

**WESTGATE SQUARE ASSOCIATION, INC.**

**FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2011**



**M I R R A**  
& ASSOCIATES  
— L.L.C. —

*A Certified Public Accounting and Consulting Firm*

**WESTGATE SQUARE ASSOCIATION, INC.**

**FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2011**

**TABLE OF CONTENTS**

	<b>PAGE</b>
INDEPENDENT AUDITOR'S REPORT .....	1
<b>FINANCIAL STATEMENTS</b>	
Balance Sheet .....	2
Statement of Revenues and Expenses .....	3
Statement of Changes in Fund Balances .....	4
Statement of Cash Flows .....	5 - 6
Notes to the Financial Statements .....	7 - 11
<b>SUPPLEMENTARY INFORMATION</b>	
Future Major Repairs and Replacements (Unaudited) .....	12
Total Revenues, Operating Expenses and Allocations to Funds - Actual to Budget .....	13 - 15
Fund Expenses .....	16

Marie D. Mirra, CPA  
~ NJ and NY

Member of:  
American Institute of CPAs  
Association of Certified Fraud Examiners  
American Board of Forensic Accounting  
New Jersey Society of CPAs  
New York Society of CPAs



M I R R A  
& A S S O C I A T E S  
— LLC —

*A Certified Public Accounting and Consulting Firm*

284 US Hwy 206, Suite 8A  
Hillsborough, NJ 08844  
Tel 908.281.4500  
Fax 908.281.4504  
mmirra@mirracpas.com

## INDEPENDENT AUDITOR'S REPORT

### TO THE BOARD OF TRUSTEES AND UNIT OWNERS OF WESTGATE SQUARE ASSOCIATION, INC.


We have audited the accompanying balance sheet of Westgate Square Association, Inc. as of December 31, 2011 and the related statements of revenues and expenses, changes in fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the Association's Board of Trustees. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Board, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Westgate Square Association, Inc. as of December 31, 2011, and the results of its operations and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the information on future major repairs and replacements on page 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries about the methods of preparing the information and comparing the information for consistency with responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 13 through 16 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 and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for the portion marked "unaudited" on which we express no opinion, 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.

  
MIRRA & ASSOCIATES, LLC  
Hillsborough, New Jersey  
January 30, 2012

**WESTGATE SQUARE ASSOCIATION, INC.**

**BALANCE SHEET**

**DECEMBER 31, 2011**

	TOTAL	OPERATING FUND	DEFERRED MAINTENANCE FUND	REPLACEMENT FUND
<b>ASSETS</b>				
Cash	\$ 153,468	\$ 153,468	\$ -	\$ -
Money market funds	219,917	67,458	-	152,459
Certificates of deposit	671,100	100,000	-	571,100
Investments	328,334	-	-	328,334
Assessments receivable	9,585	9,585	-	-
Due from Township	16,101	16,101	-	-
Prepaid insurance	7,622	7,622	-	-
Due to/from funds	-	(84,807)	85,850	(1,043)
<b>TOTAL ASSETS</b>	<b>\$ 1,406,127</b>	<b>\$ 269,427</b>	<b>\$ 85,850</b>	<b>\$ 1,050,850</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 23,141	\$ 7,879	\$ -	\$ 15,262
Federal income taxes payable	85	85	-	-
Assessments received in advance	48,359	48,359	-	-
<b>TOTAL LIABILITIES</b>	71,585	56,323	-	15,262
<b>COMMITMENTS</b>	-	-	-	-
<b>FUND BALANCES</b>	1,334,542	213,104	85,850	1,035,588
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,406,127</b>	<b>\$ 269,427</b>	<b>\$ 85,850</b>	<b>\$ 1,050,850</b>

The accompanying notes are an integral part of these financial statements.

**WESTGATE SQUARE ASSOCIATION, INC.**

**STATEMENT OF REVENUES AND EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

	TOTAL	OPERATING FUND	DEFERRED MAINTENANCE FUND	REPLACEMENT FUND
<b>REVENUES</b>				
Membership assessments	\$ 1,401,840	\$ 718,840	\$ 31,000	\$ 652,000
Interest and investment income	12,845	789	-	12,056
Membership fees	12,375	12,375	-	-
Township reimbursement	9,522	9,522	-	-
Legal fee income	6,383	6,383	-	-
Recovery of bad debt	6,163	6,163	-	-
Late fee income	4,200	4,200	-	-
Realized gain on sale of investments	3,744	-	-	3,744
Clubhouse rental income	3,000	3,000	-	-
Other income	30	30	-	-
<b>TOTAL REVENUES</b>	<u>1,460,102</u>	<u>761,302</u>	<u>31,000</u>	<u>667,800</u>
<b>EXPENSES</b>				
Administrative	240,930	240,861	-	69
Grounds maintenance	285,859	285,859	-	-
Other maintenance	119,447	119,447	-	-
Utilities	51,182	51,182	-	-
Recreation	35,425	35,425	-	-
Federal income taxes	1,085	42	-	1,043
Fund expenses	580,623	-	3,410	577,213
<b>TOTAL EXPENSES</b>	<u>1,314,551</u>	<u>732,816</u>	<u>3,410</u>	<u>578,325</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>\$ 145,551</u>	<u>\$ 28,486</u>	<u>\$ 27,590</u>	<u>\$ 89,475</u>

The accompanying notes are an integral part of these financial statements.

**WESTGATE SQUARE ASSOCIATION, INC.**

**STATEMENT OF CHANGES IN FUND BALANCES**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

	TOTAL	OPERATING FUND	DEFERRED MAINTENANCE FUND	REPLACEMENT FUND		
				TOTAL	ACCUMULATED OTHER COMPREHENSIVE	REPLACEMENT
					INCOME (LOSS)	FUND
<b>FUND BALANCES (DEFICITS) - BEGINNING OF YEAR</b>	<u>\$1,184,930</u>	<u>\$184,618</u>	<u>\$ 58,260</u>	<u>\$ 942,052</u>	<u>\$ (3,505)</u>	<u>\$ 945,557</u>
<b>COMPREHENSIVE INCOME:</b>						
<b>NET UNREALIZED GAIN ON INVESTMENTS</b>	4,061	-	-	4,061	4,061	-
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>145,551</u>	<u>28,486</u>	<u>27,590</u>	<u>89,475</u>	<u>-</u>	<u>89,475</u>
<b>TOTAL COMPREHENSIVE INCOME</b>	<u>149,612</u>	<u>28,486</u>	<u>27,590</u>	<u>93,536</u>	<u>4,061</u>	<u>89,475</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$1,334,542</u></u>	<u><u>\$213,104</u></u>	<u><u>\$ 85,850</u></u>	<u><u>\$ 1,035,588</u></u>	<u><u>\$ 556</u></u>	<u><u>\$ 1,035,032</u></u>

The accompanying notes are an integral part of these financial statements.

**WESTGATE SQUARE ASSOCIATION, INC.**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

	TOTAL	OPERATING FUND	DEFERRED MAINTENANCE FUND	REPLACEMENT FUND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Excess of revenues over expenses	\$ 145,551	\$ 28,486	\$ 27,590	\$ 89,475
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:				
Change in assets and liabilities:				
Assessments receivable	13,982	13,982	-	-
Prepaid insurance	14,046	14,046	-	-
Prepaid Federal income taxes	2,610	2,610	-	-
Accrued interest receivable	1,044	-	-	1,044
Other receivable	1,251	1,251	-	-
Due to/from funds	-	30,575	(27,590)	(2,985)
Accounts payable and accrued expenses	(24,747)	(40,009)	-	15,262
Federal income taxes payable	85	85	-	-
Assessments received in advance	(9,146)	(9,146)	-	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>144,676</b>	<b>41,880</b>	<b>-</b>	<b>102,796</b>

(CONTINUED)

**WESTGATE SQUARE ASSOCIATION, INC.**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

	TOTAL	OPERATING FUND	DEFERRED MAINTENANCE FUND	REPLACEMENT FUND
<b>(CONTINUED)</b>				
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Maturity of certificates of deposit	340,000	25,000	-	315,000
Purchase of certificates of deposit	(371,100)	(100,000)	-	(271,100)
Purchase of investments	(70,858)	-	-	(70,858)
Net activity in money market funds	21,172	97,010	-	(75,838)
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES</b>	<b>(80,786)</b>	<b>22,010</b>	<b>-</b>	<b>(102,796)</b>
<b>NET INCREASE IN CASH</b>	63,890	63,890	-	-
<b>CASH - BEGINNING OF YEAR</b>	89,578	89,578	-	-
<b>CASH - END OF YEAR</b>	<b>\$ 153,468</b>	<b>\$ 153,468</b>	<b>\$ -</b>	<b>\$ -</b>
<b>SUPPLEMENTAL DISCLOSURE:</b>				
Income taxes paid	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.



**WESTGATE SQUARE ASSOCIATION, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2011**

**NOTE 1 - NATURE OF ORGANIZATION:**

Westgate Square Association, Inc. is a New Jersey corporation subject to the provisions of the Condominium Act of the State of New Jersey. The purpose of the Association is to provide for the preservation of the values and amenities in the community and for the operation and maintenance of the common property. Consisting of 396 residential units, the Association is located in Edison, New Jersey. Recreational facilities include a clubhouse, swimming pool and tennis courts.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**Fund Accounting** - The Association's governing documents (i.e., Public Offering Statement, Master Deed, and By-laws) provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts in accordance with the principles of fund accounting. Financial resources are classified for accounting and reporting purposes in the following funds established according to their nature and purpose:

**Operating Fund** - This fund represents the portion of expendable funds that is available for the general operations of the Association.

**Deferred Maintenance Fund** - The purpose of this fund is to accumulate sufficient amounts which will allow the Association to have the necessary resources to perform painting, siding replacement and other maintenance services which occur less frequently than annually.

**Replacement Fund** - The purpose of the replacement fund is to accumulate funds over the lives of capital assets which are part of the common elements that are the Association's responsibility to replace so that sufficient amounts are available to pay for their eventual replacement.

**Recognition of Assets** - The Association's property and common elements are owned by the unit owners in condominium form pursuant to the master deed wherein each of the individual unit owners holds legal title to an undivided interest in property constituting the common elements. Accordingly, no amounts related to these common elements are included on the accompanying balance sheet of the Association. The common elements generally consist of sidewalks, roadways, recreational facilities, open areas, and portions of the buildings not comprising the individual units.

**Cash** - Cash is held in a bank deposit account.

(CONTINUED)

WESTGATE SQUARE ASSOCIATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2011

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**Money Market Funds** - Money market funds are recorded at cost which approximated market value at December 31, 2011.

**Investments** - Securities are classified as investments. The Association reports its investments under the provision of Statement of Financial Accounting Standards No. 115 - "Accounting for Certain Debt and Equity Securities" (SFAS 115). In accordance with this statement the Association has classified its investments as available for sale.

Securities classified as available for sale may be sold in response to changes in interest rates, liquidity needs and for other purposes. Available for sale securities are carried at fair value and include all debt and equity securities not classified as held to maturity. Any resulting unrealized gains and losses are reflected as comprehensive income. Realized gains and losses for securities classified as available for sale are reported in the statement of revenues and expenses based on the adjusted cost of the specific security sold.

**Membership Assessments and Assessments Receivable** - The Association's members are subject to annual assessments which are billed monthly based upon the annual budget and as determined by the Board of Trustees. The Association retains excess operating funds at the end of the operating year, if any, for use in future operating periods, or as otherwise specified by the Association's governing documents. A portion of the monthly assessments to owners are allocated to the replacement fund and deferred maintenance fund.

On a periodic basis, the Board and management evaluate the assessments receivable and estimate an allowance for doubtful accounts, based on the current legal status of past due accounts.

**Interest and Investment Income Earned** - It is the Association's policy to allocate interest and investment income earned on replacement fund money market funds, certificates of deposit and investments to the replacement fund. Interest income earned on all other money market funds and certificates of deposit is recorded to the operating fund.

**Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires the Board to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Subsequent Events** - The Association has evaluated events and transactions for potential recognition or disclosure through the date of the auditor's report which is the date the financial statements were available to be issued.

WESTGATE SQUARE ASSOCIATION, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2011

**NOTE 3 - CERTIFICATES OF DEPOSIT:**

Certificates of deposit consisted of the following scheduled maturities at December 31, 2011:

<u>Maturity</u>	<u>Interest Rate</u>	<u>Total</u>	<u>Operating Fund</u>	<u>Replacement Fund</u>
Within one year	0.35%-1.00%	\$621,100	\$100,000	\$521,100
One to two years	.80%	<u>50,000</u>	-	<u>50,000</u>
	Total	<u>\$671,100</u>	<u>\$100,000</u>	<u>\$571,100</u>

The Association intends to hold these certificates of deposit until maturity. Market values approximated cost at December 31, 2011.

**NOTE 4 - INVESTMENTS:**

At December 31, 2011, investments consisted of mutual funds which were recorded at market value and are classified as available for sale as follows:

	<u>Amortized Cost</u>	<u>Unrealized Gain</u>	<u>Market Value</u>
Vanguard GNMA Funds	<u>\$327,778</u>	<u>\$556</u>	<u>\$328,334</u>

The net unrealized gain through December 31, 2011 has been included in comprehensive income in the accompanying financial statements.

**NOTE 5 - DUE FROM TOWNSHIP / TOWNSHIP REIMBURSEMENT:**

The Association is reimbursed by the Township of Edison for a portion of snow removal and street lighting expenses. During August 2011, the Association received reimbursements for 2009 snow removal and street lighting for a total amount of \$9,522 which is recorded in the accompanying financial statements. The reimbursements for 2010 and 2011 have not been received as of December 31, 2011 and, as such, are recorded as Due from Township in the accompanying financial statements which are estimated based on actual reimbursements received in prior years.

**WESTGATE SQUARE ASSOCIATION, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2011**

**NOTE 6 - FEDERAL INCOME TAXES:**

Under the Internal Revenue Code, associations may be taxed as a condominium association at their election, or as a regular corporation. The association may select either method in any year and will generally select the method that results in the lowest tax due. A method selected in one year affects only that year and the association is free to select either method in future years. By filing as a regular corporation, the association is generally taxed at a lower rate than by filing as a condominium association.

For the year ended December 31, 2011, the Association has not elected to be taxed as a condominium association and will, therefore, be taxed as a corporation. Income taxes of \$1,085 have been provided based on the excess of non-membership income over non-membership expenses.

The Association adopted the new accounting for uncertainty in income tax guidance, which clarifies the accounting and recognition for tax positions taken or expected to be taken in its income tax returns. The Association's income tax returns are subject to examination by taxing authorities for three years after the returns are filed. In evaluating the Association's tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances.

The Association is incorporated pursuant to Title 15A of the New Jersey Statutes and, therefore, is not liable for New Jersey corporation business income tax.

**NOTE 7 - REPLACEMENT FUND:**

The Association's governing documents require that funds be accumulated for future major repairs and replacements. Accumulated funds are held in separate accounts and are generally not available for expenditures for normal operations.

FWH Associates, professional engineering consultants, updated the replacement study in January 2011 to estimate the remaining useful lives and the replacement costs of the components of common property. The estimates were based on the then current estimated replacement costs. The table included in the unaudited supplementary information on future major repairs and replacements is based on this study.

The Board is funding for major repairs and replacements over the remaining useful lives of the components based on the study's estimates of current replacement costs utilizing the cash flow method averaged over 30 years. Interest and investment income earned on replacement funds and realized gains on investments, net of income taxes, are also allocated to the replacement fund.

(CONTINUED)

**WESTGATE SQUARE ASSOCIATION, INC.**

**NOTES TO THE FINANCIAL STATEMENTS**

**DECEMBER 31, 2011**

**NOTE 7 - REPLACEMENT FUND (CONTINUED):**

Funds are being accumulated in the replacement fund based upon estimated costs for repairs and replacements of common property components. Actual expenditures may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the Association has the right to increase regular assessments, pass special assessments or delay major repairs and replacements until funds are available, if possible.

**NOTE 8 - MEMBERSHIP FEES:**

Upon the acquisition of title to a unit, each new member of the Association is required to contribute a one-time, non-refundable membership fee equivalent to three months' of the current maintenance fees. Such fees have been allocated as operating revenues in the accompanying financial statements.

**NOTE 9 - COMMITMENTS:**

During December 2011, the Association entered into a contract for the final roof replacement phase above the living room and second bedroom of units within the Association at a cost of approximately \$597,000. No work had begun as of December 31, 2011; therefore, no amounts have been recorded in the accompanying financial statements. Such will be charged to the replacement fund as the work is completed.

In addition, during December 2011, the Association entered into a four year painting contract at a cost of approximately \$485,680. The painting project will commence during 2012 and is expected to be completed through 2015 with the first three phases expected to cost \$110,060 each and the final phase at a cost of \$123,819. The total cost of the project will be charged to the deferred maintenance fund as the work is completed in subsequent years.

Finally, prior to the commencement of the painting project referred to above, KPI2 Contractors will replace the wood of 29 together balconies over the garages and balconies outside the second bedroom at a cost of \$2,085 per balcony. The total cost of the project will be charged to the replacement fund as the work is completed in the subsequent years.

**WESTGATE SQUARE ASSOCIATION, INC.**  
**SUPPLEMENTARY INFORMATION**  
**FUTURE MAJOR REPAIRS AND REPLACEMENTS**

**(UNAUDITED)**

**DECEMBER 31, 2011**

FWH Associates, P.A., professional engineering consultants, updated the study effective January 1, 2011 to estimate the remaining useful lives and the replacement costs of the components of common property. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study.

The following information is based on the study and presents significant information about the components of common property.

<u>COMPONENTS</u>	<u>AS OF 2011 STUDY</u>	
	<u>ESTIMATED REMAINING USEFUL LIVES (YEARS)</u>	<u>ESTIMATED CURRENT REPLACEMENT COSTS</u>
Site work	1-25	\$ 2,743,078
Structures	1-28	5,596,720
Mechanical / electrical	6-20	12,750
Miscellaneous	5	<u>5,000</u>
		<u><u>\$ 8,357,548</u></u>

Replacement fund balance as of December 31, 2011      \$1,035,588

WESTGATE SQUARE ASSOCIATION, INC.

SUPPLEMENTARY INFORMATION

TOTAL REVENUES, OPERATING EXPENSES AND  
ALLOCATIONS TO FUNDS - ACTUAL TO BUDGET

FOR THE YEAR ENDED DECEMBER 31, 2011

	ACTUAL	(UNAUDITED) BUDGET
<b>REVENUES</b>		
Membership assessments	\$ 1,401,840	\$ 1,401,840
Interest and investment income	12,845	11,800
Membership fees	12,375	15,660
Township reimbursement	9,522	8,000
Legal fee income	6,383	2,500
Recovery of bad debt	6,163	-
Late fee income	4,200	5,000
Realized gain on sale of investments	3,744	-
Clubhouse rental income	3,000	3,500
Other income	30	-
	<hr/>	<hr/>
<b>TOTAL REVENUES</b>	<b>1,460,102</b>	<b>1,448,300</b>
	<hr/>	<hr/>
<b>EXPENSES</b>		
<b>ADMINISTRATIVE</b>		
Insurance	97,274	83,000
Management	89,528	90,050
Payroll - maintenance	21,376	30,000
Office expense	11,222	12,000
Legal	9,654	6,500
Audit	4,000	4,900
Payroll taxes	2,886	4,200
Telephone	2,532	3,500
Engineering	2,138	3,000
Dues and subscriptions	251	1,000
Bad debt expense	-	10,000
Other professional fees	-	1,000
Social events	-	500
	<hr/>	<hr/>
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>240,861</b>	<b>249,650</b>
	<hr/>	<hr/>

(CONTINUED)

WESTGATE SQUARE ASSOCIATION, INC.

SUPPLEMENTARY INFORMATION

TOTAL REVENUES, OPERATING EXPENSES AND  
ALLOCATIONS TO FUNDS - ACTUAL TO BUDGET

FOR THE YEAR ENDED DECEMBER 31, 2011

	ACTUAL	(UNAUDITED) BUDGET
<b>EXPENSES (CONTINUED)</b>		
<b>    GROUNDS MAINTENANCE</b>		
Snow removal	109,573	85,000
Lawn care	77,550	77,550
Landscaping	52,006	60,000
On-site maintenance	17,098	-
Sprinkler maintenance	16,387	18,900
Drainage	13,245	30,000
	<u>285,859</u>	<u>271,450</u>
<b>    TOTAL GROUNDS MAINTENANCE EXPENSES</b>		
	<u>285,859</u>	<u>271,450</u>
<b>    OTHER MAINTENANCE</b>		
Trash removal	43,667	43,000
Structure	36,627	40,000
Common property maintenance	11,924	16,000
Miscellaneous/contingency	8,355	10,300
Exterminating	7,905	15,000
Electrical	4,609	6,500
Auto	3,095	2,600
Street sweeper	2,553	2,300
Janitorial supplies	712	1,000
Plumbing	-	1,500
	<u>119,447</u>	<u>138,200</u>
<b>    TOTAL OTHER MAINTENANCE EXPENSES</b>		
	<u>119,447</u>	<u>138,200</u>
<b>    UTILITIES</b>		
Electricity	30,131	31,400
Water and sewer	19,459	26,300
Gas	1,592	3,200
	<u>51,182</u>	<u>60,900</u>
<b>    TOTAL UTILITIES EXPENSES</b>		
	<u>51,182</u>	<u>60,900</u>

(CONTINUED)



WESTGATE SQUARE ASSOCIATION, INC.

SUPPLEMENTARY INFORMATION

TOTAL REVENUES, OPERATING EXPENSES AND  
ALLOCATIONS TO FUNDS - ACTUAL TO BUDGET

FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>ACTUAL</u>	<u>(UNAUDITED) BUDGET</u>
<b>EXPENSES (CONTINUED)</b>		
<b>RECREATION</b>		
Recreation - pool	30,925	31,000
Clubhouse expense	2,685	2,500
Miscellaneous	1,815	600
	<u>35,425</u>	<u>34,100</u>
<b>TOTAL RECREATION EXPENSES</b>		
	<u>35,425</u>	<u>34,100</u>
<b>FEDERAL INCOME TAXES - OPERATING</b>	42	1,900
	<u>42</u>	<u>1,900</u>
<b>DEFERRED MAINTENANCE FUND</b>		
Maintenance assessments (contributions)	31,000	31,000
	<u>31,000</u>	<u>31,000</u>
<b>REPLACEMENT FUND</b>		
Maintenance assessments (contributions)	652,000	652,000
Interest and investment income	12,056	9,100
Realized gain on investments	3,744	-
	<u>667,800</u>	<u>661,100</u>
<b>TOTAL ALLOCATIONS TO THE REPLACEMENT FUND</b>		
	<u>667,800</u>	<u>661,100</u>
<b>TOTAL EXPENSES AND ALLOCATIONS TO THE FUNDS</b>	1,431,616	1,448,300
	<u>1,431,616</u>	<u>1,448,300</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u>\$ 28,486</u>	<u>\$ -</u>

**WESTGATE SQUARE ASSOCIATION, INC.**

**SUPPLEMENTARY INFORMATION**

**FUND EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

**DEFERRED MAINTENANCE FUND EXPENSES:**

Siding replacement	\$ 3,143
Painting	267
	<hr/>

**TOTAL DEFERRED MAINTENANCE  
FUND EXPENSES**

**\$ 3,410**

---

---

**REPLACEMENT FUND EXPENSES:**

Roof replacement	\$ 448,055
Concrete replacement	44,570
Chimney cap replacement	29,565
Garage doors replacement	26,034
Pavement resurfacing	10,700
Site lighting	6,388
Fence replacement	5,580
Tennis court repairs	4,173
Wood decks replacement	1,345
Pool filter system	803
	<hr/>

**TOTAL REPLACEMENT FUND EXPENSES**

**\$ 577,213**

---

---