

**WESTCHESTER GARDENS OWNERS INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020 AND 2019**

**WESTCHESTER GARDENS OWNERS INC.**

**TABLE OF CONTENTS**

**DECEMBER 31, 2020 AND 2019**

	<b>Page</b>
<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>Balance Sheets</b>	<b>2</b>
<b>Statements of Loss</b>	<b>3</b>
<b>Statements of Retained Earnings (Deficit)</b>	<b>4</b>
<b>Statements of Cash Flows</b>	<b>5-6</b>
<b>Notes to Financial Statements</b>	<b>7-13</b>
<b>INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION</b>	<b>14</b>
<b>Schedule of Budget with Actual Operating Amounts</b>	<b>15-16</b>
<b>Detailed Schedule of Repairs and Improvements</b>	<b>17</b>



**BLOOM AND STREIT LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

ROGER BERMAN, CPA  
WILLIAM J. RANK, CPA, CFP  
MARK COHEN, CPA  
LORI LERMAN, CPA

**INDEPENDENT AUDITORS' REPORT**

**To the Board**  
**WESTCHESTER GARDENS OWNERS INC.**

We have audited the accompanying financial statements of Westchester Gardens Owners Inc., which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of loss, retained earnings (deficit), 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.

***Auditors' 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 audits to obtain reasonable assurance about whether the financial statements are free of 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 auditors' judgement, 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 auditors consider 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 Westchester Gardens Owners Inc., as of December 31, 2020 and 2019, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 11, the entity has not estimated the remaining lives and replacement costs of the common property and, therefore, has not presented information about the estimates of future costs of major repairs and replacements that will be required in the future that accounting principles generally accepted in the United States of America has determined is required to supplement, although not required to be a part of, the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

***Bloom and Streit LLP***

**BLOOM AND STREIT LLP  
Certified Public Accountants  
February 26, 2021**

# WESTCHESTER GARDENS OWNERS INC.

## Balance Sheets

As of December 31,

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash in Operating Account	21,750	21,015
Cash in Bank - Money Market Accounts	25,367	10,264
Cash in Bank - Investment Account	87,464	36,390
Investments - Certificates of Deposit	549,875	733,923
Tenants' Accounts Receivable	17,630	16,935
Mortgage Escrow Deposits	177,751	136,440
Prepaid Expenses	24,806	27,368
<b>Total</b>	<u>904,643</u>	<u>982,335</u>
Less: Allocated to Funds (see below)	<u>(662,706)</u>	<u>(780,577)</u>
<b>Total Current Assets</b>	<u>241,937</u>	<u>201,758</u>
 <b>FUNDS</b>		
Contingency Reserve:		
Reserve for Replacements (see above)	<u>662,706</u>	<u>780,577</u>
 <b>PROPERTY AND EQUIPMENT -</b>		
<b>Net Book Value</b>	<u>5,344,595</u>	<u>5,334,491</u>
 <b>OTHER ASSETS</b>		
Investment in National Cooperative Bank	<u>9,649</u>	<u>9,649</u>
<b>Total Other Assets</b>	<u>9,649</u>	<u>9,649</u>
 <b>TOTAL ASSETS</b>		
	<u><u>6,258,887</u></u>	<u><u>6,326,475</u></u>

	<u>2020</u>	<u>2019</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	85,402	38,176
Accounts Payable - Capital Improvements	0	3,568
Accrued Interest	12,664	12,957
Star Credit Due to Stockholders	51,436	53,564
Rents Received in Advance	6,480	4,020
Security Deposits	19,960	20,410
Mortgage Payable - Amortization payments due within one year	<u>93,266</u>	<u>89,325</u>
<b>Total Current Liabilities</b>	<u>269,208</u>	<u>222,020</u>
<b>LONG-TERM LIABILITIES</b>		
First Mortgage Payable - Net of Payments due within one year	3,766,697	3,859,962
Less: Unamortized Debt Issuance Costs	<u>(29,288)</u>	<u>(35,796)</u>
<b>Total Long-Term Liabilities</b>	<u>3,737,409</u>	<u>3,824,166</u>
<b>STOCKHOLDERS' EQUITY</b>		
Common Stock \$1.00 par value; 50,815 shares authorized issued and outstanding	50,815	50,815
Paid-in Capital	4,864,060	4,864,060
Retained Earnings (Deficit)	<u>(2,662,605)</u>	<u>(2,634,586)</u>
<b>Total Stockholders' Equity</b>	<u>2,252,270</u>	<u>2,280,289</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>6,258,887</u>	<u>6,326,475</u>

*See accompanying notes and auditors' report*

# WESTCHESTER GARDENS OWNERS INC.

## Statements of Loss

For the Year Ended December 31,

	<u>2020</u>	<u>2019</u>
<b>INCOME</b>		
Carrying Charges - Net of Uncollectable Charges	1,305,493	1,292,568
Parking Income	79,920	79,920
Laundry Room Income	13,200	12,400
Storage Income	5,994	6,969
Interest/Dividend Income	13,685	17,841
Miscellaneous Income	526	588
<b>Total Income</b>	<u>1,418,818</u>	<u>1,410,286</u>
<b>EXPENSES</b>		
Administrative Expenses	61,596	61,323
Maintenance Expenses	420,427	433,273
Utilities Expenses	126,481	141,979
Taxes and Insurance Expenses	529,085	524,861
Financial Expenses	151,111	154,086
Interest - Debt Issuance Costs	6,508	6,508
<b>Total Expenses Before Depreciation</b>	<u>1,295,208</u>	<u>1,322,030</u>
<b>NET INCOME BEFORE DEPRECIATION</b>	123,610	88,256
Depreciation	<u>(151,629)</u>	<u>(150,242)</u>
<b>NET LOSS FOR THE PERIOD</b>	<u>(28,019)</u>	<u>(61,986)</u>

*See accompanying notes and auditors' report*

**WESTCHESTER GARDENS OWNERS INC.**

**Statements of Retained Earnings (Deficit)**

**For the Year Ended December 31,**

	<u>2020</u>	<u>2019</u>
<b>RETAINED EARNINGS (DEFICIT) - Beginning of Year</b>	(2,634,586)	(2,572,600)
Net Loss for the Year	<u>(28,019)</u>	<u>(61,986)</u>
<b>RETAINED EARNINGS (DEFICIT) - End of Year</b>	<u><u>(2,662,605)</u></u>	<u><u>(2,634,586)</u></u>

*See accompanying notes and auditors' report*



# WESTCHESTER GARDENS OWNERS INC.

## Statements of Cash Flows

For the Year Ended December 31,

	2020	2019
<b>Cash Flows From Operating Activities</b>		
Net Loss	(28,019)	(61,986)
Adjustments to reconcile net loss to net cash provided (used) by operating activities:		
Depreciation	151,629	150,242
Interest Expense - Debt Issuance Costs	6,508	6,508
Revenue allocated to financing activities	(89,324)	(86,358)
Decrease (Increase) in operating assets:		
Tenants' Accounts Receivable	(695)	(1,734)
Mortgage Escrow Deposits	(41,311)	(4,410)
Prepaid Expenses	2,562	(16,483)
Increase (Decrease) in operating liabilities:		
Accounts Payable	47,226	(53,296)
Accrued Interest	(293)	(283)
Star Credit Due to Stockholders	(2,128)	24
Rents Received in Advance	2,460	(2,977)
Security Deposits	(450)	1,903
<b>Net cash provided (used) by operating activities</b>	<b>48,165</b>	<b>(68,850)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of Investments - Certificates of Deposit	(1,424,747)	(1,331,580)
Maturities of Investments - Certificates of Deposit	1,608,795	1,343,467
Purchase of Property and Equipment	(165,301)	(51,967)
<b>Net cash provided (used) by investing activities</b>	<b>18,747</b>	<b>(40,080)</b>
<b>Cash Flows From Financing Activities</b>		
Portion of Carrying Charges applied to Amortization of Mortgage	89,324	86,358
Amortization Payments on Mortgage	(89,324)	(86,358)
<b>Net cash provided (used) by financing activities</b>	<b>0</b>	<b>0</b>
<b>Increase (Decrease) in Cash and Cash Equivalents (carryforward)</b>	<b>66,912</b>	<b>(108,930)</b>

*See accompanying notes and auditors' report*

# WESTCHESTER GARDENS OWNERS INC.

## Statements of Cash Flows

For the Year Ended December 31,

	<u>2020</u>	<u>2019</u>
<b>Increase (Decrease) in Cash and Cash Equivalents (brought forward)</b>	66,912	(108,930)
Cash and Cash Equivalents at Beginning of Year	<u>67,669</u>	<u>176,599</u>
<b>Cash and Cash Equivalents at End of Year (see below)</b>	<u>134,581</u>	<u>67,669</u>
<b>Represented by:</b>		
Cash in Operating Account	21,750	21,015
Cash in Bank - Money Market Accounts	25,367	10,264
Cash in Bank - Investment Account	<u>87,464</u>	<u>36,390</u>
<b>Cash and Cash Equivalents (as above)</b>	<u>134,581</u>	<u>67,669</u>
<b>Supplemental Disclosure:</b>		
Interest Paid	<u>151,404</u>	<u>154,369</u>
Taxes Paid	<u>3,335</u>	<u>3,000</u>

*See accompanying notes and auditors' report*

# WESTCHESTER GARDENS OWNERS INC.

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 1

#### **Organization**

Westchester Gardens Owners Inc. is a cooperative housing corporation incorporated in the State of New York in January 1986. The cooperative owns and operates an apartment building located at 445 Gramatan Avenue, Mount Vernon, New York, consisting of 112 residential units. The primary purpose of the cooperative is to manage the operations of the building and maintain the common elements.

### Note 2

#### **Summary of Significant Accounting Policies**

The financial statements have been presented in accordance with the accounting principles prescribed by the audit and accounting guide for common interest realty associations issued by the American Institute of Certified Public Accountants. The guide describes conditions and procedures unique to the industry (including cooperative housing corporations and condominium associations) and illustrates the form and content of the financial statements of common interest realty associations as well as informative disclosures relating to such statements. In addition, the guide requires that all revenues from tenant-stockholders, including maintenance charges and special assessments, be recognized as revenue in the statements of loss.

For purposes of the statements of cash flows, the cooperative considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

The cooperative classifies its marketable debt securities as "held to maturity" since it has the positive intent and ability to hold the securities to maturity. Securities classified as "held to maturity" are carried at amortized cost.

Tenant-stockholders are subject to monthly charges to provide funds for the cooperative's operating expenses, future capital acquisitions, and major repairs and replacements. Tenants' Accounts Receivable at the balance sheets date represent various fees due from tenant-stockholders. The cooperative's policy is to retain legal counsel and place liens on the shares of stock of tenant-stockholders whose assessments are delinquent. Any excess charges at year end are retained by the cooperative for use in the succeeding year.

# WESTCHESTER GARDENS OWNERS INC.

## Notes to Financial Statements

December 31, 2020 and 2019

**Note 2**      **Summary of Significant Accounting Policies - continued**

Property and equipment is being carried at cost. Depreciation of the building is being computed by the straight line method over an estimated useful life of 35 years. Building improvements are depreciated on the straight line method over an estimated useful life of 27.5 years.

Costs incurred in obtaining long-term financing, included under mortgage payable on the balance sheets, are amortized on a straight-line basis, which approximates the effective interest method, over the terms of the related debt agreement. The amortization of these costs are being recognized as interest expense-debt issuance costs on the statements of loss.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the 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.

The cooperative accounts for certain revenue items differently for financial reporting and income tax purposes. The principal differences are permanent in nature and relate to any portion of maintenance charges and special assessments allocated for mortgage amortization and capital improvements which are being accounted for as contributions to additional paid-in capital for income tax purposes whereas such items are recognized as revenue for financial reporting.

**Note 3**      **Concentrations of Credit Risk**

The cooperative maintains various bank and money market accounts that at times may exceed insured credit limits. The cooperative has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk with respect to such balances. However, should any of these institutions fail, the cooperative could suffer a loss.

# WESTCHESTER GARDENS OWNERS INC.

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 4

#### Property and Equipment

Property and Equipment consists of the following at December 31:

	<u>2020</u>	<u>2019</u>
Land	3,824,018	3,824,018
Building	3,086,857	3,086,857
Building improvements	<u>1,982,717</u>	<u>1,820,984</u>
	8,893,592	8,731,859
Less: accumulated depreciation	<u>3,548,997</u>	<u>3,397,368</u>
Total Property and Equipment	<u>5,344,595</u>	<u>5,334,491</u>

Depreciation expense was \$151,629 and \$150,242 for the years ended December 31, 2020 and 2019, respectively.

### Note 5

#### Mortgage Payable

On July 14, 2015, the cooperative refinanced their mortgage in the total amount of \$4,300,000. The mortgage, is payable in monthly installments of \$20,061 including interest at a rate of 3.81%, per annum, based on a 30 year amortization period. The note matures on August 1, 2025, at which time a balloon payment of \$3,401,408 will be due.

In conjunction with the refinancing, the cooperative was required to purchase shares of NCB's Class B1 and B2 stock. Class B1 shares earn a patronage dividend payable in cash and in Class B2 stock, as determined by NCB. Class B1 shares are redeemable by NCB upon satisfactory repayment of all loans made to or guaranteed by eligible customers. Class B2 shares are non-redeemable, non-transferable, and pay no dividends.

At December 31, 2020 and 2019, the cooperative owned approximately 96 Class B1 shares. At December 31, 2020 and 2019, the cooperative owned 723 and 570 Class B2 shares, respectively.

# WESTCHESTER GARDENS OWNERS INC.

## Notes to Financial Statements

December 31, 2020 and 2019

**Note 5** Mortgage Payable - continued

Principal maturities of the mortgage are as follows:

2021	93,266
2022	96,933
2023	100,745
2024	104,319
2025	3,464,700

As part of the aforementioned refinancing, the cooperative has paid closing costs of approximately \$65,000, which are being amortized over the life of the new mortgage.

**Note 6** Sponsor Ownership

At both December 31, 2020 and 2019, the Sponsor owned twenty six residential units, or approximately 22% of the total residential units. Carrying charges received from the Sponsor's residential units aggregated approximately \$289,000 and \$279,000 for the year ended December 31, 2020 and 2019, respectively. As of that date, the Sponsor was current in the payment of carrying charges.

**Note 7** Charges

In November 2018, the Board approved a 1% increase effective January 1, 2019. In November 2019, the Board approved a 1% increase effective January 1, 2020.

**Note 8** Real Estate Taxes - Tax Abatements

The cooperative is entitled to and has received tax abatements on behalf of its stockholders during 2020 and 2019. The abatements, which include Star, Veterans and Senior Citizens (where applicable) are passed on to the stockholders by direct payment or as a credit against carrying charges. Any undistributed abatements as of the fiscal year end have been included on the Balance Sheets in Current Liabilities as Star Credit Due to Stockholders. As the abatements benefit the stockholders, the real estate tax expense reflected in these financial statements is gross of all the aforementioned tax abatements.

# WESTCHESTER GARDENS OWNERS INC.

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 9

#### Benefits

The cooperative participated in the 32BJ North Pension Fund, Employer Identification Number 13-1819138, Plan 001, for the years ended December 31, 2020 and 2019. The cooperative participated in this multi-employer plan, for the years ended December 31, 2020 and 2019 under the terms of collective-bargaining agreements that cover its union represented employees. This collective bargaining agreement expires September 30, 2022 and the cooperative has no intention of withdrawing from the plan.

The risks of participating in multi-employer plans are different from single-employer plans for the following reasons: 1) assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers, 2) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers and 3) if the cooperative chooses to stop participating in its multi-employer pension plan, the cooperative may be required to pay the plan an amount based on the underfunded status of the plan, which is referred to as a withdrawal liability.

The zone status is based on information that the cooperative received from the plan and is certified by the plan's actuary. Plans in the red zone are generally less than 65 percent funded, plans in the yellow zone are less than 80 percent funded and plans in the green zone are at least 80 percent funded. The most recent Pension Protect Act (PPA) zone status available is for the plan's year-end beginning January 1, 2020 and 2019. The certified zone status for the plan for 2020 and 2019 was green and red, respectively. A rehabilitation plan was implemented for 2019 which involved a surcharge to the cooperative.

In addition to the Pension Fund, the cooperative also participated in a Health Fund for the years ended December 31, 2020 and 2019. The fund provides health benefits (medical, surgical, hospital, prescription drugs, behavioral health, optical, dental) and life insurance coverage for eligible participants and their covered dependents. Retired employees are eligible for health benefits if they retire before age 65, but after age 62; accumulated 15 combined years of pension service credit; worked both 90 days immediately before retirement and at least 36 months of the 60 months before retiring; and are receiving an early or regular retirement pension from the 32BJ North Pension Fund. These benefits continue for the retired employee and eligible dependents until they become eligible for Medicare, until age 65, or until the retiree's pension is suspended, whichever occurs first.

# WESTCHESTER GARDENS OWNERS INC.

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 9

#### **Benefits - continued**

The condominium made the following contributions to the plans:

	<u>2020</u>	<u>2019</u>
Pension Contributions	12,866	12,025
Health Contributions	57,204	55,224

The condominium's contributions to the plan were not greater than 5% of the plan's total contributions.

### Note 10

#### **Income Taxes**

Federal income tax is computed pursuant to Subchapter T of the Internal Revenue Code. Under Subchapter T, income from non-patronage sources, such as interest and commercial rents, in excess of expenses properly attributable thereto may be subject to tax. The cooperative believes that all of its income is patronage sourced. Accordingly, no provisions for taxes, if any, that could result from the application of Subchapter T to the cooperative's income has been reflected in the accompanying financial statements. New York State Franchise tax is calculated by utilizing special tax rates available to cooperative housing corporations based on the cooperative's capital base.

Losses incurred in years prior to 2018, may be carried forward for twenty years from the year incurred and may be used to offset 100% of taxable income. Due to a change in the tax law, federal net operating losses incurred in 2018 and thereafter may be carried forward indefinitely, but may only be used to offset 80% of taxable income each year. This law was subsequently modified under the CARES Act, which was enacted March 27, 2020. Under the CARES Act, the 80% taxable income limitation is delayed until years beginning after December 31, 2020. The 80% limitation will apply to any net operating loss arising in a year beginning after December 31, 2017 and deducted for a year beginning after December 31, 2020. Additionally, the Act provides that for losses arising in 2018, 2019 and 2020, such loss shall be a net operating loss carryback to each of the prior five taxable years. Additionally, as is the case under pre-2018 law, the taxpayer may make an election to waive the carryback and instead treat losses arising in these years as net operating loss carryovers.



# WESTCHESTER GARDENS OWNERS INC.

## Notes to Financial Statements

December 31, 2020 and 2019

**Note 10**

**Income Taxes - continued**

As of December 31, 2020, the cooperative has available federal net operating loss carryforwards to apply to future taxable income of approximately \$1,699,000. These net operating loss carryforwards consist of carryforwards of approximately \$1,310,000 which expire beginning in 2022 and continuing through 2037 and carryforwards of approximately \$389,000 which were incurred in 2018 and thereafter. New York State substantially limits the use of these net operating loss carryforwards.

In accordance with accounting rules 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 cooperative believes that its estimates are appropriate based on current facts and circumstances. The cooperative's tax filings are subject to audit by various taxing authorities. The cooperative's federal and state income tax returns for the last three years remain open to examination.

**Note 11**

**Future Major Repairs and Replacements**

The cooperative has not conducted a study to determine the remaining useful lives of the components of common property and current estimates of costs of major repairs and replacements that may be required in the future. When replacement funds are needed to meet future needs for major repairs and replacements, the cooperative may borrow, utilize available cash, increase carrying charges, pass special assessments or delay repairs and replacements until the funds are available. The effect on future assessments has not been determined at this time.

**Note 12**

**Subsequent Events**

Management has evaluated subsequent events through February 26, 2021, the date at which the financial statements became available for issuance. No events have occurred that would require adjustments to, or disclosure in, the financial statements.

**INDEPENDENT AUDITORS' REPORT  
ON SUPPLEMENTARY INFORMATION**

**To the Board  
WESTCHESTER GARDENS OWNERS INC.**

We have audited the financial statements of Westchester Gardens Owners Inc. as of and for the years ended December 31, 2020 and 2019, and our report thereon dated February 26, 2021, which expressed an unqualified opinion on those financial statements, appears on Page 1. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The schedule of budget with actual operating amounts and detailed schedule of repairs and improvements, which are the responsibility of the entity's management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information, except for the portion marked "unaudited" was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That 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, that information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Bloom and Streit LLP*

**BLOOM AND STREIT LLP  
Certified Public Accountants  
February 26, 2021**

## WESTCHESTER GARDENS OWNERS INC.

### Schedule of Budget with Actual Operating Amounts

	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>
	<b><u>Dec. 31, 2020</u></b>	<b><u>Dec. 31, 2020</u></b>	<b><u>Dec. 31, 2019</u></b>
	<b>(Unaudited)</b>		
<b>RECEIPTS</b>			
Carrying Charges	1,305,493	1,305,493	1,302,694
Uncollectable Charges	0	0	(10,126)
Parking Income	80,000	79,920	79,920
Laundry Room Income	13,200	13,200	12,400
Storage Income	6,000	5,994	6,969
Miscellaneous Income	1,000	526	588
<b>Total Receipts</b>	<b>1,405,693</b>	<b>1,405,133</b>	<b>1,392,445</b>
<b>EXPENDITURES</b>			
<b>ADMINISTRATIVE EXPENSES</b>			
Management Fee	36,000	36,000	36,000
Legal Expense	5,000	2,421	5,904
Auditing	9,000	9,000	9,000
Telephone and Answering Service	3,500	3,086	3,295
Office and Administrative Expenses	9,858	11,089	7,124
<b>Total Administrative Expenses</b>	<b>63,358</b>	<b>61,596</b>	<b>61,323</b>
<b>MAINTENANCE EXPENSES</b>			
Payroll	170,000	179,011	162,597
Supplies	24,000	23,392	25,886
Repairs (see schedule)	150,000	146,468	162,000
Exterminating/Bed Bugs	8,000	10,108	5,300
Security Services	0	401	23,409
Landscaping, Grounds and Trees	42,000	53,747	41,106
Snow Removal and Supplies	10,000	7,300	12,975
<b>Total Maintenance Expenses</b>	<b>404,000</b>	<b>420,427</b>	<b>433,273</b>
<b>UTILITIES EXPENSES</b>			
Fuel and Gas Heat	96,000	81,263	99,763
Electricity and Gas	19,000	17,544	18,824
Water	27,000	27,674	23,392
<b>Total Utilities Expenses</b>	<b>142,000</b>	<b>126,481</b>	<b>141,979</b>

*See auditors' report on supplementary information*

**WESTCHESTER GARDENS OWNERS INC.**

**Schedule of Budget with Actual Operating Amounts**

	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<b>Year Ended</b>	<b>Year Ended</b>	<b>Year Ended</b>
	<b><u>Dec. 31, 2020</u></b>	<b><u>Dec. 31, 2020</u></b>	<b><u>Dec. 31, 2019</u></b>
	<b>(Unaudited)</b>		
<b>TAXES AND INSURANCE</b>			
Real Estate Taxes	370,000	366,503	368,728
Payroll Taxes	13,000	14,029	12,770
Licenses and Permits	500	0	100
Insurance	72,000	72,106	70,132
Union Welfare and Pension Fund	73,000	73,112	70,131
Franchise Taxes	3,400	3,335	3,000
<b>Total Taxes and Insurance</b>	<b>531,900</b>	<b>529,085</b>	<b>524,861</b>
<b>FINANCIAL EXPENSES</b>			
Interest on Mortgage	151,111	151,111	154,086
<b>Total Financial Expenses</b>	<b>151,111</b>	<b>151,111</b>	<b>154,086</b>
<b>CONTRIBUTIONS TO EQUITY AND RESERVES</b>			
Amortization of Mortgage	89,324	89,324	86,358
Contingency Reserve	24,000	24,000	0
<b>Total Contributions to Equity and Reserves</b>	<b>113,324</b>	<b>113,324</b>	<b>86,358</b>
<b>Total Expenditures</b>	<b>1,405,693</b>	<b>1,402,024</b>	<b>1,401,880</b>
<b>NET SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>0</b>	<b>3,109</b>	<b>(9,435)</b>

*See auditors' report on supplementary information*

**WESTCHESTER GARDENS OWNERS INC.**

**Detailed Schedule of Repairs and Improvements**

**For the Year Ended December 31,**

	<u>2020</u>	<u>2019</u>
<b>REPAIRS AND MAINTENANCE</b>		
Boiler and Burners	8,611	13,985
Plumbing and Pipes	28,700	17,129
Electrical and Intercoms	9,523	26,626
Painting, Plastering and Carpentry Work	38,141	15,775
Roofing and Waterproofing	15,516	23,239
Paving, Excavation and Masonry	3,568	10,260
Window Repairs, Fencing and Gates	1,761	5,646
Locks	4,957	5,811
Truck Expenses	1,681	1,719
General	5,072	6,454
Major Repairs - Painting/Storm	28,938	35,356
<b>Total Repairs and Maintenance</b>	<u>146,468</u>	<u>162,000</u>

*See auditors' report on supplementary information*