



Laguna Woods Village®

2017 BUSINESS PLANS

United Laguna Woods Mutual
Third Laguna Hills Mutual
Golden Rain Foundation & Trust



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**Laguna Woods Village
2017 BUSINESS PLANS
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Laguna Woods Village 2017 BUSINESS PLANS

Introduction

The documents contained herein comprise the 2017 Business Plans for United Laguna Woods Mutual (United) and Third Laguna Hills Mutual (Third), each of which has its own operating budget and reserves. Each owner in the Community also has an individual membership in the Golden Rain Foundation (GRF), which is responsible for the community-wide facilities and has its own operating budget and reserves. The GRF assessment is charged to each of the Mutuals based on the number of dwelling units in each.

While the various reports presented may be complex, the colored portions of each corporation's Business Plan make cross-referencing easier. The color scheme used is:

Purple **Mutual Operating**—the operating expenses and revenue for which a housing Mutual is responsible either directly (i.e. utilities, property taxes, general maintenance, etc.) or those that are accumulated community-wide and then allocated to each of the housing Mutuals as appropriate for services provided (i.e. landscape, maintenance, financial services, etc.) This section also includes property tax fees in United and surcharges in Third.

Green **Fund Contributions**—contributions to restricted funds used for replacements, preventive maintenance, and contingency expenditures related to the properties for which the Mutuals are responsible. This section also includes surcharges in Third.

Blue **GRF Operating** —the operating expenses and revenue for which the Golden Rain Foundation is directly responsible (i.e. security, transportation, cable television services, etc.)

GRF Reserve Contributions—contributions to restricted funds used for replacements and contingency expenditures related to the properties owned by the Golden Rain Foundation & Trust.

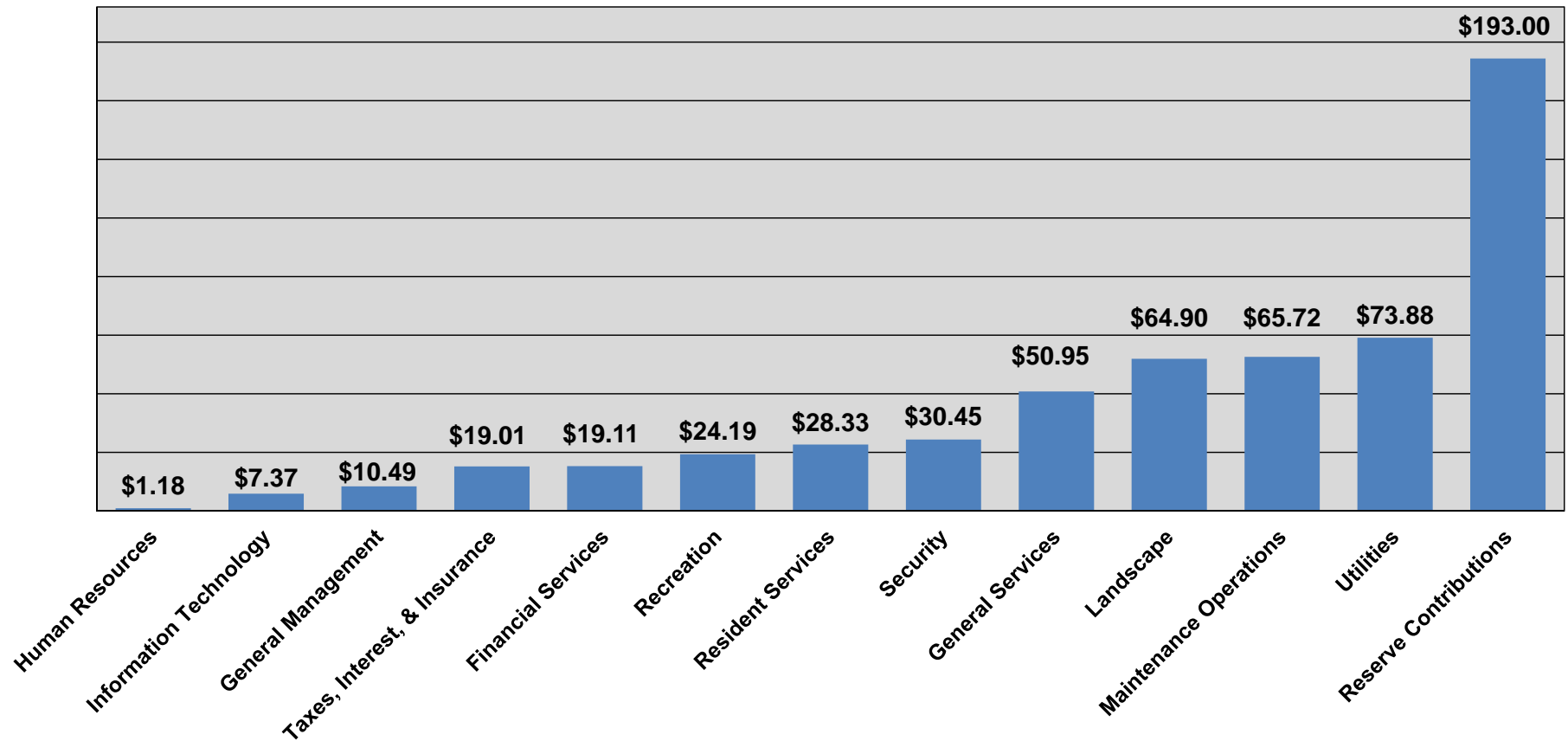
The structure of the operating divisions (**CEO, General Services, Resident Services, Financial Services, Information Technology, Security, Landscape, Recreation, Human Resources, and Maintenance Operations**) allows for efficient management and operations of the Community. The back section of this book, including the division tabs, provides total cost summaries for each of these operating divisions. The resulting allocations of these expenses are represented on each corporation's Business Plan in various categories.

Laguna Woods Village
2017 BUSINESS PLANS
Summary of Total Assessments

TOTAL ASSESSMENTS	<i>Total</i>	<i>United</i>	<i>Third</i>	<i>Fifty</i>
Operating	\$43,794,130	\$25,835,564	\$17,958,567	-
Operating Surplus Recovery	(37,400)	(37,400)	0	-
Fund Contributions	25,166,076	11,912,532	13,253,544	-
Subtotal of Mutual Plans	\$68,922,806	\$37,710,696	\$31,212,111	-
GRF Operating	\$27,724,005	\$13,764,045	\$13,282,968	\$676,992
GRF Operating Surplus Recovery	(1,800,000)	(893,640)	(862,406)	(43,954)
GRF Reserve Contributions	3,667,968	1,821,024	1,757,376	89,568
Subtotal of GRF Plan	\$29,591,973	\$14,691,429	\$14,177,938	\$722,606
TOTAL	\$98,514,779	\$52,402,125	\$45,390,049	\$722,606

Definitions of assessment categories can be found on the preceding page.

**LAGUNA WOODS VILLAGE
2017 BUSINESS PLAN
BASIC ASSESSMENT BY CATEGORY**



Average Basic Assessment \$589/month

2017 BUSINESS PLAN

United Laguna Woods Mutual

Adopted September 13, 2016

BOARD OF DIRECTORS

LENNY ROSS, President
JAN LABARGE, 1st Vice President
DON TIBBETTS, 2nd Vice President
JUANITA SKILLMAN, Secretary
PAT ENGLISH, Treasurer
JACK BASSLER
MING-LEE CHANG
BARBARA COPLEY
JANEY DORRELL
EVA LYDICK
STEVE LEONARD

VILLAGE MANAGEMENT SERVICES, Inc.

BRAD HUDSON, CEO
BETTY PARKER, Financial Services Director
KELLY FARANO, Financial Services Manager



UNITED LAGUNA WOODS
— M U T U A L —

**UNITED LAGUNA WOODS MUTUAL
2017 BUSINESS PLAN RESOLUTION**

RESOLUTION 01-16-100

RESOLVED, October 25, 2016, that the Business Plan of this Corporation for the year 2017 is hereby adopted and approved; and

RESOLVED FURTHER, that pursuant to said Business Plan, the Board of Directors of this Corporation hereby estimates that the net sum of \$37,710,696 is required by the Corporation to meet the United Laguna Woods Mutual operating expenses and reserve contributions for the year 2017. In addition, the sum of \$14,691,429 is required by the Corporation to meet the Golden Rain Foundation and the Golden Rain Foundation Trust operating expenses and reserve contributions for the year 2017. Therefore, a total of \$52,402,125 is required to be collected from and paid by the members of the Corporation as monthly assessments; and

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby approves expenditures from reserves in the sum of \$13,594,084, of which \$11,640,398 is planned from the Reserve Fund and \$1,953,686 from the Contingency Fund; and

RESOLVED FURTHER, that all sums paid into the Reserve Fund shall be used for capital expenditures only and shall be credited on the books of account of the Corporation to Paid-In Surplus as a capital contribution; and

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby determines and establishes monthly assessments of the Corporation as shown on each member's breakdown of monthly assessments for the year 2017 and as filed in the records of the Corporation, said assessments to be due and payable by the members of this Corporation on the first day of each month for the year 2017; and

RESOLVED FURTHER, Resolution 01-16-94 is hereby superseded and cancelled; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

UNITED LAGUNA WOODS MUTUAL

2017 BUSINESS PLAN SUMMARY

DESCRIPTION	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 PLAN	2017 PLAN	Per Manor Per Month		
						2016 ASSESSMENT	2017	Increase/ (Decrease)
REVENUES:								
Non-assessment Revenues:								
Merchandise Sales	\$12,470	\$13,300	\$14,995	\$10,000	\$15,000	\$0.13	\$0.20	(\$0.07)
Fees and Charges to Residents	616,315	719,302	605,691	737,295	708,024	9.72	9.33	0.39
Laundry	152,375	141,937	143,918	150,000	146,000	1.98	1.92	0.06
Miscellaneous	408,552	339,831	400,788	506,468	461,008	6.67	6.08	0.59
Total Revenue	\$1,189,712	\$1,214,370	\$1,165,392	\$1,403,763	\$1,330,032	\$18.50	\$17.53	\$0.97
EXPENSES:								
Employee Compensation	\$8,807,548	\$8,731,879	\$8,887,659	\$6,252,659	\$6,328,965	\$82.40	\$83.40	\$1.00
Expenses Related to Compensation	3,524,975	3,674,742	3,878,280	2,617,112	2,594,054	34.48	34.19	(0.29)
Material and Supplies	1,230,257	1,318,387	1,361,551	954,158	1,076,468	12.58	14.19	1.61
Electricity	433,531	386,765	394,632	425,640	185,320	5.61	2.44	(3.17)
Sewer	1,395,551	1,483,954	1,567,365	1,666,200	1,771,800	21.96	23.35	1.39
Water	1,619,193	1,772,454	1,721,458	1,814,877	1,892,480	23.92	24.94	1.02
Trash	308,448	315,818	318,479	338,141	335,417	4.46	4.42	(0.04)
Legal Fees	254,704	274,717	255,208	250,000	200,000	3.29	2.64	(0.65)
Professional Fees	58,986	59,026	40,218	129,095	128,970	1.70	1.70	0.00
Management Fee	150,993	150,993	152,523	157,822	0	2.08	0.00	(2.08)
Equipment Rental	13,745	13,592	20,839	7,493	9,202	0.10	0.12	0.02
Outside Services	87,396	81,140	62,170	857,786	1,009,216	11.31	13.30	1.99
Repairs and Maintenance	21,720	31,389	18,198	31,699	33,830	0.42	0.45	0.03
Other Operating Expense	148,924	134,596	140,695	124,228	113,652	1.64	1.50	(0.14)
(Gain)/Loss on Sale	(3,058)	(5,278)	(10,414)	(5,000)	(7,500)	(0.07)	(0.10)	(0.03)
Property Tax*	7,348,809	7,567,063	8,668,168	7,642,733	9,366,767	***	***	***
Property Insurance*	633,661	642,952	692,045	749,071	757,573	***	***	***
Insurance	368,227	444,388	472,567	492,907	507,097	6.50	6.68	0.18
Allocated Expenses	1,342,065	978,889	1,135,170	908,198	862,286	11.97	11.36	(0.61)
Uncollectible Accounts	0	530	3,360	0	0	0.00	0.00	0.00
Total Expenses	\$27,745,676	\$28,057,996	\$29,780,172	\$25,414,819	\$27,165,596	\$224.35	\$224.58	\$0.23
(Surplus)/Deficit Recovery	0	0	0	0	(37,400)	0.00	(0.49)	(0.49)
Total Operating	\$26,555,965	\$26,843,626	\$28,614,780	\$24,011,056	\$25,798,164	\$205.85	\$206.56	\$0.71
RESERVE CONTRIBUTIONS:								
Reserve Fund	5,699,918	5,916,585	6,449,460	10,471,647	10,470,888	138.01	138.00	(0.01)
Contingency Fund	1,063,982	654,211	531,132	1,442,403	1,441,644	19.01	19.00	(0.01)
Total Reserve Contributions	\$6,763,900	\$6,570,796	\$6,980,592	\$11,914,050	\$11,912,532	\$157.02	\$157.00	(\$0.02)
TOTAL MUTUAL	\$33,319,865	\$33,414,422	\$35,595,372	\$35,925,106	\$37,710,696	\$362.87	\$363.56	\$0.69
GOLDEN RAIN FOUNDATION								
GRF OPERATING	13,537,019	14,483,318	13,889,905	13,149,988	12,870,405	173.30	169.61	(3.69)
GRF RESERVE CONTRIBUTIONS	2,276,280	2,503,908	2,503,908	1,593,396	1,821,024	21.00	24.00	3.00
Total GRF	\$15,813,299	\$16,987,226	\$16,393,813	\$14,743,384	\$14,691,429	\$194.30	\$193.61	(\$0.69)
TOTAL BASIC ASSESSMENTS	\$49,133,164	\$50,401,648	\$51,989,185	\$50,668,490	\$52,402,125	\$557.17	\$557.17	\$0.00

* The asterisks indicate an assessment that varies per manor. These items are calculated according to the original sale price of each manor, with the exception of property taxes for manors purchased after 1975, which are based on the most recent purchase price of the individual manor.

**UNITED LAGUNA WOODS MUTUAL
2017 RESERVE FUND RESOLUTION**

RESOLUTION 01-16-95

WHEREAS, Civil Code § 5570 requires specific reserve funding disclosure statements for common interest developments; and

WHEREAS, planned assessment or other contributions to reserves must be projected to ensure balances will be sufficient at the end of each year to meet the Corporation's obligations for repair and/or replacement of major components during the next 30 years;

NOW THEREFORE BE IT RESOLVED, September 13, 2016, that the Board has developed and hereby adopts the Reserve 30-Year Funding Plan (attached) with the objective of maintaining reserve fund balances at or above a threshold of \$10,200,000, while meeting its obligations to repair and/or replace major components; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

UNITED LAGUNA WOODS MUTUAL
2017 BUSINESS PLAN
Maintenance Operating Expenditures by Program

DESCRIPTION	2013 ACTUALS	2014 ACTUALS	2015 ACTUALS	2016 BUDGET	2017 BUDGET	INCREASE/(DECREASE)	
						\$	%
PLUMBING SERVICE	\$1,173,300	\$1,119,924	\$1,097,100	\$1,212,959	\$1,241,972	\$29,013	2%
CARPENTRY SERVICE	535,460	478,721	469,903	533,717	430,644	(103,073)	(19%)
CONCRETE REPAIR/REPLACEMENT	329,657	379,718	295,733	352,861	350,630	(2,231)	(1%)
ELECTRICAL SERVICE	315,852	302,324	298,347	331,598	337,547	5,949	2%
APPLIANCE REPAIRS	241,742	260,789	287,394	287,535	318,294	30,759	11%
INTERIOR PREVENTIVE MAINTENANCE	270,636	166,582	206,819	249,366	289,796	40,430	16%
BUILDING REHAB/DRY ROT	57,091	16,961	68,256	41,266	266,075	224,809	545%
JANITORIAL SERVICE	196,342	174,583	196,235	217,210	228,851	11,641	5%
PEST CONTROL FOR TERMITES	177,372	196,640	70,528	136,736	226,413	89,677	66%
ROOF REPAIR	164,229	104,167	144,255	120,077	196,168	76,091	63%
BALCONY/BREEZEWAY RESURFACING	60,146	219,574	72,579	146,768	189,981	43,213	29%
GUTTER CLEANING	156,398	148,160	176,159	163,304	145,514	(17,790)	(11%)
COUNTERTOP/FLOOR/TILE REPAIRS	92,609	121,812	128,771	140,265	138,282	(1,983)	(1%)
PAINT-TOUCHUP	194,480	173,943	165,441	173,643	128,873	(44,770)	(26%)
WELDING	61,729	97,170	112,544	73,107	112,463	39,356	54%
ENERGY PROGRAM	0	0	0	0	97,401	97,401	100%
PAVING MAINTENANCE & REPAIRS	90,636	80,572	68,297	73,834	87,228	13,394	18%
MISCELLANEOUS REPAIRS BY OUTSIDE SERVICE	32,018	39,466	23,883	34,560	30,822	(3,738)	(11%)
TRAFFIC CONTROL	24,119	17,219	8,431	16,797	15,817	(980)	(6%)
FIRE PROTECTION	19,182	11,202	8,787	10,792	10,733	(59)	(1%)
PAINT PROGRAM	1,911,402	1,878,676	2,094,490	0	0	0	0%
REPAIRS PRIOR-TO-PAINT	683,543	511,886	724,747	0	0	0	0%
TOTAL MAINTENANCE	\$6,787,942	\$6,500,089	\$6,718,699	\$4,316,395	\$4,843,504	\$527,109	12%

**UNITED LAGUNA WOODS MUTUAL
2017 BUSINESS PLAN
Landscape Expenditures by Program**

DESCRIPTION	2013 ACTUALS	2014 ACTUALS	2015 ACTUALS	2016 BUDGET	2017 BUDGET	Increase/(Decrease)	
						\$	%
<u>EXPENDITURES</u>							
LAWN MAINTENANCE	\$1,226,965	\$1,149,121	\$907,457	\$941,808	\$932,186	(\$9,622)	(1%)
SHRUB-BED MAINTENANCE	1,994,561	1,945,676	1,711,828	1,822,677	1,792,514	(30,163)	(2%)
SLOPE MAINTENANCE	251,822	264,098	239,275	128,872	127,304	(1,568)	(1%)
TREE MAINTENANCE	724,631	694,060	632,489	0	0	0	0%
RESIDENT CHARGEABLE SERVICES	0	0	0	0	0	0	0%
PEST CONTROL	55,322	76,750	68,063	107,475	107,423	(52)	(0%)
CARPORT CLEANING	12,524	12,801	8,919	12,981	0	(12,981)	(100%)
MISCELLANEOUS TASKS	115,626	146,579	109,674	94,480	93,183	(1,297)	(1%)
SUPPORT	186,646	179,745	335,794	335,582	342,552	6,970	2%
RESERVES EXPENDITURES	0	0	200,936	1,558,605	415,839	(1,142,766)	(73%)
TOTAL EXPENDITURES	\$4,568,098	\$4,468,831	\$4,214,435	\$5,002,480	\$3,811,001	(\$1,191,479)	(24%)

UNITED LAGUNA WOODS MUTUAL 2017 RESERVES PLAN

The following schedules comprise the Reserves Plan for United Laguna Woods Mutual (Mutual). Reserves provide the funding necessary to maintain, repair, replace or restore major components of the association. A reserve study is the plan by which the Mutual anticipates these costs and prepares for inevitable future expenses. Ideally, all such expenditures will be covered by those funds set aside each year in segregated accounts as reserves (or funds). The Reserves Plan includes:

Explanation of Funds
Projected Fund Balances
2017 Reserve Expenditures by Program
Reserve 30-Year Funding Plan
Reserve Planned Expenditures
Reserve Component Schedule

The Reserves Component Schedule identifies total estimated replacement costs of just over \$338 million. Using estimates of useful lives and remaining life expectancies, a calculation similar to straight-line depreciation over the life of each asset determined that the Reserves would require a balance of just over \$117 million as of December 31, 2017 to be fully funded. Projected reserve balances are estimated to be just over \$14 million, or 12 percent funded.

To adequately plan for future expenditures, the Mutual has adopted via resolution a 30-Year Funding Plan that projects contributions and disbursements to the replacement fund over the next thirty years, without falling below a desired minimum balance, currently set at \$10.2 million.

The Reserves Fund receives monies through assessments and through interest earned on invested fund balances. In 2017, the basic monthly assessment for the Reserve Fund, is set at \$138 per manor per month.

UNITED LAGUNA WOODS MUTUAL 2017 RESERVES PLAN

Explanation of Funds

RESERVE FUND

This fund was established at the original construction of the Mutuals. The purpose of the Replacement Fund is to provide for replacements of structural elements and mechanical equipment within the Mutual including, but not limited to, replacement of designated appliances, roofs, paving, laundry equipment, walls, vertical lifts, and windows.

CONTINGENCY FUND

This fund was established in the 2009 Business Plan as a consolidation of two other funds, the General Operating Fund and Unappropriated Expenditures Fund. The Contingency Fund is used for the repair or replacement of mutual assets damaged by uninsured or unexpected disasters in addition to providing for unanticipated significant expenditures not otherwise identified in the business plan. This fund may also be used for write-offs of uncollectible accounts according to original definition of the General Operating Fund. This fund is not required by Civil Code and is not included in the reserve plan calculations.

Projected Fund Balances

<i>Fund</i>	<i>Year</i>	<i>Beginning Balance</i>	<i>Interest</i>	<i>Contributions</i>	<i>Assessment PMPM</i>	<i>Planned Expenditures</i>	<i>ENDING BALANCE</i>
RESERVE FUND	2016	\$ 15,653,521	\$ 214,266	\$ 10,471,647	\$ 138.01	\$ (11,169,250)	\$ 15,170,184
	2017	\$ 15,170,184	\$ 204,196	\$ 10,470,888	\$ 138.00	\$ (11,640,398)	\$ 14,204,870
	2018	\$ 14,204,870	\$ 239,011	\$ 10,622,640	\$ 140.00	\$ (11,716,809)	\$ 13,349,712
	2019	\$ 13,349,712	\$ 217,777	\$ 10,774,392	\$ 142.00	\$ (12,585,043)	\$ 11,756,838
	2020	\$ 11,756,838	\$ 216,902	\$ 10,926,144	\$ 144.00	\$ (9,650,982)	\$ 13,248,903
	2021	\$ 13,248,903	\$ 235,780	\$ 11,077,896	\$ 146.00	\$ (10,629,395)	\$ 13,933,184
CONTINGENCY FUND	2016	\$ 5,873,658	\$ 70,489	\$ 2,454,062	\$ 19.01	\$ (4,131,509)	\$ 4,266,700
	2017	\$ 4,266,700	\$ 56,150	\$ 1,441,644	\$ 19.00	\$ (1,953,686)	\$ 3,810,808
	2018	\$ 3,810,808	\$ 53,410	\$ 1,441,644	\$ 19.00	\$ (1,433,311)	\$ 3,872,551
	2019	\$ 3,872,551	\$ 54,024	\$ 1,441,644	\$ 19.00	\$ (1,469,100)	\$ 3,899,119
	2020	\$ 3,899,119	\$ 54,139	\$ 1,441,644	\$ 19.00	\$ (1,505,800)	\$ 3,889,102
	2021	\$ 3,889,102	\$ 53,735	\$ 1,441,644	\$ 19.00	\$ (1,543,400)	\$ 3,841,081
<i>Combines the reserves previously named General Operating Fund and Unappropriated Expenditures Fund. 2016 contribution includes a proposed \$1,011,659 transfer from prior years' operating surplus. 2016 withdrawal includes a one time payment of \$3,794,591 for JCI Solar Project.</i>							
TOTAL	2016	\$ 21,527,179	\$ 284,755	\$ 12,925,709	\$ 157.02	\$ (15,300,759)	\$ 19,436,883
	2017	\$ 19,436,883	\$ 260,346	\$ 11,912,532	\$ 157.00	\$ (13,594,084)	\$ 18,015,678
	2018	\$ 18,015,678	\$ 292,421	\$ 12,064,284	\$ 159.00	\$ (13,150,120)	\$ 17,222,263
	2019	\$ 17,222,263	\$ 271,801	\$ 12,216,036	\$ 161.00	\$ (14,054,143)	\$ 15,655,957
	2020	\$ 15,655,957	\$ 271,041	\$ 12,367,788	\$ 163.00	\$ (11,156,782)	\$ 17,138,004
	2021	\$ 17,138,004	\$ 289,515	\$ 12,519,540	\$ 165.00	\$ (12,172,795)	\$ 17,774,265

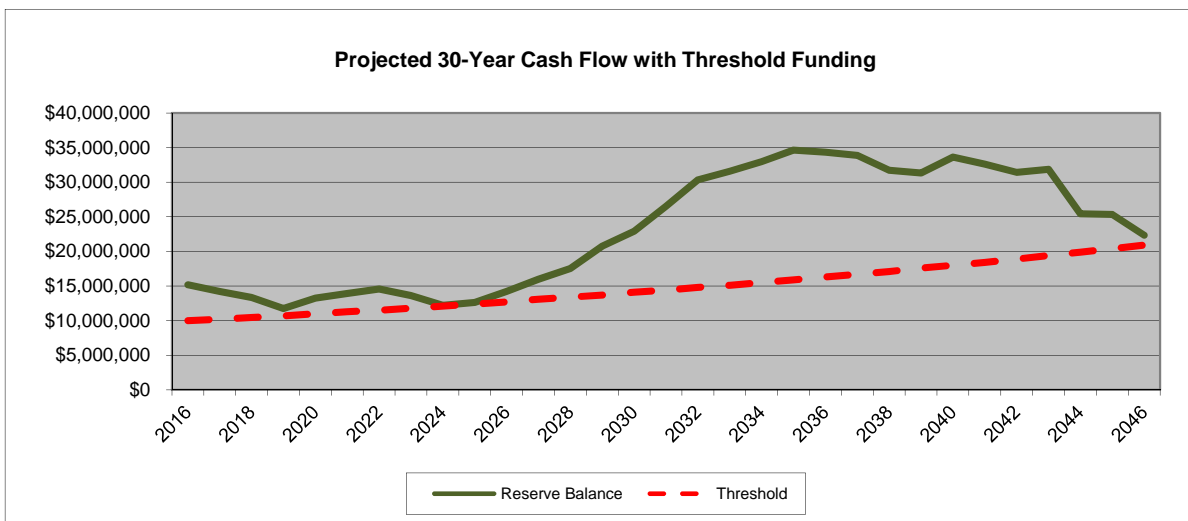
UNITED LAGUNA WOODS MUTUAL
2017 RESERVES PLAN
Reserve Expenditures by Program

DESCRIPTION	2013 ACTUALS	2014 ACTUALS	2015 ACTUALS	2016 BUDGET	2017 BUDGET	INCREASE/(DECREASE)	
						\$	%
RESERVE FUND							
BUILDING STRUCTURES	\$445,423	\$825,769	\$891,391	\$756,450	\$828,443	\$71,993	10%
ELECTRICAL SYSTEMS	428,905	344,426	58,732	120,126	376,146	256,020	213%
EXTERIOR WALKWAY LIGHTING	6,382	19,901	181,071	29,889	40,648	10,759	36%
FOUNDATIONS	490	43,678	0	75,000	75,000	0	0%
GUTTER REPLACEMENT	16,226	25,307	26,064	42,427	28,746	(13,681)	(32%)
LANDSCAPE RENOVATION	446,076	0	0	250,000	250,000	0	0%
PAINT - EXTERIOR	0	0	0	2,098,421	2,091,988	(6,433)	(0%)
PRIOR TO PAINT	0	0	0	739,628	834,856	95,228	13%
PAVING	340,893	212,880	176,107	181,533	166,633	(14,900)	(8%)
ROOFS	2,386,820	1,847,065	1,306,392	960,048	1,039,610	79,562	8%
TREE MAINTENANCE	0	0	0	1,308,605	165,839	(1,142,766)	(87%)
WALL REPLACEMENT	0	10,975	8,000	66,193	66,353	160	0%
WASTE LINE REMEDIATION	411,710	447,764	616,297	1,008,000	1,500,000	492,000	49%
WATER LINE - COPPER PIPE REMEDIATION	0	0	0	0	250,000	250,000	100%
WINDOW/SLIDING SCREEN DOOR	24,465	24,094	27,019	30,213	24,012	(6,201)	(21%)
OTHER SUPPL. APPROPRIATIONS	0	0	8,878	0	0	0	0%
APPLIANCE AND FIXTURES:							
COOKTOPS	86,905	77,900	67,459	77,695	78,541	846	1%
DISHWASHERS	143,986	109,335	127,456	145,452	162,125	16,673	11%
FIXTURES - BASINS/FAUCETS/SINKS/TOILETS	245,676	242,155	582,088	627,462	811,856	184,394	29%
GARBAGE DISPOSALS	77,293	71,407	81,385	77,714	82,019	4,305	6%
HOODS	31,619	30,413	28,093	24,440	32,886	8,446	35%
KITCHEN/BATH COUNTERS, FLOORS, MISC.	1,325,846	1,139,380	942,421	1,271,831	1,107,781	(164,050)	(13%)
OVENS	145,241	135,561	109,647	200,973	156,093	(44,880)	(22%)
RANGES	50,432	49,712	42,525	22,590	48,333	25,743	114%
REFRIGERATORS	322,569	249,010	243,851	254,587	65,787	(188,800)	(74%)
WATER HEATERS & PERMITS	427,962	571,384	530,627	688,207	1,239,757	551,550	80%
DRYERS	28,060	28,628	21,399	33,439	34,503	1,064	3%
WASHING MACHINES	77,455	85,990	71,673	78,327	82,443	4,116	5%
RESALE INSPECTION REPLACEMENTS	(18,813)	(16,807)	(14,338)	0	0	0	0%
TOTAL APPLIANCE AND FIXTURES	\$2,944,230	\$2,774,067	\$2,834,286	\$3,502,717	\$3,902,124	\$399,407	11%
TOTAL RESERVE FUND	\$7,451,621	\$6,575,926	\$6,134,237	\$11,169,250	\$11,640,398	\$471,148	4%

**United Laguna Woods Mutual
2017 RESERVES PLAN
Reserve 30-Year Funding Plan**

Threshold (Min Balance): \$ 10,200,000
Indexed for projected inflation

Year	Assessment		Interest Earnings	Other Additions	Planned Expenditures	Reserve Balance
	Per Manor Per Month	Total Contribution				
2016	\$ 138.01	\$ 10,471,647	\$ 214,266		\$ 11,169,250	\$ 15,170,184
2017	\$ 138.00	\$ 10,470,888	\$ 204,196		\$ 11,640,398	\$ 14,204,870
2018	\$ 140.00	\$ 10,622,640	\$ 239,011		\$ 11,716,809	\$ 13,349,712
2019	\$ 142.00	\$ 10,774,392	\$ 217,777		\$ 12,585,043	\$ 11,756,838
2020	\$ 144.00	\$ 10,926,144	\$ 216,902		\$ 9,650,982	\$ 13,248,903
2021	\$ 146.00	\$ 11,077,896	\$ 235,780		\$ 10,629,395	\$ 13,933,184
2022	\$ 148.00	\$ 11,229,648	\$ 247,317		\$ 10,831,202	\$ 14,578,947
2023	\$ 150.00	\$ 11,381,400	\$ 244,651		\$ 12,579,202	\$ 13,625,796
2024	\$ 152.00	\$ 11,533,152	\$ 224,124		\$ 13,170,540	\$ 12,212,532
2025	\$ 154.00	\$ 11,684,904	\$ 215,543		\$ 11,476,517	\$ 12,636,463
2026	\$ 156.00	\$ 11,836,656	\$ 233,008		\$ 10,480,083	\$ 14,226,044
2027	\$ 158.00	\$ 11,988,408	\$ 262,038		\$ 10,493,270	\$ 15,983,220
2028	\$ 160.00	\$ 12,140,160	\$ 290,686		\$ 10,885,357	\$ 17,528,710
2029	\$ 162.00	\$ 12,291,912	\$ 332,274		\$ 9,375,184	\$ 20,777,712
2030	\$ 164.00	\$ 12,443,664	\$ 379,049		\$ 10,679,166	\$ 22,921,259
2031	\$ 168.00	\$ 12,747,168	\$ 428,940		\$ 9,567,966	\$ 26,529,401
2032	\$ 172.00	\$ 13,050,672	\$ 493,311		\$ 9,731,081	\$ 30,342,303
2033	\$ 176.00	\$ 13,354,176	\$ 537,185		\$ 12,646,258	\$ 31,587,406
2034	\$ 180.00	\$ 13,657,680	\$ 560,069		\$ 12,824,570	\$ 32,980,585
2035	\$ 184.00	\$ 13,961,184	\$ 586,545		\$ 12,888,662	\$ 34,639,652
2036	\$ 188.00	\$ 14,264,688	\$ 598,388		\$ 15,156,845	\$ 34,345,883
2037	\$ 192.00	\$ 14,568,192	\$ 591,722		\$ 15,634,566	\$ 33,871,231
2038	\$ 196.00	\$ 14,871,696	\$ 569,040		\$ 17,581,055	\$ 31,730,912
2039	\$ 200.00	\$ 15,175,200	\$ 547,071		\$ 16,114,604	\$ 31,338,579
2040	\$ 204.00	\$ 15,478,704	\$ 563,391		\$ 13,768,352	\$ 33,612,323
2041	\$ 208.00	\$ 15,782,208	\$ 574,298		\$ 17,372,801	\$ 32,596,027
2042	\$ 212.00	\$ 16,085,712	\$ 555,354		\$ 17,808,746	\$ 31,428,347
2043	\$ 216.00	\$ 16,389,216	\$ 548,954		\$ 16,508,330	\$ 31,858,187
2044	\$ 220.00	\$ 16,692,720	\$ 496,990		\$ 23,610,230	\$ 25,437,668
2045	\$ 224.00	\$ 16,996,224	\$ 440,567		\$ 17,521,098	\$ 25,353,361
2046	\$ 228.00	\$ 17,299,728	\$ 413,787		\$ 20,716,458	\$ 22,350,418



UNITED LAGUNA WOODS MUTUAL
2017 RESERVES PLAN
Planned Expenditures from Reserve Fund

Program	Buildings/Infrastructure							NEW Electrical	
	Building Structures	Carport Renovation	Foundations	Gutters	Sliding Screen Doors	Vertical Lifts	Windows	Electrical Alternate Heat Source	Electrical Upgrades
Life in Years	40	35	60	As Needed	30	20		30	50
Quantity	Various	5,432	1,124		6,323	27	Ongoing -	6,323-11,942	6,323
Unit of Measure	Components	Stalls	Buildings		ea	ea	Based on	ea	Manors
Unit Cost	Per Study	\$260	\$6,500		\$342	45,000	Repl. Policy	\$306 - \$1,326	\$5,000
Total Cost	\$38,160,000	\$1,412,300	\$7,306,000		\$2,162,344	1,215,000		\$12,038,550	\$31,615,000
			3%			67%			0.2%
2017	\$828,443	\$0	\$75,000	\$28,746	\$17,783	0	\$6,229	\$4,896	\$371,250
2018	\$453,378	\$0	\$76,875	\$29,465	\$18,228	30,904	\$6,385	\$5,018	\$371,250
2019	\$464,712	\$0	\$78,797	\$30,201	\$18,683	31,676	\$6,544	\$5,144	\$371,250
2020	\$476,330	\$0	\$80,767	\$30,956	\$19,150	32,468	\$6,708	\$5,272	\$371,250
2021	\$488,239	\$0	\$241,934	\$31,730	\$19,629	0	\$6,876	\$5,404	\$371,250
2022	\$500,444	\$0	\$84,856	\$32,523	\$20,120	0	\$7,048	\$5,539	\$371,250
2023	\$596,813	\$0	\$86,977	\$33,337	\$20,623	349,648	\$7,224	\$5,678	\$371,250
2024	\$882,201	\$0	\$89,151	\$34,170	\$21,138	71,678	\$7,404	\$5,820	\$371,250
2025	\$904,256	\$0	\$91,380	\$35,024	\$21,667	36,735	\$7,589	\$5,965	\$371,250
2026	\$552,397	\$0	\$273,726	\$35,900	\$22,209	37,653	\$7,779	\$6,114	\$371,250
2027	\$566,207	\$0	\$96,006	\$36,797	\$22,764	154,378	\$7,974	\$6,267	\$63,230
2028	\$580,362	\$0	\$98,406	\$37,717	\$23,333	0	\$8,173	\$6,424	\$63,230
2029	\$594,871	\$0	\$100,867	\$38,660	\$23,916	121,645	\$8,377	\$6,585	\$63,230
2030	\$609,743	\$0	\$103,388	\$39,627	\$24,514	41,562	\$8,587	\$6,749	\$63,230
2031	\$624,987	\$0	\$309,696	\$40,617	\$25,127	0	\$8,801	\$6,918	\$63,230
2032	\$745,338	\$146,104	\$108,622	\$41,633	\$25,755	0	\$9,021	\$7,091	\$63,230
2033	\$1,101,748	\$149,757	\$111,338	\$42,674	\$26,399	0	\$9,247	\$7,268	\$63,230
2034	\$1,129,292	\$210,075	\$114,121	\$43,740	\$27,059	458,768	\$9,478	\$7,450	\$63,230
2035	\$689,868	\$205,189	\$116,974	\$44,834	\$27,735	94,047	\$9,715	\$7,636	\$63,230
2036	\$707,115	\$244,402	\$350,392	\$45,955	\$28,429	0	\$9,958	\$7,827	\$63,230
2037	\$724,793	\$265,423	\$122,896	\$47,104	\$29,140	98,809	\$10,207	\$8,023	\$63,230
2038	\$742,913	\$233,193	\$125,969	\$48,281	\$29,868	0	\$10,462	\$8,223	\$63,230
2039	\$761,485	\$271,251	\$129,118	\$49,488	\$30,615	51,905	\$10,724	\$8,429	\$63,230
2040	\$780,523	\$286,290	\$132,346	\$50,725	\$31,380	53,203	\$10,992	\$8,640	\$63,230
2041	\$930,825	\$186,226	\$396,437	\$51,994	\$32,165	0	\$11,267	\$8,856	\$63,230
2042	\$1,375,932	\$99,779	\$139,046	\$53,293	\$32,969	55,896	\$11,548	\$9,077	\$63,230
2043	\$1,410,331	\$0	\$142,522	\$54,626	\$33,793	572,938	\$11,837	\$9,304	\$63,230
2044	\$861,551	\$0	\$146,085	\$55,991	\$34,638	117,452	\$12,133	\$9,536	\$63,230
2045	\$883,090	\$0	\$149,737	\$57,391	\$35,504	60,194	\$12,436	\$9,775	\$63,230
2046	\$905,167	\$0	\$448,532	\$58,826	\$36,391	0	\$12,747	\$10,019	\$63,230
TOTAL	\$22,873,353	\$2,297,689	\$4,621,961	\$1,262,027	\$780,722	\$2,471,561	\$273,470	\$214,948	\$4,977,100

UNITED LAGUNA WOODS MUTUAL
2017 RESERVES PLAN
Planned Expenditures from Reserve Fund

	<i>Electrical</i>		<i>Landscape</i>		<i>Laundry Components</i>				
<i>Program</i>	<i>Electrical Panel Maintenance (New)</i>	<i>Exterior Walkway Lighting</i>	<i>Landscape Renovation</i>	<i>Tree Maintenance</i>	<i>Laundry Countertops</i>	<i>Laundry Dryers</i>	<i>Laundry Sinks</i>	<i>Laundry Washers</i>	<i>Laundry Water Heaters</i>
Life in Years	10	45	Per Board	34 Month Cycle	20	10	25	15	12
Quantity	6,323	89			175	526	175	700	343
Unit of Measure	Manors	CDS			3 ea	ea	ea	ea	ea
Unit Cost	\$52	\$4,000			\$933	\$651	\$422	\$1,754	\$692
Total Cost	\$328,796	\$356,000			\$163,275	\$342,426	\$73,850	\$1,227,800	\$237,356
2017	\$0	\$40,648	\$250,000	\$165,839	\$7,134	\$34,503	\$0	\$82,443	\$3,384
2018	\$0	\$10,250	\$256,250	\$703,921	\$60,248	\$35,099	\$0	\$83,900	\$20,274
2019	\$0	\$10,506	\$262,656	\$1,264,891	\$61,755	\$35,976	\$0	\$85,997	\$20,781
2020	\$0	\$10,769	\$269,223	\$71,211	\$29,137	\$36,876	\$0	\$88,147	\$21,301
2021	\$0	\$11,038	\$275,953	\$986,398	\$20,597	\$37,797	\$0	\$90,351	\$21,833
2022	\$0	\$11,314	\$282,852	\$1,128,088	\$0	\$38,742	\$0	\$92,610	\$22,379
2023	\$0	\$11,597	\$289,923	\$76,686	\$0	\$39,711	\$21,533	\$94,925	\$22,938
2024	\$130,278	\$11,887	\$297,171	\$1,308,153	\$0	\$40,704	\$31,602	\$97,298	\$23,512
2025	\$133,535	\$12,184	\$304,601	\$962,770	\$0	\$41,721	\$34,963	\$99,730	\$24,100
2026	\$136,874	\$12,489	\$312,216	\$82,582	\$0	\$42,764	\$0	\$102,224	\$24,702
2027	\$0	\$12,801	\$320,021	\$1,673,556	\$0	\$43,833	\$0	\$104,779	\$25,320
2028	\$0	\$13,121	\$328,022	\$765,360	\$0	\$44,929	\$0	\$107,399	\$25,953
2029	\$0	\$13,449	\$336,222	\$367,157	\$0	\$46,052	\$0	\$110,084	\$26,601
2030	\$0	\$13,785	\$344,628	\$1,802,236	\$0	\$47,204	\$0	\$112,836	\$27,266
2031	\$0	\$14,130	\$353,243	\$531,899	\$0	\$48,384	\$0	\$115,657	\$27,948
2032	\$0	\$14,483	\$362,075	\$695,005	\$0	\$49,593	\$0	\$118,548	\$28,647
2033	\$0	\$14,845	\$371,126	\$1,940,812	\$0	\$50,833	\$0	\$121,512	\$29,363
2034	\$0	\$15,216	\$380,405	\$258,011	\$0	\$52,104	\$0	\$124,550	\$30,097
2035	\$170,937	\$15,597	\$389,915	\$1,071,100	\$0	\$53,407	\$0	\$127,663	\$30,850
2036	\$175,210	\$15,987	\$399,663	\$1,924,681	\$0	\$54,742	\$0	\$130,855	\$31,621
2037	\$179,590	\$16,386	\$409,654	\$108,355	\$96,316	\$56,110	\$0	\$134,126	\$32,411
2038	\$0	\$16,796	\$419,895	\$1,500,921	\$98,724	\$57,513	\$0	\$137,479	\$33,222
2039	\$0	\$17,216	\$430,393	\$1,716,520	\$46,581	\$58,951	\$0	\$140,916	\$34,052
2040	\$0	\$17,646	\$441,153	\$116,687	\$32,928	\$60,425	\$0	\$144,439	\$34,903
2041	\$0	\$18,087	\$452,181	\$1,990,509	\$0	\$61,935	\$0	\$148,050	\$35,776
2042	\$0	\$18,539	\$463,486	\$1,464,969	\$0	\$63,484	\$0	\$151,752	\$36,670
2043	\$0	\$19,003	\$475,073	\$125,659	\$0	\$65,071	\$0	\$155,545	\$37,587
2044	\$338	\$19,478	\$486,950	\$2,546,513	\$0	\$66,698	\$0	\$159,434	\$38,527
2045	\$218,813	\$19,965	\$499,124	\$1,164,585	\$0	\$68,365	\$0	\$163,420	\$39,490
2046	\$224,284	\$20,464	\$511,602	\$135,321	\$0	\$70,074	\$0	\$167,505	\$40,477
TOTAL	\$1,369,858	\$469,675	\$10,975,676	\$28,650,395	\$453,420	\$1,503,603	\$88,099	\$3,594,172	\$851,985

UNITED LAGUNA WOODS MUTUAL
2017 RESERVES PLAN
Planned Expenditures from Reserve Fund

<i>Program</i>	<i>Manor Components</i>									
	<i>Manor Cooktops</i>	<i>Manor Dishwashers</i>	<i>Manor Fixtures Basins</i>	<i>Manor Fixtures Faucets</i>	<i>Manor Fixtures Sinks</i>	<i>Manor Fixtures Toilets</i>	<i>Manor Garbage Disposals</i>	<i>Manor Hoods</i>	<i>Manor K/B Countertops</i>	<i>Manor K/B Floors</i>
Life in Years	20	12	30	30	30	30	12	20	25	25
Quantity	5,691	3,060	11,570	17,893	6,323	10,706	6,323	2,300	17,893	16,765
Unit of Measure	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea
Unit Cost	\$395	\$636	\$257	\$186	\$508	\$222	\$208	\$382	\$914	\$535
Total Cost	\$2,247,950	\$1,946,160	\$2,968,690	\$3,331,420	\$3,211,120	\$2,381,340	\$1,315,180	\$878,600	\$16,353,562	\$8,974,658
	70%		50%	75%	75%	25%	75%	75%	70%	70%
2017	\$78,541	\$162,125	\$49,521	\$173,665	\$80,240	\$508,430	\$82,019	\$32,886	\$612,786	\$140,018
2018	\$80,645	\$166,235	\$50,715	\$173,711	\$82,285	\$412,941	\$84,254	\$33,771	\$469,347	\$257,573
2019	\$82,661	\$170,390	\$51,983	\$178,054	\$84,342	\$423,264	\$86,360	\$34,615	\$481,081	\$264,012
2020	\$84,728	\$174,650	\$53,283	\$89,689	\$86,451	\$21,370	\$88,519	\$35,481	\$493,108	\$270,612
2021	\$86,846	\$179,016	\$54,615	\$91,932	\$88,612	\$21,905	\$90,732	\$36,368	\$505,436	\$277,378
2022	\$89,017	\$183,492	\$55,980	\$94,230	\$90,827	\$22,452	\$93,001	\$37,277	\$518,072	\$284,312
2023	\$91,242	\$188,079	\$57,380	\$96,586	\$93,098	\$23,013	\$95,326	\$38,209	\$531,023	\$291,420
2024	\$93,524	\$192,781	\$58,814	\$99,000	\$95,425	\$23,589	\$97,709	\$39,164	\$544,299	\$298,705
2025	\$95,862	\$197,601	\$60,284	\$101,475	\$97,811	\$24,179	\$100,151	\$40,143	\$557,906	\$306,173
2026	\$98,258	\$202,541	\$61,792	\$104,012	\$100,256	\$24,783	\$102,655	\$41,147	\$571,854	\$313,827
2027	\$100,715	\$207,604	\$63,336	\$106,612	\$102,763	\$25,403	\$105,222	\$42,176	\$586,150	\$321,673
2028	\$103,232	\$212,794	\$64,920	\$109,278	\$105,332	\$26,038	\$107,852	\$43,230	\$600,804	\$329,715
2029	\$105,813	\$218,114	\$66,543	\$112,010	\$107,965	\$26,689	\$110,549	\$44,311	\$615,824	\$337,958
2030	\$108,459	\$223,567	\$68,206	\$114,810	\$110,664	\$27,356	\$113,312	\$45,418	\$631,220	\$346,407
2031	\$111,170	\$229,156	\$69,911	\$117,680	\$113,431	\$28,040	\$116,145	\$46,554	\$647,000	\$355,067
2032	\$113,949	\$234,885	\$71,659	\$120,622	\$116,267	\$28,741	\$119,049	\$47,718	\$663,175	\$363,943
2033	\$116,798	\$240,757	\$73,451	\$123,638	\$119,173	\$29,459	\$122,025	\$48,911	\$679,755	\$373,042
2034	\$119,718	\$246,776	\$75,287	\$126,729	\$122,153	\$30,196	\$125,075	\$50,134	\$696,749	\$382,368
2035	\$122,711	\$252,945	\$77,169	\$129,897	\$125,206	\$30,951	\$128,202	\$51,387	\$714,167	\$391,927
2036	\$125,779	\$259,269	\$79,098	\$133,144	\$128,337	\$31,724	\$131,407	\$52,672	\$732,021	\$401,725
2037	\$128,923	\$265,751	\$81,076	\$136,473	\$131,545	\$32,517	\$134,693	\$53,988	\$750,322	\$411,769
2038	\$132,146	\$272,395	\$83,103	\$139,885	\$134,834	\$33,330	\$138,060	\$55,338	\$769,080	\$422,063
2039	\$135,450	\$279,204	\$85,180	\$143,382	\$138,204	\$34,164	\$141,511	\$56,721	\$788,307	\$432,614
2040	\$138,836	\$286,185	\$87,310	\$146,967	\$141,660	\$35,018	\$145,049	\$58,140	\$808,015	\$443,430
2041	\$142,307	\$293,339	\$89,493	\$150,641	\$145,201	\$35,893	\$148,675	\$59,593	\$828,215	\$454,516
2042	\$145,865	\$300,673	\$91,730	\$154,407	\$148,831	\$36,791	\$152,392	\$61,083	\$848,921	\$465,878
2043	\$149,511	\$308,189	\$94,023	\$158,267	\$152,552	\$37,710	\$156,202	\$62,610	\$870,144	\$477,525
2044	\$153,249	\$315,894	\$96,374	\$162,224	\$156,366	\$38,653	\$160,107	\$64,175	\$891,897	\$489,463
2045	\$157,080	\$323,792	\$98,783	\$166,279	\$160,275	\$39,619	\$164,110	\$65,780	\$914,195	\$501,700
2046	\$161,007	\$331,886	\$101,253	\$170,436	\$164,282	\$40,610	\$168,213	\$67,424	\$937,049	\$514,243
TOTAL	\$3,454,043	\$7,120,085	\$2,172,271	\$3,925,735	\$3,524,387	\$2,154,826	\$3,608,578	\$1,446,423	\$20,257,922	\$10,921,056

UNITED LAGUNA WOODS MUTUAL
2017 RESERVES PLAN
Planned Expenditures from Reserve Fund

Program	Manor Components							Paint		Paving
	Manor K/B Mirrors	Manor K/B Shower/Tub Enclosures	Manor K/B Tile Replacements	Manor Ovens	Manor Ranges	Manor Refrigerators	Manor Water Heaters	Exterior Paint	Prior to Paint	Paving
Life in Years	30	25	40	20	20	20	10	8	8	20
Quantity	11,570	7,904	6,323	5,691	632	6,323	6,323	15,741,601	15,741,601	2,524,469
Unit of Measure	ea	ea	Manor	ea	ea	ea	ea	Sq ft	Sq ft	sf
Unit Cost	\$214	\$773	\$1,426	\$713	\$711	\$812	\$717	Varies	Varies	\$2.73
Total Cost	\$2,475,980	\$6,109,790	\$9,017,388	\$4,057,680	\$449,350	\$5,134,280	\$4,533,270	\$13,782,882	\$4,712,888	\$6,891,800
	25%	75%	41%							
2017	\$18,150	\$158,558	\$171,135	\$156,093	\$48,333	\$65,787	\$1,236,373	\$2,091,988	\$834,856	\$166,633
2018	\$21,149	\$187,876	\$124,251	\$207,956	\$23,029	\$64,971	\$1,296,730	\$1,938,523	\$657,424	\$821,418
2019	\$21,678	\$192,573	\$127,357	\$213,155	\$23,605	\$66,595	\$227,935	\$1,690,708	\$573,900	\$366,735
2020	\$22,220	\$197,387	\$130,541	\$218,484	\$24,195	\$68,260	\$143,155	\$1,973,647	\$669,447	\$375,903
2021	\$22,775	\$202,322	\$133,805	\$223,946	\$24,800	\$69,966	\$169,562	\$2,067,542	\$710,829	\$50,836
2022	\$23,345	\$207,380	\$137,150	\$229,545	\$25,420	\$71,716	\$321,055	\$1,981,781	\$681,586	\$408,542
2023	\$23,928	\$212,565	\$140,579	\$235,283	\$26,056	\$73,508	\$721,332	\$1,698,238	\$584,694	\$1,119,016
2024	\$24,526	\$217,879	\$144,093	\$241,165	\$26,707	\$75,346	\$853,368	\$1,726,101	\$594,319	\$1,231,374
2025	\$25,140	\$223,326	\$147,696	\$247,195	\$27,375	\$77,230	\$1,213,339	\$2,322,920	\$798,558	\$423,194
2026	\$25,768	\$228,909	\$151,388	\$253,375	\$28,059	\$79,161	\$1,213,339	\$2,329,790	\$801,008	\$393,257
2027	\$26,412	\$234,632	\$155,173	\$259,709	\$28,760	\$81,140	\$646,240	\$2,031,970	\$699,242	\$166,830
2028	\$27,073	\$240,497	\$159,052	\$266,202	\$29,479	\$83,168	\$675,643	\$2,372,006	\$815,656	\$1,009,396
2029	\$27,749	\$246,510	\$163,028	\$272,857	\$30,216	\$85,247	\$124,309	\$2,519,099	\$866,076	\$0
2030	\$28,443	\$252,672	\$167,104	\$279,678	\$30,972	\$87,378	\$80,575	\$2,414,607	\$830,446	\$0
2031	\$29,154	\$258,989	\$171,282	\$286,670	\$31,746	\$89,563	\$94,197	\$2,069,139	\$712,392	\$310,715
2032	\$29,883	\$265,464	\$175,564	\$293,837	\$32,540	\$91,802	\$172,344	\$2,103,086	\$724,120	\$0
2033	\$30,630	\$272,101	\$179,953	\$301,183	\$33,353	\$94,097	\$378,826	\$2,830,252	\$972,965	\$0
2034	\$31,396	\$278,903	\$184,452	\$308,712	\$34,187	\$96,449	\$446,936	\$2,838,623	\$975,950	\$0
2035	\$32,181	\$285,876	\$189,063	\$316,430	\$35,042	\$98,861	\$632,626	\$2,475,758	\$851,958	\$0
2036	\$32,985	\$293,023	\$193,789	\$324,341	\$35,918	\$101,332	\$632,626	\$2,890,059	\$993,797	\$171,749
2037	\$33,810	\$300,348	\$198,634	\$332,449	\$36,816	\$103,866	\$646,240	\$3,069,278	\$1,055,230	\$1,260,597
2038	\$34,655	\$307,857	\$203,600	\$340,761	\$37,736	\$106,462	\$675,643	\$2,941,965	\$1,011,818	\$1,345,989
2039	\$35,521	\$315,553	\$208,690	\$349,280	\$38,680	\$109,124	\$124,309	\$2,521,044	\$867,981	\$881,168
2040	\$36,410	\$323,442	\$213,907	\$358,012	\$39,647	\$111,852	\$80,575	\$2,562,407	\$882,270	\$615,961
2041	\$37,320	\$331,528	\$219,255	\$366,962	\$40,638	\$114,648	\$94,197	\$3,448,387	\$1,185,463	\$83,301
2042	\$38,253	\$339,816	\$224,736	\$376,136	\$41,654	\$117,514	\$172,344	\$3,458,586	\$1,189,101	\$669,444
2043	\$39,209	\$348,312	\$230,355	\$385,539	\$42,695	\$120,452	\$378,826	\$3,016,471	\$1,038,028	\$1,833,638
2044	\$40,189	\$357,020	\$236,114	\$395,178	\$43,762	\$123,463	\$446,936	\$3,521,257	\$1,210,845	\$2,017,750
2045	\$41,194	\$365,945	\$242,016	\$405,057	\$44,856	\$126,550	\$632,626	\$3,739,617	\$1,285,695	\$693,453
2046	\$42,224	\$375,094	\$248,067	\$415,184	\$45,978	\$129,714	\$632,626	\$3,584,498	\$1,232,802	\$644,397
TOTAL	\$903,369	\$8,022,356	\$5,371,827	\$8,860,371	\$1,012,254	\$2,785,223	\$15,164,834	\$76,229,348	\$26,308,457	\$17,061,295

UNITED LAGUNA WOODS MUTUAL
2017 RESERVES PLAN
Planned Expenditures from Reserve Fund

<i>Program</i>	<i>Plumbing</i>		<i>Roofs</i>			<i>Walls</i>			TOTAL RESERVES FUND
	<i>Waste Lines</i>	<i>Water Lines - Copper</i>	<i>Built-Up</i>	<i>Comp Shingle</i>	<i>Tile</i>	<i>Common Area Block</i>	<i>Common Area Segment</i>	<i>Perimeter</i>	
<i>Life in Years</i>	70	70	25	40	40	20	20	60	
<i>Quantity</i>	6,323	6,323	2,688,109	3,476,194	767,104	8,677	13,688	28,264	
<i>Unit of Measure</i>	Manors	Manors	sf	sf	sf	Linear Feet	Linear Feet	Linear Feet	
<i>Unit Cost</i>	\$8,000	\$6,000	\$7.53	\$3.52	\$4.74	\$150	\$50	\$200-290	
<i>Total Cost</i>	\$50,584,000	\$37,938,000	\$20,241,500	\$12,236,200	\$3,636,100	\$1,301,550	\$684,400	\$6,210,540	
	50%	25%				1%	1%	1%	
2017	\$1,500,000	\$250,000	\$1,039,610	\$0	\$0	\$13,086	\$6,914	\$46,353	\$11,640,398
2018	\$1,537,500	\$258,300	\$536,912	\$0	\$0	\$13,341	\$7,015	\$47,492	\$11,716,809
2019	\$1,575,938	\$264,758	\$2,564,228	\$0	\$0	\$13,674	\$7,190	\$48,679	\$12,585,043
2020	\$1,615,336	\$271,376	\$922,292	\$0	\$0	\$14,016	\$7,370	\$49,896	\$9,650,982
2021	\$1,655,719	\$278,161	\$904,198	\$0	\$0	\$14,367	\$7,554	\$51,143	\$10,629,395
2022	\$1,697,112	\$285,115	\$619,964	\$0	\$0	\$14,806	\$7,823	\$52,439	\$10,831,202
2023	\$1,739,540	\$292,243	\$1,737,268	\$363,950	\$0	\$15,094	\$7,937	\$53,732	\$12,579,202
2024	\$891,514	\$299,549	\$1,799,487	\$0	\$0	\$15,471	\$8,135	\$55,076	\$13,170,540
2025	\$913,802	\$307,038	\$0	\$0	\$0	\$15,858	\$8,339	\$56,453	\$11,476,517
2026	\$936,647	\$314,713	\$0	\$0	\$0	\$16,255	\$8,547	\$57,864	\$10,480,083
2027	\$960,063	\$322,581	\$0	\$0	\$0	\$16,751	\$8,851	\$59,329	\$10,493,270
2028	\$984,065	\$330,646	\$0	\$0	\$0	\$17,077	\$8,980	\$60,793	\$10,885,357
2029	\$1,008,667	\$338,912	\$0	\$0	\$0	\$17,504	\$9,204	\$62,313	\$9,375,184
2030	\$1,033,883	\$347,385	\$0	\$0	\$0	\$17,942	\$9,435	\$63,871	\$10,679,166
2031	\$1,059,730	\$356,069	\$0	\$0	\$0	\$18,391	\$9,670	\$65,468	\$9,567,966
2032	\$1,086,224	\$364,971	\$0	\$0	\$0	\$18,952	\$10,014	\$67,126	\$9,731,081
2033	\$1,113,379	\$374,095	\$0	\$0	\$0	\$19,322	\$10,160	\$68,782	\$12,646,258
2034	\$760,809	\$383,448	\$1,485,204	\$0	\$0	\$19,805	\$10,414	\$70,501	\$12,824,570
2035	\$779,829	\$393,034	\$1,551,506	\$0	\$0	\$20,300	\$10,674	\$72,264	\$12,888,662
2036	\$799,325	\$402,860	\$1,913,979	\$0	\$0	\$20,807	\$10,941	\$74,071	\$15,156,845
2037	\$819,308	\$412,931	\$2,726,710	\$0	\$0	\$21,443	\$11,329	\$75,947	\$15,634,566
2038	\$839,791	\$423,255	\$3,493,424	\$0	\$0	\$21,861	\$11,495	\$77,820	\$17,581,055
2039	\$860,786	\$433,836	\$3,199,064	\$0	\$0	\$22,407	\$11,782	\$79,766	\$16,114,604
2040	\$882,305	\$444,682	\$2,543,962	\$0	\$0	\$22,967	\$12,077	\$81,760	\$13,768,352
2041	\$904,363	\$455,799	\$1,813,532	\$1,422,274	\$0	\$23,541	\$12,379	\$83,804	\$17,372,801
2042	\$926,972	\$467,194	\$1,927,373	\$1,290,377	\$0	\$24,261	\$12,818	\$85,927	\$17,808,746
2043	\$950,146	\$478,874	\$995,406	\$881,341	\$0	\$24,733	\$13,006	\$88,047	\$16,508,330
2044	\$973,900	\$490,846	\$4,753,935	\$1,723,149	\$0	\$25,352	\$13,331	\$90,248	\$23,610,230
2045	\$0	\$503,117	\$1,709,878	\$996,676	\$565,531	\$25,985	\$13,664	\$92,504	\$17,521,098
2046	\$0	\$515,695	\$1,676,333	\$4,522,043	\$1,155,305	\$26,635	\$14,006	\$94,817	\$20,716,458
TOTAL	\$30,806,656	\$11,061,481	\$39,914,267	\$11,199,808	\$1,720,837	\$572,004	\$301,055	\$2,034,281	\$405,644,766

UNITED LAGUNA WOODS MUTUAL
2017 RESERVES PLAN
Reserve Component Schedule

<i>Reserve Component</i>	<i>Quantity</i>	<i>Unit</i>	<i>Unit Cost</i>	<i>Estimated Life</i>	<i>Average Remaining Life</i>	<i>TOTAL COST</i>	<i>FULLY FUNDED BALANCE</i>
Reserve Fund							
BUILDINGS/INFRASTRUCTURE						\$ 50,255,644	\$ 12,935,389
Building Structures	1,200	BLDG	\$ 11,240	40	14	\$ 13,488,000	\$ 3,967,050
Building Structures Maint Ops	1,200	BLDG	\$ 10,000	40	13	\$ 12,000,000	\$ 2,464,560
Building Structures Carpentry	1,200	BLDG	\$ 10,000	40	14	\$ 12,000,000	\$ 2,413,883
Building Structures Smoke Alarm Installation	19,200	EA	\$ 35	10	10	\$ 672,000	\$ 111,647
Carport Renovation	5,432	STALLS	\$ 260	35	20	\$ 1,412,300	\$ 615,429
Foundations	1,124	BLDG	\$ 6,500	60	14	\$ 7,306,000	\$ 2,333,433
Sliding Screen Doors	6,323	EA	\$ 342	30	15	\$ 2,162,344	\$ 275,637
Vertical Lifts	27	EA	\$ 45,000	20	8	\$ 1,215,000	\$ 753,750
ELECTRICAL						\$ 48,025,494	\$ 4,856,115
Electrical Alternate Heat Source - Heat Pumps	6,323	EA	\$ 1,326	30	14	\$ 8,384,298	\$ 61,659
Electrical Alternate Heat Source - Wall Heaters	11,942	EA	\$ 306	30	14	\$ 3,654,252	\$ 14,229
Electrical Upgrades	6,323	MNR	\$ 5,000	50	20	\$ 35,327,500	\$ 4,149,781
Electrical Panel Maintenance	6,323	MNR	\$ 52	10	0	\$ 328,796	\$ 396,464
Exterior Walkway Lighting	0	CDS	\$ -	45	45	\$ 330,648	\$ 233,982
LAUNDRY ROOMS						\$ 2,044,707	\$ 1,216,094
Countertops	175	3 EA	\$ 933	20	1	\$ 163,275	\$ 154,831
Dryers	526	EA	\$ 651	10	3	\$ 342,426	\$ 209,622
Sinks	175	EA	\$ 422	25	6	\$ 73,850	\$ 55,720
Washers	700	EA	\$ 1,754	15	6	\$ 1,227,800	\$ 636,703
Water Heaters - Laundry	343	EA	\$ 692	12	3	\$ 237,356	\$ 159,218
MANOR COMPONENTS						\$ 79,641,173	\$ 49,998,570
Manor Cooktops	5,691	EA	\$ 395	20	7	\$ 2,247,950	\$ 1,380,091
Manor Dishwashers	3,060	EA	\$ 636	12	5	\$ 1,946,160	\$ 1,016,010
Manor Fixtures - Basins	11,570	EA	\$ 257	30	5	\$ 2,968,694	\$ 2,389,420
Manor Fixtures - Faucets	17,893	EA	\$ 186	30	10	\$ 3,331,420	\$ 2,131,094
Manor Fixtures - Sinks	6,323	EA	\$ 508	30	7	\$ 3,211,120	\$ 2,350,084
Manor Fixtures - Toilets	10,706	EA	\$ 222	30	6	\$ 2,381,340	\$ 1,788,096
Manor Garbage Disposals	6,323	EA	\$ 208	12	3	\$ 1,315,180	\$ 909,567
Manor Hoods	2,300	EA	\$ 382	20	3	\$ 878,600	\$ 683,017
Manor Kitchen/Bath - Countertops	17,893	EA	\$ 914	25	5	\$ 16,353,562	\$ 12,307,990
Manor Kitchen/Bath - Floors	16,765	EA	\$ 535	25	3	\$ 8,974,658	\$ 7,665,755
Manor Kitchen/Bath - Mirrors	11,570	EA	\$ 214	30	3	\$ 2,475,980	\$ 321,219
Manor Kitchen/Bath - Shower/Tub Enclosures	7,904	EA	\$ 773	25	5	\$ 6,109,790	\$ 4,526,131
Manor Kitchen/Bath - Tile Replacements	6,323	MNR	\$ 1,426	40	13	\$ 9,017,388	\$ 2,541,475
Manor Ovens	5,691	EA	\$ 713	20	7	\$ 4,057,680	\$ 2,413,755
Manor Ranges	632	EA	\$ 711	20	15	\$ 449,350	\$ 79,738
Manor Refrigerators	6,323	EA	\$ 812	20	8	\$ 5,134,280	\$ 2,773,669
Manor Water Heaters	6,323	EA	\$ 1,390	10	4	\$ 8,788,020	\$ 4,721,459
PAINT - EXTERIOR						\$ 13,857,331	\$ 8,025,847
Full Cycle Painting	15,741,601	SF	\$ 0.840	8	3	\$ 13,222,945	\$ 7,717,706
Deck Topcoat Paint Follow-Up	15,741,601	SF	\$ 0.026	8	3	\$ 409,282	\$ 203,596
Lexan Signs	15,741,601	SF	\$ 0.002	8	3	\$ 36,206	\$ 22,311
Lead Testing & Abatement	15,741,601	SF	\$ 0.012	8	1	\$ 188,899	\$ 82,234
PAINT - PRIOR TO PAINT						\$ 4,675,255	\$ 2,910,670
Full Cycle Dry Rot Repairs	15,741,601	SF	\$ 0.270	8	3	\$ 4,250,232	\$ 2,528,455
Full Cycle Decking Repairs	15,741,601	SF	\$ 0.020	8	4	\$ 314,832	\$ 323,506
Full Cycle Balcony Dry Rot Repairs	15,741,601	SF	\$ 0.007	8	3	\$ 110,191	\$ 58,709

**UNITED LAGUNA WOODS MUTUAL
2017 RESERVES PLAN
Reserve Component Schedule**

<i>Reserve Component</i>	<i>Quantity</i>	<i>Unit</i>	<i>Unit Cost</i>	<i>Estimated Life</i>	<i>Average Remaining Life</i>	<i>TOTAL COST</i>	<i>FULLY FUNDED BALANCE</i>
PAVING						\$ 6,891,800	\$ 5,442,335
Cul-de-sacs	2,524,469	SF	\$ 2.73	20	4	\$ 6,891,800	\$ 5,442,335
PLUMBING						\$ 88,522,000	\$ 15,259,862
Waste Lines	6,323	MNR	\$ 8,000	70	10	\$ 50,584,000	\$ 11,504,000
Water Lines Copper	6,323	MNR	\$ 6,000	70	15	\$ 37,938,000	\$ 3,755,862
TREE MAINTENANCE						\$ 97,252	\$ 1,379,171
Tree Maintenance	1,472	HRS	\$ 66	3	1	\$ 97,252	\$ 1,379,171
ROOFS						\$ 36,113,800	\$ 14,422,995
Built-up	2,688,109	SF	\$ 7.53	16	13	\$ 20,241,500	\$ 9,259,732
Composition Shingle	3,476,194	SF	\$ 3.52	40	29	\$ 12,236,200	\$ 3,318,769
Tile	767,104	SF	\$ 4.74	40	17	\$ 3,636,100	\$ 1,844,494
WALLS						\$ 8,196,490	\$ 893,923
Common Area Block	8,677	LF	\$ 150	20	9	\$ 1,301,550	\$ 130,300
Common Area Segment	13,688	LF	\$ 50	20	9	\$ 684,400	\$ 68,580
Perimeter Walls	28,264	LF	\$ 220	60	14	\$ 6,210,540	\$ 695,043
GRAND TOTAL						\$ 338,320,947	\$ 117,340,971

Summary
Projected Reserve Balance: \$ 14,204,870
Percent Funded: 12%

2017 BUSINESS PLAN

Third Laguna Hills Mutual

Adopted September 20, 2016

BOARD OF DIRECTORS

ROSEMARIE DI LORENZO DICKINS, President

JAMES TUNG, 1st Vice President

BILL WALSH, 2nd Vice President

BURT BAUM, Secretary

JIM MATSON

BERT MOLDOW

RAY GROS

BUNNY CARPENTER

DAVID FINLEY

WEI-MING TAO

JOHN FRANKEL

VILLAGE MANAGEMENTSERVICES, Inc.

BRAD HUDSON, CEO

BETTY PARKER, Financial Services Director

KELLY FARANO, Financial Services Manager



THIRD LAGUNA HILLS MUTUAL 2017 BUSINESS PLAN RESOLUTION

RESOLUTION 03-16-96

RESOLVED, September 20, 2016, that the Business Plan of this Corporation for the year 2017 is hereby adopted and approved; and

RESOLVED FURTHER, that pursuant to said business plan, the Board of Directors of this Corporation hereby estimates that the net sum of \$31,806,216 is required by the Corporation to meet the Third Laguna Hills Mutual operating expenses and reserve contributions for the year 2017. In addition, the sum of \$14,177,938 is required by the Corporation to meet the Golden Rain Foundation and the Golden Rain Foundation Trust operating expenses and reserve contributions for the year 2017. Therefore, a total of \$45,984,154 is required to be collected from and paid by members of the Corporation as monthly assessments; and

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby approves expenditures from reserves in the sum of \$11,190,387 of which \$9,170,909 is planned from the Replacement Fund, \$319,566 from the Elevator Replacement Fund, \$86,491 from the Laundry Replacement Fund, \$1,543,360 from the Disaster Fund, and \$70,061 from the Garden Villa Recreation Room Fund; and

RESOLVED FURTHER, that all sums paid into the Replacement Reserves shall be used for capital expenditures only and shall be credited on the books of account of the Corporation to Paid-In Surplus as a capital contribution; and

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby determines and establishes monthly assessments of the Corporation as shown on each member's breakdown of monthly assessments for the year 2017 and as filed in the records of the Corporation, said assessments to be due and payable by the members of this Corporation on the first day of each month for the year 2017; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

**THIRD LAGUNA HILLS MUTUAL
2017 REPLACEMENT RESERVES RESOLUTION**

RESOLUTION 03-16-97

WHEREAS, planned assessments or other contributions to replacement reserves must be projected to ensure balances will be sufficient at the end of each year to meet the Corporation's obligations for repair and/or replacement of major components during the next 30 years; and

WHEREAS, Civil Code § 5570 requires specific reserve funding disclosure statements for common interest developments;

NOW THEREFORE BE IT RESOLVED, September 20, 2016, that the Board has developed and hereby adopts the Replacement Reserves 30-Year Funding Plans (attached) with the objective of maintaining replacement reserve balances at or above established thresholds totaling \$7,940,000, while meeting its obligations to repair and/or replace major components; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

**THIRD LAGUNA HILLS MUTUAL
2017 BUSINESS PLAN SUMMARY**

DESCRIPTION	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 PLAN	2017 PLAN	Per Manor Per Month		Increase/ (Decrease)
						2016 ASSESSMENT	2017	
REVENUES:								
Non-assessment Revenues:								
Fees and Charges to Residents	\$604,172	\$527,418	\$501,914	\$600,094	\$524,406	\$8.20	\$7.16	\$1.04
Miscellaneous	485,648	698,800	663,769	466,684	477,879	6.37	6.53	(0.16)
Total Revenues	\$1,089,821	\$1,226,218	\$1,165,683	\$1,066,778	\$1,002,285	\$14.57	\$13.69	(\$0.88)
EXPENSES:								
Employee Compensation	\$8,462,272	\$8,527,964	\$8,323,161	\$6,276,566	\$6,365,373	\$85.72	\$86.93	\$1.21
Expenses Related to Compensation	3,366,654	3,709,418	3,721,558	2,826,256	2,749,042	38.60	37.54	(1.06)
Material and Supplies	1,205,790	1,047,629	1,259,373	669,075	766,942	9.14	10.47	1.33
Electricity	501,959	485,681	478,787	518,487	357,695	7.08	4.88	(2.20)
Sewer	1,354,284	1,453,222	1,522,237	1,611,000	1,663,800	22.00	22.72	0.72
Water	2,565,069	2,630,174	2,335,660	2,776,300	2,532,300	37.92	34.58	(3.34)
Trash	496,462	513,470	488,455	502,920	450,033	6.87	6.15	(0.72)
Legal Fees	320,645	296,818	114,242	200,000	150,000	2.73	2.05	(0.68)
Professional Fees	127,240	122,117	93,175	103,896	140,247	1.42	1.92	0.50
Management Fee	146,814	147,912	147,192	152,306	0	2.08	0.00	(2.08)
Equipment Rental	10,773	11,865	17,504	7,457	8,953	0.10	0.12	0.02
Outside Services	1,349,128	1,461,117	1,142,703	1,296,295	1,404,478	17.70	19.18	1.48
Repairs and Maintenance	6,605	7,721	70,622	4,533	4,032	0.06	0.06	(0.00)
Other Operating Expense	138,394	132,742	131,704	124,435	114,607	1.70	1.57	(0.13)
Insurance	352,441	368,956	456,355	457,657	470,844	6.25	6.43	0.18
Property Insurance	679,829	602,842	681,034	754,725	767,345	10.31	10.48	0.17
Uncollectible Accounts	108,342	229,565	141,735	152,748	148,600	2.09	2.03	(0.06)
Allocated Expenses	1,317,709	1,096,543	1,153,924	946,841	866,561	12.93	11.83	(1.10)
Total Expenses	\$22,510,409	\$22,845,756	\$22,279,422	\$19,381,497	\$18,960,851	\$264.69	\$258.94	(\$5.75)
RESERVE CONTRIBUTIONS:								
Replacement Fund	\$3,775,824	\$4,133,574	\$5,125,680	\$9,885,240	\$9,885,240	\$135.00	\$135.00	\$0.00
Elevator Replacement Fund	244,367	322,685	292,896	366,120	\$366,120	5.00	5.00	0.00
Disaster Fund	1,757,379	1,757,376	2,050,272	2,196,720	\$2,196,720	30.00	30.00	0.00
Unappropriated Exp. Fund	219,672	219,672	439,344	439,344	\$805,464	6.00	11.00	5.00
Total Reserve Contributions	\$5,997,242	\$6,433,307	\$7,908,192	\$12,887,424	\$13,253,544	\$176.00	\$181.00	\$5.00
TOTAL MUTUAL	\$27,417,831	\$28,052,845	\$29,021,931	\$31,202,143	\$31,212,111	\$426.12	\$426.25	\$0.13
GOLDEN RAIN FOUNDATION								
GRF OPERATING	\$13,063,876	\$13,977,100	\$13,404,429	\$12,690,372	\$12,420,562	\$173.30	\$169.61	(\$3.69)
GRF RESERVE CONTRIBUTIONS	2,196,720	2,416,392	2,416,392	1,537,704	1,757,376	21.00	24.00	\$3.00
Total GRF	\$15,260,596	\$16,393,492	\$15,820,821	\$14,228,076	\$14,177,938	\$194.30	\$193.61	(\$0.69)
TOTAL BASIC ASSESSMENTS	\$42,678,427	\$44,446,337	\$44,842,752	\$45,430,219	\$45,390,049	\$620.43	\$619.86	(\$0.57)
SURCHARGES (unique to units with common laundry facilities, elevators, and/or Garden Villa Rec Rooms)								
Laundry Revenue	(\$121,230)	(\$113,555)	(\$108,614)	(\$110,000)	(\$108,000)	(\$2.65)	(\$2.61)	\$0.05
Laundry Operating	255,674	251,727	269,621	262,181	235,228	6.33	5.68	(0.65)
Elevator Operating	261,209	282,191	301,843	328,076	324,365	14.81	14.64	(0.17)
Laundry Replacement Fund	183,283	186,560	124,344	124,344	82,896	3.00	2.00	(1.00)
Garden Villa Rec Room Fund	59,616	59,615	74,520	74,520	59,616	5.00	4.00	(1.00)
	\$638,553	\$666,538	\$661,714	\$679,121	\$594,105			
TOTAL BUSINESS PLAN	\$43,316,979	\$45,112,875	\$45,504,466	\$46,109,340	\$45,984,154			

**THIRD LAGUNA HILLS MUTUAL
2017 BUSINESS PLAN
MONTHLY ASSESSMENTS BY MANOR TYPE**

MANOR TYPE	2016	2017	Increase/ (Decrease)
SINGLE FAMILY DETACHED HOMES			
BASIC ASSESSMENT	\$620.42	\$619.86	(\$0.56)
TOTAL ASSESSMENT	\$620.42	\$619.86	(\$0.56)
CONVENTIONAL MANORS			
BASIC ASSESSMENT	\$620.42	\$619.86	(\$0.56)
TOTAL ASSESSMENT	\$620.42	\$619.86	(\$0.56)
CONVENTIONAL W/COMMON LAUNDRIES			
BASIC ASSESSMENT	\$620.42	\$619.86	(\$0.56)
SURCHARGES:			
Laundry Operating Expenses (Net of Income)	3.67	3.07	(\$0.60)
Laundry Replacement Fund	3.00	2.00	(\$1.00)
TOTAL SURCHARGES	6.67	5.07	(\$1.60)
TOTAL ASSESSMENT	\$627.09	\$624.93	(\$2.16)
8 UNIT BUILDINGS (2294, 2295)			
BASIC ASSESSMENT	\$620.42	\$619.86	(\$0.56)
SURCHARGES:			
Laundry Operating Expenses (Net of Income)	3.67	3.07	(\$0.60)
Laundry Replacement Fund	3.00	2.00	(\$1.00)
Elevator Operating	14.81	14.64	(\$0.17)
TOTAL SURCHARGES	21.48	19.71	(\$1.77)
TOTAL ASSESSMENT	\$641.90	\$639.57	(\$2.33)
21 UNIT BUILDINGS			
BASIC ASSESSMENT	\$620.42	\$619.86	(\$0.56)
SURCHARGES:			
Laundry Operating Expenses (Net of Income)	3.67	3.07	(\$0.60)
Laundry Replacement Fund	3.00	2.00	(\$1.00)
Elevator Operating	14.81	14.64	(\$0.17)
TOTAL SURCHARGES	21.48	19.71	(\$1.77)
TOTAL ASSESSMENT	\$641.90	\$639.57	(\$2.33)
22 UNIT BUILDINGS			
BASIC ASSESSMENT	\$620.42	\$619.86	(\$0.56)
SURCHARGES:			
Laundry Operating Expenses (Net of Income)	3.67	3.07	(\$0.60)
Laundry Replacement Fund	3.00	2.00	(\$1.00)
Elevator Operating	14.81	14.64	(\$0.17)
Garden Villa Rec Room Fund	5.00	4.00	(\$1.00)
TOTAL SURCHARGES	26.48	23.71	(\$2.77)
TOTAL ASSESSMENT	\$646.90	\$643.57	(\$3.33)
24 UNIT BUILDINGS			
BASIC ASSESSMENT	\$620.42	\$619.86	(\$0.56)
SURCHARGES:			
Laundry Operating Expenses (Net of Income)	3.67	3.07	(\$0.60)
Laundry Replacement Fund	3.00	2.00	(\$1.00)
Elevator Operating	14.81	14.64	(\$0.17)
Garden Villa Rec Room Fund	5.00	4.00	(\$1.00)
TOTAL SURCHARGES	26.48	23.71	(\$2.77)
TOTAL ASSESSMENT	\$646.90	\$643.57	(\$3.33)

**THIRD LAGUNA HILLS MUTUAL
2017 BUSINESS PLAN
Maintenance Operating Expenditures by Program**

DESCRIPTION	2013 ACTUALS	2014 ACTUALS	2015 ACTUALS	2016 BUDGET	2017 BUDGET	Increase/(Decrease)	
						\$	%
JANITORIAL SERVICE	\$596,509	\$604,941	\$657,065	\$658,514	\$661,499	\$2,985	0%
PLUMBING SERVICE	457,827	534,921	540,721	551,137	548,982	(2,155)	(0%)
BUILDING REHAB/DRY ROT	143,389	153,638	114,569	152,707	459,647	306,940	201%
CARPENTRY SERVICE	390,496	349,847	359,579	371,902	383,536	11,634	3%
ROOF REPAIRS	406,864	396,813	338,275	347,970	351,200	3,230	1%
PEST CONTROL FOR TERMITES	239,744	291,438	212,391	252,945	300,696	47,751	19%
CONCRETE REPAIR/REPLACEMENT	253,767	247,072	256,288	289,760	287,353	(2,407)	(1%)
BALCONY/BREEZEWAY RESURFACING	317,570	318,936	575,227	307,996	273,728	(34,268)	(11%)
PAINT- EXTERIOR TOUCHUP	156,151	117,400	82,820	127,036	146,884	19,848	16%
PAVING MAINTENANCE & REPAIRS	83,746	165,004	149,686	124,568	144,413	19,845	16%
GUTTER CLEANING	121,148	125,396	128,022	143,922	141,287	(2,635)	(2%)
ELECTRICAL SERVICE	100,959	99,069	106,550	110,187	118,856	8,669	8%
MISCELLANEOUS REPAIRS BY OUTSIDE SERVICE	47,523	61,071	50,784	54,875	112,305	57,430	105%
APPLIANCE REPAIRS	71,716	69,294	89,256	82,191	103,797	21,606	26%
FIRE PROTECTION	83,266	133,385	75,051	100,320	97,238	(3,082)	(3%)
WELDING	59,485	91,352	54,548	74,411	68,812	(5,599)	(8%)
GV MAILROOM RENOVATIONS	15,580	18,060	10,036	20,468	28,392	7,924	39%
PAINT- INTERIOR TOUCHUP	14,982	13,205	20,240	15,117	21,705	6,588	44%
TRAFFIC CONTROL	18,403	17,810	17,830	16,494	21,574	5,080	31%
STAIR TREAD REPLACEMENTS	24,131	13,912	266	18,256	17,248	(1,008)	(6%)
CURB CUTS	0	18,342	0	0	10,000	10,000	100%
PAINT PROGRAM	1,613,509	1,587,385	1,553,188	0	0	0	0%
REPAIRS PRIOR-TO-PAINT	1,090,196	953,127	988,080	0	0	0	0%
TOTAL MAINTENANCE	\$6,306,960	\$6,381,419	\$6,380,471	\$3,820,776	\$4,299,152	\$478,376	13%

**THIRD LAGUNA HILLS MUTUAL
2017 BUSINESS PLAN
Landscape Expenditures by Program**

DESCRIPTION	2013 ACTUALS	2014 ACTUALS	2015 ACTUALS	2016 BUDGET	2017 BUDGET	Increase/(Decrease)	
						\$	%
<u>EXPENDITURES</u>							
LAWN MAINTENANCE	\$1,395,070	\$1,349,389	\$1,205,299	\$1,299,396	\$1,288,456	(\$10,940)	(1%)
SHRUB-BED MAINTENANCE	2,331,181	2,363,533	2,199,557	2,327,028	2,287,691	(39,337)	(2%)
SLOPE MAINTENANCE	303,424	318,868	314,442	337,634	332,474	(5,160)	(2%)
TREE MAINTENANCE	851,811	812,236	733,911	0	0	0	0%
RESIDENT CHARGEABLE SERVICES	0	0	0	0	0	0	0%
PEST CONTROL	71,338	90,798	74,089	136,014	135,947	(67)	(0%)
CARPORT CLEANING	14,782	15,311	12,856	11,543	0	(11,543)	(100%)
GARDEN VILLA MAINTENANCE	123,550	130,874	67,656	141,642	138,887	(2,755)	(2%)
MISCELLANEOUS TASKS	141,164	172,479	146,175	137,338	135,284	(2,054)	(1%)
SUPPORT	309,657	284,460	524,295	376,756	387,159	10,403	3%
RESERVES EXPENDITURES	311,613	356,232	(3,164)	78,666	1,101,747	1,023,081	1301%
TOTAL EXPENDITURES	\$5,853,591	\$5,894,180	\$5,275,116	\$4,846,017	\$5,807,645	\$961,628	20%

THIRD LAGUNA HILLS MUTUAL 2017 RESERVES PLAN

The following schedules comprise the Reserves Plan for Third Laguna Hills Mutual (Mutual). Reserves provide the funding necessary to maintain, repair, replace or restore major components of the association. A reserve study is the plan by which the Mutual anticipates these costs and prepares for inevitable future expenses. Ideally, all such expenditures will be covered by those funds set aside each year in segregated accounts as reserves (or funds). The Reserves Plan includes:

Explanation of Reserve Funds
Projected Reserve Balances
2017 Reserve Expenditures by Program
Replacement Reserve 30-Year Funding Plans
Replacement Reserve Planned Expenditures
Reserve Component Schedule

The Reserves Component Schedule identifies total estimated replacement costs of just over \$294 million. Using estimates of useful lives and remaining life expectancies, a calculation similar to straight-line depreciation over the life of each asset was used to determine that the Replacement Reserves would require a balance over \$78 million as of December 31, 2017 to be fully funded. Projected reserve balances are estimated to be well over \$12 million, or 16 percent funded.

To adequately plan for future expenditures, the Mutual has adopted via resolution 30-Year Funding Plans that project contributions to and disbursements from the reserve funds over the next 30 years, without falling below a desired threshold balance, currently set at \$7.94 million.

Each of the reserves receives monies through assessments and through interest earned on invested fund balances. In 2017, the basic monthly assessment for Mutual replacement reserves is set at \$181 per manor per month. Additionally, a surcharge of \$2 per manor per month exists for the Laundry Replacement Fund.

THIRD LAGUNA HILLS MUTUAL 2017 RESERVES PLAN Explanation of Funds

REPLACEMENT RESERVE FUND

The Replacement Fund was established in the 2004 Business Plan for unreserved infrastructure items. Beginning with the 2005 Business Plan, the Roof Replacement, Asphalt Replacement, and Replacement Funds were consolidated into one fund. The purpose of this fund is to provide for the repair, replacement or restoration of structural components and mechanical equipment within the Mutual including, but not limited to, building structures, plumbing, roofs, paving, and walls.

ELEVATOR REPLACEMENT RESERVE FUND

This fund was established in the 1978 Business Plan. Prior to 1998, only manors located within buildings containing common elevators contributed to this fund. The Third Board adopted Resolution M3-97-10, which changed this from a surcharge to a shared cost for all members of the Mutual effective January 1, 1998. The purpose of this fund is to provide for repair, replacement or restoration of elevator components including, but not limited to, cab doors, buttons and refurbishment, controllers, hoistway doors, hydraulic cylinders, and pit water proofing.

DISASTER FUND

This was one of the first funds established for the individual mutual corporations to reserve for contingencies and uninsured damages. The purpose of this fund is to provide for emergency expenditures or catastrophic damages not covered by insurance, including insurance policy deductible amounts. Also, possibly for write-offs of uncollectible accounts according to original definition of the General Operating Fund. In the 2009 Business Plan, this fund was renamed from the General Operating Fund to the Disaster Fund to better convey the purpose of the reserve.

UNAPPROPRIATED EXPENDITURES FUND

In 1977, Resolution No. 696 established the Supplemental Appropriations Fund. The fund name was changed to the Unappropriated Expenditures Fund in 1991. This contingency fund is used for significant expenditures not otherwise identified in the Business Plan.

LAUNDRY REPLACEMENT RESERVE FUND

Surcharge Fund: Only manors originally built with common area laundry facilities contribute to this fund.

The Laundry Replacement Fund was one of the first funds established by the Mutual. Only manors originally built to be served by Mutual-owned laundry facilities contribute to this fund. The purpose of this fund is to provide for repair, replacement or restoration of equipment in common laundry facilities including, but not limited to, washers, dryers, water heaters and plumbing fixtures.

GARDEN VILLA RECREATION ROOM FUND

Surcharge Fund: Only manors located within the 53 Garden Villa buildings contribute to this fund.

The Replacement Reserve-Villa Furnishings Fund was established in 1975 for the replacement of furnishings in the Villa buildings. Several policy changes were made through the years regarding the fund's name and usage. On September 19, 1995, the Board of Directors adopted Resolution M3-95-82 approving a fund name of Garden Villa Recreation Room Fund. Since then, this fund has been a preventive maintenance fund and is not included in the replacement reserve requirement. The purpose of this fund is to provide for all expenditures in the recreation rooms of Garden Villa buildings (repairs, replacements and preventive maintenance), other than janitorial services. On June 16, 2009 the Board directed that water heater and heat pump components previously paid from this fund will be paid from the Replacement Fund.

**THIRD LAGUNA HILLS MUTUAL
2017 RESERVES PLAN
Projected Fund Balances**

<i>Fund</i>	<i>Year</i>	<i>Beginning Balance</i>	<i>Interest</i>	<i>Contributions</i>	<i>Assessment PMPM</i>	<i>Planned Expenditures</i>	<i>ENDING BALANCE</i>
REPLACEMENT RESERVE FUND	2016	\$ 7,711,336	\$ 120,703	\$ 9,885,240	\$ 135.00	\$ (8,064,664)	\$ 9,652,615
	2017	\$ 9,652,615	\$ 140,137	\$ 9,885,240	\$ 135.00	\$ (9,170,909)	\$ 10,507,083
	2018	\$ 10,507,083	\$ 205,979	\$ 9,885,240	\$ 135.00	\$ (7,358,908)	\$ 13,239,395
	2019	\$ 13,239,395	\$ 230,338	\$ 9,885,240	\$ 135.00	\$ (10,039,684)	\$ 13,315,289
	2020	\$ 13,315,289	\$ 232,054	\$ 9,885,240	\$ 135.00	\$ (9,995,407)	\$ 13,437,175
ELEVATOR REPLACEMENT RESERVE FUND	2016	\$ 1,461,867	\$ 20,871	\$ 366,120	\$ 5.00	\$ (308,300)	\$ 1,540,558
	2017	\$ 1,540,558	\$ 21,894	\$ 366,120	\$ 5.00	\$ (319,566)	\$ 1,609,006
	2018	\$ 1,609,006	\$ 29,111	\$ 439,344	\$ 6.00	\$ (330,386)	\$ 1,747,076
	2019	\$ 1,747,076	\$ 31,772	\$ 512,568	\$ 7.00	\$ (375,630)	\$ 1,915,786
	2020	\$ 1,915,786	\$ 34,974	\$ 512,568	\$ 7.00	\$ (347,112)	\$ 2,116,216
DISASTER FUND	2016	\$ 6,493,635	\$ 97,694	\$ 2,196,720	\$ 30.00	\$ (1,227,670)	\$ 7,560,379
	2017	\$ 7,560,379	\$ 110,419	\$ 2,196,720	\$ 30.00	\$ (1,543,360)	\$ 8,324,158
	2018	\$ 8,324,158	\$ 120,841	\$ 2,196,720	\$ 30.00	\$ (1,582,000)	\$ 9,059,719
	2019	\$ 9,059,719	\$ 130,859	\$ 2,196,720	\$ 30.00	\$ (1,622,000)	\$ 9,765,298
	2020	\$ 9,765,298	\$ 140,450	\$ 2,196,720	\$ 30.00	\$ (1,663,000)	\$ 10,439,468
UNAPPROPRIATED EXPENDITURES FUND	2016	\$ 1,866,729	\$ 24,590	\$ 2,773,353	\$ 6.00	\$ (2,994,000)	\$ 1,670,672
	2017	\$ 1,670,672	\$ 28,258	\$ 805,464	\$ 11.00	\$ (110,000)	\$ 2,394,394
	2018	\$ 2,394,394	\$ 35,806	\$ 439,344	\$ 6.00	\$ (113,000)	\$ 2,756,544
	2019	\$ 2,756,544	\$ 40,855	\$ 439,344	\$ 6.00	\$ (116,000)	\$ 3,120,743
	2020	\$ 3,120,743	\$ 45,933	\$ 439,344	\$ 6.00	\$ (119,000)	\$ 3,487,020
<i>2016 contribution includes a \$2,334,009 transfer from operating surplus, per Resolution 03-16-86</i>							
TOTAL	2016	\$ 17,533,568	\$ 263,858	\$ 15,221,433	\$ 176.00	\$ (12,594,634)	\$ 20,424,225
	2017	\$ 20,424,225	\$ 300,708	\$ 13,253,544	\$ 181.00	\$ (11,143,835)	\$ 22,834,642
	2018	\$ 22,834,642	\$ 391,737	\$ 12,960,648	\$ 177.00	\$ (9,384,293)	\$ 26,802,733
	2019	\$ 26,802,733	\$ 433,824	\$ 13,033,872	\$ 178.00	\$ (12,153,313)	\$ 28,117,116
	2020	\$ 28,117,116	\$ 453,411	\$ 13,033,872	\$ 178.00	\$ (12,124,519)	\$ 29,479,880
<u>SURCHARGE:</u>							
LAUNDRY REPLACEMENT RESERVE FUND	2016	\$ 682,717	\$ 9,418	\$ 124,344	\$ 3.00	\$ (144,376)	\$ 672,103
	2017	\$ 672,103	\$ 9,384	\$ 82,896	\$ 2.00	\$ (86,491)	\$ 677,892
	2018	\$ 677,892	\$ 12,069	\$ 165,792	\$ 4.00	\$ (142,306)	\$ 713,448
	2019	\$ 713,448	\$ 12,660	\$ 165,792	\$ 4.00	\$ (145,863)	\$ 746,036
	2020	\$ 746,036	\$ 13,299	\$ 165,792	\$ 4.00	\$ (137,955)	\$ 787,172
<i>Note: Laundry Replacement Fund Surcharge applies only to manors originally built with common laundry facilities.</i>							
<u>SURCHARGE:</u>							
GARDEN VILLA REC ROOM FUND	2016	\$ 105,761	\$ 1,465	\$ 74,520	\$ 5.00	\$ (76,746)	\$ 105,000
	2017	\$ 105,000	\$ 1,397	\$ 59,616	\$ 4.00	\$ (70,061)	\$ 95,952
	2018	\$ 95,952	\$ 1,362	\$ 74,520	\$ 5.00	\$ (71,800)	\$ 100,034
	2019	\$ 100,034	\$ 1,407	\$ 74,520	\$ 5.00	\$ (73,600)	\$ 102,361
	2020	\$ 102,361	\$ 1,427	\$ 74,520	\$ 5.00	\$ (75,400)	\$ 102,908
<i>Note: Garden Villa Rec Room Fund surcharge applies only to manors within Garden Villa buildings.</i>							

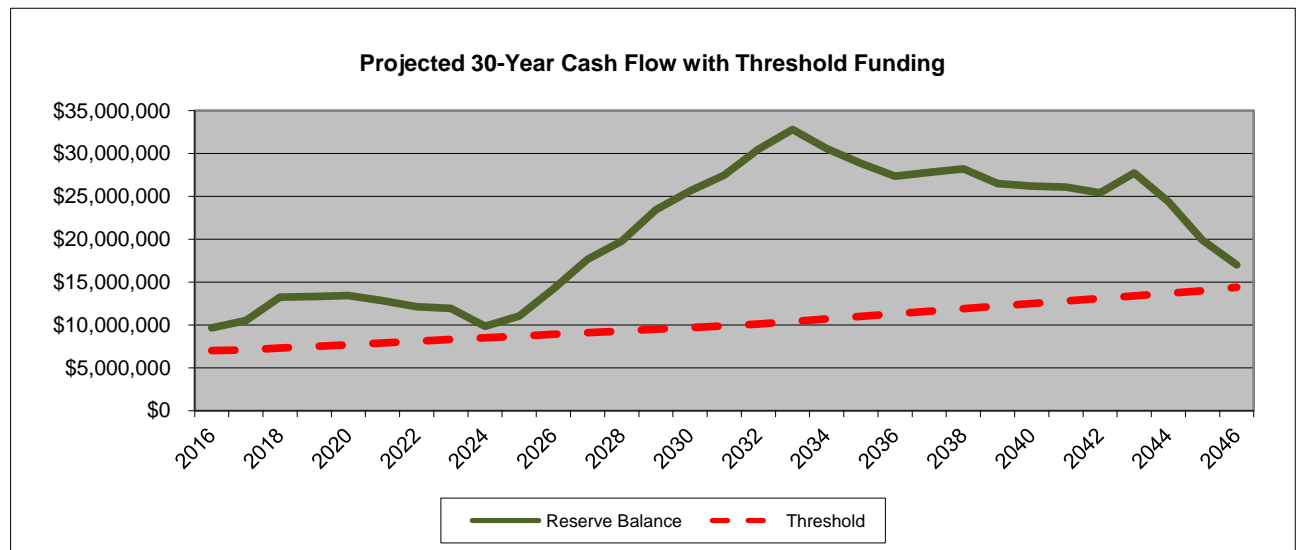
**THIRD LAGUNA HILLS MUTUAL
2017 RESERVES PLAN
Reserve Expenditures by Program**

DESCRIPTION	2013 ACTUALS	2014 ACTUALS	2015 ACTUALS	2016 BUDGET	2017 BUDGET	Increase/(Decrease)	
						\$	%
ALARM SYSTEMS	\$556,037	\$482,451	\$7,880	\$50,000	\$0	(\$50,000)	(100%)
BUILDING NUMBERS	0	0	0	33,970	100,000	66,030	194%
BUILDING STRUCTURES	655,701	488,527	267,063	299,151	260,695	(38,456)	(13%)
BUILDING STRUCTURES - DRY ROT	1,085,875	1,034,802	757,225	1,701,033	2,003,978	302,945	18%
ELECTRICAL SYSTEMS	139,670	131,741	22,148	119,898	119,896	(2)	(0%)
ENERGY SYSTEMS	0	0	0	540,000	50,000	(490,000)	(91%)
EXTERIOR LIGHTING	0	0	34,147	10,000	250,000	240,000	2400%
FENCING	39,825	60,558	67,073	63,477	101,905	38,428	61%
FOUNDATIONS	0	0	33,512	70,250	75,000	4,750	7%
GUTTERS	108,059	156,409	79,831	86,881	78,852	(8,029)	(9%)
GARDEN VILLA CARPET/WALLPAPER	47,125	34,980	7,978	46,740	86,820	40,080	86%
GARDEN VILLA REC ROOM HEAT PUMP/WATER HEATER	937	2,882	489	6,927	6,675	(252)	(4%)
MAILBOXES	20,209	31,346	11,104	12,598	11,590	(1,008)	(8%)
MUTUAL REVITALIZATION	(3,069)	0	79,461	0	0	0	0%
PAINT PROGRAM - EXTERIOR	0	0	0	1,508,438	1,502,944	(5,494)	(0%)
PRIOR TO PAINT	0	0	0	965,485	930,824	(34,661)	(4%)
PAVING	11,477	193,826	68,128	344,117	296,694	(47,423)	(14%)
ROOFS	1,727,032	1,904,274	1,154,649	1,471,940	1,193,289	(278,651)	(19%)
TREE MAINTENANCE	0	0	0	78,666	1,101,747	1,023,081	1301%
WALLS	34,872	33,532	4,863	140,368	50,000	(90,368)	(64%)
WASTE LINE REMEDIATION	252,505	363,702	507,671	488,000	750,000	262,000	54%
WATER LINES - COPPER PIPE REMEDIATION	1,461,482	826,954	59,764	125,091	200,000	74,909	60%
ELEVATORS	7,950	271,695	295,105	308,300	319,566	11,266	4%
LAUNDRY COUNTERTOP/FLOOR REPLACEMENT	9,181	21,126	12,675	29,792	29,972	180	1%
LAUNDRY APPLIANCES	62,621	26,780	41,461	114,584	56,519	(58,065)	(51%)
OTHER SUPPL. APPROPRIATIONS	0	0	0	0	0	0	0%
TOTAL REPLACEMENT FUNDS	\$6,217,486	\$6,065,584	\$3,512,227	\$8,615,706	\$9,576,966	\$961,260	11%
GARDEN VILLA RECREATION ROOMS	\$44,690	\$53,743	\$46,517	\$76,746	\$70,061	(\$6,685)	(9%)
TOTAL GARDEN VILLA RECREATION ROOM FUND	\$44,690	\$53,743	\$46,517	\$76,746	\$70,061	(\$6,685)	(9%)

THIRD LAGUNA HILLS MUTUAL 2017 RESERVES PLAN Replacement Reserve 30-Year Funding Plan

Threshold (Min Balance): **\$ 7,100,000**
Indexed for projected inflation

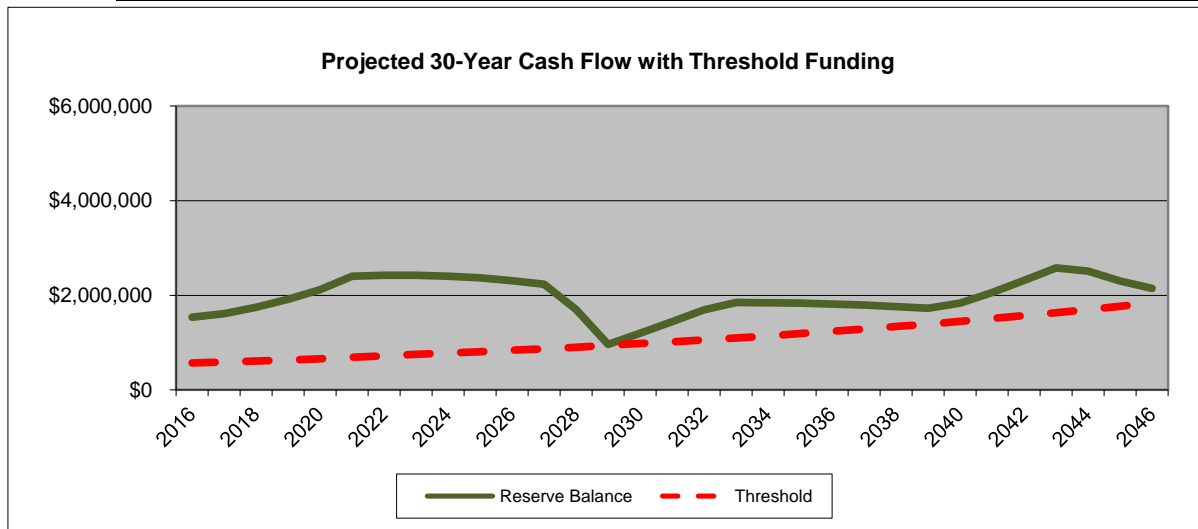
Year	Assessment		Interest Earnings	Other Additions	Planned Expenditures	Reserve Balance
	Per Manor Per Month	Total Contribution				
2016	\$ 135.00	\$ 9,885,240	\$ 120,703		\$ 8,064,664	\$ 9,652,615
2017	\$ 135.00	\$ 9,885,240	\$ 140,137		\$ 9,170,909	\$ 10,507,083
2018	\$ 135.00	\$ 9,885,240	\$ 205,979		\$ 7,358,908	\$ 13,239,395
2019	\$ 135.00	\$ 9,885,240	\$ 230,338		\$ 10,039,684	\$ 13,315,289
2020	\$ 135.00	\$ 9,885,240	\$ 232,054		\$ 9,995,407	\$ 13,437,175
2021	\$ 135.00	\$ 9,885,240	\$ 227,761		\$ 10,729,802	\$ 12,820,374
2022	\$ 130.00	\$ 9,519,120	\$ 216,485		\$ 10,418,756	\$ 12,137,224
2023	\$ 130.00	\$ 9,519,120	\$ 208,873		\$ 9,922,396	\$ 11,942,821
2024	\$ 130.00	\$ 9,519,120	\$ 188,905		\$ 11,815,634	\$ 9,835,212
2025	\$ 130.00	\$ 9,519,120	\$ 181,135		\$ 8,488,351	\$ 11,047,116
2026	\$ 130.00	\$ 9,519,120	\$ 219,130		\$ 6,569,937	\$ 14,215,428
2027	\$ 130.00	\$ 9,519,120	\$ 276,299		\$ 6,372,971	\$ 17,637,876
2028	\$ 130.00	\$ 9,519,120	\$ 324,649		\$ 7,692,149	\$ 19,789,496
2029	\$ 130.00	\$ 9,519,120	\$ 374,885		\$ 6,254,122	\$ 23,429,380
2030	\$ 130.00	\$ 9,519,120	\$ 425,647		\$ 7,732,494	\$ 25,641,653
2031	\$ 130.00	\$ 9,519,120	\$ 460,836		\$ 8,135,400	\$ 27,486,209
2032	\$ 130.00	\$ 9,519,120	\$ 502,944		\$ 7,012,254	\$ 30,496,019
2033	\$ 130.00	\$ 9,519,120	\$ 548,991		\$ 7,769,313	\$ 32,794,817
2034	\$ 130.00	\$ 9,519,120	\$ 549,529		\$ 12,305,459	\$ 30,558,007
2035	\$ 130.00	\$ 9,519,120	\$ 515,447		\$ 11,726,894	\$ 28,865,681
2036	\$ 130.00	\$ 9,519,120	\$ 487,839		\$ 11,497,405	\$ 27,375,234
2037	\$ 130.00	\$ 9,519,120	\$ 478,585		\$ 9,574,207	\$ 27,798,732
2038	\$ 130.00	\$ 9,519,120	\$ 485,987		\$ 9,575,181	\$ 28,228,658
2039	\$ 130.00	\$ 9,519,120	\$ 474,734		\$ 11,721,167	\$ 26,501,345
2040	\$ 130.00	\$ 9,519,120	\$ 457,008		\$ 10,292,373	\$ 26,185,100
2041	\$ 140.00	\$ 10,251,360	\$ 453,305		\$ 10,815,261	\$ 26,074,504
2042	\$ 150.00	\$ 10,983,600	\$ 446,621		\$ 12,090,190	\$ 25,414,535
2043	\$ 160.00	\$ 11,715,840	\$ 461,022		\$ 9,856,631	\$ 27,734,766
2044	\$ 165.00	\$ 12,081,960	\$ 452,103		\$ 15,882,605	\$ 24,386,224
2045	\$ 165.00	\$ 12,081,960	\$ 384,083		\$ 16,959,249	\$ 19,893,018
2046	\$ 165.00	\$ 12,081,960	\$ 320,105		\$ 15,284,573	\$ 17,010,511



**THIRD LAGUNA HILLS MUTUAL
2017 RESERVES PLAN
Elevator Reserve 30-Year Funding Plan**

Threshold (Min Balance): \$ 590,000
Indexed for projected inflation

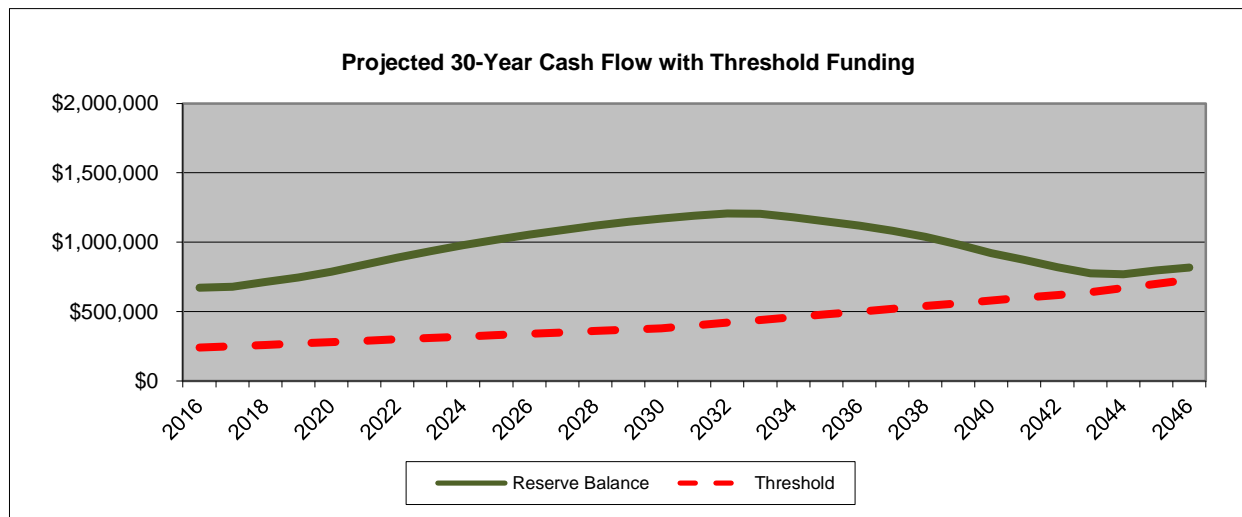
<u>Year</u>	Assessment		<i>Interest Earnings</i>	<i>Planned Expenditures</i>	<i>Reserve Balance</i>
	<i>Per Manor Per Month</i>	<i>Total Contribution</i>			
2016	\$ 5.00	\$ 366,120	\$ 20,871	\$ 308,300	\$ 1,540,558
2017	\$ 5.00	\$ 366,120	\$ 21,894	\$ 319,566	\$ 1,609,006
2018	\$ 6.00	\$ 439,344	\$ 29,111	\$ 330,386	\$ 1,747,076
2019	\$ 7.00	\$ 512,568	\$ 31,772	\$ 375,630	\$ 1,915,786
2020	\$ 7.00	\$ 512,568	\$ 34,974	\$ 347,112	\$ 2,116,216
2021	\$ 8.00	\$ 585,792	\$ 39,224	\$ 335,455	\$ 2,405,777
2022	\$ 9.00	\$ 659,016	\$ 41,881	\$ 684,219	\$ 2,422,455
2023	\$ 9.00	\$ 659,016	\$ 42,023	\$ 701,325	\$ 2,422,169
2024	\$ 9.00	\$ 659,016	\$ 41,864	\$ 718,858	\$ 2,404,192
2025	\$ 9.00	\$ 659,016	\$ 41,392	\$ 736,829	\$ 2,367,770
2026	\$ 9.00	\$ 659,016	\$ 40,594	\$ 755,250	\$ 2,312,131
2027	\$ 9.00	\$ 659,016	\$ 39,455	\$ 774,131	\$ 2,236,470
2028	\$ 3.00	\$ 219,672	\$ 34,117	\$ 793,484	\$ 1,696,775
2029	\$ 3.00	\$ 219,672	\$ 23,076	\$ 975,986	\$ 963,537
2030	\$ 3.00	\$ 219,672	\$ 18,784	\$ -	\$ 1,201,993
2031	\$ 3.00	\$ 219,672	\$ 22,957	\$ -	\$ 1,444,622
2032	\$ 3.00	\$ 219,672	\$ 27,203	\$ -	\$ 1,691,497
2033	\$ 3.00	\$ 219,672	\$ 30,709	\$ 93,077	\$ 1,848,801
2034	\$ 3.00	\$ 219,672	\$ 32,007	\$ 259,324	\$ 1,841,156
2035	\$ 3.00	\$ 219,672	\$ 31,862	\$ 260,622	\$ 1,832,068
2036	\$ 3.00	\$ 219,672	\$ 31,646	\$ 267,137	\$ 1,816,249
2037	\$ 3.00	\$ 219,672	\$ 31,311	\$ 273,816	\$ 1,793,417
2038	\$ 3.00	\$ 219,672	\$ 30,851	\$ 280,661	\$ 1,763,279
2039	\$ 3.00	\$ 219,672	\$ 30,262	\$ 287,677	\$ 1,725,536
2040	\$ 3.00	\$ 219,672	\$ 30,894	\$ 139,974	\$ 1,836,128
2041	\$ 3.00	\$ 219,672	\$ 33,791	\$ 30,067	\$ 2,059,524
2042	\$ 3.00	\$ 219,672	\$ 37,964	\$ -	\$ 2,317,160
2043	\$ 3.00	\$ 219,672	\$ 42,472	\$ -	\$ 2,579,304
2044	\$ 3.00	\$ 219,672	\$ 44,135	\$ 334,279	\$ 2,508,831
2045	\$ 3.00	\$ 219,672	\$ 41,702	\$ 471,404	\$ 2,298,802
2046	\$ 3.00	\$ 219,672	\$ 38,587	\$ 407,364	\$ 2,149,696



**THIRD LAGUNA HILLS MUTUAL
2017 RESERVES PLAN
Laundry Reserve 30-Year Funding Plan**

Threshold (Min Balance): \$ **250,000**
Indexed for projected inflation

Year	Assessment		Interest Earnings	Planned Expenditures	Reserve Balance
	Per Manor Per Month	Total Contribution			
2016	\$ 3.00	\$ 124,344	\$ 9,418	\$ 144,376	\$ 672,103
2017	\$ 2.00	\$ 82,896	\$ 9,384	\$ 86,491	\$ 677,892
2018	\$ 4.00	\$ 165,792	\$ 12,069	\$ 142,306	\$ 713,448
2019	\$ 4.00	\$ 165,792	\$ 12,660	\$ 145,863	\$ 746,036
2020	\$ 4.00	\$ 165,792	\$ 13,299	\$ 137,955	\$ 787,172
2021	\$ 4.00	\$ 165,792	\$ 14,105	\$ 128,144	\$ 838,925
2022	\$ 4.00	\$ 165,792	\$ 14,986	\$ 131,011	\$ 888,692
2023	\$ 4.00	\$ 165,792	\$ 15,819	\$ 135,307	\$ 934,996
2024	\$ 4.00	\$ 165,792	\$ 16,590	\$ 139,797	\$ 977,581
2025	\$ 4.00	\$ 165,792	\$ 17,305	\$ 143,292	\$ 1,017,386
2026	\$ 4.00	\$ 165,792	\$ 17,970	\$ 146,875	\$ 1,054,273
2027	\$ 4.00	\$ 165,792	\$ 18,583	\$ 150,546	\$ 1,088,102
2028	\$ 4.00	\$ 165,792	\$ 19,142	\$ 154,310	\$ 1,118,726
2029	\$ 4.00	\$ 165,792	\$ 19,644	\$ 158,168	\$ 1,145,994
2030	\$ 4.00	\$ 165,792	\$ 20,087	\$ 162,122	\$ 1,169,751
2031	\$ 4.00	\$ 165,792	\$ 20,467	\$ 166,175	\$ 1,189,835
2032	\$ 4.00	\$ 165,792	\$ 20,782	\$ 170,329	\$ 1,206,079
2033	\$ 4.00	\$ 165,792	\$ 20,910	\$ 188,279	\$ 1,204,502
2034	\$ 4.00	\$ 165,792	\$ 20,681	\$ 211,254	\$ 1,179,722
2035	\$ 4.00	\$ 165,792	\$ 20,201	\$ 216,535	\$ 1,149,180
2036	\$ 4.00	\$ 165,792	\$ 19,678	\$ 215,231	\$ 1,119,418
2037	\$ 4.00	\$ 165,792	\$ 19,106	\$ 221,099	\$ 1,083,217
2038	\$ 4.00	\$ 165,792	\$ 18,410	\$ 228,192	\$ 1,039,227
2039	\$ 4.00	\$ 165,792	\$ 17,546	\$ 239,014	\$ 983,551
2040	\$ 4.00	\$ 165,792	\$ 16,519	\$ 244,989	\$ 920,872
2041	\$ 4.00	\$ 165,792	\$ 15,559	\$ 229,385	\$ 872,838
2042	\$ 4.00	\$ 165,792	\$ 14,673	\$ 234,569	\$ 818,735
2043	\$ 4.00	\$ 165,792	\$ 13,839	\$ 221,716	\$ 776,650
2044	\$ 5.00	\$ 207,240	\$ 13,400	\$ 229,074	\$ 768,215
2045	\$ 6.00	\$ 248,688	\$ 13,565	\$ 234,801	\$ 795,667
2046	\$ 6.00	\$ 248,688	\$ 13,994	\$ 240,671	\$ 817,678



**THIRD LAGUNA HILLS MUTUAL
2017 RESERVES PLAN
Replacement Reserves Planned Expenditures**

NEW

<i>Program</i>	<i>Alarm Systems</i>	<i>Building Numbers</i>	<i>Building Structures</i>	<i>Building Structures - Dry Rot</i>	<i>Electrical Alternate Heat Source</i>	<i>Electrical Systems</i>	<i>Energy Systems</i>	<i>Exterior Lighting</i>	<i>Fencing Split Rail</i>	<i>Foundations</i>	<i>Gutter Replacement</i>
Life in Years	40	40	60	30-60	30	50	30	As Needed	20	60	30
Quantity	81	3,397	Various	Various	6,102	6,102	Various	0	70,000	1,405	81
Unit	ea	ea	Buildings	Buildings	ea	Manors	Components	\$0	Linear Feet	Buildings	Buildings
Unit Cost	\$35,000	\$100	Various	Various	\$306 - \$1,326	\$57	Per Study	\$0	\$15	\$10,000	\$10,000
Total Cost	\$2,835,000	\$339,700	\$14,656,450	\$46,758,500	\$8,723,652	\$345,007	\$2,120,000	\$540,000	\$1,019,050	\$14,050,000	\$810,000
									10%	0.50%	
2017	\$0	\$100,000	\$260,695	\$2,003,978	\$4,896	\$115,000	\$50,000	\$250,000	\$101,905	\$75,000	\$78,852
2018	\$51,250	\$34,819	\$205,000	\$2,054,077	\$5,018	\$51,250	\$0	\$10,250	\$104,453	\$72,006	\$140,818
2019	\$52,531	\$35,690	\$210,125	\$2,105,429	\$5,144	\$52,531	\$105,063	\$10,506	\$107,064	\$73,806	\$91,807
2020	\$53,845	\$36,582	\$215,378	\$2,158,065	\$5,272	\$53,845	\$107,689	\$10,769	\$109,741	\$75,652	\$83,333
2021	\$463,601	\$37,497	\$220,763	\$2,212,017	\$5,404	\$55,191	\$110,381	\$11,038	\$112,484	\$77,543	\$52,302
2022	\$475,191	\$38,434	\$226,282	\$1,133,659	\$5,539	\$56,570	\$113,141	\$11,314	\$115,296	\$79,481	\$110,180
2023	\$487,071	\$39,395	\$231,939	\$1,267,366	\$5,678	\$57,985	\$115,969	\$11,597	\$118,179	\$81,468	\$54,950
2024	\$0	\$40,380	\$237,737	\$1,299,051	\$5,820	\$59,434	\$0	\$11,887	\$121,133	\$83,505	\$56,323
2025	\$0	\$0	\$243,681	\$1,331,527	\$5,965	\$60,920	\$0	\$12,184	\$124,161	\$85,593	\$57,732
2026	\$0	\$0	\$249,773	\$1,364,815	\$6,114	\$62,443	\$0	\$12,489	\$127,265	\$87,733	\$59,175
2027	\$0	\$0	\$256,017	\$757,620	\$6,267	\$64,004	\$0	\$12,801	\$0	\$89,926	\$60,654
2028	\$0	\$0	\$262,417	\$776,561	\$6,424	\$65,604	\$0	\$13,121	\$0	\$92,174	\$62,171
2029	\$0	\$0	\$268,978	\$795,975	\$6,585	\$67,244	\$0	\$13,449	\$0	\$94,478	\$63,725
2030	\$0	\$0	\$275,702	\$690,626	\$6,749	\$68,926	\$0	\$13,785	\$0	\$96,840	\$65,318
2031	\$0	\$0	\$282,595	\$707,892	\$6,918	\$70,649	\$0	\$14,130	\$0	\$99,261	\$66,951
2032	\$0	\$0	\$289,660	\$362,795	\$7,091	\$72,415	\$0	\$14,483	\$0	\$101,743	\$68,625
2033	\$0	\$0	\$296,901	\$371,865	\$7,268	\$74,225	\$0	\$14,845	\$0	\$104,287	\$70,340
2034	\$0	\$0	\$304,324	\$381,161	\$7,450	\$76,081	\$0	\$15,216	\$0	\$106,894	\$72,099
2035	\$0	\$0	\$311,932	\$390,690	\$7,636	\$77,983	\$0	\$15,597	\$0	\$109,566	\$73,901
2036	\$0	\$0	\$319,730	\$400,457	\$7,827	\$79,933	\$0	\$15,987	\$0	\$112,305	\$75,749
2037	\$0	\$0	\$327,723	\$410,469	\$8,023	\$81,931	\$0	\$16,386	\$0	\$115,113	\$77,643
2038	\$0	\$0	\$335,916	\$420,731	\$8,223	\$83,979	\$0	\$16,796	\$0	\$117,991	\$79,584
2039	\$0	\$0	\$344,314	\$431,249	\$8,429	\$86,079	\$0	\$17,216	\$0	\$120,940	\$81,573
2040	\$0	\$0	\$352,922	\$442,030	\$8,640	\$88,231	\$0	\$17,646	\$0	\$123,964	\$83,613
2041	\$0	\$0	\$361,745	\$453,081	\$8,856	\$90,436	\$0	\$18,087	\$0	\$127,063	\$103,790
2042	\$0	\$0	\$370,789	\$464,408	\$9,077	\$92,697	\$0	\$18,539	\$0	\$130,240	\$458,634
2043	\$0	\$0	\$380,059	\$476,018	\$9,304	\$95,015	\$0	\$19,003	\$0	\$133,496	\$413,091
2044	\$0	\$0	\$389,560	\$487,919	\$9,536	\$97,390	\$0	\$19,478	\$0	\$136,833	\$92,293
2045	\$0	\$0	\$399,299	\$500,117	\$9,775	\$99,825	\$0	\$19,965	\$0	\$140,254	\$394,074
2046	\$0	\$0	\$409,281	\$512,619	\$10,019	\$102,320	\$0	\$20,464	\$0	\$143,760	\$137,893
TOTAL	\$1,583,490	\$362,796	\$8,841,236	\$27,164,267	\$214,948	\$2,260,135	\$602,243	\$679,027	\$1,141,681	\$3,088,915	\$3,387,191

**THIRD LAGUNA HILLS MUTUAL
2017 RESERVES PLAN
Replacement Reserves Planned Expenditures**

<i>Program</i>	<i>GV Lobby Wallpaper</i>	<i>GV Recessed Area Carpet</i>	<i>GV Rec Room Heat Pumps</i>	<i>GV Rec Room Water Heaters</i>	<i>Mailboxes</i>	<i>Paint Exterior</i>	<i>Prior to Paint</i>	<i>Paving</i>	<i>Roofs Built-Up PVC Cool Roof</i>	<i>Roofs Metal</i>	<i>Roofs Tile</i>	<i>Roofs Preventive Maint.</i>	<i>Tree Maintenance</i>
Life in Years	20	5	15	10	40	15	15	30	16	40	40	20	As Needed
Quantity	53	53	53	53	4,271	16,495,223	16,495,223	2,806,052	4,028,405	502,525	3,583,344	4,021,421	
Unit	Building	Building	ea	ea	Manor	sf	sf	sf	sf	sf	sf	sf	
Unit Cost	\$8,720	\$4,044	\$932	\$647	\$100		Various	\$3.14	\$7.52	\$4.69	\$4.79	\$0.58	
Total Cost	\$462,160	\$214,332	\$49,396	\$34,291	\$427,140	\$27,522,434	\$6,377,554	\$8,811,000	\$30,293,600	\$2,356,800	\$17,164,200	\$2,332,424	
					2%			50%					
2017	\$26,160	\$60,660	\$2,796	\$3,879	\$11,590	\$1,502,944	\$930,824	\$296,694	\$992,362	\$0	\$0	\$200,927	\$1,101,747
2018	\$8,938	\$41,451	\$3,375	\$3,979	\$8,756	\$1,539,660	\$954,095	\$119,842	\$580,135	\$0	\$0	\$345,593	\$75,924
2019	\$9,161	\$42,487	\$3,460	\$4,079	\$8,975	\$1,604,515	\$888,607	\$122,838	\$2,154,995	\$0	\$0	\$175,522	\$1,203,425
2020	\$9,390	\$34,840	\$3,546	\$4,180	\$9,200	\$1,624,467	\$923,221	\$125,909	\$2,431,668	\$0	\$0	\$213,513	\$709,082
2021	\$9,625	\$22,319	\$3,635	\$4,285	\$9,430	\$1,633,092	\$938,894	\$129,057	\$3,301,543	\$0	\$0	\$109,305	\$189,269
2022	\$9,866	\$68,631	\$3,726	\$4,392	\$9,665	\$1,669,068	\$961,500	\$132,283	\$3,411,784	\$0	\$0	\$121,931	\$1,406,152
2023	\$10,113	\$46,898	\$3,819	\$4,502	\$9,907	\$2,172,161	\$983,309	\$135,590	\$3,166,923	\$0	\$0	\$118,840	\$537,703
2024	\$10,365	\$48,070	\$3,914	\$4,614	\$10,155	\$2,695,543	\$1,007,551	\$138,980	\$5,196,344	\$0	\$0	\$81,893	\$435,371
2025	\$10,624	\$39,418	\$4,012	\$3,942	\$10,409	\$2,755,881	\$1,034,813	\$142,454	\$651,657	\$0	\$0	\$124,856	\$1,514,272
2026	\$10,890	\$25,702	\$4,113	\$0	\$10,669	\$2,864,065	\$835,754	\$146,016	\$0	\$0	\$0	\$86,039	\$335,776
2027	\$66,974	\$52,688	\$4,215	\$4,969	\$10,936	\$2,894,640	\$862,280	\$149,666	\$0	\$0	\$0	\$72,978	\$718,199
2028	\$91,531	\$54,005	\$4,321	\$5,094	\$11,209	\$2,984,000	\$881,162	\$153,408	\$0	\$0	\$0	\$302,903	\$1,630,705
2029	\$70,365	\$55,356	\$4,429	\$5,221	\$11,489	\$3,048,805	\$918,217	\$157,243	\$0	\$0	\$0	\$270,224	\$99,619
2030	\$36,062	\$45,392	\$4,540	\$5,351	\$11,776	\$3,165,256	\$929,681	\$161,174	\$0	\$737,429	\$18,621	\$47,028	\$1,041,947
2031	\$86,248	\$29,079	\$4,653	\$5,485	\$12,071	\$2,071,601	\$954,059	\$165,203	\$0	\$1,235,668	\$0	\$524,037	\$1,480,853
2032	\$88,404	\$59,612	\$4,769	\$5,622	\$12,373	\$2,137,654	\$975,087	\$169,333	\$0	\$1,372,089	\$577,757	\$259,466	\$107,278
2033	\$64,724	\$61,102	\$4,889	\$5,763	\$12,682	\$2,184,437	\$1,005,462	\$173,567	\$0	\$0	\$1,487,412	\$84,159	\$1,411,235
2034	\$92,880	\$62,630	\$5,011	\$5,907	\$12,999	\$2,276,450	\$1,018,324	\$177,906	\$2,482,111	\$0	\$3,093,384	\$352,694	\$1,298,315
2035	\$27,200	\$51,356	\$5,136	\$5,045	\$13,324	\$2,304,759	\$1,050,531	\$182,353	\$4,009,340	\$0	\$2,171,304	\$328,499	\$115,527
2036	\$13,940	\$32,900	\$5,264	\$0	\$13,657	\$2,365,205	\$1,074,020	\$186,912	\$2,020,632	\$0	\$1,915,632	\$539,007	\$1,831,153
2037	\$42,866	\$67,445	\$5,396	\$6,361	\$13,998	\$2,417,308	\$1,118,444	\$191,585	\$2,289,612	\$0	\$738,085	\$67,595	\$1,078,952
2038	\$43,938	\$69,132	\$5,531	\$6,520	\$14,348	\$3,145,936	\$1,132,757	\$196,375	\$2,231,562	\$0	\$866,113	\$0	\$287,996
2039	\$15,012	\$70,860	\$5,669	\$6,683	\$14,707	\$3,903,950	\$1,162,351	\$201,284	\$1,528,689	\$0	\$1,057,987	\$0	\$2,139,627
2040	\$15,387	\$58,105	\$5,811	\$6,850	\$15,075	\$3,991,338	\$1,188,213	\$206,316	\$710,429	\$0	\$1,621,965	\$0	\$818,178
2041	\$15,772	\$37,224	\$5,956	\$7,021	\$15,452	\$4,148,020	\$1,224,905	\$211,474	\$2,055,055	\$0	\$717,753	\$0	\$662,468
2042	\$16,166	\$76,308	\$6,105	\$7,197	\$15,838	\$4,192,302	\$1,240,643	\$216,761	\$1,438,264	\$0	\$467,197	\$0	\$2,304,144
2043	\$16,571	\$78,216	\$6,258	\$7,377	\$16,234	\$4,321,722	\$1,280,457	\$222,180	\$633,556	\$0	\$717,579	\$0	\$510,923
2044	\$16,985	\$80,171	\$6,414	\$7,561	\$16,640	\$4,415,578	\$1,308,216	\$227,735	\$4,990,784	\$0	\$1,954,123	\$0	\$1,092,825
2045	\$17,409	\$65,741	\$6,575	\$6,459	\$17,056	\$4,584,235	\$1,362,752	\$233,428	\$4,508,176	\$0	\$1,566,923	\$0	\$2,481,311
2046	\$17,845	\$42,115	\$6,739	\$0	\$17,482	\$3,000,295	\$1,380,063	\$239,264	\$6,120,876	\$0	\$2,154,965	\$257,465	\$151,581
TOTAL	\$971,413	\$1,579,914	\$144,077	\$148,340	\$378,099	\$83,614,888	\$31,526,192	\$5,312,828	\$56,906,495	\$3,345,186	\$21,126,801	\$4,684,473	\$28,771,558

**THIRD LAGUNA HILLS MUTUAL
2017 RESERVES PLAN
Replacement Reserves Planned Expenditures**

<i>Program</i>	<i>Walls Common Area</i>	<i>Walls Perimeter</i>	<i>Waste Lines</i>	<i>Waste Lines GV Garage</i>	<i>Water Lines Copper</i>	TOTAL REPLACEMENT FUND	<i>Elevator Cab Door</i>	<i>Elevator Cab Door Operators</i>	<i>Elevator Cab Refurbish</i>	<i>Elevator Flooring</i>	<i>Elevator Call Buttons</i>	<i>Elevator Controllers</i>
Life in Years	As Needed	70	70	35	70		30	30	40	40	30	30
Quantity		30,184	6,102	53	6,102		82	82	82	82	82	82
Unit		lf	Manors	Building	Manors		ea	ea	ea	ea	ea	ea
Unit Cost		\$200	\$8,000	\$19,900	\$5,125		\$12,234	\$4,733	\$8,160	\$2,040	\$8,400	\$50,600
Total Cost	\$25,000/yr	\$6,036,840	\$48,816,000	\$1,054,700	\$31,272,750		\$1,003,188	\$388,090	\$669,120	\$164,000	\$688,800	\$4,149,200
					25%							
2017	\$25,000	\$25,000	\$750,000	\$0	\$200,000	\$9,170,909	\$5,100	\$47,328	\$81,600	\$4,080	\$0	\$0
2018	\$25,625	\$25,625	\$768,750	\$0	\$128,218	\$7,358,908	\$0	\$49,724	\$85,731	\$4,287	\$0	\$0
2019	\$26,266	\$26,266	\$787,969	\$0	\$131,424	\$10,039,684	\$0	\$50,967	\$87,874	\$4,394	\$0	\$0
2020	\$26,922	\$26,922	\$807,668	\$0	\$134,709	\$9,995,407	\$0	\$52,241	\$90,071	\$4,504	\$0	\$0
2021	\$27,595	\$27,595	\$827,860	\$0	\$138,077	\$10,729,802	\$0	\$53,547	\$83,091	\$4,616	\$0	\$0
2022	\$28,285	\$28,285	\$56,570	\$0	\$141,529	\$10,418,756	\$0	\$0	\$0	\$0.00	\$97,414	\$586,805
2023	\$28,992	\$28,992	\$57,985	\$0	\$145,067	\$9,922,396	\$0	\$0	\$0	\$0.00	\$99,850	\$601,475
2024	\$29,717	\$29,717	\$59,434	\$0	\$148,694	\$11,815,634	\$0	\$0	\$0	\$0.00	\$102,346	\$616,512
2025	\$30,460	\$30,460	\$60,920	\$0	\$152,411	\$8,488,351	\$0	\$0	\$0	\$0.00	\$104,904	\$631,925
2026	\$31,222	\$31,222	\$62,443	\$0	\$156,222	\$6,569,937	\$0	\$0	\$0	\$0.00	\$107,527	\$647,723
2027	\$32,002	\$32,002	\$64,004	\$0	\$160,127	\$6,372,971	\$0	\$0	\$0	\$0.00	\$110,215	\$663,916
2028	\$32,802	\$32,802	\$65,604	\$0	\$164,130	\$7,692,149	\$0	\$0	\$0	\$0.00	\$112,971	\$680,514
2029	\$33,622	\$33,622	\$67,244	\$0	\$168,233	\$6,254,122	\$0	\$0	\$0	\$0.00	\$138,954	\$837,032
2030	\$34,463	\$34,463	\$68,926	\$0	\$172,439	\$7,732,494	\$0	\$0	\$0	\$0.00	\$0	\$0
2031	\$35,324	\$35,324	\$70,649	\$0	\$176,750	\$8,135,400	\$0	\$0	\$0	\$0.00	\$0	\$0
2032	\$36,207	\$36,207	\$72,415	\$0	\$181,169	\$7,012,254	\$0	\$0	\$0	\$0.00	\$0	\$0
2033	\$37,113	\$37,113	\$74,225	\$0	\$185,698	\$7,769,313	\$93,077	\$0	\$0	\$0.00	\$0	\$0
2034	\$38,040	\$38,040	\$76,081	\$121,121	\$190,341	\$12,305,459	\$228,970	\$0	\$0	\$0.00	\$0	\$0
2035	\$38,991	\$38,991	\$77,983	\$124,149	\$195,099	\$11,726,894	\$234,695	\$0	\$0	\$0.00	\$0	\$0
2036	\$39,966	\$39,966	\$79,933	\$127,253	\$199,977	\$11,497,405	\$240,562	\$0	\$0	\$0.00	\$0	\$0
2037	\$40,965	\$40,965	\$81,931	\$130,434	\$204,976	\$9,574,207	\$246,576	\$0	\$0	\$0.00	\$0	\$0
2038	\$41,990	\$41,990	\$83,979	\$133,695	\$210,101	\$9,575,181	\$252,740	\$0	\$0	\$0.00	\$0	\$0
2039	\$43,039	\$43,039	\$86,079	\$137,037	\$215,353	\$11,721,167	\$259,059	\$0	\$0	\$0.00	\$0	\$0
2040	\$44,115	\$44,115	\$88,231	\$140,463	\$220,737	\$10,292,373	\$110,640	\$0	\$0	\$0.00	\$0	\$0
2041	\$45,218	\$45,218	\$90,436	\$143,975	\$226,255	\$10,815,261	\$0	\$0	\$0	\$0.00	\$0	\$0
2042	\$46,349	\$46,349	\$92,697	\$147,574	\$231,912	\$12,090,190	\$0	\$0	\$0	\$0.00	\$0	\$0
2043	\$47,507	\$47,507	\$95,015	\$151,263	\$178,282	\$9,856,631	\$0	\$0	\$0	\$0.00	\$0	\$0
2044	\$48,695	\$48,695	\$97,390	\$155,045	\$182,739	\$15,882,605	\$0	\$94,490	\$0	\$0.00	\$0	\$0
2045	\$49,912	\$49,912	\$99,825	\$158,921	\$187,307	\$16,959,249	\$0	\$116,223	\$0	\$0.00	\$0	\$0
2046	\$51,160	\$51,160	\$102,320	\$162,894	\$191,990	\$15,284,573	\$0	\$99,274	\$0	\$0.00	\$0	\$0
TOTAL	\$1,097,568	\$1,097,568	\$5,874,565	\$1,833,823	\$5,319,967	\$303,059,681	\$1,671,420	\$563,794	\$428,367	\$21,880	\$874,181	\$5,265,901

**THIRD LAGUNA HILLS MUTUAL
2017 RESERVES PLAN
Replacement Reserves Planned Expenditures**

<i>Program</i>	<i>Elevator Hoistway Doors (3 stop)</i>	<i>Elevator Hoistway Doors (4 stop)</i>	<i>Elevator Machine Room Power Units</i>	<i>Elevator Door Protective Devices</i>	<i>Elevator Fuse</i>	<i>Elevator Solid State Soft Starters</i>	<i>TOTAL ELEVATOR FUND</i>	<i>Laundry Counters</i>	<i>Laundry Dryers</i>	<i>Laundry Floors</i>	<i>Laundry Washers</i>	<i>Laundry Water Heaters</i>	<i>TOTAL LAUNDRY FUND</i>
Life in Years	30	30	30	40	30	20		20	10	20	15	10	
Quantity	29	53	82	82	82	82		287	456	243	489	159	
Unit	ea	ea	ea	ea	ea	ea		ea	ea	ea	ea	ea	
Unit Cost	\$4,906	\$4,906	\$9,557	\$1,836	\$224	\$1,622		\$297	\$650	\$1,335	\$1,661	\$695	
Total Cost	\$142,280	\$260,029	\$783,707	\$150,552	\$18,401	\$132,988		\$85,311	\$296,559	\$324,365	\$812,278	\$110,559	
2017	\$49,062	\$0	\$95,574	\$18,360	\$2,244	\$16,218	\$319,566	\$5,945	\$29,916	\$24,027	\$16,611	\$9,992	\$86,491
2018	\$0	\$51,546	\$100,412	\$19,289	\$2,358	\$17,039	\$330,386	\$9,445	\$30,397	\$24,628	\$55,506	\$22,330	\$142,306
2019	\$36,984	\$52,834	\$102,923	\$19,772	\$2,417	\$17,465	\$375,630	\$9,681	\$31,157	\$25,243	\$56,893	\$22,888	\$145,863
2020	\$0	\$54,155	\$105,496	\$20,266	\$2,477	\$17,902	\$347,112	\$9,923	\$31,936	\$25,874	\$58,316	\$11,906	\$137,955
2021	\$0	\$44,407	\$108,133	\$20,773	\$2,539	\$18,349	\$335,455	\$10,171	\$32,735	\$13,261	\$59,774	\$12,204	\$128,144
2022	\$0	\$0	\$0	\$0	\$0	\$0	\$684,219	\$10,089	\$33,553	\$13,592	\$61,268	\$12,509	\$131,011
2023	\$0	\$0	\$0	\$0	\$0	\$0	\$701,325	\$0	\$33,311	\$13,932	\$62,800	\$25,264	\$135,307
2024	\$0	\$0	\$0	\$0	\$0	\$0	\$718,858	\$0	\$35,251	\$14,280	\$64,370	\$25,896	\$139,797
2025	\$0	\$0	\$0	\$0	\$0	\$0	\$736,829	\$0	\$36,133	\$14,637	\$65,979	\$26,543	\$143,292
2026	\$0	\$0	\$0	\$0	\$0	\$0	\$755,250	\$0	\$37,036	\$15,003	\$67,628	\$27,207	\$146,875
2027	\$0	\$0	\$0	\$0	\$0	\$0	\$774,131	\$0	\$37,962	\$15,378	\$69,319	\$27,887	\$150,546
2028	\$0	\$0	\$0	\$0	\$0	\$0	\$793,484	\$0	\$38,911	\$15,763	\$71,052	\$28,584	\$154,310
2029	\$0	\$0	\$0	\$0	\$0	\$0	\$975,986	\$0	\$39,884	\$16,157	\$72,828	\$29,299	\$158,168
2030	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40,881	\$16,561	\$74,649	\$30,031	\$162,122
2031	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$41,903	\$16,975	\$76,515	\$30,782	\$166,175
2032	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$42,951	\$17,399	\$78,428	\$31,552	\$170,329
2033	\$0	\$0	\$0	\$0	\$0	\$0	\$93,077	\$13,679	\$44,036	\$17,834	\$80,389	\$32,341	\$188,279
2034	\$0	\$0	\$0	\$0	\$0	\$30,353	\$259,324	\$14,021	\$45,125	\$36,560	\$82,398	\$33,149	\$211,254
2035	\$0	\$0	\$0	\$0	\$0	\$25,927	\$260,622	\$14,372	\$46,253	\$37,474	\$84,458	\$33,978	\$216,535
2036	\$0	\$0	\$0	\$0	\$0	\$26,575	\$267,137	\$9,504	\$45,920	\$38,411	\$86,570	\$34,827	\$215,231
2037	\$0	\$0	\$0	\$0	\$0	\$27,239	\$273,816	\$10,229	\$47,068	\$39,371	\$88,734	\$35,698	\$221,099
2038	\$0	\$0	\$0	\$0	\$0	\$27,920	\$280,661	\$10,484	\$49,809	\$40,355	\$90,952	\$36,590	\$228,192
2039	\$0	\$0	\$0	\$0	\$0	\$28,618	\$287,677	\$15,864	\$51,055	\$41,364	\$93,226	\$37,505	\$239,014
2040	\$0	\$0	\$0	\$0	\$0	\$29,334	\$139,974	\$16,260	\$52,331	\$42,398	\$95,557	\$38,443	\$244,989
2041	\$0	\$0	\$0	\$0	\$0	\$30,067	\$30,067	\$16,667	\$53,639	\$21,729	\$97,946	\$39,404	\$229,385
2042	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,533	\$54,980	\$22,272	\$100,395	\$40,389	\$234,569
2043	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$54,584	\$22,829	\$102,904	\$41,399	\$221,716
2044	\$0	\$48,976	\$190,813	\$0	\$0	\$0	\$334,279	\$0	\$57,764	\$23,400	\$105,477	\$42,434	\$229,074
2045	\$120,481	\$0	\$234,700	\$0	\$0	\$0	\$471,404	\$0	\$59,208	\$23,985	\$108,114	\$43,494	\$234,801
2046	\$0	\$102,911	\$200,473	\$0	\$4,707	\$0	\$407,364	\$0	\$60,688	\$24,585	\$110,817	\$44,582	\$240,671
TOTAL	\$206,527	\$354,830	\$1,138,524	\$98,460	\$16,741	\$313,008	\$10,953,632	\$192,869	\$1,296,377	\$715,278	\$2,339,872	\$909,107	\$5,453,502

**THIRD LAGUNA HILLS MUTUAL
2017 RESERVES PLAN
Reserves Component Schedule**

<i>Reserve Component</i>	<i>Quantity</i>	<i>Unit</i>	<i>Unit Cost</i>	<i>Estimated Life</i>	<i>Average Remaining Life</i>	<i>TOTAL COST</i>	<i>FULLY FUNDED BALANCE</i>
Replacement Fund							
ALARM SYSTEMS						\$ 2,835,000	\$ 1,417,500
Alarm Systems	81	EA	\$ 35,000	40	19	\$ 2,835,000	\$ 1,417,500
BUILDING NUMBERS						\$ 339,700	\$ 168,895
Lighted Building Numbers	3,397	EA	\$ 100	40	3	\$ 339,700	\$ 168,895
FOUNDATIONS/STRUCTURES						\$ 83,754,950	\$ 15,050,606
Building Structures	1,405	BLDG	\$ 10,000	60	8	\$ 14,050,000	\$ 1,062,500
Building Structures, GV	53	BLDG	\$ 207,500	60	8	\$ 10,997,500	\$ 2,656,250
Building Structures Maint Ops	1,405	BLDG	\$ 5,000	60	8	\$ 7,025,000	\$ 1,482,071
Building Structures Carpentry	1,405	BLDG	\$ 10,000	60	14	\$ 14,050,000	\$ 2,658,194
Building Structures Carport Panels	1,866	STALL	\$ 325	40	15	\$ 606,450	\$ 372,154
Storage Cabinet GV	1,272	STALL	\$ 500	30	9	\$ 636,000	\$ 318,000
Foundations	1,405	BLDG	\$ 10,000	60	14	\$ 14,050,000	\$ 1,056,125
Building Structures Dry Rot Replacements	1,405	BLDG	\$ 10,000	60	8	\$ 14,050,000	\$ 5,445,313
Paint Removal from Structure Exteriors	1,658,000	SF	\$ 5	50	15	\$ 8,290,000	\$ -
ELECTRICAL SYSTEMS						\$ 9,608,659	\$ 1,384,555
Electrical Alternate Heat Source - Heat Pumps	4,274	EA	\$ 1,326	30	15	\$ 5,667,324	\$ 61,659
Electrical Alternate Heat Source - Wall Heater	9,988	EA	\$ 306	30	15	\$ 3,056,328	\$ 14,229
Electrical Systems	6,102	MNR	\$ 57	50	40	\$ 345,007	\$ 1,289,000
Exterior Lighting		Various		Various		\$ 540,000	\$ 19,667
FENCING						\$ 1,019,050	\$ 509,525
Fencing - Split Rail	70,000	LF	\$ 15	20	16	\$ 1,019,050	\$ 509,525
GUTTERS						\$ 810,000	\$ 395,000
Gutters	81	BLDG	\$ 10,000	30	18	\$ 810,000	\$ 395,000
MAILBOXES						\$ 427,140	\$ 128,871
Mailboxes	4,271	MNR	\$ 100	40	9	\$ 427,140	\$ 128,871
PAINT - EXTERIOR						\$ 27,522,434	\$ 13,951,560
Trim Cycle Exterior Paint	16,495,223	SF	\$ 0.63	15	4	\$ 10,391,990	\$ 7,436,269
Full Cycle Exterior Paint	16,495,223	SF	\$ 0.99	15	10	\$ 16,330,271	\$ 5,723,754
Deck Topcoat Paint Follow-Up	16,495,223	SF	\$ 0.03	15	7	\$ 544,342	\$ 592,943
Lexan Signs	16,495,223	SF	\$ 0.01	15	7	\$ 125,364	\$ 130,072
Lead Abatement and Testing	16,495,223	SF	\$ 0.01	15	0	\$ 130,467	\$ 68,522
PAINT - PRIOR TO PAINT DRY ROT						\$ 6,377,554	\$ 5,277,044
Dry Rot Repairs	16,495,223	SF	\$ 0.32	15	7	\$ 5,244,450	\$ 4,292,935
Decking Repairs	16,495,223	SF	\$ 0.06	15	7	\$ 979,132	\$ 882,002
Balcony Dry Rot Repairs	16,495,223	SF	\$ 0.01	15	8	\$ 115,467	\$ 90,371
Lead Abatement and Testing	16,495,223	SF	\$ 0.01	15	0	\$ 38,505	\$ 11,736
PAVING						\$ 8,811,000	\$ 2,957,130
Cul-de-sacs	2,806,052	SF	\$ 3.14	30	9	\$ 8,811,000	\$ 2,957,130
PLUMBING						\$ 81,143,450	\$ 4,636,480
Water Lines - Copper	6,102	MNR	\$ 5,125	70	14	\$ 31,272,750	\$ 1,813,820
Waste Lines	6,102	MNR	\$ 8,000	70	6	\$ 48,816,000	\$ 2,504,261
Waste Lines - GV Garage	53	BLDG	\$ 19,900	35	24	\$ 1,054,700	\$ 318,400
REC ROOMS, GARDEN VILLA						\$ 760,179	\$ 332,024
GV Lobby Wallpaper	53	BLG	\$ 8,720	20	14	\$ 462,160	\$ 130,364
GV Recessed Area Carpet	53	BLG	\$ 4,044	5	1	\$ 214,332	\$ 154,481
GV Rec Room Heat Pumps	53	BLG	\$ 932	15	6	\$ 49,396	\$ 26,345
GV Rec Room Water Heaters	53	BLG	\$ 647	10	4	\$ 34,291	\$ 20,834
ROOFS						\$ 52,147,030	\$ 24,597,285
Built Up (Flat Rock/Cool Roof)	4,028,405	SF	\$ 7.52	16	8	\$ 30,293,606	\$ 15,240,537
Metal	502,525	SF	\$ 4.69	40	14	\$ 2,356,800	\$ 1,521,638

**THIRD LAGUNA HILLS MUTUAL
2017 RESERVES PLAN
Reserves Component Schedule**

<i>Reserve Component</i>	<i>Quantity</i>	<i>Unit</i>	<i>Unit Cost</i>	<i>Estimated Life</i>	<i>Average Remaining Life</i>	<i>TOTAL COST</i>	<i>FULLY FUNDED BALANCE</i>
Preventive Maintenance	4,021,421	SF	\$ 0.58	20	12	\$ 2,332,424	\$ 959,687
Tile	3,583,344	SF	\$ 4.79	40	16	\$ 17,164,200	\$ 6,875,423
TREE MAINTENANCE						\$ 1,729,818	\$ 1,485,643
Tree Maintenance	27,440	HRS	\$ 63	3	0	\$ 1,729,818	\$ 1,485,643
WALLS						\$ 6,786,840	\$ 750,000
Perimeter Walls	30,184	LF	\$ 200	70	15	\$ 6,036,840	\$ 375,000
Common Walls	Various	LF	Various	Various	Various	\$ 750,000	\$ 375,000
Elevator Replacement Fund						\$ 8,553,633	\$ 4,798,586
ELEVATOR						\$ 8,553,633	\$ 4,798,586
Cab Doors	82	EA	\$ 12,234	30	20	\$ 1,003,188	\$ 349,077
Cab Door Power Mechanism	82	EA	\$ 4,733	30	9	\$ 388,090	\$ 283,556
Cab Refurbish	82	EA	\$ 8,160	40	2	\$ 669,120	\$ 442,800
Cab Flooring	82	EA	\$ 2,040	40	1	\$ 167,280	\$ 83,640
Call Buttons	82	EA	\$ 8,400	30	9	\$ 688,800	\$ 344,400
Controllers	82	EA	\$ 50,600	30	0	\$ 4,149,200	\$ 2,074,600
Hoistway Doors (3 stop)	29	EA	\$ 4,906	30	13	\$ 142,280	\$ 141,955
Hoistway Doors (4 stop)	53	EA	\$ 4,906	40	44	\$ 260,029	\$ 130,014
Machine Room Power Units	82	EA	\$ 9,557	40	2	\$ 783,707	\$ 391,853
Protective Doors	82	EA	\$ 1,836	20	9	\$ 150,552	\$ 470,000
Elevator Fuses	82	EA	\$ 224	30	10	\$ 18,401	\$ 9,200
Solid State Soft Starters	82	EA	\$ 1,622	20	10	\$ 132,988	\$ 77,490
Laundry Replacement Fund						\$ 1,629,070	\$ 839,808
LAUNDRY						\$ 1,629,070	\$ 839,808
Countertops	287	EA	\$ 297	20	8	\$ 85,311	\$ 51,067
Dryers	456	EA	\$ 650	10	3	\$ 296,559	\$ 209,542
Floors	243	EA	\$ 1,335	20	9	\$ 324,365	\$ 174,195
Washers	489	EA	\$ 1,661	15	9	\$ 812,278	\$ 336,652
Water Heaters	159	EA	\$ 695	10	4	\$ 110,559	\$ 68,352
GRAND TOTAL						\$ 294,255,508	\$ 78,680,512

Projected Reserves Balance: \$ 12,793,982
Percent Funded: 16%

2017 BUSINESS PLAN

Golden Rain Foundation & Trust

Adopted September 6, 2016

BOARD OF DIRECTORS

JOHN PARKER, President
JOHN LUEBBE, 1st Vice President
BETH PERAK, 2nd Vice President
JUDITH TROUTMAN, Secretary
MARY STONE, Treasurer
JOHN BECKETT
KATHRYN FRESHLEY
JOAN MILLIMAN
RICHARD PALMER
TOM SIRKEL

VILLAGE MANAGEMENTSERVICES, Inc.

BRAD HUDSON, CEO
BETTY PARKER, Financial Services Director
KELLY FARANO, Financial Services Manager



**GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
2017 BUSINESS PLAN RESOLUTION**

RESOLUTION 90-16-37

RESOLVED, September 6, 2016, that the Business Plan of this Corporation for the year 2017 is hereby adopted and approved; and

RESOLVED FURTHER, that pursuant to said Business Plan, the Board of Directors of this Corporation hereby estimates that the sum of \$35,385,699 will be required by the Corporation to meet its annual expenses of operation, from which will be deducted \$7,661,694 in various sources of revenue and \$1,800,000 derived from prior years' surplus. Additionally, \$3,667,968 is planned for reserve contributions. The Board of Directors hereby estimates that the net sum of \$29,591,973 will be required to be paid by the Corporation members in accordance with the terms of that certain Trust Agreement dated March 2, 1964, as amended, and the bylaws of the Corporation; and

RESOLVED FURTHER, that this Corporation shall charge each corporate member the sum of \$193.61 per month per membership of said Corporation, for its share of the aforesaid net expenses and reserve contributions for the year 2017; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

**GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
2017 RESERVES FUNDING PLAN RESOLUTION**

RESOLUTION 90-16-39

WHEREAS, Civil Code § 5570 requires specific reserve funding disclosure statements for associations; and

WHEREAS, planned assessments or other contributions to replacement reserves must be projected to ensure balances will be sufficient at the end of each year to meet the association's obligations for repair and/or replacement of major components during the next 30 years;

NOW THEREFORE BE IT RESOLVED, September 6, 2016, that the Board has developed and hereby adopts the Replacement Reserves 30-Year Funding Plan (attached) with the objective of maintaining replacement reserve balances at or above a threshold of \$6,600,000 while meeting its obligations to repair and/or replace major components; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

GOLDEN RAIN FOUNDATION & TRUST
2017 BUSINESS PLAN SUMMARY
BY CATEGORY

DESCRIPTION	2013 ACTUALS	2014 ACTUALS	2015 ACTUALS	2016 PLAN	2017 PLAN	Per Manor Per Month		Assessment Increase/ (Decrease)
						2016 ASSESSMENT	2017	
Revenues:								
Non Assessment Revenue	6,531,922	7,257,873	7,787,231	\$7,157,180	\$7,661,694	46.83	50.13	(3.30)
Cost Allocation to Mutuals	2,350,580	2,337,881	2,306,771	2,369,064	2,243,104	15.50	14.68	0.82
Total Revenue	\$8,882,502	\$9,595,754	\$10,094,002	\$9,526,244	\$9,904,798	\$62.33	\$64.81	(\$2.48)
Expenses:								
Employee Compensation	16,916,384	16,775,972	17,100,826	17,000,958	\$16,727,055	\$111.23	\$109.45	(\$1.78)
Expenses Related to Compensation	4,406,723	5,389,536	5,035,650	5,522,584	5,421,837	36.13	35.48	(0.65)
Materials and Supplies	1,786,732	1,674,486	1,803,159	1,612,049	1,776,606	10.55	11.62	1.07
Electricity	964,862	1,070,746	1,039,389	915,500	1,039,420	5.99	6.80	0.81
Sewer	71,979	79,816	73,563	85,120	80,868	0.56	0.53	(0.03)
Water	453,470	520,048	612,516	780,679	647,995	5.11	4.24	(0.87)
Telephone	132,740	127,827	153,741	136,600	136,600	0.89	0.89	0.00
Trash	348,632	135,403	180,257	239,109	239,109	1.56	1.56	0.00
Natural Gas	213,994	181,543	160,239	192,010	168,690	1.26	1.10	(0.16)
Fuel & Oil for Vehicles	778,621	692,534	516,987	612,589	530,844	4.01	3.47	(0.54)
Legal Fees	172,924	441,422	384,948	202,000	299,500	1.32	1.96	0.64
Management Fee	304,136	308,721	307,217	317,891	0	2.08	0.00	(2.08)
Staff Support	68,638	60,335	4,926	0	50,000	0.00	0.33	0.33
Professional Fees	799,787	553,043	1,384,821	874,258	563,056	5.72	3.68	(2.04)
Rentals	162,272	175,417	202,902	199,925	232,590	1.31	1.52	0.21
Community Entertainment	348,579	343,848	275,533	378,673	455,468	2.48	2.98	0.50
Taxes	393,280	818,097	603,353	817,962	825,448	5.35	5.40	0.05
Insurance	979,489	1,055,339	1,195,800	1,317,312	1,343,673	8.62	8.79	0.17
Interest	318,588	563,992	81,298	58,397	24,512	0.38	0.16	(0.22)
Cable TV Programming	4,723,026	4,413,897	4,243,731	4,589,622	4,851,775	30.03	31.75	1.72
Cost of Merchandise Sold	169,641	167,918	140,158	184,205	175,722	1.21	1.15	(0.06)
Other Operating Expense	1,598,750	1,809,192	2,127,594	1,776,166	2,038,035	11.62	13.34	1.72
Total Expenses	\$36,113,245	\$37,359,132	\$37,628,607	37,813,609	\$37,628,803	\$247.41	\$246.20	(\$1.21)
(Surplus)/Deficit Recovery	0	0	0	(1,800,000)	(1,800,000)	(11.78)	(11.78)	0.00
Net Operating	\$27,230,743	\$27,763,378	\$27,534,605	\$26,487,365	\$25,924,005	\$173.30	\$169.61	(\$3.69)
Reserve Contributions:								
Equipment Fund	\$1,375,488	\$1,375,488	\$1,375,488	\$1,375,488	\$1,833,984	9.00	12.00	3.00
Facilities Fund	3,209,472	3,515,136	3,515,136	1,681,152	1,681,152	11.00	11.00	0.00
Contingency Fund	0	152,832	152,832	152,832	152,832	1.00	1.00	0.00
Total Reserve Contributions	\$4,584,960	\$5,043,456	\$5,043,456	\$3,209,472	\$3,667,968	\$21.00	\$24.00	\$3.00
TOTAL BASIC ASSESSMENTS	\$31,815,703	\$32,806,834	\$32,578,061	\$29,696,837	\$29,591,973	\$194.30	\$193.61	(\$0.69)

2017 BUSINESS PLAN
GRF FACILITY/SERVICE COST REPORT
In Order of Net Cost

This report is a compilation of frequently requested cost information for certain GRF facilities and services. Shown are the planned operating expenses (net of user fee revenue), the monthly assessment, and what percentage of the net facility cost is shared equally in the assessment.

	2017 PLAN	PER MANOR PER MONTH	PERCENTAGE SHARED	PERCENTAGE FEES
Facility/Service <i>(Note)</i>				
Broadband Services	\$ 3,101,667	\$ 20.29	42%	58%
Bus Service	\$ 2,424,206	\$ 15.86	100%	0%
Golf Courses	\$ 1,941,616	\$ 12.70	55%	45%
Aquatics	\$ 632,634	\$ 4.14	97%	3%
Clubhouse 3	\$ 599,222	\$ 3.92	63%	37%
Clubhouse 1	\$ 498,726	\$ 3.26	86%	14%
Clubhouse 4	\$ 437,835	\$ 2.86	99%	1%
Fitness Centers	\$ 380,792	\$ 2.49	79%	21%
Clubhouse 5	\$ 378,445	\$ 2.48	70%	30%
Clubhouse 2	\$ 371,143	\$ 2.43	84%	16%
Equestrian	\$ 273,353	\$ 1.79	68%	32%
Clubhouse 6	\$ 131,363	\$ 0.86	91%	9%
Garden Centers	\$ 124,195	\$ 0.81	73%	27%
Clubhouse 7	\$ 112,413	\$ 0.74	52%	48%
Recreation Administration	\$ 89,802	\$ 0.59	15%	85%
CC Rec Rooms	\$ 56,205	\$ 0.37	90%	10%
Library	\$ 37,756	\$ 0.25	100%	0%
Lawn Bowling	\$ 29,581	\$ 0.19	100%	0%
Village Greens	\$ 25,989	\$ 0.17	42%	58%
Tennis	\$ 7,643	\$ 0.05	100%	0%
Bar Services	\$ (12,154)	\$ (0.08)	0%	100%

Note: The facility costs detailed above include operating costs from Recreation, Landscape, Maintenance, and allocated support costs (i.e. Payroll, Vehicle Maintenance). These figures do not include planned capital expenditures or depreciation, with the exception of Bus Service, which includes depreciation.

GOLDEN RAIN FOUNDATION & TRUST 2017 RESERVES PLAN

The following schedules comprise the Reserves Plan for the Golden Rain Foundation & Trust (GRF). Reserves provide the funding necessary to maintain, repair, replace or restore major common-area components. A reserve study is the plan by which GRF anticipates these costs and prepares for inevitable future expenses. Ideally, all such expenditures will be covered by those funds set aside each year in segregated accounts as reserves (or funds). The Reserves Plan includes:

Explanation of Reserve Funds

Projected Fund Balances

Reserves 30-Year Funding Plan

Equipment and Facilities Planned Expenditures

Reserves Component Schedule

2017 Capital Reserves Expenditures Plan (follows, under separate tab)

The Replacement Reserves Component Schedule identifies total replacement costs of nearly \$144 million. Using estimates of useful lives and remaining life expectancies, a calculation similar to straight-line depreciation over the life of each asset determined that the Replacement Reserves would require a balance of nearly \$71 million as of December 31, 2017 to be fully funded. Projected replacement reserve balances are estimated to be just over \$15 million, or 21 percent funded.

To adequately plan for future expenditures, GRF has adopted, via resolution, a 30-Year Funding Plan that projects contributions and disbursements to replacement funds over the next thirty years, without falling below a desired minimum balance, currently set at \$6.6 million.

Each of the reserves receives monies through assessments and through interest earned on invested fund balances. Additionally, the Trust Facilities Fee Fund receives monies through a fee charged at the close of each escrow, currently \$2,500 per resolution 90-15-37. In 2017, the basic monthly assessment for GRF replacement reserves is set at \$23 per manor per month.

GOLDEN RAIN FOUNDATION & TRUST

2017 RESERVES PLAN

Explanation of Funds

REPLACEMENT FUNDS

Equipment Fund - This fund is used for the purchase of new and replacement equipment (i.e. vehicles, machinery, office equipment, furniture, etc.)

Facilities Fund - *The Facilities and Trust Improvement Funds are combined on this analysis to provide a more meaningful measurement of the adequacy of current funding levels.* These funds are used for the acquisition, addition, replacement or improvement of Foundation and Trust facilities and their components. This fund also provides for the repayment of the Community Center loan. The principal on the loan is payable in equal monthly installments totaling \$661,578 annually through November, 2017, plus interest at the annual rate of 5.71% on the fixed rate portion of the loan. There is also a variable rate portion of the loan, based on LIBOR, which is estimated to be 1.58% in 2017. The loan is anticipated to be paid off in November 2017.

TRUST FACILITIES FEE FUND

This fund was established in 2012 to maintain and improve the recreational and other amenities available to all residents of Laguna Woods Village. A Trust Facilities Fee is imposed on all transactions involving the purchase of a separate interest in any of the Community's common interest developments (United Mutual, Third Mutual, and Mutual Fifty). The Trust Facilities Fee is a fixed amount, as determined from time to time by the Trustee of the Golden Rain Foundation Trust. The entirety of the fee is deposited into the Trust Facilities Fee Fund.

CONTINGENCY FUND

This fund was established in the 2009 Business Plan as a consolidation of two other reserves, the General Operating Fund and the Unappropriated Expenditures Fund. The Contingency Fund will be used for the repair or rebuilding of facilities damaged by uninsured or unexpected disasters, as previously reserved in the General Operating Fund, in addition to providing for unanticipated significant expenditures not otherwise identified in the Operating Budget or Capital Reserve Expenditures Plan, as previously reserved in the Unappropriated Expenditures Fund.

GOLDEN RAIN FOUNDATION & TRUST
2017 RESERVES PLAN
Projected Fund Balances

<i>Fund</i>	<i>Year</i>	<i>Beginning Balance</i>	<i>Interest</i>	<i>Contributions</i>	<i>Assessment PMPM</i>	<i>Expenditures*</i>	<i>ENDING BALANCE</i>
EQUIPMENT FUND	2016	\$ 6,753,453	\$ 79,637	\$ 1,375,488	\$ 9.00	\$ (3,505,718)	\$ 4,702,860
	2017	\$ 4,702,860	\$ 55,837	\$ 1,833,984	\$ 12.00	\$ (3,263,000)	\$ 3,329,681
	2018	\$ 3,329,681	\$ 47,231	\$ 2,292,480	\$ 15.00	\$ (3,553,987)	\$ 2,115,405
	2019	\$ 2,115,405	\$ 40,860	\$ 2,750,976	\$ 18.00	\$ (2,312,106)	\$ 2,595,135
	2020	\$ 2,595,135	\$ 48,440	\$ 3,209,472	\$ 21.00	\$ (2,863,718)	\$ 2,989,329
FACILITIES & TRUST FUNDS	2016	\$ 15,902,817	\$ 141,912	\$ 1,681,152	\$ 11.00	\$ (13,213,574)	\$ 4,512,307
	2017	\$ 4,512,307	\$ 42,865	\$ 1,681,152	\$ 11.00	\$ (4,582,178)	\$ 1,654,146
	2018	\$ 1,654,146	\$ 14,889	\$ 1,681,152	\$ 11.00	\$ (3,287,790)	\$ 62,397
	2019	\$ 62,397	\$ 5,872	\$ 1,681,152	\$ 11.00	\$ (1,134,896)	\$ 614,526
	2020	\$ 614,526	\$ 12,960	\$ 1,681,152	\$ 11.00	\$ (1,429,023)	\$ 879,615
TRUST FACILITIES FEE FUND	2016	\$ 5,532,342	\$ 91,885	\$ 2,252,500	\$ 0.00	\$ (190,800)	\$ 7,685,927
	2017	\$ 7,685,927	\$ 123,370	\$ 2,252,500	\$ 0.00	\$ 0	\$ 10,061,797
	2018	\$ 10,061,797	\$ 128,665	\$ 2,252,500	\$ 0.00	\$ (7,671,510)	\$ 4,771,452
	2019	\$ 4,771,452	\$ 80,039	\$ 2,252,500	\$ 0.00	\$ (2,648,090)	\$ 4,455,902
	2020	\$ 4,455,902	\$ 68,512	\$ 2,252,500	\$ 0.00	\$ (3,334,387)	\$ 3,442,527
<i>Resolution 90-15-37 approved a fee of \$2,500 for each transfer of a separate interest, effective 1/1/2014.</i>							
CONTINGENCY FUND	2016	\$ 554,711	\$ 9,611	\$ 452,832	\$ 1.00	\$ (189,230)	\$ 827,924
	2017	\$ 827,924	\$ 9,161	\$ 152,832	\$ 1.00	\$ (500,000)	\$ 489,917
	2018	\$ 489,917	\$ 8,097	\$ 458,496	\$ 3.00	\$ (513,000)	\$ 443,510
	2019	\$ 443,510	\$ 8,508	\$ 611,328	\$ 4.00	\$ (526,000)	\$ 537,346
	2020	\$ 537,346	\$ 11,374	\$ 764,160	\$ 5.00	\$ (539,000)	\$ 773,880
<i>2016 contribution includes a proposed \$300,000 transfer from operating surplus.</i>							
TOTAL	2016	\$ 28,743,323	\$ 323,045	\$ 5,761,972	\$ 21.00	\$ (17,099,322)	\$ 17,729,018
	2017	\$ 17,729,018	\$ 231,233	\$ 5,920,468	\$ 24.00	\$ (8,345,178)	\$ 15,535,541
	2018	\$ 15,535,541	\$ 198,882	\$ 6,684,628	\$ 29.00	\$ (15,026,287)	\$ 7,392,764
	2019	\$ 7,392,764	\$ 135,279	\$ 7,295,956	\$ 33.00	\$ (6,621,091)	\$ 8,202,909
	2020	\$ 8,202,909	\$ 141,286	\$ 7,907,284	\$ 37.00	\$ (8,166,128)	\$ 8,085,351

* Planned Expenditures include Capital Plan items, supplemental appropriations, and carryover items from prior years.

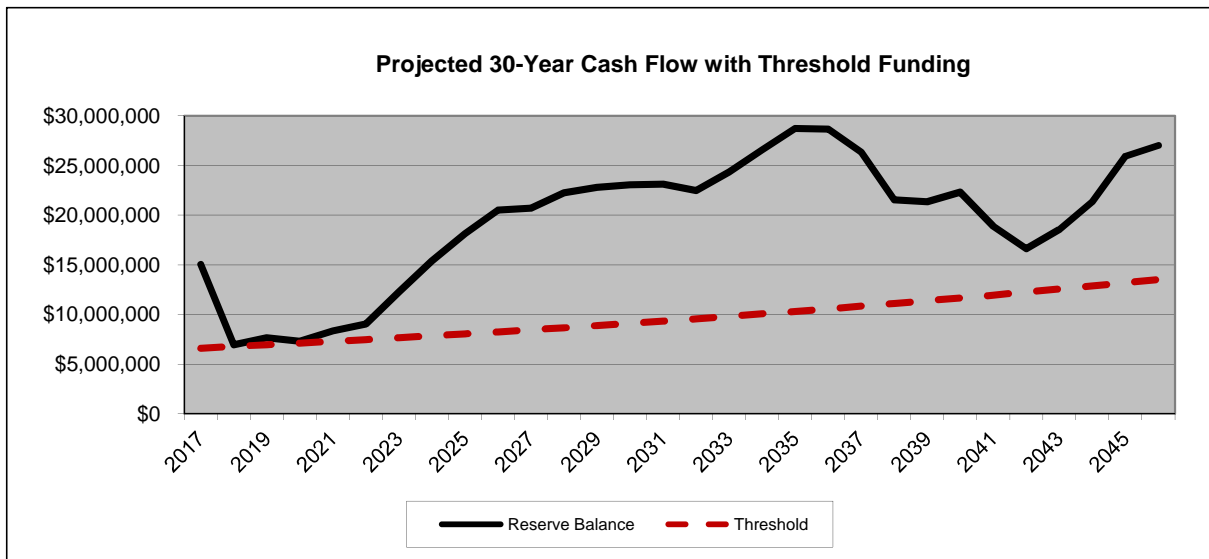
GOLDEN RAIN FOUNDATION & TRUST
2017 RESERVES PLAN
Reserves 30-Year Funding Plan

Threshold (Min Balance): \$6,600,000

Indexed for inflation

Year	Assessment		Interest Earnings	Facilities Fee	Planned Expenditures ¹	Reserve Balance
	Per Manor Per Month	Total Contributions				
2016	\$ 20.00	\$ 3,056,640	\$ 313,434	\$ 2,252,500	\$ (16,910,092)	\$ 16,901,094
2017	\$ 23.00	\$ 3,515,136	\$ 222,073	\$ 2,252,500	\$ (7,845,178)	\$ 15,045,625
2018	\$ 26.00	\$ 3,973,632	\$ 190,786	\$ 2,252,500	\$ (14,513,287)	\$ 6,949,256
2019	\$ 29.00	\$ 4,432,128	\$ 126,770	\$ 2,252,500	\$ (6,095,092)	\$ 7,665,562
2020	\$ 32.00	\$ 4,890,624	\$ 129,912	\$ 2,252,500	\$ (7,627,128)	\$ 7,311,470
2021	\$ 35.00	\$ 5,349,120	\$ 135,811	\$ 2,252,500	\$ (6,703,323)	\$ 8,345,578
2022	\$ 35.00	\$ 5,349,120	\$ 150,749	\$ 2,252,500	\$ (7,064,350)	\$ 9,033,597
2023	\$ 35.00	\$ 5,349,120	\$ 184,772	\$ 2,252,500	\$ (4,551,963)	\$ 12,268,026
2024	\$ 35.00	\$ 5,349,120	\$ 239,967	\$ 2,252,500	\$ (4,712,830)	\$ 15,396,783
2025	\$ 35.00	\$ 5,349,120	\$ 290,933	\$ 2,252,500	\$ (5,145,721)	\$ 18,143,615
2026	\$ 35.00	\$ 5,349,120	\$ 335,408	\$ 2,252,500	\$ (5,556,461)	\$ 20,524,182
2027	\$ 35.00	\$ 5,349,120	\$ 357,710	\$ 2,252,500	\$ (7,768,833)	\$ 20,714,679
2028	\$ 35.00	\$ 5,349,120	\$ 372,799	\$ 2,252,500	\$ (6,425,405)	\$ 22,263,693
2029	\$ 35.00	\$ 5,349,120	\$ 390,855	\$ 2,252,500	\$ (7,459,829)	\$ 22,796,339
2030	\$ 35.00	\$ 5,349,120	\$ 397,781	\$ 2,252,500	\$ (7,733,600)	\$ 23,062,140
2031	\$ 35.00	\$ 5,349,120	\$ 400,567	\$ 2,252,500	\$ (7,946,835)	\$ 23,117,492
2032	\$ 35.00	\$ 5,349,120	\$ 395,610	\$ 2,252,500	\$ (8,624,068)	\$ 22,490,654
2033	\$ 35.00	\$ 5,349,120	\$ 406,158	\$ 2,252,500	\$ (6,164,889)	\$ 24,333,543
2034	\$ 35.00	\$ 5,349,120	\$ 441,525	\$ 2,252,500	\$ (5,808,741)	\$ 26,567,947
2035	\$ 35.00	\$ 5,349,120	\$ 479,642	\$ 2,252,500	\$ (5,921,286)	\$ 28,727,923
2036	\$ 35.00	\$ 5,349,120	\$ 497,958	\$ 2,252,500	\$ (8,147,936)	\$ 28,679,565
2037	\$ 35.00	\$ 5,349,120	\$ 477,400	\$ 2,252,500	\$ (10,400,713)	\$ 26,357,872
2038	\$ 35.00	\$ 5,349,120	\$ 415,510	\$ 2,252,500	\$ (12,830,487)	\$ 21,544,515
2039	\$ 35.00	\$ 5,349,120	\$ 372,061	\$ 2,252,500	\$ (8,169,407)	\$ 21,348,789
2040	\$ 35.00	\$ 5,349,120	\$ 378,835	\$ 2,252,500	\$ (7,003,765)	\$ 22,325,479
2041	\$ 35.00	\$ 5,349,120	\$ 357,432	\$ 2,252,500	\$ (11,403,165)	\$ 18,881,366
2042	\$ 35.00	\$ 5,349,120	\$ 307,950	\$ 2,252,500	\$ (10,170,070)	\$ 16,620,866
2043	\$ 35.00	\$ 5,349,120	\$ 305,069	\$ 2,252,500	\$ (5,978,289)	\$ 18,549,266
2044	\$ 35.00	\$ 5,349,120	\$ 345,974	\$ 2,252,500	\$ (5,160,223)	\$ 21,336,637
2045	\$ 35.00	\$ 5,349,120	\$ 409,861	\$ 2,252,500	\$ (3,433,672)	\$ 25,914,446
2046	\$ 35.00	\$ 5,349,120	\$ 459,138	\$ 2,252,500	\$ (6,957,617)	\$ 27,017,587

¹ Planned Expenditures include Capital Plan, supplemental appropriations, and carryover items from prior years.



September 6, 2016

GOLDEN RAIN FOUNDATION & TRUST
2017 RESERVES PLAN
Equipment Planned Expenditures

	Aquatics	Broadband Services	Clubhouses	Fitness	Golf Facilities	Information Technology	Landscape	Other Equipment	Vehicles	Total
2017	\$ 11,000	\$ 966,000	\$ 36,000	\$ 100,000	\$ 0	\$ 1,132,000	\$ 148,000	\$ 70,000	\$ 0	\$ 2,463,000
2018	\$ 53,500	\$ 750,000	\$ 314,000	\$ 24,000	\$ 349,000	\$ 198,000	\$ 316,050	\$ 311,500	\$ 1,151,254	\$ 3,467,304
2019	\$ 25,500	\$ 550,000	\$ 217,000	\$ 18,500	\$ 229,000	\$ 0	\$ 247,400	\$ 100,000	\$ 813,296	\$ 2,200,696
2020	\$ 6,200	\$ 692,000	\$ 545,000	\$ 68,500	\$ 387,900	\$ 0	\$ 228,700	\$ 100,000	\$ 630,947	\$ 2,659,247
2021	\$ 6,500	\$ 522,000	\$ 74,000	\$ 18,500	\$ 89,500	\$ 840,000	\$ 311,300	\$ 100,000	\$ 480,080	\$ 2,441,880
2022	\$ 12,000	\$ 1,000,000	\$ 0	\$ 18,500	\$ 31,500	\$ 1,500,000	\$ 268,950	\$ 130,000	\$ 790,106	\$ 3,751,056
2023	\$ 0	\$ 1,100,000	\$ 88,500	\$ 35,500	\$ 59,000	\$ 148,000	\$ 278,200	\$ 130,000	\$ 793,443	\$ 2,632,643
2024	\$ 18,000	\$ 1,035,000	\$ 100,000	\$ 18,500	\$ 69,000	\$ 50,000	\$ 36,000	\$ 100,000	\$ 563,240	\$ 1,989,740
2025	\$ 5,500	\$ 1,055,000	\$ 32,000	\$ 24,000	\$ 87,000	\$ 100,000	\$ 89,700	\$ 100,000	\$ 904,333	\$ 2,397,533
2026	\$ 7,500	\$ 1,037,000	\$ 92,000	\$ 93,500	\$ 134,500	\$ 470,000	\$ 97,850	\$ 100,000	\$ 928,866	\$ 2,961,216
2027	\$ 6,200	\$ 1,200,000	\$ 55,000	\$ 18,500	\$ 50,000	\$ 500,000	\$ 135,050	\$ 125,000	\$ 1,068,250	\$ 3,158,000
2028	\$ 6,500	\$ 1,000,000	\$ 10,000	\$ 18,500	\$ 454,900	\$ 148,000	\$ 106,400	\$ 145,000	\$ 508,489	\$ 2,397,789
2029	\$ 29,000	\$ 1,035,000	\$ 61,000	\$ 18,500	\$ 139,000	\$ 370,000	\$ 69,700	\$ 100,000	\$ 1,586,600	\$ 3,408,800
2030	\$ 0	\$ 1,192,000	\$ 670,000	\$ 35,500	\$ 168,500	\$ 1,050,000	\$ 96,300	\$ 100,000	\$ 674,011	\$ 3,986,311
2031	\$ 18,000	\$ 1,022,000	\$ 114,000	\$ 18,500	\$ 22,000	\$ 470,000	\$ 89,950	\$ 100,000	\$ 1,018,541	\$ 2,872,991
2032	\$ 17,500	\$ 1,202,000	\$ 61,000	\$ 24,000	\$ 164,000	\$ 500,000	\$ 103,200	\$ 120,000	\$ 912,922	\$ 3,104,622
2033	\$ 37,500	\$ 1,115,000	\$ 70,000	\$ 18,500	\$ 64,000	\$ 248,000	\$ 78,000	\$ 130,000	\$ 857,823	\$ 2,618,823
2034	\$ 6,200	\$ 1,035,000	\$ 85,000	\$ 18,500	\$ 143,000	\$ 0	\$ 119,700	\$ 110,000	\$ 963,676	\$ 2,481,076
2035	\$ 6,500	\$ 1,055,000	\$ 196,000	\$ 68,500	\$ 44,000	\$ 0	\$ 98,850	\$ 100,000	\$ 713,877	\$ 2,282,727
2036	\$ 18,000	\$ 1,022,000	\$ 101,000	\$ 103,500	\$ 337,900	\$ 520,000	\$ 135,050	\$ 100,000	\$ 638,310	\$ 2,975,760
2037	\$ 0	\$ 1,200,000	\$ 20,000	\$ 35,500	\$ 0	\$ 870,000	\$ 80,400	\$ 110,000	\$ 795,353	\$ 3,111,253
2038	\$ 0	\$ 1,000,000	\$ 231,000	\$ 18,500	\$ 181,500	\$ 1,148,000	\$ 45,700	\$ 145,000	\$ 1,021,296	\$ 3,790,996
2039	\$ 5,500	\$ 1,035,000	\$ 6,000	\$ 24,000	\$ 204,000	\$ 0	\$ 314,300	\$ 100,000	\$ 836,520	\$ 2,525,320
2040	\$ 7,500	\$ 1,207,000	\$ 360,000	\$ 18,500	\$ 75,500	\$ 0	\$ 310,950	\$ 100,000	\$ 905,564	\$ 2,985,014
2041	\$ 35,200	\$ 1,022,000	\$ 46,000	\$ 18,500	\$ 159,000	\$ 570,000	\$ 278,200	\$ 100,000	\$ 775,629	\$ 3,004,529
2042	\$ 6,500	\$ 1,000,000	\$ 80,000	\$ 18,500	\$ 54,000	\$ 550,000	\$ 276,000	\$ 120,000	\$ 635,640	\$ 2,740,640
2043	\$ 30,000	\$ 1,100,000	\$ 0	\$ 18,500	\$ 60,000	\$ 148,000	\$ 294,700	\$ 130,000	\$ 481,783	\$ 2,262,983
2044	\$ 0	\$ 35,000	\$ 25,000	\$ 35,500	\$ 62,000	\$ 0	\$ 78,850	\$ 100,000	\$ 1,594,907	\$ 1,931,257
2045	\$ 0	\$ 55,000	\$ 100,000	\$ 18,500	\$ 75,000	\$ 370,000	\$ 135,050	\$ 100,000	\$ 0	\$ 853,550
2046	\$ 5,500	\$ 22,000	\$ 61,000	\$ 24,000	\$ 0	\$ 1,470,000	\$ 67,850	\$ 0	\$ 1,231,768	\$ 2,882,118
Total	\$ 381,300	\$ 27,261,000	\$ 3,850,500	\$ 992,000	\$ 3,894,700	\$ 13,370,000	\$ 4,936,350	\$ 3,376,500	\$ 24,276,524	\$ 82,338,874

Figures represent 2017 dollars and do not include inflation or carryover items, which are considered on the 30-year Funding Plan.

GOLDEN RAIN FOUNDATION & TRUST
2017 RESERVES PLAN
Facilities Planned Expenditures

	Aquatics	Clubhouses	Fitness	Golf Facilities	Other GRF Facilities	Paving	Perimeter Walls	Principal - CC Loan	Security	Total
2017	\$ 314,000	\$ 1,639,000	\$ 0	\$ 25,000	\$ 657,800	\$ 630,000	\$ 0	\$ 661,578	\$ 325,000	\$ 4,252,378
2018	\$ 250,000	\$ 6,072,000	\$ 9,000	\$ 75,000	\$ 3,041,000	\$ 455,000	\$ 140,000	\$ 0	\$ 650,000	\$ 10,692,000
2019	\$ 780,000	\$ 940,000	\$ 0	\$ 50,000	\$ 515,700	\$ 425,000	\$ 140,000	\$ 0	\$ 750,000	\$ 3,600,700
2020	\$ 0	\$ 1,123,300	\$ 45,000	\$ 50,000	\$ 1,590,000	\$ 425,000	\$ 140,000	\$ 0	\$ 1,050,000	\$ 4,423,300
2021	\$ 55,000	\$ 2,655,000	\$ 0	\$ 90,000	\$ 266,000	\$ 425,000	\$ 140,000	\$ 0	\$ 0	\$ 3,631,000
2022	\$ 0	\$ 7,800	\$ 0	\$ 50,000	\$ 1,940,000	\$ 425,000	\$ 70,000	\$ 0	\$ 0	\$ 2,492,800
2023	\$ 55,000	\$ 191,200	\$ 0	\$ 50,000	\$ 501,300	\$ 425,000	\$ 70,000	\$ 0	\$ 0	\$ 1,292,500
2024	\$ 20,000	\$ 0	\$ 0	\$ 650,000	\$ 880,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 1,975,000
2025	\$ 55,000	\$ 405,000	\$ 0	\$ 70,000	\$ 545,800	\$ 425,000	\$ 0	\$ 0	\$ 325,000	\$ 1,825,800
2026	\$ 0	\$ 10,000	\$ 375,000	\$ 165,000	\$ 513,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 1,488,000
2027	\$ 25,000	\$ 1,576,000	\$ 0	\$ 50,000	\$ 835,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 2,911,000
2028	\$ 80,000	\$ 1,334,300	\$ 0	\$ 90,000	\$ 570,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 2,499,300
2029	\$ 0	\$ 890,000	\$ 0	\$ 50,000	\$ 773,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 2,138,000
2030	\$ 55,000	\$ 516,800	\$ 25,000	\$ 102,000	\$ 500,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 1,623,800
2031	\$ 0	\$ 1,973,200	\$ 0	\$ 50,000	\$ 303,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 2,751,200
2032	\$ 55,000	\$ 360,000	\$ 0	\$ 100,000	\$ 1,910,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 2,850,000
2033	\$ 0	\$ 320,000	\$ 9,000	\$ 50,000	\$ 405,000	\$ 425,000	\$ 0	\$ 0	\$ 325,000	\$ 1,534,000
2034	\$ 75,000	\$ 0	\$ 6,400	\$ 50,000	\$ 780,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 1,336,400
2035	\$ 0	\$ 455,000	\$ 0	\$ 90,000	\$ 543,800	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 1,513,800
2036	\$ 0	\$ 335,000	\$ 750,000	\$ 70,000	\$ 541,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 2,121,000
2037	\$ 105,000	\$ 1,456,000	\$ 0	\$ 50,000	\$ 1,200,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 3,236,000
2038	\$ 0	\$ 2,251,800	\$ 0	\$ 50,000	\$ 1,121,300	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 3,848,100
2039	\$ 55,000	\$ 840,000	\$ 0	\$ 650,000	\$ 250,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 2,220,000
2040	\$ 0	\$ 209,000	\$ 25,000	\$ 50,000	\$ 275,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 984,000
2041	\$ 55,000	\$ 1,971,200	\$ 0	\$ 165,000	\$ 358,800	\$ 425,000	\$ 0	\$ 0	\$ 325,000	\$ 3,300,000
2042	\$ 0	\$ 120,000	\$ 0	\$ 90,000	\$ 2,110,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 2,745,000
2043	\$ 55,000	\$ 98,000	\$ 0	\$ 0	\$ 305,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 883,000
2044	\$ 0	\$ 20,000	\$ 0	\$ 0	\$ 273,000	\$ 425,000	\$ 0	\$ 0	\$ 0	\$ 718,000
2045	\$ 0	\$ 325,300	\$ 0	\$ 0	\$ 466,000	\$ 75,000	\$ 0	\$ 0	\$ 0	\$ 866,300
2046	\$ 80,000	\$ 87,800	\$ 0	\$ 0	\$ 350,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 517,800
Total	\$ 2,169,000	\$ 28,182,700	\$ 1,244,400	\$ 3,032,000	\$ 24,320,500	\$ 12,210,000	\$ 700,000	\$ 661,578	\$ 3,750,000	\$ 76,270,178

Figures represent 2017 dollars and do not include inflation or carryover items, which are considered on the 30-year Funding Plan.

GOLDEN RAIN FOUNDATION & TRUST
2017 RESERVES PLAN
Reserves Component Schedule

<i>Reserve Component</i>	<i>Quantity</i>	<i>Unit</i>	<i>Unit Cost</i>	<i>Estimated Life</i>	<i>Average Remaining Life</i>	<i>TOTAL COST</i>	<i>FULLY FUNDED BALANCE</i>
Equipment							
Equipment						\$ 35,331,000	\$ 23,434,000
Furniture & Equipment	3,203	EA	\$1 to \$614K	2 to 33	0 to 12	\$ 16,845,000	\$ 11,844,000
Computer Hardware	1,094	EA	\$20 to \$428K	3 to 10	0 to 10	\$ 4,492,000	\$ 2,071,000
Computer Software	147	EA	\$95 to \$272K	1 to 10	0 to 9	\$ 1,835,000	\$ 1,056,000
Vehicles	467	EA	\$246 to \$240K	1 to 15	0 to 14	\$ 12,159,000	\$ 8,463,000
Facilities							
Broadband Services							
Head-End Facility	1	EA	\$ 1,125,000	30	16	\$ 1,125,000	\$ 563,250
Cable TV System	1	EA	\$ 17,800,000	30	17	\$ 17,800,000	\$ 8,318,533
Clubhouses							
Clubhouse 1 Facility	1	EA	\$ 12,430,000	40	28	\$ 12,430,000	\$ 4,045,965
Clubhouse 2 Facility	1	EA	\$ 4,590,000	40	40	\$ 4,590,000	\$ 117,045
Village Greens Building	1	EA	\$ 5,400,000	40	34	\$ 5,400,000	\$ 947,700
Clubhouse 3 Facility	1	EA	\$ 8,700,000	40	24	\$ 8,700,000	\$ 3,701,850
Clubhouse 4 Facility	1	EA	\$ 9,700,000	40	24	\$ 9,700,000	\$ 4,127,350
Clubhouse 5 Facility	1	EA	\$ 6,500,000	40	25	\$ 6,500,000	\$ 2,603,250
Clubhouse 6 Facility	1	EA	\$ 1,500,000	40	23	\$ 1,500,000	\$ 675,750
Clubhouse 7 Facility	1	EA	\$ 4,500,000	40	28	\$ 4,500,000	\$ 1,464,750
Equestrian							
Equestrian Facility	1	EA	\$ 1,800,000	60	12	\$ 1,800,000	\$ 1,470,600
Aquatics							
Refurbish Pools	5	EA	\$ 400,000	40	17	\$ 2,000,000	\$ 1,221,000
Replaster Pools	5	EA	\$ 63,000	9	9	\$ 315,000	\$ 35,700
Other							
Community Center Facility	1	EA	\$ 19,400,000	40	25	\$ 19,400,000	\$ 7,769,700
Historical Society Facility	1	EA	\$ 730,000	40	18	\$ 730,000	\$ 420,115
Library Facility	1	EA	\$ 1,420,000	40	7	\$ 1,420,000	\$ 1,207,710
Perimeter Walls	7,000	LF	\$ 160	70	17	\$ 1,120,000	\$ 864,320
Security/Landscape Facility	1	EA	\$ 1,710,000	40	4	\$ 1,710,000	\$ 1,582,605
Tennis Facility	1	EA	\$ 478,000	25	9	\$ 478,000	\$ 325,422
Vehicle Maintenance Facility	1	EA	\$ 2,130,000	40	8	\$ 2,130,000	\$ 1,758,315
Warehouse Facility	1	EA	\$ 5,160,000	40	8	\$ 5,160,000	\$ 4,259,580
GRAND TOTAL						\$ 143,839,000	\$ 70,914,511

Projected Reserves Balance \$ 15,045,624
Percent Funded 21%

2017 BUSINESS PLAN

Golden Rain Foundation & Trust Capital Reserves Expenditures Plan

Adopted September 6, 2016

VILLAGE MANagementsERVICES, Inc.

BRAD HUDSON, CEO
BETTY PARKER, Financial Services Director
KELLY FARANO, Financial Services Manager



GOLDEN RAIN FOUNDATION
of **LAGUNA WOODS**

**GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
2017 CAPITAL PLAN RESOLUTION**

RESOLUTION 90-16-38

RESOLVED, September 6, 2016, that the Capital Reserve Expenditures Plan of this Corporation for the year 2017 is hereby adopted and approved; and

RESOLVED FURTHER, that pursuant to said Plan, the sum of \$6,715,378 is hereby authorized to be expended in 2017 for the purposes provided therein, of which \$2,463,000 is designated from the Equipment Fund and \$4,252,378 from the Facilities Fund; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

2017 CAPITAL PLAN

			Amount	Job Number
EQUIPMENT FUND				
Aquatics	CH 4 Pool Covers	\$	11,000	JP170100000
Broadband Services	High Speed Internet Transmitters		53,000	JP170200000
Broadband Services	Remote Broadcast Cameras at Clubhouses		60,000	JP170300000
Broadband Services	Set Top Boxes		291,000	JP170400000
Broadband Services	Simulsat Antenna		202,000	JP170500000
Broadband Services	Standby Satellite Dish		10,000	JP170600000
Broadband Services	Whole Home DVR Service		350,000	JP170700000
Clubhouses	CH 3 Commercial Appliances		13,000	JP170800000
Clubhouses	CH 5 Commercial Appliances		23,000	JP170900000
Fitness	Fitness Center Equipment		100,000	JP171000000
Information Technology	Dynamics CRM Software		500,000	JP171100000
Information Technology	Facility Wi-Fi Hotspots		32,000	JP171200000
Information Technology	Human Resources Information System		100,000	JP171300000
Information Technology	Network Server Hardware and Software		500,000	JP171400000
Landscape	Irrigation Satellites		148,000	JP171500000
Other	Miscellaneous Building Equipment		21,000	JP171600000
Other	Miscellaneous Painting Equipment		49,000	JP171700000
TOTAL EQUIPMENT FUND		\$	2,463,000	
FACILITIES FUND				
Aquatics	Pool 1 Maintenance	\$	12,000	JP172000000
Aquatics	Pool 2 Maintenance		26,000	JP172100000
Aquatics	Pool 4 Maintenance		125,000	JP172200000
Aquatics	Pool 5 Maintenance		26,000	JP172300000
Aquatics	Pool 6 Maintenance		125,000	JP172400000
Clubhouses	Clubhouse 1 Maintenance		75,000	JP172500000
Clubhouses	Clubhouse 2 Annex Building Renovation		240,000	JP172600000
Clubhouses	Clubhouse 3 HVAC System		300,000	JP172700000
Clubhouses	Clubhouse 3 Stage/Safety Improvements		728,000	JP172800000
Clubhouses	Clubhouse 4 HVAC System		37,000	JP172900000
Clubhouses	Clubhouse 4 Maintenance		75,000	JP173000000
Clubhouses	Clubhouse 5 Bar Area Flooring		19,000	JP173100000
Clubhouses	Clubhouse 5 Maintenance		50,000	JP173200000
Clubhouses	Clubhouse 6 HVAC System		104,000	JP173300000
Clubhouses	Clubhouse 7 Wood Floor - Main Lounge		11,000	JP173400000
Golf	Village Greens Maintenance		25,000	JP173500000
Other	Community Center Entrance Air Lock		98,000	JP173600000
Other	Historical Society HVAC and Roof		129,800	JP173700000
Other	Lawn Bowling Resurface		180,000	JP173800000
Other	Miscellaneous Projects		250,000	JP173900000
Paving	Asphalt Paving Program		630,000	JP174000000
Security	Camera Surveillance System		325,000	JP174100000
TOTAL FACILITIES FUND		\$	3,590,800	

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Equipment

ITEM	DESCRIPTION	2017 Plan
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Aquatics

JP170100000	CH 4 Pool Covers	\$11,000
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Nature of the Problem

There are approximately 20 HD channels that are no currently simulcast in HD that the community can add to its channel line-up. No additional programming license fees are associated with the new HD channels. A network will allow a system to simulcast the HD version of its channel at no additional, providing no charge is passed onto the customer.

Approval

9/6/16 – The GRF Board approved the replacement of CH 4 pool covers, with an appropriation of \$11,000, to be funded from the Equipment Fund.

Broadband Services

JP170200000	HIGH SPEED INTERNET TRANSMITTERS	\$53,000
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Nature of the Problem

Demand for high speed data continues to increase with the average household data consumption doubling each year. The proposed replacement equipment will increase the data carrying capacity of the network.

Currently the Community is divided into 14 different sections, each sharing the a fiber optic node. A fiber optic node is an active electrical device attached to the network; capable of sending, receiving, or forwarding information. The equipmet will divide the Community into 28 sections effectively doubling the data capacity of the network.

Approval

9/6/16 – The GRF Board approved the replacement of High Speed Internet Transmitters, with an appropriation of \$53,000, to be funded from the Equipment Fund.

*= ADDITION

GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN

Item Descriptions - Equipment

ITEM	DESCRIPTION	2017 Plan
JP170300000	REMOTE BROADCAST CAMERAS AT CLUBHOUSES	\$60,000

Nature of Problem

The HD Conversion Task Force has requested broadcast PTZ (pan/tilt/zoom) cameras be installed at Clubhouse 5 for the purpose of developing new content on Channel 6. Clubhouse programs such as the Senior Summit, theatrical performances, and lectures could either be broadcast live or at a later date on Channel 6 utilizing PTZ cameras. The installation of PTZ cameras at remote locations will enable Channel 6 to produce additional programming for the benefit of the community.

Approval

9/6/16 – The GRF Board approved the addition of Remote Broadcast Cameras at Clubhouses, with an appropriation of \$60,000, to be funded from the Equipment Fund.

JP170400000	SET TOP CONVERTER BOXES	\$291,000
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Nature of the Problem

Approximately 5,994 digital subscribers are anticipated by year-end 2017. Staff estimates the addition of these new subscribers will require approximately 312 additional set top boxes.

Additionally, Staff estimates 692 additional set top boxes will be replaced at the end of their 10 year estimated useful life when repairs exceed replacement value. The current failure rate is 11%. The industry norm is 10 years of serviceable life.

The purchase of additional set top boxes is being done in anticipation of the demand in digital services and failure of set top boxes once they reach their serviceable life of 10 years.

Approval

9/6/16 – The GRF Board approved replacing Set Top Converter Boxes, with an appropriation of \$291,000, to be funded from the Equipment Fund.

GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN

Item Descriptions - Equipment

ITEM	DESCRIPTION	2017 Plan
JP170500000	SIMULSAT ANTENNA	\$202,000

Nature of Problem

Broadband service has expanded its channel line-up from 74 channels to over 350 in the last 10 years. With the increase in channels and satellites being viewed, an antenna with the latest technological advancements will be required to maintain the existing levels of service.

If the purchase of an additional Simulsat antenna is approved, the existing antenna would be retained and serve as a back-up. The new Simulsat Antenna, with the latest technology, will be able to receive additional signals and maintain existing levels of service. Broadband Services will continue to provide programming channels without interruption and meet with contractual obligations. The life expectancy of the new equipment is approximately 15 years.

Approval

9/6/16 – The GRF Board approved purchasing an additional Simulsat Antenna, with an appropriation of \$202,000, to be funded from the Equipment Fund.

JP170600000	STANDBY SATELLITE DISH	\$10,000
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Nature of the Problem

The addition of a spare Standby Satellite Dish at the current Headend building will allow for continuity of service without the additional steps required to access the Standby Satellite Dish. It would be used as a standby dish when either work is being performed on the main satellite dish or when the Community is having trouble with certain feeds no longer working.

Approval

9/6/16 – The GRF Board approved purchasing a Standby Satellite Dish, with an appropriation of \$10,000, to be funded from the Equipment Fund.

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Equipment

ITEM	DESCRIPTION	2017 Plan
JP170700000	WHOLE HOME DVR SERVICE	\$350,000

Nature of Problem

The existing headend facility is not equipped to support new technology for whole-home DVR service. New equipment will need to be purchased and installed in the headend facility for testing prior to deployment of whole-home DVR service.

Approval

9/6/16 – The GRF Board approved the purchase of Equipment to support Whole-home DVR service, including 100 whole-home DVR set top boxes for testing and initial launch, with an appropriation of \$350,000 funded from the Equipment Fund.

Clubhouses

JP170800000	CH3 COMMERCIAL APPLIANCES	\$13,000
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Nature of the Problem

Clubhouse 3 is one of four clubhouses that use commercial grade kitchen appliances. The Clubhouse 3 dishwasher is about 15-20 years old and now requires frequent repair.

Approval

9/6/16 – The GRF Board approved replacing Clubhouse 3 Appliances, with an appropriation of \$13,000 to be funded from the Equipment Fund.

JP170900000	CH 5 COMMERCIAL APPLIANCES	\$23,000
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Nature of Problem

Clubhouse 5 is one of four clubhouses that use commercial grade kitchen appliances. The Clubhouse 5 dishwasher is about 15 years old and now requires frequent repair.

Approval

9/6/16 – The GRF Board approved replacing Clubhouse 5 Appliances, with an appropriation of \$23,000 to be funded from the Equipment Fund.

*= ADDITION

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Equipment

ITEM	DESCRIPTION	2017 Plan
<i>Fitness</i>		
JP17100000	FITNESS CENTER EQUIPMENT	\$100,000

Nature of the Problem

The two fitness centers accomodate 4,000 residents and their guests each week. Cardio equipment is a very popular and experiences high volume usage. Ellipiticals and Treadmills rank among the highest usage of any equipment within the fitness centers, both with an average life span from 5-7 years.

Elliptical replacements parts for older machines are increasingly difficult to source. Depending on the area of replacements, parts and repair times can extend into several months before an Elliptical is operational. Additionally, three treadmills in use range from ten to eleven years old and replacement parts are no longer provided by the original vendor. Replacements can take as long as two months from an third party vendor.

Approval

9/6/16 – The GRF Board approved replacing Fitness Equipment, with an appropriation of \$100,000 to be funded from the Equipment Fund.

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Equipment

ITEM	DESCRIPTION	2017 Plan
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<i>Information Technology</i>

JP171100000	DYNAMICS CRM SOFTWARE	\$500,000
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Nature of the Problem

Stellar was designed and programmed in-house and has a high level of sophistication and decades of software development.

This software system is utilized to manage over 12,000 manors, 16,000 vehicles and 18,000 residents and is used to manage hundreds of thousands work orders that are performed throughout the entire community every year. Since this software was developed up to 20 years ago, much of it is written in languages that are no longer relevant or supported with a very limited pool of technical expertise available for customizations and enhancements.

Approval

9/6/16 – The GRF Board approved implementing new CRM Software, with an appropriation of \$500,000 to be funded from the Equipment Fund.

JP171200000	FACILITY Wi-Fi HOTSPOTS	\$32,000
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Nature of Problem

With the ever expanding number of smart phones and tablets in use, the existing WIFI system no longer has the capacity to keep up with the number of devices being used. There are continuous reports of slow internet service from residents when more than just a few devices are connected to each access point. The performance problem lies with the existing WIFI routers, not the internet connection speed.

Approval

9/6/16 – The GRF Board approved replacing Facility Wi-Fi Hotspots, with an appropriation of \$32,000 to be funded from the Equipment Fund.

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Equipment

ITEM	DESCRIPTION	2017 Plan
JP171300000	HUMAN RESOURCES INFORMATION SYSTEM	\$100,000

Nature of the Problem

The Human Resource and Payroll departments use Ceridian's Source 500 software to manage all employee benefits, compensation, payroll expenses, garnishments, insurances, government tax reporting, and tax document preparation. The software system is utilized to manage over 1,000 employees who are paid biweekly. The software system is 15 years old and has become obsolete.

The existing software is very inefficient, requiring excessive and time consuming navigation with limited ability to develop reports and view information online. The software is not flexible, requiring costly vendor-provided customizations to complete basic enhancements.

Approval

9/6/16 – The GRF Board approved replacing the Human Resources Information System, with an appropriation of \$100,000 to be funded from the Equipment Fund.

*= ADDITION

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL REDERVE EXPENDITURES PLAN**

Item Descriptions - Equipment

ITEM	DESCRIPTION	2017 Plan
JP171400000	NETWORK SERVER HARDWARE AND SOFTWARE	\$500,000

Nature of Problem

The corporate server equipment will be five and six years old next year and is in need of replacement. These servers are the heart of the local area computer network and contain all of the centralized financial application databases, computer storage, application databases, email, and calendaring for all community administrative functions. The servers and storage hardware have inadequate processing power and capacity necessary to keep operating systems, database management systems, virus control, backup disaster preparedness systems, etc. up to date.

Approval

9/6/16 – The GRF Board approved replacing Network Server Hardware and Software, with an appropriation of \$500,000 to be funded from the Equipment Fund.

*= ADDITION

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Equipment

ITEM	DESCRIPTION	2017 Plan
<i>Landscape</i>		
JP171500000	IRRIGATION SATELLITES	\$148,000

Nature of the Problem

The 35 irrigation satellites used on the golf course are instrumental in properly applying the correct amount of water to all areas at specific or preferred times. The existing satellites have been on the golf course since 1989 and are experiencing multiple breakdowns. As breakdowns occur, staff has to repair and replace major components to get the satellites operational again. Turf loss to greens, tees or fairways can be substantial if the repair takes more than a few days. Manufacturer suggested life of satellites is approximately 20 years.

Several satellites on the course have needed service in 2016, including replacement of power supply board, modem board and control panel, and various smaller components. Downtime from repairs resulted in multiple loss of turf issues in the areas the satellites irrigate; however, no greens were impacted. Satellites repairs are on the rise and to date have doubled over previous years.

Approval

9/6/16 – The GRF Board approved replacing Irrigation Satellites, with an appropriation of \$148,000 to be funded from the Equipment Fund.

*= ADDITION

GOLDEN RAIN FOUNDATION & TRUST 2017 CAPITAL REDERVE EXPENDITURES PLAN

Item Descriptions - Equipment

ITEM	DESCRIPTION	2017 Plan
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<i>Other</i>

JP171600000	MISCELLANEOUS BUILDING EQUIPMENT	\$21,000
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Nature of the Problem

The carpentry and interior components departments have many projects and programs. The departments need additional equipment to increase productivity and efficiently meet the set schedules and deadlines.

Staff has researched efficient tools and equipment needed to increase productivity. Adding a downdraft table to the equipment eliminates the external vacuum source needed for cleaning the air.

Approval

9/6/16 – The GRF Board approved replacing Miscellaneous Building Equipment, with an appropriation of \$21,000 to be funded from the Equipment Fund.

JP171700000	MISCELLANEOUS PAINTING EQUIPMENT	\$49,000
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Nature of Problem

With increasing responsibility, the paint crews need more equipment to handle the growing work load. Currently Staff is using old and deteriorated equipment; therefore, the additional pressure washers will improve the speed and power of Staff.

Approval

9/6/16 – The GRF Board approved replacing Miscellaneous Painting Equipment, with an appropriation of \$49,000 to be funded from the Equipment Fund.

*= ADDITION

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Facilities

ITEM	DESCRIPTION	2017 Plan
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<i>Aquatics</i>		
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JP172000000	POOL 1 MAINTENANCE	\$12,000
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Nature of the Problem

The expected serviceable life for the pool filter and shower heater at Clubhouse 1 is 12 years.

The current filter and heater were installed in 2004; therefore, based upon anticipated life expectancy, it would be prudent to replace the equipment in 2017.

Approval

9/6/16 – The GRF Board approved Pool 1 Maintenance, with an appropriation of \$12,000 to be funded from the Facilities Fund.

JP172100000	POOL 2 MAINTENANCE	\$26,000
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Nature of Problem

The expected serviceable life for the pool filter and pool heater at Clubhouse 2 is 12 years.

The current filter and heater were installed in 2004; therefore, based upon anticipated life expectancy, it would be prudent to replace the equipment in 2017.

Approval

9/6/16 – The GRF Board approved Pool 2 Maintenance, with an appropriation of \$26,000 to be funded from the Facilities Fund.

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Facilities

ITEM	DESCRIPTION	2017 Plan
JP172200000	POOL 4 MAINTENANCE	\$125,000

Nature of the Problem

The expected serviceable life for the pool filter and pool heater at Clubhouse 4 is 12 years.

The current filter and heater were installed in 2005; therefore, based upon anticipated life expectancy, it would be prudent to replace the equipment in 2017.

The waterline tile at Clubhouse 4 is deteriorating and requires frequent repairs. The plaster at the Clubhouse 4 pool is aging and in need of replacement.

Approval

9/6/16 – The GRF Board approved Pool 4 Maintenance, with an appropriation of \$125,000 to be funded from the Facilities Fund.

JP172300000	POOL 5 MAINTENANCE	\$26,000
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Nature of Problem

The waterline tile at Clubhouse 5 is deteriorating and requires frequent repairs. Replacement of the tile would eliminate the need for repair and significantly improve the appearance of the pool.

Approval

9/6/16 – The GRF Board approved Pool 5 Maintenance, with an appropriation of \$26,000 to be funded from the Facilities Fund.

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Facilities

ITEM	DESCRIPTION	2017 Plan
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<i>Clubhouses</i>

JP172400000	POOL 6 MAINTENANCE	\$125,000
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Nature of the Problem

The expected serviceable life for the pool filter and pool heater at Clubhouse 6 is 12 years.

The current filter and heater were installed in 2004; therefore, based upon anticipated life expectancy, it would be prudent to replace the equipment in 2017.

The waterline tile at Clubhouse 6 is deteriorating and requires frequent repairs. The plaster at the Clubhouse 6 pool is aging and in need of replacement.

Approval

9/6/16 – The GRF Board approved Pool 6 Maintenance, with an appropriation of \$125,000 to be funded from the Facilities Fund.

JP172500000	CLUBHOUSE 1 MAINTENANCE	\$75,000
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Nature of the Problem

To stay ahead of major damage and repairs, regular clubhouse maintenance is necessary and should be performed to avoid more costly repairs in the near future.

Carpet at Clubhouse 1 Main Lounge, Art Gallery and at the Card Room is deteriorated. Some acoustic panels in the Art Room are damaged and present an eyesore and various areas of the facility require painting due to wear.

Approval

9/6/16 – The GRF Board approved Clubhouse 1 Maintenance, with an appropriation of \$75,000 to be funded from the Facilities Fund.

GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN

Item Descriptions - Facilities

ITEM	DESCRIPTION	2017 Plan
JP172600000	CLUBHOUSE 2 ANNEX BUILDING RENOVATION	\$240,000

Nature of Problem

The utilization for the Clubhouse 2 annex building is very low. It is primarily used by video editing clubs and card players. Staff suspects dry rot issues in the annex building similar to the main building.

If renovation is approved, the video workshop studios, card rooms, and shuffleboard courts would be demolished and replaced with a large landscaped picnic area. The men and women's locker rooms would remain and be refurbished to service the pool and picnic area. Construction would also include engineering services, grading, drainage, shaded concrete pad, concrete pathways, signage, and permitting.

Approval

9/6/16 – The GRF Board approved Clubhouse 2 Annex Building Renovation, with an appropriation of \$240,000 to be funded from the Facilities Fund.

JP172700000	CLUBHOUSE 3 HVAC SYSTEM	\$300,000
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Nature of the Problem

Clubhouse Three is heated and cooled by fifteen HVAC units. This equipment was manufactured and installed in 2001 and will be approximately 16 years old in 2017. The estimated serviceable life of these HVAC units is 15 years.

Approval

9/6/16 – The GRF Board approved Clubhouse 3 HVAC System, with an appropriation of \$300,000 to be funded from the Facilities Fund.

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Facilities

ITEM	DESCRIPTION	2017 Plan
JP172800000	CLUBHOUSE 3 STAGE/SAFETY IMPROVEMENTS	\$728,000

Nature of Problem

The current lighting instruments in the theater are extremely antiquated and not energy efficient. The rigging system, which operates all the hanging equipment on stage, is currently unusable. It has been locked until a comprehensive rehabilitation can be performed, including the addition of theatrical lighting equipment.

Approval

9/6/16 – The GRF Board approved Clubhouse3 Stage/Safety Improvements, with an appropriation of \$728,000 to be funded from the Facilities Fund.

JP172900000	CLUBHOUSE 4 HVAC SYSTEM	\$37,000
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Nature of the Problem

Currently the woodshop does not have an air-conditioning system. During the hot summer months many residents choose not to visit the woodshop as frequently due to much higher temperatures in the room. An average room temperature of 88 degrees has been reported during the hot summer days.

Approval

9/6/16 – The GRF Board approved Clubhouse 4 HVAC System, with an appropriation of \$37,000 to be funded from the Facilities Fund.

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Facilities

ITEM	DESCRIPTION	2017 Plan
JP173000000	CLUBHOUSE 4 MAINTENANCE	\$75,000

Nature of Problem

To stay ahead of major damage and repairs, regular clubhouse maintenance is necessary and should be performed to avoid more costly repairs in the near future.

The anticipated scope of work for Clubhouse 4 consists of removal, replacement, repair, and painting of affected areas of dry rot. This will include an outside contractor to remove some sections of roof and replace them when repairs to the dry rot have been completed; it will also include some needed touchup painting inside the Clubhouse.

Approval

9/6/16 – The GRF Board approved Clubhouse 4 Maintenance, with an appropriation of \$75,000 to be funded from the Facilities Fund.

JP173100000	CLUBHOUSE 5 BAR AREA FLOORING	\$19,000
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Nature of the Problem

The GRF Community Activities Committee recommends that the main lounge bar area carpet be considered for replacement. The area encompasses approximately 750 square feet of carpet, which is faded and fraying at the seams in high traffic locations. There are visible traffic patterns that cannot be restored through carpet cleaning.

Approval

9/6/16 – The GRF Board approved Clubhouse 5 Bar Area Flooring, with an appropriation of \$19,000 to be funded from the Facilities Fund.

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Facilities

ITEM	DESCRIPTION	2017 Plan
JP173200000	CLUBHOUSE 5 MAINTENANCE	\$50,000

Nature of Problem

To stay ahead of major damage and repairs, regular clubhouse maintenance is necessary and should be performed to avoid more costly repairs in the near future.

Approval

9/6/16 – The GRF Board approved Clubhouse 5 Maintenance, with an appropriation of \$50,000 to be funded from the Facilities Fund.

JP173300000	CLUBHOUSE 6 HVAC	\$104,000
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Nature of the Problem

Clubhouse 6 is heated and cooled by five HVAC units. This equipment was manufactured and installed between 1993 and 1997 and will be approximately 19 to 24 years old in 2017. The estimated serviceable life of these HVAC units is 15 years.

Recent repairs to these units have included compressors and condenser fans. Evaluations and component repair histories indicate that the evaporator or condenser coils could fail to the point of needing replacement within a year or two. HVAC manufacturers typically only maintain parts for 8 to 10 years due to technology and efficiency advances. As a result of this practice, several of the HVAC original equipment manufacturer (OEM) components are no longer available and have to be located through second party vendors. This process can be lengthy and cause extended downtimes while locating replacement components.

Approval

9/6/16 – The GRF Board approved Clubhouse 6 HVAC System, with an appropriation of \$104,000 to be funded from the Facilities Fund.

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Facilities

ITEM	DESCRIPTION	2017 Plan
JP173400000	CLUBHOUSE 7 WOOD FLOOR - MAIN LOUNGE	\$11,000

Nature of Problem

The existing wood floor was built with the clubhouse to host dances and events. It is approximately 2,100 square feet in size, has been heavily scratched and worn throughout the years. In 2012, a 116 square foot section of floor had to be replaced due to severe damage. It was replaced with a lighter shade of wood and the contrast is not aesthetically pleasing.

Approval

9/6/16 – The GRF Board approved Clubhouse 7 Wood Floor- Main Lounge, with an appropriation of \$11,000 to be funded from the Facilities Fund.

Golf

JP173500000	VILLAGE GREENS MAINTENANCE	\$25,000
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Nature of the Problem

The Village Greens building is approximately five years old and portions of flooring need to be replaced and miscellaneous touchup painting would help increase the general aesthetic of the facility.

Approval

9/6/16 – The GRF Board approved Village Greens Maintenance, with an appropriation of \$25,000 to be funded from the Facilities Fund.

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Facilities

ITEM	DESCRIPTION	2017 Plan
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<i>Other</i>

JP173600000	COMMUNITY CENTER ENTRANCE AIR LOCK	\$98,000
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Nature of the Problem

The Community Center lobby entrance is comprised of two sets of swinging doors. These doors are frequently opened throughout the day by Staff, residents, and visitors. The airflow through these doors creates significant energy and heat loss, and stress on the HVAC system.

Approval

9/6/16 – The GRF Board approved Community Center Entrance Air Lock, with an appropriation of \$98,000 to be funded from the Facilities Fund.

JP173700000	HISTORICAL SOCIETY HVAC AND ROOF	\$129,800
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Nature of Problem

The Historical Society is heated and cooled by two roof mounted HVAC units and are air conditioned by a steam humidifier. This equipment was manufactured and installed in 1997 and will be 20 years old in 2017. The estimated serviceable life of these HVAC units is 15 years. Staff performs regular preventive maintenance which has extended the useful life beyond the estimated serviceable life but, the steam humidifier has completely failed and is not serviceable.

Approval

9/6/16 – The GRF Board approved Historical Society HVAC and Roof, with an appropriation of \$129,800 to be funded from the Facilities Fund.

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Facilities

ITEM	DESCRIPTION	2017 Plan
JP173800000	LAWN BOWLING RESURFACE	\$180,000

Nature of the Problem

In 2013, the two lawn bowling greens located at Clubhouse 2 were converted from a grass surface to carpet atop a 2 inch layer of decomposed granite (DG) and 4 inch layer of compacted base. The purpose of the decomposed granite top layer, a pervious material, is to allow for a flat surface that will drain water.

Currently, the playing surface is not level. There are severe undulations in the decomposed granite top layer. The warranty to fix this issue has expired.

Approval

9/6/16 – The GRF Board approved Lawn Bowling Resurface, with an appropriation of \$180,000 to be funded from the Facilities Fund.

JP173900000	MISCELLANEOUS PROJECTS	\$250,000
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Nature of Problem

Occasionally unforeseen projects will arise after the funding portion of the Capital Plan has been approved for the upcoming budget year. By including a contingency in the Capital Plan, unforeseen miscellaneous projects have been completed in an economical and timely fashion without going through the formal Board review process required for supplemental appropriations.

Under this appropriation, projects under \$25,000 will be completed at the discretion of the CEO, projects up to \$75,000 can be completed at the discretion of the GRF Maintenance & Construction Committee, and projects over \$75,000 must follow normal Board approval process for supplemental appropriations. Projects that qualify for funding are those that address the safety of residents, are used for the timely maintenance and care of facilities, or in response to unforeseen emergencies.

Approval

9/6/16 – The GRF Board approved Miscellaneous Projects, with an appropriation of \$250,000 to be funded from the Facilities Fund.

**GOLDEN RAIN FOUNDATION & TRUST
2017 CAPITAL RESERVES EXPENDITURES PLAN**

Item Descriptions - Facilities

ITEM	DESCRIPTION	2017 Plan
JP17400000	ASPHALT PAVING PROGRAM	\$630,000

Nature of the Problem

GRF streets and parking lots provide residents with vehicular access to their manors and to facilities within the Community. They are assessed every year to determine which areas are in greatest need of an overlay or complete replacement. Staff completes patches to pavement areas upon discovery of unsafe areas. In order to assure the life expectancy, a four-year maintenance cycle is adhered to. The pavement is sealcoated every fourth year after paving/overlay work has been completed. The sealcoat will seal any detrimental fatigue that may have developed in the prior four-year period. The 2017 estimate for Paving Overlay is \$525,000 and the Sealcoat \$105,000.

Approval

9/6/16 – The GRF Board approved Asphalt Paving Program, with an appropriation of \$630,000 to be funded from the Facilities Fund.

Security

JP174100000	CAMERA SURVEILLANCE SYSTEM	\$325,000
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Nature of the Problem

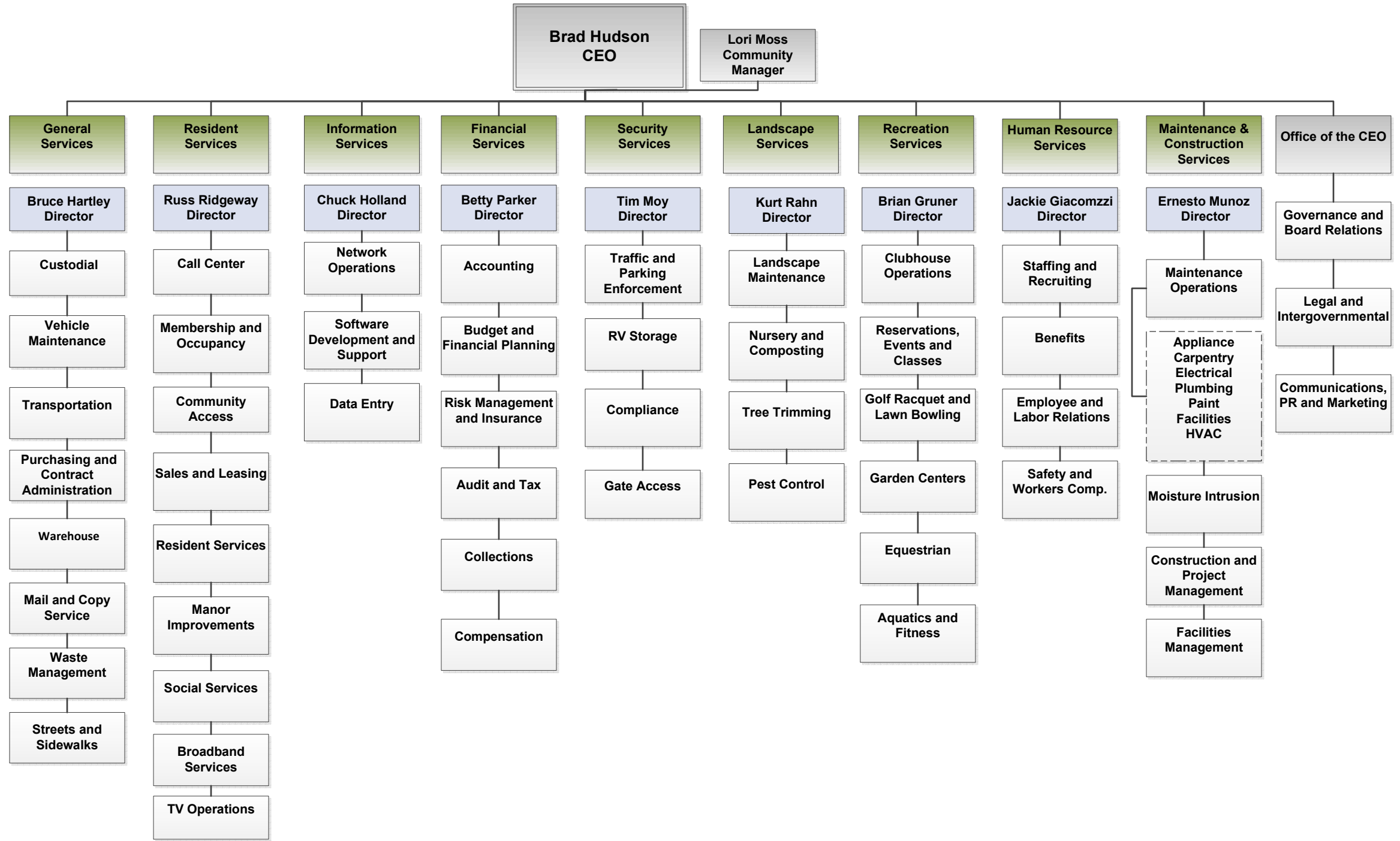
The current camera surveillance system is now at full capacity with no additional space for new cameras. The system was implemented with a relatively small amount of space for future growth, in part to keep the overall cost of the system reasonable. With the addition of cameras to Gate 1, all available ports have been utilized. To accommodate the Gate 7 renovation, IT had to implement standalone cameras and NVRs which are not part of a centralized system. It is anticipated that each new gatehouse will require a minimum of 4-7 cameras depending on configuration and location, which the current system cannot support.

Approval

Staff recommends the Capital Plan include for action in 2017: Replace Security Surveillance System with an appropriation of \$325,000 from the Equipment Fund.

Organization Chart by Division – VMS, Inc.

November 28, 2016



Laguna Woods Village 2017 BUSINESS PLANS

Operating Divisions

A large portion of each corporation's business plan is comprised of the operating divisions that provide services to the community of Laguna Woods Village through its management company, VMS Inc. The following reports show a summary of all units for staffing, allocations, and revenues/expenses. Behind each division tab is an overview of the primary services performed and a comparison of operating expenses and revenues to prior year.

CEO

The CEO Division responsibilities are primarily twofold: act as liaison with each of the Corporation's Boards of Directors and the Management Board of Directors; direct services, programs, and operations, ensuring that all activities are within policy guidelines set by the Boards, the management agreement, the governing documents, and the business plans of each Corporation.

General Services

This is a new division created in 2016 through reorganization and includes the following departments: Central Services (mail room), Warehouse, Purchasing, Janitorial, Streets and Sidewalks, Vehicle Maintenance and Transportation.

Resident Services

This is a new division created in 2016, combining what was formerly reported under Broadband Services and Community Relations.

Financial Services

All financial services departments have been consolidated, to provide accounting, financial planning, and risk management services for all corporations, operating departments, and the trust. This area also includes the budget for corporate income taxes and insurance programs.

Information Technology

This is a new division created in 2016, combining what was formerly reported under Management Information Systems and Network Operations.

Security

The Security Division provides continuous 24-hour security operations for the Laguna Woods Village through the use of gate access controls, field supervision, motor patrol, foot patrol operations, and a security dispatch center receiving and dispatching appropriate response to calls. This division now includes the Compliance department, handling all matters related to rules enforcement and member discipline.

Landscape

The Landscape Division is responsible for care and maintenance of all landscaped areas in the Community including common area grounds, irrigation, pest control, trees, and the golf courses.

Recreation

The Recreation Division is responsible for the planning and execution of a comprehensive Recreation program for all residents of Laguna Woods Village including but not limited to all clubhouses, pools, equestrian, tennis, fitness centers, and golf course operations. This division now includes the garden centers, formerly reported under Landscape.

Human Resources

The Human Resources Division is responsible for the development, administration and implementation of all employee related programs including recruitment, training, benefits, labor relations, and safety programs.

Maintenance Operations

The Maintenance Division is responsible for operating, maintaining, repairing, and replacing the Community's physical assets or resources. Areas of operation and project management include appliances, carpentry, electrical, plumbing, paint, and building maintenance.

Staff Years Comparison Report Full-Time Equivalents

	2015 Plan	2016 Plan	2017 Plan	Increase (Decrease)
CEO Division	5.03	5.00	6.50	1.50
General Services Division	118.67	116.48	105.03	(11.45)
Administration	7.00	6.00	5.00	(1.00)
Central Services	3.02	3.02	3.02	0.00
Warehouse	3.03	3.02	3.02	0.00
Procurement	5.01	5.01	5.01	0.00
Janitorial	37.52	36.42	36.26	(0.16)
Streets & Sidewalks	16.08	16.08	15.72	(0.36)
Vehicle Maintenance	18.29	18.29	14.29	(4.00)
Transportation	28.72	28.64	22.71	(5.93)
Resident Services Division	60.63	57.63	58.63	1.00
Administration	2.00	2.00	2.00	0.00
Broadband Services	13.50	13.50	14.50	1.00
Social Services	5.50	5.50	4.50	(1.00)
Community Services	9.58	9.58	8.58	(1.00)
TV Studio	6.01	6.01	6.01	0.00
High Speed Internet	1.00	1.00	1.00	0.00
Permits & Inspections	8.03	8.03	7.03	(1.00)
Property Services	15.01	12.01	15.01	3.00
Information Technology Division	11.00	11.00	10.04	(0.96)
Financial Services Division	23.16	20.66	18.58	(2.08)
Security Division	119.48	119.83	114.60	(5.23)
Compliance	3.00	3.00	3.00	0.00
Security	116.48	116.83	111.60	(5.23)
Landscape Division	176.40	158.16	154.81	(3.35)
Administration	6.51	3.50	4.00	0.50
Support Services	5.66	0.00	0.00	0.00
Nursery	4.01	3.88	3.88	0.00
Composting	1.05	1.03	1.03	0.00
GRF Grounds	8.18	0.00	0.00	0.00
Grounds Maintenance	85.34	84.61	84.98	0.37
Irrigation Repairs	17.60	17.55	17.55	0.00
Small Equipment Maintenance	4.01	4.00	3.00	(1.00)
Pest Management	6.34	4.84	4.84	0.00
Tree Maintenance	17.69	15.70	13.48	(2.22)
Golf Maintenance (27H)	17.68	20.83	19.86	(0.97)
Golf Maintenance (9H)	2.03	2.02	2.02	0.00
Lawn Bowling	0.30	0.20	0.17	(0.03)

Staff Years Comparison Report Full-Time Equivalents

Recreation Division	76.89	74.13	73.35	(0.78)
Administration	4.11	4.11	3.61	(0.50)
Bar Services	0.60	0.60	0.60	0.00
Community Center Rooms	0.75	0.75	0.75	0.00
Clubhouse 1	4.69	4.69	4.74	0.05
Clubhouse 2	2.85	1.43	4.50	3.07
Clubhouse 3	9.02	7.87	7.72	(0.15)
Clubhouse 4	3.32	3.32	3.32	0.00
Clubhouse 5	4.29	4.29	4.29	0.00
Clubhouse 6	1.65	1.85	1.85	0.00
Clubhouse 7	3.01	2.61	2.21	(0.40)
Equestrian	4.58	4.58	4.58	0.00
Golf Operations (27H)	15.76	15.98	14.13	(1.85)
Golf Operations (9H)	1.68	1.96	1.96	0.00
Aquatics	10.22	9.72	9.72	0.00
Fitness	9.36	9.37	8.87	(0.50)
Garden Centers	1.00	1.00	0.50	(0.50)
Human Resources Division	9.00	8.40	9.40	1.00
Maintenance Operations Division	169.45	164.05	166.78	2.73
Administration	5.40	7.00	5.00	(2.00)
Maintenance Services	3.00	3.00	3.00	0.00
Building Maintenance	13.03	12.03	13.03	1.00
Appliance	6.45	6.45	6.45	0.00
Carpentry	41.15	40.15	41.15	1.00
Electrical	8.14	7.14	8.14	1.00
Plumbing	21.82	21.82	23.82	2.00
Interior Component Services	8.99	8.99	8.72	(0.27)
Projects	10.00	8.00	8.00	0.00
Facilities Services	6.09	6.09	6.09	0.00
Paint	45.38	43.38	43.38	0.00
GRAND TOTAL:	769.71	735.34	717.72	(17.62)

2017 BUSINESS PLAN
Summary of Allocations

	Total	90 GRF	01 UNITED	03 THIRD
NON WORK CENTER	\$18,400,508	(\$2,252,500)	\$14,327,539	\$6,325,469
CEO DIVISION	\$1,280,795	\$654,370	\$305,533	\$320,892
GENERAL SERVICES DIVISION	\$8,632,903	\$6,246,870	\$970,598	\$1,415,434
902 - MAINT ADMIN SERVICES	12,535	12,535	0	0
311 - WAREHOUSE	201,151	178,458	8,207	14,487
320 - ADMIN BUILDING	821,618	821,618	0	0
370 - PURCHASING	517,711	396,030	46,804	74,877
935 - JANITORIAL	2,420,730	1,530,702	228,803	661,225
241 - CENTRAL SERVICES	319,621	120,794	103,501	95,326
936 - STREETS & SIDEWALKS	1,570,172	417,369	583,283	569,519
940 - SERVICE CENTER FAC	371,033	371,033	0	0
960 - VEHICLE MAINTENANCE	184,275	184,275	0	0
970 - TRANSPORTATION	2,214,056	2,214,056	0	0
RESIDENT SERVICES DIVISION	\$4,951,081	\$3,754,579	\$654,187	\$542,316
010 - BROADBAND ADMIN	25,215	25,215	0	0
020 - TV OPERATIONS	3,870,346	3,870,346	0	0
030 - TV STUDIO	461,701	461,701	0	0
050 - HIGH SPEED INTERNET	(1,255,595)	(1,255,595)	0	0
220 - SOCIAL SERVICES	408,703	408,703	0	0
240 - COMMUNITY SERVICES	(152,343)	41,906	(74,422)	(119,827)
950 - PROPERTY SERVICES	855,310	202,008	416,678	236,624
925 - PERMITS & INSPECTIONS	737,745	295	311,931	425,519
INFORMATION TECHNOLOGY DIVISION	\$1,160,117	\$1,115,740	\$44,377	\$0
FINANCIAL SERVICES DIVISION	\$4,893,302	\$3,076,550	\$924,013	\$892,739
300 - FINANCIAL SERVICES	1,873,310	1,048,633	409,724	414,953
350 - INSURANCE	2,329,992	1,337,917	514,289	477,786
380 - TAXES	690,000	690,000	0	0
SECURITY DIVISION	\$4,857,026	\$4,490,007	\$167,840	\$199,180
400 - SECURITY	4,594,708	4,463,896	42,851	87,962
210 - COMPLIANCE	262,318	26,111	124,989	111,218
LANDSCAPE DIVISION	\$11,834,587	\$2,215,942	\$3,811,000	\$5,807,644
500 - LANDSCAPE ADMIN	332,685	60,152	124,329	148,204
511 - NURSERY	328,588	19,467	126,600	182,521
512 - COMPOSTING	138,012	7,513	61,431	69,068
530 - MSO GROUNDS	5,727,179	544,276	2,298,037	2,884,866
540 - IRRIGATION DEPT	1,798,610	72,075	693,906	1,032,629
550 - SMALL EQUIP DEPT	352,025	25,346	156,792	169,887
560 - PEST MANAGEMENT	477,351	74,562	184,066	218,722
570 - TREE MAINT DEPT	1,335,064	67,477	165,839	1,101,747
580 - GOLF MAINT - 27 HOLE	1,145,481	1,145,481	0	0
581 - GOLF MAINT - 8 HOLE	170,012	170,012	0	0
582 - LAWN BOWLING DEPT	29,581	29,581	0	0

	Total	90 GRF	01 UNITED	03 THIRD
RECREATION DIVISION	\$4,771,486	\$4,771,486	\$0	\$0
600 - REC ADMIN SERVICES	89,802	89,802	0	0
602 - BAR SERVICES	(12,154)	(12,154)	0	0
603 - LIBRARY	37,756	37,756	0	0
610 - CC REC ROOM	56,205	56,205	0	0
611 - CLUBHOUSE ONE	498,725	498,725	0	0
612 - CLUBHOUSE TWO	371,144	371,144	0	0
613 - CLUBHOUSE THREE	599,222	599,222	0	0
614 - CLUBHOUSE FOUR	437,834	437,834	0	0
615 - CLUBHOUSE FIVE	378,446	378,446	0	0
616 - CLUBHOUSE SIX	131,362	131,362	0	0
617 - CLUBHOUSE SEVEN	112,413	112,413	0	0
620 - EQUESTRIAN DEPT	273,353	273,353	0	0
521 - GARDEN CENTER DEPT	124,195	124,195	0	0
670 - GOLF OPER - 27 HOLE	560,371	560,371	0	0
672 - VILLAGE GREENS CAFÉ	25,989	25,989	0	0
680 - GOLF OPER - 9 HOLE	73,397	73,397	0	0
690 - AQUATICS	632,634	632,634	0	0
691 - FITNESS CENTER	380,792	380,792	0	0
HUMAN RESOURCES DIVISION	\$186,366	\$186,366	\$0	\$0
MAINTENANCE OPERATIONS DIVISION	\$32,473,251	\$1,212,098	\$17,316,508	\$13,944,645
900 - MAINT OPERATIONS	632,886	124,442	247,461	260,984
904 - MAINTENANCE SERVICES	194,979	38,696	87,338	68,944
910 - BUILDING MAINT DEPT	5,258,658	67,382	2,603,018	2,588,259
911 - APPLIANCE	1,164,962	4,165	1,008,693	152,104
912 - CARPENTRY	4,408,040	98,024	1,914,217	2,395,799
913 - APPLIANCE/ELECTRICAL	839,737	88,871	625,379	125,487
914 - PLUMBING	3,362,607	73,484	2,717,348	571,774
917 - INTERIOR COMPONENTS SVCS	1,504,060	38,911	1,419,349	45,801
920 - PROJECTS	10,843,822	272,991	4,505,125	6,065,706
926 - FACILITIES SVCS	135,929	117,974	0	17,955
932 - PAINT	4,127,570	287,158	2,188,580	1,651,832
TOTAL	\$93,441,422	\$25,471,508	\$38,521,595	\$29,448,319

2017 BUSINESS PLAN
Revenue and Expenditure Report
SUMMARY OF ALL UNITS

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Trust Facilities Fees		\$2,252,500	(\$2,252,500)	0%
Golf Green Fees	1,123,847	1,156,582	(32,735)	(3%)
Golf Operations	290,561	300,082	(9,521)	(3%)
Merchandise Sales	281,521	276,492	5,029	2%
Clubhouse Rentals and Event Fees	631,457	684,748	(53,291)	(8%)
Rentals	108,239	101,427	6,812	6%
Fees and Charges for Services to Residents	1,337,389	1,232,430	104,959	8%
Broadband Services	3,921,843	4,286,520	(364,677)	(9%)
Laundry	260,000	254,000	6,000	2%
Miscellaneous	1,806,527	1,809,730	(3,203)	0%
Total Non-Assessment Revenue	<u>9,761,384</u>	<u>12,354,511</u>	<u>(2,593,127)</u>	<u>(27%)</u>
Expenses:				
Employee Compensation	34,128,182	33,978,944	(149,238)	0%
Expenses Related to Employee Compensation	13,142,575	12,904,694	(237,881)	(2%)
Materials and Supplies	6,357,240	6,964,535	607,295	10%
Cost of Goods Sold	184,205	175,722	(8,483)	(5%)
Community Events	378,673	455,468	76,795	20%
Utilities and Telephone	12,257,188	11,619,925	(637,263)	(5%)
Fuel and Oil	612,589	530,844	(81,745)	(13%)
Legal Fees	652,000	649,500	(2,500)	0%
Professional Fees	1,107,249	832,273	(274,976)	(25%)
Management Fee	628,019		(628,019)	(100%)
Equipment Rental	238,487	257,965	19,478	8%
Outside Services	14,540,827	16,494,625	1,953,798	13%
Repairs and Maintenance	1,026,293	1,141,002	114,709	11%
Other Operating Expense	748,231	787,299	39,068	5%
(Gain)/Loss on sale or trade warehouse	(50,000)	(75,000)	(25,000)	(50%)
Interest Expense	58,397	24,512	(33,885)	(58%)
Income Taxes	690,000	690,000		0%
Property and Sales Tax	7,770,695	9,502,215	1,731,520	22%
Insurance	3,771,672	3,846,532	74,859	2%
Cable Programming/Copyright/Franchise	4,589,622	4,851,775	262,153	6%
Uncollectible Accounts	175,248	163,100	(12,148)	(7%)
Total Expenses	<u>103,007,393</u>	<u>105,795,930</u>	<u>2,788,537</u>	<u>3%</u>
Unallocated Revenue / (Expense)	<u>(\$93,246,009)</u>	<u>(\$93,441,419)</u>	<u>\$195,410</u>	<u>0%</u>
Allocated To Departments	(6,217,011)	(8,660,276)	(2,443,265)	(39%)
Allocated From Departments	6,196,643	8,660,276	2,463,633	40%
Net Revenue / (Expense)	<u>(\$93,225,641)</u>	<u>(\$93,441,419)</u>	<u>\$215,778</u>	<u>0%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
SUMMARY: NO WORK CENTER

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Trust Facilities Fees		\$2,252,500	(\$2,252,500)	0%
Fees and Charges for Services to Residents	1,086,510		1,086,510	100%
Laundry	260,000	254,000	6,000	2%
Miscellaneous	247,200	239,025	8,175	3%
Total Non-Assessment Revenue	<u>1,593,710</u>	<u>2,745,525</u>	<u>(1,151,815)</u>	<u>(72%)</u>
Expenses:				
Utilities and Telephone	9,852,640	9,297,504	(555,136)	(6%)
Legal Fees	450,000	350,000	(100,000)	(22%)
Professional Fees	112,771	116,524	3,753	3%
Management Fee	310,128		(310,128)	(100%)
Repairs and Maintenance	302,120	341,720	39,600	13%
Property and Sales Tax	7,642,733	9,366,767	1,724,034	23%
Insurance	1,503,796	1,524,918	21,122	1%
Uncollectible Accounts	152,748	148,600	(4,148)	(3%)
Total Expenses	<u>20,326,936</u>	<u>21,146,033</u>	<u>819,096</u>	<u>4%</u>
Unallocated Revenue / (Expense)	<u>(\$18,733,226)</u>	<u>(\$18,400,508)</u>	<u>(\$332,719)</u>	<u>(2%)</u>
Net Revenue / (Expense)	<u>(\$18,733,226)</u>	<u>(\$18,400,508)</u>	<u>(\$332,719)</u>	<u>(2%)</u>

**Laguna Woods Village
2017 BUSINESS PLAN
Service Levels
CEO DIVISION**

Description of Services Provided

The CEO Division responsibilities are primarily twofold: act as liaison with each of the Corporation's Boards of Directors and the Management Board of Directors; direct services, programs, and operations, ensuring that all activities are within policy guidelines set by the Boards, the management agreement, the governing documents, and the business plans of each Corporation.

Management Services

- Fulfill responsibilities and carry out duties within the terms and conditions established in the management agreement.
- Advise and assist the Board of Directors of each Corporation in the areas of property management, administrative and fiscal services. Conduct appropriate policy and procedural studies for the operating divisions.
- Oversee corporate policies, including the development, implementation, and supervision of the business plan of each Corporation.
- Direct supervision of the operating divisions, including the development of in-house operating procedures to ensure effective, timely, and expeditious execution of services. Review all operations to seek more cost-efficient and effective ways of providing services.
- Research, prepare, and review management audits, cost studies, and other reports. Also, support strategic planning and operational audits.
- Review director and resident complaints, problems, requests for variances from policies/procedures, and/or the revision of policies/procedures and follow-up on execution of same.
- Orchestrate with staff, the Boards of Directors, and the membership at large a plan for the Community to identify key issues, examine alternatives, and financially plan for the resolution of these issues to better utilize Community resources and ensure short-term planning decisions are consistent with long-term objectives.

Administrative Services

- Provide administrative support services to each of the Corporation's Board of Directors. Ensure that all legal requirements are met for Board meetings, including frequency, notice, and voting issues.
- Maintain corporate records and provide research and analysis for the Boards of Directors and committees utilizing professional services and other staff as appropriate.
- Prepare agendas and coordinate all aspects of annual meetings of members, Directors Institute meetings, regular monthly meetings, and other special meetings of the Boards.

**Laguna Woods Village
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Service Levels**

- Record, transcribe, and file the minutes of each of the Corporations' annual and Board of Directors' meetings.
- Coordinate and track resident records requests with other divisions as required.
- Coordinate aspects of the director nomination and election process, including the election calendar and printing of the ballots.
- Coordinate election activity with independent third party Inspector of Elections, facilitate room set up necessary for ballot counting procedures.
- Monitor the submittal of applications for membership transfer and resale to assure expeditious consideration by the Boards of Directors.
- Coordinate Board functions.
- Prepare correspondence with resident members as directed on behalf of the Boards of Directors.
- Coordinate conference room reservations calendar and provide setup for Board meetings. Prepare and distribute weekly memo of scheduled meetings.

Legal Services

The Division reviews the costs of legal services for the Golden Rain Foundation as provided by independent outside counsel. The legal services provided to the Mutual Corporations are charged directly to those Corporations and therefore are not included in the budget of this division. Neuland & Whitney; Beaumont, Gitlin, Tashjian; Law Offices of Denver R. Andrews, Jr.; and others as needed, provide a broad range of legal services to all Corporations. Specific services provided by the Division are:

- Review certain contracts and agreements.
- Provide liaison between corporate counsels, management staff, and the Boards of Directors. Request legal opinions when needed.
- Meet and confer with division and department managers and directors as required to advise on administrative and legal matters.
- Work with corporate counsel in preparation of litigation materials.
- Draft recommended bylaw amendments, review resolutions for adoption by the Boards of Directors, and review or prepare specific agreements.
- Review and research documents, statistics, and pertinent legislation pertaining to Community matters, and advise on applicability and alternate courses of action.
- Upon request of the Corporations and/or staff, explain various corporation positions at meetings.
- Act as liaison with the City of Laguna Woods, as well as identify issues in neighboring cities, in matters affecting Laguna Woods Village.

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Service Levels**

- Review matters regarding contracts, statutes, and general conditions relative to land use, acquisition, sale, and/or leasing.

Public Relations

- Maintain relations with other association service organizations and local business organizations as necessary in the best interest of the Laguna Woods Village Community.
- Act as government liaison with City, County, State and Federal governments, and other outside agencies in all matters affecting Laguna Woods Village.
- Manage a comprehensive public relations program, providing information to the residents of Laguna Woods Village, potential residents, and to external news media, including website postings, press releases, and social media communications.
- Coordinate, administer, and maintain the GRF-Laguna Woods Village website, televised special community update programming, and Village Employee Newsletter.
- Participate in an electronic newsletter publication distributed to subscribers and posted on the Village website.
- Manage a marketing outreach program as directed by the GRF Board.

2017 BUSINESS PLAN
Revenue and Expenditure Report
SUMMARY: CEO DIVISION

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	437,378	780,164	342,787	78%
Expenses Related to Employee Compensation	85,701	121,246	35,545	41%
Materials and Supplies	4,049	4,600	551	14%
Legal Fees	152,000	227,000	75,000	49%
Professional Fees	317,500		(317,500)	(100%)
Management Fee	317,891		(317,891)	(100%)
Other Operating Expense	40,038	122,709	82,671	206%
Total Expenses	<u>1,354,557</u>	<u>1,255,719</u>	<u>(98,838)</u>	<u>(7%)</u>
 Unallocated Revenue / (Expense)	 <u>(\$1,354,557)</u>	 <u>(\$1,255,719)</u>	 <u>(\$98,838)</u>	 <u>(7%)</u>
 Allocated To Departments	 (34,533)		34,533	(100%)
Allocated From Departments	20,424	25,075	4,651	23%
 Net Revenue / (Expense)	 <u>(\$1,340,448)</u>	 <u>(\$1,280,795)</u>	 <u>(\$59,653)</u>	 <u>(4%)</u>

**Laguna Woods Village
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Service Levels**

GENERAL SERVICES DIVISION

Description of Services Provided

The General Services Division is responsible for operating, maintaining, repairing, and replacing the Community's physical assets or resources, including the following services:

Street and Sidewalks – Responsible for minor maintenance to streets, parking lots, signage, and parkways. Street sweeping, curb painting, concrete work, gutter cleaning, perimeter wall repair, welding, and storm drain maintenance.

Service Center Facility – Provides office, shop, and storage facilities for the Maintenance, Landscape, Broadband and Security Divisions and the Warehouse Department. The utilities, trash transfer station, and general operating costs to support these facilities are compiled in this work center.

Vehicle Maintenance – Responsible for maintenance and repair of the entire Laguna Woods Village vehicle and special mobile equipment fleet.

Transportation – Provides a bus transportation system exclusively for Laguna Woods Village residents.

Janitorial - Provides cleaning of certain Golden Rain Foundation facilities and some components of the Housing Mutual's buildings

Warehouse – Maintain centralized receiving and warehouse services. Provide liaison, coordination and control between Warehouse and operating divisions. Maintain shipping and receiving records. Deliver merchandise and equipment received to operating divisions. Manage the disposal of obsolete equipment, sales of used refrigerators, and cash sales to residents.

Administration Building – Record operating costs related to the Laguna Woods Village Community Center building, including: facility and equipment repair and maintenance; utility and telephone services; office/workstation alterations; furniture and office equipment; office space rental (e.g. The Laguna Woods Globe); miscellaneous support materials for coffee and copy rooms; and association fees and requirements.

Purchasing – Coordinate procurement of goods and services. Monitor and evaluate vendor performance. Maintain purchase order, contract, and product information files. Provide projected cost information to support operating and capital budgets. Prepare and execute all major facility improvements and service contracts.

**Laguna Woods Village
2017 BUSINESS PLAN
Service Levels**

Central Services

Provide the following fee based services for residents:

- Copying
- Folding
- Collating
- Stapling
- Heat Binding
- Cutting
- Laminating
- Faxing
- Shredding

Maintenance and distribution of office supply inventory

Delivery of mail services including:

- Incoming and interoffice mail
- Coordination of special messenger pickup and delivery
- Postage metering of outgoing mail
- Bulk mailings to the Community
- Pickup and delivery of mail to the local United States Post Office
- Department mailings (including Landscape, Home Care and Maintenance)
- Mailing for Community clubs and organizations.

2017 BUSINESS PLAN
Revenue and Expenditure Report
SUMMARY: GENERAL SERVICES DIVISION

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Merchandise Sales	\$32,200	\$28,788	\$3,412	11%
Rentals	18,800	19,600	(800)	(4%)
Fees and Charges for Services to Residents		21,631	(21,631)	0%
Miscellaneous	74,000	70,000	4,000	5%
Total Non-Assessment Revenue	<u>125,000</u>	<u>140,019</u>	<u>(15,019)</u>	<u>(12%)</u>
Expenses:				
Employee Compensation	5,284,917	4,851,895	(433,022)	(8%)
Expenses Related to Employee Compensation	2,265,647	2,038,386	(227,262)	(10%)
Materials and Supplies	766,130	793,375	27,245	4%
Cost of Goods Sold	20,100	20,000	(100)	0%
Utilities and Telephone	683,819	709,361	25,542	4%
Fuel and Oil	612,589	530,844	(81,745)	(13%)
Professional Fees	1,947	12,000	10,053	516%
Equipment Rental	142,858	183,146	40,288	28%
Outside Services	202,788	252,532	49,744	25%
Repairs and Maintenance	162,274	224,851	62,577	39%
Other Operating Expense	203,885	183,894	(19,991)	(10%)
Interest Expense	58,397	24,512	(33,885)	(58%)
Property and Sales Tax	108,362	113,717	5,355	5%
Insurance	14,142	14,122	(20)	0%
Total Expenses	<u>10,527,856</u>	<u>9,952,635</u>	<u>(575,221)</u>	<u>(5%)</u>
Unallocated Revenue / (Expense)	<u>(\$10,402,856)</u>	<u>(\$9,812,616)</u>	<u>(\$590,240)</u>	<u>(6%)</u>
Allocated To Departments	(2,586,421)	(3,589,754)	(1,003,333)	(39%)
Allocated From Departments	1,243,485	2,410,041	1,166,556	94%
Net Revenue / (Expense)	<u>(\$9,059,919)</u>	<u>(\$8,632,903)</u>	<u>(\$427,017)</u>	<u>(5%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
936 - STREETS & SIDEWALKS

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$21,631	(\$21,631)	0%
Total Non-Assessment Revenue		21,631	(21,631)	0%
Expenses:				
Employee Compensation	748,916	760,909	11,993	2%
Expenses Related to Employee Compensation	379,659	381,185	1,526	0%
Materials and Supplies	197,259	219,453	22,194	11%
Equipment Rental	6,561	16,867	10,306	157%
Outside Services	22,703	25,548	2,845	13%
Repairs and Maintenance	2,786	2,373	(413)	(15%)
Other Operating Expense	8,145	6,090	(2,055)	(25%)
Total Expenses	1,366,029	1,412,425	46,397	3%
Unallocated Revenue / (Expense)	(\$1,366,029)	(\$1,390,794)	\$24,766	2%
Allocated From Departments	195,040	179,377	(15,662)	(8%)
Net Revenue / (Expense)	(\$1,561,069)	(\$1,570,172)	\$9,103	1%

2017 BUSINESS PLAN
Revenue and Expenditure Report
241 - CENTRAL SERVICES

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Miscellaneous	\$74,000	\$70,000	\$4,000	5%
Total Non-Assessment Revenue	<u>74,000</u>	<u>70,000</u>	<u>4,000</u>	<u>5%</u>
Expenses:				
Employee Compensation	133,574	139,942	6,367	5%
Expenses Related to Employee Compensation	48,904	48,680	(225)	0%
Materials and Supplies	31,680	34,500	2,820	9%
Equipment Rental	12,480	13,000	520	4%
Outside Services	34,750	35,750	1,000	3%
Repairs and Maintenance	1,056	800	(256)	(24%)
Other Operating Expense	127,386	124,189	(3,197)	(3%)
Property and Sales Tax	250		(250)	(100%)
Total Expenses	<u>390,081</u>	<u>396,861</u>	<u>6,780</u>	<u>2%</u>
Unallocated Revenue / (Expense)	<u>(\$316,081)</u>	<u>(\$326,861)</u>	<u>\$10,780</u>	<u>3%</u>
Allocated To Departments	(16,809)	(16,775)	33	0%
Allocated From Departments	16,197	9,535	(6,662)	(41%)
Net Revenue / (Expense)	<u>(\$315,469)</u>	<u>(\$319,621)</u>	<u>\$4,151</u>	<u>1%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
311 - WAREHOUSE

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Merchandise Sales	\$32,200	\$28,788	\$3,412	11%
Total Non-Assessment Revenue	<u>32,200</u>	<u>28,788</u>	<u>3,412</u>	<u>11%</u>
Expenses:				
Employee Compensation	140,162	148,431	8,269	6%
Expenses Related to Employee Compensation	63,891	65,280	1,389	2%
Materials and Supplies	8,100	8,100		0%
Cost of Goods Sold	20,100	20,000	(100)	0%
Repairs and Maintenance	3,250	5,250	2,000	62%
Other Operating Expense	1,949	914	(1,035)	(53%)
Property and Sales Tax	1,000	725	(275)	(28%)
Total Expenses	<u>238,452</u>	<u>248,701</u>	<u>10,249</u>	<u>4%</u>
Unallocated Revenue / (Expense)	<u>(\$206,252)</u>	<u>(\$219,913)</u>	<u>\$13,661</u>	<u>7%</u>
Allocated To Departments	(84,826)	(85,730)	(905)	(1%)
Allocated From Departments	6,167	66,969	60,802	986%
Net Revenue / (Expense)	<u>(\$127,593)</u>	<u>(\$201,151)</u>	<u>\$73,558</u>	<u>58%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
320 - ADMIN BUILDING

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Rentals	<u>\$18,800</u>	<u>\$19,600</u>	<u>(\$800)</u>	<u>(4%)</u>
Total Non-Assessment Revenue	<u>18,800</u>	<u>19,600</u>	<u>(800)</u>	<u>(4%)</u>
Expenses:				
Materials and Supplies	45,260	50,050	4,790	11%
Utilities and Telephone	364,066	390,916	26,850	7%
Equipment Rental	83,000	113,000	30,000	36%
Outside Services	53,500	53,500		0%
Repairs and Maintenance	128,074	178,944	50,870	40%
Other Operating Expense	2,250	2,700	450	20%
Interest Expense	58,397	24,512	(33,885)	(58%)
Property and Sales Tax	28	28		0%
Total Expenses	<u>734,575</u>	<u>813,650</u>	<u>79,075</u>	<u>11%</u>
Unallocated Revenue / (Expense)	<u>(\$715,775)</u>	<u>(\$794,050)</u>	<u>\$78,275</u>	<u>11%</u>
Allocated From Departments		27,568	27,568	0%
Net Revenue / (Expense)	<u>(\$715,775)</u>	<u>(\$821,618)</u>	<u>\$105,843</u>	<u>15%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
370 - PURCHASING

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	329,004	348,066	19,062	6%
Expenses Related to Employee Compensation	71,302	77,514	6,212	9%
Materials and Supplies	17,972	23,900	5,928	33%
Professional Fees		12,000	12,000	0%
Other Operating Expense	1,196	1,095	(101)	(8%)
Total Expenses	<u>419,473</u>	<u>462,575</u>	<u>43,102</u>	<u>10%</u>
 Unallocated Revenue / (Expense)	 <u>(\$419,473)</u>	 <u>(\$462,575)</u>	 <u>\$43,102</u>	 <u>10%</u>
 Allocated From Departments		55,136	55,136	0%
Net Revenue / (Expense)	<u>(\$419,473)</u>	<u>(\$517,711)</u>	<u>\$98,238</u>	<u>23%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
935 - JANITORIAL DEPT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	1,241,859	1,286,026	44,167	4%
Expenses Related to Employee Compensation	788,432	783,767	(4,665)	(1%)
Materials and Supplies	136,981	142,896	5,915	4%
Outside Services	6,210	9,129	2,919	47%
Repairs and Maintenance	1,189	625	(564)	(47%)
Other Operating Expense	14,121	12,179	(1,942)	(14%)
Total Expenses	<u>2,188,792</u>	<u>2,234,622</u>	<u>45,830</u>	<u>2%</u>
 Unallocated Revenue / (Expense)	 <u>(\$2,188,792)</u>	 <u>(\$2,234,622)</u>	 <u>\$45,830</u>	 <u>2%</u>
 Allocated From Departments	 138,981	 186,108	 47,128	 34%
Net Revenue / (Expense)	<u>(\$2,327,773)</u>	<u>(\$2,420,730)</u>	<u>\$92,957</u>	<u>4%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
902 - MAINT ADMIN SERV

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	431,327	378,451	(52,876)	(12%)
Expenses Related to Employee Compensation	92,133	79,931	(12,202)	(13%)
Materials and Supplies	941	883	(58)	(6%)
Professional Fees	1,947		(1,947)	(100%)
Other Operating Expense	1,708	3,201	1,493	87%
Total Expenses	<u>528,056</u>	<u>462,467</u>	<u>(65,589)</u>	<u>(12%)</u>
 Unallocated Revenue / (Expense)	 <u>(\$528,056)</u>	 <u>(\$462,467)</u>	 <u>(\$65,589)</u>	 <u>(12%)</u>
 Allocated To Departments		(1,403,479)	(1,403,479)	0%
Allocated From Departments	12,408	953,548	941,140	7585%
 Net Revenue / (Expense)	 <u>(\$540,464)</u>	 <u>(\$12,535)</u>	 <u>(\$527,928)</u>	 <u>(98%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
940 - SERVICE CENTER FAC

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Materials and Supplies	11,532		(11,532)	(100%)
Utilities and Telephone	319,753	318,445	(1,308)	0%
Equipment Rental	5,700	5,590	(110)	(2%)
Outside Services	720	671	(49)	(7%)
Property and Sales Tax	51	51		0%
Total Expenses	<u>337,756</u>	<u>324,757</u>	<u>(12,999)</u>	<u>(4%)</u>
 Unallocated Revenue / (Expense)	 <u>(\$337,756)</u>	 <u>(\$324,757)</u>	 <u>(\$12,999)</u>	 <u>(4%)</u>
 Allocated To Departments	 (13,727)	 (1,968)	 11,760	 86%
Allocated From Departments		48,244	48,244	0%
 Net Revenue / (Expense)	 <u>(\$324,029)</u>	 <u>(\$371,033)</u>	 <u>\$47,005</u>	 <u>15%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
960 - VEHICLE MAINTENANCE

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	1,022,138	791,623	(230,515)	(23%)
Expenses Related to Employee Compensation	433,931	324,663	(109,268)	(25%)
Materials and Supplies	298,177	298,924	747	0%
Fuel and Oil	612,589	530,844	(81,745)	(13%)
Equipment Rental	35,117	34,689	(428)	(1%)
Outside Services	75,694	99,963	24,269	32%
Repairs and Maintenance	24,919	34,859	9,940	40%
Other Operating Expense	29,655	23,478	(6,177)	(21%)
Property and Sales Tax	107,033	112,913	5,880	5%
Insurance	14,142	14,122	(20)	0%
Total Expenses	<u>2,653,394</u>	<u>2,266,078</u>	<u>(387,316)</u>	<u>(15%)</u>
 Unallocated Revenue / (Expense)	 <u>(\$2,653,394)</u>	 <u>(\$2,266,078)</u>	 <u>(\$387,316)</u>	 <u>(15%)</u>
 Allocated To Departments	 (2,471,060)	 (2,081,802)	 389,257	 16%
Net Revenue / (Expense)	<u>(\$182,334)</u>	<u>(\$184,275)</u>	<u>\$1,941</u>	<u>1%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
970 - TRANSPORTATION

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	1,237,938	998,447	(239,491)	(19%)
Expenses Related to Employee Compensation	387,394	277,365	(110,029)	(28%)
Materials and Supplies	18,229	14,669	(3,560)	(20%)
Outside Services	9,211	27,971	18,760	204%
Repairs and Maintenance	1,000	2,000	1,000	100%
Other Operating Expense	17,476	10,048	(7,428)	(43%)
Total Expenses	<u>1,671,248</u>	<u>1,330,500</u>	<u>(340,748)</u>	<u>(20%)</u>
 Unallocated Revenue / (Expense)	 <u>(\$1,671,248)</u>	 <u>(\$1,330,500)</u>	 <u>(\$340,748)</u>	 <u>(20%)</u>
 Allocated From Departments	 874,693	 883,556	 8,863	 1%
Net Revenue / (Expense)	<u>(\$2,545,941)</u>	<u>(\$2,214,056)</u>	<u>(\$331,885)</u>	<u>(13%)</u>

**Laguna Woods Village
2017 BUSINESS PLAN
Service Levels**

RESIDENT SERVICES DIVISION

Description of Services Provided

The Resident Services Division provides the following services:

Resident Services Administration - Coordinate and direct the discussions for any advanced services requested by the Community. Provide the liaison with the boards of directors through attendance of board meetings and by staffing the Media and Communications committee and related subcommittees. Responsible for relationships with network and cable programming contacts, including negotiating programming contract agreements.

Social Services – Provide short-term individual, couples, and family counseling to Community residents and their families. Facilitate caregivers, bereavement and transitions support groups. Present seminars and workshops by Staff and other area professionals or organizations on topics of interest to older adults. Develop plans for future needs and alternative living care. Advocate for client access to appropriate treatment/care. Refer residents to community programs, agencies and services such as Medicare, Medi-Cal, legal services and home care agencies. Recruit, train and match active residents for the Friendly Volunteer Program to visit frail, homebound residents who are socially isolated. Coordinate provision of nursing assessments, blood pressure screenings, and educational seminars by Saddleback Memorial Medical Center. Supervise graduate students from accredited schools of social work to provide home assessments, counseling, and referrals during the academic school year, under the supervision of a licensed clinical social worker.

Community Services – Provide support to all Boards of Directors in matters pertaining to membership and occupancy. Process all membership changes through property transfer and resale and issue all photo identification cards. Process all lease permits in accordance with the applicable mutual policies, including coordination with Security and membership counselor. Verify voter validity and eligibility. Maintain official corporate membership and occupancy records. Operate the reception desk in the Laguna Woods Village Community Center, provide switchboard services for the administrative offices and distribute various printed media to the public. Community tours are scheduled in conjunction with the Golden Rain Foundation. Recommend changes in governing rules, policies, and membership qualifications to the corporations, as needed. Receive and investigate complaints of rule violations and coordinate with the Legal Affairs Manager to recommend suitable corrective action. Welcome new residents by holding two comprehensive orientation programs each month.

Property Services – Receive, organize and process resident service requests. Initiates appliance replacements/upgrades beginning with Member requests. Contacts residents to verify scheduled work requests affected by Building Maintenance programs prior to commencement of work.

Permits & Inspections – Responsible for permitting and inspection services for the Community in the areas of: alterations permits, required by owners who wish to make

an alteration to their manors; and resale inspections, to evaluate the condition of property when a unit is listed for resale.

TV Operations - Coordinate and direct the maintenance and operation of the GRF Cable Television System. Determine channel placement and lineup for all analog, digital and high definition content. Provide subscription-based premium movie channel offerings. Conduct routine maintenance and repairs to the Community's cable television plant, as well as within individual manors. Provide a customer service contact for the Community to handle repairs, outages, questions on service, etc. Coordinate and maintain the provision of advanced digital services; including high-speed Internet, digital television, and program tiering. Support the ad insertion operation by maintaining the associated head end equipment necessary to provide this service.

TV Studio – Coordinate and direct all TV6 programming content, determine programming schedules and oversee all revenue-generating advertising including local TV6 content and network ad insertion on applicable cable system channels. Record, broadcast, and archive GRF, United and Third board meetings. Provide coverage of special clubhouse meetings and important Community events. Produce, edit, and package custom audiovisual content. Provide tape, disk, or other storage media duplication services. Produce, record, broadcast, and archive the City of Laguna Woods council meetings. Provide re-broadcasting services.

Media Services – Oversee the operation and sales of cable network advertising on the Laguna Woods Village cable system. Provide a marketing strategy to promote Laguna Woods Village as a viable advertising medium to outside businesses, coordinate and solicit businesses to advertise on the Laguna Woods Village cable system, and develop and promote sales packages. Determine and schedule commercial advertising to be broadcast on the cable networks. Oversee all revenue generating advertising in short and long format. Develop the continued growth and success of the cable ad sales program.

High-Speed Internet – Oversee the delivery of high-speed data service to the residents of Laguna Woods Village and elsewhere within the City of Laguna Woods. Provide installation of high-speed data lines to manors within the Community, and maintenance of the broadband network and head-end facility. Coordinate installation and service activities with a contracted Internet service provider and promote the Internet service within the Community.

Digital Services – Provide enhanced digital services to the community including standard definition and high definition digital channels, pay-per-view, digital video recording, interactive program guide, and digital music services.

2017 BUSINESS PLAN
Revenue and Expenditure Report
SUMMARY: RESIDENT SERVICES DIVISION

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Merchandise Sales	\$21,000	\$18,310	\$2,690	13%
Fees and Charges for Services to Residents	250,879	258,390	(7,511)	(3%)
Broadband Services	3,921,543	4,286,220	(364,677)	(9%)
Miscellaneous	791,770	751,678	40,092	5%
Total Non-Assessment Revenue	<u>4,985,192</u>	<u>5,314,598</u>	<u>(329,406)</u>	<u>(7%)</u>
Expenses:				
Employee Compensation	3,303,185	3,161,799	(141,386)	(4%)
Expenses Related to Employee Compensation	955,176	979,936	24,760	3%
Materials and Supplies	59,816	72,869	13,053	22%
Utilities and Telephone	135,300	143,400	8,100	6%
Legal Fees	5,000	2,500	(2,500)	(50%)
Professional Fees	37,440	5,000	(32,440)	(87%)
Equipment Rental	80	82	2	2%
Outside Services	597,472	743,825	146,353	24%
Repairs and Maintenance	70,423	63,758	(6,665)	(9%)
Other Operating Expense	38,168	29,503	(8,664)	(23%)
Property and Sales Tax	462	2,600	2,138	463%
Cable Programming/Copyright/Franchise	4,589,622	4,851,775	262,153	6%
Uncollectible Accounts	22,500	14,500	(8,000)	(36%)
Total Expenses	<u>9,814,643</u>	<u>10,071,547</u>	<u>256,904</u>	<u>3%</u>
Unallocated Revenue / (Expense)	<u>(\$4,829,451)</u>	<u>(\$4,756,949)</u>	<u>(\$72,502)</u>	<u>(2%)</u>
Allocated To Departments	(302,282)	(523,339)	(221,057)	(73%)
Allocated From Departments	512,261	717,471	205,210	40%
Net Revenue / (Expense)	<u>(\$5,039,430)</u>	<u>(\$4,951,081)</u>	<u>(\$88,349)</u>	<u>(2%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
200 - RESIDENT SERVICES ADMIN

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	276,370	275,066	(1,304)	0%
Expenses Related to Employee Compensation	41,221	41,491	270	1%
Materials and Supplies	1,000	1,000		0%
Legal Fees	5,000	2,500	(2,500)	(50%)
Other Operating Expense	2,068	4,125	2,057	99%
Property and Sales Tax	37	38	1	3%
Total Expenses	<u>325,696</u>	<u>324,221</u>	<u>(1,475)</u>	<u>0%</u>
 Unallocated Revenue / (Expense)	 <u>(\$325,696)</u>	 <u>(\$324,221)</u>	 <u>(\$1,475)</u>	 <u>0%</u>
 Allocated To Departments	 (302,282)	 (523,339)	 (221,057)	 (73%)
Allocated From Departments	57,875	224,333	166,458	288%
 Net Revenue / (Expense)	 <u>(\$81,289)</u>	 <u>(\$25,215)</u>	 <u>(\$56,075)</u>	 <u>(69%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
020 - TV OPERATIONS

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Merchandise Sales		\$18,310	(\$18,310)	0%
Broadband Services	37,736	2,707,903	(2,670,167)	(7076%)
Miscellaneous		10,000	(10,000)	0%
Total Non-Assessment Revenue	<u>37,736</u>	<u>2,736,213</u>	<u>(2,698,477)</u>	<u>(7151%)</u>
Expenses:				
Employee Compensation	296,171	727,371	431,200	146%
Expenses Related to Employee Compensation	83,140	300,917	217,777	262%
Materials and Supplies	9,000	33,042	24,042	267%
Utilities and Telephone	135,300	143,400	8,100	6%
Outside Services	2,300	248,151	245,851	10689%
Repairs and Maintenance	20,400	62,158	41,758	205%
Other Operating Expense	8,760	15,296	6,536	75%
Property and Sales Tax		2,187	2,187	0%
Cable Programming/Copyright/Franchise	3,518,890	4,842,911	1,324,021	38%
Uncollectible Accounts		14,000	14,000	0%
Total Expenses	<u>4,073,961</u>	<u>6,389,433</u>	<u>2,315,472</u>	<u>57%</u>
Unallocated Revenue / (Expense)	<u>(\$4,036,225)</u>	<u>(\$3,653,220)</u>	<u>(\$383,005)</u>	<u>(9%)</u>
Allocated From Departments	91,087	217,126	126,039	138%
Net Revenue / (Expense)	<u>(\$4,127,312)</u>	<u>(\$3,870,346)</u>	<u>(\$256,966)</u>	<u>(6%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
030 - TV STUDIO

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Broadband Services	\$175,366	\$177,281	(\$1,915)	(1%)
Total Non-Assessment Revenue	<u>175,366</u>	<u>177,281</u>	<u>(1,915)</u>	<u>(1%)</u>
Expenses:				
Employee Compensation	421,475	406,735	(14,740)	(3%)
Expenses Related to Employee Compensation	107,886	103,445	(4,441)	(4%)
Materials and Supplies	6,315	7,525	1,210	19%
Outside Services	55,333	54,637	(696)	(1%)
Repairs and Maintenance	1,550	1,500	(50)	(3%)
Other Operating Expense	1,184	800	(384)	(32%)
Property and Sales Tax	425	375	(50)	(12%)
Cable Programming/Copyright/Franchise	9,000	8,864	(136)	(2%)
Uncollectible Accounts	500	500		0%
Total Expenses	<u>603,668</u>	<u>584,380</u>	<u>(19,288)</u>	<u>(3%)</u>
Unallocated Revenue / (Expense)	<u>(\$428,302)</u>	<u>(\$407,099)</u>	<u>(\$21,203)</u>	<u>(5%)</u>
Allocated From Departments	53,413	54,602	1,189	2%
Net Revenue / (Expense)	<u>(\$481,715)</u>	<u>(\$461,701)</u>	<u>(\$20,014)</u>	<u>(4%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
040 - MEDIA SERVICES

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Broadband Services	\$632,500		\$632,500	100%
Total Non-Assessment Revenue	<u>632,500</u>		<u>632,500</u>	<u>100%</u>
Expenses:				
Employee Compensation	211,445		(211,445)	(100%)
Expenses Related to Employee Compensation	38,766		(38,766)	(100%)
Materials and Supplies	2,860		(2,860)	(100%)
Outside Services	15,650		(15,650)	(100%)
Repairs and Maintenance	500		(500)	(100%)
Other Operating Expense	12,610		(12,610)	(100%)
Cable Programming/Copyright/Franchise	37,500		(37,500)	(100%)
Uncollectible Accounts	10,000		(10,000)	(100%)
Total Expenses	<u>329,331</u>		<u>(329,331)</u>	<u>(100%)</u>
Unallocated Revenue / (Expense)	<u>\$303,169</u>		<u>\$303,169</u>	<u>100%</u>
Allocated From Departments	64,377		(64,377)	(100%)
Net Revenue / (Expense)	<u>\$238,792</u>		<u>\$238,792</u>	<u>100%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
050 - HIGH SPEED INTERNET

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Broadband Services	<u>\$1,146,462</u>	<u>\$1,401,036</u>	<u>(\$254,574)</u>	<u>(22%)</u>
Total Non-Assessment Revenue	<u>1,146,462</u>	<u>1,401,036</u>	<u>(254,574)</u>	<u>(22%)</u>
Expenses:				
Employee Compensation	44,116	41,357	(2,759)	(6%)
Expenses Related to Employee Compensation	48,301	53,701	5,400	11%
Other Operating Expense	<u>520</u>	<u>268</u>	<u>(252)</u>	<u>(48%)</u>
Total Expenses	<u>92,937</u>	<u>95,326</u>	<u>2,389</u>	<u>3%</u>
 Unallocated Revenue / (Expense)	 <u>\$1,053,525</u>	 <u>\$1,305,710</u>	 <u>(\$252,185)</u>	 <u>(24%)</u>
 Allocated From Departments	 42,921	 50,115	 7,194	 17%
Net Revenue / (Expense)	<u>\$1,010,604</u>	<u>\$1,255,595</u>	<u>(\$244,991)</u>	<u>(24%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
060 - DIGITAL SERVICES

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Merchandise Sales	\$21,000		\$21,000	100%
Broadband Services	1,929,479		1,929,479	100%
Miscellaneous	10,000		10,000	100%
Total Non-Assessment Revenue	<u>1,960,479</u>		<u>1,960,479</u>	<u>100%</u>
Expenses:				
Employee Compensation	271,794		(271,794)	(100%)
Expenses Related to Employee Compensation	139,598		(139,598)	(100%)
Materials and Supplies	15,500		(15,500)	(100%)
Outside Services	199,286		(199,286)	(100%)
Repairs and Maintenance	47,773		(47,773)	(100%)
Other Operating Expense	1,140		(1,140)	(100%)
Cable Programming/Copyright/Franchise	1,024,232		(1,024,232)	(100%)
Uncollectible Accounts	12,000		(12,000)	(100%)
Total Expenses	<u>1,711,323</u>		<u>(1,711,323)</u>	<u>(100%)</u>
Unallocated Revenue / (Expense)	<u>\$249,156</u>		<u>\$249,156</u>	<u>100%</u>
Allocated From Departments	109,771		(109,771)	(100%)
Net Revenue / (Expense)	<u>\$139,385</u>		<u>\$139,385</u>	<u>100%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
220 - SOCIAL SERVICES

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	353,221	285,429	(67,792)	(19%)
Expenses Related to Employee Compensation	99,968	74,594	(25,374)	(25%)
Materials and Supplies	2,800	2,852	52	2%
Other Operating Expense	6,250	6,930	680	11%
Total Expenses	<u>462,239</u>	<u>369,805</u>	<u>(92,434)</u>	<u>(20%)</u>
 Unallocated Revenue / (Expense)	 <u>(\$462,239)</u>	 <u>(\$369,805)</u>	 <u>(\$92,434)</u>	 <u>(20%)</u>
 Allocated From Departments	 12,972	 38,898	 25,927	 200%
Net Revenue / (Expense)	<u>(\$475,211)</u>	<u>(\$408,703)</u>	<u>(\$66,507)</u>	<u>(14%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
240 - COMMUNITY SERVICES

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Miscellaneous	\$762,919	\$722,354	\$40,565	5%
Total Non-Assessment Revenue	<u>762,919</u>	<u>722,354</u>	<u>40,565</u>	<u>5%</u>
Expenses:				
Employee Compensation	420,558	403,944	(16,614)	(4%)
Expenses Related to Employee Compensation	102,867	104,984	2,118	2%
Materials and Supplies	16,943	18,541	1,598	9%
Professional Fees	30,940		(30,940)	(100%)
Equipment Rental	80	82	2	2%
Other Operating Expense	3,246	1,318	(1,927)	(59%)
Total Expenses	<u>574,633</u>	<u>528,869</u>	<u>(45,764)</u>	<u>(8%)</u>
Unallocated Revenue / (Expense)	<u>\$188,286</u>	<u>\$193,485</u>	<u>(\$5,199)</u>	<u>(3%)</u>
Allocated From Departments	20,699	41,142	20,442	99%
Net Revenue / (Expense)	<u>\$167,587</u>	<u>\$152,343</u>	<u>\$15,243</u>	<u>9%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
925 - PERMITS & INSPECTIONS

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents	\$250,879	\$258,390	(\$7,511)	(3%)
Miscellaneous	15,701	15,727	(26)	0%
Total Non-Assessment Revenue	<u>266,580</u>	<u>274,117</u>	<u>(7,537)</u>	<u>(3%)</u>
Expenses:				
Employee Compensation	452,372	394,892	(57,480)	(13%)
Expenses Related to Employee Compensation	146,369	121,342	(25,027)	(17%)
Materials and Supplies	3,798	3,798		0%
Professional Fees	5,000	5,000		0%
Outside Services	324,903	441,037	116,134	36%
Repairs and Maintenance	100	100		0%
Other Operating Expense	1,315	65	(1,250)	(95%)
Total Expenses	<u>933,857</u>	<u>966,234</u>	<u>32,377</u>	<u>3%</u>
Unallocated Revenue / (Expense)	<u>(\$667,277)</u>	<u>(\$692,117)</u>	<u>\$24,840</u>	<u>4%</u>
Allocated From Departments	30,519	45,628	15,109	50%
Net Revenue / (Expense)	<u>(\$697,796)</u>	<u>(\$737,745)</u>	<u>\$39,949</u>	<u>6%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
950 - PROPERTY SERVICES

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Miscellaneous	\$3,150	\$3,597	(\$447)	(14%)
Total Non-Assessment Revenue	<u>3,150</u>	<u>3,597</u>	<u>(447)</u>	<u>(14%)</u>
Expenses:				
Employee Compensation	555,663	627,005	71,342	13%
Expenses Related to Employee Compensation	147,060	179,462	32,402	22%
Materials and Supplies	1,600	6,111	4,511	282%
Professional Fees	1,500		(1,500)	(100%)
Repairs and Maintenance	100		(100)	(100%)
Other Operating Expense	1,075	701	(374)	(35%)
Total Expenses	<u>706,998</u>	<u>813,278</u>	<u>106,280</u>	<u>15%</u>
Unallocated Revenue / (Expense)	<u>(\$703,848)</u>	<u>(\$809,681)</u>	<u>\$105,833</u>	<u>15%</u>
Allocated From Departments	28,627	45,628	17,001	59%
Net Revenue / (Expense)	<u>(\$732,475)</u>	<u>(\$855,310)</u>	<u>\$122,835</u>	<u>17%</u>

**Laguna Woods Village
2017 BUSINESS PLAN
Service Levels**

FINANCIAL SERVICES DIVISION

Description of Services Provided

The Financial Services Division provides the following services:

Administration – Coordinate and direct the activities of the Division. Negotiate and administer all bank relationships, including any loans to corporations, such as the Community Center loan. Administer the insurance and risk management programs. Provide liaison to the boards of directors by staffing finance committees and related subcommittees. Provide management of Community Center expenses and facilities services, including space planning. Disseminate all financial information, including financial statements and the business plans, in a timely manner and meaningful format. Coordinate all audits, including operational/efficiency reviews and internal audits.

Accounting – Provide accounting services for all corporations, operating departments, and trust. Prepare financial statements and maintain general ledgers. Prepare data for accounts payable and bi-weekly payroll and related reports. Prepare various sales and tax returns. Manage working capital and reconcile bank accounts. Invest funds in accordance with each corporation's investment policy. Coordinate annual financial statement audits and provide information to internal auditors. Collect all resident fees, manor assessments, and chargeable services payments. Initiate collection activities, including liens, foreclosures, and small claims filings for delinquent assessment accounts. Provide collection services for the increased complex delinquency activity. Provide accounting books and records information to members of Laguna Woods Village upon request. Accounting for acquisition and sale of mutual-owned units; coordinate the sale of the units.

Budget & Financial Planning – Provide business planning, budgeting, analytical and control services for all corporations, operating departments, and trust. Prepare annual plans for operations, reserves, cash flow, and capital purchases. Review monthly operating schedules/financial statements and prepare budget variance reports. Monitor monthly cost allocations for operating departments. Perform various financial analyses as required. Support delinquency and collection activities, including small claims filings for Third. Facilitate small claims accounts receivable processing including payment plans.

Risk Management & Insurance – Capture the cost of insurance premiums and deductibles for property and disaster insurance on the Community facilities, general and auto liability coverage, Directors and Officers liability insurance, and other miscellaneous coverage. Risk management includes coordination of insurance claims and interaction with residents, insurance providers, and brokers.

2017 BUSINESS PLAN
Revenue and Expenditure Report
SUMMARY: FINANCIAL SERVICES DIVISION

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Miscellaneous	\$164,738	\$162,300	\$2,438	1%
Total Non-Assessment Revenue	<u>164,738</u>	<u>162,300</u>	<u>2,438</u>	<u>1%</u>
Expenses:				
Employee Compensation	1,457,349	1,395,623	(61,726)	(4%)
Expenses Related to Employee Compensation	301,712	291,112	(10,600)	(4%)
Materials and Supplies	27,275	28,759	1,484	5%
Professional Fees	239,626	264,789	25,163	11%
Outside Services	126,174	109,500	(16,674)	(13%)
Other Operating Expense	14,547	8,249	(6,298)	(43%)
(Gain)/Loss on sale or trade warehouse	(50,000)	(75,000)	(25,000)	(50%)
Income Taxes	690,000	690,000		0%
Property and Sales Tax	4,000	5,000	1,000	25%
Insurance	2,253,735	2,307,492	53,757	2%
Total Expenses	<u>5,064,419</u>	<u>5,025,524</u>	<u>(38,894)</u>	<u>(1%)</u>
Unallocated Revenue / (Expense)	<u>(\$4,899,681)</u>	<u>(\$4,863,224)</u>	<u>(\$36,456)</u>	<u>(1%)</u>
Allocated To Departments	(270,543)		270,543	(100%)
Allocated From Departments	38,388	30,078	(8,311)	(22%)
Net Revenue / (Expense)	<u>(\$4,667,526)</u>	<u>(\$4,893,302)</u>	<u>\$225,776</u>	<u>5%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
300 - FINANCIAL SERV. ADMIN

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Miscellaneous		\$162,300	(\$162,300)	0%
Total Non-Assessment Revenue		<u>162,300</u>	<u>(162,300)</u>	<u>0%</u>
Expenses:				
Employee Compensation	363,333	1,395,623	1,032,290	284%
Expenses Related to Employee Compensation	60,737	291,112	230,376	379%
Materials and Supplies	580	28,759	28,179	4861%
Professional Fees	30,000	252,289	222,289	741%
Outside Services		99,500	99,500	0%
Other Operating Expense	11,983	8,249	(3,734)	(31%)
(Gain)/Loss on sale or trade warehouse	(50,000)	(75,000)	(25,000)	(50%)
Property and Sales Tax	4,000	5,000	1,000	25%
Total Expenses	<u>420,633</u>	<u>2,005,532</u>	<u>1,584,900</u>	<u>377%</u>
Unallocated Revenue / (Expense)	<u>(\$420,633)</u>	<u>(\$1,843,232)</u>	<u>\$1,422,600</u>	<u>338%</u>
Allocated From Departments	38,388	30,078	(8,311)	(22%)
Net Revenue / (Expense)	<u>(\$459,021)</u>	<u>(\$1,873,310)</u>	<u>\$1,414,289</u>	<u>308%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
310 - ACCOUNTING DEPT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Miscellaneous	\$164,738		\$164,738	100%
Total Non-Assessment Revenue	<u>164,738</u>		<u>164,738</u>	<u>100%</u>
Expenses:				
Employee Compensation	843,453		(843,453)	(100%)
Expenses Related to Employee Compensation	186,456		(186,456)	(100%)
Materials and Supplies	23,878		(23,878)	(100%)
Professional Fees	197,279		(197,279)	(100%)
Outside Services	116,369		(116,369)	(100%)
Other Operating Expense	1,451		(1,451)	(100%)
Total Expenses	<u>1,368,886</u>		<u>(1,368,886)</u>	<u>(100%)</u>
Unallocated Revenue / (Expense)	<u>(\$1,204,148)</u>		<u>(\$1,204,148)</u>	<u>100%</u>
Allocated To Departments	(270,543)		270,543	(100%)
Net Revenue / (Expense)	<u>(\$933,605)</u>		<u>(\$933,605)</u>	<u>100%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
330 - BUDGET DEPT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	250,563		(250,563)	(100%)
Expenses Related to Employee Compensation	54,520		(54,520)	(100%)
Materials and Supplies	2,817		(2,817)	(100%)
Other Operating Expense	1,113		(1,113)	(100%)
Total Expenses	<u>309,013</u>		<u>(309,013)</u>	<u>(100%)</u>
 Unallocated Revenue / (Expense)	 <u>(\$309,013)</u>		 <u>(\$309,013)</u>	 <u>100%</u>
 Net Revenue / (Expense)	 <u>(\$309,013)</u>		 <u>(\$309,013)</u>	 <u>100%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
350 - INSURANCE DEPT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Professional Fees	12,348	12,500	153	1%
Outside Services	9,805	10,000	195	2%
Insurance	2,253,735	2,307,492	53,757	2%
Total Expenses	<u>2,275,887</u>	<u>2,329,992</u>	<u>54,105</u>	<u>2%</u>
 Unallocated Revenue / (Expense)	 <u>(\$2,275,887)</u>	 <u>(\$2,329,992)</u>	 <u>\$54,105</u>	 <u>2%</u>
 Net Revenue / (Expense)	 <u>(\$2,275,887)</u>	 <u>(\$2,329,992)</u>	 <u>\$54,105</u>	 <u>2%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
380 - SUPP APPROPRIATION

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue Expenses:				0%
Income Taxes	<u>690,000</u>	<u>690,000</u>		0%
Total Expenses	<u>690,000</u>	<u>690,000</u>		0%
 Unallocated Revenue / (Expense)	 <u>(\$690,000)</u>	 <u>(\$690,000)</u>		 0%
 Net Revenue / (Expense)	 <u><u>(\$690,000)</u></u>	 <u><u>(\$690,000)</u></u>		 <u><u>0%</u></u>

**Laguna Woods Village
2017 BUSINESS PLAN
Service Levels**

INFORMATION TECHNOLOGY DIVISION

Description of Services Provided

The Information Technology Division coordinates and manages the development, implementation, and maintenance of all automated and operational systems related to fiscal and management information activities. As well as, the maintenance of all automated and operational data network systems.

Manages and maintains all servers, work stations, databases, peripherals, networks, software, email, telecommunications equipment, system backups, system security, telephone and telecommunication equipment, services, and Internet access.

Provides data input and coordination of all source data to on-site and off-site facilities in the Community. Manage document imaging services providing extensive business document archives.

2017 BUSINESS PLAN
Revenue and Expenditure Report
SUMMARY: INFORMATION TECHNOLOGY DIVISION

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	776,360	811,154	34,794	4%
Expenses Related to Employee Compensation	167,366	166,312	(1,054)	(1%)
Materials and Supplies	179,774	194,393	14,619	8%
Professional Fees	183,760	174,700	(9,060)	(5%)
Outside Services	28,662	79,484	50,822	177%
Repairs and Maintenance	223,114	257,880	34,767	16%
Other Operating Expense	20,681	28,680	7,999	39%
Total Expenses	<u>1,579,716</u>	<u>1,712,602</u>	<u>132,887</u>	<u>8%</u>
 Unallocated Revenue / (Expense)	 <u>(\$1,579,716)</u>	 <u>(\$1,712,602)</u>	 <u>\$132,887</u>	 <u>8%</u>
 Allocated To Departments	 (531,331)	 (552,486)	 (21,155)	 (4%)
Net Revenue / (Expense)	<u>(\$1,048,385)</u>	<u>(\$1,160,117)</u>	<u>\$111,732</u>	<u>11%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
070 - NETWORK OPERATIONS

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	430,206		(430,206)	(100%)
Expenses Related to Employee Compensation	105,988		(105,988)	(100%)
Materials and Supplies	178,574		(178,574)	(100%)
Outside Services	28,662		(28,662)	(100%)
Repairs and Maintenance	155,213		(155,213)	(100%)
Other Operating Expense	10,560		(10,560)	(100%)
Total Expenses	<u>909,202</u>		<u>(909,202)</u>	<u>(100%)</u>
 Unallocated Revenue / (Expense)	 <u>(\$909,202)</u>		 <u>(\$909,202)</u>	 <u>100%</u>
 Allocated To Departments	 (367,438)		 367,438	 (100%)
Net Revenue / (Expense)	<u>(\$541,763)</u>		<u>(\$541,763)</u>	<u>100%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
360 - MGT INFO SERVICES

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	346,154	811,154	465,000	134%
Expenses Related to Employee Compensation	61,378	166,312	104,934	171%
Materials and Supplies	1,200	194,393	193,193	16099%
Professional Fees	183,760	174,700	(9,060)	(5%)
Outside Services		79,484	79,484	0%
Repairs and Maintenance	67,901	257,880	189,979	280%
Other Operating Expense	10,121	28,680	18,559	183%
Total Expenses	<u>670,514</u>	<u>1,712,602</u>	<u>1,042,088</u>	<u>155%</u>
 Unallocated Revenue / (Expense)	 <u>(\$670,514)</u>	 <u>(\$1,712,602)</u>	 <u>\$1,042,088</u>	 <u>155%</u>
 Allocated To Departments	 (163,892)	 (552,486)	 (388,593)	 (237%)
Net Revenue / (Expense)	<u>(\$506,622)</u>	<u>(\$1,160,117)</u>	<u>\$653,495</u>	<u>129%</u>

**Laguna Woods Village
2017 BUSINESS PLAN
Service Levels**

SECURITY DIVISION

Description of Services Provided

The Security Division provides operational, administrative, fire safety, and technical services for the Community.

Operations

- Control access at 16 perimeter gates, seven of which are 24-hour gates.
- Control access for the Laguna Woods Village Community Center.
- Monitor access at: Gates 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14 and 16; the pedestrian gate; the RV Lot A gate; the golf cart gate at the Lutheran Church; the Service Center; and the Community Center by way of camera and/or telephone dispatch.
- Provide continuous (24-hour) security operations for the Laguna Woods Village through the use of: field supervision; routine motor patrol consisting of three or more units; routine foot patrol operations; and a security dispatch center, receiving and dispatching appropriate response to calls on a 24-hour basis.
- Implement Sector Oriented Security by way of routine foot patrols covering identified sectors encompassing the entire Community.
- Respond to and assist local law enforcement agencies with investigations of traffic accidents and suspected criminal activity within the Community.
- Maintain a traffic control program with Notices of Violations issued for moving and parking violations in adherence to Community regulations.
- Provide code-dictated inspection of lifts in the Community.
- Monitor Overnight Guest Parking Permits.

Administration

- Provide all filing systems services, including customized forms, for the Division relating to operations and administration.
- Provide staffing for GRF and the housing Mutuals' Traffic Committees, the Golden Rain Foundation Security and Community Access Committee, and the Disaster Preparedness Task Force, administering agendas, reports of meetings, and scheduling.
- Ensure compliance of leasing of 420 recreational vehicle storage spaces, and enforce established RV lot Rules and Regulations.
- Record traffic violations issued and send letters of notification.
- Schedule and provide instructors for the traffic school sessions and verify attendance.

- Maintain a Disaster Preparedness manual.

Inspection and Technical Services

- Conduct periodic inspections of certain fire safety equipment in the Community.
- Respond to all requests concerning smoke detectors in manors and GRF facilities.
- Respond to the scene of fires.
- Conduct periodic inspections of common areas and issue clutter notices.
- Create specifications and modifications for Closed Circuit Television Systems.
- Coordinate repair and/or maintenance of Closed Circuit Television systems, pedestrian and vehicle alerts, gate controllers, phones, alarm systems, gate radios, mobile radios, and radio repeaters.
- Collect coins from all common area laundry rooms.
- Conduct various studies and reports as directed.

Compliance

- Provide support to the Mutual Boards and the Golden Rain Foundation (GRF) in matters pertaining to member discipline.
- Administer the rules enforcement program by receiving alleged violations, investigating complaints, attempting to achieve compliance, tracking satisfactory compliance, and presenting hearings to the Board of Directors.
- Facilitate Board's directives regarding member discipline to include but not limited to; impose fines based on the Monetary Fee Schedule, suspend Member privileges, and/or legal action.
- Maintain relations with OC Sheriff, OC Fire Authority, OC Mental Health, City of Laguna Woods and Laguna Beach Animal Control to assist as necessary to achieve compliance within the Laguna Woods Village Community.

2017 BUSINESS PLAN
Revenue and Expenditure Report
SUMMARY: SECURITY DIVISION

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$957	(\$957)	0%
Miscellaneous	115,867	145,915	(30,048)	(26%)
Total Non-Assessment Revenue	<u>115,867</u>	<u>146,872</u>	<u>(31,005)</u>	<u>(27%)</u>
Expenses:				
Employee Compensation	3,708,875	3,576,791	(132,084)	(4%)
Expenses Related to Employee Compensation	864,106	819,490	(44,616)	(5%)
Materials and Supplies	46,961	59,931	12,970	28%
Cost of Goods Sold	16,000	14,000	(2,000)	(13%)
Utilities and Telephone	74,540	72,659	(1,881)	(3%)
Professional Fees	9,363	9,100	(263)	(3%)
Outside Services	53,378	47,695	(5,683)	(11%)
Repairs and Maintenance	26,027	26,065	38	0%
Other Operating Expense	69,385	32,852	(36,533)	(53%)
Property and Sales Tax	379	380	1	0%
Total Expenses	<u>4,869,014</u>	<u>4,658,963</u>	<u>(210,051)</u>	<u>(4%)</u>
Unallocated Revenue / (Expense)	<u>(\$4,753,147)</u>	<u>(\$4,512,091)</u>	<u>(\$241,056)</u>	<u>(5%)</u>
Allocated From Departments	455,800	344,936	(110,864)	(24%)
Net Revenue / (Expense)	<u>(\$5,208,946)</u>	<u>(\$4,857,026)</u>	<u>(\$351,920)</u>	<u>(7%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
210 - COMPLIANCE

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Miscellaneous		\$2,400	(\$2,400)	0%
Total Non-Assessment Revenue		<u>2,400</u>	<u>(2,400)</u>	<u>0%</u>
Expenses:				
Employee Compensation	186,911	184,909	(2,001)	(1%)
Expenses Related to Employee Compensation	42,250	43,583	1,333	3%
Materials and Supplies	912	1,000	88	10%
Other Operating Expense	2,244	3,057	813	36%
Total Expenses	<u>232,317</u>	<u>232,550</u>	<u>233</u>	<u>0%</u>
Unallocated Revenue / (Expense)	<u>(\$232,317)</u>	<u>(\$230,150)</u>	<u>(\$2,167)</u>	<u>(1%)</u>
Allocated From Departments		32,168	32,168	0%
Net Revenue / (Expense)	<u>(\$232,317)</u>	<u>(\$262,318)</u>	<u>\$30,001</u>	<u>13%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
400 - SECURITY

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$957	(\$957)	0%
Miscellaneous	115,867	143,515	(27,648)	(24%)
Total Non-Assessment Revenue	<u>115,867</u>	<u>144,472</u>	<u>(28,605)</u>	<u>(25%)</u>
Expenses:				
Employee Compensation	3,521,964	3,391,881	(130,083)	(4%)
Expenses Related to Employee Compensation	821,856	775,907	(45,949)	(6%)
Materials and Supplies	46,049	58,931	12,882	28%
Cost of Goods Sold	16,000	14,000	(2,000)	(13%)
Utilities and Telephone	74,540	72,659	(1,881)	(3%)
Professional Fees	9,363	9,100	(263)	(3%)
Outside Services	53,378	47,695	(5,683)	(11%)
Repairs and Maintenance	26,027	26,065	38	0%
Other Operating Expense	67,141	29,795	(37,346)	(56%)
Property and Sales Tax	379	380	1	0%
Total Expenses	<u>4,636,697</u>	<u>4,426,413</u>	<u>(210,284)</u>	<u>(5%)</u>
Unallocated Revenue / (Expense)	<u>(\$4,520,830)</u>	<u>(\$4,281,941)</u>	<u>(\$238,889)</u>	<u>(5%)</u>
Allocated From Departments	455,800	312,767	(143,033)	(31%)
Net Revenue / (Expense)	<u>(\$4,976,630)</u>	<u>(\$4,594,708)</u>	<u>(\$381,921)</u>	<u>(8%)</u>

**Laguna Woods Village
2017 BUSINESS PLAN
Service Levels**

LANDSCAPE DIVISION

Description of Services Provided

The Landscape Division provides the following major functions:

Landscape Administration – Responsible for managing, organizing, planning, and coordinating all landscape operations. Investigate and implement new methods and practices. Provide advice and information to all corporations and Staff regarding landscape maintenance, drainage, recycling, composting, nursery operations, tree maintenance, pest control, irrigation design, and modification and other horticultural practices.

Nursery, Composting – The Nursery supports landscape maintenance operations including the purchase and production of annual color, trees, and plantings. The composting operation produces valuable compost material that is utilized throughout the Community for a variety of applications such a shrub bed mulch and soil amendment.

MSO Grounds Maintenance – Responsible for all routine landscape and maintenance of GRF and Mutual grounds, including the following services: mowing, edging, pruning, fertilizing, planting, aerating, trimming, weeding, lawn renovation, wood splitting, mulch application, snail abatement, horse trail maintenance, wood chip distribution, and relandscaping.

Irrigation – This function is responsible for scheduling, installing, inspecting, maintaining and repairing all components of irrigation systems. Further, this area is responsible for the programming of the centralized irrigation system.

Equipment Repair – Responsible for scheduling, inspecting, and repairing landscape maintenance equipment. This function also provides prototype design and fabrication when needed.

Pest Management – Responsible for inspecting, diagnosing, and identifying turf, tree, and ornamental pests and diseases; scheduling and applying herbicides, insecticides, miticides, bactericides, and growth retardants; and setting traps and bait for rodents and other horticultural pests. This department also responds to reports of Africanized Honey Bee (AHB) incidents to eliminate swarms and remove the hive.

Tree Maintenance – Responsible for tree inspection, diagnosis, structural and maintenance pruning, and removal. The department is also responsible for stump grinding/removal. Felled trees are cut and split for fireplace-sized use for the Community. Additionally, the department is responsible for maintaining the tree inventory database using ArborPro.

Golf Maintenance – Responsible for upkeep of the 27-Hole and 9-Hole courses and the lawn bowling greens, including: course setup and routine mowing and maintenance activities; planning new course improvements; researching new maintenance methods and improved facility operations; fertilizing, aerating, vertical cutting, top dressing and pest control of turf; and maintaining the course irrigation system and all mechanical equipment.

2017 BUSINESS PLAN
Revenue and Expenditure Report
SUMMARY: LANDSCAPE DIVISION

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Golf Green Fees	\$1,123,847	\$1,156,582	(\$32,735)	(3%)
Golf Operations	43,470	41,818	1,652	4%
Merchandise Sales	11,492	11,585	(93)	(1%)
Fees and Charges for Services to Residents		119,712	(119,712)	0%
Total Non-Assessment Revenue	<u>1,178,809</u>	<u>1,329,697</u>	<u>(150,888)</u>	<u>(13%)</u>
Expenses:				
Employee Compensation	6,822,350	6,904,963	82,612	1%
Expenses Related to Employee Compensation	3,607,826	3,596,001	(11,825)	0%
Materials and Supplies	786,786	813,910	27,124	3%
Utilities and Telephone	564,352	436,869	(127,483)	(23%)
Professional Fees	18,405	15,000	(3,405)	(19%)
Outside Services	325,516	351,760	26,244	8%
Repairs and Maintenance	2,416	2,104	(312)	(13%)
Other Operating Expense	84,807	75,949	(8,858)	(10%)
Property and Sales Tax	230	710	480	209%
Total Expenses	<u>12,212,689</u>	<u>12,197,265</u>	<u>(15,424)</u>	<u>0%</u>
 Unallocated Revenue / (Expense)	 <u>(\$11,033,880)</u>	 <u>(\$10,867,568)</u>	 <u>(\$166,312)</u>	 <u>(2%)</u>
 Allocated To Departments	 (457,199)	 (1,155,682)	 (698,483)	 (153%)
Allocated From Departments	1,538,165	2,122,701	584,536	38%
 Net Revenue / (Expense)	 <u>(\$12,114,846)</u>	 <u>(\$11,834,587)</u>	 <u>(\$280,258)</u>	 <u>(2%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
500 - LANDSCAPE ADMIN

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	366,667	426,950	60,283	16%
Expenses Related to Employee Compensation	75,680	85,933	10,253	14%
Materials and Supplies	4,580	4,296	(284)	(6%)
Professional Fees	14,905	15,000	95	1%
Outside Services	13,937	15,367	1,430	10%
Repairs and Maintenance	497		(497)	(100%)
Other Operating Expense	3,042	5,720	2,678	88%
Property and Sales Tax	230	230		0%
Total Expenses	<u>479,539</u>	<u>553,496</u>	<u>73,958</u>	<u>15%</u>
 Unallocated Revenue / (Expense)	 <u>(\$479,539)</u>	 <u>(\$553,496)</u>	 <u>\$73,958</u>	 <u>15%</u>
 Allocated To Departments	 (457,199)	 (1,155,682)	 (698,483)	 (153%)
Allocated From Departments	197,531	934,871	737,340	373%
 Net Revenue / (Expense)	 <u>(\$219,871)</u>	 <u>(\$332,685)</u>	 <u>\$112,814</u>	 <u>51%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
511 - NURSERY

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Merchandise Sales	<u>\$11,492</u>	<u>\$11,585</u>	<u>(\$93)</u>	<u>(1%)</u>
Total Non-Assessment Revenue	<u>11,492</u>	<u>11,585</u>	<u>(93)</u>	<u>(1%)</u>
Expenses:				
Employee Compensation	168,543	175,468	6,925	4%
Expenses Related to Employee Compensation	76,741	79,287	2,546	3%
Materials and Supplies	52,353	57,959	5,606	11%
Utilities and Telephone	9,144	1,220	(7,924)	(87%)
Outside Services	4,558	3,323	(1,235)	(27%)
Repairs and Maintenance	40	40		0%
Other Operating Expense	1,728	1,766	38	2%
Property and Sales Tax		480	480	0%
Total Expenses	<u>313,107</u>	<u>319,543</u>	<u>6,436</u>	<u>2%</u>
 Unallocated Revenue / (Expense)	 <u>(\$301,615)</u>	 <u>(\$307,958)</u>	 <u>\$6,343</u>	 <u>2%</u>
 Allocated From Departments	 24,208	 20,631	 (3,578)	 (15%)
Net Revenue / (Expense)	<u>(\$325,823)</u>	<u>(\$328,588)</u>	<u>\$2,765</u>	<u>1%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
512 - COMPOSTING

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	47,399	49,380	1,981	4%
Expenses Related to Employee Compensation	23,587	23,814	226	1%
Materials and Supplies	347	385	38	11%
Outside Services	2,717	2,710	(7)	0%
Repairs and Maintenance	20	115	95	480%
Other Operating Expense	3,517	3,469	(48)	(1%)
Total Expenses	<u>77,587</u>	<u>79,873</u>	<u>2,286</u>	<u>3%</u>
 Unallocated Revenue / (Expense)	 <u>(\$77,587)</u>	 <u>(\$79,873)</u>	 <u>\$2,286</u>	 <u>3%</u>
 Allocated From Departments	 76,887	 58,139	 (18,748)	 (24%)
Net Revenue / (Expense)	<u><u>(\$154,474)</u></u>	<u><u>(\$138,012)</u></u>	<u><u>(\$16,462)</u></u>	<u><u>(11%)</u></u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
530 - MSO GROUNDS

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$77,410	(\$77,410)	0%
Total Non-Assessment Revenue		77,410	(77,410)	0%
Expenses:				
Employee Compensation	2,982,066	3,085,197	103,131	3%
Expenses Related to Employee Compensation	1,839,642	1,862,019	22,377	1%
Materials and Supplies	146,419	154,116	7,697	5%
Outside Services	277,982	279,651	1,669	1%
Repairs and Maintenance	375	710	335	90%
Other Operating Expense	29,898	27,411	(2,487)	(8%)
Total Expenses	5,276,381	5,409,104	132,722	3%
Unallocated Revenue / (Expense)	(\$5,276,381)	(\$5,331,694)	\$55,312	1%
Allocated From Departments	530,584	395,486	(135,099)	(25%)
Net Revenue / (Expense)	(\$5,806,966)	(\$5,727,179)	(\$79,787)	(1%)

2017 BUSINESS PLAN
Revenue and Expenditure Report
540 - IRRIGATION DEPT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$34,049	(\$34,049)	0%
Total Non-Assessment Revenue		34,049	(34,049)	0%
Expenses:				
Employee Compensation	960,113	992,473	32,359	3%
Expenses Related to Employee Compensation	441,650	435,299	(6,351)	(1%)
Materials and Supplies	208,658	217,824	9,166	4%
Outside Services	18,851	18,153	(698)	(4%)
Repairs and Maintenance	1,034	956	(78)	(8%)
Other Operating Expense	10,744	8,095	(2,649)	(25%)
Total Expenses	1,641,050	1,672,800	31,749	2%
Unallocated Revenue / (Expense)	<u>(\$1,641,050)</u>	<u>(\$1,638,751)</u>	<u>(\$2,300)</u>	<u>0%</u>
Allocated From Departments	167,068	159,859	(7,208)	(4%)
Net Revenue / (Expense)	<u>(\$1,808,118)</u>	<u>(\$1,798,610)</u>	<u>(\$9,508)</u>	<u>(1%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
550 - SMALL EQUIP DEPT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	186,819	144,997	(41,822)	(22%)
Expenses Related to Employee Compensation	95,331	72,615	(22,716)	(24%)
Materials and Supplies	97,367	103,496	6,129	6%
Outside Services	880	743	(137)	(16%)
Repairs and Maintenance	233		(233)	(100%)
Other Operating Expense	2,790	1,831	(959)	(34%)
Total Expenses	<u>383,420</u>	<u>323,681</u>	<u>(59,738)</u>	<u>(16%)</u>
 Unallocated Revenue / (Expense)	 <u>(\$383,420)</u>	 <u>(\$323,681)</u>	 <u>(\$59,738)</u>	 <u>(16%)</u>
 Allocated From Departments	 26,334	 28,344	 2,009	 8%
Net Revenue / (Expense)	<u>(\$409,754)</u>	<u>(\$352,025)</u>	<u>(\$57,729)</u>	<u>(14%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
560 - PEST MANAGEMENT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	258,403	267,357	8,953	3%
Expenses Related to Employee Compensation	120,887	121,166	279	0%
Materials and Supplies	46,505	48,462	1,957	4%
Outside Services	997	1,026	29	3%
Repairs and Maintenance	178	183	5	3%
Other Operating Expense	5,434	4,713	(721)	(13%)
Total Expenses	<u>432,405</u>	<u>442,907</u>	<u>10,502</u>	<u>2%</u>
 Unallocated Revenue / (Expense)	 <u>(\$432,405)</u>	 <u>(\$442,907)</u>	 <u>\$10,502</u>	 <u>2%</u>
 Allocated From Departments	 40,642	 34,445	 (6,197)	 (15%)
Net Revenue / (Expense)	<u>(\$473,047)</u>	<u>(\$477,351)</u>	<u>\$4,305</u>	<u>1%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
570 - TREE MAINT DEPT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$8,253	(\$8,253)	0%
Total Non-Assessment Revenue		8,253	(8,253)	0%
Expenses:				
Employee Compensation	865,821	802,853	(62,967)	(7%)
Expenses Related to Employee Compensation	405,317	361,791	(43,527)	(11%)
Materials and Supplies	6,627	6,281	(346)	(5%)
Utilities and Telephone	7,286	335	(6,951)	(95%)
Outside Services	2,575	2,556	(19)	(1%)
Repairs and Maintenance	40	100	60	151%
Other Operating Expense	12,052	10,664	(1,388)	(12%)
Total Expenses	1,299,719	1,184,580	(115,139)	(9%)
Unallocated Revenue / (Expense)	<u>(\$1,299,719)</u>	<u>(\$1,176,327)</u>	<u>(\$123,392)</u>	<u>(9%)</u>
Allocated From Departments	163,290	158,737	(4,553)	(3%)
Net Revenue / (Expense)	<u>(\$1,463,009)</u>	<u>(\$1,335,064)</u>	<u>(\$127,945)</u>	<u>(9%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
580 - GOLF MAINT - 27 HOLE

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Golf Green Fees	\$1,069,085	\$1,081,916	(\$12,831)	(1%)
Golf Operations	43,470	41,818	1,652	4%
Total Non-Assessment Revenue	<u>1,112,555</u>	<u>1,123,734</u>	<u>(11,179)</u>	<u>(1%)</u>
Expenses:				
Employee Compensation	896,532	869,194	(27,338)	(3%)
Expenses Related to Employee Compensation	478,936	501,247	22,311	5%
Materials and Supplies	202,011	197,967	(4,044)	(2%)
Utilities and Telephone	492,062	388,054	(104,008)	(21%)
Professional Fees	3,500		(3,500)	(100%)
Outside Services	3,019	25,631	22,612	749%
Other Operating Expense	14,453	10,914	(3,539)	(24%)
Total Expenses	<u>2,090,513</u>	<u>1,993,007</u>	<u>(97,506)</u>	<u>(5%)</u>
Unallocated Revenue / (Expense)	<u>(\$977,958)</u>	<u>(\$869,273)</u>	<u>(\$108,685)</u>	<u>(11%)</u>
Allocated To Departments				0%
Allocated From Departments	233,652	276,208	42,556	18%
Net Revenue / (Expense)	<u>(\$1,211,610)</u>	<u>(\$1,145,481)</u>	<u>(\$66,130)</u>	<u>(5%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
581 - GOLF MAINT - 9 HOLE

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Golf Green Fees	\$54,762	\$74,666	(\$19,904)	(36%)
Total Non-Assessment Revenue	<u>54,762</u>	<u>74,666</u>	<u>(19,904)</u>	<u>(36%)</u>
Expenses:				
Employee Compensation	80,889	83,166	2,277	3%
Expenses Related to Employee Compensation	45,302	48,508	3,206	7%
Materials and Supplies	21,729	22,990	1,261	6%
Utilities and Telephone	55,860	47,260	(8,600)	(15%)
Outside Services		2,600	2,600	0%
Other Operating Expense	765	849	84	11%
Total Expenses	<u>204,545</u>	<u>205,373</u>	<u>828</u>	<u>0%</u>
Unallocated Revenue / (Expense)	<u>(\$149,783)</u>	<u>(\$130,707)</u>	<u>(\$19,076)</u>	<u>(13%)</u>
Allocated From Departments	58,727	39,304	(19,423)	(33%)
Net Revenue / (Expense)	<u>(\$208,510)</u>	<u>(\$170,012)</u>	<u>(\$38,498)</u>	<u>(18%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
582 - LAWN BOWLING DEPT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	9,098	7,928	(1,170)	(13%)
Expenses Related to Employee Compensation	4,752	4,323	(429)	(9%)
Materials and Supplies	189	134	(55)	(29%)
Other Operating Expense	384	517	133	35%
Total Expenses	<u>14,423</u>	<u>12,902</u>	<u>(1,521)</u>	<u>(11%)</u>
 Unallocated Revenue / (Expense)	 <u>(\$14,423)</u>	 <u>(\$12,902)</u>	 <u>(\$1,521)</u>	 <u>(11%)</u>
 Allocated From Departments	 19,242	 16,679	 (2,562)	 (13%)
Net Revenue / (Expense)	<u>(\$33,665)</u>	<u>(\$29,581)</u>	<u>(\$4,083)</u>	<u>(12%)</u>

**Laguna Woods Village
2017 BUSINESS PLAN
Service Levels**

RECREATION DIVISION

Description of Services Provided

The Recreation Division is responsible for the planning and execution of a comprehensive Recreation program for all residents of Laguna Woods Village. The Recreation Division Staff manages the following facilities and activities:

- Auditorium/Theater, 814 Seats
- Badminton Courts (3)
- Basketball, Half Court
- Billiard Rooms (4)
- Bocce Courts (3)
- Bridge Room
- Card Rooms (4)
- Clubhouses (7)
- College Classes/Emeritus Programs
- Computer Classroom and Workshop, PC
- Computer Learning Center, Mac
- Craft Workshops: Art Studio, Cabochon, Grinding, Lapidary, Ceramics, Jewelry, Slipcasting, Photography, Video, Sewing, Intarsia, Stained Glass, Woodshop
- Dance Programs
- Equestrian Center
- Fitness Centers (2)
- Garden Centers (2)
- Golf 27 Hole Course
- Golf Par Three Course
- Golf Practice Center
- Golf Pro Shop
- Gymnasium
- Horseshoe Pits (2)
- Hot Pools (4)
- Lawn Bowling Greens
- Library
- Paddle Tennis Courts (4)
- Shuffleboard Courts (18)
- Swimming Pools (5)
- Table Tennis Facility
- Tennis Courts (10)
- Variety of Classes
- Variety of Entertainment and Special Event Programs
- Village Greens
- Volleyball Court

Review, budget, and evaluate all facets of the Recreation Division operation including utilization of Recreation facilities, personnel requirements, and recreational programs. Provide a variety of publications and publicity for Laguna Woods Globe and TV6 and furnishes resident information and orientation publications. Also provide a selection of local tourist and attraction information for residents' convenience and enjoyment.

Establish and maintain a good working relationship with the Saddleback College Emeritus Program to provide a well-balanced education program for seniors; also provide a variety of Recreation Division coordinated classes on a self-sustaining basis.

Coordinate with Recreation Division staff to supervise approximately 500 volunteers; and works with approximately 210 clubs and organizations covering a wide range of interests.

Coordinate golf play; oversee tee-time lottery, collect greens and cart fees, conduct marshaling of play on the course, manage the Pro Shop and merchandise sales, oversee café operation, administers club storage locker rentals, and manage room rentals at the Village Greens Building.

Provide bar service for residents, community organizations, and special Recreation Division sponsored events by ordering liquor and supplies, providing Bartenders, and serving liquor and soft drinks for hosted and non-hosted events.

Manage the golf facilities, provide instruction, and hold a variety of tournament activities.

Plan special events to improve resident enjoyment of recreational facilities such as concerts, movies, holiday brunches/dinners, theater events, Grandparents' Day, and the annual Senior Games.

Supervise and maintain a 41-stall barn including large and small riding arenas. Provide riding lessons, trail rides, and special events.

Provides two supervised fitness facilities offering personalized workout programs personal training services are available to residents for a fee on a self-sustaining basis.

Oversee the garden center operation, including preparing plots for rent, common area pest control, weed abatement and maintenance.

2017 BUSINESS PLAN
Revenue and Expenditure Report
SUMMARY: RECREATION DIVISION

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Golf Operations	\$247,091	\$258,264	(\$11,173)	(5%)
Merchandise Sales	216,829	217,809	(980)	0%
Clubhouse Rentals and Event Fees	631,457	684,748	(53,291)	(8%)
Rentals	89,439	81,827	7,612	9%
Broadband Services	300	300		0%
Miscellaneous	411,967	439,157	(27,190)	(7%)
Total Non-Assessment Revenue	<u>1,597,083</u>	<u>1,682,105</u>	<u>(85,022)</u>	<u>(5%)</u>
Expenses:				
Employee Compensation	2,780,606	2,623,239	(157,367)	(6%)
Expenses Related to Employee Compensation	887,570	856,562	(31,008)	(3%)
Materials and Supplies	289,018	341,353	52,335	18%
Cost of Goods Sold	148,105	141,722	(6,383)	(4%)
Community Events	378,673	455,468	76,795	20%
Utilities and Telephone	905,668	950,336	44,668	5%
Equipment Rental	63,685	64,737	1,052	2%
Outside Services	52,170	51,155	(1,015)	(2%)
Repairs and Maintenance	129,646	127,287	(2,359)	(2%)
Other Operating Expense	64,272	65,109	837	1%
Property and Sales Tax	14,529	13,041	(1,488)	(10%)
Total Expenses	<u>5,713,942</u>	<u>5,690,008</u>	<u>(23,934)</u>	<u>0%</u>
Unallocated Revenue / (Expense)	<u>(\$4,116,859)</u>	<u>(\$4,007,903)</u>	<u>(\$108,956)</u>	<u>(3%)</u>
Allocated To Departments	(421,007)	(472,749)	(51,742)	(12%)
Allocated From Departments	1,221,776	1,236,332	14,556	1%
Net Revenue / (Expense)	<u>(\$4,917,628)</u>	<u>(\$4,771,486)</u>	<u>(\$146,142)</u>	<u>(3%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
600 - REC ADMIN SERVICES

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Clubhouse Rentals and Event Fees	\$5,504	\$5,167	\$337	6%
Miscellaneous	60,200	59,294	906	2%
Total Non-Assessment Revenue	<u>65,704</u>	<u>64,461</u>	<u>1,243</u>	<u>2%</u>
Expenses:				
Employee Compensation	341,901	301,216	(40,685)	(12%)
Expenses Related to Employee Compensation	66,333	61,651	(4,682)	(7%)
Materials and Supplies	2,364	2,314	(50)	(2%)
Community Events	14,898	13,680	(1,218)	(8%)
Utilities and Telephone	738	738		0%
Outside Services	3,130	3,585	455	15%
Other Operating Expense	23,786	23,947	161	1%
Property and Sales Tax	86	86		0%
Total Expenses	<u>453,236</u>	<u>407,217</u>	<u>(46,019)</u>	<u>(10%)</u>
Unallocated Revenue / (Expense)	<u>(\$387,532)</u>	<u>(\$342,756)</u>	<u>(\$44,776)</u>	<u>(12%)</u>
Allocated To Departments	(342,222)	(437,050)	(94,827)	(28%)
Allocated From Departments	157,872	184,096	26,224	17%
Net Revenue / (Expense)	<u>(\$203,181)</u>	<u>(\$89,802)</u>	<u>(\$113,379)</u>	<u>(56%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
602 - BAR SERVICES

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Merchandise Sales	\$65,529	\$74,059	(\$8,530)	(13%)
Miscellaneous	1,850	1,824	26	1%
Total Non-Assessment Revenue	<u>67,379</u>	<u>75,883</u>	<u>(8,504)</u>	<u>(13%)</u>
Expenses:				
Employee Compensation	23,238	23,656	418	2%
Expenses Related to Employee Compensation	5,851	7,040	1,189	20%
Materials and Supplies	110	110		0%
Cost of Goods Sold	27,157	27,148	(9)	0%
Outside Services	528	528		0%
Other Operating Expense	2,171	2,161	(10)	0%
Total Expenses	<u>59,055</u>	<u>60,644</u>	<u>1,589</u>	<u>3%</u>
Unallocated Revenue / (Expense)	<u>\$8,324</u>	<u>\$15,239</u>	<u>(\$6,915)</u>	<u>(83%)</u>
Allocated From Departments	3,284	3,085	(199)	(6%)
Net Revenue / (Expense)	<u>\$5,040</u>	<u>\$12,154</u>	<u>(\$7,114)</u>	<u>(141%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
603 - LIBRARY

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Materials and Supplies		10,200	10,200	0%
Utilities and Telephone		27,232	27,232	0%
Repairs and Maintenance		324	324	0%
Total Expenses		37,756	37,756	0%
Unallocated Revenue / (Expense)		(\$37,756)	\$37,756	0%
Net Revenue / (Expense)		(\$37,756)	\$37,756	0%

2017 BUSINESS PLAN
Revenue and Expenditure Report
610 - CC REC ROOM

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Clubhouse Rentals and Event Fees	<u>\$6,289</u>	<u>\$6,313</u>	<u>(\$24)</u>	<u>0%</u>
Total Non-Assessment Revenue	<u>6,289</u>	<u>6,313</u>	<u>(24)</u>	<u>0%</u>
Expenses:				
Employee Compensation	16,587	16,743	156	1%
Expenses Related to Employee Compensation	4,383	3,923	(460)	(10%)
Materials and Supplies	17,362	18,071	709	4%
Outside Services	110	244	134	122%
Other Operating Expense	<u>408</u>	<u>67</u>	<u>(341)</u>	<u>(84%)</u>
Total Expenses	<u>38,850</u>	<u>39,048</u>	<u>198</u>	<u>1%</u>
Unallocated Revenue / (Expense)	<u>(\$32,561)</u>	<u>(\$32,735)</u>	<u>\$174</u>	<u>1%</u>
Allocated From Departments	28,550	23,470	(5,080)	(18%)
Net Revenue / (Expense)	<u><u>(\$61,111)</u></u>	<u><u>(\$56,205)</u></u>	<u><u>(\$4,906)</u></u>	<u><u>(8%)</u></u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
611 - CLUBHOUSE ONE

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Clubhouse Rentals and Event Fees	\$72,624	\$77,301	(\$4,677)	(6%)
Miscellaneous	7,641	7,228	413	5%
Total Non-Assessment Revenue	<u>80,265</u>	<u>84,529</u>	<u>(4,264)</u>	<u>(5%)</u>
Expenses:				
Employee Compensation	165,998	164,262	(1,736)	(1%)
Expenses Related to Employee Compensation	53,267	52,981	(286)	(1%)
Materials and Supplies	24,447	39,607	15,160	62%
Community Events	37,295	47,634	10,339	28%
Utilities and Telephone	125,009	128,336	3,327	3%
Outside Services	6,113	7,547	1,434	23%
Repairs and Maintenance	8,919	8,680	(239)	(3%)
Other Operating Expense	3,783	3,694	(89)	(2%)
Property and Sales Tax	74	75	1	1%
Total Expenses	<u>424,905</u>	<u>452,815</u>	<u>27,910</u>	<u>7%</u>
Unallocated Revenue / (Expense)	<u>(\$344,640)</u>	<u>(\$368,286)</u>	<u>\$23,646</u>	<u>7%</u>
Allocated From Departments	127,471	130,438	2,967	2%
Net Revenue / (Expense)	<u>(\$472,111)</u>	<u>(\$498,725)</u>	<u>\$26,613</u>	<u>6%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
612 - CLUBHOUSE TWO

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Clubhouse Rentals and Event Fees	\$44,033	\$59,970	(\$15,937)	(36%)
Miscellaneous	7,501	9,241	(1,740)	(23%)
Total Non-Assessment Revenue	<u>51,534</u>	<u>69,211</u>	<u>(17,677)</u>	<u>(34%)</u>
Expenses:				
Employee Compensation	47,118	139,383	92,265	196%
Expenses Related to Employee Compensation	19,873	51,931	32,058	161%
Materials and Supplies	1,971	9,425	7,454	378%
Community Events	24,713	37,479	12,766	52%
Utilities and Telephone	71,850	71,617	(233)	0%
Outside Services	860	1,285	425	49%
Repairs and Maintenance	839	1,569	730	87%
Other Operating Expense	2,425	2,488	63	3%
Property and Sales Tax	73	73		0%
Total Expenses	<u>169,722</u>	<u>315,250</u>	<u>145,528</u>	<u>86%</u>
Unallocated Revenue / (Expense)	<u>(\$118,188)</u>	<u>(\$246,039)</u>	<u>\$127,851</u>	<u>108%</u>
Allocated From Departments	121,765	125,105	3,340	3%
Net Revenue / (Expense)	<u>(\$239,953)</u>	<u>(\$371,144)</u>	<u>\$131,192</u>	<u>55%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
613 - CLUBHOUSE THREE

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Clubhouse Rentals and Event Fees	\$303,618	\$312,747	(\$9,129)	(3%)
Miscellaneous	38,721	41,078	(2,357)	(6%)
Total Non-Assessment Revenue	<u>342,339</u>	<u>353,825</u>	<u>(11,486)</u>	<u>(3%)</u>
Expenses:				
Employee Compensation	312,443	318,711	6,268	2%
Expenses Related to Employee Compensation	93,236	104,359	11,123	12%
Materials and Supplies	19,496	21,885	2,389	12%
Community Events	219,626	266,298	46,672	21%
Utilities and Telephone	81,260	85,769	4,509	6%
Equipment Rental	8,225	8,231	6	0%
Outside Services	4,620	8,236	3,616	78%
Repairs and Maintenance	15,171	14,642	(529)	(3%)
Other Operating Expense	2,585	4,241	1,656	64%
Property and Sales Tax	49	49		0%
Total Expenses	<u>756,711</u>	<u>832,421</u>	<u>75,710</u>	<u>10%</u>
Unallocated Revenue / (Expense)	<u>(\$414,372)</u>	<u>(\$478,596)</u>	<u>\$64,224</u>	<u>15%</u>
Allocated From Departments	123,895	120,626	(3,269)	(3%)
Net Revenue / (Expense)	<u>(\$538,267)</u>	<u>(\$599,222)</u>	<u>\$60,955</u>	<u>11%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
614 - CLUBHOUSE FOUR

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Miscellaneous	\$4,170	\$4,551	(\$381)	(9%)
Total Non-Assessment Revenue	<u>4,170</u>	<u>4,551</u>	<u>(381)</u>	<u>(9%)</u>
Expenses:				
Employee Compensation	154,613	145,478	(9,135)	(6%)
Expenses Related to Employee Compensation	87,597	60,408	(27,189)	(31%)
Materials and Supplies	30,036	42,254	12,218	41%
Community Events		150	150	0%
Utilities and Telephone	109,198	122,686	13,488	12%
Outside Services	55	225	170	309%
Repairs and Maintenance	3,980	5,471	1,491	37%
Other Operating Expense	2,005	1,585	(420)	(21%)
Property and Sales Tax	44	44		0%
Total Expenses	<u>387,528</u>	<u>378,301</u>	<u>(9,227)</u>	<u>(2%)</u>
Unallocated Revenue / (Expense)	<u>(\$383,358)</u>	<u>(\$373,750)</u>	<u>(\$9,608)</u>	<u>(3%)</u>
Allocated To Departments	(66,277)	(35,700)	30,577	46%
Allocated From Departments	98,729	99,784	1,055	1%
Net Revenue / (Expense)	<u>(\$415,810)</u>	<u>(\$437,834)</u>	<u>\$22,023</u>	<u>5%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
615 - CLUBHOUSE FIVE

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Clubhouse Rentals and Event Fees	\$128,811	\$152,000	(\$23,189)	(18%)
Miscellaneous	8,199	9,755	(1,556)	(19%)
Total Non-Assessment Revenue	<u>137,010</u>	<u>161,755</u>	<u>(24,745)</u>	<u>(18%)</u>
Expenses:				
Employee Compensation	141,560	139,077	(2,483)	(2%)
Expenses Related to Employee Compensation	49,410	51,826	2,416	5%
Materials and Supplies	17,083	13,196	(3,887)	(23%)
Community Events	59,240	65,006	5,766	10%
Utilities and Telephone	117,037	127,798	10,761	9%
Equipment Rental	510	512	2	0%
Outside Services	4,402	5,445	1,043	24%
Repairs and Maintenance	6,986	6,727	(259)	(4%)
Other Operating Expense	2,215	2,604	389	18%
Property and Sales Tax	53	53		0%
Total Expenses	<u>398,496</u>	<u>412,244</u>	<u>13,748</u>	<u>3%</u>
Unallocated Revenue / (Expense)	<u>(\$261,486)</u>	<u>(\$250,489)</u>	<u>(\$10,997)</u>	<u>(4%)</u>
Allocated From Departments	127,535	127,956	421	0%
Net Revenue / (Expense)	<u>(\$389,021)</u>	<u>(\$378,446)</u>	<u>(\$10,576)</u>	<u>(3%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
616 - CLUBHOUSE SIX

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Clubhouse Rentals and Event Fees	\$9,030	\$10,706	(\$1,676)	(19%)
Miscellaneous	2,300	2,403	(103)	(4%)
Total Non-Assessment Revenue	<u>11,330</u>	<u>13,109</u>	<u>(1,779)</u>	<u>(16%)</u>
Expenses:				
Employee Compensation	48,920	49,664	744	2%
Expenses Related to Employee Compensation	11,539	12,109	570	5%
Materials and Supplies	6,577	6,549	(28)	0%
Community Events		900	900	0%
Utilities and Telephone	27,918	28,537	619	2%
Outside Services	325	325		0%
Repairs and Maintenance	1,854	2,374	520	28%
Other Operating Expense	1,471	1,749	278	19%
Total Expenses	<u>98,604</u>	<u>102,206</u>	<u>3,602</u>	<u>4%</u>
Unallocated Revenue / (Expense)	<u>(\$87,274)</u>	<u>(\$89,097)</u>	<u>\$1,823</u>	<u>2%</u>
Allocated From Departments	47,675	42,265	(5,409)	(11%)
Net Revenue / (Expense)	<u>(\$134,949)</u>	<u>(\$131,362)</u>	<u>(\$3,586)</u>	<u>(3%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
617 - CLUBHOUSE SEVEN

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Clubhouse Rentals and Event Fees	\$41,254	\$42,491	(\$1,237)	(3%)
Miscellaneous	61,741	62,857	(1,116)	(2%)
Total Non-Assessment Revenue	<u>102,995</u>	<u>105,348</u>	<u>(2,353)</u>	<u>(2%)</u>
Expenses:				
Employee Compensation	78,754	60,010	(18,744)	(24%)
Expenses Related to Employee Compensation	22,276	16,594	(5,682)	(26%)
Materials and Supplies	5,625	9,279	3,654	65%
Community Events	18,946	19,989	1,043	6%
Utilities and Telephone	57,056	62,066	5,010	9%
Outside Services	2,807	3,476	669	24%
Repairs and Maintenance	895	1,102	207	23%
Other Operating Expense	958	1,520	562	59%
Property and Sales Tax	179	179		0%
Total Expenses	<u>187,496</u>	<u>174,215</u>	<u>(13,281)</u>	<u>(7%)</u>
Unallocated Revenue / (Expense)	<u>(\$84,501)</u>	<u>(\$68,867)</u>	<u>(\$15,634)</u>	<u>(19%)</u>
Allocated From Departments	50,546	43,546	(7,000)	(14%)
Net Revenue / (Expense)	<u>(\$135,047)</u>	<u>(\$112,413)</u>	<u>(\$22,634)</u>	<u>(17%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
620 - EQUESTRIAN DEPT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Clubhouse Rentals and Event Fees	\$6,692	\$8,504	(\$1,812)	(27%)
Miscellaneous	114,997	121,524	(6,527)	(6%)
Total Non-Assessment Revenue	<u>121,689</u>	<u>130,028</u>	<u>(8,339)</u>	<u>(7%)</u>
Expenses:				
Employee Compensation	180,739	169,137	(11,602)	(6%)
Expenses Related to Employee Compensation	97,500	88,867	(8,633)	(9%)
Materials and Supplies	77,151	86,174	9,023	12%
Community Events	482	908	426	88%
Utilities and Telephone	15,070	13,772	(1,298)	(9%)
Outside Services	4,327	4,656	329	8%
Repairs and Maintenance	8,951	8,515	(436)	(5%)
Other Operating Expense	1,585	1,179	(406)	(26%)
Property and Sales Tax	56	56		0%
Total Expenses	<u>385,861</u>	<u>373,264</u>	<u>(12,597)</u>	<u>(3%)</u>
Unallocated Revenue / (Expense)	<u>(\$264,172)</u>	<u>(\$243,236)</u>	<u>(\$20,936)</u>	<u>(8%)</u>
Allocated From Departments	45,060	30,117	(14,943)	(33%)
Net Revenue / (Expense)	<u>(\$309,232)</u>	<u>(\$273,353)</u>	<u>(\$35,879)</u>	<u>(12%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
521 - GARDEN CENTER DEPT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Rentals	\$41,439	\$45,827	(\$4,388)	(11%)
Broadband Services	300	300		0%
Total Non-Assessment Revenue	<u>41,739</u>	<u>46,127</u>	<u>(4,388)</u>	<u>(11%)</u>
Expenses:				
Employee Compensation	45,490	26,083	(19,407)	(43%)
Expenses Related to Employee Compensation	25,285	8,416	(16,869)	(67%)
Materials and Supplies	3,404	2,527	(877)	(26%)
Utilities and Telephone	59,340	59,990	650	1%
Outside Services	895	978	83	9%
Other Operating Expense	610	597	(13)	(2%)
Property and Sales Tax	205	205		0%
Total Expenses	<u>135,229</u>	<u>98,796</u>	<u>(36,433)</u>	<u>(27%)</u>
Unallocated Revenue / (Expense)	<u>(\$93,490)</u>	<u>(\$52,669)</u>	<u>(\$40,821)</u>	<u>(44%)</u>
Allocated From Departments	29,850	71,526	41,675	140%
Net Revenue / (Expense)	<u>(\$123,340)</u>	<u>(\$124,195)</u>	<u>\$854</u>	<u>1%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
670 - GOLF OPER - 27 HOLE

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Golf Operations	\$241,822	\$252,990	(\$11,168)	(5%)
Merchandise Sales	151,300	143,035	8,265	5%
Clubhouse Rentals and Event Fees	9,279	9,549	(270)	(3%)
Miscellaneous	600	400	200	33%
Total Non-Assessment Revenue	<u>403,001</u>	<u>405,974</u>	<u>(2,973)</u>	<u>(1%)</u>
Expenses:				
Employee Compensation	488,278	452,918	(35,360)	(7%)
Expenses Related to Employee Compensation	137,126	135,639	(1,487)	(1%)
Materials and Supplies	45,652	39,710	(5,942)	(13%)
Cost of Goods Sold	120,948	114,574	(6,374)	(5%)
Community Events	500	500		0%
Utilities and Telephone	91,518	85,031	(6,487)	(7%)
Equipment Rental	54,100	55,144	1,044	2%
Outside Services	19,066		(19,066)	(100%)
Repairs and Maintenance	29,313	37,236	7,923	27%
Other Operating Expense	6,117	3,956	(2,161)	(35%)
Property and Sales Tax	13,585	12,096	(1,489)	(11%)
Total Expenses	<u>1,006,203</u>	<u>936,805</u>	<u>(69,398)</u>	<u>(7%)</u>
Unallocated Revenue / (Expense)	<u>(\$603,202)</u>	<u>(\$530,831)</u>	<u>(\$72,371)</u>	<u>(12%)</u>
Allocated To Departments	(12,508)		12,508	(100%)
Allocated From Departments	47,498	29,540	(17,958)	(38%)
Net Revenue / (Expense)	<u>(\$638,192)</u>	<u>(\$560,371)</u>	<u>(\$77,821)</u>	<u>(12%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
672 - VILLAGE GREENS CAFÉ

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Rentals	<u>\$48,000</u>	<u>\$36,000</u>	<u>\$12,000</u>	<u>25%</u>
Total Non-Assessment Revenue	<u>48,000</u>	<u>36,000</u>	<u>12,000</u>	<u>25%</u>
Expenses:				
Materials and Supplies	<u>1,987</u>		<u>(1,987)</u>	<u>(100%)</u>
Utilities and Telephone	<u>29,791</u>	<u>33,300</u>	<u>3,509</u>	<u>12%</u>
Repairs and Maintenance	<u>35,337</u>	<u>22,924</u>	<u>(12,413)</u>	<u>(35%)</u>
Other Operating Expense	<u>1,769</u>	<u>1,728</u>	<u>(41)</u>	<u>(2%)</u>
Total Expenses	<u>68,884</u>	<u>57,952</u>	<u>(10,932)</u>	<u>(16%)</u>
Unallocated Revenue / (Expense)	<u>(\$20,884)</u>	<u>(\$21,952)</u>	<u>\$1,068</u>	<u>5%</u>
Allocated From Departments	<u>16,073</u>	<u>4,037</u>	<u>(12,036)</u>	<u>(75%)</u>
Net Revenue / (Expense)	<u>(\$36,957)</u>	<u>(\$25,989)</u>	<u>(\$10,968)</u>	<u>(30%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
680 - GOLF OPER - 9 HOLE

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Golf Operations	<u>\$5,269</u>	<u>\$5,274</u>	<u>(\$5)</u>	<u>0%</u>
Total Non-Assessment Revenue	<u>5,269</u>	<u>5,274</u>	<u>(5)</u>	<u>0%</u>
Expenses:				
Employee Compensation	43,474	43,961	487	1%
Expenses Related to Employee Compensation	10,131	11,142	1,011	10%
Materials and Supplies	1,130	830	(300)	(27%)
Utilities and Telephone	1,003	974	(29)	(3%)
Property and Sales Tax	125	125		0%
Total Expenses	<u>55,863</u>	<u>57,032</u>	<u>1,169</u>	<u>2%</u>
Unallocated Revenue / (Expense)	<u>(\$50,594)</u>	<u>(\$51,758)</u>	<u>\$1,164</u>	<u>2%</u>
Allocated From Departments	20,137	21,639	1,502	7%
Net Revenue / (Expense)	<u>(\$70,731)</u>	<u>(\$73,397)</u>	<u>\$2,666</u>	<u>4%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
690 - AQUATICS

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Miscellaneous	\$18,369	\$17,420	\$949	5%
Total Non-Assessment Revenue	<u>18,369</u>	<u>17,420</u>	<u>949</u>	<u>5%</u>
Expenses:				
Employee Compensation	322,736	268,419	(54,317)	(17%)
Expenses Related to Employee Compensation	94,960	87,478	(7,482)	(8%)
Materials and Supplies	12,930	12,365	(565)	(4%)
Utilities and Telephone	118,880	102,490	(16,390)	(14%)
Equipment Rental	850	850		0%
Outside Services	320	10,200	9,880	3088%
Repairs and Maintenance	3,688	3,644	(44)	(1%)
Other Operating Expense	8,479	8,801	322	4%
Total Expenses	<u>562,843</u>	<u>494,247</u>	<u>(68,596)</u>	<u>(12%)</u>
Unallocated Revenue / (Expense)	<u>(\$544,474)</u>	<u>(\$476,827)</u>	<u>(\$67,647)</u>	<u>(12%)</u>
Allocated From Departments	141,032	155,807	14,775	10%
Net Revenue / (Expense)	<u>(\$685,506)</u>	<u>(\$632,634)</u>	<u>(\$52,873)</u>	<u>(8%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
691 - FITNESS CENTER

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Merchandise Sales		\$715	(\$715)	0%
Clubhouse Rentals and Event Fees	4,323		4,323	100%
Miscellaneous	85,678	101,582	(15,904)	(19%)
Total Non-Assessment Revenue	<u>90,001</u>	<u>102,297</u>	<u>(12,296)</u>	<u>(14%)</u>
Expenses:				
Employee Compensation	368,757	304,521	(64,236)	(17%)
Expenses Related to Employee Compensation	108,803	102,197	(6,606)	(6%)
Materials and Supplies	21,693	26,857	5,164	24%
Community Events	2,973	2,924	(49)	(2%)
Outside Services	4,612	4,425	(187)	(4%)
Repairs and Maintenance	13,713	14,079	366	3%
Other Operating Expense	3,905	4,792	887	23%
Total Expenses	<u>524,456</u>	<u>459,794</u>	<u>(64,662)</u>	<u>(12%)</u>
Unallocated Revenue / (Expense)	<u>(\$434,455)</u>	<u>(\$357,497)</u>	<u>(\$76,958)</u>	<u>(18%)</u>
Allocated From Departments	34,803	23,295	(11,508)	(33%)
Net Revenue / (Expense)	<u>(\$469,258)</u>	<u>(\$380,792)</u>	<u>(\$88,466)</u>	<u>(19%)</u>

**Laguna Woods Village
2017 BUSINESS PLAN
Service Levels**

HUMAN RESOURCES DIVISION

Description of Services Provided

The Human Resources Division is responsible for the development, administration and implementation of all human resources and safety / environmental functions including: identify, develop, and implement strategies associated with accomplishing business plan objectives; ensure programs and policies are designed to meet organizational goals and protect the Company, the Community, and Staff in accordance with human resource and safety policies and governmental laws and regulations.

Key Functional Areas:

- Benefits Administration
- Collective Bargaining & Contract Negotiations
- Labor/Employee Relations
- Legal and Governmental Compliance
- Human Resources Information Systems (HRIS)
- Equal Employment Opportunity (EEO)
- Safety/Environmental (including Hazardous Waste)
- Recruitment, Orientation & Training
- Employee Communication & Programs
- Workers' Compensation & Industrial Medical Benefits
- South Coast Air Quality Management District Compliance

2017 BUSINESS PLAN
Revenue and Expenditure Report
SUMMARY: HUMAN RESOURCES DIVISION

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Miscellaneous	\$985	\$1,655	(\$670)	(68%)
Total Non-Assessment Revenue	<u>985</u>	<u>1,655</u>	<u>(670)</u>	<u>(68%)</u>
Expenses:				
Employee Compensation	540,199	603,761	63,562	12%
Expenses Related to Employee Compensation	130,196	147,281	17,085	13%
Materials and Supplies	6,673	6,000	(673)	(10%)
Legal Fees	45,000	70,000	25,000	56%
Professional Fees	47,607	52,160	4,553	10%
Outside Services	29,676	35,246	5,570	19%
Other Operating Expense	116,956	148,005	31,049	27%
Total Expenses	<u>916,306</u>	<u>1,062,453</u>	<u>146,146</u>	<u>16%</u>
Unallocated Revenue / (Expense)	<u>(\$915,321)</u>	<u>(\$1,060,798)</u>	<u>\$145,476</u>	<u>16%</u>
Allocated To Departments	(829,881)	(895,867)	(65,986)	(8%)
Allocated From Departments	23,981	21,435	(2,546)	(11%)
Net Revenue / (Expense)	<u>(\$109,421)</u>	<u>(\$186,366)</u>	<u>\$76,945</u>	<u>70%</u>

**Laguna Woods Village
2017 BUSINESS PLAN
Service Levels**

MAINTENANCE OPERATIONS DIVISION

Description of Services Provided

The Maintenance Division is responsible for operating, maintaining, repairing, and replacing the Community's physical assets or resources, including the following services:

Maintenance Administration – Includes the planning, organization, management and implementation of maintenance operations and Committee and Board support. Also serves as liaison with GRF and Mutual Boards of Directors, Committees, individual directors, and residents on normal and special maintenance activities. Additionally, the Division studies, analyzes, and makes recommendations on wide-ranging maintenance subjects to improve maintenance of the Community and the effectiveness/efficiencies of Division operations.

Maintenance Services – Provides management and supervision of routine replacement programs and service requests for the appliance, electrical, plumbing, and facility services.

Building Maintenance – Provides management and supervision of maintenance in the areas of carpentry, interior and exterior painting, and interior manor components. Responsibilities include pre-priming of all new lumber prior to installation, evaluating moisture intrusion and associated property damage and implementing of necessary restoration services.

Appliances – Responsible for appliance repairs within Laguna Woods Village, which includes Third Mutual laundry appliances, United Mutual laundry and manor appliances, and GRF non-commercial appliances.

Carpentry – Divided into two functional groups: Carpentry and General Maintenance, each with their own foremen and responsibilities. Services include general carpentry and carport structure repairs, repair and replacement of window screens, wood fences, gutters and downspouts, repair of drywall, wooden structure ramp and bridge, posts and beams, deck, siding, balcony, wood trim, and deck refinishing/installation/coating.

Electrical - Responsible for all lighting and electrical repairs and/or replacements within Laguna Woods Village. This includes building lighting, common-area lighting, GRF lighting, and all Mutual and GRF service equipment. This department also oversees the United Mutual Preventive Maintenance program.

Plumbing - provides all repair and/or replacement of plumbing components which includes obtaining City permits where required that are the responsibility of the Housing Corporations and GRF

Interior Components Services - Provides services related to the maintenance, repair, and replacement of interior manor components for United Laguna Woods Mutual (ULWM) manors, inclusive of kitchen countertops, bath countertops, vinyl flooring, tub and shower enclosures and ceramic tiles.

Facilities Services - Provides repair, preventative and scheduled maintenance service for Community facilities and for all heating and cooling units in the GRF facilities. Maintains all GRF pools, pool equipment and various other commercial equipment. Cleans and maintains the fountains at Clubhouse One and the outdoor breezeway fountains in Third Mutual.

Paint - Responsible for implementing the Mutuals' and GRF's scheduled exterior paint programs for the buildings and for providing interior/exterior paint-touch up associated with repair requests initiated by Mutual members and other Departments.

Projects – Prepare project scopes of work and specifications, create and monitor critical path schedules and budgets for construction projects, plan and inspect construction work, manage requests for information and submittal approval process, research information on products and new construction methods, write detailed status reports, perform data collection and analysis, monitor elevator, roofing, plumbing remediation and asphalt contracts.

2017 BUSINESS PLAN
Revenue and Expenditure Report
SUMMARY: MAINTENANCE DIVISION

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$831,740	(\$831,740)	0%
Total Non-Assessment Revenue		831,740	(831,740)	0%
Expenses:				
Employee Compensation	9,016,964	9,269,556	252,592	3%
Expenses Related to Employee Compensation	3,877,276	3,888,369	11,094	0%
Materials and Supplies	4,190,758	4,649,345	458,587	11%
Utilities and Telephone	40,869	9,796	(31,072)	(76%)
Professional Fees	138,829	183,000	44,171	32%
Equipment Rental	31,864	10,000	(21,864)	(69%)
Outside Services	13,124,991	14,823,428	1,698,437	13%
Repairs and Maintenance	110,274	97,337	(12,937)	(12%)
Other Operating Expense	95,493	92,349	(3,144)	(3%)
Total Expenses	30,627,316	33,023,181	2,395,865	8%
Unallocated Revenue / (Expense)	<u>(\$30,627,316)</u>	<u>(\$32,191,441)</u>	<u>\$1,564,125</u>	<u>5%</u>
Allocated To Departments	(783,814)	(1,470,398)	(686,584)	(88%)
Allocated From Departments	1,142,363	1,752,206	609,843	53%
Net Revenue / (Expense)	<u>(\$30,985,865)</u>	<u>(\$32,473,249)</u>	<u>\$1,487,384</u>	<u>5%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
900 - MAINT OPERATIONS

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	516,796	333,119	(183,677)	(36%)
Expenses Related to Employee Compensation	109,225	74,594	(34,631)	(32%)
Materials and Supplies	1,800	1,061	(739)	(41%)
Outside Services	15,000	17,000	2,000	13%
Other Operating Expense	3,415	8,930	5,515	161%
Total Expenses	<u>646,236</u>	<u>434,704</u>	<u>(211,532)</u>	<u>(33%)</u>
 Unallocated Revenue / (Expense)	 <u>(\$646,236)</u>	 <u>(\$434,704)</u>	 <u>(\$211,532)</u>	 <u>(33%)</u>
 Allocated To Departments	 (15,000)	 (662,546)	 (647,546)	 (4317%)
Allocated From Departments	290,772	860,728	569,957	196%
 Net Revenue / (Expense)	 <u>(\$922,008)</u>	 <u>(\$632,886)</u>	 <u>(\$289,121)</u>	 <u>(31%)</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
904 - MAINTENANCE SERVICES

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	209,288	206,889	(2,399)	(1%)
Expenses Related to Employee Compensation	46,095	46,341	246	1%
Materials and Supplies	800	2,146	1,346	168%
Professional Fees	2,000	2,000		0%
Repairs and Maintenance		51	51	0%
Other Operating Expense	350	925	575	164%
Total Expenses	<u>258,533</u>	<u>258,353</u>	<u>(180)</u>	<u>0%</u>
 Unallocated Revenue / (Expense)	 <u>(\$258,533)</u>	 <u>(\$258,353)</u>	 <u>(\$180)</u>	 <u>0%</u>
 Allocated To Departments	 (79,480)	 (80,849)	 (1,368)	 (2%)
Allocated From Departments	12,664	17,475	4,811	38%
 Net Revenue / (Expense)	 <u>(\$191,716)</u>	 <u>(\$194,979)</u>	 <u>\$3,262</u>	 <u>2%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
910 - BUILDING MAINT DEPT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$313,594	(\$313,594)	0%
Total Non-Assessment Revenue		313,594	(313,594)	0%
Expenses:				
Employee Compensation	724,996	789,340	64,344	9%
Expenses Related to Employee Compensation	225,251	234,911	9,660	4%
Materials and Supplies	9,446	7,008	(2,438)	(26%)
Professional Fees	20,000	20,000	0	0%
Outside Services	4,299,724	4,560,333	260,609	6%
Repairs and Maintenance	36,736	34,785	(1,951)	(5%)
Other Operating Expense	16,054	12,500	(3,554)	(22%)
Total Expenses	5,332,207	5,658,877	326,670	6%
Unallocated Revenue / (Expense)	(\$5,332,207)	(\$5,345,283)	\$13,076	0%
Allocated To Departments	(113,269)	(122,091)	(8,821)	(8%)
Allocated From Departments	51,329	35,466	(15,862)	(31%)
Net Revenue / (Expense)	(\$5,270,266)	(\$5,258,658)	(\$11,608)	0%

2017 BUSINESS PLAN
Revenue and Expenditure Report
911 - APPLIANCE

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$254,015	(\$254,015)	0%
Total Non-Assessment Revenue		254,015	(254,015)	0%
Expenses:				
Employee Compensation	343,732	352,569	8,837	3%
Expenses Related to Employee Compensation	161,480	160,479	(1,001)	(1%)
Materials and Supplies	1,047,291	842,936	(204,355)	(20%)
Outside Services	18,250	24,179	5,929	32%
Repairs and Maintenance	200	260	60	30%
Other Operating Expense	2,175	1,763	(412)	(19%)
Total Expenses	1,573,128	1,382,186	(190,942)	(12%)
Unallocated Revenue / (Expense)	(\$1,573,128)	(\$1,128,171)	(\$444,957)	(28%)
Allocated From Departments	25,447	36,790	11,343	45%
Net Revenue / (Expense)	(\$1,598,575)	(\$1,164,962)	(\$433,614)	(27%)

2017 BUSINESS PLAN
Revenue and Expenditure Report
912 - CARPENTRY

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	2,135,722	2,237,933	102,211	5%
Expenses Related to Employee Compensation	1,012,239	1,024,820	12,581	1%
Materials and Supplies	611,637	810,214	198,577	32%
Utilities and Telephone	40,869	9,796	(31,072)	(76%)
Equipment Rental	13,719	5,000	(8,719)	(64%)
Outside Services	77,768	93,621	15,853	20%
Repairs and Maintenance	2,277	2,400	123	5%
Other Operating Expense	20,487	16,821	(3,666)	(18%)
Total Expenses	<u>3,914,717</u>	<u>4,200,605</u>	<u>285,888</u>	<u>7%</u>
 Unallocated Revenue / (Expense)	 <u>(\$3,914,717)</u>	 <u>(\$4,200,605)</u>	 <u>\$285,888</u>	 <u>7%</u>
 Allocated From Departments	 209,213	 207,435	 (1,778)	 (1%)
Net Revenue / (Expense)	<u>(\$4,123,930)</u>	<u>(\$4,408,040)</u>	<u>\$284,110</u>	<u>7%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
913 - APPLIANCE/ELECTRICAL

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$20,783	(\$20,783)	0%
Total Non-Assessment Revenue		20,783	(20,783)	0%
Expenses:				
Employee Compensation	377,958	440,849	62,891	17%
Expenses Related to Employee Compensation	184,107	201,308	17,201	9%
Materials and Supplies	90,515	99,503	8,988	10%
Outside Services	23,530	25,406	1,876	8%
Repairs and Maintenance	325	220	(105)	(32%)
Other Operating Expense	3,380	3,256	(124)	(4%)
Total Expenses	679,815	770,542	90,727	13%
Unallocated Revenue / (Expense)	(\$679,815)	(\$749,759)	\$69,944	10%
Allocated From Departments	87,109	89,977	2,868	3%
Net Revenue / (Expense)	(\$766,924)	(\$839,737)	\$72,812	9%

2017 BUSINESS PLAN
Revenue and Expenditure Report
914 - PLUMBING

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$172,666	(\$172,666)	0%
Total Non-Assessment Revenue		172,666	(172,666)	0%
Expenses:				
Employee Compensation	1,188,522	1,330,235	141,713	12%
Expenses Related to Employee Compensation	546,868	586,923	40,055	7%
Materials and Supplies	900,062	1,260,008	359,946	40%
Equipment Rental	200		(200)	(100%)
Outside Services	122,934	146,887	23,953	19%
Repairs and Maintenance	475	1,508	1,033	217%
Other Operating Expense	9,969	7,306	(2,663)	(27%)
Total Expenses	2,769,030	3,332,867	563,837	20%
Unallocated Revenue / (Expense)	(\$2,769,030)	(\$3,160,201)	\$391,171	14%
Allocated From Departments	186,808	202,405	15,597	8%
Net Revenue / (Expense)	(\$2,955,838)	(\$3,362,607)	\$406,768	14%

2017 BUSINESS PLAN
Revenue and Expenditure Report
917 - INTERIOR COMPONENTS SVCS

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$42,555	(\$42,555)	0%
Total Non-Assessment Revenue		42,555	(42,555)	0%
Expenses:				
Employee Compensation	465,092	476,882	11,790	3%
Expenses Related to Employee Compensation	224,409	222,921	(1,488)	(1%)
Materials and Supplies	766,252	794,981	28,729	4%
Outside Services	2,212	2,727	515	23%
Repairs and Maintenance	550		(550)	(100%)
Other Operating Expense	3,805	2,838	(967)	(25%)
Total Expenses	1,462,320	1,500,349	38,029	3%
Unallocated Revenue / (Expense)	(\$1,462,320)	(\$1,457,794)	(\$4,526)	0%
Allocated From Departments	33,687	46,266	12,579	37%
Net Revenue / (Expense)	(\$1,496,007)	(\$1,504,060)	\$8,054	1%

2017 BUSINESS PLAN
Revenue and Expenditure Report
920 - PROJECTS

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$22,372	(\$22,372)	0%
Total Non-Assessment Revenue		22,372	(22,372)	0%
Expenses:				
Employee Compensation	614,827	599,963	(14,865)	(2%)
Expenses Related to Employee Compensation	137,593	129,656	(7,937)	(6%)
Materials and Supplies	6,499	7,100	601	9%
Professional Fees	116,829	161,000	44,171	38%
Outside Services	8,522,064	9,910,728	1,388,664	16%
Repairs and Maintenance	55,949	45,651	(10,298)	(18%)
Other Operating Expense	8,468	11,700	3,232	38%
Total Expenses	9,462,229	10,865,798	1,403,568	15%
Unallocated Revenue / (Expense)	<u>(\$9,462,229)</u>	<u>(\$10,843,426)</u>	<u>\$1,381,196</u>	<u>15%</u>
Allocated To Departments	(27,136)	(25,426)	1,711	6%
Allocated From Departments	36,319	25,822	(10,497)	(29%)
Net Revenue / (Expense)	<u>(\$9,471,412)</u>	<u>(\$10,843,822)</u>	<u>\$1,372,410</u>	<u>14%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
926 - FACILITIES SVCS

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Total Non-Assessment Revenue				0%
Expenses:				
Employee Compensation	353,249	363,227	9,978	3%
Expenses Related to Employee Compensation	156,701	155,059	(1,642)	(1%)
Materials and Supplies	106,275	135,100	28,825	27%
Equipment Rental	325		(325)	(100%)
Outside Services	6,000	6,000		0%
Repairs and Maintenance	8,200	7,300	(900)	(11%)
Other Operating Expense	5,913	5,441	(472)	(8%)
Total Expenses	<u>636,663</u>	<u>672,127</u>	<u>35,464</u>	<u>6%</u>
 Unallocated Revenue / (Expense)	 <u>(\$636,663)</u>	 <u>(\$672,127)</u>	 <u>\$35,464</u>	 <u>6%</u>
 Allocated To Departments	 (548,928)	 (579,487)	 (30,559)	 (6%)
Allocated From Departments	41,026	43,289	2,263	6%
 Net Revenue / (Expense)	 <u>(\$128,761)</u>	 <u>(\$135,929)</u>	 <u>\$7,168</u>	 <u>6%</u>

2017 BUSINESS PLAN
Revenue and Expenditure Report
932 - PAINT

	<u>2016 Budget</u>	<u>2017 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:				
Fees and Charges for Services to Residents		\$5,755	(\$5,755)	0%
Total Non-Assessment Revenue		5,755	(5,755)	0%
Expenses:				
Employee Compensation	2,086,782	2,138,550	51,768	2%
Expenses Related to Employee Compensation	1,073,308	1,051,356	(21,952)	(2%)
Materials and Supplies	650,181	689,288	39,107	6%
Equipment Rental	17,620	5,000	(12,620)	(72%)
Outside Services	37,509	36,547	(962)	(3%)
Repairs and Maintenance	5,562	5,162	(400)	(7%)
Other Operating Expense	21,476	20,869	(607)	(3%)
Total Expenses	3,892,438	3,946,772	54,334	1%
Unallocated Revenue / (Expense)	<u>(\$3,892,438)</u>	<u>(\$3,941,017)</u>	<u>\$48,579</u>	<u>1%</u>
Allocated From Departments	167,990	186,553	18,563	11%
Net Revenue / (Expense)	<u>(\$4,060,428)</u>	<u>(\$4,127,570)</u>	<u>\$67,142</u>	<u>2%</u>