

AMENDMENT No. 13

**CONDOMINIUM OFFERING PLAN FOR THE SALE
OF HOMES IN A CONDOMINIUM TO BE KNOWN AS**

COUNTRY POINTE MEADOWS CONDOMINIUM II

Located at
William Floyd Parkway
Yaphank, Town of Brookhaven
Suffolk County, New York 11980

Dated: October 22, 2024

The Offering Plan for the subject Development accepted for filing on or about December 13, 2018, as amended by Amendment No. 1 dated March 1, 2019, and Amendment No. 2 dated August 22, 2019, Amendment No. 3 dated February 18, 2020, Amendment No. 4 dated April 27, 2020, Amendment No. 5 dated December 9, 2020, Amendment No. 6 dated June 28, 2021, Amendment No. 7 dated September 29, 2021, Amendment No. 8 dated December 1, 2021, Amendment No. 9 dated February 3, 2022, Amendment No. 10 dated July 11, 2022, Amendment No. 11 dated August 2, 2023, and Amendment No. 12 dated August 28, 2023, is hereby further amended as follows:

I. HOMES

As of September 19, 2024, the Sponsor has closed title to one hundred and thirty-one (131) Homes and entered into a Purchase Agreements for two (2) additional Homes out of the one hundred thirty-nine (139) Homes in this Condominium. A list of the unclosed Homes is annexed hereto as Exhibit "A." None of the unclosed Homes are rented.

II. AGGREGATE MONTHLY OBLIGATIONS

Collection of Condominium Common Charges has commenced. Sponsor's obligation for Condominium Common Charges on unclosed Homes is limited to the Common Charges levied by the Board of Managers based on the percentage of Common interest of the unclosed Homes (8 unclosed Homes x \$70.13 = \$561.04).

Collection of Association assessments has commenced. Sponsor's obligations for Association assessments on unclosed Homes in this Condominium is limited to the difference between the actual operating costs of the Association and the assessment levied on owners who have closed title on their Homes, but in no event in an amount greater than Sponsor would otherwise be liable for if it were paying pro-rata assessments on unclosed Homes (as of September 19, 2024, \$5,216.78 for the 8 unclosed Homes).

III. FINANCIAL OBLIGATIONS TO THE CONDOMINIUM AND ASSOCIATION

The Sponsor has no financial obligations to the Condominium or Association which will become due within the next twelve (12) months, other than actual Condominium expenses and Association deficiency payments as set forth above in Paragraph II.

IV. UNSOLD HOMES SUBJECT TO MORTGAGES OR FINANCING COMMITMENTS

The unsold Homes in this Condominium are encumbered by a mortgage held by M+T Bank, 120 White Plains Road, Suite 300, Tarrytown, NY 10591. The mortgage has been fully paid and there is no outstanding principal balance. The Sponsor is current in its obligations under the loan.

V. MEANS OF SPONSOR'S OBLIGATIONS

The actual Condominium expenses, Association deficiency payments, if any, are being paid from the proceeds of sales of Homes at this project, and Sponsor's equity contributions.

VI. STATUS OF CURRENT FINANCIAL OBLIGATIONS OF SPONSOR

Sponsor is current on all financial obligations to the Condominium and Association under the terms of the Offering Plan. In addition, Sponsor has been current on all such financial obligations since the closing of title to the first Home.

VII. LIST AND STATUS OF SPONSOR'S OTHER PUBLIC OFFERINGS

Principals of the Sponsor are also principals of Sponsors that currently own more than 10% of the unsold Homes in the following:

Marina Pointe Condominium I (CD15-0387), Marina Pointe Condominium II (CD16-0196), Country Pointe at Plainview Condominium III (CD16-0342), Country Pointe Meadows Condominium I (CD16-0399), Country Pointe Meadows Condominium III (CD20-0207), Meadowbrook Pointe at East Meadow Condominium (CD19-0071), Oak Ridge Homeowners Association, Inc. (HO-04-0060), and The Residences at the Adelphi Hotel Condominium (CD23-0091).

Copies of the Offering Plans and CPS-7 documents for the above projects are on file with Office of the Attorney General, Real Estate Finance Bureau, 28 Liberty Street, New York, New York 10005 and are available for public inspection. The Sponsors of such projects are current in their financial obligations for the Homes they currently own.

VIII. BOARD OF MANAGERS AND BOARD OF DIRECTORS

The Sponsor has the right to retain control of the Board of Managers of the Condominium until all of the Homes in the Condominium have been conveyed. The current Members of the Board of Managers are as follows:

Michael Adler, President and Sponsor Representative
Michael Herman, Vice President and Homeowner
Sabrina Verma, Secretary and Sponsor Representative

Mr. Adler and Ms. Verma are employees of Sponsor, both with a business address of 200 Robbins Lane, Suite D-1, Jericho, NY 11753.

The Sponsor also has the right to retain control of the Board of Directors of the Association until all of the Homes in all Phases of Country Pointe Meadows Development have been conveyed. The current Members of the Board of Directors are as follows:

Michael Adler, President and Sponsor Representative
Michael Troetti, Vice President and Homeowner
Sabrina Verma, Secretary and Sponsor Representative
Ralph Rota, Treasurer and Homeowner
Rachel Scopinich, Sponsor Representative
Robert Rocco, Sponsor Representative
Michael Herman, Homeowner

IX. CONDOMINIUM AND ASSOCIATION BUDGETS

The Condominium Budget for the year of operation commencing July 1, 2024, is annexed hereto as Exhibit "B." The Association Budget for the year of operation commencing July 1, 2024, is annexed hereto as Exhibit "C." An updated Certification of the Adequacy of the Budgets is annexed hereto as Exhibit "D."

X. FINANCIAL STATEMENTS

The financial statements of the Condominium and the Association for the year ended June 30, 2023, are annexed hereto as Exhibit "E."

XI. REAL ESTATE TAXES

As of September 19, 2024, the Sponsor paid a total amount of \$80,897.95 for the 2023-2024 real estate taxes on all unclosed Homes. The Sponsor is current on its payments for real estate taxes.

XII. EXTENSION OF OFFERING PLAN TERM

This Plan may be used for twelve (12) months from the date this Amendment is duly accepted for filing and thereafter said date is to be extended in a further Amendment to be filed.

Other than as set forth above there are no material changes that affect the property or offering.

BEECHWOOD YAPHANK LLC
SPONSOR

Country Pointe Meadows Condominium II
Unclosed Homes as of 9/18/24

Bldg. #	Home Number	Model Type
50	240	E
53	276	B
55	289	F
55	298	F
56	299	E
56	300	D
56	301	D
56	302	E

Country Pointe Meadows HOA, Inc.
 Projected Budget for the Period 7/1/2024 to 6/30/2025

Description	Expenses
PAYROLL	\$ 478,623.67
COMMON AREA ELECTRIC	\$ 104,420.00
COMMON AREA GAS	\$ 13,470.00
COMMON & DOMESTIC WATER	\$ 161,680.00
TV/MODEM/TELEPHONE	\$ 22,180.00
REFUSE REMOVAL	\$ 119,340.00
LANDSCAPE MAINTENANCE	\$ 378,810.00
LAWN SPRINKLER MAINTENANCE	\$ 44,170.00
SNOW CLEARING	\$ 255,270.00
POND MANAGEMENT	\$ 29,000.00
POOL OPERATIONS	\$ 80,880.00
TENNIS MAINTENANCE	\$ 5,000.00
ALARM MONITORING & FIRE INSPEC	\$ 85,120.00
SECURITY	\$ 244,980.00
Access Systems	\$ 9,000.00
HVAC PREVENTATIVE MAINT	\$ 12,390.00
Seal Coating Driveways	\$ 13,630.00
CLEANING - ALL ISLAND	\$ 24,580.00
SEWAGE TREATMENT PLANT & LIFT	\$ 209,110.00
PLUMBING REPAIRS	\$ 2,500.00
REPAIRS & MAINTENANCE	\$ 25,000.00
ELECTRICAL REPAIRS	\$ 3,000.00
STREET LIGHT REPIARS/REPLACEMENT	\$ 5,000.00
CARPET/UPHOLSTRY CLEANING & RP	\$ 1,000.00
FITNESS EQUIP PREV MAINT	\$ 2,610.00
GENERATOR	\$ 1,200.00
SIDEWALK & CURB REPAIR	\$ 20,000.00
HOLIDAY LIGHTS	\$ 8,000.00
FIRE SPRINKLER INSPECTION	\$ 4,240.00
TENNIS COURT CAMERA	\$ 500.00
FIRE SPRK INSP - VILLA/AFDBLE	\$ 1,420.00
SOFTWASH OF BUILDINGS	\$ 14,000.00
RE-KEYED 6 GATES PLUS 100 KEYS	\$ 250.00
GOOSSE CONTROL	\$ 9,980.00
EXTERMINATING/DEER REPELENT	\$ 5,000.00
SUPPLIES	\$ 12,000.00
PROPERTY OWNERS ASSOC. FEE	\$ 122,660.00
MANAGEMENT FEE	\$ 110,000.00
OFFICE SUPPLIES & EQUIPMENT	\$ 20,000.00
PRINTING & POSTAGE/ONE CALL	\$ 2,000.00
PERMITS	\$ 6,000.00
ACCOUNTING	\$ 8,000.00
HR TRAINING	\$ 5,000.00
INSURANCE	\$ 48,750.00
CONTINGENCY	\$ 20,000.00
WEBSITE	\$ 500.00
	\$ 2,750,263.67
Reserves 10%	\$ 275,026.37
	\$ 3,025,290.04
UNIT TYPE	MONTHLY HOA FEE
Affordable housing (C models)	\$ 435.20
Market mixed use building Units (A, B and F models, excluding units 316 through 319)	\$ 652.81
Townhouse only (D and E models, and F models units 316 through 319)	\$ 651.67

TOTAL COMMUNITY MANAGEMENT CORP.

CERTIFICATION OF ADEQUACY OF BUDGET PURSUANT TO 13 NYCRR 22.4(d)

2375 Bedford Avenue
Bellmore, NY 11710
(516) TCM-9700
(516) 826-9700
Fax: (516) 826-3937

September 18, 2024

Office of the Attorney General
Real Estate Finance Bureau
28 Liberty Street, 21st Floor
New York, New York 10005-1413

RE: Country Pointe Meadows Condominium II
Country Pointe Meadows Homeowners Association, Inc.

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule(s) B, B-1 and C, containing projections of income and expenses for the current year of condominium operation. Our experience in this field includes managing co-ops, condominiums and homeowners associations for over 38 years and preparing budgets for all properties on an annual basis. Our firm currently manages over 90 properties.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 and Part 22 insofar as they are applicable to Schedule(s) B, B-1 and C.

We have reviewed the Schedule(s) and investigated the facts set forth in the Schedule(s) and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule(s) B, B-1 and C appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected current year of condominium operation.

We certify that the Schedule(s)

- (i) sets forth in detail the projected income and expenses for the current year of condominium operation;
- (ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the current year of condominium operation;
- (iii) does not omit any material fact;

"LET TCM BE YOUR WINNING TEAM"

IManage:1061323.1

EXHIBIT "D"

TOTAL COMMUNITY MANAGEMENT CORP.


2375 Bedford Avenue
Bellmore, NY 11710
(516) TCM-9700
(516) 826-9700
Fax: (516) 826-3937

- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, where we:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the current year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.”

By: 
David Goldstein, President
Total Community Management Corp.

Sworn to before me this
18th day of September, 2024


Diane Calvin
Notary Public

DIANE CALVIN
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01CA6442568
Qualified in Nassau County
Commission Expires October 17, 2026

**COUNTRY POINTE
MEADOWS
CONDOMINIUM II**

Financial Statements

June 30, 2023 and 2022



ROBERT J. FUTERMAN CPA PC
Accounting Tax and Advisory Services

COUNTRY POINTE MEADOWS CONDOMINIUM II

TABLE OF CONTENTS

<u>June 30, 2023 and 2022</u>	<u>Page (s)</u>
Independent Auditors' Report	1 to 3
Statement of Assets, Liabilities and Members' Equity	4
Statement of Revenue, Expenses and Changes in Members' Equity	5
Statement of Cash Flows	6
Notes to Financial Statement	7 to 11



Independent Auditor's Report

Board of Directors
Country Pointe Meadows Condominium II

We have audited the financial statements of Country Pointe Meadows Condominium II which comprise the Statement of Assets, Liabilities and Members' Equity as of June 30, 2023 and 2022, and the related statements of Revenue, Expenses and Fund Balance, and Cash Flow for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Country Pointe Meadows Condominium II as of June 30, 2023 and 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Country Pointe Meadows Condominium II and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Country Pointe Meadows Condominium II's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but it's not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Country Pointe Meadows Condominium II's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Country Pointe Meadows Condominium II's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



ROBERT J. FUTERMAN CPA PC
Accounting Tax and Advisory Services

Omission of Required Supplementary Information About Future Major Repairs and Replacements

Management has omitted the supplementary information on future major repairs and replacements that accounting principles generally accepted in the United States of America require to be presented to supplement 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 the 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 the missing information.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Robert J. Futerman', written over a light blue rectangular background.

Robert J. Futerman CPA PC
Plainview, New York
September 7, 2023



FINANCIAL STATEMENTS

Country Pointe Meadows Condominium II
Statement of Assets, Liabilities and Members' Equity
As of June 30, 2023 and 2022
(Note 1)

	2023	2022
Assets		
Cash and Cash Equivalents		
Cash - Undesignated (Note 2)	\$ -	\$ 48
Cash - Designated for Future Working Capital (Note 2)	15,411	9,990
Cash - Designated for Future Repairs and Replacements (Note 2)	27,854	4,648
Total Cash and Cash Equivalents	43,265	14,686
Prepaid Expenses	19,130	27,482
Assessments Receivable - Unit Owners	10,896	3,379
Assessments Receivable - Sponsor (Note 4)	2,567	9,270
Due from Country Pointe Meadows Homeowners Association, Inc.	605	4,635
Total Assets	\$ 76,463	\$ 59,452
Liabilities and Members' Equity		
Current Liabilities		
Due to Country Pointe Meadows Homeowners Association, Inc.	\$ 6,006	\$ 10,003
Accounts Payable and Accrued Expenses	3,500	3,250
Assessments Received in Advance	2,679	2,722
Bank Overdraft Payable	802	-
Total Liabilities	12,987	15,975
Members' Equity	63,476	43,477
Total Liabilities and Members' Equity	\$ 76,463	\$ 59,452

The accompanying notes are an integral part of these financial statements

Country Pointe Meadows Condominium II
Statement of Revenue, Expenses and Changes in Members' Equity
For the Years Ended June 30, 2023 and 2022
(Note 1)

	2023	2022
Revenue		
Common Charge Assessments - Unit Owners	\$ 79,274	\$ -
Common Charge Assessments - Sponsor (Note 4)	22,675	-
Homeowners Association Assessments - Common Charges	771,924	291,835
Sponsor Operating Funding (Note 4)	-	67,496
Interest Income	73	18
	<u>873,946</u>	<u>359,349</u>
Total Revenue		
Expenses		
Homeowners Association Assessments - Common Charges	771,924	291,835
Insurance	80,662	44,609
Accounting	3,739	3,250
Management	3,000	-
Administrative	-	7
	<u>859,325</u>	<u>339,701</u>
Total Expenses		
Excess of Revenue over Expenses	14,621	19,648
Working Capital Contributions	5,378	5,749
Members' Equity - Beginning of Period	<u>43,477</u>	<u>18,080</u>
Members' Equity - End of Period	<u>\$ 63,476</u>	<u>\$ 43,477</u>

The accompanying notes are an integral part of these financial statements

Country Pointe Meadows Condominium II
Statement of Cash Flows
For the Years Ended June 30, 2023 and 2022
(Note 1)

	2023	2022
Cash Flows from Operating Activities		
Excess of Revenue over Expenses	\$ 14,621	\$ 19,648
Adjustments to Reconcile Excess of Revenue over Expenses to Net Cash Provided by Operating Activities		
Decrease (Increase) in:		
Prepaid Expenses	8,352	(21,662)
Assessments Receivable	(7,517)	365
Due from Sponsor - Reserve for Future Repairs and Replacements	6,703	(4,635)
Due from Country Pointe Meadows Homeowners Association, Inc.	4,030	(4,635)
Increase (Decrease) in:		
Due to Country Pointe Meadows Homeowners Association, Inc.	(3,997)	8,253
Accounts Payable and Accrued Expenses	250	(250)
Assessments Received in Advance	(43)	2,191
Bank Overdraft Payable	802	-
Net Cash Flows from Operating Activities	23,201	(725)
Cash Flow From Financing Activities		
Working Capital Contributions	5,378	5,749
Net Increase (Decrease) in Cash and Cash Equivalents	28,579	5,024
Cash and Cash Equivalents - Beginning of Period	14,686	9,662
Cash and Cash Equivalents - End of Period	\$ 43,265	\$ 14,686
Cash and Cash Equivalents consisted of the following:		
Cash - Undesignated	\$ -	\$ 48
Cash - Designated for Future Working Capital	15,411	9,990
Cash - Designated for Future Repairs and Replacements	27,854	4,648
Total Cash and Cash Equivalents	\$ 43,265	\$ 14,686

The accompanying notes are an integral part of these financial statements

NOTES TO FINANCIAL STATEMENTS

Country Pointe Meadows Condominium II
Notes to Financial Statements
For the Years Ended June 30, 2023 and 2022

Note 1 – Organization, Management and Summary of Significant Accounting Policies:

ORGANIZATION

Country Pointe Meadows Condominium II was organized on July 12, 2020, as an unincorporated condominium under Article 9-B, Section 339 of the New York State Real Property Law. The development is located in Yaphank, New York, and consists of one hundred thirty-nine (139) residential units located on approximately thirty-four (34) acres. Occupancy of eighty percent (80%) of the units in the overall development is limited to persons fifty-five (55) years of age and older. There is a Homeowners' Association which maintains the recreational and common area facilities. The Homeowners Association also provides maintenance and repair services to the exterior elements of the Condominium units. The Condominium will only be required to pay for insurance, management services and professional fees.

RECOGNITION OF COMMON PROPERTY

Real property and common area acquired from the Sponsor and related improvements to such property are not recorded in the Condominium's financial statements as those properties are owned by the individual unit owners in common and not by the Condominium.

MANAGEMENT

Operations of the Condominium are the responsibility of the Condominium's Board of Managers who has retained a managing agent, Total Community Management Corp., to assist in this function.

FINANCIAL STATEMENT PREPARATION

The financial statements have been prepared on the accrual basis of accounting; consequently, revenues are recognized when earned and expenses when incurred.

CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, the Condominium considers all highly liquid investments with an initial maturity of three (3) months or less to be cash equivalents.

ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles required management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

INITIAL WORKING CAPITAL CONTRIBUTIONS

Upon the sale of each unit, an amount equal to two (2) months common charges is to be paid to the Condominium as initial working capital. While the Sponsor is in control of the Board of Managers, these funds cannot be used to reduce common charges. The Sponsor relinquishes control when all of the units in each phase are closed.

Country Pointe Meadows Condominium II
Notes to Financial Statements
For the Years Ended June 30, 2023 and 2022

Note 1 – Organization, Management and Summary of Significant Accounting Policies: (continued)

MEMBER ASSESSMENTS

Condominium members are subject to monthly assessments to provide funds for the Condominium’s operating expenses, future capital acquisitions, and major repairs and replacements. The Condominium’s policy is to retain legal counsel and place liens on the properties of homeowners whose assessments are thirty (30) days or more delinquent. Any excess assessments at year-end are retained by the Condominium for use in the succeeding year. The Financial Accounting Standards Board (FASB) issued guidance that created Topic 606, Revenue from Contracts with Customers, in the Accounting Standards Codification (ASC) relating to revenue recognition. Condominium members are subject to monthly assessments to provide funds for the Condominium’s operating expenses and major repairs and replacements. Similar to prior guidance, assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Condominium’s performance obligations related to its operating and general reserve assessments (if any) are satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to specific project replacement fund assessments are satisfied when these funds are expended for their designated purpose.

Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from unit owners. As of June 30, 2023 and 2022, the Condominium had outstanding receivables of \$10,896 and \$3,379, respectively.

Note 2 – Concentration of Credit Risk:

The Condominium’s financial instruments consist primarily of cash, cash investment, and accounts receivable. The Condominium maintains its cash balances at the following financial institution(s):

<u>Institution</u>	<u>Description</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Flagstar Bank / Signature Bank	Operating	\$ -	\$ 48
Flagstar Bank / Signature Bank	Working Capital	15,411	9,990
Flagstar Bank / Signature Bank	Reserve	<u>27,854</u>	<u>4,648</u>
Total		<u>\$ 43,265</u>	<u>\$ 14,686</u>
Total amounts held per financial institution:			
Flagstar Bank / Signature Bank		<u>\$ 43,265</u>	<u>\$ 14,686</u>
Total		<u>\$ 43,265</u>	<u>\$ 14,686</u>

The business activity of the Condominium IIs to operate as a condominium as described in Note 1, “Organization”. As such, the Condominium’s primary source of revenue is from its unit owners and Sponsor (Note 4). The Condominium IIs exposed to a regional concentration of credit risk if a significant portion of its unit owners or the Sponsor did not pay their maintenance charges.

Country Pointe Meadows Condominium II
Notes to Financial Statements
For the Years Ended June 30, 2023 and 2022

Note 2 – Concentration of Credit Risk: (continued)

Accounts in aggregate, per financial institution, including all noninterest-bearing, are insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000. As of June 30, 2023 and 2022, the Condominium was not in excess of the \$250,000 FDIC-insured amount.

The FDIC released the following press release in response to the March 12, 2023 closure of Signature Bank:

“Signature Bank, New York, NY, was closed today by the New York State Department of Financial Services, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect depositors, the FDIC transferred all the deposits and substantially all of the assets of Signature Bank to Signature Bridge Bank, N.A., a full-service bank that will be operated by the FDIC as it markets the institution to potential bidders.

Signature Bank had 40 branches across the country in New York, California, Connecticut, North Carolina, and Nevada. Banking activities will resume Monday, March 13, 2023, including on-line banking. Depositors and borrowers will automatically become customers of Signature Bridge Bank, N.A. and will continue to have uninterrupted customer service and access to their funds by ATM, debit cards, and writing checks in the same manner as before. Signature Bank’s official checks will continue to clear. Loan customers should continue making loan payments as usual.

The transfer of all the deposits was completed under the systemic risk exception approved earlier today. All depositors of the institution will be made whole. No losses will be borne by the taxpayers. Shareholders and certain unsecured debt holders will not be protected. Senior management has also been removed. Any losses to the Deposit Insurance Fund (DIF) to support uninsured depositors will be recovered by a special assessment on banks, as required by law.

The FDIC, as receiver for Signature Bank, has also transferred all Qualified Financial Contracts (as defined in 12 USC 1821(e)) of the failed bank to the bridge bank. These actions will protect depositors and preserve the value of the assets and operations of Signature Bank, which may improve recoveries for creditors and the DIF.

Signature Bank had total assets of \$110.4 billion and total deposits of \$88.6 billion as of December 31, 2022. As receiver, the FDIC will operate Signature Bridge Bank, N.A. to maximize the value of the institution for a future sale and to maintain banking services in the communities formerly served by Signature Bank.

A bridge bank is a chartered national bank that operates under a board appointed by the FDIC. It assumes the deposits and certain other liabilities and purchases certain assets of a failed bank. The bridge bank structure is designed to “bridge” the gap between the failure of a bank and the time when the FDIC can stabilize the institution and implement an orderly resolution.”

Signature Bank began operating as Flagstar Bank, a subsidiary of New York Community Bank, on March 20, 2023.

Country Pointe Meadows Condominium II
Notes to Financial Statements
For the Years Ended June 30, 2023 and 2022

Note 3 – Income Taxes:

The Condominium has elected under Section 528 of the Internal Revenue Code and related State statutes to receive certain tax benefits which, in effect, permit the exclusion of exempt function income from gross income. Such election is obtained by filing Form 1120H.

The Condominium's tax filings are subject to audit by federal and New York State taxing authorities. The Condominium's federal and New York State income tax returns for the year ended June 30, 2022, and the subsequent years remain open to examination by the Internal Revenue Service and New York State taxing authorities. In evaluating the Condominium's tax provisions and accruals, the Condominium believes that its estimates are appropriate based on current facts and circumstances. Income not related to its exempt function such as interest, dividends or other unrelated business income, net of allocable expenses and a statutory \$100 deduction, will be subject to a federal income tax at the rate of thirty percent (30%). For the year ended June 30, 2023, the Condominium had no net non-exempt function income. New York State imposes a tax based upon the greater of a tax on net non-exempt function income, a capital base tax, or a minimum tax. The Condominium was not liable for New York State taxes for the year ended June 30, 2023 and 2022, respectively.

Note 4 – Related Party Transactions:

The Sponsor's obligation for assessments relating to units not closed will be limited to common charges assessed by the Board of Managers.

As of June 30, 2023, there were twenty-one (21) units not closed. Approximately \$22,675 of the common charge assessments related to Sponsor-owned units. The outstanding Sponsor receivable balance of \$2,567 was fully satisfied subsequent to June 30, 2023.

As of June 30, 2022, there were fifty-nine (59) units not closed. None of the common charge assessments related to Sponsor-owned units. The outstanding Sponsor receivable balance of \$9,270 was fully satisfied subsequent to June 30, 2022.

AS OF	AS OF
<u>JUNE 30, 2023</u>	<u>JUNE 30, 2022</u>
118 units closed	80 units closed
<u>21 units not closed</u>	<u>59 units not closed</u>
139 Total Units	139 Total Units

Note 5 – Commitments and Contingencies:

As of June 30, 2023 and 2022, the Condominium is obligated under a management agreement with Total Community Management Corp. to provide management services at a cost of \$250 per month. This agreement will terminate three (3) years from the day of closing of the last unit.

Country Pointe Meadows Condominium II
Notes to Financial Statements
For the Years Ended June 30, 2023 and 2022

Note 6 – Coronavirus Uncertainty:

In late 2019, a novel strain of coronavirus, COVID-19, emerged globally. As the COVID-19 coronavirus continues to spread in the United States and around the world, the Condominium may experience disruptions that could severely impact its ability to carry out its activities. The impact of the outbreak of the COVID-19 coronavirus continued to rapidly evolve. The extent to which the COVID-19 coronavirus may impact the Condominium and its unit owners will depend on future developments, which are highly uncertain and cannot be predicted with confidence. These future developments and factors include, but are not limited to, the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, supply chain and transportation disruptions, social distancing in the United States and other countries, business closures or business disruptions and the effectiveness of actions taken in the United States and other countries to contain and treat the virus. Due to these factors and other currently unknown factors that may come to light if this coronavirus outbreak and any associated protective or preventative measures expand, as of the date of the auditor's report, the Condominium cannot reasonably estimate the impact to its activities, revenues, financial condition or results of operations.

Note 7 – Date of Management Review and Subsequent Events:

In preparing the financial statements, the Condominium has evaluated all subsequent events and transactions for potential recognition or disclosure through October 4, 2023, the date the financial statements were available to be issued. No subsequent events have occurred through that date that would have a material impact on the financial statements.

**COUNTRY POINTE
MEADOWS HOMEOWNERS
ASSOCIATION, INC.**

Financial Statements

June 30, 2023 and 2022



ROBERT J. FUTERMAN CPA PC
Accounting Tax and Advisory Services

**COUNTRY POINTE MEADOWS
HOMEOWNERS ASSOCIATION, INC.**

TABLE OF CONTENTS

<u>June 30, 2023 and 2022</u>	<u>Page (s)</u>
Independent Auditors' Report	1 to 3
Statement of Assets, Liabilities and Fund Balances	4
Statement of Revenue, Expenses and Fund Balances	5
Statement of Cash Flows	6
Supporting Schedules	7
Notes to Financial Statement	8 to 14



Independent Auditor's Report

Board of Directors
Country Pointe Meadows Homeowners Association, Inc.

We have audited the financial statements of Country Pointe Meadows Homeowners Association, Inc. which comprise the Statement of Assets, Liabilities and Members' Equity as of June 30, 2023 and 2022, and the related statements of Revenue, Expenses and Fund Balance, and cash flow for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Country Pointe Meadows Homeowners Association, Inc. as of June 30, 2023 and 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Country Pointe Meadows Homeowners Association, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Country Pointe Meadows Homeowners Association, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but it's not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Country Pointe Meadows Homeowners Association, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Country Pointe Meadows Homeowners Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



ROBERT J. FUTERMAN CPA PC
Accounting Tax and Advisory Services

Omission of Required Supplementary Information About Future Major Repairs and Replacements

Management has omitted the supplementary information on future major repairs and replacements that accounting principles generally accepted in the United States of America require to be presented to supplement 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 the 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 the missing information.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Robert J. Futerma'.

Robert J. Futerma CPA PC
Plainview, New York
September 7, 2023



FINANCIAL STATEMENTS

Country Pointe Meadows Homeowners Association, Inc.
Statement of Assets, Liabilities and Fund Balances
As of June 30, 2023 and 2022

	2023			2022	
	Operating Fund	Working Capital Fund	Capital Reserve Fund	Combined Total	Total
Assets					
Current Assets					
Cash and Cash Equivalents (Note 2)	\$ 194,832	\$ 270,344	\$ 264,030	\$ 729,206	\$ 452,088
Assessments Receivable	32,117	-	-	32,117	23,935
Prepaid Expenses	26,918	-	-	26,918	23,343
Due from Sponsor (Note 6)	89,997	-	12,892	102,889	11,952
Due from Operating Fund	-	1,486	161,644	163,130	112,000
Total Current Assets	343,864	271,830	438,566	1,054,260	623,318
Equipment, Net of Accumulated Depreciation of \$2,184 and \$1,456 (Note 4)	5,095	-	-	5,095	5,823
Total Assets	\$ 348,959	\$ 271,830	\$ 438,566	\$ 1,059,355	\$ 629,141
Liabilities and Fund Balances					
Current Liabilities					
Accounts Payable and Accrued Expenses	\$ 126,545	\$ -	\$ -	\$ 126,545	\$ 21,064
Due to Country Pointe Meadows Condominium II	605	-	-	605	4,635
Due to Capital Reserve Fund	161,644	-	-	161,644	110,514
Prepaid Tenant Credit Cards Payable	28,175	-	-	28,175	19,995
Due to Working Capital Fund	1,486	-	-	1,486	1,486
Total Liabilities	318,455	-	-	318,455	157,694
Fund Balances	30,504	271,830	438,566	740,900	471,447
Total Liabilities and Fund Balances	\$ 348,959	\$ 271,830	\$ 438,566	\$ 1,059,355	\$ 629,141

The accompanying notes are an integral part of these financial statements

Country Pointe Meadows Homeowners Association, Inc.
Statement of Revenue, Expenses and Fund Balances
For the Years Ended June 30, 2023 and 2022

	2023			2022	
	Operating Fund	Working Capital Fund	Capital Reserve Fund	Combined Total	Total
Revenue					
Homeowners Association Assessment - Common Charges	\$ 1,600,306	\$ -	\$ 161,644	\$ 1,761,950	\$ 1,132,800
Sponsor Deficit Funding (Note 6)	389,997	-	12,892	402,889	511,952
Café and Bar Income	31,890	-	-	31,890	29,381
Social Activities Income	50,010	-	-	50,010	41,187
Other Income	2,315	-	-	2,315	819
Interest Income	-	1,290	912	2,202	405
Other Member Charges	-	-	-	-	310
Total Revenue	<u>2,074,518</u>	<u>1,290</u>	<u>175,448</u>	<u>2,251,256</u>	<u>1,716,854</u>
Expenses					
Utility Expenses (Schedule 1)	235,664	-	-	235,664	194,139
Building Operations (Schedule 2)	1,516,184	-	-	1,516,184	1,178,644
Administrative Expenses (Schedule 3)	238,455	-	-	238,455	162,584
Other Expenses (Schedule 4)	65,034	-	-	65,034	59,245
Total Expenses	<u>2,055,337</u>	<u>-</u>	<u>-</u>	<u>2,055,337</u>	<u>1,594,612</u>
Excess of Revenue over Expenses	19,181	1,290	175,448	195,919	122,242
Working Capital Contributions	-	73,534	-	73,534	53,512
Fund Balances - Beginning of Period	<u>11,323</u>	<u>197,006</u>	<u>263,118</u>	<u>471,447</u>	<u>295,693</u>
Fund Balances - End of Period	<u>\$ 30,504</u>	<u>\$ 271,830</u>	<u>\$ 438,566</u>	<u>\$ 740,900</u>	<u>\$ 471,447</u>

The accompanying notes are an integral part of these financial statements

Country Pointe Meadows Homeowners Association, Inc.
Statement of Cash Flows
For the Years Ended June 30, 2023 and 2022

	2023			2022	
	Operating Fund	Working Capital Fund	Capital Reserve Fund	Combined Total	Total
Cash Flows from Operating Activities					
Excess of Revenue over Expenses	\$ 19,181	\$ 1,290	\$ 175,448	\$ 195,919	\$ 122,242
Adjustments to Reconcile Excess of Revenue over Expenses to Net Cash Provided by Operating Activities					
Depreciation	728	-	-	728	728
Decrease (Increase) in:					
Assessments Receivable	(8,182)	-	-	(8,182)	(6,516)
Prepaid Expenses	(3,575)	-	-	(3,575)	2,102
Due from Sponsor	(86,641)	-	(4,296)	(90,937)	103,264
Due from Operating Fund	-	-	(51,130)	(51,130)	-
Due from Unit Owners	-	-	-	-	2,500
Increase (Decrease) in:					
Accounts Payable and Accrued Expenses	105,481	-	-	105,481	(85,161)
Due to Country Pointe Meadows Condominium II	(4,030)	-	-	(4,030)	4,635
Due to Capital Reserve Fund	51,130	-	-	-	-
Prepaid Tenant Credit Cards Payable	8,180	-	-	8,180	7,574
Net Cash Flows from Operating Activities	82,272	1,290	120,022	152,454	151,368
Working Capital Contributions	-	73,534	-	73,534	53,512
Net Increase (Decrease) in Cash and Cash Equivalents	82,272	74,824	120,022	225,988	204,880
Cash and Cash Equivalents - Beginning of Period	112,560	195,520	144,008	452,088	247,208
Cash and Cash Equivalents - End of Period	<u>\$ 194,832</u>	<u>\$ 270,344</u>	<u>\$ 264,030</u>	<u>\$ 678,076</u>	<u>\$ 452,088</u>
Supplemental Disclosure					
Income Taxes Paid	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 105</u>

The accompanying notes are an integral part of these financial statements

Country Pointe Meadows Homeowners Association, Inc.
Supporting Schedules
For the Years Ended June 30, 2023 and 2022

	2023			2022	
	Operating Fund	Working Capital Fund	Capital Reserve Fund	Combined Total	Total
Schedule 1: Utility Expenses					
Water	\$ 116,084	\$ -	\$ -	\$ 116,084	\$ 83,629
Electric	86,442	-	-	86,442	82,109
Clubhouse Cable	18,552	-	-	18,552	15,985
Gas	14,586	-	-	14,586	11,636
Telephone	-	-	-	-	780
Total Utility Expenses	\$ 235,664	\$ -	\$ -	\$ 235,664	\$ 194,139
Schedule 2: Building Operations					
Payroll and Related Costs	\$ 336,702	\$ -	\$ -	\$ 336,702	\$ 284,267
Landscaping	324,762	-	-	324,762	227,120
Security and Alarm	233,824	-	-	233,824	215,279
Snow Removal	180,361	-	-	180,361	156,081
Sewage Treatment	119,689	-	-	119,689	86,450
Pool Maintenance and Service	83,715	-	-	83,715	79,864
Refuse Removal	57,264	-	-	57,264	45,976
Common Area Maintenance, Cleaning and Supplies	43,436	-	-	43,436	24,820
Driveway Sealcoating and Sidewalk Repairs	34,498	-	-	34,498	-
Sprinkler Maintenance	33,648	-	-	33,648	20,472
Clubhouse Maintenance, Cleaning and Supplies	25,030	-	-	25,030	15,102
Tennis Court Maintenance	19,068	-	-	19,068	-
Pond Management and Maintenance	14,485	-	-	14,485	12,206
Goose Control	5,915	-	-	5,915	9,475
Exterminating	3,787	-	-	3,787	1,532
Total Building Operations	\$ 1,516,184	\$ -	\$ -	\$ 1,516,184	\$ 1,178,644
Schedule 3: Administrative Expenses					
Property Owners Association Fees	\$ 80,183	\$ -	\$ -	\$ 80,183	\$ 47,681
Management Fees	69,425	-	-	69,425	47,512
Insurance	41,405	-	-	41,405	33,759
Office and Computer	20,614	-	-	20,614	19,272
Holiday Lights	7,700	-	-	7,700	-
Accounting Fees	7,538	-	-	7,538	6,500
Postage, Printing and Miscellaneous	5,358	-	-	5,358	1,689
Permits	4,054	-	-	4,054	5,338
Legal Fees	1,000	-	-	1,000	-
Depreciation	728	-	-	728	728
Engineering Fees	450	-	-	450	-
Corporate Tax	-	-	-	-	105
Total Administrative Expenses	\$ 238,455	\$ -	\$ -	\$ 238,455	\$ 162,584
Schedule 4: Other Expenses					
Social Activities Expense	\$ 46,101	\$ -	\$ -	\$ 46,101	\$ 35,371
Café and Bar Expenses	18,933	-	-	18,933	23,874
Total Other Expenses	\$ 65,034	\$ -	\$ -	\$ 65,034	\$ 59,245

The accompanying notes are an integral part of these financial statements

NOTES TO FINANCIAL STATEMENTS

Country Pointe Meadows Homeowners Association, Inc.
Notes to Financial Statements
Year Ended June 30, 2023 and 2022

Note 1 - Organization, Management and Summary of Significant Accounting Policies:

ORGANIZATION

Country Pointe Meadows Homeowners Association, Inc. is a not-for-profit corporation organized on October 28, 2016, under Section 402 of the not-for-profit law of the State of New York. The Association was established to provide certain services to residents within the community currently in existence known as Country Pointe Meadows Condominiums I and II and future communities to be known as Country Pointe Meadows Condominium III. Such services include maintenance and operation of the clubhouse, pool, grounds, and related facilities. This will be accomplished primarily through management and maintenance contracts. The community consists of three (3) phases with four hundred (400) residential units located on seventy-six (76) acres in Yaphank, New York. Occupancy of eighty percent (80%) of the units in the overall development is limited to persons fifty-five (55) years of age and older.

MANAGEMENT

Operations and maintenance of the complex is the responsibility of the Association's Board of Directors who has retained a managing agent, Total Community Management Corp., to assist in this function.

FINANCIAL STATEMENT PREPARATION

The Association maintains its books and records on the accrual basis of accounting; consequently, revenues are recognized when earned and expenses are recognized when incurred.

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 for financial resources available for the general operations of the Association.

Working Capital Fund – This fund is used to account for financial resources obtained at the closing of each unit whereby each purchaser is required to contribute the equivalent of two (2) months of common charges.

Capital Reserve Fund – This fund is used to account for financial resources designated for future major repairs and replacements. Capital reserve fund cash is maintained in separate interest-bearing accounts. This fund was established in the current fiscal year.

CASH AND CASH EQUIVALENTS

For the purpose of the statements of cash flows, the Association considers all highly liquid investments with an initial maturity of three (3) months or less to be cash equivalents.

Country Pointe Meadows Homeowners Association, Inc.
Notes to Financial Statements
Year Ended June 30, 2023 and 2022

Note 1 - Organization, Management and Summary of Significant Accounting Policies: (continued)

RECOGNITION OF COMMON PROPERTY

Real property and common areas acquired from the Developer and related improvements to such property are not reflected on the Association's financial statements. The Association capitalizes personal property (furniture and equipment) at cost and depreciates it using the straight-line method over a five (5) to seven (7) year life.

ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

INITIAL WORKING CAPITAL CONTRIBUTIONS

Upon the sale of each unit, an amount equal to two (2) months homeowners' association assessment is to be paid to the Association as initial working capital. While the Sponsor is in control of the Board of Directors, these funds cannot be used to reduce common charges. The Sponsor relinquishes control when all of the units in each phase are closed.

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 are invoiced to the individual unit owners by Country Pointe Meadows Condominiums I, II and III and remitted in bulk to the Association. Assessments receivable at the balance sheet date represent fees due from Country Pointe Meadows Condominiums I, II and III.

The Association's policy is to retain legal counsel and place liens on the properties of unit owners whose assessments are thirty (30) days or more delinquent. Any excess assessments at year-end are retained by the Association for use in the succeeding year.

The Financial Accounting Standards Board (FASB) issued guidance that created Topic 606, Revenue from Contracts with Customers, in the Accounting Standards Codification (ASC) relating to revenue recognition. Association members are subject to monthly assessments to provide funds for the Association's operating expenses and major repairs and replacements. Similar to prior guidance, assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligations related to its operating and general reserve assessments (if any) are satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to specific project replacement fund assessments are satisfied when these funds are expended for their designated purpose. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments. At June 30, 2023, the Association had an assessments receivable balance of \$32,117 (\$23,935 at June 30, 2022).

Country Pointe Meadows Homeowners Association, Inc.
Notes to Financial Statements
Year Ended June 30, 2023 and 2022

Note 2 – Concentration of Credit Risk:

The Association’s financial instruments consist primarily of cash, cash investments, and accounts receivable. The Association maintains its cash balances at the following financial institution(s):

<u>Institution</u>	<u>Description</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Flagstar Bank / Signature Bank	Operating	\$ 95,501	\$ 50,660
Flagstar Bank / Signature Bank	Credit Card Exchange	18,568	12,974
Flagstar Bank / Signature Bank	Social	19,693	16,700
Flagstar Bank / Signature Bank	Debit Card	5,156	6,986
Flagstar Bank / Signature Bank	Food and Beverage	41,839	18,605
Flagstar Bank / Signature Bank	Entertainment Committee	17,717	6,391
Flagstar Bank / Signature Bank	Resident Donations	1,416	244
Flagstar Bank / Signature Bank	Working Capital	10,759	195,520
Merrill Lynch	Working Capital	259,585	-
Flagstar Bank / Signature Bank	Reserve	4,338	144,008
Merrill Lynch	Reserve	254,634	-
	Total	<u>\$ 729,206</u>	<u>\$ 452,088</u>

Total amounts held per financial institution:

Flagstar Bank / Signature Bank	\$ 214,987	\$ 452,088
Merrill Lynch	514,219	-
Total	<u>\$ 729,206</u>	<u>\$ 452,088</u>

As of June 30, 2023 and 2022, the Association was in excess of the \$250,000 FDIC-Insured deposit by the following:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Flagstar Bank / Signature Bank	\$ -	\$ 202,088
Merrill Lynch	264,219	-
Total	<u>\$ 264,219</u>	<u>\$ 202,088</u>

The business activity of the Association is to operate as a homeowners’ association as described in Note 1. As such, the Association’s primary source of revenue is from its unit owners and Sponsor (Note 5). The Association is exposed to a regional concentration of credit risk if a significant portion of its unit owners or the Sponsor did not pay maintenance charges.

Accounts in aggregate, per financial institution, including all noninterest-bearing, are insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000. As of June 30, 2023 and 2022, the Condominium was not in excess of the \$250,000 FDIC-insured amount.

Country Pointe Meadows Homeowners Association, Inc.
Notes to Financial Statements
Year Ended June 30, 2023 and 2022

Note 2 – Concentration of Credit Risk: (continued)

The FDIC released the following press release in response to the March 12, 2023 closure of Signature Bank:

“Signature Bank, New York, NY, was closed today by the New York State Department of Financial Services, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect depositors, the FDIC transferred all the deposits and substantially all of the assets of Signature Bank to Signature Bridge Bank, N.A., a full-service bank that will be operated by the FDIC as it markets the institution to potential bidders.

Signature Bank had 40 branches across the country in New York, California, Connecticut, North Carolina, and Nevada. Banking activities will resume Monday, March 13, 2023, including on-line banking. Depositors and borrowers will automatically become customers of Signature Bridge Bank, N.A. and will continue to have uninterrupted customer service and access to their funds by ATM, debit cards, and writing checks in the same manner as before. Signature Bank’s official checks will continue to clear. Loan customers should continue making loan payments as usual.

The transfer of all the deposits was completed under the systemic risk exception approved earlier today. All depositors of the institution will be made whole. No losses will be borne by the taxpayers. Shareholders and certain unsecured debt holders will not be protected. Senior management has also been removed. Any losses to the Deposit Insurance Fund (DIF) to support uninsured depositors will be recovered by a special assessment on banks, as required by law.

The FDIC, as receiver for Signature Bank, has also transferred all Qualified Financial Contracts (as defined in 12 USC 1821(e)) of the failed bank to the bridge bank. These actions will protect depositors and preserve the value of the assets and operations of Signature Bank, which may improve recoveries for creditors and the DIF.

Signature Bank had total assets of \$110.4 billion and total deposits of \$88.6 billion as of December 31, 2022. As receiver, the FDIC will operate Signature Bridge Bank, N.A. to maximize the value of the institution for a future sale and to maintain banking services in the communities formerly served by Signature Bank.

A bridge bank is a chartered national bank that operates under a board appointed by the FDIC. It assumes the deposits and certain other liabilities and purchases certain assets of a failed bank. The bridge bank structure is designed to “bridge” the gap between the failure of a bank and the time when the FDIC can stabilize the institution and implement an orderly resolution.”

Signature Bank began operating as Flagstar Bank, a subsidiary of New York Community Bank, on March 20, 2023.

Note 3 - Income Taxes:

The Association has elected under Section 528 of the Internal Revenue Code and related State statutes to receive certain tax benefits which, in effect, permit the exclusion of exempt function income from gross income. Such election is obtained by filing Form 1120H.

Country Pointe Meadows Homeowners Association, Inc.
Notes to Financial Statements
Year Ended June 30, 2023 and 2022

Note 3 - Income Taxes:

Income not related to its exempt function such as interest, dividends or other unrelated business income, net of allocable expenses and a statutory \$100 deduction, will be subject to a federal income tax at the rate of thirty percent (30%). For the years ended June 30, 2023 and 2022, the Association had no net non-exempt function income. New York State imposes a tax based upon the greater of a tax on net non-exempt function income, a capital base tax, or a minimum tax. The Association was liable for \$0 and \$105 of New York State taxes for the year ended June 30, 2023 and 2022, respectively.

The Association's tax filings are subject to audit by federal and New York State taxing authorities. The Association's federal and New York State income tax returns for the years ended June 30, 2023 and 2022, and the subsequent years remain open to examination by the Internal Revenue Service and New York State taxing authorities. In evaluating the Association's tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances.

Note 4 - Equipment

Equipment is comprised of the following:

Equipment is comprised of the following:

Computer and office equipment	\$ 7,279
Accumulated depreciation	<u>(2,184)</u>
	<u>\$ 5,095</u>

Note 5 - Future Major Repairs and Replacements:

The Association 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 Association has the right to utilize available cash, increase maintenance charges, pass special assessments, borrow, or delay repairs and replacements until the funds are available. The effect on future assessments has not been determined at this time. For the years ended June 30, 2023 and 2022, the Association had a reserve fund in the amount of \$271,864 and \$263,118, respectively.

Note 6 - Related Party Transactions:

The Sponsor's obligation for assessments relating to units not closed will be limited to the difference between the actual operating costs of the Association, including reserves on completed portions of the common areas, and the assessments levied on owners who have closed title on their units. In no event will the Sponsor be required to make a deficiency contribution in an amount greater than it would otherwise be liable for if it were paying assessments on units not closed.

Country Pointe Meadows Homeowners Association, Inc.
Notes to Financial Statements
Year Ended June 30, 2023 and 2022

Note 6 – Related Party Transactions: (continued)

As of June 30, 2023, one hundred forty-one (141) units (out of one hundred forty-eight (148) units) in Condominium I, one hundred eighteen (118) units (out of one hundred thirty-nine (139) units) in Condominium II, and fourteen (14) units (out of the one hundred thirteen (113) units) in Condominium III were closed.

	Condominium I		Condominium II		Condominium III	
	As of June 30, 2023	As of June 30, 2022	As of June 30, 2023	As of June 30, 2022	As of June 30, 2023	As of June 30, 2022
Units Closed	141	133	118	80	14	0
Units Not Closed	7	15	21	59	99	0
Total Units	148	148	139	139	113	0

As of June 30, 2023, the Sponsor was responsible for the deficit funding amount of \$402,889. During the year ending June 30, 2023, the Sponsor had contributed \$300,000 towards the deficit funding and the additional balance of \$102,889 was paid on October 4, 2023.

As of June 30, 2022, the Sponsor was responsible for the deficit funding amount of \$511,952. During the year ending June 30, 2022, the Sponsor had contributed \$500,000 towards the deficit funding and the additional balance of \$11,952 was paid on November 8, 2022.

Note 7 – Commitments and Contingencies:

MANAGEMENT CONTRACT

The Association is under a contractual agreement with Total Community Management Corp. for management services as follows:

For management services, a fee of \$275.00 per annum per closed unit is due and payable in twelve (12) equal monthly installments on the first of each month. This agreement will terminate three (3) years from the date of the last unit closing.

Note 8 – Coronavirus Uncertainty:

In late 2019, a novel strain of coronavirus, COVID-19, emerged globally. As the COVID-19 coronavirus continues to spread in the United States and around the world, the Association may experience disruptions that could severely impact its ability to carry out its activities. The impact of the outbreak of the COVID-19 coronavirus continued to rapidly evolve. The extent to which the COVID-19 coronavirus may impact the Association and its unit owners will depend on future developments, which are highly uncertain and cannot be predicted with confidence.

Country Pointe Meadows Homeowners Association, Inc.
Notes to Financial Statements
Year Ended June 30, 2023 and 2022

Note 8 – Coronavirus Uncertainty: (continued)

These future developments and factors include, but are not limited to, the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, supply chain and transportation disruptions, social distancing in the United States and other countries, business closures or business disruptions and the effectiveness of actions taken in the United States and other countries to contain and treat the virus. Due to these factors and other currently unknown factors that may come to light If this coronavirus outbreak and any associated protective or preventative measures expand, as of the date of the auditor's report, the Association cannot reasonably estimate the impact to its activities, revenues, financial condition or results of operations.

Note 9 – Date of Management Review and Subsequent Events:

The Sponsor fulfilled its shortfall obligation of \$102,889 on October 4, 2023, as mentioned in Note 6.

In preparing the financial statements, the Association has evaluated all subsequent events and transactions for potential recognition or disclosure through October 4, 2023, the date the financial statements were available to be issued. No subsequent events have occurred through that date that would have a material impact on the financial statements.