.

Statements of Cash Flows

For the Year Ended December 31, 2016 with Comparative Totals for 2015

	Operating Fund	General Operating Reserve	Capital Improvement Fund	Replacement Reserves	Totals	
					2016	2015
Net change in cash and cash equivalents	(459,988)	12,403	509,369	181,360	243,144	(503,919)
Cash and cash equivalents - beginning of year	1,323,174	60,729	161,551	312,662	1,858,116	2,362,035
Cash and cash equivalents - end of year	<u>\$ 863,186</u>	<u>\$ 73,132</u>	<u>\$ 670,920</u>	<u>\$ 494,022</u>	<u>\$ 2,101,260</u>	<u>\$ 1,858,116</u>
Supplemental Information:						
Cash paid for interest					<u>\$ -</u>	
Cash paid for taxes					<u>\$ -</u>	

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