

**PATRICIA GARDENS OWNERS, INC.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020 AND 2019**

**PATRICIA GARDENS OWNERS, INC.**

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**BLOOM AND STREIT LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

ROGER BERMAN, CPA  
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LORI LERMAN, CPA

**INDEPENDENT AUDITORS' REPORT**

**To the Board**  
**PATRICIA GARDENS OWNERS, INC.**

We have audited the accompanying financial statements of Patricia Gardens Owners, Inc., which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of (loss) income, 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 Patricia 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**  
**March 4, 2021**

**PATRICIA GARDENS OWNERS, INC.**

**Balance Sheets**

**As of December 31,**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash in Banks	8,847	4,169
Cash in Operating Account	10,115	33,835
Tenants' Accounts Receivable	10,321	10,899
Mortgagee Escrow Deposits	103,190	78,892
Prepaid Expenses	20,593	39,209
<b>Total Current Assets</b>	<u>153,066</u>	<u>167,004</u>
<b>RESERVE FOR CONTINGENCIES</b>		
Cash and Money Funds	<u>380,561</u>	<u>378,336</u>
<b>PROPERTY AND EQUIPMENT -</b>		
<b>Net Book Value</b>	<u>2,045,478</u>	<u>2,107,653</u>
<b>OTHER ASSETS</b>		
Investment in NCB Stock	<u>8,990</u>	<u>8,990</u>
<b>Total Other Assets</b>	<u>8,990</u>	<u>8,990</u>
<b>TOTAL ASSETS</b>	<u>2,588,095</u>	<u>2,661,983</u>

	<u>2020</u>	<u>2019</u>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable and Accrued Expenses	37,867	22,003
Accrued Interest on Mortgage	9,617	9,838
Rents Received in Advance	6,386	10,644
Exchanges Payable	6,319	8,220
First Mortgage Payable - Amortization payments due within one year	<u>70,182</u>	<u>67,207</u>
<b>Total Current Liabilities</b>	<u>130,371</u>	<u>117,912</u>
<b>LONG-TERM LIABILITIES</b>		
Security Deposits	17,225	14,975
First Mortgage Payable (Due after one year)	2,853,278	2,923,460
Less: Unamortized Debt Issuance Costs	<u>(29,276)</u>	<u>(35,131)</u>
<b>Total Long-Term Liabilities</b>	<u>2,841,227</u>	<u>2,903,304</u>
<b>STOCKHOLDERS' DEFICIT</b>		
Common Stock \$1.00 par value; Authorized, 35,000 shares, Issued and Outstanding 33,282	33,282	33,282
Paid-in Capital	1,444,908	1,444,908
Retained Earnings (Deficit)	(1,909,193)	(1,884,923)
Appropriated Retained Earnings:		
Reserve for Contingencies	<u>47,500</u>	<u>47,500</u>
<b>Total Stockholders' Deficit</b>	<u>(383,503)</u>	<u>(359,233)</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<u>2,588,095</u>	<u>2,661,983</u>

*See accompanying notes and auditors' report*

**PATRICIA GARDENS OWNERS, INC.**

**Statements of (Loss) Income**

**For the years ended December 31,**

	<u>2020</u>	<u>2019</u>
<b>INCOME</b>		
Carrying Charge	702,552	682,091
Parking Income	20,722	20,520
Resale Waiver Fee	0	3,000
Laundry Room Income	4,800	4,800
NCB Dividend	4,978	2,442
Interest Income	2,303	8,415
Miscellaneous Income	1,816	2,370
<b>Total Income</b>	<u>737,171</u>	<u>723,638</u>
<b>EXPENSES</b>		
Administrative Expenses	55,261	52,287
Utilities Expenses	85,123	73,438
Maintenance Expenses	181,832	148,505
Taxes and Insurance Expenses	242,955	236,234
Financial Expenses	114,740	116,984
Interest Expense - Debt Issuance Costs	5,855	5,855
<b>Total Expenses Before Depreciation</b>	<u>685,766</u>	<u>633,303</u>
<b>NET INCOME BEFORE DEPRECIATION</b>	51,405	90,335
Depreciation Expense	<u>(75,675)</u>	<u>(70,730)</u>
<b>NET (LOSS) INCOME FOR THE YEAR</b>	<u>(24,270)</u>	<u>19,605</u>

*See accompanying notes and auditors' report*

**PATRICIA GARDENS OWNERS, INC.**

**Statements of Retained Earnings (Deficit)**

**For the years ended December 31,**

	<u>2020</u>	<u>2019</u>
<b>RETAINED EARNINGS (DEFICIT) - Beginning of Year</b>	(1,884,923)	(1,904,528)
Net (Loss) Income for the Year	<u>(24,270)</u>	<u>19,605</u>
<b>RETAINED EARNINGS (DEFICIT) - End of Year</b>	<u>(1,909,193)</u>	<u>(1,884,923)</u>

*See accompanying notes and auditors' report*



**PATRICIA GARDENS OWNERS, INC.**

**Statements of Cash Flows**

**For the years ended December 31,**

	<b>2020</b>	<b>2019</b>
<b>Cash Flows From Operating Activities</b>		
Net (Loss) Income	(24,270)	19,605
Adjustments to reconcile net (loss) income to net cash (used) provided by operating activities:		
Depreciation	75,675	70,730
Interest Expense - Debt Issuance Costs	5,855	5,855
Revenue allocated to financing activities	(67,207)	(64,971)
Decrease (Increase) in operating assets:		
Tenants' Accounts Receivable	578	2,291
Mortgagee Escrow Deposits	(24,298)	(1,518)
Prepaid Expenses	18,616	(2,062)
Increase (Decrease) in operating liabilities:		
Accounts Payable	15,864	(12,384)
Accrued Interest Payable	(221)	(213)
Rents Received in Advance	(4,258)	4,165
Deposits and Exchanges	349	(3,374)
<b>Net cash (used) provided by operating activities</b>	<b>(3,317)</b>	<b>18,124</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of Property and Equipment	(13,500)	(236,518)
<b>Cash Flows From Financing Activities</b>		
Increase in Reserve Funds	(2,225)	194,457
Portion of Carrying Charges applied to Monthly Amortization of Mortgage	67,207	64,971
Monthly Amortization of Mortgage	(67,207)	(64,971)
<b>Net cash (used) provided by financing activities</b>	<b>(2,225)</b>	<b>194,457</b>
<b>Decrease in Cash and Cash Equivalents (carryforward)</b>	<b>(19,042)</b>	<b>(23,937)</b>

*See accompanying notes and auditors' report*

**PATRICIA GARDENS OWNERS, INC.**

**Statements of Cash Flows**

**For the years ended December 31,**

	<u>2020</u>	<u>2019</u>
<b>Decrease in Cash and Cash Equivalents (brought forward)</b>	(19,042)	(23,937)
Cash and Cash Equivalents at Beginning of Year	<u>38,004</u>	<u>61,942</u>
<b>Cash and Cash Equivalents at End of Year (see below)</b>	<u>18,962</u>	<u>38,005</u>
<b>Represented by:</b>		
Cash in Banks and On Hand	8,847	4,169
Cash in Operating Account	<u>10,115</u>	<u>33,835</u>
<b>Cash and Cash Equivalents (as above)</b>	<u>18,962</u>	<u>38,004</u>
<b>Supplemental Disclosure:</b>		
Interest Paid	<u>114,961</u>	<u>117,197</u>
Taxes Paid	<u>2,980</u>	<u>3,070</u>

*See accompanying notes and auditors' report*

# PATRICIA GARDENS OWNERS, INC.

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 1

#### **Organization**

Pursuant to a Plan to Convert to Cooperative Ownership dated June 29, 1984, and as amended, title to the land and building known as Patricia Gardens, Larchmont, New York, was conveyed by the sponsor to Patricia Gardens Owners, Inc. on February 12, 1985. Patricia Gardens Owners, Inc. is a cooperative housing corporation whose primary purpose is to manage the operations of its buildings, consisting of 65 residential apartments, and maintain common elements.

The sponsor elected to treat the transfer of the real property to the cooperative as an exchange in accordance with Section 351 of the Internal Revenue Code. As a result, the cooperative's tax basis of the land and the building is the same as in the hands of the sponsor on the date of transfer. The lower basis of the property will result in lower depreciation deductions for tax purposes, as compared with that shown in the financial statements.

### 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) income.

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.

# PATRICIA GARDENS OWNERS, INC.

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 2

#### **Summary of Significant Accounting Policies - continued**

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. Any excess charges at year end are retained by the cooperative for use in the succeeding year.

Property and equipment is being carried at cost. Depreciation of the buildings is being computed by the straight-line method using a life of thirty-five years. Depreciation of building improvements is being computed by the straight-line method over periods from twenty-seven and one-half years to thirty-five 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) income.

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

#### **Concentration of Credit Risk**

The cooperative has investments in money funds which are not bank deposits or F.D.I.C. insured and are not guaranteed by the brokerage house. These funds are subject to investment risks including possible loss of the principal amount invested.

**PATRICIA GARDENS OWNERS, INC.**

**Notes to Financial Statements**

**December 31, 2020 and 2019**

**Note 4**

**Property and Equipment**

Property and Equipment consists of the following:

	<u>2020</u>	<u>2019</u>
Land	689,960	689,960
Building	1,713,000	1,713,000
Building Improvements	2,201,664	2,188,164
Furniture and Fixtures	<u>20,087</u>	<u>20,087</u>
	4,624,711	4,611,211
Less: accumulated depreciation	<u>2,579,233</u>	<u>2,503,558</u>
Total Property and Equipment	<u>2,045,478</u>	<u>2,107,653</u>

Depreciation expense for the years ending December 31, 2020 and 2019 was \$75,675 and \$70,730, respectively.

**Note 5**

**Mortgages Payable**

On August 26, 2015, the cooperative refinanced its previous mortgages and line of credit with a new mortgage held by National Cooperative Bank (NCB) in the principal sum of \$3,250,000. The new mortgage which consolidated the prior two mortgages and line of credit previously held by NCB, requires monthly payments in the amount of \$15,180.64, which includes principal and interest calculated at a rate of 3.82% per annum pursuant to a thirty year amortization schedule. The mortgage matures on September 1, 2025 at which time the entire unpaid principal and accrued interest will be due and payable.

Principal maturities of the mortgage are as follows:

2021	70,182
2022	72,949
2023	75,825
2024	78,520
2025	2,625,984

Pursuant to the loan agreement with NCB, the cooperative was required to purchase shares of NCB Class B1 Capital Stock. This stock is reflected on the cooperative's balance sheet with a cost basis of \$8,990. For the year ended December 31, 2020 and 2019, the cooperative received \$4,978 and \$2,442, respectively in patronage dividends.

# PATRICIA GARDENS OWNERS, INC.

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 6

#### **Reserve Fund**

The cooperative maintains a contingency reserve fund to be used for capital repairs, replacements and improvements, or for such other cooperative purposes as are determined by the Board. As of December 31, 2020 and 2019, specific funds held in the Reserve for Contingencies totaled \$380,561 and \$378,336, respectively.

The amount accumulated in the contingency fund may not be adequate to meet all future needs for major repairs and replacements. If additional funds are needed, the cooperative can increase regular carrying charges, pass special assessments, borrow needed funds, or delay major repairs and replacements until funds are available.

### Note 7

#### **Sponsor/Holder of Unsold Shares Ownership**

As of December 31, 2020 and 2019, the sponsor/holder of unsold shares owned approximately 29% of the outstanding shares of the cooperative's stock, representing eighteen apartments. As of that date, the sponsor/holder of unsold shares was current in the payment of carrying charges.

The most recent Disclosure Statement filed with the Attorney General's Office (seventeenth amendment to the Cooperative Offering Plan) dated July 16, 2019, indicates that the aggregate monthly maintenance for all unsold shares is \$17,595. The aggregate monthly rents received from tenants residing in the apartments owned by the sponsor/holder of unsold shares is \$28,563. No subsequent amendments have been filed.

### Note 8

#### **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.

**PATRICIA GARDENS OWNERS, INC.**

**Notes to Financial Statements**

**December 31, 2020 and 2019**

**Note 8**

**Benefits - continued**

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.

The cooperative made the following contributions to the plans:

	<u>2020</u>	<u>2019</u>
Pension Contributions	4,288	4,008
Health Contributions	19,068	18,408

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

# PATRICIA GARDENS OWNERS, INC.

## Notes to Financial Statements

December 31, 2020 and 2019

### Note 9

#### **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 and Veterans abatements (where applicable) have been 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 Exchanges Payable. As the abatements benefit the stockholders, the real estate tax expense reflected in these financial statements is gross of all the aforementioned tax abatements.

### 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 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 taxes are 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.



**PATRICIA 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 \$1,852,000. These net operating loss carryforwards consist of carryforwards of approximately \$1,589,000 which expire beginning in 2021 and continuing through 2037 and carryforwards of approximately \$263,000 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'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. In evaluating its tax provisions and accruals, the cooperative believes that its estimates are appropriate based on current facts and circumstances.

**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 March 4, 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  
PATRICIA GARDENS OWNERS, INC.**

We have audited the financial statements of Patricia Gardens Owners, Inc. as of and for the years ended December 31, 2020 and 2019, and our report thereon dated March 4, 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, which is the responsibility of the entity's management, is presented for purposes of additional analysis and is 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  
March 4, 2021**



**PATRICIA 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	702,552	702,552	682,091
Parking Income	20,700	20,722	20,520
Resale Waiver Fee	0	0	3,000
Laundry Room Income	4,800	4,800	4,800
NCB Dividend	0	4,978	2,442
Interest and Miscellaneous Income	3,000	4,119	10,785
<b>Total Receipts</b>	<b><u>731,052</u></b>	<b><u>737,171</u></b>	<b><u>723,638</u></b>
<b>EXPENDITURES</b>			
<b>ADMINISTRATIVE EXPENSES</b>			
Management Fee	33,000	33,000	30,000
Legal Expense	5,000	875	3,249
Auditing	9,800	9,800	9,350
Telephone	2,000	1,971	1,897
Office and Administrative Expenses	6,000	9,615	7,791
<b>Total Administrative Expenses</b>	<b><u>55,800</u></b>	<b><u>55,261</u></b>	<b><u>52,287</u></b>
<b>UTILITIES EXPENSES</b>			
Heat	55,000	38,364	31,886
Electricity and Gas	12,500	12,334	11,745
Water	23,500	34,425	29,807
<b>Total Utilities Expenses</b>	<b><u>91,000</u></b>	<b><u>85,123</u></b>	<b><u>73,438</u></b>
<b>MAINTENANCE EXPENSES</b>			
Payroll and Additional Labor	88,000	106,813	89,922
Supplies	12,000	15,902	13,099
Repairs and Maintenance	25,000	37,870	20,388
Landscaping and Trees	22,000	16,991	20,858
Exterminating	5,500	4,256	4,238
<b>Total Maintenance Expenses</b>	<b><u>152,500</u></b>	<b><u>181,832</u></b>	<b><u>148,505</u></b>

*See auditors' report on supplementary information*

**PATRICIA 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	173,000	167,115	163,940
Payroll Taxes	4,500	5,351	4,444
Insurance	45,000	43,381	41,386
Union Welfare and Pension Fund	24,250	24,128	23,394
Franchise Taxes	3,000	2,980	3,070
<b>Total Taxes and Insurance</b>	<u>249,750</u>	<u>242,955</u>	<u>236,234</u>
<b>FINANCIAL EXPENSES</b>			
Interest on Mortgage	114,740	114,740	116,984
<b>Total Financial Expenses</b>	<u>114,740</u>	<u>114,740</u>	<u>116,984</u>
<b>CONTRIBUTIONS TO EQUITY</b>			
Amortization of Mortgage	67,208	67,207	64,971
<b>Total Contributions to Equity</b>	<u>67,208</u>	<u>67,207</u>	<u>64,971</u>
<b>Total Expenditures</b>	<u>730,998</u>	<u>747,118</u>	<u>692,419</u>
<b>NET SURPLUS (DEFICIT)</b>			
<b>FOR THE YEAR</b>	<u>54</u>	<u>(9,947)</u>	<u>31,219</u>

*See auditors' report on supplementary information*