



The Oaks Community Association

5607 Jackson Valley Road • Lone, CA 95640-9629

Phone 209-274-6056 Fax 209-274-6058

gm@theoaksione.com

November 5, 2025

Dear Members of The Oaks Community Association,

Enclosed, you will find the following:

- 2026 Notice of Assessment Increase
- 2026 Approved Budget (Attachment A)
- 2026 Approved Reserves Study and Reserve Statements (Attachment B)
- 2025/2026 Insurance Disclosures
- Bi-Annual Gas Public Awareness Message (Attachment C)
- Annual Policy Statements
 - Collection Policy & Fee Schedule Adopted 10/8/2025 (Attachment D)
 - Rules & Regulations Adopted 10/8/2025 (Attachment E)
- 2024 Financial Review (Attachment F)

2026 BOARD ELECTION UPDATE –

Our nomination deadline occurred on 10/21/2025. We have four expiring seats on the Board of Directors – Daniel Gomez, Bambie Cammarota, Bruce Wyatt and Antonio Tirapelli. Four nomination forms were received by the Nomination Deadline, and these four candidates will take their seats at the January Member Meeting on January 14, 2026: Daniel Gomez, Bambie Cammarota, Bruce Wyatt and Chuck Boro. **There will be no election or Ballot Tally Meeting.** We will move straight to the Annual Membership Meeting on January 14, 2026.

2026 NOTICE OF ASSESSMENT INCREASE

As per civil code 5615, this notice of assessment increase is being delivered to all members. A balanced budget, along with Reserves funding and expenses, are crucial to ensuring the liquidity of our Association, to maintain, and hopefully increase, the value of all homeowner properties by ensuring our 35-year-old infrastructure is continually repaired and improved.

As of January 1, 2026, the Homeowners Assessment will be increased by \$5/month to \$240.00 per month

RV Storage assessments are increasing to \$40 per month for all spaces. If you are currently paying \$30, your assessment will increase to \$40. If you are currently paying \$40, your assessment will remain the same.

The Sewer and Variable Utility Assessment is increasing to \$60. This is to ensure we have sufficient funding to repair/replace the Association infrastructure as necessary.

The Association Reserve Fund has increased by \$141,226.27 as of October 31, 2025, but, the reserves are still **under-funded** by \$ 215,494.25 to meet the Boards target of 75% of the fully funded reserve Balance.

Your Board of Directors, after careful consideration, opted to increase these assessments.

We received the 2026 Reserve Study conducted by Browning Reserve Group in 2025. Per their assessment we are now funded to the point that a **special assessment is not being recommended**.

2026 BUDGET (See Attachment A) – A copy of the Approved 2026 Budget Summary is enclosed for your reference.

2026 RESERVES STUDY (See Attachment B) – A Summary of the Approved 2026 Reserves Study is enclosed for your reference, and the full study may be reviewed or requested by contacting the office, as well as is available online.

2025/2026 INSURANCE DISCLOSURES – A summary of all insurance policies is provided below. Should you have any questions or wish to review the full policy, please contact the General Manager at the office. The Oaks Community Association carries the following insurance coverage:

Insurance Disclosures 2025-2026

Policy Type	Insurance Company	Policy Number	Policy Period	Policy End	Total Annual Cost	Deductible	Coverage Limits
1989 Yamaha Golf Cart	State Farm Insurance	601 1149-A01-55	7/1/2025	7/1/2026	\$130.91	\$100	\$1,000,000
2002 Ford F150	State Farm Insurance	601 4516-A01-55	7/1/2025	7/1/2026	\$1,491.18	\$500	\$1,000,000
2010 Ford Ranger	State Farm Insurance	601 7999-A01-55	1/1/2026	7/1/2026	\$1,060.49	\$500	\$1,000,000
ENOL (Auto)	State Farm Insurance	603 8217-A01-55	7/1/2025	7/1/2026	\$477.64	\$500	\$1,000,000
General Liability- Residential Community Association Policy	State Farm Insurance	90-E8-G920-0	7/1/2025	7/1/2026	\$15,824.00	\$1,000	\$4,000,000
Commercial Umbrella	State Farm Insurance	90-E8-G930-1	7/1/2025	7/1/2026	\$1,311.00	N/A	\$2,000,000
Inland Marine	State Farm Insurance	90-E8-G916-2	7/1/2025	7/1/2026	\$1,558.00	\$500	\$100,000
Workers Compensation	Employers (through Toste Insurance)	EIG462566003	11/1/2025	11/1/2026	payroll based as you go fees	N/A	N/A

- Business Auto Policy (See Table Above):
 - State Farm, Policy Period 7/1/2025-7/1/2026
 - Limits: \$1,000,000 Combined Single Limit, \$50,000 Uninsured Motorist, \$ 10,000 Medical, Comp and Collision.
 - Deductible \$ 500
- Residential Community Association Policy (General Liability, Property, D&O & Crime) 90-E8-G920-0:
 - Company: State Farm, Policy Period 7/1/2025-7/1/2026
 - General Liability Limits: \$2,000,000 Occurrence/\$4,000,000 Aggregate
 - Directors and Officers: \$2,000,000 Liability and Aggregate



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- Commercial Property Limits:
 - Buildings: \$2,668,000, \$1,000 deductible
 - Personal Property: \$30,300, \$1,000 deductible
 - Computer Property: \$10,000
- Commercial Umbrella Policy: 90-E8-G930-1
 - Company: State Farm, Policy Period 7/1/2025-7/1/2026
 - Limits: \$2,000,000
 - Deductible: None
- Inland Marine Policy: 90-E8-G916-2
 - Company: State Farm, Policy Period 7/1/2025-7/1/2026
 - Limits: \$100,000
 - Deductible: \$500
 - Covered Items:
 - John Deere Tractor 790, Case Tract E580E, 5PT20 Crane, 0Z10000455 Crane, Generac Generator, Effluent Meter, Influent Meter, Miscellaneous Small Tools

Workers Compensation is a separate policy held by Employers, through our agent at Toste Insurance Services.

- Workmen's Comp Policy EIG 4625660 02:
 - Company: Employers (EIG Services, Inc.), Policy Period 11/1/2025-11/1/2026

The Association does not carry flood or earthquake insurance.

This summary of the Association's policies of insurance provides only certain information, as required by subdivision (a) (7) of Section 5310 of the Civil Code and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any Association member may, upon request and provision of reasonable notice, review the Association's insurance policies and, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the Association maintains the policies of insurance specified in this summary, the Association's policies of insurance may not cover your property, including personal property or, real property improvements to or around your dwelling, personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate additional coverage.

BI-ANNUAL PAN/GAS NOTICE (See Attachment C) - A copy of the bi-annual Public Awareness Notice regarding our Gas system is enclosed for your reference.

ANNUAL POLICY STATEMENTS

DESIGNATED RECIPIENT

Civil Code §4035. Delivery to Association – documents for the Association shall be delivered to the General Manager’s attention at 5607 Jackson Valley Road, Lone CA 95640. A document delivered pursuant to this section may be delivered by any of the following methods:

- (1) By email, facsimile, or other electronic means, if the association has consented to that method of delivery (The Oaks accepts all these methods).
 - (2) By personal delivery if the association has consented to that method of delivery. If the association accepts a document by personal delivery, it shall provide a written receipt acknowledging delivery of the document. (The Oaks accepts personal delivery during open office hours)
 - (3) By first-class mail, postage prepaid, registered, or certified mail, express mail, or overnight delivery by an express service center.
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NOTICE OF RIGHT TO SUBMIT A SECONDARY ADDRESS

Upon receipt of a written request by an owner identifying a secondary address for purposes of collection, legal or other notices, the association shall send additional copies of any notices required by section 4040 (B) of the Civil Code to the secondary address provided. The request of the Owner shall be in writing and shall be mailed (or delivered) to the association in a manner that shall indicate the association has received it. The owner may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, the association shall only be required to send notices to the identified secondary address from the point the association received the request.

GENERAL NOTICE LOCATION AND RIGHT TO INDIVIDUAL DELIVERY

Pursuant to Civil Code 5310, section 4045, the location for all Board Meeting Agendas shall be the front door of the community clubhouse. Additionally, other general notices may be mailed, included in the monthly billing -Acorn billing insert, and we will make attempts to post notices to The Oaks website at www.theoaksione.com. The Oak Leaf Newsletter is available at the mailboxes in the Green Newspaper Box. Individuals may also request to receive general notices by individual delivery (U.S Mail, Fax, email) by contacting The Oaks office.

NOTICE OF MEMBERS RIGHT TO REVIEW MINUTES:

Minutes of all open meetings of the board are available to members within 30 days of the meeting. The minutes, proposed minutes or summary minutes may be obtained at:

The Oaks Community Association Clubhouse, 5607 Jackson Valley Road, Lone, CA by contacting The General Manager, and approved meeting minutes are also available on the association's website at www.theoaksione.com

In addition, the minutes, proposed minutes, or summaries will be distributed to any member upon request.

If a member request copies of the minutes, the Association has the option of charging a reasonable fee for duplication.



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ELECTRONIC DELIVERY:

The Oaks pursues Member consent annually for electronic delivery (email) of various types of communications, documents, etc. to minimize costs for paper, printing/ink, postage, etc. If you have not already returned a Consent for Electronic Delivery and would like to do so, please contact the office or find the form online on our website at www.theoaksione.com

All consents to electronic delivery remain in effect until they are revoked in writing. You may send or drop off any election to discontinue electronic delivery at the office, or email to office@theoaksione.com.

Please provide email address changes as they occur so you do not miss bills or other information.

Should a paper copy of any mailed communication/document ever be desired, please just contact the office and we will provide it.

COLLECTION POLICY & FEE SCHEDULE ADOPTED 10/8/2025– See Attachment D

RULES & REGULATIONS ADOPTED 10/8/2025 – See Attachment E

LIEN AND FORECLOSURE POLICY:

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult an attorney if you dispute an assessment.

Assessments become delinquent 15 days after they are due unless the Governing Documents provide for a longer time. Failure to pay association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on or after January 1, 2006, an association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessment, late charges, fees, attorney fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1800) or more than 12 months delinquent, an association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 Section 5700 of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid (Sections 5700 through 5720 of the Civil Code).

In a judicial or nonjudicial foreclosure, the association may recover assessments, reasonable costs of collection, reasonable attorney fees, late charges, and interest. The association may not use nonjudicial foreclosure to collect fines or penalties, except for cost to repair common areas damaged by a member or a member's guest if the Governing Documents provide for this (Sections 5725 of the Civil Code).

The association must comply with the requirements of Article 2 (commencing with Section 5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the association (Section 5675 of the Civil Code).

At least 30 (thirty) days prior to recording a lien on an owner's separate interest, the association must provide the owner of record with certain documents by certified mail, including a description of this collection and lien enforcement procedures and the method of calculating the amount owed. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the association's records to verify the debt (Section 5660 of the Civil Code).

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 (twenty-one) days, and to provide the owner with certain documents in this regard (Section 5685 of the Civil Code).

The collection practices of the association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

PAYMENTS

When an owner makes a payment, he or she may request a receipt, and the association is required to provide it. On the receipt, the association must indicate the date of the payment and the person who received it. The association must inform owners of a mailing address for overnight payments (Section 5655 of the Civil Code). The address for all mailings for The Oaks Community Association is 5607 Jackson Valley Road, Lone CA 95640.

An owner may dispute an assessment debt by submitting a written request for the dispute resolution to the association as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an association may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so, requested by the owner. Binding arbitration shall not be available if the association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly and on time (Section 5700 through 5720 of the Civil Code).

PAYMENT PLAN POLICY

An owner may request the association consider a payment plan to satisfy a delinquent assessment.

Standards for Establishing a Payment Plan:

- Payment of all delinquencies in full within 90 days may be approved by the General Manager, without Board approval, but still requires a written payment schedule and that all current and future invoices must be paid on time
 - For any payment plans exceeding 90 days, a written payment schedule must be submitted for Board approval,
 - Fifty percent of the past due amount must be paid with the submittal of the payment plan (unless otherwise agreed to by the Board),
 - The owner must agree to keep current with future amounts due,
 - Past Due Amount must be paid in full within six months or as approved by the Board
 - Late Fees and Interest will not accrue while payment plan is in place and terms are being met
 - Any default on signed payment plan immediately nullifies that plan
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DELINQUENCY POLICY

Timely payment of regular assessment, special assessments and variable utility assessments is of critical importance to the Association. Members' failure to pay assessments and utilities when they are due creates a cash-flow problem for the Association and causes those owners who make timely payments of their assessments and utilities to bear a disproportionate share of the community's financial obligations. Therefore, the Board of Directors has enacted the following policies and procedures concerning the collection of delinquent accounts:

All regular and variable utility assessments shall be due and payable on the first day of the month. All special assessments shall be due and payable on the date(s) specified by the Board upon their adoption.

- 1) Regular assessments and utility assessments shall become delinquent after the 15th, if not actually received prior to such date.
- 2) Variable Utility Assessments shall be delinquent after the 15th and are subject to termination of service due to non-payment 45 days after invoice date, or when the utility portion of the bills exceeds \$500.00, whichever comes first.
- 3) The Association charges a service fee of \$35.00 (thirty-five dollars) on all checks returned by the bank.
- 4) Prior to the time the Association retains counsel to handle an account delinquency, the mailing address for overnight payment of assessments to the Association is:

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- 5) If any assessment (regular, variable utility, etc.) is not received, in full, prior to the delinquency date, a late charge of ten percent (10%) of the assessment amount shall be due, and the Association may then commence enforcement action in any manner permitted by law, subject to, and in accordance with, all applicable legal requirements. In such event, the Association may recover from the delinquent owner any reasonable costs, including attorneys' fees that the Association incurs in its efforts to collect the delinquent sums, and may require that all such charges be paid in full, together with all delinquent assessments, late charges, interest, or other charges due, to cure the delinquency.
- 6) If any assessment payment is due and unpaid for more than 30 days from invoice date, interest shall be imposed on all Assessments and Utilities at the rate of 12% per annum.
- 7) Once an assessment is delinquent, the Association may cause a notice to be issued by certified mail to the owner's address of record of the existence and amount of the delinquency and providing other relevant information ("Delinquency Notice").
- 8) Owners who dispute any amounts specified in a Delinquency Notice may submit a written request for dispute resolution to the Association under the Association's "meet and confer" dispute resolution program. If any such request is received by the Association, the Association will meet and confer with the owner making such request in accordance with the Association's "meet and confer" procedure.
- 9) Owners desiring a payment plan to resolve the delinquency by giving rise to a Delinquency Notice may submit a written request for a meeting with the Board to discuss a payment plan. Provided that such request is mailed within 10 days of the postmark on the Delinquency Notice, and a regular meeting of the Board is scheduled to occur within 45 days, the Board will meet with the owner in the executive session. If there is no such scheduled meeting during such period, a

committee of one or more members may be designated by the Board to meet with the owner and discuss such request. Payment plans shall contain such terms as the Board, or its designated committee, may approve on a case-by-case basis, shall be in writing, and shall be signed by the owner(s) and an authorized representative of the Association.

- 10) If a delinquency has not been paid within 30 days after the mailing of a Delinquency Notice, the Association may cause to be recorded in the County Recorder's Office a Notice of Delinquent Assessment ("Lien") concerning all sums which are then due, including any assessments, late charges, costs, and reasonable attorneys' fees, to confirm and give public notice that the Association claims a lien against the delinquent owner's property which may be subject to foreclosure by either non-judicial or judicial foreclosure.
 - 11) From and after the recordation of a Lien, the Association may enforce the Lien, or otherwise pursue its rights to recover all unpaid assessments and related amounts due, in any manner permitted by law, including without limitation judicial or nonjudicial foreclosure, as the Association determines to be appropriate, subject to, and in accordance with, all applicable legal requirements.
 - 12) Subject solely to the provisions of Paragraphs 8 and 9 above:
 - a. from and after the issuance of a Delinquency Notice, the Association, acting through counsel or any other authorized representative of the Association, may give written notice to the delinquent owner establishing a new address for all further communications to the Association relating to delinquent and/or newly accruing obligations for assessments and other charges due to the Association, and restricting the authorized addresses and/or recipients for any notices or other communications to the Association concerning, or during the pendency of, any delinquency proceedings relating to such Delinquency Notice; and Once the Association has retained counsel to handle an assessment delinquency for the Association, communications concerning such matters on behalf of the Association shall be conducted exclusively by counsel for the Association and/or the trustee designated in the Lien until any such delinquency is fully satisfied.
 - 13) Owners have the right to submit a written request to the Association identifying a secondary address for the purposes of collection notices. If the Association receives any such written request designating or changing any such secondary address, the Association shall send a second copy of any legal notices or other required correspondence issued in support of the Association's assessment enforcement procedures to such secondary address from and after the time of actual receipt by the Association of any such request.
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DISCONTINUANCE AND RESTORATION OF UTILITY SERVICE:

If THE OAKS COMMUNITY ASSOCIATION terminates or refuses to restore service to a customer or any other person for any of the reasons or upon any of the grounds stated herein, THE OAKS COMMUNITY ASSOCIATION shall incur no liability whatsoever to said customer or person or to any other customers or persons.

CUSTOMER REQUEST TO TERMINATE LIABILITY FOR PAYMENT FOR SERVICE:

When a customer wants to terminate liability for payment for service, the customer shall give THE OAKS COMMUNITY ASSOCIATION not less than two business days written notice and state the date on which the termination is to become effective. The customer may be held responsible for all service furnished at the premises until two days after receipt of such notice by THE OAKS COMMUNITY ASSOCIATION, or until the date of termination specified in the written notice, whichever date is later.

TERMINATION OF SERVICE FOR NONPAYMENT—WEEKENDS AND HOLIDAYS:

Service will not be terminated for nonpayment of bills or credit deposit requests on Saturdays, Sundays, legal holidays or on days when the offices of THE OAKS COMMUNITY ASSOCIATION are closed to the public.



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TERMINATION OF SERVICE FOR NONPAYMENT OF BILLS OR CREDIT DEPOSIT REQUESTS:

Monthly bills for Variable Utility Assessments, for residential service, are due and payable upon presentation and will be considered past due if payment is not received by the 15th of the month by THE OAKS COMMUNITY ASSOCIATION.

Credit deposit requests for residential service are due and payable upon presentation and will be considered past due if payment is not received by THE OAKS COMMUNITY ASSOCIATION within 11 days after the credit-deposit request is mailed to the customer.

When a bill or credit deposit request has become past due and the customer has received notice in accordance with CPUC rules that service will be terminated for nonpayment, THE OAKS COMMUNITY ASSOCIATION may terminate any and all services the customer is receiving unless an exception described in Sections below, applies.

INABILITY TO PAY:

THE OAKS COMMUNITY ASSOCIATION may, at its option, extend payment arrangements to a customer who alleges an inability to pay. However, THE OAKS COMMUNITY ASSOCIATION must extend payment arrangements to a customer who alleges an inability to pay where:

The customer has provided certification from a licensed physician, public health nurse, or social worker that terminating the service would be life-threatening either to the customer or to a full-time resident in the customer's home, and the customer is willing to enter into reasonable payment arrangements.

It is the customer's responsibility to contact THE OAKS COMMUNITY ASSOCIATION to request payment arrangements. If payment arrangements are made, such payment arrangements will be by Amortization Agreement, as described in the Section below, or by Extension Agreement, as described in the Section, below.

When the customer and THE OAKS COMMUNITY ASSOCIATION have agreed upon payment arrangements, THE OAKS COMMUNITY ASSOCIATION will not terminate service if the customer complies with the arrangements.

However, if the customer fails to comply, THE OAKS COMMUNITY ASSOCIATION may terminate all services the customer is receiving after notice is given in accordance with this policy.

If THE OAKS COMMUNITY ASSOCIATION and the customer cannot agree on payment arrangements, the customer may submit a complaint to the California Public Utilities Commission in accordance with Sections outlined below.

The customer shall be provided information on the availability of financial assistance.

1. AMORTIZATION AGREEMENT

- a. An Amortization Agreement is a contract between THE OAKS COMMUNITY ASSOCIATION and the customer by which the customer is allowed to make installment payments of a past due balance (for a reasonable period not to exceed 6 months) while also paying subsequent utility assessment bills before these bills become past due.
- b. If the customer fails to comply with the Amortization Agreement, the entire amount owing will become immediately due and payable and all services the customer is receiving may be terminated. However, service will not be terminated until the customer has received notice, either by telephone or in writing, at least 48 hours prior to termination.

2. EXTENSION AGREEMENT

- a. An Extension Agreement is a contract between THE OAKS COMMUNITY ASSOCIATION and the customer by which the customer is allowed to make a single payment of a past due balance on or by a specified date while also paying subsequent utility assessment bills before they become past due.
 - b. When the customer has received a 15-day notice of termination and fails to comply with the Extension Agreement, the notice of termination will remain in effect, and collection action will continue. When the customer has received a 48-hour notice of termination and fails to comply with the Extension Agreement, the notice of termination will remain in effect, and any and all services the customer is receiving may be terminated without further notice.
3. FAILURE TO AGREE ON PAYMENT ARRANGEMENTS
- a. When the customer and THE OAKS COMMUNITY ASSOCIATION fail to agree on payment arrangements, it is the customer's responsibility to contact the California Public Consumer Affairs Branch (CAB) in a timely manner to avoid termination. The customer may:
 - i. Write to the CAB to make a complaint alleging an inability to pay and indicating that payment arrangements have not been mutually agreed upon by the customer and THE OAKS COMMUNITY ASSOCIATION.
 - ii. When the customer has submitted a complaint to the CAB, the CAB will notify THE OAKS COMMUNITY ASSOCIATION and THE OAKS COMMUNITY ASSOCIATION will respond to the complaint within 10 days. The CAB will report its proposed resolution to the parties in accordance with CPUC procedures.
 - iii. If the customer is not satisfied with CAB's resolution of the complaint, the customer may appeal to the CPUC in accordance with the CPUC's procedures.
 - iv. Failure of the customer to observe any time limits set by the CPUC's complaint procedures shall entitle THE OAKS COMMUNITY ASSOCIATION to insist upon payment and to terminate service if the payment is not made.

BILLING OR CREDIT DEPOSIT REQUEST DISPUTE:

THE OAKS COMMUNITY ASSOCIATION will not terminate service when a residential customer has initiated a complaint or requested an investigation within five days of receiving a disputed bill or credit deposit request, until the customer has been given an opportunity for review of the dispute by THE OAKS COMMUNITY ASSOCIATION or the CPUC rules, policies, and procedures.

However, the customer must continue to pay subsequent undisputed utility assessment bills before these bills become past due, or the customer's service will be subject to termination in accordance with this rule and CPUC policy.

CORRECTED BILL OR CREDIT DEPOSIT REQUEST:

When THE OAKS COMMUNITY ASSOCIATION has corrected the customer's bill or the requested credit deposit amount, service may not be terminated until the customer has received notices for the corrected amount in accordance with CPUC rules.

TERMINATION OF SERVICE—RETURNED CHECKS:

When the customer has received notice of termination in accordance with CPUC rules and a check tendered in payment of the past due bill or credit deposit request for residential service is returned unpaid, THE OAKS COMMUNITY ASSOCIATION may terminate service

In accordance with Section 1 below:

1. When the customer has received a 15-day notice of termination, the notice will remain in effect, and collection action will continue. When the customer has received a 48-hour notice of termination, the notice will remain in effect, and service may be terminated without further notice.



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UNSAFE APPARATUS OR CONDITION:

1. THE OAKS COMMUNITY ASSOCIATION may deny or terminate service to the customer immediately and without notice when:
 - a. THE OAKS COMMUNITY ASSOCIATION determines that the premises wiring, water lines, sewer lines or other utility delivery equipment, or the use of either, is unsafe, or endangers THE OAKS COMMUNITY ASSOCIATION's service facilities; or
 - b. The customer threatens to create a hazardous condition; or
 - c. Any governmental agency, authorized to enforce laws, ordinances or regulations involving any utility facilities and/or the use of electricity, water, or sewer, notifies THE OAKS COMMUNITY ASSOCIATION in writing that the customer's facilities and/or use of electricity, water, or sewer is unsafe or not in compliance with applicable laws, ordinances, or regulations.
2. When relocation or replacement of all utility service by THE OAKS COMMUNITY ASSOCIATION is necessary, the service, including the metering facilities, will be installed in locations mutually acceptable to THE OAKS COMMUNITY ASSOCIATION and the customer and which conform to current applicable codes, regulations, and standards. If no such mutually acceptable location can be agreed upon, THE OAKS COMMUNITY ASSOCIATION shall discontinue service until the customer and THE OAKS COMMUNITY ASSOCIATION reach agreement.
3. **SERVICE RESTORATION**
 - a. When the customer's service has been terminated either because of a determination by THE OAKS COMMUNITY ASSOCIATION that an unsafe apparatus or condition exists on the premises, or because the customer has threatened to create a hazardous condition, service will not be restored until THE OAKS COMMUNITY ASSOCIATION determines, at the customers expense, the customer's electrical wiring, water lines, sewer lines or equipment or the use of either, has been made safe. When service is denied or terminated solely under these sections, the customer may seek remedies before the CPUC.
 - b. When the customer's service has been terminated because of an order of termination issued to THE OAKS COMMUNITY ASSOCIATION by a governmental agency, service will not be restored until THE OAKS COMMUNITY ASSOCIATION has received authorization to restore the service from the appropriate governmental agency. It is the customer's responsibility to resolve the matter with the governmental agency.
4. THE OAKS COMMUNITY ASSOCIATION does not assume the responsibility of inspecting or repairing the customer's facilities, appliances, or other equipment for receiving or using service, or any part thereof. In the event the customer has knowledge that the service is in any way defective, it is the customer's responsibility to notify THE OAKS COMMUNITY ASSOCIATION at once.
5. THE OAKS COMMUNITY ASSOCIATION shall not be liable or responsible for any plumbing, appliances, facilities, or apparatus beyond the point of delivery which it does not own or maintain in accordance with these rules.

SERVICE DETRIMENTAL TO OTHER CUSTOMERS:

THE OAKS COMMUNITY ASSOCIATION will not supply service to a customer operating equipment which is considered by THE OAKS COMMUNITY ASSOCIATION to be detrimental to either the service of other customers, or to THE OAKS COMMUNITY ASSOCIATION. THE OAKS COMMUNITY ASSOCIATION will

terminate service and refuse to restore service to any customer who continues to operate such equipment after receiving notification from THE OAKS COMMUNITY ASSOCIATION to cease.

UNAUTHORIZED USE:

1. THE OAKS COMMUNITY ASSOCIATION may terminate service without notice for unauthorized use of service as defined by CPUC/PG&E. When the customer's service has been terminated under this section, THE OAKS COMMUNITY ASSOCIATION may refuse to restore service until:
 - a. the unauthorized use has ceased, and
 - b. THE OAKS COMMUNITY ASSOCIATION has received full compensation for all charges authorized by CPUC/PG&E.
2. THE OAKS COMMUNITY ASSOCIATION may terminate and refuse to restore service if the acts of the customer or conditions on the premises indicate an intent to deny THE OAKS COMMUNITY ASSOCIATION full compensation for services rendered, including, but not limited to, any act which may result in a denial of service under PG&E's rules and policies.
3. THE OAKS COMMUNITY ASSOCIATION shall provide the customer with the reasons for such termination and/or refusal to restore service. When the customer's service has been terminated under this section, THE OAKS COMMUNITY ASSOCIATION may refuse to restore service until:
 - a. the acts and/or the conditions described above have ceased or have been corrected to THE OAKS COMMUNITY ASSOCIATION's satisfaction, and
 - b. THE OAKS COMMUNITY ASSOCIATION has received full compensation for all charges resulting from the customer's acts or the conditions on the premises.

REVOCATION OF PERMISSION TO USE PROPERTY:

If THE OAKS COMMUNITY ASSOCIATION's service facilities and/or a customer's wiring or plumbing to the meter are installed on property other than the customer's property and the owner of such property revokes permission to use it, THE OAKS COMMUNITY ASSOCIATION will have the right to terminate service upon the date of such revocation.

CHARGES FOR TERMINATION AND/OR RESTORATION OF SERVICE:

THE OAKS COMMUNITY ASSOCIATION may require payment of the entire amount due, including the past due amount and current charges, payment of a deposit in accordance with CPUC rules, and payment of other charges indicated herein, prior to restoring service to accounts which have been terminated for nonpayment.

1. THE OAKS COMMUNITY ASSOCIATION will require a returned check charge, for processing a check that is returned to THE OAKS COMMUNITY ASSOCIATION unpaid.
2. THE OAKS COMMUNITY ASSOCIATION may require payment of a reconnection charge of \$60.00 per connection before restoring service that has been terminated for nonpayment of bills, to prevent fraud, or for failure to comply with THE OAKS COMMUNITY ASSOCIATION's tariffs. If the customer requests that service be restored outside of regular business hours (9:30 am – 5:30 pm), an additional charge of \$45.00 per connection may be made.
3. In addition, THE OAKS COMMUNITY ASSOCIATION may charge and collect any unusual costs incidental to the termination or restoration of service which have resulted from the customer's action or negligence.
4. Service wrongfully terminated will be restored without charge.

ALTERNATIVE DISPUTE RESOLUTION DISCLOSURE:

Effective January 1, 1994, the law in California strongly encourages procedures alternative to litigation to resolve disputes between homeowners and Homeowners Associations and its residents. There are various forms of Alternative Dispute Resolution (hereinafter referred to as "ADR") including mediation and arbitration. If the Association is considering suing a homeowner relating to endorsement of the Declaration of Covenants, Conditions, and Restriction ("CC&Rs"), the Association must go through the preliminary steps of the procedures outlined below. If a homeowner is considering suing the Association



The Oaks Community Association

5607 Jackson Valley Road • Lone, CA 95640-9629

Phone 209-274-6056 Fax 209-274-6058

gm@theoaksone.com

for failure to enforce the governing documents or some other CC&R-based claim, the homeowner also must go through the preliminary procedure before filing a lawsuit. The steps are:

- 1) Either party must serve a "Request for Resolution" on the other party, either by certified mail (return receipt requested) or personal delivery. If a certified letter is sent out and no response is forthcoming, then personal delivery is required. The person who "serves" the Request for Resolution may not be a party to the action.
 - a. The Request for Resolution must Include:
 - i. A brief description of the dispute between the parties:
 - ii. A request for ADR, and
 - iii. A notice that the party receiving the Request for Resolution is required to respond within 30 days or it will be deemed rejected.
- 2) The party receiving a Request for Resolution has 30 days from the date he or she receives it to accept or reject the ADR and if not accepted, it shall be deemed rejected.
- 3) If the party receiving the Request for Resolution agrees to ADR, the parties have 90 days to complete the process (more by agreement of the parties).
- 4) The cost of ADR shall be equally shared by both parties.
- 5) At the time either party files a civil action in court, that party must file a certificate stating that ADR has been completed in compliance with the law. Failure to file the certificate might be grounds for the other party to seek dismissal of the complaint. Conversely, the certificate should state where the party filing the complaint served a Request for Resolution, if it was either rejected or "deemed rejected" by the other party.
- 6) Exceptions to the process:
 - a. Where the time limit for bringing a legal action by a party would expire within 120 days
 - b. Where temporary restraining orders or preliminary injunctions are needed immediately to stop a particular action,
 - c. Where either party would suffer substantial prejudice by delays caused by filing of the Request for Resolution; or,
 - d. Where any damage claim exceeds \$5,000.

Failure to follow the steps above would give a judge the right to decrease any attorney's fees awarded where either party of the lawsuit would otherwise be entitled to reimbursement of all reasonable attorneys' fees under statute or contract.

Failure of a member of the Association to comply with the alternative dispute resolution requirements of Section 5930 of the Civil Code may result in the loss of your right to sue the Association or another member of the Association regarding enforcement of the Governing Documents or the applicable law.

Summary of the Internal Dispute Resolution Process

Summary of California Civil Code Sections 5925 Through 5965

California Civil Code Section 5925 through 5965 requires an association to provide a fair, reasonable, and expeditious procedure for resolving certain disputes between the association and a member. The following procedure, which may be invoked by either party to a dispute, shall apply:

- 1) The party may request the other party to meet and confer in an effort to resolve the dispute. The request shall be made in writing.
- 2) A member of an association may refuse a request to meet and confer. The association may not refuse a request to meet and confer.

- 3) The association's board of directors shall designate a member of the board to meet and confer with the other party to the dispute.
- 4) The parties shall meet promptly at the mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute.
- 5) A resolution of the dispute agreed to by the parties shall be memorialized in writing and signed by the parties, including the board designee on behalf of the association
An agreement reached under this meet and confer procedure binds the parties and is enforceable by a court if both of the following conditions are satisfied:
 - 1) The agreement is not in conflict with law or the governing documents of the common interest development or association.
 - 2) The agreement is either consistent with the authority granted by the board of directors to its designee or the agreement is ratified by the board of directors.

If the parties to the dispute are unable to resolve the matter using this internal dispute resolution procedure, the association or the member may then serve a Request for Resolution pursuant to California Civil Code Chapter 7, Article 2 (Alternative Dispute Resolution), Sections 5925 et seq., in its entirety.

California Civil Code Sections 5925 – 5965

California Civil Code Section 5925 – 5965 addresses the homeowner's right to sue the association or another member of the association regarding the enforcement of the governing documents. ¹The following is a summary of the provisions of Civil Code Sections 5925-5965:

In general, Civil Code Section 5925-5965 encourage parties to certain disputes involving enforcement of an association's governing document to submit the dispute to a form of *alternative dispute resolution* (ADR) such as mediation or arbitration prior to filing a lawsuit. The form of ADR may be binding or non-binding, and the cost of the ADR shall be borne by the parties.

Any party to a dispute may initiate the process of ADR by serving a Request for Resolution on all other parties to the dispute. A Request for Resolution must contain

- (A) a brief description of the dispute between parties,
- (B) a request for ADR,
- (C) a notice that the party receiving the Request for Resolution is required to respond within 30 days of receipt or the Request will be deemed rejected, and
- (D) If sent to the owner of a separate interest, a copy of Civil Code Section 5925 – 5965.

If the Request is accepted, the ADR must be completed within 90 days of the acceptance, unless otherwise agreed by the parties. Once a Request for Resolution is served, all applicable statutes of limitations are tolled as set forth in Civil Code Section 5965.

Failure of a member of the Association to comply with the Alternative Dispute Requirements of section 5935 of the Civil Code may result in the loss of your right to sue the Association or another member of the Association regarding enforcement of the governing documents or the applicable law.

The law requires the party filing a lawsuit for enforcement of the association's governing documents to file a certificate with the court stating:

- (A) ADR has been completed prior to the filing of the suit, or
- (B) ADR was not undertaken because one of the other parties to the dispute did not accept the terms offered for the ADR, or
- (C) ADR was not undertaken because preliminary or temporary injunctive relief is necessary.

Failure to file this certificate can be grounds for dismissing the lawsuit.

¹ The Alternative dispute resolution provisions set forth in Civil Code Section 5925 were formally found in Civil Code Section 1354 & 1369.510.



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Furthermore, while the prevailing party in any lawsuit to enforce the governing documents shall be awarded attorney's fees and costs, under Civil Code 5960 the court may consider whether a party's refusal to participate in ADR was reasonable when it determines the amount of the award ²

RULES ENFORCEMENT POLICY

It is the fiduciary responsibility of the Board of Directors of The Oaks Community Association to enforce the Rules & Regulations as stated in the Governing Documents, and the Board adopted Rules & Regulations. Owners are responsible for informing members of their family, their guests, and their tenants of all provisions of the Governing Documents as well as the Board adopted Rules & Regulations. The Board of Directors has adopted the following procedures to address noncompliance of the Governing Documents, and the Board adopted Rules and Regulations.

1. A notice shall be written to the Owner stating the violation of the CC&Rs, The Governing Documents and/or Board adopted Rules and Regulations. If the Owner complies, no further action will be necessary. It is the responsibility of the owner/resident to notify the office once the violation has been corrected, to request reinspection.
2. If the Owner disputes the violation, they must attend the next scheduled hearing noted on the violation notice. Hearings are scheduled for the second Wednesday of each month.
3. If the violation is not disputed, or it is upheld in the violation hearing and not corrected within the allotted time, a second notice will be mailed to the owner informing them of any fine to be assessed (typically \$100) and giving them notice to correct the violation. The notice shall specify the violation. If the Owner responds and or complies, no further action will be taken. Again, the owner has the right to disputes the violation and they **must attend the next scheduled hearing noted on the violation notice**. Hearings are scheduled for the second Wednesday of each month.
4. Hearings are scheduled the second Wednesday of each month. Any owner disputing a violation may bring witnesses, pictures, or other evidence to the Hearing. If you are unable to attend the next scheduled hearing, contact the office to reschedule.
5. After hearing testimony, the Board and the member may agree on a cure and sign a Violation Cure Agreement.
6. Apart from fines for utility tampering, fines assessed shall not be less than twenty-five dollars (\$25.00) or more than one hundred dollars (\$100.) per violation.
7. Fines assessed for utility tampering shall not be less than Five Hundred dollars (\$500.00) per violation.
8. A notice of Determination will be mailed to the owner within ten (10) days after the Violation Hearing if one is requested by the Owner. If you do not attend the hearing, or reschedule, violations will be considered valid and appropriate next steps and fines will be levied.

Determination Appeal:

An Owner may appeal to the Board of Directors to revise the determination if requested in writing no later than fifteen (15) days after the receipt of the Notification of Determination.

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All Owners shall be fully responsible for informing members of their family their tenants and their guests of the provisions of the Governing Documents and shall be fully responsible for any violations of the provisions of the Governing Documents by members of their family, their tenants, or their guest. All Owners shall further be fully responsible for the conduct and activities of their pets and any pets belonging to these members of their family, their tenants, or their guest.

ARCHITECTURAL REVIEW PROCESS

Each member has the responsibility to adhere to design review requirements outlined in the Association's Governing Documents, the Board adopted Rules & Regulations, and as detailed in the Architectural Guidelines, available from the office or online. Each member is also responsible for adhering to all local, state, and federal codes and regulations and for obtaining any permits as required. The Design Review Committee and/or Board of Directors are responsible only for the adherence to design standards, not structural integrity. Design Review Application Packets are available from the Association office and available on the association's website, www.theoaksione.com

Architectural Application:

Any owner proposing to perform any work of any kind which requires prior approval pursuant to Article 5 of the Association CC&R's, shall apply for approval by notifying the Association, in writing, of the nature of the proposed work and furnishing such information and documentation as the Board may require.

Submit Application:

The member should submit the completed application along with a detailed plot plan for approval to the office at least 7 days prior to the regular scheduled monthly board meeting.

Review:

Either the Design Review Committee or the Board of Directors can approve or denial Design Reviews. A decision must be made within 45 (forty-five) days of the submittal of the completed design review packet.

OVERNIGHT PAYMENTS

The mailing address for overnight payment of assessments to the Association is:

**The Oaks Community Association
5607 Jackson Valley Road,
Ione, CA 95640
209-274-6056**

Please contact Susan Cook, General Manager, if you have any further questions or need additional information.

Thank You,

Susan Cook
General Manager
The Oaks Community Association
5607 Jackson Valley Road
Ione, CA 95640
209-274-6056

Fiscal Year Budget

From 1/1/2025 to 12/31/2025

Profit & Loss | Property: THE OAKS Community Association

	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Total
Income													
50000 Income	119,930.89	125,455.76	128,168.78	83,556.55	94,721.04	91,451.15	96,873.73	107,822.44	105,188.10	105,913.99	94,116.55	95,097.19	1,248,296.17
Total Income:	119,930.89	125,455.76	128,168.78	83,556.55	94,721.04	91,451.15	96,873.73	107,822.44	105,188.10	105,913.99	94,116.55	95,097.19	1,248,296.17
Expense													
60000 Operating Expense	56,507.24	58,488.65	57,424.49	-29,869.13	38,568.48	39,340.66	39,450.75	52,058.89	37,801.22	29,766.36	16,761.56	21,894.72	418,193.89
61600 Water Distribution System	54.00	54.00	239.00	54.00	0.00	189.00	185.00	108.00	108.00	101.00	54.00	54.00	1,200.00
61650 Community Improvements	-31.53	0.00	310.30	0.00	0.00	0.00	0.00	0.00	13,099.57	3,455.00	1,583.33	1,583.33	20,000.00
62000 Waste Water Treatment Pla	4,662.78	3,487.16	2,445.60	-1,677.66	3,058.02	387.00	442.26	3,297.70	3,673.76	1,915.38	5,830.25	4,980.42	32,502.67
63000 Maintenance Expense	4,616.01	6,662.31	7,057.45	11,036.36	2,557.74	7,284.95	7,160.00	9,400.84	9,697.00	9,357.49	8,318.33	8,763.68	91,912.16
63390 Maintenance Building	380.61	334.39	406.15	161.34	80.67	479.08	112.74	110.53	810.30	899.09	1,266.08	1,326.66	6,367.64
64000 Pool & Spa Expense	2,220.28	2,195.95	2,030.39	2,969.47	5,997.91	856.74	986.17	580.51	755.26	1,071.27	1,589.90	1,590.40	22,844.25
65000 Payroll Expense	31,050.82	19,499.24	23,183.42	22,628.26	24,739.19	23,919.04	23,808.65	36,562.99	22,268.73	23,970.83	23,362.51	23,863.15	298,856.83
71000 Administrative Expense	3,423.20	2,726.50	3,740.32	2,331.48	3,893.49	3,391.76	3,562.12	2,573.44	6,188.55	5,025.61	3,933.00	3,359.25	44,148.72
71341 Entrance Light Electricity	11.48	11.41	11.59	11.53	0.00	11.53	11.53	11.53	11.53	11.53	11.53	11.53	126.72
72000 Insurance Expense	2,123.59	1,956.78	1,930.86	1,963.02	1,953.44	1,992.11	2,416.24	2,768.01	2,407.78	2,391.81	2,479.14	2,397.81	26,780.59
72200 Taxes, Licenses, Permits	3,965.93	178.00	1,929.00	1,058.00	0.00	6,342.00	0.00	0.00	-2,055.00	246.00	0.00	0.00	11,663.93
74000 Other Misc Professional Fee	1,249.60	1,318.85	604.50	368.85	554.85	368.85	368.85	350.00	4,650.00	2,350.00	1,614.00	4,000.00	17,798.35
80010 Bad Debt Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,400.00	5,400.00
91000 Reserve Expense	9,696.88	28,542.52	26,855.71	72,521.03	13,317.25	6,888.43	18,369.42	0.00	5,771.40	25,352.62	27,312.92	15,872.24	250,500.42
Total Expense:	119,930.89	125,455.76	128,168.78	83,556.55	94,721.04	91,451.15	96,873.73	107,822.44	105,188.10	105,913.99	94,116.55	95,097.19	1,248,296.17
Net Income:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

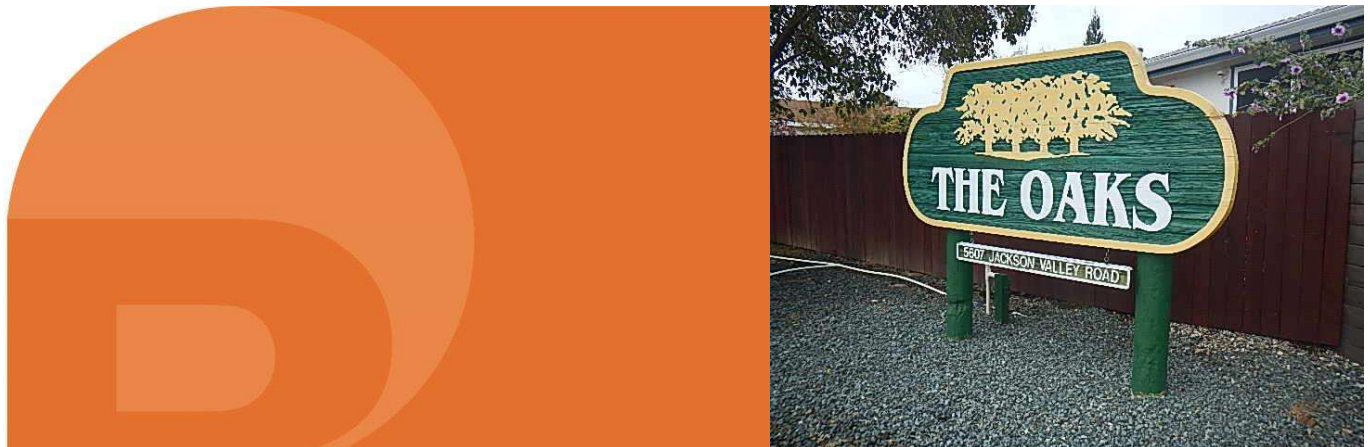


Fiscal Year Budget

From 1/1/2025 to 12/31/2025

Profit & Loss | Property: THE OAKS Community Association

	Jan 25	Feb 25	Mar 25	Apr 25	May 25	Jun 25	Jul 25	Aug 25	Sep 25	Oct 25	Nov 25	Dec 25	Total
Summary													
Income	119,930.89	125,455.76	128,168.78	83,556.55	94,721.04	91,451.15	96,873.73	107,822.44	105,188.10	105,913.99	94,116.55	95,097.19	1,248,296.17
Expense	-119,930.89	-125,455.76	-128,168.78	-83,556.55	-94,721.04	-91,451.15	-96,873.73	-107,822.44	-105,188.10	-105,913.99	-94,116.55	-95,097.19	-1,248,296.17
Net Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



RESERVE STUDY

Member Distribution Materials

The Oaks Community Association

Update w/ Site Visit Review

Final

Published - June 13, 2025

Prepared for the 2026 Fiscal Year

Section	Report	Page
California:	Member Summary	1
	Assessment and Reserve Funding Disclosure Summary	3
Section III:	30 Year Reserve Funding Plan	5
	Cash Flow Method {c}	

June 13, 2025

This is a summary of the Reserve Study that has been performed for The Oaks Community Association, (the "Association") which is a Planned Development with a total of 209 Lots. This study was conducted in compliance with California *Civil Code Sections 5300, 5550 and 5560* and is being provided to you, as a member of the Association, as required under these statutes. A full copy is available (through the Association) for review by members of the Association.

The intention of the Reserve Study is to forecast the Association's ability to repair or replace major components as they wear out in future years. This is done utilizing the "Cash Flow Method." This is a method of developing a reserve funding plan where the contributions to the reserve fund are designed to offset the variable annual expenditures from the reserve fund.

Browning Reserve Group, a division of Reserve Advisors, LLC prepared this Update w/ Site Visit Review for the January 1, 2026 - December 31, 2026 fiscal year. At the time this summary was prepared, the assumed long-term before-tax interest rate earned on reserve funds was 2.50% per year, and the assumed long-term inflation rate to be applied to major component repair and replacement costs was 2.50% per year.

The Reserve Study is not an engineering report, and no destructive testing was performed. The costs outlined in the study are for budgetary and planning purposes only, and actual bid costs would depend upon the defined scope of work at the time repairs are made. Also, any latent defects are excluded from this report.

Funding Assessment

Based on the 30 year cash flow projection, the Association's reserves appear adequately funded as the reserve fund ending balances remain positive throughout the replacement of all major components during the next 30 years.

California statute imposes no reserve funding level requirements. Although one or more of the reserve fund percentages expressed in this report may be less than one hundred percent, those percentages do not necessarily indicate that the Association's reserves are inadequately funded.

Reserve Component	Current Replacement Cost	Useful Life	Remaining Life	2025 Fully Funded Balance	2026 Fully Funded Balance	2026 Line Item Contribution based on Cash Flow Method
01000 - Paving	900,699	5-25	0-3	721,350	688,915	72,767
02000 - Concrete	12,870	30-30	22-22	3,432	3,958	970
03000 - Painting: Exterior	12,219	5-8	1-5	7,974	9,711	2,505
03500 - Painting: Interior	3,400	10-10	9-9	340	697	557
04000 - Structural Repairs	18,200	8-25	2-19	7,880	9,581	2,330
05000 - Roofing	60,400	15-30	2-30	51,105	54,389	2,773
08000 - Rehab	14,550	1-20	1-2	11,918	14,193	2,618
11000 - Gate Equipment	30,250	8-18	1-8	19,634	23,526	4,720
12000 - Pool	46,200	5-24	2-23	5,094	9,049	6,503
13000 - Spa	18,200	5-10	1-4	13,370	16,636	3,916
17500 - Basketball / Sport Court	1,170	8-8	3-3	731	899	207
18000 - Landscaping	3,300	20-20	5-5	2,475	2,706	245
18500 - Lakes / Ponds	33,434	8-20	1-5	22,453	26,176	4,426
19000 - Fencing	78,679	1-30	0-27	52,004	30,343	7,550
19500 - Retaining Wall	62,900	8-24	4-7	41,792	46,101	4,925
20000 - Lighting	3,000	1-1	1-1	1,500	3,075	2,018
23000 - Mechanical Equipment	46,450	10-25	1-8	40,319	45,184	5,146
24000 - Furnishings	4,935	8-8	2-2	3,701	4,426	851
24500 - Audio / Visual	1,070	10-10	1-8	673	799	155
24600 - Safety / Access	9,050	6-6	3-3	4,525	6,184	2,132
25000 - Flooring	18,520	10-25	2-2	15,397	17,382	2,153
26000 - Outdoor Equipment	102,682	1-30	0-22	64,528	71,879	9,360
27000 - Appliances	3,725	15-20	1-1	3,522	3,818	273
28500 - Waste Water Treatment	118,350	5-25	1-10	73,728	86,753	15,867
29000 - Infrastructure	30,497	1-1	0-0	30,497	31,259	40,034
30000 - Miscellaneous	119,750	1-25	1-18	72,684	87,038	17,796
Totals	\$1,754,499			\$1,272,625	\$1,294,679	\$212,796
Estimated Ending Balance				\$602,163	\$683,964	\$84.85
Percent Funded				47.3%	52.8%	/Lot/month @ 209

**California Assessment and Reserve Funding
Disclosure For the Fiscal Year Ending 2026**

Final

June 13, 2025

- (1) The regular assessment per ownership interest is \$240.00 per month for the fiscal year beginning January 1, 2026.

Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page ____ of the attached summary.

- (2) Additional regular or special assessments that have already been scheduled to be imposed or charged, regardless of the purpose, if they have been approved by the board and/or members:

Date assessment will be due:	Amount per ownership interest per month or year (if assessments are variable, see note immediately below):	Purpose of the assessment:
N/A	\$0.00	N/A
Total:	\$0.00	

Note: If assessments vary by the size or type of ownership interest, the assessment applicable to this ownership interest may be found on page ____ of the attached report.

- (3) Based upon the most recent reserve study and other information available to the board of directors, will currently projected reserve account balances be sufficient at the end of each year to meet the association's obligation for repair and/or replacement of major components during the next 30 years?

Yes ☒ No ☐

This disclosure has been prepared by Browning Reserve Group, a division of Reserve Advisors, LLC and has been reviewed and approved by the association's board of directors based upon the best information available to the association at the time of its preparation. The accuracy of this information over the next 30 years will be dependent upon circumstances which are impossible to predict with specificity, and will require future action to adjust assessments over the period in accordance with the current projections and future developments.

- (4) If the answer to (3) is no, what additional assessments or other contributions to reserves would be necessary to ensure that sufficient reserve funds will be available each year during the next 30 years that have not yet been approved by the board or the members

Approximate date assessment will be due:	Amount per ownership interest per month or year:
N/A	N/A

- (5) All major components are included in the reserve study and are included in its calculations. See next page §5300(b)(4), for any major component exclusions.

- (6) Based on the method of calculation in paragraph (4) of the subdivision (b) of section 5570, the estimated amount required in the reserve fund at the end of the current fiscal year is \$1,272,625, based in whole or in part on the last reserve study or update prepared by Browning Reserve Group, a division of Reserve Advisors, LLC as of May, 2025. The projected reserve fund cash balance at the end of the current fiscal year is \$602,163 resulting in reserves being 47.3% percent funded at this date. Civil code section 5570 does not require the board to fund reserves in accordance with this calculation.

An alternate and generally accepted method of calculation has been utilized to determine future reserve contribution amounts. The reserve contribution for the next fiscal year has been determined using the Cash Flow method of calculation (see section III, Reserve Fund Balance Forecast). This is a method of developing a reserve funding plan where the contributions to the reserve fund are designated to offset the variable annual expenditures from the reserve fund. Different reserve funding plans are tested against the anticipated schedule of reserve expenses until the desired funding goal is achieved.

(7) Based on the method of calculation in paragraph (4) of subdivision (b) of section 5570 of the Civil Code, the estimated amount required in the reserve fund at the end of each of the next five budget years is presented in column (b) 'Fully Funded Balance' in the table immediately below; and the projected reserve fund cash balance in each of those years, taking into account only assessments already approved and other known revenues, is presented in column (c) 'Reserve Ending Balance'; leaving the reserve at percent funding as presented in column (d) 'Percent Funded' in each of the respective years.

Fiscal Year (a)	Fully Funded Balance (b)	Reserve Ending Balance (c)	Percent Funded (d)
2026	\$1,294,679	\$683,964	52.8%
2027	\$1,343,105	\$684,934	51.0%
2028	\$1,309,737	\$489,868	37.4%
2029	\$1,078,002	\$383,369	35.6%
2030	\$936,077	\$308,171	32.9%

If the reserve funding plan approved by the association is implemented, the projected fund cash balance in each of those years will be the amounts presented in column (c) 'Reserve Ending Balance' in the table immediately above, leaving the reserve at percent funding as presented in column (d) 'Percent Funded' in each of the respective years.

NOTE: The financial representations set forth in this summary are based on the best estimates of the preparer at that time. The estimates are subject to change. At the time this summary was prepared, 2.50% per year was the assumed long-term inflation rate, and 2.50% per year was the assumed long-term interest rate.

Additional Disclosures

§5565(d) The current deficiency in reserve funding as of December 31, 2026 is \$2,922 per ownership interest (average).

This is calculated as the current estimate of the amount of cash reserves necessary as of the end of the fiscal year for which the study is prepared, less, the amount of accumulated cash reserves actually (Projected to be) set aside to repair, replace, restore, or maintain the major components.

Deficiency =
$$\frac{2026 \text{ Fully Funded Balance} - 2026 \text{ Reserve Ending Balance}}{\text{Ownership Interest Quantity}}$$

§5300(b)(4) The current board of directors of the association has not deferred or determined to not undertake repairs or replacements over the next 30 years, unless noted below:

Major Component:	Justification for Deferral:
N/A	N/A

§5300(b)(5) The board of directors as of the date of the study does not anticipate the levy of a special assessment for the repair, replacement, or restoration of the major components.

30 Year Reserve Funding Plan Cash Flow Method

Final

Prepared for the 2026 Fiscal Year

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Beginning Balance	536,759	602,163	683,964	684,934	489,868	383,369	308,171	200,359	290,164	357,597
Inflated Expenditures @ 2.5%	158,307	146,873	231,918	428,798	339,795	309,590	343,332	148,932	176,735	83,952
Reserve Contribution	209,651	212,796	215,988	219,228	222,516	225,854	229,242	232,681	236,171	239,714
<i>Lots/month @ 209</i>	83.59	84.85	86.12	87.41	88.72	90.05	91.40	92.78	94.17	95.58
<i>Percentage Increase</i>	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.50%	14,061	15,878	16,900	14,504	10,781	8,538	6,278	6,056	7,997	10,887
Ending Balance	602,163	683,964	684,934	489,868	383,369	308,171	200,359	290,164	357,597	524,246

	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044
Beginning Balance	524,246	655,499	729,897	866,802	900,440	1,048,928	1,223,038	1,266,409	1,417,652	1,413,801
Inflated Expenditures @ 2.5%	126,621	189,666	133,471	242,604	133,818	116,054	253,409	151,931	312,895	121,747
Reserve Contribution	243,310	246,960	250,664	254,424	258,240	262,114	266,046	270,037	274,088	278,199
<i>Lots/month @ 209</i>	97.01	98.47	99.95	101.44	102.97	104.51	106.08	107.67	109.29	110.92
<i>Percentage Increase</i>	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.50%	14,565	17,104	19,712	21,818	24,066	28,049	30,734	33,137	34,956	37,301
Ending Balance	655,499	729,897	866,802	900,440	1,048,928	1,223,038	1,266,409	1,417,652	1,413,801	1,607,553

	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054
Beginning Balance	1,607,553	1,819,347	1,929,396	2,090,724	1,997,361	2,252,954	2,254,904	2,347,912	2,443,544	2,043,576
Inflated Expenditures @ 2.5%	112,886	222,840	179,209	439,105	96,581	357,897	272,575	276,911	773,454	469,954
Reserve Contribution	282,372	286,608	290,907	295,271	299,700	304,195	308,758	313,389	318,090	322,861
<i>Lots/month @ 209</i>	112.59	114.28	115.99	117.73	119.50	121.29	123.11	124.96	126.83	128.73
<i>Percentage Increase</i>	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Special Assessments / Other	0	0	0	0	0	0	0	0	0	0
Interest Pre Tax @ 2.50%	42,307	46,281	49,631	50,470	52,473	55,653	56,825	59,154	55,397	49,251
Ending Balance	1,819,347	1,929,396	2,090,724	1,997,361	2,252,954	2,254,904	2,347,912	2,443,544	2,043,576	1,945,734



The Oaks Community Association

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GAS LINE PUBLIC AWARENESS MESSAGE (PAM) – November 2025

As the owner and operator of a gas pipeline system from PG&E's point of supply (main meter), The Oaks Community Association is required by State and Federal law to provide the consumer with information related to the operation, maintenance, and safety aspects of the pipeline system. The information below is a summary of the functionality of the gas system. This summary is not necessarily a complete or definitive description of all the aspects involved with the operation of a gas pipeline or consumption of natural gas. If you would like further information or have any concerns, please contact the office at (209) 274-6056.

Purpose of the Gas Pipeline System:

The natural gas pipeline system in the Oaks Community Association is owned, operated and maintained by The Oaks Community Association. The pipeline system is designed to distribute gas to the residents, which is commonly used for heating and cooking as well as being distributed for use at the pool and spa.

Reliability of the Gas System:

The gas pipeline system is operated and maintained by qualified individuals in accordance with the operator's Operations and Maintenance plan, which contains procedures for safely operating, maintaining, and monitoring the system. The California Public Utilities Commission (CPUC) inspects the gas pipeline system for compliance with Federal rules and regulations.

Hazards Associated with the Pipeline:

Gas can leak from pipeline facilities damages due to corrosion, outside force, environmental factors, natural events, or equipment failure, etc. Because natural gas is a flammable commodity, gas leaks, under certain circumstances, can be dangerous.

Preventive Measures Used:

The gas system is leak surveyed by qualified individuals on an annual basis. By law, under no circumstances can we exceed a period of 5 years without performing a leak survey. We are required to immediately repair all hazardous leaks, and schedule for repairs, or monitor, all leaks which are non-hazardous. Leaks in confined spaces, and leaks immediately near sources of ignition are generally classified as hazardous leaks. All valves necessary to isolate the system, or parts of the system, are inspected annually to endure that hazardous conditions such as atmospheric corrosion, improper care of discontinued services and customer lines, inadequate support of meters and pipeline components, etc., are noted and corrected.

How the Pipeline Can be Damaged:

The gas pipeline system is susceptible to damage due to outside forces such as those caused by excavation, vehicular traffic, or excessive loads placed on meter set assemblies. In addition, anything that obstructs access to main valves and service valves on meter set assemblies could result in service consequences in the event of an emergency.

How to Recognize Leaks:

Odor: Natural gas is colorless, odorless, tasteless and non-toxic. An additive (mercaptan) is added by the gas company to give the gas a distinctive odor (similar to rotting eggs or sulfur) so any leaking gas can be readily detected.

Vegetation: Natural gas leaking from an underground pipeline can destroy vegetation by starving the roots of air and water. An unusual dry patch of vegetation, within an otherwise green area, could indicate a below gas leak.

Sounds: A blowing or hissing sound could indicate the presence of a gas leak.

Bubbling Water: Gas leaks on underground pipelines in flooded areas may cause bubbles in the water as the gas rises to the surface.

Fungus-like growth: Gas leaks in valve boxes, manholes, etc., may develop a fungus-like growth that is generally white in color.

How to Respond to Leaks:

Do not light items such as matches, cigarettes, or any other device that may generate a sparked and ignite gas in a gaseous environment. Devices such as electrical switches, telephones (cell and line in phones), doorbells, automobiles, other engines, static electricity, etc. can all generate a spark capable of ignition. Extinguish all flames, evacuate occupants of the structure, and possible neighboring structures, to a safe distance, and turn off the gas at the service valve, if feasible. Venting of the gas should consider gas concentration and the need to terminate electric, telephone, and other sources of ignition from their respective service connection points outside the structure. To report a gas leak, call 911, or Pacific Gas and Electric 1-888-743-7431 and inform the operator of the situation and the location of the leak. Do not make the phone call from the area when the gas leak is present.

Protect Your Home and Your Family:

Since The Oaks Community Association is only responsible for, and maintains, all utilities to the meter, and Owners/Tenants are responsible for connections from the meter to, and throughout the house, please ensure you too are maintaining and being aware of any issues and that you protect yourself by ensuring you have functional Carbon Monoxide Detectors installed.

Beginning in July 2011, per the attached Health and Safety Code, Section 17926, a phased in California law requires all homes to have carbon monoxide detectors installed. Carbon



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monoxide can be deadly and extremely harmful. It is produced by burning fuels, coal, wood, oil, gas and several other petroleum-based products. It is also produced by common industrial equipment, cars, and electrical generators. Lower levels of carbon monoxide poisoning could produce headaches, dizziness, disorientation, nausea and fatigue. We have included a document from another city that provides a simple guide to installation of both fire and carbon monoxide detectors and is applicable here as well.

How to Get Additional Information:

For more information, contact the Operator of the system at 209-274-6056. Also visit the websites of the U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration (<http://www.phmsa.dot.gov>) or the California Utilities Commission (<http://www.cpuc.ca.gov/puc/>).

Thank You.



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THE OAKS COMMUNITY ASSOCIATION

COLLECTIONS POLICY

ADOPTED (10/8/2025)

This notice outlines some of the rights and responsibilities of the Owners of property and of the Members in common interest developments and the associations that manage them per current State and Federal laws, including the Civil Code and the Davis-Stirling Act, as applicable and all of which will prevail if in conflict with any stated policy of the Oaks.

DISPUTES/HEARINGS ARE HEARD ON THE SECOND WEDNESDAY OF EACH MONTH FROM 5:45PM TO 6:00PM. PLEASE ATTEND THE HEARING MEETING FOLLOWING THE DATE OF THE VIOLATION NOTICE. IF YOU CANNOT ATTEND THAT HEARING MEETING CONTACT THE OFFICE.

CONTACT THE GENERAL MANAGER TO DISCUSS A PAYMENT PLAN IF THERE ARE FINANCIAL CONCERNS.

The following policy and practices outlined below shall remain in effect until such time as they may be changed, modified, or amended as required by law, the governing documents and the Board of Directors.

Member rights and privileges may be impacted and suspended by the Board if a Member does not resolve delinquent account balances, as outlined in the governing documents, and as allowed by law.

Therefore, pursuant to The Oaks governing documents and Civil Code Section 5600 of the Davis-Stirling Common Interest Development Act, the following is a summary of The Oaks Community Association Collection Policy:

- 1) **Annual Assessments (HOA assessment)** – Levied annually at the start of the Fiscal Year on January 1 and may be paid in monthly installments (which is how invoices are issued) or may be pre-paid for any period. Installment payments are due on the first of each month and delinquent after the 15th of each month.
- 2) **Special Assessments** – Due on receipt, delinquent 15 days after invoice date.
- 3) **Utilities (considered a Utility Assessment, even though based on use)** – Due on receipt, delinquent after the 15th of each month, and subject to a late fee of \$10.00 or 10%, whichever is greater, after the 15th, and finance charges ,may be applied after 30 days from invoice date if not paid. Utilities are subject to termination of services due to non-payment 45 days after invoice date, or when the utility portion of total bill exceeds \$500.00, whichever comes first. Please see fees and additional Utility information for more on Utility Service Discontinuance and Restoration, including Security Deposits.
- 4) **Late Fee** - If payment of Assessment, Special Assessment, RV Space Rental, etc. are not received in full by the delinquency date, a late fee of \$10.00 or 10%, whichever is greater, of each unpaid invoice may be assessed after the 15th, unless a Promise-To-Pay form (hereinafter called PTP form) has been received by the invoice due date. Late fees do not apply to Fines.



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5) **Interest** – If payment is not received in full by the 30th day from invoice date, interest at the rate of 12% per annum (1% per month) may be added to the open balance of each invoice and applied each month it remains unpaid. Interest will not compound and will be assessed on open invoice principal balance only. Interest does not apply to Fines.

6) **Certified Mail** – Collection Warning and/or Delinquent Notice – Certified mail fee may be added to the account when Member has outstanding balances on their account (all types of charges) more than 60 days past due and The Oaks sends out a collection warning letter and statement.

7) **Promise-To-Pay Agreement** - You can request a Payment Plan by calling the office and proposing a payment plan. The General Manager has the authority to approve plans that will pay off all delinquencies in less than 3 months, in addition to commitment to keep new invoices paid current. If the proposed payment plan will exceed 3 months, the proposal must be approved by the Board. If you are a tenant, the lot Owner must also countersign any Payment Plan before it will be accepted.

The monthly interest charges will cease with receipt of the first Payment Plan installment payment. Payment must be received by the end of each month to avoid the 1% interest charge posted on the first (1st) of each month. The Association will NOT send you a reminder to pay each month and is not responsible for mail delivery. Payment is due regardless of whether you receive an invoice or not.

PLEASE NOTE: Verbal promises to pay will not be accepted, nor does a Payment Plan prevent The Oaks from proceeding with recording of a lien. All Payment Plans are immediately nullified if not adhered to on new/current charges or past due balances.

The Board meets on the second Wednesday of the month from 5:45pm to 6:00pm for hearings if you would like to appear in person to discuss your case. You do not have to request a hearing. Please attend the hearing meeting following the date of your invoice. If you cannot attend that hearing, please contact the office.

8) **Collection, Lien and Foreclosure Processing Fees** - Once the account is verified to be delinquent, and the Member has not contacted The Oaks to work out a Payment Plan, or they have defaulted on a Payment Plan, the Board will review the file and may vote to turn the account over to a Collection Agency, Attorney, Small Claims or other resources for processing. Additional Certified Mail, Collection Processing Fees and Legal fees may be added to your account as services are incurred and as allowed by law.

9) At the point where your case is sent to an agency, all further communications must be directed to the agency and not The Oaks. Owners will be responsible for all collection fees in addition to what is owed to The Oaks. The Oaks Board has the right to direct the agency to pursue collection of any delinquent balance through a Small Claims Action and/or Foreclosure or other, as allowed by law. Utilities must continue to be paid to The Oaks monthly, or you may be subject to Utilities shut off.

10) **Your Rights & Obligations** - The homeowner(s) have the right to dispute the validity of the charges assessed or the Fair Debt Collection Practices by attending the first hearing meeting scheduled after the date of the invoice. Hearings are scheduled for the second Wednesday of each month from 5:45pm to 6:00pm. If you are unable to attend the meeting scheduled after the date of the invoice, contact the office of The Oaks Community Association.



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11) **Small Claims Action** - When the past due amount owed to the Association is delinquent, a small claims action may be filed against you in Amador County Superior Court and a Collection Processing Fee may be applied to cover the preparation, time, and administrative costs, in addition to court filing and/or any other costs incurred.

12) **Foreclosure of your Property** – The Association has the right to conduct a non-judicial foreclosure against your property if your past due assessments are \$1,800 or more in amount or more than 12 months delinquent and are secured by a lien. (See Section 5720 of the Davis-Stirling Common Interest Development Act.). Lien recordings are not subject to these thresholds.

13) **Other Fees/Charges** – See Current Schedule of Fees, (Attachment A) and Current Schedule of Fines, (Attachment B).

SCHEDULE OF FEES COLLECTIONS POLICY - ATTACHMENT A

ITEM	CHARGE
TRANSFER FEE BUNDLE – CHANGE OF LOT OWNERSHIP	
Answer Escrow Forms (and follow up on closing)	\$45.00
Welcome Packet	\$20.00
In Office Orientation	\$30.00
Update Member File (new Deed, contact info, etc.)	\$45.00
Close Old Member File (and send any final statement to old owner's new address)	\$30.00
Update Security	\$30.00
Inspect Meters and Do Property Audit (reads, violations, maintenance)	\$45.00
Statement of Assessments	\$30.00
TOTAL TRANSFER FEE BUNDLE	\$275.00
MOVE IN BUNDLE – CHANGE TO TENANT/RENTER or OWNER with SIMPLE TITLE CHANGE	
Update Tenant File (copy of new contact info, copy of rent/lease agreement from owner)	\$15.00
Close Old Tenant File (and send any final statement to old owner new address or lot owner)	\$15.00
Update Security	\$15.00
Inspect Meters and Do Property Audit (meter read, violations, maintenance)	\$35.00
Welcome Packet	\$20.00
TOTAL MOVE IN BUNDLE (also used for name change only, within family (due to death, marriage, divorce, etc.), no escrow involved)	\$100.00
Non-Sufficient Funds (NSF) – Returned check Fee	\$35.00
Unregistered Resident, Owner, Tenant, Vehicle, Pet, etc. within 30 days of move-in, change to this information (will apply to both Owners and Tenant accounts in the case of rentals)	Up to \$100 after Hearing.
Pool Key	\$15.00 deposit per key



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ITEM	CHARGE
Gate Remote	\$40.00 deposit per remote
Late Fee on Assessments (regular & special), Due on receipt, delinquent and late fee applied after 15 th of each month, per monthly Assessment or Special Assessment billed and not paid (all payments will first be applied to the oldest open assessment invoice, so if current invoices remain unpaid, late fees and finance charges may still be applied)	10%
Interest charge on unpaid Assessments (regular & special), applies after 30 days past due, billed monthly on delinquent assessments, special assessments, legal fees, etc. as allowable by law (applied on original bill amount, not compounded)	1%/mo. (12% annual)
Variable Utility Assessment Late Payments – due on receipt, delinquent if not paid by the 15 th , late fee applies after the 15 th , finance charges apply after 30 days from invoice date (applied on original bill amount, not compounded)	\$10 or 10% late fee (whichever is greater), then 1% (12% annual) finance charge
Collection or Legal Processing Fee (charged at time file sent to outside agency)	\$50.00
Meter re-read fee (if your gate is locked, dogs not secured, etc. that prevents meter reading from occurring and we must send staff out again after more than 1 prior warning)	\$25.00 Per Occurrence
Utility Reconnection Fee – during business hours (this fee may be applied at the time we dispatch someone to turn off utilities, regardless of if you run to the office and pay while that is occurring, that is already too late)	\$60.00
After Hours Utility Reconnection Fee – if available and requested after normal business day/hours (in addition to standard Reconnection Fee above)	\$45.00
Utility Credit Deposit – Calculated based on Average Utility bill for the property over the last 12 months, divided by 12, multiplied x 2. Utility Deposit will be required for all new residents, unless you have guarantor agreement from a resident in The Oaks who has lived in The Oaks for more than 12 months and had no late payments in preceding 12 months, or can provide letter from prior utility, on their letterhead, showing on-time payments for preceding 12 months. Security Deposit billing/requirement will also be implemented for residents if you receive more than 2 shut-off notices, or would have been subject to them, in any 12-month period, and must be paid, along with past due utilities, once shut-off has been done, before utilities will be reconnected)	Variable by lot based on utility billing history
Tampering with meters	Min. \$500.00 per occurrence



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ITEM	CHARGE
Certified Mailing Fee each occurrence and per address of all individuals on title and Tenants	\$ = amount charged at Post Office
Clubhouse Rental *The Oaks may donate space at their discretion, with priority given to residents with advance reservations, for outside community activities as approved by the Board, at no cost. Note: Any requirement for prior day set-up, access will be billed as an additional rental day	Resident \$25.00 per day, \$200.00 cleaning deposit. Non-Residents * \$200.00 per day, \$200.00 cleaning deposit
RV Space Rental – Monthly	\$40.00/month (see office for current monthly rental charge)
RV Space Rental – Security Deposit (refundable if all space rental paid in full and space cleaned out by move out date to as-obtained condition)	\$ = 2 x monthly space rent
CC&R's, Rules & Regulations, etc. Fines for Violations	Up to \$ 100.00 per violation (see notice deadline date) after Hearing
Fines for Health and Safety Violations	Up to \$ 1,000.00 per violation (see notice deadline date) after Hearing
Copies/printing	.10/cents per page
Fax – applies to both outgoing and incoming faxes	.25 cents a page
Convenience Fee (credit card processing fee)	Charged at rate processor charges us



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SCHEDULE OF FINES COLLECTIONS POLICY - ATTACHMENT B

See full details in The Oaks governing documents, specifically Rules & Regulations

ENFORCEMENT of MONETARY FINES &/or SUSPENSIONS & REVOCATION of PRIVILEGES

1. It is important that all members and residents adhere to the community's Governing Documents in order to preserve and enhance property values. In accordance with the California Civil Code, the Oaks Community Association Board of Directors has adopted a Rule Enforcement Policy. This policy is to help ensure compliance with the Association's Governing Documents," Rules & Regulations", and Architectural Guidelines.
2. Management will notify the owner and if applicable, the tenant, of the nature of the violation, and of the corrective measures necessary to correct the violation and timeframe to correct the violation or communication with management a plan to correct the violation. If after that time frame, the violation continues and the member has not reached out to management with a plan to correct the violation, a second notice will be sent and a \$100 fine added to the account after a disciplinary hearing. Disciplinary hearings to resolve violations are scheduled for the **SECOND WEDNESDAY OF EACH MONTH**. Please attend the first scheduled hearing after the date of the notice. If you cannot attend this hearing date, contact the office to reschedule for the next hearing date. An agreement during the Hearing will result in a written binding enforceable resolution signed by both the Association and the Member. If the member and Board are not in agreement, the member has an opportunity to request an Internal Dispute Resolution pursuant to Civil Code 5910. At the discretion of the Board, Management can correct or cause the violation to be corrected, including entering the lot with the Member's permission in accordance with CC&R's 3.10. If necessary, with 5 calendar days' notice by first class mail or email, The Association may utilize the CC&R's Right Of Entry Article 11, to enter the premise without consent. The member will be responsible for all expenses incurred and a Reimbursement Assessment charged.
3. Violation of parking rules is subject to a fine of up to **\$100 per occurrence**.
 - a. If there is a violation for parking, (either in the street or parking more than 72 hours in guest of overflow parking) the owner/member has 24 hours to correct the violation. If the violation is not corrected the vehicle will be tagged with a green tow notice and given 96 hours to move the vehicle. After 96 hours the vehicle is subject to be towed.
 - b. Typically, you will receive one courtesy notice, then a fine of \$25.00, then \$100 per separate occurrence for repeated parking violations by the same Lot/Owner/Tenant. Disciplinary hearings to resolve violations are scheduled for the **SECOND WEDNESDAY OF EACH MONTH**. Please attend the first scheduled hearing after the



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date of the notice. If you cannot attend this hearing date, contact the office to reschedule the next hearing date. An agreement during the hearing will result in a written binding enforceable resolution signed by both the Association and the Member. If the member and Board are not in agreement, the member has an opportunity to request an Internal Dispute Resolution pursuant to Civil Code 5910.

4. Resident, Vehicle and/or Pet registration not completed – up to \$100. Disciplinary hearings to resolve violations are scheduled for the **SECOND WEDNESDAY OF EACH MONTH**. Please attend the first scheduled hearing after the date of the notice. If you cannot attend this hearing date, contact the office to reschedule the next hearing date. An agreement during the hearing will result in a written binding enforceable resolution signed by both the Association and the Member. If the member and Board are not in agreement, the member has an opportunity to request an Internal Dispute Resolution pursuant to Civil Code 5910.
5. Violation of Sections I & IV rules is subject to the following:
 - a. Disrupting Quiet Enjoyment15-day suspension & revocation of privileges
 - b. Boisterous /violent behavior 60-day suspension & revocation of privileges
 - c. Violation of Suspensionlonger suspension & revocation of privileges
 - d. Violation of a 60 to 90-day suspension will result in a **\$100.00 fine** to the owner/tenant, in addition to another 90-day suspension. In the event the violation was committed by a minor, the parent/guardian, or if guest, the owner will be notified in writing of the infraction and resulting suspension and or fine. Disciplinary hearings to resolve violations are scheduled for the **SECOND WEDNESDAY OF EACH MONTH**. Please attend the first scheduled hearing after the date of the notice. If you cannot attend this hearing date, contact the office to reschedule the next hearing date. An agreement during the hearing will result in a written binding enforceable resolution signed by both the Association and the Member. If the member and Board are not in agreement, the member has an opportunity to request an Internal Dispute Resolution pursuant to Civil Code 5910.
6. Health and Safety violations will result in up to \$1,000 fine per occurrence. When imposing Health and Safety violations the Board must make a written finding specifying the Adverse Health and Safety impact in an open Board Meeting prior to imposing the fine.
7. Tampering with meters will result in a fine of **not less than \$500.00 per occurrence**. Meter tampering means doing anything that causes the meters to run slower or not at all. It also includes anything that is used to divert electricity, gas or water from around the meters. Meter tampering is theft of utilities from your neighbors and the rest of the Community and is considered a criminal offense. Anyone suspected of meter tampering will be reported to the Amador County Sheriff's Office and the Amador County District Attorney for prosecution.

RULES & REGULATIONS

ADOPTED (10/8/2025)

Introduction

The “Rules and Regulations” have been created and adopted by the Oaks Community Association per October 8, 2025, Board Meeting in order to administer the Governing Documents and ensure a safe, comfortable living environment for the residents of The Oaks. Nothing in these “Rules and Regulations” is intended to conflict with applicable State or local enactments or the provisions of the Association’s Governing Documents (CC&Rs).

These “Rules and Regulations apply to all lot owners, residents, tenants and guests, and may be amended and modified from time to time by the Board of Directors of the Association pursuant to Civil Code Section 4360. These rules are not intended to be all-inclusive. Matters not covered herein shall be handled in accordance with the Governing Documents and at the discretion of the Board of Directors.

I. GENERAL RULES

1. All residents in the park must be registered with the office within 30 days, including all household members, pets and vehicles. Residents, or Landlords/Owners not ensuring this is done for any of their Tenants, are subject to a fine up to \$100 after hearing. All Residents are responsible for providing any registration updates to the office within 10 days of when any prior information becomes inaccurate (for example, residents need to be added, removed, vehicles added/removed, pets added/removed, etc.). Again, should updated registration information is not provided to the office within 30 days of the changes occurring, Residents and Landlords are subject to a fine up to \$100. All tenant information must be signed off by Owner as well.
2. All public laws and ordinances shall be obeyed, and no acts shall be committed which would constitute a violation, or place the Association in violation, of any of these laws or ordinances.
3. Activity or behavior that causes a disturbance, nuisance, or otherwise disrupts the quiet enjoyment of another is prohibited.
4. Any activity or use of a separate lot that could cause an increase in premium or cancellation of any insurance policy is prohibited.
5. No business other than at At-Home Work shall be conducted within the community. No business client traffic is permitted at the member home. Day Care home businesses are allowed with properly licensed by the state and/or county, properly insured and only after a Hold Harmless Agreement has been properly executed with The Oaks Community Association. All Day Care home children must be properly supervised and must adhere to all association rules and regulations.
6. “For Sale” signs are limited in size as permitted by law. Only 1 (one) sign is allowed on each property.
7. Christmas lights and any other holiday decorations shall be installed no more than 30 days before the holiday and removed within 15 days after the holiday.

8. Littering anywhere in the community is not permitted.
9. Loitering in the streets is prohibited at all times.
10. All reasonable requests or instructions from staff or employees of the Oaks shall be adhered to.
11. Members using or renting the facilities, including the clubhouse, pool, spa, and RV storage area, must be members in "Good Standing" and current (not more than sixty (60) days delinquent) in the payment of any bills to The Oaks (utilities, RV storage, assessments, etc.).
12. Quiet time in the community are the hours from 10:00 PM to 8:00 AM. Please keep noise to a minimum during this time.

II. RULES FOR VEHICLES and PARKING

1. All vehicles used by owners and or, tenants or guests within the community must be currently registered with the Department of Motor Vehicles and registered with The Oaks Community Association within 30 days of becoming a resident or purchasing a new vehicle.
2. Only motor vehicles as defined by the Motor Vehicle Code shall be parked in a designated parking area on individual lots or community parking areas.
3. All Vehicles operated in The Oaks shall meet registered state Vehicle Code requirements for public street operation, be driven only by a licensed driver, have minimum required insurance, or better, and adhere to all public road laws.
4. Vehicles that are inoperative or not currently registered with the Department of Motor Vehicles shall not be parked anywhere in the community visible from the street.
5. The speed limit for all vehicles in the community is 10 (ten) miles per hour.
6. Major repairs on vehicles, RVs, boats, etc., are not permitted within the community or the RV Storage area.
7. Car Washing may be done in your driveway for your personal vehicles and Members must always use a hose nozzle to conserve and to control water run-off into the street.
8. Trailers, campers, boats, etc., shall not be parked on a lot if visible from the street or visible from a neighbor's property.
9. Parking on the street in areas with curbs painted red is prohibited.
10. Overflow Parking" marked by green curb in front of spaces, is intended STRICTLY for overflow Anyone not adhering to these rules is subject to parking fines.
11. "Overflow Parking" shall be limited to a maximum of ONE Overflow vehicles only in ONE parking spaces per household unless prior approval is granted by the Association Management/Office.
12. Overflow Parking, GREEN CURB, shall not be used for longer than 72 hours without obtaining prior approval from the Association Management/Office. Moving a vehicle from one space or lot to another does not restart that 72-hour clock.
13. Parking in front of the mailboxes is limited to 15 minutes.
14. Short Term Parking, WHITE CURB, is limited to 4 hours maximum and intended for use such as while Members are using the Clubhouse and Pool areas.

15. DO NOT PARK in the ORANGE CURB spaces to the right of the office (while facing the office) Monday through Friday from 6 a.m. to 6 p.m., these spaces are utilized by the office staff.
16. Office, Maintenance and Security staff and vehicles are not subject to any parking or vehicle restrictions during business use due to the nature of their jobs.
17. Parking spaces are color-coded as follows:
 - a. GREEN - Overflow Parking
 - b. WHITE - Common Area Short-Term Parking (maximum 4 hours, except by mailboxes is 15-minute limit)
 - c. ORANGE – Reserved Staff Parking, Monday-Friday, 6 a.m. – 6 p.m.
18. Covered vehicles visible from the street need to be covered by a cover appropriately sized, manufactured and intended for used for vehicles. Traps or other covers are not acceptable.

III. RULES FOR PETS

1. All dogs must be licensed by Amador County Animal Control. All dogs and cats must be current on all vaccinations and a copy of that registration and vaccination record provided to The Oaks Office within 10 days of occupancy in the park or obtaining a new animal.
2. All pets must be registered with The Oaks Community Association.
 - a. EXCEPTION: fish, caged birds, and small, harmless caged animals such as hamsters, etc.
 - b. Per CC&R's only 3 chickens per household and must be kept in a coop with no wandering or free range. NO ROOSTERS are allowed.
3. Owners/tenants are responsible for pets of guests.
4. Pets (including but not limited to cats & dogs) shall not cause a disturbance or nuisance.
5. Pets (including cats & dogs) shall be kept on a leash within the community unless within a fenced yard.
6. Pet owners shall be responsible for cleaning up after their pet(s).
 - a. Clean up in the common areas shall be immediate.
 - b. Clean up of owners' own yard shall be not less than once a week.
 - c. For your convenience, several pet clean-up stations are located within the community.
7. Not more than 2 (two) pets are allowed per household. The 2 (two) pets shall only be either: 2 cats, 2 dogs or a combination of 1 cat & 1 dog. If you are a tenant, your rental agreement must allow pets, or you will be asked to remove them from the park/residence.
8. Pets are not allowed in the Fishing Pond area.
9. Should a pet have a litter of puppies or kittens, the puppies or kittens shall be removed from the property within 60 (sixty) days of birth.

10. The maximum dog size allowed is 24 inches at shoulder height.
 - a. EXCEPTION:
 - i. properly designated assistance animals, and
 - ii. dogs acquired prior to January 1, 2003.
11. Any pet deemed to be aggressive pursuant to evidence provided at a noticed hearing will not be allowed to stay in the community and will be reported to Amador County Animal Control. The Board is authorized to require dogs found to exhibit aggressive or dangerous behavior to wear a muzzle while in the Common Area until a further determination is made by the Board as to whether the pet will be allowed to remain in the community.

IV. RULES FOR ALL COMMON AREAS (LOT C) AND THE RV LOT

All areas not identified as member lots

1. **GENERAL: All areas.** Use is restricted to REGISTERED owners and residents in good standing and their guests.

EXCEPTION: the mailbox area is for the collection of mail only.

- a. The use of bicycles, roller skates, roller blades, skateboards, scooters, or any other similar wheeled equipment is strictly prohibited.
- b. All bicycles must be placed in bike racks.
- c. Smoking is prohibited except in areas posted as designated smoking areas.
- d. Underage (21 or younger) smoking is prohibited
- e. No radio, stereo, tape player, CD player, or other similar devices shall be used in the outside areas unless such devices are used in conjunction with headphones or earpieces in a manner which prevents other users of the same areas from hearing the sounds from the devices.
- f. Outside areas must be reserved for private functions.
- g. No pets allowed, other than properly designated assistance animals.
- h. No obscene or vulgar language is allowed.
- i. No reckless, boisterous, or violent behavior is allowed.
- j. No G-string/thong bikini bottoms allowed in the common area
- k. No alcohol consumption in the common area

2. POOL and SPA AREA

- a. The pool and spa are open year-round.
- b. Pool hours are 9:00 AM to 10:00 PM for general swimming.
- c. No smoking, including electronic or vapor cigarettes, is allowed in the pool area.
- d. All persons requiring diapers or incontinence products must wear diapers or other incontinence products approved for swimming. Regular diapers or incontinent products are banned.
- e. No one under the age of 14 shall be permitted into the pool area without adult supervision. Siblings over the age of 16 may supervise younger siblings with written permission, to be filed with the office on an annual basis.

- f. No one under the age of 14 is allowed in the spa.
- g. Absolutely no glassware is allowed in the common areas, including the pool and spa areas.
- h. No food is allowed in the pool and spa area.
- i. Only approved swimwear shall be worn in the pool or spa, no cut-offs, t-shirts, etc. as they damage our filters.
- j. No hair clip or pins made of metal shall be worn in the pool or spa, nor any sharp objects of any kind be allowed in the pool area, playground, etc. at any time.
- k. No horseplay, running, diving, jumping, or throwing others into the pool or spa is allowed.
- l. No obscene or vulgar language is allowed, and this will be a basis for being banned from community areas after hearing.
- m. No lifeguard is provided. Use of pool/spa is at the user's own risk, regardless of any pool attendant who may be on site.
- n. No wet swimsuits are allowed in the clubhouse. Prior to use of the restroom facilities, please towel-dry to avoid damage to the carpeted area.
- o. Any and all additional or temporary rules posted after adoption pursuant to Civil Code Section 4360 will be enforced.

3. CLUBHOUSE

- a. The clubhouse may be reserved for a private party by members who are currently considered to be members in "Good Standing" and current (not more than sixty (60) days delinquent) in the payment of any bills to The Oaks (utilities, RV storage, assessments, etc.), and as long as the rental does not interfere with the general use of the residents. The party reserving the facility must sign a user agreement and pay the required rental fee and security deposit.
- b. Anyone under the age of 12 must be accompanied by an adult.
- c. No wet swimsuits are allowed in the clubhouse. Prior to use of the restroom facilities, please towel-dry to avoid damage to the carpeted area.
- d. Bicycles, skateboards, skates, scooters and like transportation are not allowed anywhere on the sidewalk areas.

4. MAILBOX AREA

- a. Absolutely no loitering is permitted in or around this area.
- b. Bicycles, skateboards, skates, scooters and like transportation are not allowed in the mailbox area.
- c. If mail delivery is in progress, residents will not be permitted access to their mailbox until mail delivery is complete.

5. FISHING POND

- a. Anyone under the age of 14 must be accompanied by an adult and have a signed permission slip from a parent or guardian.

- b. Anyone between the ages of 14 and 17 must have a signed permission slip from a parent or guardian.
- c. All trash, garbage, and debris must be removed.
- d. No swimming is permitted in the pond.
- e. No boats or any other type of flotation devices are allowed in the pond.
- f. No vegetation can be removed from around or near the pond.
- g. No pets are allowed in the pond area.
- h. There are no restroom facilities near the pond, and you are not to use outdoor areas as a restroom.
- i. No lifeguards are on duty; all users of the facilities use them at their own risk.
- j. Access is allowed from 1 hour before sunup to 1 hour after sundown.
- k. Do not leave any bait or fishing hooks or lines on the shore.
- l. Shoes should be always worn.
- m. Personal flotation devices (life jackets) must be worn if fishing from the dock.
- n. Do not drink pond water.
- o. Pond fishing is catch and release only.

V. RULES FOR LOT MAINTENANCE

1. The CC&R's, Bylaws and Architectural Guidelines should be thoroughly reviewed for detailed governance guidelines, these are just an overview.
2. Lots and all improvements thereon must be maintained in a neat, clean, sanitary, and with no visible deterioration.
3. All areas visible from the street, other than driveways, must be landscaped, and all landscaping must be kept healthy and neatly maintained. Landscaping is defined as anything other than dirt or weeds. Originally engineered slopes may have natural growth not to exceed 4 inches.
4. Grass/Weeds are not permitted to grow-up through rock/bark landscaping.
5. Members are to keep lots free and clear of all weeds, debris and rubbish (including rubbish dumped by others), and must keep all shrubs, trees, grass and plantings of every kind neatly trimmed, watered, cultivated and free of weeds and other unsightly material.
6. Corner lots and lots where road signs exist must keep vegetation trimmed as to not obscure visibility of the intersection or posted signs.
7. Trash must not be kept in or on any portion of the lot other than an appropriate trash can with lid.
8. Members must prevent their lots from becoming unsightly by reason of deterioration of paint or other materials.
9. All items such as tools, equipment, furniture (other than appropriate patio furniture) appliances etc., must be stored so the items are not seen from the street or neighboring lots.
10. Trash cans must be stored at the rear of the carport/driveway, in the garage or behind a privacy screen/fence.

11. Trash cans must be put out for pickup no earlier than the day before and must be put away (as described in #9) no later than the day after trash collection.
12. Failure to maintain the lot at acceptable standards, as determined by the Board of Directors, will result in enforcement as allowed by law & the Association's Governing Documents (CC&Rs, Architectural Guidelines), and these "Rules and Regulations." Each failure of an acceptable standard may result in a separate violation

VI. RULES FOR GREEN WASTE PICKUP

1. Green waste is picked up by staff each Friday and Monday, except during periods of rain when the field is inaccessible:
2. Green waste must be contained either in bags or containers. If containers are to be returned, they must be identified by either the lot number or physical address.
3. Green waste must be out for pickup no later than 8 a.m. on pickup days.
4. Green waste is yard debris only.
5. No dirt in the weeds- please shake out dirt before bagging.
6. No animal waste.
7. No trash.
8. If the above noted rules are not followed your green waste will not be picked up. You will need to correct the issue and place it out for pickup on the next scheduled green waste pickup day.
9. Periods of suspended green waste pickup is not an excuse for not maintaining your lot.
10. Limit of weight of container/bags to 40 lbs. Limbs must be no longer than 6ft and must be bundled/bound in 1 ft diameter bundles that weigh no more than 40 lbs.

VII. RULES FOR PERSONAL USE OF GENERATORS

1. The use of personal generators will be allowed under the following considerations:
2. Generators can only be placed in use during an emergency and while the electrical power is off.
3. Generators must be located and vented safely allowing exhaust to be vented away from all other residences.
4. Before using and placement of a permanently installed generator, the homeowner must obtain board approval.
5. The generator must operate at an acceptable noise level.
6. Generators load level must not exceed manufacturers' specifications.
7. Electrical cords must be properly sized for the individual Generator.
8. Electricity from permanently installed generators must not flow or back-feed into external power lines.
9. In addition to Board approval, Homeowners who choose to permanently install generators are responsible for obtaining any required permits from State and Local agencies.

VIII. SAFETY RULES

1. Residents and guests of all ages must always follow bike safety rules while riding inside the park including, but not limited to wearing a bike helmet, not wearing headphones while riding, riding on the correct side of the road, riding at a safe speed, being aware of parked and moving cars, etc.
2. "Riding" pertains to any form of transportation other than a legally registered vehicle: bicycle, scooter, skateboard, hoverboard, electrically powered vehicles, etc.
3. Climbing and hanging on fences or trees is strictly prohibited.
4. Residents, tenants, and guests must always be respectful to those in the Community, to the Oaks employees, and management. Cursing is not permitted. The purpose of this rule is to remind residents to be respectful of staff, as we also require our staff to be respectful to Members, their family, and their Guests.
5. Children without the ability to make good judgment calls must be supervised by an adult at all times in the common areas.
6. Management and employees have the authority to redirect and immediately suspend anyone acting inappropriately or in an unsafe manner. Management and employees hold the right to immediately suspend any person from the use of the common area until further investigation into the safety of the community.

IX. RULES FOR FIREPLACES AND OUTDOOR BARBEQUES, HEATERS, AND OTHER HEAT PRODUCING APPLIANCES

1. All indoor and outdoor fireplaces, heaters, cooking appliances and other heat-producing appliances should be inspected annually for safety and proper airflow.
2. Household members should be knowledgeable as to how to properly start and stop a fire and what action to take in case of an emergency.
3. Indoor Fireplaces
 - a. Only the listed items are authorized for indoor burning:
 - i. Season Wood
 - ii. Untreated Wood
 - iii. Commercially Manufactured Fire logs and Pellets
 - iv. Natural Gas or Propane
4. Outdoor Appliances:
 - a. Outdoor appliances are limited to commercially manufactured Barbeques, smokers, heaters, above ground or tabletop fire pits, and other similar appliances which are designed to use commercially manufactured materials as a combustion source such as:
 - i. Propane
 - ii. Pellets
 - iii. Natural Gas
 - iv. Charcoal

- b. Appliances should be placed a safe distance from structures and not directly under awnings or other overhangs.
- c. Appliances should be placed on a level surface area.
- d. Appliances while in use should not be left unattended.
- e. No outdoor open wood or other combustible fire

X. RULES FOR HOME INSTALLATION AND REMOVAL (SEE CC&R's and Architectural Guidelines)

- 1. All homes and accessory structures and buildings including, awnings, skirting, carports, porches, storage sheds, fencing, and gates must be approved in writing by the Association before being installed on individual sites.
- 2. Upon removal of a home the lot must be left in a level, bare, and clean condition.
- 3. The property owner is responsible for obtaining any permit(s) required by The California Department of Housing and any other state or local authorities.
- 4. Members seeking permission to install or remove a home must currently be "In Good Standing" and current (not more than sixty (60) days delinquent) in the payment of any utilities and assessments.

XI. ARCHITECTURAL RULES AND DESIGN REVIEW (SEE Architectural Guidelines)

- 1. No exterior additions, modifications or alterations of any kind shall be made without prior written approval by the Association. This does not apply to maintenance or replacement of "like-kind" items such as repainting a home exactly the same color or replacing a shrub with a similar one.
- 2. A "Design Review Request" must be submitted and approved prior to commencing any work.
- 3. All homes are subject to architectural approval of, but not limited to, the following criteria:
 - a. Size of home
 - b. Type of siding
 - c. Roofing material
 - d. Awning and railings
 - e. Skirting
 - f. Storage buildings
 - g. Fencing and gates
 - h. Landscaping
 - i. Removal of trees
- 4. Roof or window-mounted "swamp" coolers &/or air conditioners are not permitted if they can be seen from the street.
- 5. The property owner must obtain any permit(s) required by The California Department of Housing or any other governing authority before beginning any work.

6. Members must be members in “Good Standing” and current (not more than sixty (60) days delinquent) in the payment of any balances due to The Oaks, such as utilities, RV storage, assessments, etc. before consideration of a design review. The exception is for corrective actions requested by the Board, Committee or Staff.

XII. ENFORCEMENT of MONETARY FINES &/or SUSPENSIONS & REVOCATION of PRIVILEGES

1. It is important that all members and residents adhere to the community's Governing Documents in order to preserve and enhance property values. In accordance with the California Civil Code, the Oaks Community Association Board of Directors has adopted a Rule Enforcement Policy. This policy is to help ensure compliance with the Association's Governing Documents, including the “Rules & Regulations”, and Architectural Guidelines.
2. Management will notify the owner, and if applicable, the tenant, of the nature of the alleged violation. If the alleged violation is one for which a warning has been identified as the first applicable step, such a warning with the proposed corrective action shall be contained in the notice. For all other alleged violations, the notice shall provide the nature of the alleged violation, the date, time, and location of the hearing with the board to address the alleged violation and inform the owner that discipline and/or fines may be imposed. The owner has the right to attend the hearing either in person, or by submitting a statement and evidence in writing for consideration. The hearing will be held whether the owner is present or not. If the board determines that disciplinary action and/or fines are appropriate after hearing, notice of the board’s decision shall be provided within 15 days of the decision.
3. For a detailed list of The Oaks fees, please see our Collection Policy and Schedule of Fees posted on our website at www.theoaksione.com, or request a copy from the office.

XIII. ELECTION AND VOTING RULES:

1. Candidate Qualifications, Nominations & Removal – Please refer to current Election Rules posted on our website at www.theoaksione.com or request a copy from the office.

THE OAKS COMMUNITY ASSOCIATION
(A Corporation)
FINANCIAL REPORT
(REVIEWED)
DECEMBER 31, 2024

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Board of Directors and Members
The Oaks Community Association
Ione, California

We have reviewed the accompanying financial statements of The Oaks Community Association (A Corporation), which comprise the balance sheet as of December 31, 2024, and the related statements of revenues, expenses, and changes in fund balance (deficit) and cash flows for the year 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement 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 The Oaks Community Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our review, 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.

Philip Lantsberger, CPA
Robert Gross, CPA
Nikolas A. Torres, CPA

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Emphasis of Other Matters

As explained in Note 3 to the financial statements, based upon the reserve study conducted in October 2023, there is an estimated reserve funding deficiency of \$2,873 per ownership interest as of December 31, 2024.

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 on page 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have compiled the supplementary information in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA; however, we have not audited or reviewed the required supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on it.

Stockton, California
July 21, 2025

THE OAKS COMMUNITY ASSOCIATION

BALANCE SHEET

DECEMBER 31, 2024

See Independent Accountants' Review Report

ASSETS	Operating Fund	Replacement Fund	Total
Cash and cash equivalents	\$ 55,752	\$ 181,528	\$ 237,280
Investments (Note 4)	-	350,000	350,000
Assessments receivable (less allowance for credit losses of \$5,000)	41,701	-	41,701
Total assets	<u>\$ 97,453</u>	<u>\$ 531,528</u>	<u>\$ 628,981</u>
LIABILITIES AND FUND BALANCE (DEFICIT)			
Assessments received in advance - operating	\$ 14,858	\$ -	\$ 14,858
Accounts payable	3,074	-	3,074
Deposits	18,360	-	18,360
Contract liabilities (assessments received in advance - replacement reserve)	-	531,528	531,528
Total liabilities	\$ 36,292	\$ 531,528	\$ 567,820
Fund balance (deficit)	61,161	-	61,161
Total liabilities and fund balance (deficit)	<u>\$ 97,453</u>	<u>\$ 531,528</u>	<u>\$ 628,981</u>

See Notes to Financial Statements.

THE OAKS COMMUNITY ASSOCIATION

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE (DEFICIT) FOR THE YEAR ENDED DECEMBER 31, 2024

See Independent Accountants' Review Report

	Operating Fund	Replacement Fund	Total
REVENUES			
Membership assessments - dues	\$ 416,545	\$ 132,343	\$ 548,888
Utility charges	864,707	-	864,707
RV storage income	15,555	-	15,555
Fines and violations	25,858	-	25,858
Bad debt recovery	26,566	-	26,566
Clubhouse rental	675	-	675
Other income	2,537	-	2,537
Interest income	-	18,671	18,671
Total revenues	<u>\$ 1,352,443</u>	<u>\$ 151,014</u>	<u>\$ 1,503,457</u>
 EXPENSES			
Clubhouse	\$ 23,059	\$ -	\$ 23,059
Insurance	30,973	-	30,973
Legal and professional	13,460	-	13,460
Office and administrative expenses	25,221	-	25,221
Personnel costs	275,741	-	275,741
Pool maintenance and supply	23,368	-	23,368
Repairs and maintenance	61,220	147,969	209,189
Reserve study	-	3,045	3,045
Taxes and permits	6,642	-	6,642
Utilities	599,904	-	599,904
Water distribution system	1,295	-	1,295
Water plant	181,206	-	181,206
Total expenses	<u>\$ 1,242,089</u>	<u>\$ 151,014</u>	<u>\$ 1,393,103</u>
 Excess of revenues over expenses	\$ 110,354	\$ -	\$ 110,354
Fund balance adjustment (Note 5)	331,692	-	331,692
Fund balance (deficit), beginning	<u>(380,885)</u>	<u>-</u>	<u>(380,885)</u>
 Fund balance (deficit), ending	<u><u>\$ 61,161</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 61,161</u></u>

See Notes to Financial Statements.

THE OAKS COMMUNITY ASSOCIATION

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2024 See Independent Accountants' Review Report

CASH FLOWS FROM OPERATING ACTIVITIES:	Operating Fund	Replacement Fund	Total
Excess of revenues over expenses	\$ 110,354	\$ -	\$ 110,354
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:			
Changes in assets and liabilities:			
(Increase) in:			
Assessments receivable	(18,265)	-	(18,265)
Prepaid expenses	5,473	-	5,473
Increase in:			
Assessments received in advance - operating	7,203	-	7,203
Accounts payable	(66,247)	(1,077)	(67,324)
Accrued payroll	(15,854)	-	(15,854)
Deposits	18,360	-	18,360
Contract liabilities (assessments received in advance - replacement reserve)	-	15,501	15,501
Net cash provided by operating activities	<u>\$ 41,024</u>	<u>\$ 14,424</u>	<u>\$ 55,448</u>
 CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of certificates of deposit	\$ -	\$ (50,000)	\$ (50,000)
Net cash (used in) investing activities	<u>\$ -</u>	<u>\$ (50,000)</u>	<u>\$ (50,000)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES			
Interfund borrowing	\$ (96,502)	\$ 96,502	\$ -
Net cash provided by (used in) financing activities	<u>\$ (96,502)</u>	<u>\$ 96,502</u>	<u>\$ -</u>
 Net increase (decrease) in cash and cash equivalents	\$ (55,478)	\$ 60,926	\$ 5,448
Cash and cash equivalents at beginning of year	<u>111,230</u>	<u>120,602</u>	<u>231,832</u>
Cash and cash equivalents at end of year	<u><u>\$ 55,752</u></u>	<u><u>\$ 181,528</u></u>	<u><u>\$ 237,280</u></u>

See Notes to Financial Statements.

THE OAKS COMMUNITY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2024

NOTE 1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

The Oaks Community Association (the Association) is a nonprofit, mutual benefit corporation, located in Ione, California. Its primary purpose is to provide for the maintenance, preservation and architectural control of the grounds and common areas of the 209 residential lots in the Association. The Association provides billing for all utilities. The Association was incorporated October 1993 in the State of California. It derives its authority and responsibilities from a Declaration of Covenants, Conditions and Restrictions executed and recorded on January 14, 2004.

The Association is a non-profit, non-stock, membership organization operating for the benefit of the owners. Every owner of a residential unit is a member of the Association.

Significant Accounting Policies

The Association's revenues arise principally from assessments levied upon each unit. The assessment is based upon the total amount of funds necessary to pay the common expenses of the Association for the year. In addition, special assessments may be levied by the Board of Directors if the regular assessments are inadequate to meet the anticipated expenses each year.

The Association uses fund accounting prepared on the accrual basis of accounting, which requires that funds, such as operating funds and funds designated for future major repairs and replacements, be classified separately for accounting and reporting purposes. Member dues and assessments are recorded as income to the operating fund. Special assessments are recorded as restricted income to the fund that they are assessed for.

Operating Fund

This fund is used to account for financial resources available for the general operations of the Association.

Replacement Fund

This fund is used to accumulate financial resources designated for major repairs and replacements.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

THE OAKS COMMUNITY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOTE 1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Real property and common areas acquired from the developer and related improvements to such property are not recorded in the Association's financial statements because those properties are owned by the individual unit owners in common and not by the Association.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Association considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Member Assessments / Allowance for Credit Losses

Association members are subject to monthly assessments to provide funds for the Association's operating expenses, future capital acquisitions, 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.

Monthly assessments are due on the first day of each month and are considered delinquent if not received by the 15th day of the month. The Association's policy is to retain legal counsel and place liens on the property for payments not received. If dues become delinquent for over one year or if the past due amount is over \$1,800, that will cause a non-judicial foreclosure proceeding against the owner's property in compliance with the current applicable laws. The Association treats uncollectible assessments as credit losses. The Association evaluates the collectability of assessments receivable based on current conditions, past experience, and forecasts of future events. Based on these factors, the allowance for credit losses at the beginning and end of the year was \$5,000 and \$5,000, respectively. Assessments received in advance as of the beginning and end of the year were \$7,655 and \$14,858, respectively.

Income Taxes

Homeowners' associations may be taxed either as homeowners' associations or as regular corporations. For the year ended December 31, 2024, the Association elected to be taxed as a homeowners' association. Under that election, the Association is taxed on its nonexempt function income, such as interest earnings, at a flat rate of 30%. Exempt function income, which consists primarily of member assessments, is not taxable.

THE OAKS COMMUNITY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOTE 1. NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Association's tax filings are subject to audit by various taxing authorities. The Association's federal tax returns for 2022, 2023 and 2024 remain open to examination by the Internal Revenue Service; state income tax returns for 2021, 2022, 2023 and 2024 are open to examination. In evaluating the Association's tax provisions and accruals, the Association believes that its estimates are appropriate based on current facts and circumstances.

Contract Liabilities (Assessments received in advance – replacement fund)

The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (assessments received in advance-replacement fund) is recorded when the Association has the right to receive payment in advance of the satisfaction of performance obligations related to replacement reserve assessments. The balances of contract liabilities (assessments received in advance-replacement fund) as of the beginning and end of the year are \$516,027 and \$531,528, respectively.

NOTE 2. DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through July 21, 2025, the date the financial statements were available to be issued.

NOTE 3. REPLACEMENT RESERVE

The California Civil Code requires that the Association provide an estimate of the replacement costs and the estimated remaining useful life of, and the methods of funding used to defray the future repair, replacement, or additions to, those major components which the Association is obligated to maintain. Accumulated funds, which aggregate \$531,528 at December 31, 2024, are held in separate accounts and are generally not available for operating purposes.

The Association engaged an independent consultant who conducted a study with site visit in October 2023 to estimate the remaining useful lives and replacement costs of the common property components. The Association is providing funding for major repairs and replacements over the remaining useful lives of components based on estimates of future replacement costs. 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 not be adequate to meet all future needs for major repairs and replacements.

THE OAKS COMMUNITY ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

NOTE 3. REPLACEMENT RESERVE (Continued)

If actual replacement costs exceed funds available, or if no fund was established for replacement of common areas, the Association has the right to increase the annual assessment, pass additional assessments or delay replacement until funds are available. Based on the reserve study's estimated fully funded balance of \$1,137,174, and the reserve cash on hand, the estimated deficiency in reserve funding as of December 31, 2024 is \$2,873 per ownership interest.

NOTE 4. INVESTMENTS

ASC 820, *Fair Value Measurement*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Investment securities are carried at amortized cost. Fair value is based on quoted prices in active markets (all Level 1 measurements) and consist of the following at December 31, 2024:

	<u>Amortized Cost</u>	<u>Unrealized Gains</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>
Held to Maturity:				
Certificates of deposit	<u>\$ 350,000</u>	<u>\$ 5,231</u>	<u>\$ -</u>	<u>\$ 355,231</u>
	<u>\$ 350,000</u>	<u>\$ 5,231</u>	<u>\$ -</u>	<u>\$ 355,231</u>

NOTE 5. FUND BALANCE ADJUSTMENT

As of December 31, 2024, the Association owed the replacement fund \$331,692. Management has eliminated this interfund balance from the balance sheet which increased the operating fund balance and decreased the contract liability – replacement fund by \$331,692.

SUPPLEMENTARY INFORMATION

THE OAKS COMMUNITY ASSOCIATION
SUPPLEMENTARY INFORMATION ON FUTURE MAJOR REPAIRS AND
REPLACEMENTS (COMPILED)
DECEMBER 31, 2024
See Independent Accountants' Review Report

An independent study was conducted in October 2023 with site visit to estimate the remaining useful lives and the replacement costs of common property. Replacement costs were based on the estimated costs to repair or replace the common property components at the date of the study. Estimated current replacement costs have not been revised since that date. The study includes a 2.5% inflation factor and a 1.5% interest rate.

Reserve Component	Current Replacement Cost	Useful Life	Remaining Life	2024 Fully Funded Balance
Paving	\$ 746,613	2-25	0-5	\$ 609,975
Concrete	11,790	30	24	2,820
Painting: Exterior	11,712	5-8	1-4	9,279
Painting: Interior	6,315	10	3	5,179
Structural repairs	16,590	8-25	4-21	5,978
Roofing	50,640	15-30	1-24	49,954
Rehab	13,290	1-20	1-2	13,255
Gate equipment	27,703	8-18	1-10	23,764
Pool	27,519	5-24	1-7	17,542
Spa	17,018	2-10	0-6	11,777
Basketball / Sport court	1,053	8	1	1,079
Landscaping	3,045	20	7	2,185
Lakes / Ponds	30,610	8-20	1-7	19,505
Fencing	78,413	1-30	1-29	51,819
Retaining wall	57,567	8-24	6-9	36,221
Lighting	2,750	1	1	2,819
Mechanical equipment	42,550	10-25	1-10	40,999
Furnishings	4,520	8	2	4,054
Audio / Visual	979	10	0-3	531
Safety / Access	8,300	6	5	2,836
Flooring	16,567	10-25	3	14,121
Outdoor equipment	70,455	3-30	1-24	41,354
Appliances	3,380	15-20	1	3,465
Waste water treatment	113,090	10-25	1-12	67,876
Infrastructure	29,739	1-2	0-1	29,724
Miscellaneous	110,814	1-25	1-20	69,065
Totals	<u>\$ 1,503,023</u>			<u>\$ 1,137,174</u>