



Board Of Directors Annual Meeting

May 23, 2023 7:00pm

Call to Order & Introduction of the Board- Steve Pasquale, President

Proof of Notice/Quorum-

Karen MacDowell, 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 11th 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 23rd day of May, 2023.

Approval of May 24, 2022 Minutes – Karen MacDowell, Secretary

▶ **Call to Order** – President Karen MacDowell called the 2022 Annual Meeting of the South Riding Proprietary to order at 7:00 p.m. In addition to Ms. MacDowell members present were Vice President Steve Pasquale, Treasurer Kevin Ubelhart, Secretary Pat Himes, & Directors Gary Smith, Kip Lowe & Francois Desamours.

▶ **Notice and Quorum** – Mr. Himes announced that official notice of the Annual Meeting had been mailed on April 20, 2022 to all members in accordance with Bylaw requirements, and quorum for the meeting had been achieved.

▶ **Meeting Minutes** – Mr. Himes moved that the minutes of the May 25, 2021 Board of Directors meeting be approved as presented and waived the reading. The motion was seconded by Mr. Pasquale and passed unanimously.

▶ **Election Committee** – Judy Hartman, the Election Committee Chair, announced election results. Steve Pasquale and Michael Hardin were elected for a 3-year term.

▶ **Financial Report** – Mr. Ubelhart, Treasurer presented the 2021 financial report.

▶ **Proprietary Department Updates** – Chief Operating Officer Wendy Taylor and General Manager Kristi Felouzis provided information regarding department updates and capital projects.

▶ **President's Report** – Ms. MacDowell provided the presidents report and presented outgoing member Pat Himes with a token of appreciation.

▶ **Adjournment** – There being no further business before the membership, upon a motion by Mr. Smith and seconded by Mr. Pasquale, the 2022 Annual Meeting was adjourned at 7:26 p.m.

▶ Respectfully Submitted by Kristi Felouzis, General Manager

Announcement of Voting Results – Karen MacDowell, Secretary

▶ **Candidates**

- ▶ Michael Beardslee
- ▶ Mark Pontello
- ▶ Marilyn Gardner

Congratulations to our elected members.

2023 – 2024

Board of Directors

- ▶ Steve Pasquale
- ▶ Michael Hardin
- ▶ Kevin Ubelhart
- ▶ Francois Desamours
- ▶ Michael Beardslee
- ▶ Mark Pontello
- ▶ Marilyn Gardner



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, 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 non-stock, 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 town hall upon request.



Some financial highlights

Some financial highlights for 2022:

1. The Proprietary has an audit performed each year of its annual financial statements by an independent certified public accounting firm. The 2022 audit is still in process.
2. 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.
3. 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 \$7.4 million of revenue for 2022. 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 2022 continued:

4. The Proprietary accumulates funds and expends funds for three primary purposes:
 - a. general day to day operations which includes running the organization; trash collection; grass cutting and landscaping; community events; running the pools and community centers; and snowplowing for roads that we own. Approximately \$6.1 million of the \$7.4 million of revenue was for operating purposes.
 - b. Capital improvements includes developing new amenities, such as the new front entrance, new bike track, and new pickle ball courts. Approximately \$53,000 of the \$7.4 million of revenue was for the capital improvement fund.
 - c. Future major repairs and replacements – Accumulating funds so that the Proprietary can pay for future major expenses such as rebuilding roads, pools, buildings, playgrounds, equipment and anything else that we as a community own. We have a reserve study performed every few years that helps tell us how much to put away in savings to fund for these future major items. Approximately \$1.25 million of the \$7.4 million of revenue was for funding the replacement reserves.



Some financial highlights:

Some financial highlights for 2022 continued:

5. Expenses of the proprietary totaled approximately \$7.99 million for 2022.
6. Total 2022 expenses exceeded total revenue by approximately \$590,000. Of this 2022 loss, only \$109,000 was due to operations. We had budgeted for a \$394,000 operating loss to use up some prior excesses of revenue over expenses to keep increases in dues as low as possible. So, we actually did better than we expected. We are budgeting an operating loss again during 2023 of \$150,000 to try to keep dues increases as low as possible. Like everyone, we are facing large increases in costs.
7. As of December 31, 2022 the Proprietary has assets totaling over \$13.95 million and liabilities of approximately \$557,000. Of that \$13.95 million of assets, over \$13.56 million is in investments and bank accounts. Investments are primarily FDIC insured CDs.
8. As of December 31, 2022 the Proprietary has net equity of \$13.4 million available for the following three purposes:
 - a. General operations – \$1,671,000
 - b. Capital improvements – \$2,239,000
 - c. Replacement reserves - \$9,487,000



Staff Update

Kristi Felouzis, General Manager



Staff

Staff Tenure

▶ 10-15 years

- ▶ Joe, Jeff, Christine, Jennifer

▶ 5-10 years

- ▶ Kristi, Grace, Morgan

▶ 0-5 years

- ▶ Brittany, Jose, Matt, Bobby, Celah, Lilli, Alex

Opportunities to Volunteer and serve the community as a Resident Consultant





Volunteer on a Committee

Committee Volunteering Opportunities

Is volunteering one of your aspirations for 2023?

If so, please read further and consider giving of your time in service on one of our Committee and Working Groups. Composed of resident volunteers these groups serve in an advisory capacity to the South Riding Staff and the Board of Directors.



BUDGET & FINANCE COMMITTEE

The members evaluate the monthly financial statements and reports, the annual audit and tax returns, annual contracts, capital expenditures and South Riding financial policies and procedures. The committee also oversees development of the annual budget and makes recommendations regarding investments.

Experience in accounting, bookkeeping, procurement or auditing is beneficial to the Committee. The Budget & Finance Committee typically meet online the 4th Wednesday of each month, start time is 7p. Connect with Staff liaison **Kristi Felouzis** at kfelouzis@southriding.net to set up a time to discuss your interest further.



COMMUNITY STANDARDS COMMITTEE

The Community Standards Committee reviews and approves exterior modification applications for changes to the townhome and single-family homes and lots within the Proprietary.

There are 14 Committee meetings each year, the 2nd Wednesday of the month, June through March, and the 2nd and 4th Wednesdays in April and May. The meetings are held in person at South Riding Center, start time is 6:30 pm and dinner is provided. Meetings are agenda driven and range from 30 minutes to 1 hour.

South Riding Staff fully review each application and electronically submits a comprehensive package to the Committee for review the Friday before the meeting week.

In 2022 the Committee reviewed and made recommendations for updates to the Design Maintenance Standards which will be published in 2023.

If you have special skills or interests that would be beneficial to the Committee, such as construction, landscaping or architecture, please connect with Staff liaison, **Jose Gonzalez**, Community Standards Manager, at jgonzalez@southriding.net to set up a time to discuss your interests or just come and observe a meeting.



DIVERSITY ENGAGEMENT COUNCIL

The resident volunteers serve in an advisory capacity to the South Riding Staff to develop the Mosaic Festival with a vision of embracing all residents of our community. Members help promote the event within their sphere of influence, recruit sponsors and provide vendor and entertainment recommendations. The day of the event, members assist where needed specifically in helping with setup and breakdown and greeting event volunteers, attendees, entertainers and sponsors.

Currently, the DEC will meet online in 2023, the 1st Wednesday in February, March and April at 7p. Connect with Staff liaison Bobby Kittel at bkittel@southriding.net to set up a time to discuss your interest further.



ELECTIONS COMMITTEE

Oversee the administration of the annual South Riding Proprietary Board of Director's election, certify the election, and announce the results at the community's Annual Meeting.

The Committee meets no more than once each month January through May and the agenda driven meetings are approximately 30 minutes.

The Committee typically meets the 1st Thursday at 4pm via a teleconference application (Zoom or Teams). Connect with Staff liaison **Christine Bean** at cbean@southriding.net to set up a time to discuss your interest further.



NEIGHBORHOOD WATCH

A neighborhood watch program is a group of people living in the same area who want to make their neighborhood safer by working together and in conjunction with local law enforcement to reduce crime and improve their quality of life.

Patrollers follow a provided schedule and are asked to drive around and visit all SRP parks, playgrounds, pools, buildings, and any hot spots during their designated time slot. (For more information on patroller operating procedures, visit southriding.net, under Our Community, select Committees, Neighborhood Watch).

Those who serve as Patrollers and Committee members typically meet the 1st Monday of every month at Town Hall for 30 minutes. Our NW also hosts South Riding's National Night Out event held the first Tuesday every August.

Connect with staff liaison **Jeff Smith** at jsmith@southriding.net to set up a time to discuss your interest further and for a personal introduction to the other NW members.



RECREATION AND GROUNDS COMMITTEE

The Committee reviews, considers and makes recommendations to the Board on the scope of recreational programming, policies, and related contracts. The committee also considers and advises the Board on new recreation amenities and issues related to use, replacement, and maintenance of our parks/playgrounds, pools and tennis courts.

Recent accomplishments include the new playground design at Freedom Park, pickleball courts, new pool and park shade structures and a basketball court renovation.

The Committee meets the second Monday of the month @ 7pm at Town Hall. Meetings are approximately one hour, and snacks are provided. If you are interested in volunteering your time or attending a meeting to see what it's all about, please contact **Jennifer Burke**, Recreation Manager, at jburke@southriding.net for more information.



WEBSITE & TECHNOLOGY COMMITTEE

The resident volunteers serve in an advisory capacity to the South Riding Staff and the Board of Directors for technology related matters. The Committee meets no more than once each month and the agenda driven meetings range from 30 minutes to 1 hour.

In 2022 the Committee made recommendations for and supported Staff's onboarding efforts for the new pool access program and the new SOS database. The Committee also provided guidance on server updates, policy revisions and our cyber security insurance renewal.

The Web & Tech Committee typically meets the 3rd Monday, 7p at Town Hall. Connect with Staff liaison **Kristi Felouzis** at kfelouzis@southriding.net to set up a time to discuss your interest further.

Volunteers serving 8 or more hours are honored by the Proprietary Board of Directors annually in November with a Casino Night themed celebration.

Amberlea, Lakeside and Town Center condominium residents are encouraged to serve on any of the following:

- Diversity Engagement Council
- Neighborhood Watch Committee
- Recreation and Grounds Committee



Volunteer for Events





President's Report

Steve Pasquale, President



Community Pools Open

May 27th



43055 Center Street



42920 Center Street



42420 Unicorn Drive



43450 Parish Street

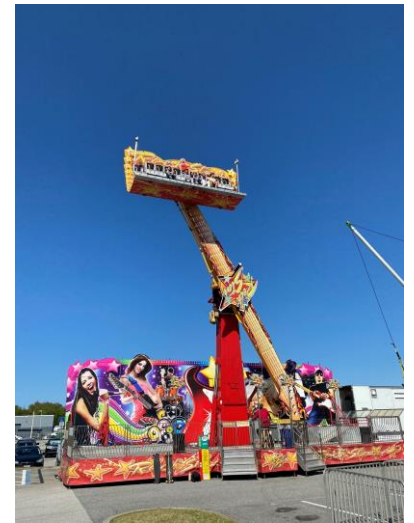



43450 Parish Street



Celebrate South Riding

June 2nd 5-10pm & June 3rd 12-10pm





Star Spangled
June 30th
5-9:30pm



Mosaic
Festival
held
April 29th



September 23rd



Front Entrance

100





Elk Lick Park Pickle Ball Court



Phase 2
Elk Lick Park



The Board adopted new & updated policies on:

- Election Rules
- Virtual Meetings
- How Board meetings are conducted
- Access to Association Records
- Communication Policy

SOUTH RIDING PROPRIETARY
Design & Maintenance Standards

Adopted February 2, 2023 • Effective March 20, 2023



Thank you to
Community
Standards
Committee
and Staff for
their efforts.

LOUDOUN COUNTY



VIRGINIA



July 12, 2022
Storm



Sidewalk vs Street Tree





Award Presentations



Gary Smith





*Karen
MacDowell*



Kip Lowe



Adjourn