

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2015



LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
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December 31, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members of Lauderdale West Community
Association No. 1, Inc.
Plantation, FL

I have audited the accompanying financial statements of Lauderdale West Community Association No. 1, Inc. which comprise the balance sheet as of December 31, 2015, and the related statements of revenues, expenses, and changes in fund balances and cash flows for the year 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lauderdale West Community Association No. 1, Inc. as of December 31, 2015, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule 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 my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information on future major repairs and replacements 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. I 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 of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Guy Strum, P.A.
Guy Strum, P.A.
Plantation, FL
February 25, 2016

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
BALANCE SHEET
DECEMBER 31, 2015

	OPERATING FUND	REPLACEMENT FUND	TOTAL
ASSETS			
Cash and cash equivalents	\$ 1,275,927	\$ 837,617	\$ 2,113,544
Certificates of deposit	597,908	3,193,843	3,791,751
Accrued interest receivable	1,244	5,891	7,135
Maintenance assessments receivable, net of allowance for doubtful accounts of \$50,000	33,305	-	33,305
Other receivable	18,739	-	18,739
Prepaid expenses	205,676	-	205,676
Property and equipment, net of accumulated depreciation of \$2,427,529	1,782,662	-	1,782,662
Utility deposits	2,835	-	2,835
Interfund advances	(18,204)	18,204	-
	<u>\$ 3,900,092</u>	<u>\$ 4,055,555</u>	<u>\$ 7,955,647</u>

LIABILITIES AND FUND BALANCES

Accounts payable and accrued expenses	\$ 21,500	\$ 30,124	\$ 51,624
Prepaid assessments	137,586	-	137,586
Deferred income	95,560	-	95,560
Escrow deposits	9,604	-	9,604
	264,250	30,124	294,374
Fund balances	<u>3,635,842</u>	<u>4,025,431</u>	<u>7,661,273</u>
	<u>\$ 3,900,092</u>	<u>\$ 4,055,555</u>	<u>\$ 7,955,647</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>OPERATING</u> <u>FUND</u>	<u>REPLACEMENT</u> <u>FUND</u>	<u>TOTAL</u>
REVENUES:			
Maintenance assessments	\$ 3,166,016	\$ 955,771	\$ 4,121,787
Interest income	7,035	37,589	44,624
Rental income	20,325	-	20,325
Other income	138,099	-	138,099
	<u>3,331,475</u>	<u>993,360</u>	<u>4,324,835</u>
EXPENSES:			
Common Expenses:			
Gas and oil	9,399	-	9,399
Water and sewer	19,390	-	19,390
Election expenses	3,724	-	3,724
Dumping	7,655	-	7,655
Electricity	92,512	-	92,512
Cable television	657,598	-	657,598
Elevator	3,865	-	3,865
Janitorial	112,200	-	112,200
Sprinklers	204,307	-	204,307
Lawn maintenance	372,000	-	372,000
Landscaping	38,340	-	38,340
Pest control	80,575	-	80,575
Lake and canal maintenance	11,275	-	11,275
Fire alarm	11,553	-	11,553
Television surveillance and security	5,068	-	5,068
Supplies and repair	65,910	-	65,910
Bulletin expense	35,696	-	35,696
Small tools and handyman	1,160	-	1,160
Vehicle and bus repairs	1,481	-	1,481
Plumbing	5,175	-	5,175
Depreciation	7,539	-	7,539
Electrical	9,264	-	9,264
Pool	55,580	-	55,580
A/C repairs and maintenance	10,404	-	10,404
Movie and show expenses	46,736	-	46,736
Activities and athletics	3,739	-	3,739
Audio and lights	1,372	-	1,372
Bookkeeping	69,309	-	69,309
Professional fees	49,370	-	49,370
Computer	13,760	-	13,760
Office	36,063	-	36,063
Telephone	9,801	-	9,801
Insurance	154,783	-	154,783
Licenses, permits and taxes	7,883	-	7,883
Payroll and related costs	340,081	-	340,081
Social	11,387	-	11,387
Capital items	95,745	-	95,745
	<u>\$ 2,661,699</u>	<u>\$ -</u>	<u>\$ 2,661,699</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015
(CONTINUED)

	OPERATING FUND	REPLACEMENT FUND	TOTAL
Direct Expenses:			
Exterminating	\$ 30,560	\$ -	\$ 30,560
Repairs and maintenance	11,899	-	11,899
Roof repairs	46,445	-	46,445
Professional fees	30,820	-	30,820
Insurance	486,092	-	486,092
Filing fees	2,176	-	2,176
Bad debt	549	-	549
Credit reports	8,678	-	8,678
Replacement fund	-	2,231,807	2,231,807
	617,219	2,231,807	2,849,026
 EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	 52,557	 (1,238,447)	 (1,185,890)
 FUND BALANCES - JANUARY 1, 2015	 <u>3,583,285</u>	 <u>5,263,878</u>	 <u>8,847,163</u>
 FUND BALANCES - DECEMBER 31, 2015	 <u>\$ 3,635,842</u>	 <u>\$ 4,025,431</u>	 <u>\$ 7,661,273</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>OPERATING FUND</u>	<u>REPLACEMENT FUND</u>	<u>TOTAL</u>
Cash Flows from Operating Activities:			
Maintenance assessments collected	\$ 3,112,847	\$ 955,771	\$ 4,068,618
Interest income received	7,505	36,631	44,136
Other receipts	107,285	-	107,285
Cash paid for operating expenses	(2,939,989)	-	(2,939,989)
Cash paid for payroll and related expenses	(340,081)	-	(340,081)
Cash paid for replacement fund expenses	-	(2,156,497)	(2,156,497)
	-		
Net Cash Provided (Used) by Operating Activities	<u>(52,433)</u>	<u>(1,164,095)</u>	<u>(1,216,528)</u>
Cash Flows from Investing Activities:			
Net redemption of investment - U.S. Government Fund	-	113,871	113,871
Net redemption (purchase) of certificates of deposit	1,936	1,397,683	1,399,619
Net Cash Provided (Used) by Investing Activities	<u>1,936</u>	<u>1,511,554</u>	<u>1,513,490</u>
Cash Flows from Financing Activities:			
Escrow deposits	625	-	625
Interfund advances	54,352	(54,352)	-
Net Cash Provided (Used) by Financing Activities	<u>54,977</u>	<u>(54,352)</u>	<u>625</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,480	293,107	297,587
Cash and Cash Equivalents - January 1, 2015	<u>1,271,447</u>	<u>544,510</u>	<u>1,815,957</u>
Cash and Cash Equivalents - December 31, 2015	<u>\$ 1,275,927</u>	<u>\$ 837,617</u>	<u>\$ 2,113,544</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015

	OPERATING FUND	REPLACEMENT FUND	TOTAL
RECONCILIATION OF EXCESS (DEFICIT) OF REVENUES OVER EXPENSES TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Excess (Deficit) of Revenues Over Expenses	\$ 52,557	\$ (1,238,447)	\$ (1,185,890)
Adjustments to Reconcile Excess (Deficit) of Revenues Over Expenses to Net Cash Provided (Used) by Operating Activities:			
Depreciation	7,539	-	7,539
Bad Debt	549	-	549
(Increase) Decrease in Assets:			
Accrued interest receivable	470	(958)	(488)
Maintenance assessments receivable	13,075	-	13,075
Other receivable	(18,739)	-	(18,739)
Prepaid expenses	(1,686)	45,186	43,500
Inventory and supplies	22,356	-	22,356
Increase (Decrease) in Liabilities:			
Accounts payable and accrued expenses	(79,361)	30,124	(49,237)
Prepaid assessments	(16,793)	-	(16,793)
Deferred income	(32,400)	-	(32,400)
Total Adjustments	(104,990)	74,352	(30,638)
Net Cash Provided (Used) by Operating Activities	\$ (52,433)	\$ (1,164,095)	\$ (1,216,528)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE A - NATURE OF ORGANIZATION

Lauderdale West Community Association No. 1, Inc. is a statutory condominium association incorporated in the State of Florida on October 30, 1972. The Association consists of both a homeowners association consisting of 815 single family homes and a condominium association consisting of 544 condominium units. The Association is responsible for the operation and maintenance of the common property and recreation facilities of the Lauderdale West Community located in Plantation, Florida.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Multi Condominium Statutory Reporting

The Association has elected, though not required, to report following rule 61B-22.006(4) of the Florida Administrative Code which requires multi condominium associations to present revenues, expenses and changes in fund balance for each condominium as well as the Association. The Association presents this information for the single family homes and the condominiums separately as well as combined into one reporting entity.

Fund Accounting

The Association's governing documents 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 using 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 is used to account for financial resources available for the general operations of the Association. |
| Replacement Fund - | This fund is used to accumulate financial resources designated for future major repairs and replacements. |

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Member Assessments

Association members are subject to monthly assessments to provide funds for the Association's operating expenses, future capital acquisitions, and major repairs and replacements. Assessments receivable at the balance sheet date represent fees due from unit owners. The Association's policy is to retain legal counsel and place liens on the properties of unit owners whose assessments are delinquent. Any excess assessments at year-end are retained by the Association for use in the succeeding year.

At December 31, 2015, the Association had delinquent assessments of \$83,305. It is the opinion of the Board of Directors that the Association will not ultimately prevail against some of these unit owners with delinquent assessments and, accordingly, an allowance for uncollectible accounts of \$50,000 is deemed necessary.

Allocation of Expenses

The Association allocates common maintenance, administrative and recreation expenses to the condominiums and the single family homes based on specific percentages. The condominiums are allocated 40% of these expenses and the single family homes are allocated 60%. Direct expenses are allocated to the entity that incurs the charge.

Income Taxes

The Association qualifies as a tax-exempt homeowners' association under Internal Revenue Code Section 528 for the year ended December 31, 2015. Under that Section, the Association is not taxed on income and expenses related to its exempt purpose, which is the acquisition, construction, management, maintenance, and care of Association property. Net nonexempt function income, which includes earned interest and revenues received from nonmembers, is taxed at 30% by the federal government.

Under federal and state income tax laws, an entity's income tax returns are subject to examination by the applicable taxing authorities. The time period during which a return may be selected by a taxing authority for examination generally ends at the later of three years after the initial due date of the return or three years after the return is filed. At December 31, 2015, the Association's tax years that remain subject to examination are 2012 through 2014.

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Real property and common areas acquired from the developer and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association. The Association capitalizes personal property at cost and depreciates it using the straight-line method.

Interest Earned

The Board's policy is to allocate to the applicable fund interest earned on cash accounts.

Estimates

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.

Cash and Cash Equivalents

For purposes of these financial statements, the Association considers demand deposit accounts, savings accounts and certificate of deposits in highly liquid accounts to be cash equivalents.

Comprehensive Income

ASC 220 (formerly SFAS No. 130) requires "a full set of general-purpose financial statements to be expanded to include the reporting of comprehensive income." Comprehensive income is comprised of two components, net income and other comprehensive income. For the year ended December 31, 2015, there were no items that qualify as comprehensive income.

Fair Value of Financial Instruments

The carrying amounts of the Association's financial instruments, which include cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and long-term debt, approximate their fair values due to their short-term maturities.

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting for Uncertainty in Income Taxes

A loss contingency is recognized when it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The amount recognized is subject to estimate and management judgment with respect to the likely outcome of each uncertain tax position. The amount that is ultimately sustained for an individual uncertain tax position or for all uncertain tax positions in the aggregate could differ from the amount recognized.

NOTE C – FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents and Florida Statutes require that funds be accumulated for future major repairs and replacements of the common elements for the condominiums. Accumulated funds are to be held in separate accounts and are generally not available for expenditures for normal operations.

An independent study to determine the adequacy of the current funding program for the replacement of Association common elements has not been conducted. The Association is funding for future major repairs and replacements over the estimated remaining useful lives of the components of the replacement fund based on the Board of Directors' estimates of current replacement costs after considering amounts previously accumulated in the replacement fund.

Funds are being accumulated in the replacement fund based on estimates of future needs 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 or 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, approve special assessments, or delay major repairs and replacements until funds are available.

NOTE D – CONCENTRATIONS OF RISK

The Association maintains cash balances at several financial institutions. Cash accounts at these institutions are secured by the Federal Deposit Insurance Corporation up to \$250,000. Securities accounts are secured by the Securities Investor Protection Corporation up to \$500,000.

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2015

NOTE E – INSURANCE DEDUCTIBLE

The property insurance policy covering the Association is subject to a deductible of 3% of the insured value for claims arising from wind and hailstorms. The Association is responsible for losses up to this amount. Single family homes are responsible for their own insurance.

NOTE F – PROPERTY, FURNITURE AND FIXTURES

Property, furniture and fixtures consist of the following at December 31, 2015:

		Estimated Useful Life (In years)
Land	\$1,782,662	N/A
Buildings	2,268,914	20-30
Motor vehicles	<u>158,615</u>	5-10
	4,210,191	
Less: Accumulated depreciation	<u>(2,427,529)</u>	
	<u>\$1,782,662</u>	

NOTE G – INVESTMENT IN LAUDERDALE WEST COMMUNITY REALTY HOLDINGS, LLC

The Association created a subsidiary, limited liability company known as Lauderdale West Community Realty Holdings, LLC, filed August 19, 2010 under State of Florida Document Number L10000087350. The purpose of this wholly owned subsidiary is to take legal ownership of real estate as a result of Association foreclosures on non-payment of maintenance assessments by unit owners. This structure will allow the Association to control the ownership and title upon the foreclosure sale. This was done in order to minimize any risks associated with the Association directly owning the real estate in the Association's name, subject to any respective mortgages.

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE G – INVESTMENT IN LAUDERDALE WEST COMMUNITY REALTY HOLDINGS, LLC (continued)

The Association is not obligated to any third party loans as the Association has not agreed to be bound by such loans either by re-executing any note or any mortgage assumption agreement.

There is no value presented on the accompanying balance sheet. At this point the value of the unit itself is in question due to unknown circumstances involving the eventual sale of the unit and the ability to collect any back maintenance fees owed.

NOTE H – CABLE CONTRACT

The Association has entered a contract with a vendor granting them exclusive rights to install and operate equipment to provide bulk cable television services. The contract commences on the later of April 20, 2013 or the date 100% of the unit owners have had a chance to establish service and runs for seven years. Thereafter, the agreement shall extend for successive one year periods unless either party provides written notice of their intent not to renew at least 60 days prior to the end of the term. The initial cost of the contract will be \$33.95 per unit plus taxes and fees. After the first year, the fee may be increased “by an amount equal to no more than 4% annually, provided that fee may not exceed the retail price for services functionally equivalent to the bulk services”.

The Association also entered into a contract with a vendor to assist in marketing these services to new homeowners. As compensation for signing this contract, the Association received a per unit compensation of \$225 for a total of \$305,775. The right to receive this compensation terminates upon termination of the agreement and a refund will be due to the vendor based on the remaining term. Income will be recognized over the term of the contract beginning in 2013. The unearned portion of this income is reflected as deferred income on the accompanying balance sheet. The Association also paid a fee to another vendor for negotiating this contract. The fee was \$81,540. If the Association defaults on the agreement, a termination fee shall be due and calculated as follows: bulk monthly fee times 1,359 units times number of remaining months times 25%.

NOTE I - COMMITMENTS

The Association has entered into a contract to upgrade their entire irrigation system. The contract calls for a down payment of \$75,199 and twenty four monthly payments of \$12,533. This began in January 2015.

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE J - DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through the date of this report. That date is the date the financial statements were available to be issued.

**SUPPLEMENTAL SCHEDULES AND
SUPPLEMENTARY INFORMATION
ON FUTURE MAJOR REPAIRS
AND REPLACEMENTS**

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN OPERATING FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Total</u>	<u>Common</u>	<u>Condominiums</u>	<u>Single Family Homes</u>
REVENUES:				
Maintenance assessments	\$ 3,166,016	\$ -	\$ 1,554,079	\$ 1,611,937
Interest income	7,035	6,346	689	-
Rental income	20,325	5,625	6,750	7,950
Other income	138,099	94,121	11,562	32,416
Allocation of common revenue	-	(106,092)	42,437	63,655
	<u>3,331,475</u>	<u>-</u>	<u>1,615,517</u>	<u>1,715,958</u>
EXPENSES:				
Common Expenses:				
Gas and oil	9,399	9,399	-	-
Water and sewer	19,390	19,390	-	-
Election expenses	3,724	3,724	-	-
Dumping	7,655	7,655	-	-
Electricity	92,512	92,512	-	-
Cable television	657,598	657,598	-	-
Elevator	3,865	3,865	-	-
Janitorial	112,200	112,200	-	-
Sprinklers	204,307	204,307	-	-
Lawn maintenance	372,000	372,000	-	-
Landscaping	38,340	38,340	-	-
Pest control	80,575	80,575	-	-
Lake and canal maintenance	11,275	11,275	-	-
Fire alarm	11,553	11,553	-	-
Television surveillance and security	5,068	5,068	-	-
Supplies and repairs	65,910	65,910	-	-
Bulletin expense	35,696	35,696	-	-
Small tools and handyman	1,160	1,160	-	-
Vehicle and bus repairs	1,481	1,481	-	-
Plumbing	5,175	5,175	-	-
Depreciation	7,539	7,539	-	-
Electrical	9,264	9,264	-	-
Pool	55,580	55,580	-	-
A/C repairs and maintenance	10,404	10,404	-	-
Movie and show expenses	46,736	46,736	-	-
Activities and athletics	3,739	3,739	-	-
Audio and lights	1,372	1,372	-	-
Bookkeeping	69,309	69,309	-	-
Professional fees	49,370	49,370	-	-
Computer	13,760	13,760	-	-
Office	36,063	36,063	-	-
Telephone	9,801	9,801	-	-
Insurance	154,783	154,783	-	-
Licenses, permits and taxes	7,883	7,883	-	-
Payroll and related costs	340,081	340,081	-	-
Social	11,387	11,387	-	-
Capital items	95,745	95,745	-	-
Allocation of Association Expenses	-	(2,661,699)	1,064,680	1,597,019
	<u>\$ 2,661,699</u>	<u>\$ -</u>	<u>\$ 1,064,680</u>	<u>\$ 1,597,019</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN OPERATING FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015
(CONTINUED)

	<u>Total</u>	<u>Common</u>	<u>Condominiums</u>	<u>Single Family Homes</u>
Direct Expenses:				
Exterminating	\$ 30,560	\$ -	\$ 10,630	\$ 19,930
Repairs and maintenance	11,899	-	2,535	9,364
Roof repairs	46,445	-	3,570	42,875
Professional fees	30,820	-	5,392	25,428
Insurance	486,092	-	486,092	-
Filing fees	2,176	-	2,176	-
Bad debt (recovery)	549	-	(3,180)	3,729
Credit reports	8,678	-	3,571	5,107
	<u>617,219</u>	<u>-</u>	<u>510,786</u>	<u>106,433</u>
EXCESS OF REVENUES OVER EXPENSES	52,557	-	40,051	12,506
FUND BALANCES - JANUARY 1, 2015	<u>3,583,285</u>	<u>-</u>	<u>1,458,238</u>	<u>2,125,047</u>
FUND BALANCES - DECEMBER 31, 2015	<u>\$ 3,635,842</u>	<u>\$ -</u>	<u>\$ 1,498,289</u>	<u>\$ 2,137,553</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO.1, INC.
SCHEDULES OF REVENUES, EXPENSES AND CHANGES IN REPLACEMENT FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Balance December 31, 2014	Assessments	Other	Interest	Expenses	Balance December 31, 2015
Condominiums						
<u>Common</u>						
Bus	\$ 36,627	\$ 1,737	\$ -	\$ -	\$ -	\$ 38,364
Recreation area roofs	18,230	1,605	-	-	-	19,835
Recreation area A/C	12,196	4,868	-	-	-	17,064
Recreation center decorating	2,500	2,682	-	-	-	5,182
Road resurface	28,654	1,345	-	-	-	29,999
Sea wall	4,618	86	-	-	-	4,704
Sprinkler pumps	-	477	-	-	-	477
Resurface pools	28,277	-	-	-	-	28,277
Hurricane	40,000	-	-	-	-	40,000
Back hoe	1,263	-	(1,263)	-	-	-
Pool - satellite	2,667	1,333	-	-	-	4,000
Main pool	27,824	937	-	-	-	28,761
Roof - satellite	2,336	569	-	-	-	2,905
Fire sprinkler	16,343	2,530	-	-	-	18,873
	<u>221,535</u>	<u>18,169</u>	<u>(1,263)</u>	<u>-</u>	<u>-</u>	<u>238,441</u>
<u>Direct</u>						
Roof	1,186,177	103,850	-	-	(355,870)	934,157
Paint	5,786	53,408	-	-	(53,702)	5,492
Termite control	17,094	-	-	-	(2,325)	14,769
Pipe replacement	23,157	20,000	-	-	-	43,157
Quadplex inspections	24,250	13,056	-	-	(11,311)	25,995
Interest	19,090	-	1,263	8,963	-	29,316
	<u>1,275,554</u>	<u>190,314</u>	<u>1,263</u>	<u>8,963</u>	<u>(423,208)</u>	<u>1,052,886</u>
Condominium totals	\$ 1,497,089	\$ 208,483	\$ -	\$ 8,963	\$ (423,208)	\$ 1,291,327
Single Family Homes						
<u>Common</u>						
Bus	\$ 54,678	\$ 2,661	\$ -	\$ -	\$ -	\$ 57,339
Recreation area roofs	27,726	2,374	-	-	-	30,100
Recreation area A/C	18,567	7,270	-	-	-	25,837
Recreation center decorating	3,750	4,012	-	-	-	7,762
Road resurface	35,413	2,056	-	-	-	37,469
Sea wall	6,945	128	-	-	-	7,073
Sprinkler pumps	-	750	-	-	-	750
Resurface pools	42,134	-	-	-	-	42,134
Hurricane	60,000	-	-	-	-	60,000
Backhoe	1,895	-	(1,895)	-	-	-
Pool - satellite	4,000	2,000	-	-	-	6,000
Main pool	41,736	1,405	-	-	-	43,141
Roof - satellite	-	851	-	-	-	851
Fire sprinkler	24,563	3,793	-	-	-	28,356
	<u>321,407</u>	<u>27,300</u>	<u>(1,895)</u>	<u>-</u>	<u>-</u>	<u>346,812</u>
<u>Direct</u>						
Roofs	3,320,863	512,584	-	-	(1,606,442)	2,227,005
Paint	38,491	192,404	-	-	(188,607)	42,288
Termite control	3,675	15,000	-	-	(13,550)	5,125
Interest	82,353	-	1,895	28,626	-	112,874
	<u>3,445,382</u>	<u>719,988</u>	<u>1,895</u>	<u>28,626</u>	<u>(1,808,599)</u>	<u>2,387,292</u>
Single family homes totals	3,766,789	747,288	-	28,626	(1,808,599)	2,734,104
Grand Totals	\$ 5,263,878	\$ 955,771	\$ -	\$ 37,589	\$ (2,231,807)	\$ 4,025,431

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
 SUPPLEMENTARY INFORMATION ON FUTURE MAJOR
 REPAIRS AND REPLACEMENTS
 UNAUDITED
 DECEMBER 31, 2015

The Board of Directors and management have estimated the remaining useful lives and the replacement costs of the components of common property. The following table is based on these estimates and presents significant information about the components of common property.

	Estimated Remaining Useful Life (in years)	Estimated Replacement Cost	Components of Fund Balance at 12/31/15	2016 Funding per Budget
<u>Condominiums</u>				
<u>Common - 40%</u>				
Bus	1	\$ 40,000	\$ 38,364	\$ 1,637
Recreation area roofs	6	60,000	19,835	6,694
Recreation area A/C	8	56,000	17,064	4,867
Recreation center decorating	6	20,000	5,182	2,470
Road resurface	1	30,000	29,999	-
Sea wall	1	4,800	4,704	96
Sprinkler pumps	7	26,000	477	3,714
Resurface pools	7	24,590	28,277	-
Hurricane	N/A	-	40,000	-
Backhoe	N/A	-	-	-
Pool - satellite	12	20,000	4,000	1,333
Main pool	12	40,000	28,761	937
Roof - satellite	16	12,000	2,905	568
Fire sprinkler	21	72,000	18,873	2,530
		<u>405,390</u>	<u>238,441</u>	<u>24,846</u>
<u>Direct - 100%</u>				
Roof	Various	2,431,000	934,157	103,850
Paint	7	490,000	5,492	70,000
Termite control	Various	Various	14,769	-
Pipe replacement	Various	100,000	43,157	20,000
Resealing parking	3	40,000	-	13,333
Quadplex inspection	1	26,000	25,995	-
Interest	N/A	N/A	29,316	-
		<u>3,087,000</u>	<u>1,052,886</u>	<u>207,183</u>
<u>Condominium totals</u>		<u>\$ 3,492,390</u>	<u>\$ 1,291,327</u>	<u>\$ 232,029</u>

LAUDERDALE WEST COMMUNITY ASSOCIATION NO. 1, INC.
 SUPPLEMENTARY INFORMATION ON FUTURE MAJOR
 REPAIRS AND REPLACEMENTS
 UNAUDITED
 DECEMBER 31, 2015
 (CONTINUED)

	Estimated Remaining Useful Life (in years)	Estimated Replacement Cost	Components of Fund Balance at 12/31/15	2016 Funding per Budget
<u>Single Family Homes</u>				
<u>Common - 60%</u>				
Bus	1	\$ 60,000	\$ 57,339	\$ 2,661
Recreation area roofs	6	90,000	30,100	9,983
Recreation area A/C	8	84,000	25,837	7,270
Recreation center decorating	6	30,000	7,762	3,706
Road resurface	1	45,000	37,469	7,531
Sea wall	1	7,200	7,073	128
Sprinkler pumps	7	39,000	750	5,571
Resurface pools	7	36,886	42,134	-
Hurricane	N/A	-	60,000	-
Backhoe	N/A	-	-	-
Pool - satellite	12	30,000	6,000	2,000
Main pool	12	60,000	43,141	1,405
Roof - satellite	16	18,000	851	1,072
Fire sprinkler	21	108,000	28,356	3,793
		<u>608,086</u>	<u>346,812</u>	<u>45,120</u>
<u>Direct - 100%</u>				
Roofs	Various	16,137,000	2,227,005	710,000
Paint	Various	1,400,000	42,288	200,000
Termite control	Various	Various	5,125	15,000
Interest	N/A	N/A	112,874	-
		<u>17,537,000</u>	<u>2,387,292</u>	<u>925,000</u>
<u>Single family homes totals</u>		<u>18,145,086</u>	<u>2,734,104</u>	<u>970,120</u>
Grand totals		<u>\$ 21,637,476</u>	<u>\$ 4,025,431</u>	<u>\$ 1,202,149</u>