

COLONOS LA HACIENDA

2021 ANNUAL PERFORMANCE REPORT

CAL CHAMBERS, TREASURER

2/19/2022

DISCLOSURE STATEMENT: THIS DOCUMENT INCLUDES UNAUDITED FINANCIAL DATA. ADDITIONALLY, BUDGET PERFORMANCE DATA INCLUDES ESTIMATED ACTUALS. QUARTERLY FINANCIAL REPORT HAS BEEN RECONCILED WITH MONTHLY BANK STATEMENTS FROM BANCOMER. ANNUAL FUNDING SOURCES DATA INCLUDES PESO DEPOSITS CONVERTED TO DOLLARS US.

TABLE OF CONTENTS

1.0 INTRODUCTION	2
2.0 FUNDING SOURCES	2 - 3
3.0 LA HACIENDA WORK BREAKDOWN STRUCTURE	
3.1 LA HACIENDA WBS DICTIONARY	3 - 7
4.0 FINANCIAL PERFORMANCE	
4.1 2021 QUARTERLY FINANCIAL REPORT	7 - 8
4.2 2021 CUMULATIVE BUDGET PERFORMANCE REPORT	9
5.0 LA HACIENDA IMPROVEMENTS & STORM DAMAGE REPAIR	
5.1 WATER PUMP REPLACEMENT (WBS 021)	10
5.2 WATER PIPE REPAIR (WBS 024)	11 - 12
5.3 SEWER MAIN LINE REPAIR (WBS 032)	12
5.4 STREET LIGHTING (WBS 042)	13
5.5 METAL GATES (WBS 051)	14
5.6 GATE COMPUTER (WBS 055)	15
5.7 SEA WALL (WBS 064- 074)	15
5.8 PALAPAS (WBS 078)	16 - 17
5.9 TERRACE STAIRS (WBS 081)	18 - 20
5.10 ACCESS ROAD REPAIR (WBS 084)	20 - 21
5.11 BERM BUILDING (WBS 087)	21

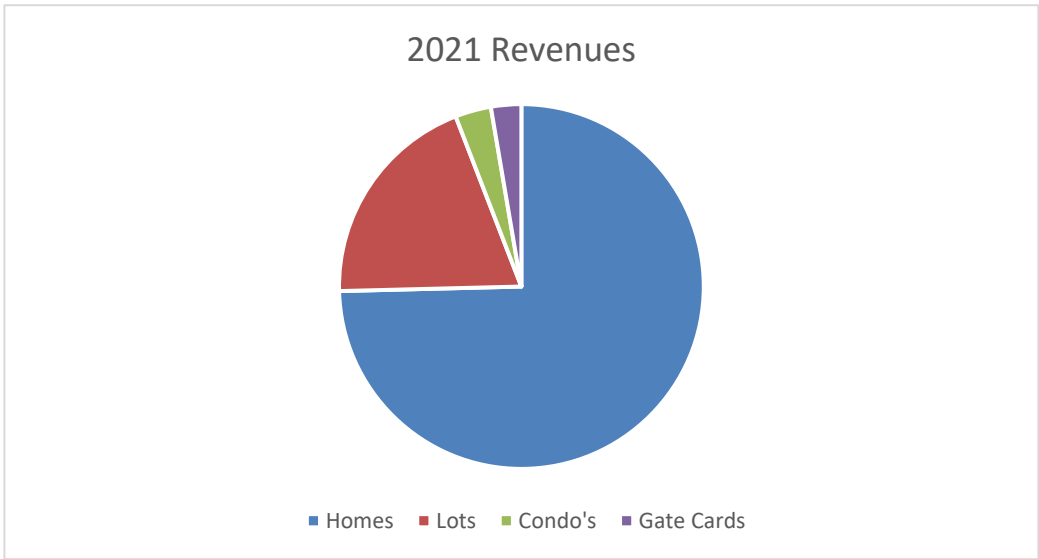
1.0 INTRODUCTION

The community of La Hacienda is comprised of single-family homes, condominiums, and Casitas. Moreover, the community is a hybrid of vacation homes, permanent residences, and rental units (Homes, Condos, & Casitas). The La Hacienda Home Owners Association provides for the repair of existing infrastructure, general maintenance and security of the La Hacienda community.

2.0 FUNDING SOURCES

The La Hacienda HOA is funded primarily through the collection of dues from home, lot, and condo owners. 2021 Calendar Year revenues totaled approximately \$48,390 dollars (includes Pesos @ various exchange rates) and excludes Construction deposits. This represents a \$1,967 dollar decrease over 2020 revenues or 3.9% decrease. There are approximately 84 single family homes in La Hacienda (six new homes under construction) and approximately 76 homes paid all or some HOA dues in 2021. Single-family homes provided approximately 74.6% of all HOA revenues for 2021 for a total of \$36,100. This is an \$4,552 dollar decrease over 2020 or a 11.2% decrease in home dues collected.

However, \$2,400 of this decrease was due to a multi-property owner pre-paying 2021 dues in 2020. There are 21 Condos at La Hacienda and only 7 Condos contributed dues and those dues fell far short of the anticipated Condo revenues (single year invoice- \$4,620, Collected \$1,540). This is a decrease of \$750 dollars or 32% decrease over the prior year. This decrease is due to a reduction of 3 condos (10 to 7) paying 2021 HOA dues. Additional revenues are collected through the sale and replacement of lost gate cards that allow access to the community. The graph below depicts the 2021 combined sources of funding for La Hacienda (Homes, Lots, Condos, and gross Gate Cards sales, including pesos).



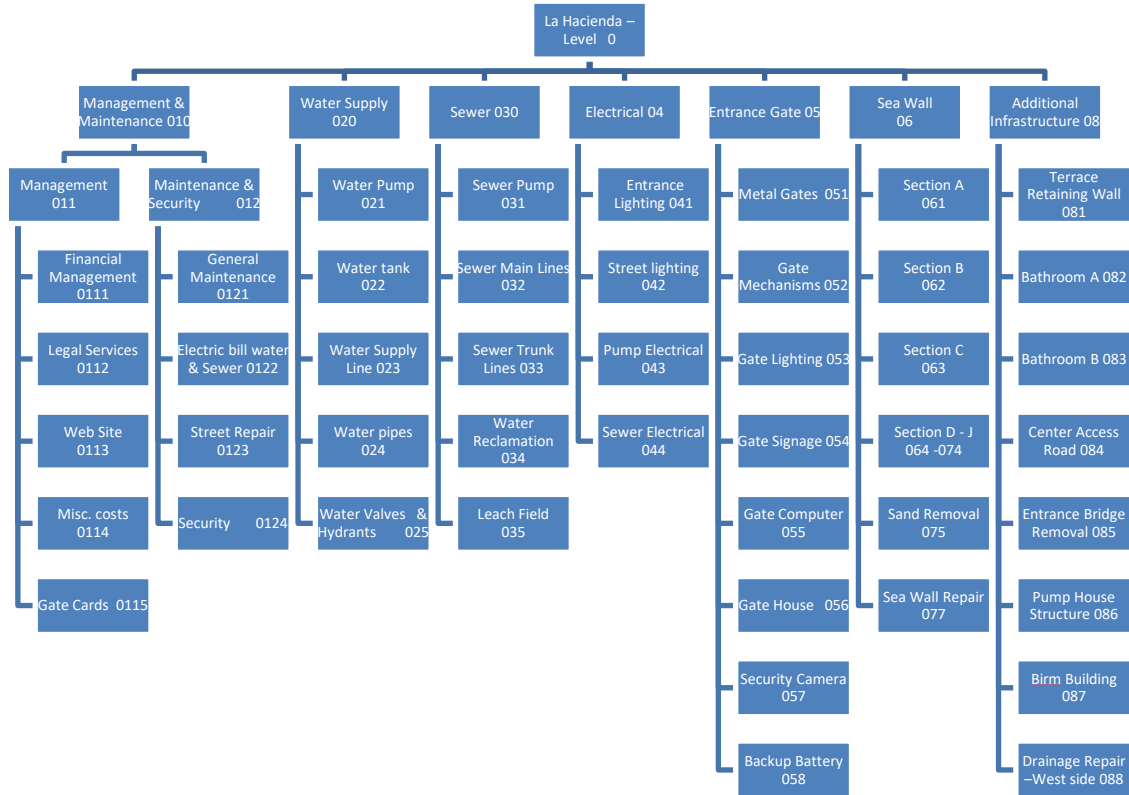
Source	Homes	Lots	Condo's	Gate Cards	Total
2021 Revenues	\$36,100	\$9,450	\$1,540	\$1,300	\$48,390
%	75%	20%	3%	3%	

Please note that these figures include Pesos @ various exchange rates .

3.0 LA HACIENDA WORK BREAKDOWN STRUCTURE

During the annual 2021 General Assembly Meeting the Annual Operating Budget was presented and approved by the general members attending the Home Owners Association meeting. The La Hacienda budget was formulated using a standard project management

tool commonly referred to as a Work Breakdown Structure or WBS. The graphic below depicts the La Hacienda WBS as a Hierarchical structure which breaks down the systems and subsystems that comprise La Hacienda.



3.1 La Hacienda WBS Dictionary

La Hacienda WBS Dictionary
Rev. 4 dtd 01/09/2018

WBS Element	WBS Name	WBS Description
0	La Hacienda	The scope of this activity is limited to the management, operations, administration, and maintenance of the La Hacienda infrastructure. This HOA is not responsible for the development of the La Hacienda

		community. Moreover, the La Hacienda HOA is not responsible for the care and maintenance of either the Condominiums nor the Casitas.
010	Management & Maintenance	This scope included HOA Management oversight, general maintenance and security. The HOA Board members do not incur a labor cost but will be reimbursed for expenses incurred in the support of the management and operations of the La Hacienda HOA.
011	Management	
0111	Financial Management	Includes Banking Fees, Monthly Financial reconciliation (Bancomer), Annual Book keeping services
0112	Legal Services	All legal fees and service costs incurred by La Hacienda HOA, including but not limited to ACTA Notario, and legal services.
0113	Web Site	La Hacienda HOA web site service provider fees
0114	Misc. Costs	Misc. management costs incurred by Board Members, including but not limited to postage, office supplies, etc.
0115	Gate Cards	Periodic acquisition of additional gate cards
012	Maintenance & Security	General maintenance and security, including but not limited to landscaping, fencing repair, garbage cleanup and removal, street cleaning, and sand removal.
0121	General Maintenance	Including but not limited to landscaping irrigation, fence maintenance, grounds maintenance, garbage cleanup and removal, and street cleaning.
0122	Electric bill Water, Sewer, etc.	Monthly operations costs for HOA electricity including, water, sewer, and lights.
0123	Street Repair	Repair of existing streets including but not limited to sidewalks, street electrical boxes and drainage repair.
0124	Security	Security personnel
020	Water Supply	Existing water systems including Water Pump, Water supply trunk lines, water tank reservoir, water supply lines, water pipes, and valves.
021	Water Pump	Includes water pump which supplies the La Hacienda community
022	Water Tank	Includes the water tank / reservoir and devices
023	Water Supply line	Includes water supply line from pump to reservoir/tank.
024	Water Pipes	Includes all water trunk lines from the reservoir tank to the La Hacienda community.
025	Water Valves and Hydrants	Includes all water valves and Hydrants throughout the La Hacienda community.
030	Sewer	Existing sewer system including sewer pump, sewer main lines, sewer trunk lines, and water reclamation.
031	Sewer Pump	Sewer pump and housing structure.
032	Sewer Main Lines	Main lines that support trunk lines and lines from sewer to reclamation facility

033	Sewer Trunk Lines	Sewer trunk lines that feed into main line
034	Water Reclamation Facility	Includes water reclamation facility structure (aka septic tank cesspool and mechanisms).
035	Leach Field	Includes maintenance and repair of Leach field and Leach line.
040	Electrical	Includes all existing electrical systems including entrance lighting, and street lighting. Additionally this element includes the electrical supply lines to the pump and sewer.
041	Entrance Lighting	Electrical lighting in Breezeway.
042	Street Lighting	Includes all street lighting repairs and installation.
043	Pump Electrical	Includes electrical lines to the water pump.
044	Sewer Electrical	Includes electrical lines to the sewer, electrical switches, and electric breakers.
050	Entrance Gate	Includes all facets of the entrance gate, structure, metal gates, mechanisms, lighting, signage, computer, gate house and security camera and backup emergency batteries.
051	Metal Gates	Gate structures, locking mechanisms, frames and cross bars, reflective paint/tape.
052	Gate Mechanisms	Gate actuators, automated sensors, and actuator bars and gate actuator batteries.
053	Gate Lighting	Gate electronic lighting
054	Gate Signage	Gate signs, street markings, cones, and reflective materials
055	Gate Computer	Computer hardware and software which monitors gate card access, and 1520 Card Reader.
056	Gate House	Gate house improvements in conjunction with the addition of the security gate.
057	Entrance Security Camera	Security camera hardware, wiring, and installation.
058	Backup Battery	Emergency backup batteries that ensure the operation of the gate entrance and exit during power outages.
06	Sea Wall	Maintenance and repair of existing sea walls. Due to budgetary constraints the existing sea wall will be repaired a section at a time.
061	Section A	Repair of section A of sea wall
062	Section B	Repair of section B of sea wall
063	Section C	Repair of section C of sea wall
064 - 074	Section D - J	Repair of section D - J of sea wall
075	Sand Removal	Removal of sand to prevent Quad access over the top of the sea wall.
077	Sea Wall Repair	The Section of sea wall in front of the palapas.

080	Additional Infrastructure	Includes La Hacienda infrastructure not previously discussed in the WBS including but not limited to: Terrace Retaining Wall, Bathroom A, Bathroom B, Center Access Road, Entrance Bridge Removal, Pump House Structure, Berm Building and Drain Repair - West Side of development
081	Terrace Retaining Wall & Stairs	Maintenance and repair of Terrace retaining wall and stairs located on the north west side of the development. This terrace provides La Hacienda beach access.
082	Bathroom A	Improvements for non-functional bathroom located under terrace.
083	Bathroom B	Improvements for non-functional bathroom located under terrace.
084	Center Access Road	Maintenance and repair of the access road located in the center of the La Hacienda development.
085	Place Holder	Place holder
086	Pump House Structure	Water pump house modifications for security improvements.
087	Berm Building	Security berm building and berm repair on the east side of the entrance gate.
088	Drainage Repair - West Side	The existing Drainage and Arroyo on the north west side of the development.

4.0 FINANCIAL PERFORMANCE

4.1 2021 Quarterly Financial Report:

The unaudited Quarterly Financial Reports below depict 2021 revenues and expenses by Quarter. Beginning and ending balances are provided for both the Peso and Dollar accounts. Please note that the Quarterly Financial Reports below indicate that the Peso account was the primary transactional account during 2021. Please note that in order to reconcile with Bancomer BBVA monthly statements income includes Construction Deposits. Upon completion of home constructions, the construction deposits will be refunded to the homeowner and will appear in this report under "Refunds".

2021 Quarterly Financial Report Pesos

Item	Year to date 2021	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Peso Account Status					
Beginning Balances	175,193.67	175,193.67	185,289.93	281,942.45	210,005.65
Transfers from Dollar Account	389,441.59	98,559.00	290,882.59	0.00	0.00
Dues	89,845.46	85,045.46	4,800.00	0.00	0.00
Other Income	0.00	0.00	0.00	0.00	0.00
Total Peso	654,480.72	358,798.13	480,972.52	281,942.45	210,005.65
Peso Account Expenses					
Refunds	0.00	0.00	0.00	0.00	0.00
Banking Charges	1,055.60	259.84	352.64	92.80	350.32
Legal Services	2,000.00	2,000.00	0.00	0.00	0.00
Misc. Costs	0.00	0.00	0.00	0.00	0.00
Supplies	0.00	0.00	0.00	0.00	0.00
Outside Labor	296,780.79	111,447.36	105,283.43	30,420.00	49,630.00
Maintenance Manager	173,201.00	42,667.00	43,044.00	41,424.00	46,066.00
Electric bill Water, Sewer, etc.	85,821.00	17,134.00	50,350.00	0.00	18,337.00
Total Peso Expenses	558,858.39	173,508.20	199,030.07	71,936.80	114,383.32
Peso Account Balance ending	95,622.33	185,289.93	281,942.45	210,005.65	95,622.33

Quarterly Financial Report (Dollars)

Item	Year to date 2021	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Dollar Account Status					
Beginning Balances	24,044.44	24,044.44	50,737.08	43,611.96	40,975.59
Dues Income	48,945.00	33,410.00	9,240.00	0.00	6,295.00
Other Income (includes Returned Checks)	(600.00)	(600.00)	0.00	0.00	0.00
Total Dollar	72,389.44	56,854.44	59,977.08	43,611.96	47,270.59
Dollar Account Expenses					
Transfers to Peso Account	20,000.00	5,000.00	15,000.00	0.00	0.00
Transfers to Peso Account Mexicali	0.00	0.00	0.00	0.00	0.00
Banking Charges	51.32	43.20	0.00	0.00	8.12
Legal Services	0.00	0.00	0.00	0.00	0.00
Misc. Costs	2,579.04	596.16	1,365.12	0.00	617.76
Supplies	0.00	0.00	0.00	0.00	0.00
Outside Labor	4,731.17	478.00	0.00	2,636.37	1,616.80
Maintenance Manager	0.00	0.00	0.00	0.00	0.00
Electric bill Water, Sewer, etc.	0.00	0.00	0.00	0.00	0.00
Total Dollar Expenses	27,361.53	6,117.36	16,365.12	2,636.37	2,242.68
Dollar Account Balances	45,027.91	50,737.08	43,611.96	40,975.59	45,027.91
These costs have been accumulated based upon expenditure types.					

4.2 2021 YEAR END BUDGET PERFORMANCE

Prepared 01/19/2022		Colonos La Hacienda San Felipe A.C. 2021 Cum-to-Date Dec. Variance by WBS Element Dollars - US (Peso Conversion)		
WBS #	WBS Description	Budget Dec 2021	Actual Costs Dec 2021	Cum-to- Date VARIANCE Plan vs Actual
0	La Hacienda	49,109	38,431	10,678
010	Management & Maintenance			
011	Management			
0111	Financial Management	928	706	222
0112	Legal Services (Incl. ACTA)	2,000	791	1209
0113	Web Site	0	18	(18)
0114	Misc. Costs	450	389	61
0115	Gate Cards	0	0	0
012	Maintenance & Security			
0121	General Maintenance	15,150	14,489	661
0122	Electric bill Water, Sewer, etc.	5,000	4,497	503
0123	Street Repair	7,500	100	7400
0124	Security	8,000	5,176	2824
020	Water Supply			
021	Water Pump	0	2,636	(2636)
022	Water Tank	0	85	(85)
023	Water Supply line	0	0	0
024	Water Pipes	0	931	(931)
025	Water Valves and Hydrants	1,200	0	1200
030	Sewer			
031	Sewer Pump	0	0	0
032	Sewer Main Lines	0	105	(105)
033	Sewer Trunk Lines	0	0	0
034	Water Reclamation Facility	0	0	0
035	Leach Field	0	0	0
04	Electrical			
041	Entrance Lighting	0	0	0
042	Street Lighting	350	250	100
043	Pump Electrical	0	0	0
044	Sewer Electrical	0	0	0
05	Entrance Gate			
051	Metal Gates	250	187	63
052	Gate Mechanisms	200	0	200
053	Gate Lighting	0	0	0
054	Gate Signage	60	0	60
055	Gate Computer	1,591	1,036	555
056	Gate House	0	0	0
057	Entrance Security Camera	0	0	0
058	Backup Battery	100	0	100
06	Sea Wall			
061	Section A-completed 2016	0	0	0
062	Section B	0	0	0
063	Section C	0	0	0
64 - 074	Section D - J	1,000	768	232
075	Sea Wall Sand Removal	0	0	0
077	Sea Wall Old Section (east side)	0	0	0
078	THREE New Palapas	2,430	2,558	(128)
08	Additional Infrastructure			
081	Terrace Retaining Wall	1,500	2,401	(901)
082	Bathroom A	0	0	0
083	Bathroom B	0	0	0
084	Access Road drainage repair	1,000	966	34
085	Bridge removal (at entrance)	0	0	0
086	Pump House Structure	0	0	0
087	Berm Building	400	341	59
088	Drainage Repair - West side	0	0	0

5.0 LA HACIENDA IMPROVEMENTS and STORM DAMAGE REPAIR

5.1 Water Pump Replacement (Cesspool Repair) WBS 021

After 55 months of service the La Hacienda water well pump and old well piping was replaced. Prior to the electrical upgrades (Voltage Regulator, Surge Protector, Low Voltage Sensor) the average life expectancy of the last 5 water pumps was 32 months. The cost of the repair was labor plus new piping for a total cost of \$2,636 as the replacement water pump was on hand.

Water Pump Replacement (July 2021)



5.2 Water Pipe Repair, WBS 024 (Nov – Dec 2021)

WBS 024 Water Pipe – Though a new water pump had been recently installed water bills for La Hacienda remained high, while water shortages and water reservoir levels remained consistently low. Jose and Alejandro began an exhaustive evaluation of pipes and water valves though out the La Hacienda community. Ultimately the leak was located and it was determined that a trunk line pipe had fractured. The repair was a two-step repair. First the main line was repaired in order to restore water for the greater La Hacienda community. Alejandro traveled to Mexicali for the material required to repair the trunk line to the west side of La Hacienda. The piping was replaced at a cost of \$931 dollars.





Temp repair to return water service to La Hacienda

5.3 Sewer Main line Repair, WBS 032

The Sewer Main line had a blockage. The blockage was identified by Jose and repaired by Alejandro at a cost of \$105 dollars.



5.4 Street Lighting, WBS 042

Two solar street lamps were received in December of 2020 and were installed in March of 2021. The 2021 duty, delivery & installation budget planned for this activity was \$350. The actual cost was \$250 for of two street lamps. This completes the street lighting on the main street of La Hacienda. However, other street lighting opportunities exist throughout the La Hacienda Community, e.g. cul-de-sac's without lighting.



5.5 Metal Gates, WBS 051

The hinges on the front entrance and exit gates were wearing out and needed to be replaced. Alejandro brought in a custom fabricator for this task. The gates were disassembled, old hinges were removed, new hinges and fasteners were fabricated and welded to the supports and new hinges were fabricated for the gates. The task was budgeted at \$250. The actual cost was \$187 dollars for a \$63 dollar underrun.



5.6 Gate Computer, WBS 055

A backup gate card reader (gate computer) was budgeted at \$1,591 based upon a quote from House of Automation in San Diego (includes duty and delivery). An alternate supplier was contacted and the new gate card reader (gate computer) was acquired for \$931 (including duty and delivery). Additionally, the gate card reader failed during the summer and was replaced not with the new reader but a used backup we had saved. The cost of the replacement was \$106. The new gate card reader is available should this older reader fail. The total budget for this activity was \$1,591. The actual cost was \$1,036 dollars for a \$555 dollar underrun.

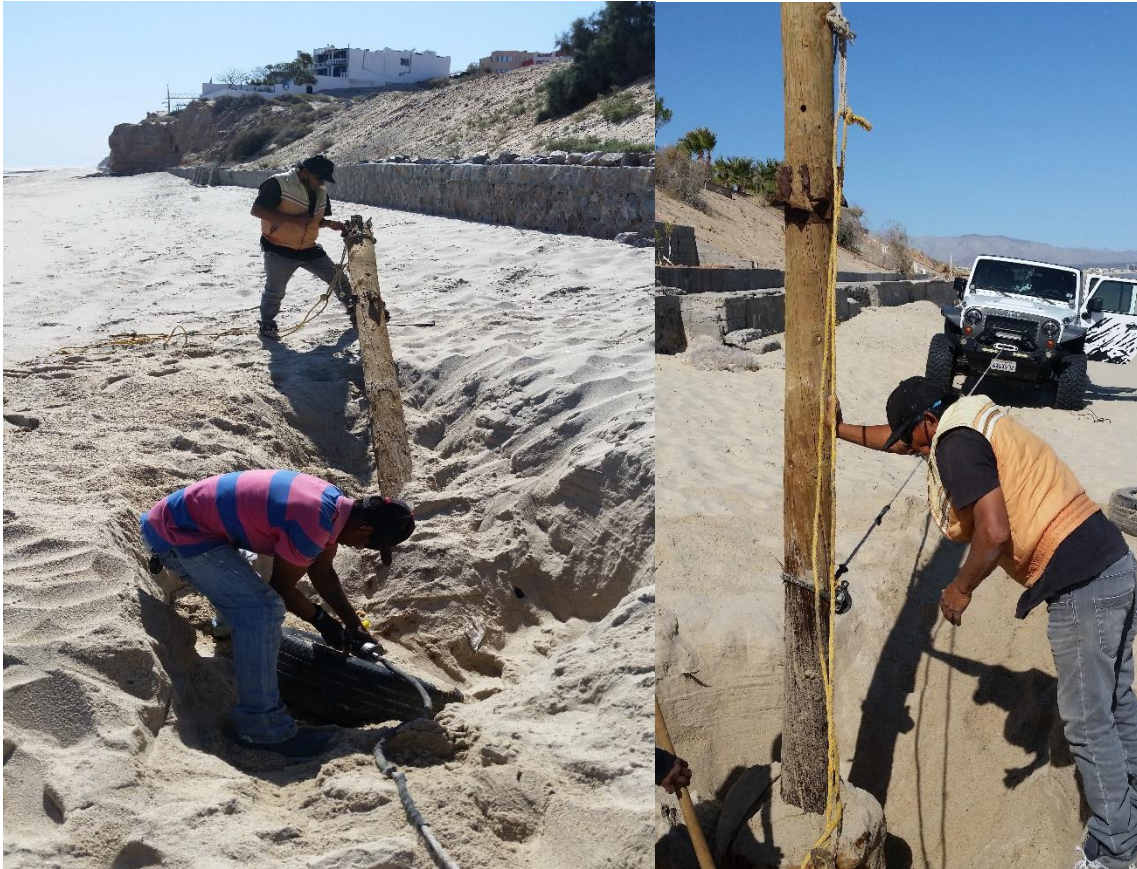
5.7 Sea Wall Repair, WBS 074

As part of the continued ongoing maintenance of the sea wall a portion of the Sea Wall cap was replaced. A budget of \$1,000 dollars was planned for this task. The actual cost was \$768 dollars for a \$232 dollar underrun. Of note, this activity was done concurrently with the stair replacement.



5.8 Palapa Replacement, WBS 078

The replacement of the original three Palapas lost has been anticipated since their loss in October of 2019. A budget of \$2,430 dollars was planned for this task. The actual cost was \$2,558 dollars for a \$128 dollar overrun.





5.9 Terrace Stairs replacement, WBS 081

The 2021 budget included an estimated \$1,500 dollars for repair of the original stairs from the terrace to the Malecon. Upon further examination it was determined that the stairs needed to be demolished and replaced with new construction, at a cost of \$2,401 an overrun of \$901 dollars. Of note, during the demolition process I observed the stairs collapsed on their own accord.







5.10 Access Road Drainage Repair WBS 084

Erosion of the access road from the center of La Hacienda to the Malecon continued to be a problem. The dirt that was previously added simply washes/blows away over time. Three truckloads of large gravel were brought in to fill in the gullies caused by water runoff. A budget of \$1,000 dollars was planned for this task. The actual cost incurred was \$966 dollars for a \$34 dollar underrun.





5.11 Berm Building WBS 087

A budget of \$400 dollars for additional berms was planned at the Entrance to La Hacienda. The actual cost for berms was \$341 dollars for a \$59 dollar underrun. Back story; every spring in preparation for Spring Break we build/repair the berms on the west side of the entrance gate.

