

FIRE ISLAND PINES PROPERTY
OWNERS' ASSOCIATION, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2017 and 2016

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

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DECEMBER 31, 2017

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ESPOSITO, FUCHS, TAORMINA & CO.

COURTHOUSE PLAZA
267 CARLETON AVENUE, SUITE 202
CENTRAL ISLIP, NEW YORK 11722

631 - 297-8350
FAX: 631-297-8358

JOSEPH A. TAORMINA, C.P.A.
JEFFREY S. FUCHS, C.P.A.
CARL R. GRAVANO, C.P.A.

MEMBERS-NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

MURRAY FUCHS, C.P.A. (1956-2011)
NEIL B. ESPOSITO, (1961-2007)
JOSEPH ZAK, C.P.A. (1939-1991)

INDEPENDENT AUDITOR'S REPORT

The Board of Directors of
Fire Island Pines Property Owners' Association, Inc.

We have audited the accompanying Statements of Financial Position of Fire Island Pines Property Owners' Association, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017 and 2016, and the related statements of operations and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fire Island Pines Property Owners' Association, Inc. as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statements of net operating revenues before depreciation and statement of functional expenses on page 13 and 14 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Esposito, Fuchs, Taormina & Co

ESPOSITO, FUCHS, TAORMINA & CO.
Central Islip, NY

August 3, 2018
pls

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

STATEMENTS OF FINANCIAL POSITION

	As of <u>December 31, 2017</u>	As of <u>December 31, 2016</u>
ASSETS		
Current Assets:		
Cash in Operating Account	\$ 144,268	\$ 365,532
Money Market	272,681	172,503
Marketable Securities - Available For Sale	615,014	390,625
Accounts Receivable	73,342	65,278
Prepaid Expenses	<u>26,567</u>	<u>20,038</u>
Total Current Assets	1,131,872	1,013,976
Property, Equipment and Improvements - Net of Depreciation	<u>355,163</u>	<u>288,411</u>
Total Assets	<u><u>\$ 1,487,035</u></u>	<u><u>\$ 1,302,387</u></u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable and Accrued Expenses	<u>\$ 10,000</u>	<u>\$ 100</u>
Total Current Liabilities	10,000	100
Net Assets		
Without donor restrictions	872,235	697,487
Without donor restrictions - Board Designated	<u>604,800</u>	<u>604,800</u>
Total Liabilities and Net Assets	<u><u>\$ 1,487,035</u></u>	<u><u>\$ 1,302,387</u></u>

SEE AUDITORS' REPORT AND ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

STATEMENTS OF OPERATIONS

	Year Ended <u>December 31, 2017</u>	Year Ended <u>December 31, 2016</u>
REVENUES		
Boat Slip Rentals	\$ 167,572	\$ 164,086
Other Rental Income	209,462	189,835
Membership Dues	105,625	96,715
Miscellaneous Income	43,207	27,690
Interest Income	178	2,544
Investment Income	<u>80,989</u>	<u>33,079</u>
Total Revenues	<u>607,033</u>	<u>513,949</u>
EXPENSES		
Program Services:		
Harbor	185,852	164,308
Beach and Community Clean-Up	<u>44,692</u>	<u>40,705</u>
Total Program Services	230,544	205,013
Supporting Services:		
Management and General	<u>169,105</u>	<u>213,962</u>
Total Expenses before Depreciation	<u>399,649</u>	<u>418,975</u>
Increase in Net Assets before Depreciation	207,384	94,974
Depreciation	<u>32,636</u>	<u>28,485</u>
Increase in Net Assets	174,748	66,489
Unrestricted Net Assets, Beginning of Year	<u>1,302,287</u>	<u>1,235,798</u>
Unrestricted Net Assets, End of Year	<u><u>\$ 1,477,035</u></u>	<u><u>\$ 1,302,287</u></u>

SEE AUDITORS' REPORT AND ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

STATEMENTS OF CASH FLOWS

	Year Ended <u>December 31, 2017</u>	Year Ended <u>December 31, 2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
(Decrease) / Increase in Net Assets	\$ 174,748	\$ 66,489
Adjustments to reconcile change in Net Assets provided by Operating Activities:		
Depreciation	32,636	28,485
(Increase) in Current Assets:		
Account Receivable	(8,064)	(14,500)
Prepaid Expenses	(6,529)	(8,971)
(Decrease) Increase in Liabilities:		
Accounts Payable and Accrued Expenses	<u>9,900</u>	<u>(4,900)</u>
Net Cash Provided by Operating Activities	<u>202,691</u>	<u>66,603</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment in Blvd Improvements	(99,388)	(8,050)
Purchase of Investments	<u>(224,389)</u>	<u>(30,578)</u>
Cash (Used) for Investing Activities	<u>(323,777)</u>	<u>(38,628)</u>
Net (Decrease) / Increase in Cash	(121,086)	27,975
Cash, Beginning of Year	<u>538,035</u>	<u>510,060</u>
Cash, End of Year	<u><u>\$ 416,949</u></u>	<u><u>\$ 538,035</u></u>
SUPPLEMENTAL DISCLOSURES:		
Interest Paid During the Year	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

SEE AUDITORS' REPORT AND ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 1 – NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ORGANIZATION

Fire Island Pines Property Owners' Association, Inc. (Association) is an exempt organization under Section 501(c)(4) of the Internal Revenue Code. The Association was established to own and maintain the Association's property in Fire Island Pines in the Town of Brookhaven, County of Suffolk and State of New York, for the benefit of its property owners.

The accounts of a related Charitable Foundation (The Pines Foundation) and a Political Action Committee are not included in The Association's financial statements.

ACCOUNTING BASIS

The accompanying financial statements of the Association have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations.

Contributions are recorded as revenue upon receipt of cash. Contributions are considered available for unrestricted use unless specifically restricted by the donor.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CONTRIBUTED SERVICES

During the years ended December 31, 2017 and 2016, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Association.

FINANCIAL STATEMENT PRESENTATION

In accordance with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statement of Not-for-Profit Organization*, the Association recognizes three classes of net assets; unrestricted, temporarily restricted and permanently restricted net assets. The Association has not had any transaction for legally restricted assets, but allocates contributions received to the applicable program.

CONTRIBUTIONS

In accordance with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the absence or existence and nature of any donor restrictions. The Association has not received restricted contributions, but allocates contributions received and contributions made to the applicable program.

DONATED ASSETS

Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation.

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

CONCENTRATION OF CREDIT RISK FOR CASH HELD IN BANK

Financial instruments, which potentially subject the Association to concentration of credit risk, consist principally of temporary cash investments and money market funds. The Association places its temporary cash and other investments with high-credit, quality financial institutions and securities dealers, which may exceed federally and privately insured amounts at times. The balances are insured by the Federal Deposit Insurance Corporation and Securities Investor Protection Corporation up to \$250,000. At December 31, 2017 and 2016, uninsured cash balances were approximately \$176,394 and \$277,456, respectively. The Association believes it is not exposed to any significant credit risk on uninsured amounts.

INVESTMENTS

Investments are stated at estimated fair value. These fair values may differ from the values that would have been used had a ready market existed for these investments and the differences could be significant.

Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses are generally determined on the basis of average cost of securities sold and are reflected in net investment return in the Statements of Activities. Dividend income is recorded on the ex-dividend date, and interest income is recorded on an accrual basis, and are reflected in net investment return in the Statement of Activities.

BOARD – DESIGNATED NET ASSETS

Net assets without donor restrictions subject to self-imposed limits by action of the governing board. Board-designated net assets may be earmarked for future programs, investment, contingencies, purchase or construction of fixed assets, or other uses. Some governing boards may delegate designation decisions to internal management. Such designations are considered to be included in board-designated net assets.

DONOR-IMPOSED RESTRICTION

A donor stipulation (donors include other types of contributors, including makers of certain grants) that specifies a use for a contributed asset that is more specific than broad limits resulting from the following:

- a. The nature of the not-for-profit (NFP)
- b. The environment in which it operates
- c. The purposes specified in its articles of incorporation or bylaws or comparable documents for an unincorporated association.

Some donors impose restrictions that are temporary in nature, for example, stipulating that resources be used after a specified date, for particular programs or services, or to acquire buildings or equipment. Other donors impose restrictions that are perpetual in nature, for example, stipulating that resources be maintained in perpetuity. Laws may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions.

FAIR VALUE

The Association values certain financial and nonfinancial assets and liabilities by applying the FASB pronouncement on Fair Value Measurements. The pronouncement defines fair value and establishes a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The hierarchy has three levels based on inputs that market participants would use in valuing the asset or liability based on market data obtained from sources independent of the Association as follows:

- **Level 1** Unadjusted quoted market prices in active markets for identical assets or liabilities.

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

- **Level 2** Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable.
- **Level 3** Unobservable inputs for the asset or liability.

Inputs broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics and other factors. The Association is required by the pronouncement to maximize the use of observable inputs (Levels 1 and 2) and minimize the use of unobservable inputs (Level 3). The Association considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, provided by independent sources that are actively involved in the relevant market, and not proprietary. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Association's perceived risk of that instrument.

Assets and liabilities are disclosed in the Notes to Financial Statements within the hierarchy based on the lowest (or least observable) input that is significant to the measurement. The Association's assessment of the significance of an input requires judgment, which may affect the valuation and categorization within the fair value hierarchy. The fair value of assets and liabilities using Level 3 inputs are generally determined by using pricing models, discounted cash flow methods or calculated NAV, which all require significant management judgment or estimation.

As a practical expedient, the Association is permitted, under the pronouncement, to estimate the fair value of an investment in an investment company at the measurement date using the reported Net Asset Value ("NAV"). Adjustment is required if the Association expects to sell the investment at a value other than NAV or if the NAV is not calculated in accordance with GAAP. All investments for which fair value is measured using NAV, are excluded within the fair value hierarchy, as long as no adjustment is required to NAV and the manager has reported a NAV at the measurement date. Investments are categorized as Level 3 if a NAV adjustment is required or if there is no reported NAV at the measurement date.

The Association performs additional procedures including due diligence reviews on its investments in investment companies and other procedures with respect to the capital account or NAV provided to ensure conformity with GAAP. The Association has assessed factors including, but not limited to, managers' compliance with the Fair Value Measurement standard, price transparency and valuation procedures in place.

All investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is likely that changes in the values of investments will occur in the near term and such changes could materially affect the amounts reported in the Statements of Financial Position.

The fair value of the Association's investments is disclosed in Note 2.

FIXED ASSETS

The Association capitalizes all property and equipment with a cost of \$2,000 if purchased, and a fair value of \$2,000 at the date of donation if received by contribution. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, The Association reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Association reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method.

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

TAX EXEMPT STATUS

As a tax-exempt organization, no provision for federal or state income taxes has been recorded in the accompanying financial statements. "Unrelated business income", if any, would be subject to income taxes.

The Association's tax returns are subject to audit by various taxing authorities. The Association's federal and state tax returns for the 2014, 2015, 2016, and 2017 years remain open to examination by the Internal Revenue Service and New York State. In evaluating the Association's tax provisions and accruals, management believes that its estimates are appropriate based on current facts and circumstances.

CASH AND CASH EQUIVALENTS

For purposes of the statements of cash flows, The Association considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 2 – MARKETABLE EQUITY SECURITIES

The following tables present the fair value hierarchy for those assets reported at fair value in the Statements of Financial Position as of December 31, 2017 and 2016. The fair value amounts presented below are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statements of Financial Position as of December 31, 2017 and 2016.

2017					
Investment Strategy	Level 1	Level 2	Level 3	NAV	Total
Equities					
Mutual Funds (Equities)	\$ 615,014	\$ -	\$ -	\$ -	\$ 615,014
	<u>\$ 615,014</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 615,014</u>

2016					
Investment Strategy	Level 1	Level 2	Level 3	NAV	Total
Equities					
Mutual Funds (Equities)	\$ 390,625	\$ -	\$ -	\$ -	\$ 390,625
	<u>\$ 390,625</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 390,625</u>

The Association held \$615,014 and \$390,625 at December 31, 2017 and 2016, respectively, in marketable securities with maturity dates of greater than three months. Short-term investments are stated at fair value. Fair values and unrealized appreciation (depreciation) at December 31, 2017 and 2016, are summarized as follows:

	December 31, 2017			December 31, 2016		
	Cost	Fair Value	Unrealized Appreciation (Depreciation)	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Investments Unrestricted						
Marketable Securities	\$ 512,657	\$ 615,014	\$ 102,357	\$ 369,257	\$ 390,625	\$ 21,368
	<u>\$ 512,657</u>	<u>\$ 615,014</u>	<u>\$ 102,357</u>	<u>\$ 369,257</u>	<u>\$ 390,625</u>	<u>\$ 21,368</u>

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 3 – PROPERTY, EQUIPMENT AND IMPROVEMENTS

Property, equipment and improvements consist of the following:

	Estimated Useful Life – Years	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Harbor Improvements	10 to 25	\$ 622,804	\$ 622,804
Fire Island Blvd Enclosures	7	99,388	0
Equipment	5 to 15	<u>13,532</u>	<u>13,532</u>
Total Property, Equipment and Improvements		735,724	636,336
Accumulated Depreciation		<u>380,561</u>	<u>331,306</u>
Total Net Property, Equipment and Improvements		<u>\$ 355,163</u>	<u>\$ 288,411</u>

A Harbor renovation, completed in 2006, was financed by a \$2,200,000 Suffolk County Tax District bond issue, to be repaid by property owners' real estate taxes. Harbor Improvements include approximately \$366,000 in connection with establishment of the Tax District, engineering, and other renovation costs in excess of the bond issue. In connection with the transaction, the Association leased its harbor property to the Tax District as security for the bond issue. All harbor income is collected by the Association. The \$2,200,000 financed by the bond is not included in these financial statements.

The Board of Directors approved the construction by the Foundation of a new Community Center on the site of the former Community House. The new Center opened in June 2007. In this connection, in December 2007, the Association contributed its land to the Foundation.

NOTE 4 – RELATED PARTIES

The Officers and Directors of The Association also serve as Officers and Directors of The Pines Foundation, Inc. and Political Action Committee.

NOTE 5 – FUNCTIONAL ALLOCATION OF EXPENSES

Costs of providing various programs and supporting services have been reflected on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 6 – RELATED PARTY TRANSACTIONS

In the event the Association was to be dissolved, the property owned by the Association would revert to the property owners of Fire Island Pines.

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE 7 – SUBSEQUENT EVENTS

Subsequent event guidance requires the Association to evaluate subsequent events to determine whether they provide additional evidence about conditions that existed at the date of the financial statements, and to determine if those events require recognition or disclosure in the financial statements. The Association has performed an evaluation of subsequent events through August 3, 2018, which is the date the financial statements were issued.

NOTE 8 – DATE OF THE MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through August 3, 2018, the date that the financial statements were available to be issued.

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INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

To The Board of Directors of
Fire Island Pines Property Owners' Association, Inc.
Fire Island Pines, New York

We have audited the financial statements of the Fire Island Pines Property Owners' Association, Inc. as of and for the year ended December 31, 2017 and 2016, and our report thereon dated August 3, 2018, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The statement of net operating revenues before depreciation and statement of functional expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Sincerely,



ESPOSITO, FUCHS, TAORMINA & CO.
Central Islip, NY

August 3, 2018

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

SUPPLEMENTARY SCHEDULE

STATEMENTS OF NET OPERATING REVENUES BEFORE DEPRECIATION

FOR THE YEARS ENDED DECEMBER 31, 2017 AND DECEMBER 31, 2016

	<u>PROGRAM SERVICES</u>			<u>SUPPORTING SERVICES</u>	<u>TOTAL</u>	
	<u>Pines Marina</u>	<u>Community Clean-Up</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Year Ended 12/31/2017</u>	<u>Year Ended 12/31/2016</u>
REVENUES						
Boat Slips Rentals:						
Seasonal	\$ 134,628	\$ -	\$ 134,628	\$ -	\$ 134,628	\$ 127,843
Transients	32,944	-	32,944	-	32,944	36,243
Total Boat Slip Rentals	167,572	-	167,572	-	167,572	164,086
Other Rental Income:						
Ferry Service	40,000	-	40,000	-	40,000	37,500
Freight Service	12,000	-	12,000	-	12,000	12,000
Garbage	100,000	-	100,000	-	100,000	90,000
Gas Platform	7,387	-	7,387	-	7,387	7,035
Freight Dock Usage, etc.	39,375	-	39,375	-	39,375	34,400
Parking	-	-	-	10,700	10,700	8,900
Total Other Rental Income	198,762	-	198,762	10,700	209,462	189,835
Membership Dues and Donations	-	-	-	105,625	105,625	96,715
Miscellaneous Income	1,000	-	1,000	42,207	43,207	27,690
Interest Income	-	-	-	167	167	2,544
Investment Income	-	-	-	80,989	80,989	33,079
Total Revenues	367,334	-	367,334	239,688	607,022	513,949
Total Functional Expenses- Before Depreciation	185,852	44,692	230,544	169,105	399,649	418,975
Net Operating Revenues Before Depreciation	<u>\$ 181,482</u>	<u>\$ (44,692)</u>	<u>\$ 136,790</u>	<u>\$ 70,583</u>	<u>\$ 207,373</u>	<u>\$ 94,974</u>

SEE AUDITORS' REPORT AND ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

FIRE ISLAND PINES PROPERTY OWNERS' ASSOCIATION, INC.

SUPPLEMENTARY SCHEDULE

STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEARS ENDED DECEMBER 31, 2017 AND DECEMBER 31, 2016

	<u>PROGRAM SERVICES</u>			<u>SUPPORTING SERVICES</u>	Total year ended 12/31/2017	Total year ended 12/31/2016
	<u>Pines Marina</u>	<u>Community Clean-Up</u>	<u>Total Program Services</u>	<u>Management and General</u>		
EXPENSES:						
Salaries	\$ 91,289	\$ 22,601	\$ 113,890	\$ 68,986	\$ 182,876	\$ 204,087
Payroll Taxes & Insurance	<u>12,297</u>	<u>3,867</u>	<u>16,164</u>	<u>9,403</u>	<u>25,567</u>	<u>23,456</u>
Total Employee Compensation	103,586	26,468	130,054	78,389	208,443	227,543
Contribution to Foundation	-	-	-	-	-	-
Maintenance, Repairs and Supplies	17,546	8,964	26,510	2,677	29,187	11,059
Utilities	18,863	-	18,863	-	18,863	18,214
Real Estate Taxes	3,079	-	3,079	-	3,079	3,003
Travel, Ferry and Parking	4,045	2,513	6,558	5,495	12,053	9,035
Legal Fees	2,119	-	2,119	2,065	4,184	2,173
Accounting Fees	-	-	-	7,250	7,250	6,000
Insurance	22,809	5,483	28,292	31,495	59,787	82,851
Consultants	-	-	-	-	-	-
Post Office	-	-	-	13,391	13,391	10,990
Advertising and Promotion	900	-	900	4,582	5,482	5,458
Telephone and Internet	752	1,264	2,016	1,435	3,451	4,891
Contributions	-	-	-	2,700	2,700	2,600
Merchant Account Fees	3,430	-	3,430	5,083	8,513	6,371
Miscellaneous	<u>8,723</u>	<u>-</u>	<u>8,723</u>	<u>14,543</u>	<u>23,266</u>	<u>28,787</u>
Subtotal	185,852	44,692	230,544	169,105	399,649	418,975
Depreciation	<u>23,789</u>	<u>-</u>	<u>23,789</u>	<u>8,847</u>	<u>32,636</u>	<u>28,485</u>
Total Expenses	<u>\$ 209,641</u>	<u>\$ 44,692</u>	<u>\$ 254,333</u>	<u>\$ 177,952</u>	<u>\$ 432,285</u>	<u>\$ 447,460</u>

SEE AUDITORS' REPORT AND ACCOMPANYING NOTES TO FINANCIAL STATEMENTS