
OWNERS ASSOCIATION AT COUNTRY LAKES

2020 Audit begins

(proceeding pages)

OWNERS ASSOCIATION AT COUNTRY LAKES, INC.

Adjusting Entries - Detailed
12/31/2020

Date:	4/9/2021
Prepared By:	HM
Reviewed By:	ST

Page 1

AJE #	G/L Acct.	Account Name	Debit	Credit	
1	17200	Fixtures & Furnishings	21,644.59		ST
1	17700	Accumulated Depreciation		3,249.65	ST
1	20650	Accrued Expenses Payable		7,108.00	ST
1	20851	Income Tax Payable		734.00	ST
1	30400	Retained Earnings - Prior Year		10,552.94	ST
		To consider prior period Adj to match opening equity			
2	14500	Prepaid Expenses		1,600.00	ST
2	56020	Social Event 2	1,250.00		ST
2	50300	Supplies - Administrative	350.00		ST
		To reverse expense for the period accounted as			
3	54000	Depreciation Expense	4,328.92		ST
3	17700	Accumulated Depreciation		4,328.92	ST
		To provide depreciation expense for current year			
4	60060	Water / Sewer		1,076.00	ST
4	70220	Landscape Enhancements		3,775.00	ST
4	70350	Irrigation		2,547.00	ST
4	70239	Lighting		473.00	ST
4	60000	Electricity	333.00		ST
4	70315	Lakes/Fountains/Pond Maint. & Dredging		3,054.00	ST
4	70221	Landscape Maintenance		974.00	ST
4	50030	Delinquency Processing Fees	116.00		ST
4	53070	Compensation - Mgmt. Wages	1,432.00		ST
4	70315	Lakes/Fountains/Pond Maint. & Dredging	1,500.00		ST
4	50050	IT Services	1,410.00		ST
4	20650	Accrued Expenses Payable	7,108.00		ST
		To reverse 2019 accruals			
5	90100	Repl. Rsrv. - Fence / Gates / Walls	8,008.00		ST
5	90150	Repl. Rsrv. - Landscaping / Site Drainage	36,850.46		ST
5	90100	Repl. Rsrv. - Fence / Gates / Walls	24,080.00		ST
5	90421	Repl. Rsrv. - Lake/Fountain/Dredging	23,487.97		ST
5	90421	Repl. Rsrv. - Lake/Fountain/Dredging	4,617.76		ST
5	90240	Repl. Rsrv. - Irrigation	2,857.82		ST
5	90190	Repl. Rsrv. - Pavement	1,428.37		ST
5	90070	Repl. Rsrv. - Electrical	10,990.08		ST
5	90400	Restricted Reserve Expense		112,320.46	ST
		To reclassify reserve expense to correct expense line			
6	60000	Electricity		4,103.70	ST
6	60060	Water / Sewer	1,675.20		ST
6	70315	Lakes/Fountains/Pond Maint. & Dredging		1,500.00	ST
6	70290	Pest Control		160.00	ST
6	70350	Irrigation	1,331.48		ST
6	65400	Pools / Jacuzzis - Contract	264.00		ST
6	60040	Telephone / Long Distance		370.00	ST
6	20650	Accrued Expenses Payable	2,863.02		ST
		To create accrued expense provision for 2020			
Page Totals / Difference			157,926.67	157,926.67	-

OWNERS ASSOCIATION AT COUNTRY LAKES, INC.
Fixed Asset Analysis
12/31/2020

Date:	4/9/2021
Prepared By:	HM
Reviewed By:	

G/L #	Description	Acquisition Date	Basis	Beginning Balance	Additions	Retirements	Ending Balance
17500	Land		-	-	-	-	-
	TOTALS		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Furniture & Equipment	Acquisition Date	Basis	Useful Life	Depr. Method	Beginning Balance	Additions	Retirements	Ending Balance
Furniture	4/1/2019	21,644.59	5	s/l	21,644.59	-	-	21,644.59
TOTALS		<u>21,644.59</u>			<u>21,644.59</u>	<u>-</u>	<u>-</u>	<u>21,644.59</u>

17700	Accumulated Depreciation	Acquisition Date	Basis	Useful Life	Depr. Method	Beginning Balance	Debit	Credit	Ending Balance
	Furniture	4/1/2019	21,644.59	5	s/l	3,249.65	-	4,328.92	7,578.57
	TOTALS		<u>21,644.59</u>			<u>3,249.65</u>	<u>-</u>	<u>4,328.92</u>	<u>7,578.57</u>

NET VALUE - FIXED ASSETS 14,066.02

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OWNERS ASSOCIATION AT COUNTRY LAKES, INC.

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TIMOTHY, DeVOLT AND COMPANY, P.C.

4099 McEWEN ROAD, SUITE 135
FARMERS BRANCH, TEXAS 75244
OFFICE (972) 980-4315
FAX (972) 702-0174
www.timothydevolt.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Owners Association at Country Lakes, Inc.
Argyle, Texas

We have audited the accompanying financial statements of Owners Association at Country Lakes, Inc. which comprise the Balance Sheet as of December 31, 2020, and the related Statements of Revenues, Expenses and Changes in Fund Balance, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditors' 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, 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 Owners Association at Country Lakes, Inc. as of December 31, 2020, 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

Accounting principles generally accepted in the United States of America require that the information on future major repairs and replacements on pages 10 – 13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Very truly yours,

Timothy, DeVolt and Company, P.C.
Certified Public Accountants
April XX, 2021

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OWNERS ASSOCIATION AT COUNTRY LAKES, INC.
BALANCE SHEET
DECEMBER 31, 2020

ASSETS			
	OPERATING FUND	REPLACEMENT FUND	TOTAL
CURRENT ASSETS			
Cash, including interest-bearing deposits	\$ 310,927	\$ 131,629	\$ 442,556
Assessments receivable, less allowance for doubtful accounts of \$ 32,306	39,830		39,830
Accounts receivable - other	1,260		1,260
Inter-fund receivable/(payable)	41,494	(41,494)	-
Prepaid insurance	1,834		1,834
Prepaid expense - other	453		453
TOTAL CURRENT ASSETS	395,798	90,135	485,933
PROPERTY AND EQUIPMENT, AT COST			
Furniture & fixtures	21,645		21,645
Less: accumulated depreciation	(7,579)		(7,579)
PROPERTY AND EQUIPMENT, NET	14,066	-	14,066
TOTAL ASSETS	\$ 409,864	\$ 90,135	\$ 499,999
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITIES			
Accounts payable	\$ 23,017	\$	\$ 23,017
Assessments received in advance	169,766		169,766
Owner fees payable to management	2,150		2,150
TOTAL CURRENT LIABILITIES	194,933	-	194,933
OTHER LIABILITIES			
Miscellaneous	3,799		3,799
TOTAL OTHER LIABILITIES	3,799	-	3,799
TOTAL LIABILITIES	198,732	-	198,732
FUND BALANCES / (DEFICITS)	211,132	90,135	301,267
TOTAL LIABILITIES AND FUND BALANCES	\$ 409,864	\$ 90,135	\$ 499,999

See the accompanying Independent Auditors' Report
and the Footnotes to the Financial Statements.

OWNERS ASSOCIATION AT COUNTRY LAKES, INC.
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

	OPERATING FUND	REPLACEMENT FUND	TOTAL
REVENUES			
Regular assessments	\$ 666,384	\$ 111,698	\$ 778,082
Miscellaneous owner fees	18,571		18,571
Rental / vending income	268		268
Interest income	1,479	1,165	2,644
Late/collection charges	7,100		7,100
Other income	5,558		5,558
TOTAL REVENUES	<u>699,360</u>	<u>112,863</u>	<u>812,223</u>
OPERATING EXPENSES			
Landscaping & lawn maintenance	228,906	36,850	265,756
Utilities expense	92,833		92,833
Management fees - compensation	88,088		88,088
Repairs - irrigation	62,455		62,455
Lake & fountain maintenance	45,239	28,106	73,345
Pool maintenance & repairs	37,108		37,108
Management fees - contract	36,460		36,460
Office supplies & admin. costs	33,619		33,619
Insurance expense	19,590		19,590
Repairs - other	14,960	4,286	19,246
Repairs - janitorial supplies	11,536		11,536
Cable / telephone expense	4,416		4,416
Depreciation expense	4,329		4,329
Legal & professional fees	3,220		3,220
Social events	1,421		1,421
Taxes - real property	24		24
Repairs - fence / gate / walls		32,088	32,088
Repairs - electrical		10,990	10,990
TOTAL OPERATING EXPENSES	<u>684,204</u>	<u>112,320</u>	<u>796,524</u>
EXCESS REVENUES / (EXPENSES)	<u>\$ 15,156</u>	<u>\$ 543</u>	<u>\$ 15,699</u>
BEGINNING FUND BALANCE / (DEFICIT)	195,967	89,601	285,568
INTER-FUND TRANSFERS	9	(9)	-
ENDING FUND BALANCE / (DEFICIT)	<u>\$ 211,132</u>	<u>\$ 90,135</u>	<u>\$ 301,267</u>

See the accompanying Independent Auditors' Report
and the Footnotes to the Financial Statements.

OWNERS ASSOCIATION AT COUNTRY LAKES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

	OPERATING FUND	REPLACEMENT FUND	TOTAL
CASH FLOW FROM OPERATING ACTIVITIES:			
Excess revenues/ (expenses)	\$ 15,156	\$ 543	\$ 15,699
Add: Depreciation	4,329	-	4,329
Decrease / (Increase) in:			
Accounts receivable	(18,346)	-	(18,346)
Accounts receivable - other	(1,031)	-	(1,031)
Prepaid expenses	(630)	-	(630)
Increase / (Decrease) in:			
Accounts payable	(8,722)	-	(8,722)
Prepaid assessments	2,935	-	2,935
Miscellaneous payable	(3,038)	-	(3,038)
Income tax payable	(734)	-	(734)
Collection fee escrow	2,150	-	2,150
Miscellaneous liabilities	3,799	-	3,799
NET CASH PROVIDED/ (USED) BY OPERATIONS	(4,132)	543	(3,589)
CASH FLOW FROM INVESTING ACTIVITIES:			
CASH FLOW FROM FINANCING ACTIVITIES:			
Increase / (Decrease) in:			
Change in inter-fund borrowings	(41,494)	41,494	-
Inter-fund transfers	1	-	1
NET CASH PROVIDED/ (USED) BY FINANCING	(41,493)	41,494	1
NET INCREASE/ (DECREASE) IN CASH	(45,625)	42,037	(3,588)
CASH BALANCE, BEGINNING OF YEAR	356,552	89,592	446,144
CASH BALANCE, END OF YEAR	\$ 310,927	\$ 131,629	\$ 442,556
SUPPLEMENTAL DISCLOSURE:			
Cash paid during the year for:			
Federal Income Tax	\$ 734	\$ -	\$ 734
Interest Expense	\$ -	\$ -	\$ -

See the accompanying Independent Auditors' Report
and the Footnotes to the Financial Statements.

OWNERS ASSOCIATION AT COUNTRY LAKES, INC.
FOOTNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

FOOTNOTE 1: Owners Association at Country Lakes, Inc. is a Texas non-profit corporation formed April 3, 2007. The purpose of the corporation is to operate and maintain the Owners Association at Country Lakes project. The project consists of 1,059 units and associated common elements located in Argyle, Texas.

FOOTNOTE 2: In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through April XX, 2021, the date that the financial statements were available to be issued.

FOOTNOTE 3: The books and records for Owners Association at Country Lakes, Inc. are maintained on the accrual basis of accounting.

FUND ACCOUNTING: The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restriction 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.

CASH AND CASH EQUIVALENTS: For the purposes of these financial statements, cash and cash equivalents are deemed to be cash in bank checking, savings and money market accounts and time deposits with a maturity date of ninety days or less.

REVENUES: Revenues are accrued each month as the member assessments become due. Both the rate for members' assessments and the amount of any special assessments due are determined by the vote of the Board of Directors.

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See the accompanying Independent Auditors' Report.

OWNERS ASSOCIATION AT COUNTRY LAKES, INC.
FOOTNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

FOOTNOTE 3: (CONTINUED):

REPLACEMENT FUND ASSESSMENT REVENUES: The Association has applied ASC 605 revenue recognition whereby “rules based” specific guidance was defined for CIRAs rather than ASC 606 which provides “principles based” broad standards that do not include specific guidance for CIRAs. Furthermore, Replacement Fund Assessments cannot apply the following four tests required under ASC 606: (1.) Assessments are not related to a “customer or customers” (2.) Assessments do not have a performance obligation (3.) There is no transaction price for replacement expenses (4.) Cannot allocate Assessments to a future performance obligation. As a result, we do not believe that the application of ASC 606 would fairly present the financial position to the CIRA financial readers.

EXPENDITURES: Expenses are recognized when incurred, rather than when paid. Unbudgeted, non-emergency expenditures must be approved by a member of the Board of Directors. All other expenditures, projects and services are contracted using competitive bidding policies. The Board of Directors has the final approval on all contracts.

ACCOUNTS RECEIVABLE: 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 homeowners whose assessments are ninety days or more delinquent. The Association has a lien right against each unit until all dues or assessments are paid, such liens being subordinate to governmental and mortgage liens and legal fees associated with foreclosure proceedings. Any excess assessments at year end are retained by the Association for use in the succeeding year.

ALLOWANCE FOR DOUBTFUL ACCOUNTS: The allowance for doubtful accounts has been determined by the Association based on historical losses and by estimates based on current economic conditions. At December 31, 2020, the allowance for doubtful accounts of \$ 32,306 represents approximately 45 % of the total accounts receivable and approximately 51 % of the outstanding amounts in excess of ninety days old.

PROPERTY AND EQUIPMENT: The Association assumed, from the developer, the responsibility to maintain and preserve the common areas of the project. 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 the Association cannot dispose of this property. The Association capitalizes personal property, if any, at cost and depreciates it using the straight-line method, over applicable useful lives. The depreciation expense for the year was \$ 4,329.

See the accompanying Independent Auditors’ Report.

OWNERS ASSOCIATION AT COUNTRY LAKES, INC.
FOOTNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

FOOTNOTE 3: (CONTINUED)

FEDERAL INCOME TAX: The Association must make an annual election to file its Federal Income Tax return either under the provisions of the Internal Revenue code dealing specifically with Homeowners Associations (Section 528) or (Section 277 Sub-Chapter A), dealing with corporations in general. Section 528 would impose a tax rate of 30 % to the extent of the Association's non-exempt function net income, primarily vending, rental and interest income. Alternatively, Section 277 Sub-Chapter A imposes a tax rate of 21 % on the Association's overall net income, if any.

As a result of the Association's operations for the year ended December 31, 2020, the Association has elected to file under Section 528. Income tax for the year was \$ -0-.

Currently, the open tax years available to audit by the IRS are 2018, 2019 and 2020. However, the Association has not been notified that any of these return years have been selected for audit by the IRS.

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.

FOOTNOTE 4: COMMITMENTS: The Association enters into various contracts for management and accounting, lawn maintenance, and other services. These contracts are generally for a term of one year and may generally be canceled by either party giving 30 days' notice.

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See the accompanying Independent Auditors' Report.

OWNERS ASSOCIATION AT COUNTRY LAKES, INC.
FOOTNOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

FOOTNOTE 5: FAIR VALUE: The Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements), moderate priority to a valuation based on quoted prices in active markets for similar assets and liabilities and/or based on assumptions that are observable (level 2 measurements), and the lowest priority to unobservable inputs (level 3 measurements).

The carrying amounts reflected in the December 31, 2020 balance sheet for cash and cash equivalents approximate the respective fair values. All cash and cash equivalents, including money market accounts, are held in banks. The Association currently has no money market accounts with non-federally insured institutions.

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See the accompanying Independent Auditors' Report.

OWNERS ASSOCIATION AT COUNTRY LAKES, INC.
 SUPPLEMENTARY INFORMATION ON FUTURE
 MAJOR REPAIRS AND REPLACEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2020

REPLACEMENT FUND: The Association's governing documents generally provide for the levying of special assessments or the increasing of regular assessments when major repairs and replacements are needed. The Board of Directors, however, has chosen to establish a replacement fund and to accumulate funds for the estimated costs of future major repairs and replacements. For the year ended December 31, 2020, the Association added approximately \$ 111,698 in regular assessments, before earnings of \$ 1,165 to the replacement fund. Accumulated cash funds, which aggregate approximately \$ 131,629 at December 31, 2020, are held in separate accounts and are generally not available for operating purposes.

In May 2019, the Association commissioned a reserve study by Reserve Advisors effective, January 1, 2020 to determine the amounts necessary for future repairs and replacements. Estimates of the remaining useful lives of components and the cost to replace various items have been estimated based upon the expertise of the engineering firm. These estimates are as follows:

COMPONENT	REPLACE. COST	REM. LIFE
Site		
Replace Vinyl Ranch Perimeter Fencing	\$ 184,410	13
Replace Wood Surface Of Walking Trail Bridges	3,500	3
Stone Mortar Repairs At Country Lakes Blvd Bridge	2,300	6
Repair/Replace Concrete Walking Trail	68,488	10
Repair/Replace Cabana Parking Lot - South	11,724	5
Clean/Repaint Ornamental Iron At Bridges	2,500	4
Brick Perimeter Fence Repair	-0-	6
Repair Stone Pilasters	4,000	7
Monument Refurbishment	20,000	0
Flood Plain Dredging	29,000	20
Brick Perimeter Fence Replacement	500,097	13
Retaining Wall Repairs	1,368	10
Repair/Replace Cabana Parking Lot - North	14,700	8
Light Standard Replacement	25,000	38
Tree Uplight And Accent Light Replacement	7,920	8
Bollard Light Replacement	8,050	16
Concrete Parking Lot - Seal Joints, Stripe	1,000	3
Concrete Parking Lot - Seal Joints, Stripe	1,000	0
Retaining Wall Repairs	2,280	7

See the accompanying Independent Auditors' Report.

OWNERS ASSOCIATION AT COUNTRY LAKES, INC.
 SUPPLEMENTARY INFORMATION ON FUTURE
 MAJOR REPAIRS AND REPLACEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2020

REPLACEMENT FUND: (CONTINUED)

COMPONENT	REPLACE. COST	REM. LIFE
Site (Continued)		
Replace Cabana Shingle Roof - South	\$ 11,517	12
Repair/Repaint Wood Siding - South	1,000	8
Paint Cabana Exterior - South	3,800	8
Replace Cabana Shingle Roof - North	10,217	18
Cabana Gutter And Downspout Replacement - North	1,309	25
Cabana Gutter And Downspout Replacement - South	1,750	8
Paint Cabana Exterior - North	1,200	8
Door Replacement (North)	7,500	23
Building Interior		
Replace Restroom Fixtures - South	2,300	8
Replace Cabana Ornamental Light Fixtures - South	5,600	5
Replace Cabana Ornamental Light Fixtures - North	5,600	16
Replace Restroom Fixtures - North	5,200	23
Restroom Partition Replacement - North	2,250	23
Mechanical		
Replace Deep Well Pump At North Pool	6,100	8
Replace Deep Well Pump At Southwest Lakes	6,100	7
Replace Access Control	3,600	13
Replace Irrigation Pumps At Southwest Lakes	7,200	4
Replace/Rebuild Lake Fountains/Pumps	3,500	6
Replace/Rebuild Lake Fountains/Pumps	3,500	7
Replace/Rebuild Lake Fountains/Pumps	3,500	8
Replace Pool Filtration Equipment - South	6,300	4
Replace Pool Filtration Equipment - North	8,400	19
Pool Filter Media Replacement - South	2,460	7
Pool Filter Media Replacement - North	4,100	5
Pool Filter Replacement - North (Small)	1,500	19
Pool Pump Replacement (5 HP) - North	15,000	3
Pool Pump Replacement (2 HP) - North	1,500	3
Irrigation Controller Replacement	3,750	4
Electrical Panel Replacement - Cabana (North)	8,400	23
Electrical Panel Replacement - Site	6,000	5
Water Heater Replacement (South)	1,100	10
Water Heater Replacement (North)	1,100	8

See the accompanying Independent Auditors' Report.

OWNERS ASSOCIATION AT COUNTRY LAKES, INC.
 SUPPLEMENTARY INFORMATION ON FUTURE
 MAJOR REPAIRS AND REPLACEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2020

REPLACEMENT FUND: (CONTINUED)

COMPONENT	REPLACE. COST	REM. LIFE
Building Exterior		
Drinking Fountain Replacement (South)	\$ 1,800	13
Drinking Fountain Replacement (North)	1,800	13
HVAC Replacement - Mini-Split	3,000	1
Pool Pump Replacement (2 HP) - South	6,000	2
Replace lake fountain and pump	3,500	1
Replace lake fountain and pump	3,500	2
Replace lake fountain and pump	3,500	3
Replace lake fountain and pump	3,500	3
Replace lake fountain and pump	3,500	4
Replace lake fountain and pump	3,500	4
Replace lake fountain and pump	3,500	5
Replace Access Control	3,600	15
Replace Electric Panels	8,400	8
Amenities		
Replace playground equipment - South	80,000	1
Resurface pool and spa - South	49,776	3
Repair/replace concrete Kool-Deck - South	24,433	0
Replace wood benches at pool area - South	3,000	12
Replace pool furniture - North	10,825	10
Replace perimeter metal fencing around pool - South	28,140	19
Repaint perimeter metal pool fence - South	5,863	7
Replace ornamental pole lights	10,400	5
Stain pergolas	2,000	3
Replace pergolas	36,864	23
Repair/replace concrete Kool-Deck - North	22,687	13
Replace perimeter metal fencing around pool - North	43,920	28
Repaint perimeter metal pool fence - North	9,150	5
Artificial Turf Replacement	84,880	20
Playground Mulch Replacement	3,474	3
Pool Coping to Decking Joint (Seal-O-Deck) - North	1,476	2
Pool Coping/Tile Replacement - North	7,380	22
Pool Coping to Decking Joint (Seal-O-Deck) - South	2,622	2
Pool Coping/Tile Replacement - South	6,900	21
Water Park - Ground Sprayer	2,300	23

See the accompanying Independent Auditors' Report.

OWNERS ASSOCIATION AT COUNTRY LAKES, INC.
 SUPPLEMENTARY INFORMATION ON FUTURE
 MAJOR REPAIRS AND REPLACEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2020

REPLACEMENT FUND: (CONTINUED)

COMPONENT	REPLACE. COST	REM. LIFE
Building Exterior (Continued)		
Wood Equipment Fencing Replacement North	\$ 2,460	18
Park Bench Replacement - Vinyl Coated Steel	4,800	23
Trash Receptacle Replacement - Metal	1,500	18
Picnic Table Replacement - Vinyl Coated Steel	3,200	23
Replace playground equipment - North	40,000	33
Resurface pool and spa - North	88,000	10
Replace pool furniture - South	10,825	10
Other		
Reserve Study Updates	3,200	4
Contingency	-0-	0
TOTAL	<u>\$ 1,685,065</u>	

Actual expenditures, however, may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet future needs. If additional funds are needed, however, the Association has the right to increase regular assessments or levy special assessments, or it may postpone needed repairs until funds are available.

(Intentionally Blank)

See the accompanying Independent Auditors' Report.