

WEST CREEK AND WEST HILLS COMMUNITY ASSOCIATION  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2017

NOTE 8. INVESTMENTS

The Association's investments consist of certificates of deposit with original maturities over 90 days. Investment income from these investments is recorded when earned or accrued. The investments are considered to be held to maturity and are carried at cost, which approximates the fair value. At March 31, 2017, the Association's investments totaled \$2,580,000. The certificates of deposit have remaining maturity dates ranging from one month to two years, with interest rates ranging from 0.75% to 1.70%.

NOTE 9. REPLACEMENT FUND EXPENDITURES

Replacement fund expenditures for the year ended March 31, 2017 are as follows:

Painting	\$ 89,955
Asphalt/concrete work	53,704
Roof repairs	49,873
Patio furniture	30,000
Recreation centers	21,382
Access gate	9,343
Wood repairs	7,000
Lighting/electrical repairs	6,293
Landscape	4,802
Water damage and related repairs	2,200
Doors	<u>711</u>
Total	<u><u>\$ 275,263</u></u>

NOTE 10. LEGAL

In August 2016, a lawsuit was filed against the Association and other parties regarding alleged personal injuries suffered on the Association's common area. This matter has been tendered to the Association's insurance carrier. As this matter is pending, the outcome cannot be determined at this time.

NOTE 11. CONCENTRATION OF RISK

At March 31, 2017, the Association maintained funds at one financial institution whereby the cumulative balances on account exceeded FDIC insurance limits of \$250,000. At March 31, 2017, \$1,121,302 was exposed to this risk.