



Discoverer

November 2022

The Lake Don Pedro Owners' Association • 5182 Fuentes De Flores • La Grange CA 95329

FREE

Lake Don Pedro Owners Association
Report of Inspector of Election
2022 Election of Directors

1. Two director's terms expire as of October 8, 2022.
2. The Candidate Solicitation Notice was published on June 1, 2022. The candidate solicitation / declaration period being from June 1, 2022 to 5 p.m. on July 15, 2022.
3. As of 5 p.m. on July 15, 2022, one (1) candidate, Eva Banuelos had applied and met the legal requirements for candidacy.
4. As there are two seats open and one candidate it was deemed an unnecessary expense to ballot the membership.
5. Therefore, the results of the 2022 Board of Director's Election are as follows:

Mrs. Eva Banuelos is hereby elected by acclamation to the Board of Directors, with one seat still open, for the three-year term starting October 8, 2022 and ending on Saturday, October 11, 2025.
6. The Inspector of Election performed his duties impartially, in good faith, to the best of his ability, and as expeditiously as was practical.

By my signature below, I verify that I served as the Inspector of Election in this election and that this report constitutes the Report of Inspector of Election.

Dated: October 8, 20221

Adonis Castenada
Adonis Castenada (Inspector of Election)

DIRECTOR APPOINTED TO REMAINING EMPTY BOARD SEAT

In accordance with the Association Bylaws, Election Rules and the California Davis-Stirling Act the board filled the remaining open seat on the Board of Directors by appointing a Director at the October 8, 2022 Annual Member's Meeting.

Fortunately, Mr. Jesse Forgues offered to continue to serve on the Board for another term and so was appointed to fill the empty seat by unanimous vote of the Board.
Welcome back Jesse.

The full Annual CPA Review is also available as a
printable pdf file on the Associations website

www.LDPOA.com

SAVE THE DATES



The Lake Don Pedro
Owners' Association
Presents:



**The 2022 Annual
Christmas Arts & Gift Show**

November 19th & 20th

10:00 am - 5:00 pm

**At The Hacienda
5182 Fuentes de Flores
La Grange, CA 95329**

Calling all Vendors!

**For an Application Packet
e-mail: tammy_sabin@yahoo.com
or call:
Tammy 209-591-3722, Paula 209 261-7069**

NOTICE

THE LAKE DON PEDRO OWNERS' ASSOCIATION

OFFICE WILL BE CLOSED FOR THE

THANKSGIVING HOLIDAY

WEDNESDAY, NOVEMBER 23RD - SATURDAY, NOVEMBER 26TH

HAVE A WONDERFUL THANKSGIVING

LDPOA Calendar of Events

For up to date info check our FaceBook page
<https://www.facebook.com/ldpoa/>

For the Hacienda Calendar go to our website at: www.ldpoa.com

OFFICE SCHEDULE:

Monday, Tuesday, Wednesday, Friday & Saturday from 9 am – 4:30 pm.
 Closed on Thursdays & Sundays.

LINE DANCING

Class is open & ongoing Monday mornings 9:30 - 11:30 am
 Beginners Welcome, to the 9:30 basics session.

YOGA CLASSES

Yoga Class re-starting Wednesdays at 8:30 am
 Contact Lotti Epps for information 209 852-2476

November

4 Friday	<ul style="list-style-type: none"> • Apt A & B Reserved 11/4 - 11/5 • Pavilion, Lounge & Kitchen Reserved
5 Saturday	<ul style="list-style-type: none"> • Pavilion, Lounge & Kitchen Reserved
8 Tuesday	<ul style="list-style-type: none"> • ACC COMMITTEE MEETS
9 Wednesday	<ul style="list-style-type: none"> • BOARD MEETING; 6:30 PM
11 Friday	<ul style="list-style-type: none"> • Apt B Reserved 11/11 - 11/13
13 Saturday	<ul style="list-style-type: none"> • Lounge Reserved
19 Saturday	<ul style="list-style-type: none"> • HOLIDAY CRAFT FAIR - HACIENDA 11/19 - 11/20 • Apt A Reserved 11/19 - 11/20
23 Wednesday	<ul style="list-style-type: none"> • 11/23 - 11/26 WEDNESDAY – SATURDAY OFFICE CLOSED FOR THANKSGIVING HOLIDAY
24 Thursday	<ul style="list-style-type: none"> • OFFICE CLOSED • Lounge & Kitchen Reserved • Apts A & B Reserved 11/24 - 11/25
25 Friday	<ul style="list-style-type: none"> • OFFICE CLOSED
26 Saturday	<ul style="list-style-type: none"> • OFFICE CLOSED

December

2 Friday	<ul style="list-style-type: none"> • Apt A & B Reserved 12/2 - 12/3
3 Saturday	<ul style="list-style-type: none"> • Lounge Reserved
10 Saturday	<ul style="list-style-type: none"> • Lounge & Pavilion Reserved
13 Tuesday	<ul style="list-style-type: none"> • ACC COMMITTEE MEETS • Lounge Reserved
14 Wednesday	<ul style="list-style-type: none"> • NO BOARD MEETING
23 Friday	<ul style="list-style-type: none"> • OFFICE CLOSING AT 1 PM
24 Saturday	<ul style="list-style-type: none"> • 12/24 - 12/26 – SATURDAY TO MONDAY OFFICE CLOSED FOR CHRISTMAS HOLIDAY
31 Saturday	<ul style="list-style-type: none"> • 12/31 - 12/26 – SATURDAY TO MONDAY OFFICE CLOSED FOR NEW YEARS HOLIDAY

January

2 Monday	<ul style="list-style-type: none"> • OFFICE CLOSED FOR NEW YEARS HOLIDAY
9 Tuesday	<ul style="list-style-type: none"> • ACC COMMITTEE MEETS
10 Wednesday	<ul style="list-style-type: none"> • NO BOARD MEETING

LAKE DON PEDRO OWNERS' ASSOCIATION

FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANT'S REVIEW REPORT

YEARS ENDED JUNE 30, 2022 AND 2021

LEVY, ERLANGER & COMPANY LLP
 Certified Public Accountants
 San Francisco, California

LAKE DON PEDRO OWNERS' ASSOCIATION

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LEVY, ERLANGER & COMPANY LLP
 Certified Public Accountants
 290 KING STREET, SUITE 12
 San Francisco, CA 94107

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board Of Directors
Lake Don Pedro Owners' Association
 La Grange, California

We have reviewed the accompanying financial statements of **Lake Don Pedro Owners' Association** (the Association) which comprise the balance sheets as of June 30, 2022 and 2021, and the related statements of revenues, expenses and changes in fund balances and cash flows, for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Association management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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. (Continued on next page)

Board Of Directors
Lake Don Pedro Owners' Association
 Independent Accountant's Review Report (Continued)

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Lake Don Pedro Owners' Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Future Major Repairs and Replacements

As further discussed in the notes to the financial statements, the Association has completed a study of its common area major components sufficient to assist the Board in planning for future major repairs and replacements. The reasonableness of the resulting replacement reserve funding plan is a function of the completeness of the major component list and the accuracy of the estimated quantity, useful and remaining lives, and replacement costs of those components.

Funds are being accumulated in the replacement fund based on estimated future costs for repair and replacement of common area property. Actual expenditures and investment income may vary from the estimated amounts, and the variations may be material. Therefore, amounts accumulated in the replacement fund may or may not be adequate to meet all future component repair and replacement costs. The ability of the Association to fund its future requirements is dependent upon annual increases in that portion of the assessment which is allocated to the replacement fund, and/or special assessments. In the event that funds are not available when needed, the Board may, subject to the constraints of California law and the Association's governing documents, increase regular assessments, levy special assessments, and/or delay repair and replacement of common area major components until sufficient funds are available.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information about future major repairs and replacements of common property be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed or compiled the required supplementary information, and we do not express an opinion, a conclusion, nor provide any assurance on it.

Ken Elmer & Company LLP

August 24, 2022

LAKE DON PEDRO OWNERS' ASSOCIATION

BALANCE SHEETS JUNE 30, 2022 AND 2021

ASSETS	2022		2021	
	Operations Fund	Replacement Fund	Total Funds	Total Funds
Cash and cash equivalents (Note 2)	\$ 373,804	\$ 634,660	\$ 1,008,464	\$ 953,254
Assessments receivable, less allowance for doubtful accounts of \$124,000 and \$118,000, respectively (Note 2)	3,669		3,669	3,981
Prepaid insurance	20,807		20,807	20,825
Other assets	6,385		6,385	4,534
Total assets	\$ 404,665	\$ 634,660	\$ 1,039,325	\$ 982,594
LIABILITIES				
Accounts payable	\$ 7,641	\$ -	\$ 7,641	\$ 3,898
Assessments paid in advance	167,674		167,674	169,722
Refundable deposits	30,029		30,029	9,954
Income taxes payable	566	30	596	
Vacation payable	6,288		6,288	5,910
Other liabilities	15,772		15,772	14,201
Contract liabilities - replacement reserve assessments paid in advance (Notes 2 and 4)		634,630	634,630	603,656
Future major repairs and replacements (Note 3)	-	-	-	-
Total liabilities	227,970	634,660	862,630	807,341
COMMITMENTS (NOTE 5)	-	-	-	-
FUND BALANCE (DEFICIT)	176,695	-	176,695	175,253
Total liabilities and fund balance	\$ 404,665	\$ 634,660	\$ 1,039,325	\$ 982,594

See independent accountant's review report and accompanying notes

LAKE DON PEDRO OWNERS' ASSOCIATION

**STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN FUND BALANCES
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022			2021
	Operations Fund	Replacement Fund	Total Funds	Total Funds
REVENUES				
Assessments (Notes 2 and 4)	\$ 282,200	\$ 12,986	\$ 295,186	\$ 267,200
Bad debt recovery (expense)	(12,474)		(12,474)	(10,303)
Interest income (Note 2)	34	1,004	1,038	31
Rental income	34,028		34,028	15,733
Late charges and other income	61,327		61,327	57,907
Total revenues	365,115	13,990	379,105	330,568
EXPENSES				
<u>Administration</u>				
Income tax provision (Note 2)	566	30	596	-
Insurance	35,688		35,688	35,932
Legal and accounting	4,923		4,923	6,120
Newsletter	12,805		12,805	11,979
Office, printing and postage	44,941		44,941	38,924
Reserve study	300		300	300
	99,223	30	99,253	93,255
<u>Maintenance and operations</u>				
Hacienda expenses	9,446	-	9,446	9,220
Janitorial services	18,681		18,681	12,751
Parks expense	2,182		2,182	2,196
Payroll, payroll taxes and benefits	172,157		172,157	147,060
Pool and spa maintenance	2,619		2,619	2,242
Septic maintenance and test	5,688		5,688	7,186
Other maintenance and operations	5,081		5,081	8,361
	215,854	-	215,854	189,016
EXPENSES (CONTINUED)				
<u>Utilities</u>				
Garbage collection	\$ 4,701	\$ -	\$ 4,701	\$ 6,153
Gas and electricity	27,325		27,325	22,624
Water and sewer	2,610		2,610	2,544
	34,636	-	34,636	31,321
<u>Major repairs and replacements</u>				
Landscaping, trees and irrigation	-	4,400	4,400	-
Pergola		2,847	2,847	
Sewer and drainage		3,213	3,213	
Other major repairs and replacements		3,500	3,500	
	-	13,960	13,960	-
Total expenses	349,713	13,990	363,703	313,592
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	15,402	-	15,402	16,976
BOARD-APPROVED INTERFUND RECLASSIFICATIONS AND TRANSFERS	(13,960)	-	(13,960)	-
FUND BALANCE (DEFICIT), BEGINNING OF YEAR	175,253	-	175,253	158,277
FUND BALANCE (DEFICIT), END OF YEAR	\$ 176,695	\$ -	\$ 176,695	\$ 175,253

See independent accountant's review report and accompanying notes

LAKE DON PEDRO OWNERS' ASSOCIATION

**STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021**

	2022		2021	
	Operations Fund	Replacement Fund	Total Funds	Total Funds
OPERATING ACTIVITIES				
Excess (deficiency) of revenues over expenses	\$ 15,402	\$ -	\$ 15,402	\$ 16,976
Adjustments to reconcile excess (deficiency) of revenues over expenses to net cash provided by operating activities:				
Bad debt (recovery) expense	12,474	-	12,474	10,303
Decrease (increase) in assets:				
Assessments receivable	(12,162)		(12,162)	(13,405)
Other assets	(1,851)		(1,851)	186
Prepaid insurance	18		18	232
Increase (decrease) in liabilities:				
Accounts payable	3,743		3,743	(646)
Refundable deposits	20,075		20,075	(383)
Assessments paid in advance	(2,048)		(2,048)	11,471
Other liabilities	1,571		1,571	(184)
Income taxes payable	566	30	596	
Vacation payable	378		378	696
Contract liabilities - replacement reserve assessments paid in advance		30,974	30,974	46,048
Total adjustments	22,764	31,004	53,768	54,318
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	38,166	31,004	69,170	71,294
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	38,166	31,004	69,170	71,294
BOARD-APPROVED INTERFUND RECLASSIFICATIONS AND TRANSFERS	(13,960)	-	(13,960)	-
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	349,598	603,656	953,254	881,960
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 373,804	\$ 634,660	\$ 1,008,464	\$ 953,254
<u>Supplemental Disclosures</u>				
Interest paid	\$ -	\$ -	\$ -	\$ -
Income taxes paid	\$ -	\$ -	\$ -	\$ -

See independent accountant's review report and accompanying notes

LAKE DON PEDRO OWNERS' ASSOCIATION**NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021****1. THE ASSOCIATION**

Lake Don Pedro Owners' Association (the Association) is a common interest development located in La Grange, California which consists of 3122 lots and certain common area property. The Association was organized as a nonprofit mutual-benefit corporation in August 1968 to provide for management, maintenance and architectural control of the individual units and the common area property. The Association is governed by a member-elected Board of Directors which is responsible for enforcing provisions of the governing documents, which include covenants, conditions and restrictions (CC&Rs), by laws, and rules and regulations. Major decisions, as determined by the CC&Rs, are referred to the Association owners as a whole.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Assessments. Association members are subject to annual assessments to provide funds for the Association's operating expenses and major repairs and replacements. 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 assessments are satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the 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. The Association's policy is to retain legal counsel and place liens on the properties of owners whose assessments are delinquent. The Association treats uncollectible assessments as variable consideration. Methods, inputs, and assumptions used to evaluate whether an estimate of variable consideration is constrained include consideration of past experience and susceptibility to factors outside the Association's control. The estimate of allowance for doubtful accounts, if any, is based, generally on amounts past due greater than 90 to 120 days.

Basis of presentation. The accompanying financial statements, and the Association's corporate income tax returns, have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America, whereby revenues are recognized when earned and expenses are recognized when incurred.

Cash and cash equivalents. For purposes of the statement of cash flows, the Association considers all short-term investments with a maturity at date of purchase of three months or less to be cash equivalents. Cash equivalents are classified with cash in the balance sheet.

Concentrations of credit risk. Financial instruments which potentially subject the Association to concentrations of credit risk consist principally of cash, cash equivalents and investments. The Association maintains its financial instruments with what management believes to be high credit quality financial institutions and limits the amount of credit exposure to any one particular institution. Cash, cash equivalents and investments in excess of federal deposit insurance (FDIC) coverage limits as of June 30, 2022 totaled approximately \$760,000.

Contract liabilities - replacement reserve assessments paid in advance. The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability - replacement reserve assessments paid in advance is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments.

Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and the differences could be material.

Fund accounting. The Association's governing documents provide certain guidelines for governing its financial activities. To ensure the 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 two funds established according to their nature and purpose. The operations fund is used to account for the financial resources available for the general day-to-day operations of the Association. The replacement fund is used to accumulate financial resources designated for future major repairs and replacements.

Income taxes are paid on income from sources which are not related to the nonprofit, membership purposes of the Association. Nonmembership income, less related nonmembership expenses, subject to federal and California income taxes includes interest earned on cash and cash equivalents, and investments. (Continued on next page)

See independent accountant's review report

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For federal purposes, the Association has received exemption from tax under IRC Section 501(c)(7) and is subject to tax on net nonmembership income at 21%. California income taxes approximate 9% of taxable income.

The Association's tax filings are subject to audit by various taxing authorities: federal income tax returns for the previous three years remain open to examination by the Internal Revenue Service and California income tax returns for the previous four years remain open to examination by the Franchise Tax Board. In evaluating the Association's tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances.

Interest earned on operations and replacement funds, net of related income taxes, is retained in said respective funds. With the implementation of FASB ASC 606 new accounting guidance, reported replacement reserve interest income may be less than earned.

Membership in the Association is mandatory by virtue of unit ownership.

Real and personal common property acquired by the original owners from the developer is not recognized in the Association's financial statements, in accordance with prevalent industry practice, because it is commonly owned by the individual Association members and its disposition by the Board Of Directors is restricted. Similarly, major repairs, replacements and improvements to real and personal property are not recognized.

3. FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association's governing documents, and California state law (Civil Code Section 5300), require that the Board Of Directors provide for the repair and replacement of Association common area major components. Accordingly, funds which comprise the replacement fund are not generally available for the payment of day-to-day operating expenses.

The Association has completed a study of its common area major components sufficient to assist the Board in planning for future major repairs and replacements. The reasonableness of the resulting reserve funding plan is a function of the completeness of the major component list, the accuracy of the estimated quantity, useful and remaining lives and current replacement costs of those components, and the reasonableness of significant funding assumptions, including but not limited to the projected major component cost increases (aka inflation) and interest earning rate(s) on replacement fund cash balances.

Funds are being accumulated in the replacement fund based on estimated future costs for repair and replacement of common area property. Actual expenditures and investment income may vary from the estimated amounts, and the variations may be material.

Therefore, amounts accumulated in the replacement fund may or may not be adequate to meet all future component repair and replacement costs. The ability of the Association to fund its future requirements is dependent upon annual increases in that portion of the assessment which is allocated to the replacement fund, and/or special assessments. In the event that funds are not available when needed, the Board may, subject to the constraints of California law and the Association's governing documents, increase regular assessments, levy special assessments, and/or delay repair and replacement of common area major components until funds are available.

Additional information about future major repairs and replacements may be found in the annually-distributed pro forma operating budget and related assessment and reserve funding disclosure summary (pursuant to California Civil Code Section 5300).

4. FASB ASC 606 NEW ACCOUNTING GUIDANCE IMPLEMENTATION

The Financial Accounting Standards Board (FASB) has issued new guidance that created Accounting Standards Codification (ASC) Topic 606. This new guidance supercedes the revenue recognition requirements in FASB ASC 972-605, Real Estate - Common Interest Realty Associations (CIRAs), Revenue Recognition, and now requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which a CIRA expects to be entitled in exchange for those goods or services (i.e. the accumulation of unspent replacement reserve cash and investments from assessment payments over time which are eventually to be used for common area major repairs and replacements).

The Association has adopted the new guidance as of July 1, 2019, using the modified retrospective method of transition, which requires that the cumulative effect of the changes related to the adoption be charged to beginning fund balance. The Association applied the new guidance using the practical expedient provided in Topic 606 that allows the guidance to be applied only to contracts that were not complete as of July 1, 2019. Adoption of the new guidance resulted in changes to our accounting policies for assessment revenues and contract liabilities - replacement reserve assessments paid in advance.

(Continued on next page)

See independent accountant's review report

4. FASB ASC 606 NEW ACCOUNTING GUIDANCE IMPLEMENTATION (CONTINUED)

<u>2021-2022 Assessment Revenues Reconciliation</u>	Operations Fund	Replacement Fund	Total Funds
Assessment revenues <u>per budget</u>	\$ 282,200	\$ 30,000	\$ 312,200
Effects of applying <u>new guidance</u>			
Reclassify <u>interfund transfers</u>	-	13,960	13,960
Adjust revenues to equal expenses	-	(30,974)	(30,974)
Total effects of new guidance	-	(17,014)	(17,014)
Assessment revenues <u>per financial statements</u>	<u>\$ 282,200</u>	<u>\$ 12,986</u>	<u>\$ 295,186</u>

<u>2020-2021 Assessment Revenues Reconciliation</u>	Operations Fund	Replacement Fund	Total Funds
Assessment revenues <u>per budget</u>	\$ 267,200	\$ 45,000	\$ 312,200
Effects of applying <u>new guidance</u>			
Adjust revenues to equal expenses	-	(45,000)	(45,000)
Total effects of new guidance	-	(45,000)	(45,000)
Assessment revenues <u>per financial statements</u>	<u>\$ 267,200</u>	<u>\$ -</u>	<u>\$ 267,200</u>

5. COMMITMENTS

The Association enters into contracts for management and/or maintenance services in the normal course of its business operations. These contracts are generally cancelable on thirty to ninety days' advance notice.

6. COVID-19

In December 2019 a novel strain of coronavirus surfaced and has spread around the world, resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization in January 2020. The effect of this virus on the financial position and/or results of operations of the Association is unknown at this time.

7. DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through August 24, 2022, the date that the financial statements were available to be issued.

See independent accountant's review report

LAKE DON PEDRO OWNERS' ASSOCIATION

SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND REPLACEMENTS
JUNE 30, 2022
(UNAUDITED)

The following information on common area major components was compiled by Browning Reserve Group of Sacramento, California as of February 2022 and has served as the basis for the current estimates of replacement reserve funding:

Reserve Component	Current Repl. Cost	Useful Life	Remaining Life	2021/2022 Fully Funded Balance
00001 - Hacienda Interior				
03500 - Painting: Interior				
300 - Clubhouse				
21,475 sf Hacienda (50%)	3,272	5	2	1,963
04000 - Structural Repairs				
912 - Doors				
Kitchen Sliding Door	7,132	20	13	2,496
916 - Doors				
5 Sliding Doors	35,661	20	15	8,915
08000 - Rehab				
110 - General				
3,440 sf Pavilion	3,578	8	5	1,342
120 - General				
1,360 sf Lounge & Bar	4,729	8	1	4,138
130 - General				
1,276 sf Gym & Library	4,665	12	1	4,277
140 - General				
1,390 sf Kitchen	6,951	5	4	1,390
150 - General				
922 sf Offices & Lobby	1,463	5	1	1,170
154 - General				
376 sf [3] Rental Offices	3,595	10	4	2,157
160 - General				
649 sf Lower Apartment	3,880	8	4	1,940
162 - General				
300 sf Lower Apartment- Patio Repair	1,005	10	4	603
170 - General				
1,251 sf Upper Apartment	6,256	8	4	3,128
220 - Restrooms				
2 Near Lounge	1,486	8	2	1,114
230 - Restrooms				
2 Near Offices	1,486	8	1	1,300
14000 - Recreation				
290 - Exercise: Miscellaneous Equip. Multipurpose Room	1,444	5	4	289
22000 - Office Equipment				
200 - Computers, Misc. Office	4,033	6	1	3,361
23000 - Mechanical Equipment				
200 - HVAC				
Office	11,165	15	7	5,955
210 - HVAC				
4 Pavilion Evaporative Units	12,491	15	4	9,160
220 - HVAC				
Lounge	4,058	30	7	3,111
260 - HVAC				
Lower Apartment	5,239	30	18	2,096
270 - HVAC				
Upper Apartment	7,938	30	21	2,381
630 - Water Heater				
Pavilion Restrooms	585	15	9	234
640 - Water Heater				
Kitchen	919	15	6	551
650 - Water Heater				
	919	15	2	796

Reserve Component	Current Repl. Cost	Useful Life	Remaining Life	2021/2022 Fully Funded Balance
00001 - Hacienda Interior				
23000 - Mechanical Equipment				
Pool Restrooms				
660 - Water Heater				
Lower Apartment	919	15	3	735
670 - Water Heater				
Upper Apartment	1,444	15	6	866
910 - Swamp Cooler				
Kitchen Evaporative Unit	1,870	30	7	1,434
24000 - Furnishings				
100 - Miscellaneous				
Office	4,264	10	4	2,559
104 - Miscellaneous				
Pavilion Stage	4,874	20	6	3,412
110 - Chairs				
250 Pavilion Folding Chairs	8,831	25	2	8,124
114 - Chairs				
40 Pavilion Folding Chairs	702	25	17	225
118 - Tables				
75 Lounge Tables & Folding Chairs	6,442	25	15	2,577
160 - Miscellaneous				
Lower Apartment- 2019/20	5,778	15	13	770
170 - Miscellaneous				
Upper Apartment Furnishings- 2019/2020	8,195	15	13	1,093
174 - Miscellaneous				
Upper Apartment Furnishings	2,101	15	4	1,541
400 - Sofa				
3 Lower Apartment- Sofa/Loveseat/Table	1,230	15	13	164
24500 - Audio / Visual				
100 - Television				
Multipurpose Room	995	10	4	597
104 - Television				
Television- Lower Apartment	329	10	2	263
300 - PA System				
PA System	825	10	4	495
25000 - Flooring				
250 - Carpeting				
168 Sq. Yds. Offices & Reception Area	2,455	15	1	2,292
260 - Carpeting				
73 Sq. Yds. Lower Apartment	2,419	15	3	1,935
404 - Tile				
15 Sq. Yds. Lower Apartment	1,783	20	13	624
420 - Tile				
800 sf Lounge Upper Level	8,000	25	5	6,400
424 - Coatings				
684 sf Lounge Lower Level- Stamped Concrete	4,161	15	6	2,497
630 - Vinyl				
140 Sq. Yds. Game Room	7,676	15	4	5,629
670 - Vinyl				
61 Sq. Yds. Upper Apartment	3,345	18	9	1,672
674 - Vinyl				
93 Sq. Yds. Upper Apartment	5,253	20	18	525
920 - Coatings				
3,500 sf Pavilion Floor	19,232	17	14	3,394
27000 - Appliances				
220 - 4-Burner Stove & Oven				
Upper Apartment	525	20	18	53
222 - Refrigerator				
Upper Apartment	1,051	15	10	350
224 - Refrigerator				
Lounge	919	15	1	857
240 - Dishwasher				
Upper Apartment	787	17	2	694

See independent accountant's review report and accompanying notes. Continued on next page

LAKE DON PEDRO OWNERS' ASSOCIATION

**SUPPLEMENTARY INFORMATION ON FUTURE
MAJOR REPAIRS AND REPLACEMENTS
JUNE 30, 2022
(UNAUDITED)**

Reserve Component	Current Repl. Cost	Useful Life	Remaining Life	2021/2022 Fully Funded Balance
00001 - Hacienda Interior				
27000 - Appliances				
260 - Refrigerator Lower Apartment	1,050	20	2	945
322 - Washer Lower Apartment	1,050	15	2	910
332 - Dryer Lower Apartment	725	15	2	628
340 - Washer Lower Apartment	986	10	1	887
344 - Dryer Kitchen Area- Housekeeping Washer	986	10	1	887
360 - Dishwasher Lower Apartment	800	17	2	706
460 - 4-Burner Stove & Oven Lower Apartment	525	20	18	53
540 - Refrigerator: Commercial: Large Kitchen	3,899	20	10	1,949
640 - Freezer: Large Kitchen	499	15	9	199
740 - Stove / Oven: Commercial grade 6-burner Kitchen	6,292	25	19	1,510
910 - Ice Machine Lounge	3,776	20	13	1,322
Sub-total Hacienda Interior	260,943			125,642
00003 - Common Area				
01000 - Paving				
110 - Asphalt: Sealing 2,768 sf Sport Court	698	8	2	523
210 - Asphalt: Ongoing Repairs 2,768 sf Sport Court (3%)	305	8	2	229
310 - Asphalt: Overlay 2,768 sf Sport Court	6,107	25	11	3,420
Sub-total Common Area	7,110			4,172
00004 - Hacienda Exterior				
02000 - Concrete				
220 - Walkways 4,550 sf Hacienda (2%)	1,538	8	7	192
400 - Pool Deck 8,650 sf Pool Area Concrete (2%)	4,217	8	2	3,163
03000 - Painting: Exterior				
100 - Surface Restoration 9,700 sf Hacienda	23,643	12	2	19,703
110 - Surface Restoration 995 sf Trellises	3,157	8	1	2,762
04000 - Structural Repairs				
300 - Trellis 370 sf Upper Apartment	2,437	20	13	853
04500 - Decking/Balconies				
190 - TBA 939 sf [2] Upper Apartment Balcony Membranes	3,941	25	20	788
200 - TBA 360 sf Upper Apartment Bedrooms Balcony	1,645	10	5	823
210 - TBA 179 sf Upper Apartment Living Room Balcony	818	10	5	409
05000 - Roofing				
200 - Low Slope: BUR 35 Squares- Upper Apartment & Pavilion	11,024	11	1	10,022
410 - Pitched: Dimensional Composition 6 Squares- Lounge & Kitchen- Access Walkways	2,793	25	2	2,569
670 - Pitched: Tile 108 Squares- Hacienda	104,875	30	9	73,412

Reserve Component	Current Repl. Cost	Useful Life	Remaining Life	2021/2022 Fully Funded Balance
00004 - Hacienda Exterior				
05000 - Roofing				
700 - Gutters / Downspouts 703 lf Hacienda	6,854	30	4	5,940
19000 - Fencing				
300 - Wood 25 lf Garbage Enclosure	788	15	9	315
390 - Vinyl 215 lf Hacienda Rear	4,192	20	10	2,096
394 - Vinyl 90 lf Front of Pavilion	2,128	20	16	426
20000 - Lighting				
100 - Exterior: Misc. Fixtures 48 Various Lighting Fixtures (40%)	7,018	15	3	5,614
24600 - Safety / Access				
520 - Card Readers Hacienda- Key Fob Entry	6,548	10	1	5,893
700 - Security System Hacienda	3,532	6	2	2,355
704 - Security System Hacienda Add'l Security Cameras	16,364	6	1	13,637
25000 - Flooring				
400 - Tile 3,534 sf Courtyard & Entry (5%)	1,723	5	2	1,034
26000 - Outdoor Equipment				
350 - Furniture 36 Hacienda Patio Chairs	4,496	18	8	2,498
354 - Furniture 36 Tables and Umbrellas	4,496	18	8	2,498
Sub-total Hacienda Exterior	218,226			157,001
00012 - Hacienda Parking				
01000 - Paving				
100 - Asphalt: Sealing 46,384 sf Parking & Rear Access Road	8,041	3	1	5,361
200 - Asphalt: Ongoing Repairs 46,384 sf Parking & Rear Access Road (1%)	1,706	3	1	1,137
300 - Asphalt: Overlay w/ Interlayer 46,384 sf Parking & Rear Access Road	102,338	25	17	32,748
02000 - Concrete				
210 - Curbs & Gutters 2,900 lf Parking Lot (2%)	2,261	10	3	1,583
03000 - Painting: Exterior				
104 - Masonry Walls 540 lf Hacienda Perimeter Stucco Walls	999	12	2	832
19000 - Fencing				
540 - Gates 2 Entrance Gates	5,507	30	7	4,222
20000 - Lighting				
540 - Parking Lot 14 Hacienda Parking Lot Lights	20,469	30	7	15,693
Sub-total Hacienda Parking	141,320			61,576
00028 - Prado Park				
01000 - Paving				
900 - Gravel 40 Cu. Yds. Access Road Replenish	4,400	8	0	4,400
18500 - Lakes / Ponds				
990 - Miscellaneous 5 Dams/Spillways Cleaning (20%)	5,125	5	4	1,025
19000 - Fencing				
100 - Chain Link: 4' 184 lf Outfield Fence	2,915	30	16	1,360

See independent accountant's review report and accompanying notes. Continued on next page

LAKE DON PEDRO OWNERS' ASSOCIATION

**SUPPLEMENTARY INFORMATION ON FUTURE
MAJOR REPAIRS AND REPLACEMENTS
JUNE 30, 2022
(UNAUDITED)**

Reserve Component	Current Repl. Cost	Useful Life	Remaining Life	2021/2022 Fully Funded Balance
00028 - Prado Park				
26000 - Outdoor Equipment				
100 - Tot Lot: Play Equipment	6,963	15	5	4,642
901 - Miscellaneous Play Equipment	1,740	15	7	928
30000 - Miscellaneous Gregoris Park- Portable Toilet				
810 - Maintenance Equipment	2,924	15	4	2,144
Sub-total Prado Park	24,068			14,500
00029 - Pool				
04000 - Structural Repairs				
304 - Trellis 550 sf Pool Trellis	14,406	20	16	2,881
310 - Trellis 450 sf Pool Shade Structure	11,243	20	5	8,432
05000 - Roofing				
680 - Pitched: Dimensional Composition Pool Equipment Structure	826	25	12	430
08000 - Rehab				
210 - Bathrooms 2 Pool Bathrooms	45,256	20	1	42,994
12000 - Pool				
110 - Resurface 148 lf Pool	22,629	12	8	7,543
700 - Equipment: Replacement Pool (50%)	2,297	5	1	1,837
930 - Furniture: Misc Pool (33%)	2,100	3	3	525
931 - Furniture: Misc Chaise Lounges (2021/2022 Only)[nr:1]	1,000	1	0	1,000
990 - Miscellaneous 4 Pool Area Shade Structures	2,143	10	1	1,929
19000 - Fencing				
200 - Gates 6 Pool Area Gates	2,741	30	12	1,645
26000 - Outdoor Equipment				
104 - Tot Lot: Play Equipment Pool Area Lawn	14,677	15	9	5,871
200 - Pedestal Grill BBQ 3 Pool Area	1,279	12	1	1,173
280 - Picnic Tables 2 Pool	1,706	20	5	1,279
870 - Miscellaneous Soda Machine	2,050	10	9	205
910 - Miscellaneous Courtyard Fountain	1,249	30	12	749
Sub-total Pool	125,602			78,492
00032 - Hacienda Support				
08000 - Rehab				
104 - General Turf Shed	3,150	20	3	2,677
180 - Doors Pavilion Double Doors	3,500	10	0	3,500
19000 - Fencing				
110 - Chain Link: 6' 1,606 lf Perimeter Areas	33,763	30	2	31,512
23000 - Mechanical Equipment				
860 - Septic System Repairs/Maintenance	3,213	6	0	3,213

Reserve Component	Current Repl. Cost	Useful Life	Remaining Life	2021/2022 Fully Funded Balance
00032 - Hacienda Support				
26000 - Outdoor Equipment				
840 - Shade Structure White Canopy	547	10	10	50
890 - Miscellaneous BBQ Trailer	1,706	20	5	1,279
28000 - Water System				
100 - Distribution Line Repl. Well-Hacienda Main Water Supply	1,455	20	18	146
130 - Backflow Valves Pump House Backflow	2,059	20	11	927
990 - Miscellaneous Pump House- Ongoing Repairs	4,623	6	4	1,541
994 - Miscellaneous Pump House- Major Repairs/Replacement	19,699	14	12	2,814
30000 - Miscellaneous				
812 - Tractor Massey Ferguson Tractor	39,993	20	12	15,997
820 - Vehicle Kawasaki Mule	6,150	15	14	410
Sub-total Hacienda Support	119,858			64,066
00036 - Barn				
04000 - Structural Repairs				
910 - Building Maintenance 1,056 sf Barn Structure	20,780	30	3	18,702
30000 - Miscellaneous				
990 - Trailer Utility Trailer	1,706	20	5	1,279
Sub-total Barn	22,486			19,981
Totals	919,613			525,431
				[A]
				[EndBal]
				[A]
Percent Funded				120%

The Association has conducted a study to estimate the useful and remaining lives and current replacement costs of common property major components. Funding requirements consider an estimated **before-tax interest rate** of 2-1/2% on replacement fund cash balances and an annual **inflation rate** of 1-1/2% on major component replacement costs. The replacement fund **cash** and investment balances at June 30, 2022 totaled **\$634,660**. The estimated **liability** for major repairs and replacements at this date totaled approximately **\$525,000**. The portion of 2023 regular assessments budgeted to be allocated to the replacement fund totals **\$10,000**.

See independent accountant's review report and accompanying notes.

Discoverer

Lake Don Pedro Owners' Association
Pam Hatler, Office Manager
5182 Fuentes de Flores, La Grange, CA 95329

Rates for various services from Lake Don Pedro Owners' Association

HALL AND APARTMENT RENTALS

	Member	Non-Member
Pavilion (43' x 80')	\$300	\$900
Lounge (47' x 21', 32' x 19')	\$ 75	\$400
Kitchen	\$100	\$200

(For Pavilion and/or Lounge a non-refundable Prep/Pre-clean Fee of \$50 is charged)

REFUNDABLE DEPOSITS FOR EVENT RENTALS:

(Deposits will be refunded if clean up standards are met, Rental Rules are followed & there are no damages)

*We recommend you have security

	Member	Non-Member
Pavilion	\$500	\$1000
Lounge	\$400	\$1000
Kitchen	\$400	\$1000

RENTAL RATES FOR APARTMENT SUITES

Check in is a 1 pm - Check out is at 10 am

Apartment "A" (Upstairs, 3Bd/2Bath sleeps 8)

Season	Member	Non-Member
Daily Rate Apr -Sep	\$ 210	\$ 300
Weekly Rate	\$1,260	\$1,800
Daily Rate Oct.-Mar	\$ 150	\$ 240
Weekly Rate	\$ 840	\$1,400
Deposit (Required to reserve)	\$ 350	\$ 500

Apartment "B" (Downstairs, 2bd/1Bath + sofabed sleeps 6)

Season	Member	Non-Member
Daily Rate Apr -Sep	\$ 180	\$ 216
Weekly Rate	\$1,080	\$1,296
Daily Rate Oct.-Mar	\$ 120	\$ 180
Weekly Rate	\$ 660	\$1,020
Deposit (Required to reserve)	\$ 300	\$ 360

Deposits fully refunded if: Cleanup standards are met, Rental Rules are followed & no losses/damages.

Rev 03/01/22



OFFICE RENTAL INFORMATION

Office 1	9x12	Leased	\$162
Office 2	11x12	Leased	\$198
Office 3	8x17	Leased	\$204
Office 4	8.25x12.5	Leased	\$155

Office Services

Fax - To receive	\$0.50 per page
Fax - To send	\$1.00 per page
Copies	10 cents per page

ADDITIONAL RENTAL INFORMATION

*TWO MEMBER PERKS: Rent FREE personal use of the Lounge once (1) per year & Rent FREE personal use of Pavilion once (1) every three (3) years. (Subject to availability) Deposits are required. **Event Curfew is 10:30 pm with cleanup by Midnight**

(If available) Prior day setup/rehearsal use noon to 9 pm \$50; Next Day Cleanup use (6 am - noon) \$50 **Insurance is required for events of more than 50 or if any alcohol is present. (Ask for Insurance Requirements)**

Note: For your Hacienda event the following may be used at no additional cost: Banquet tables, chairs, stage riser units, courtyard, front lawn, lawn/fountain area, barbeque. (Subject to availability)

NON-PROFIT ORGANIZATIONS: In each year may have, upon Board approval, rent free use of the Pavilion twice and the Lounge twice. Each additional use will require a Use Fee to cover utilities and maintenance of \$300 for the Pavilion and \$75 for the Lounge. Kitchen Use Fee is \$100.

Office Hours: Mon, Tues, Wed, Fri. - 9am - 4:30pm
Sat - 9am - 1pm; CLOSED Thursday & Sunday

(Phones are silent Noon - 2pm)

Ph: 209 852-2312 • Fax: 209 852-2771

Email: info@ldpoa.com • Web: www.ldpoa.com

2022 Annual Dues are \$100 and were due July 1st

DID YOU MOVE IN THE LAST YEAR?

Please make sure we have your correct mailing address!
Contact the LDPOA office at 209-852-2312 or info@ldpoa.com

Accounts with unpaid Dues for 2022 will be charged a \$10 Late Fee on Aug. 1st
On Sept. 1st monthly interest charges start to accrue on the unpaid dues

Accounts that have set up a Payment Plan can avoid further fees

as long as payments are current.

We will work with you.

Important Information

- The General Board Meetings are regularly scheduled on the 2nd Wednesday of the month at 6:30 pm. **The next Board Meeting is Wednesday, November 9th.**
- The ACC (Architectural Control & Compliance) Committee meets monthly to issue permits. **The next ACC meeting will be on Tuesday, November 8th.** Please send submissions to the LDPOA office by **Friday, November 4th** to assure being included on the ACC agenda.
- Attention: Do you have a special request for the Association?** Any party or group with a special request for the Association must submit the request to be approved at a Board Meeting **and be present** at the meeting in order to obtain approval.
- Please Note:** Requests must be listed on the agenda in order to be considered at a board meeting. **The agenda is set one week before the meeting.**

Discoverer

Discoverer is delivered free to all members of the Lake Don Pedro Owners' Association.

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Email: info@ldpoa.com

Web: www.ldpoa.com

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Change of Address

It is the responsibility of Lake Don Pedro property owners who have moved, or who will move soon, to send a change of address notice to keep important Association mailings and the Discoverer coming. Please use the form to the right.

Official Publication of the Lake Don Pedro Owners' Association

Published at the beginning of each month

BOARD OF DIRECTORS

Phyllis Cotta	Assoc. President
Douglas McLain	Vice President
Dennis Dias	Board Secretary
Jesse Forgues	Treasurer
Larry King	Director
Renee Anderson	Director
Eva Banuelos	Director

Correspondence to the Board or Association should be sent to:

info@ldpoa.com

Lake Don Pedro Owners' Association
5182 Fuentes De Flores, La Grange, CA 95329

Administration office hours are:

Mon, Tues, Wed, Fri - 9 am to 4:30 pm.

(Answering machine on Noon - 2pm)

Sat - 9am - 1pm

Closed Sunday and Thursday

Moving? Please notify the LDPOA!

You may contact us by: email info@ldpoa.com, our website at www.ldpoa.com by phone 209.852.2312 or mail at 5182 Fuentes de Flores, La Grange, CA 95329

Be sure to include the following information:

*Owner's Name	Account or Lot #
*Old Address	Multiple Lots?
*New Address	Phone and/or **Email:

* Indicates information required to update account

** If supplied a confirmation of change will be sent.