



June 16, 2023

**CPA REVIEWED FINANCIALS TO BE MAILED TO HOMEOWNERS NEXT WEEK.**

Our General Manager has been putting in a lot of extra hours the past 18 months to get our financial systems modernized and more efficient.

After a change in accountants, a change in controller, a change in Board Treasurer, and some delays from Covid; *6/30/20 and 6/30/21 financials are complete and will be mailed next week.*

Financials for *6/30/22 are currently under review* and expected to be released with Reviewed Financials for *6/30/23 within 120 days of fiscal year end.*

If homeowners are interested in CPA Reviewed Financials for YLOA for fiscal years ending 5/31/14 to 5/31/19, copies will be available (no later than 6/30/23) in the office, along with some detailed review and analysis of Reserve Funding and PRP Investment.

*In addition, we expect Monthly Financial Information to be available to homeowners via email delivery, once the CPA Reviews for 6/30/23 are completed.*

This has not been a small or simple project, and it has taken a lot of hard work and time to get everything completed; however, the hard work of THIS project is almost done!

The GM thanks you for your patience and looks forward to the next projects. It is going to be a great summer in Yosemite Lakes Park – *Love where you live!*

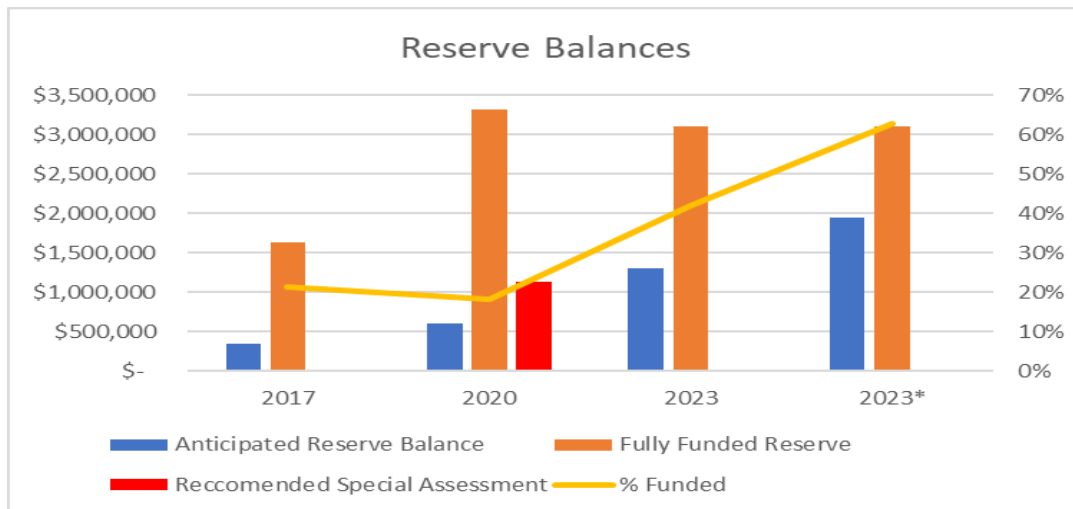
**RESERVE FUNDING BALANCES WILL APPROACH \$2M AND 63% FUNDED**

**THIS MONTH!**

If the YLOA Board of Directors approves my funding recommendation, **our reserve balance will reach \$1,948,064** at the end of this month.

Five years ago, we didn't have cash for day-to-day operations, certainly didn't have funds to effect repairs (and barely basic maintenance), and **we had NO PLAN** how to fix it.

***If you want to understand WHY*** we were in such a spot, take a look at the numbers from the Reserve Study in 2017. Does it really seem possible that \$72,000 a year and \$1.6 M Total (even in 2017) would have been sufficient to fix everything that needed to be fixed?



We actually invested almost that much in the last 4 years alone (which is 4.5X more than in the prior 4 years), **AND WE STILL** have a lot to do to catch up from the decades of 'kicking the can down the road'.

Yeah, those numbers from 2017 didn't make much sense. So in 2020 when it was time to do an onsite inspection and new reserve analysis, I brought in a **PROFESSIONAL FIRM** (instead of a 1 man shop), and asked them to **reassess everything**.

The result? They recommended that our **Reserve Balance needed to be 2X the previous estimate**, that we **needed to invest 10X as much annually** as we had been, and, because things were SO BAD, they RECCOMENDED WE IMMEDIATELY IMPLEMENT a 1.1M SPECIAL ASSESSMENT (an extra charge of \$500/owner)

How have we done?

I am pleased to report, that we were **able to AVOID** the recommended special assessment of \$500 per lot. (YEP, good financial management kept an EXTRA \$500 in your bank account, instead of needing to make up for prior year funding shortfalls). AND we still increased our annual investment AND improved our reserve balances (which is **how we save up for MAJOR repairs**).

While we aren't quite in the 'green zone' yet, and we still have major repairs to tackle, **we ACTUALLY have the money now to do it!**

AND, now that we are caught up on reserve funding, as long as our assessments keep up with annual inflation, we should be able to avoid any major increases in future assessments.

That 'can' we have been kicking down the road? Well, if we keep on our current 5-year trajectory of sound fiscal management, we will actually have the funds to start fixing the roads instead of kicking that can!