



Board Of Directors Annual Meeting

May 24, 2022

Agenda

Call to Order & Introduction of the Board- Karen MacDowell President

2022 Board of Directors

- ▶ Karen MacDowell, President
- ▶ Steve Pasquale, Vice President
- ▶ Kevin Ubelhart, Treasurer
- ▶ Pat Himes, Secretary
- ▶ Gary Smith, Director
- ▶ Kip Lowe, Director
- ▶ Francois Desamours, Director

Proof of Notice/Quorum-

Pat Himes, Secretary

The undersigned Secretary of the South Riding Proprietary, Inc., being first duly sworn, deposes and says that notice of the annual meeting of the South Riding Proprietary was mailed April 20th to each member at the address last furnished to the Association in accordance with the requirements of the Bylaws at least fourteen days prior to the annual meeting.

▶ Dated this 24th day of May, 2022.

Approval of May 25, 2021 Minutes – Pat Himes, Secretary

Call to Order – President Karen MacDowell called the 2021 Annual Meeting of the South Riding Proprietary to order at 7:00 p.m. In addition to Ms. MacDowell members present were Vice President Michael Hardin, Secretary Steve Pasquale, & Directors Gary Smith, Kip Lowe & Pat Himes.

Notice and Quorum – Mr. Pasquale announced that official notice of the Annual Meeting had been mailed on April 20, 2021 to all members in accordance with Bylaw requirements, and quorum for the meeting had been achieved.

Meeting Minutes – Mr. Pasquale moved that the minutes of the May 19, 2020 Board of Directors meeting be approved as presented and waived the reading. The motion was seconded by Mr. Hardin and passed unanimously.

Election Committee – Judy Hartman, the Election Committee Chair, announced election results. Kevin Ubelhart and Francois Desamour were elected for a 3-year term.

Financial Report – Ms. MacDowell read the 2020 financial reported prepared by Kevin Ubelhart, Treasurer.

Proprietary Department Updates – General Manager Wendy Taylor provided information regarding pool openings and capital projects.

President's Report – Ms. MacDowell reviewed the past year and the affects the pandemic had on the community.

Adjournment – There being no further business before the membership, upon a motion by Mr. Smith and seconded by Mr. Pasquale, the 2021 Annual Meeting was adjourned at 7:35 p.m.

Announcement of Voting Results - Judy Hartman, Chairperson

▶ **Candidates**

- ▶ Michael Hardin
- ▶ Steve Pasquale

Congratulations to our elected members.



Financial Report

Prepared by
Kevin Ubelhart, Treasurer

Financial Report

The South Riding Proprietary finances are overseen by the Board of Directors, our General Manager, our financial management contractor SFMC, and our actively involved Budget & Finance committee.

The Budget & Finance committee is chaired by Ty Kehrer. The Budget & Finance committee meets monthly to review the financial statements of the Proprietary; review major contracts and expenditures of capital funds that have also been reviewed by our other active committees; help manage the Proprietary invested funds; and help with development of the annual budget. Thank you to Ty and the other committee members for their service to the community and the hard work they perform each month.

The Proprietary is a 501 (C)(4) non-profit corporation. It is governed by a Board of Directors which is primarily elected by the members. The governing documents which spell out the powers of the Board and the Proprietary are the articles of incorporation and the Declaration for South Riding. You received a copy of these documents when you purchased your home, which is required by law. These are also available at southriding.net.



Some financial highlights

Some financial highlights for 2021:

- The Proprietary has an audit performed each year of its annual financial statements by an independent certified public accounting firm. The 2021 audit is in process and should be completed soon. We have received a draft copy of the audit and the Proprietary will receive the best opinion possible on its financial statements.
- The Proprietary is exempt from income taxes under Internal Revenue Code Section 501 (C) (4). It obtained its tax-exempt status as a social welfare organization. As such, the proprietary does not pay income taxes. Please note that member assessments are not considered tax deductible contributions. Only a 501 (C) (3) organization can accept tax deductible contributions.
- The Proprietary's primary source of revenue is assessments paid by the owners in the community. There are over 6,600 units in our community. Assessments accounted for over 93% of the \$6.9 million of revenue for 2021. The sources of the other 7% of revenue include magazine advertising revenue, events revenue, interest income, and other fees and charges to owners.



Some financial highlights:

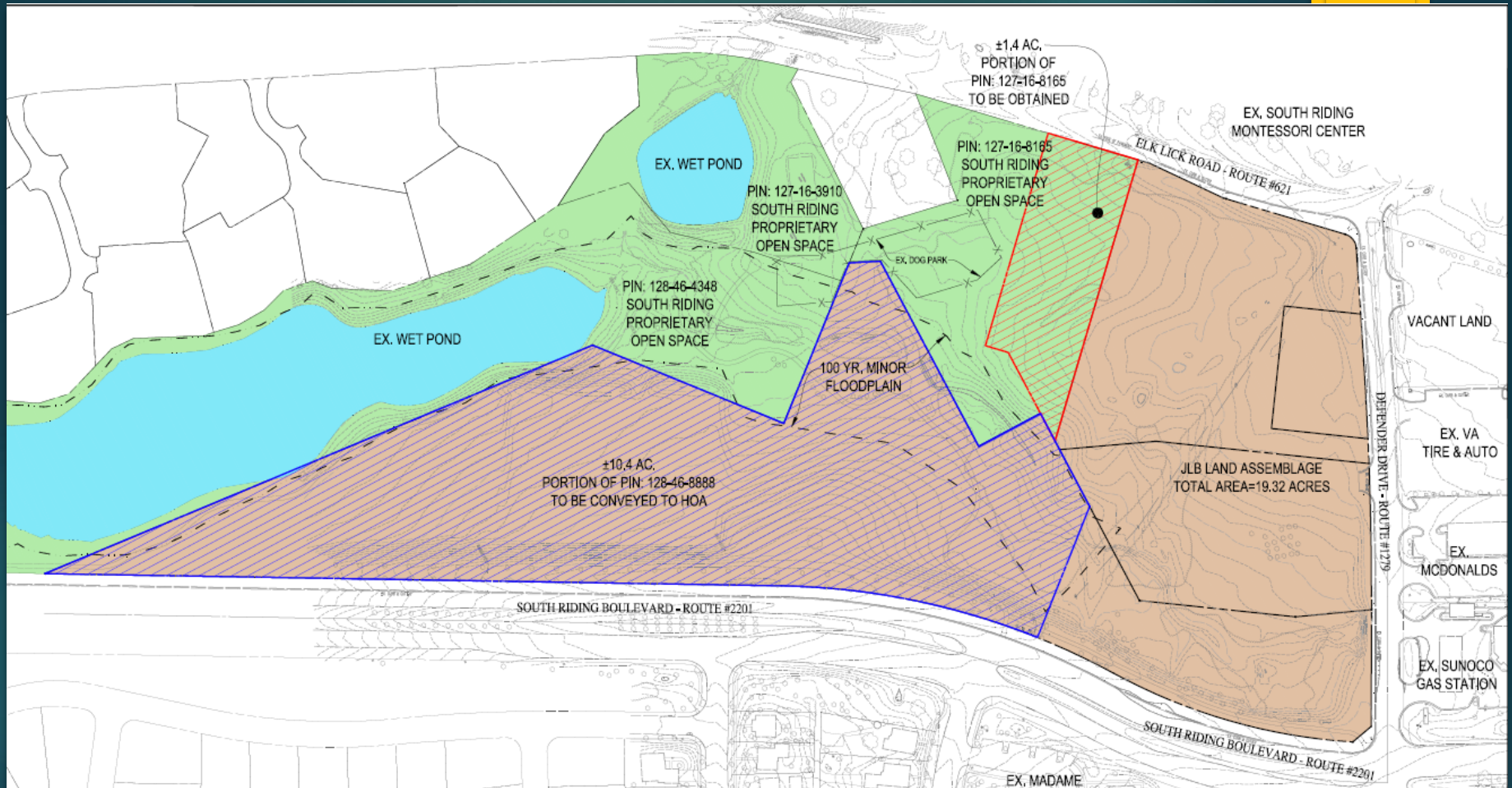
Some financial highlights for 2021 continued:

- Expenses of the proprietary totaled approximately \$7.5 million for 2021.
- Total 2021 revenue exceeded total expenses by approximately \$600,000. A portion of this operating excess was carried forward into the 2022 budget to allow there to be no increase to assessments in the 2022 budget.
- As of December 31, 2021, the Proprietary has assets totaling over \$14.7 million and liabilities of approximately \$775,000. Of that \$14.7 million of assets, over \$14.45 million is in investments and bank accounts. Investments are primarily FDIC insured CDs.
- As of December 31, 2021, the Proprietary has net equity of \$13.99 million available for the following three purposes:
 - a. General operations – \$1,660,000
 - b. Capital improvements – \$2,964,000
 - c. Replacement reserves - \$9,366,000



Development Opportunities

Wendy Taylor, COO



Defender West

Residential Land Bay

- The residential land bay will be comprised of approximately 272 rental multifamily units
- Onsite amenities will be located on this land bay, including a pool which will be located in the central courtyard
- The eastern portion of this land bay will be preserved as open space





Defender East

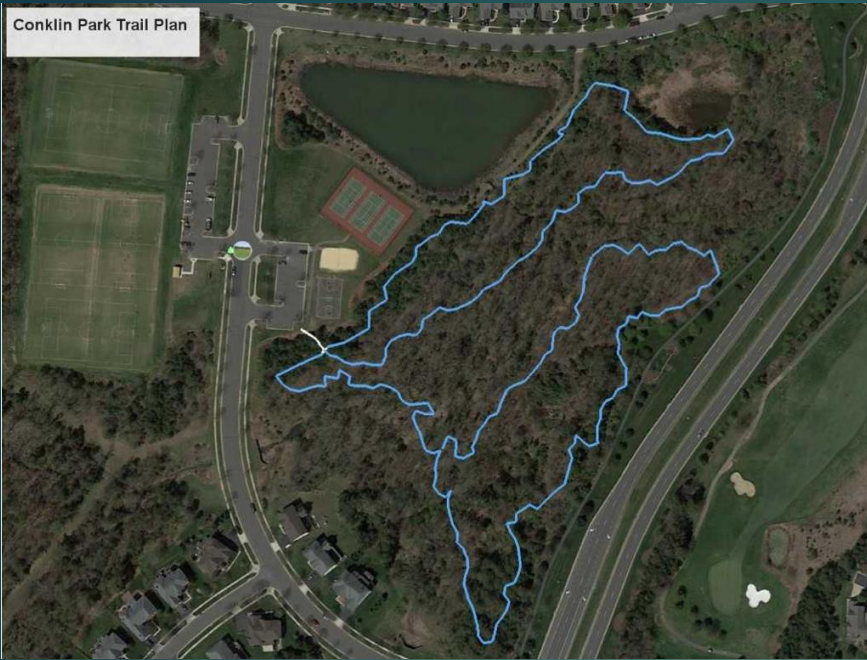




CAPITAL PROJECTS

Wendy Taylor, COO

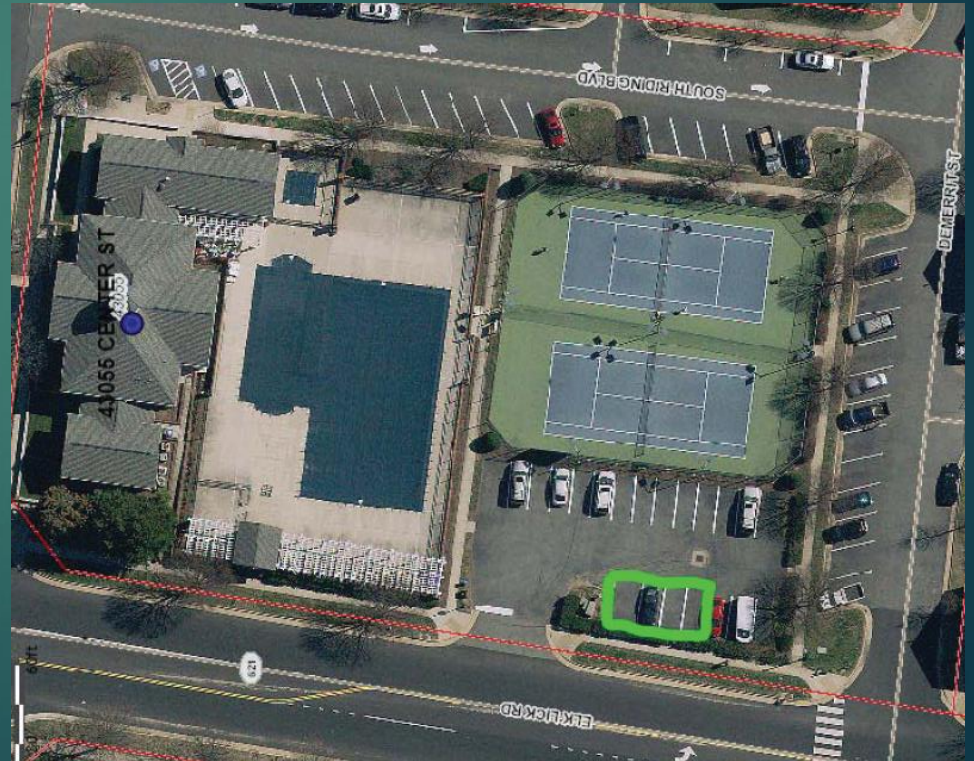
Conklin Park Trail Plan



Bike Track



Electric Charging Stations





Front Entrance



Staff Update

Kristi Felouzis, General Manager

Staff Tenure

▶ 10-15 years

- ▶ Wendy, Joe, Jeff, Christine, Jennifer

▶ 5-10 years

- ▶ Kristi, Grace, Morgan

▶ 0-5 years

- ▶ Brittany, Jose, Matt, Bobby, Celah

Volunteer Opportunities





2022 Events

Community Pools



43055 Center Street



42920 Center Street



42420 Unicorn Drive



43450 Parish Street



43450 Parish Street





President's Report

Karen MacDowell, President

Adjourn