

**SPECIAL OPEN MEETING OF THE GOLDEN RAIN FOUNDATION
OF LAGUNA WOODS BOARD OF DIRECTORS
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

Monday, July 10, 2023, at 1:30 p.m.

Laguna Woods Village Board Room/Virtual Meeting
24351 El Toro Road, Laguna Woods, California

The purpose of this meeting is to review the 2024 GRF Business Plan – Version 2

1. Call Meeting to Order / Establish Quorum – Treasurer Jim Hopkins
2. State Purpose of Meeting – Treasurer Hopkins
3. Approval of the Agenda
4. Chair Remarks
5. Open Forum (Three Minutes per Speaker)
At this time Members only may address the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. The Board reserves the right to limit the total amount of time allotted for the Open Forum. Members can attend the meeting by joining the Zoom link <https://us06web.zoom.us/j/83185869622> or by calling (949) 268-2020 or email meeting@vmsinc.org to request to speak.
6. Responses to Open Forum Speakers
7. Review of the Proposed 2024 GRF Business Plan – Version 2
8. Adjournment

STAFF REPORT

DATE: July 10, 2023
FOR: Board of Directors
SUBJECT: 2024 Business Plan – Version 2

RECOMMENDATION

Staff recommends the Board review the Proposed 2024 Business Plan – Version 2 and provide direction for change or revision at the meeting on July 10, 2023. All components of the plan will be discussed in detail.

BACKGROUND

The Board had several meetings in May and June to discuss the 2024 Business Plan and 2024 Capital Plan (CIP). Based on input received at the meetings and subsequent discussions, Staff refined the Business Plan, CIP, and Reserves Plan as included in this agenda.

On August 7, 2023, the GRF Board is scheduled to meet and review the proposed budget; recommendations for change will be forwarded for Board consideration at their meeting on September 5, 2023.

DISCUSSION

BUSINESS PLAN SUMMARY

These documents present an overview of the proposed 2024 Plan – Version 2 and reflect a net increase of \$1,192,128 in the Total Basic Assessment, \$7.81 Per Manor Per Month (PMPM) or 3.5% when compared to current year.

Brief notations for line items with significant change from current year are noted below as increases or (decreases) in the assessment, and listed in order of appearance on the proposed Business Plan by Account – Version 2 (Attachment 1):

Line 1: Golf Greens Fees additional revenue of \$70,100 decreased the assessment by (\$0.46) PMPM to reflect ongoing trend of high golf course usage that began during Covid-19 pandemic.

Line 3: Merchandise Sales additional revenue of \$34,141 decreased the assessment by (\$0.23) PMPM primarily due to increased fuel and oil sales to Age Well due to increased costs, offset in line 11 and increased sales of golf clubs and other items at the Pro Shop.

Line 4: Clubhouse Rentals and Event Fees additional revenue of \$41,522 decreased the assessment by (\$0.27) PMPM primarily due to the number of events held at the Performing Arts Center and Clubhouses returning to pre-pandemic levels, and an increase in the use of the Village Greens Room Rentals at the 27-Hole Golf Course.

Line 6: Broadband Services additional revenue of \$868,500 decreased the assessment by (\$5.68) PMPM due to renegotiated terms for High Speed Internet in which GRF was awarded a higher revenue sharing percentage. In addition, ad insertion revenue is expected to increase during an election year. Furthermore, increased revenue is anticipated for Media & Communication's Village-wide advertising and sponsorship program expected to launch by 2024.

Line 7: Miscellaneous Revenue decreased revenue of (\$45,839) increased the assessment by \$0.30 PMPM due to decreased traffic violations and clubhouse labor fees, in line with recent year actuals. In addition, Parking Fee revenue is reduced as the amount of Saddleback Emeritus classes offered have not returned to pre-pandemic levels. Partially offsetting revenue increases, Horse Boarding Fees and Horse Feed Fees have increased due to increased number of horses boarded; offset is found in line 10. In addition, increase in class fee revenue is a result of reclassifying class instructor fees from outside services. Offset will be in line 23 below.

Line 8: Employee Compensation increased by \$161,109, \$1.06 PMPM or 0.8% due to planned wage adjustments partially offset by a decrease in funded positions between 2023 and 2024. A six-month strategic objectives plan was put in place in which department heads reviewed actual and budgeted staffing levels for 2018 to 2022 to determine which vacant positions could be unfunded and determine what staffing levels would be reasonable based on efficiencies and process adjustments.

Line 9: Expenses Related to Compensation decreased by (\$311,522) or (\$2.04) PMPM primarily due to switching medical insurance providers for non-union insurance which will result in a decrease in rate from 2023.

Line 10: Materials and Supplies increased by \$246,430 or \$1.61 PMPM primarily due to increase in horse feed and shavings due to an increase in horses that are boarded; offset is found in line 7 for Horse Feed fee revenue for non GRF owned horses. In addition, increase of computer replacement materials needed throughout the company such as laptops, monitors, PC hardware, and computer accessories contributed to the increase in materials and supplies. Finally, pool chemicals were unbudgeted in 2023 in error, resulting in an increase for 2024 budget, reflecting current costs.

Line 11: Cost of Merchandise Sold increased by \$26,428 or \$0.18 PMPM due to increased fuel and Pro Shop sales. GRF sells fuel to Age Well at cost and charges an administrative fee, offset found in merchandise sales.

Line 12: Community Events increased by \$22,046 or \$0.14 PMPM due to rising catering costs resulting in a reduction of the amount of monthly dinners held. Caterer previously used went out of business and was about half of what other caterers charge.

Line 13: Electricity increased by \$97,114 or \$0.63 PMPM based on current consumption and a projected rate increase.

Lines 14-15: Sewer & Water decreased by (\$38,882) or (\$0.24) PMPM based on decreased consumption resulting from the implementation of the master irrigation control project. The project is expected to save \$280,000 community-wide; \$55,000 in GRF, \$83,000 in United, and \$142,000 in Third. The decrease was partially offset by projected increased rates. El Toro Water District (ETWD) will publish rates for August 1, 2023 increases in July and changes will be reflected in next version of the budget.

Line 17: Natural Gas increased by \$31,598 or \$0.20 PMPM based on current consumption and a projected rate increase.

Line 18: Telephone decreased by (\$81,997) or (\$0.53) PMPM based on change in telephone companies from landlines to web based.

Line 21: Professional Fees decreased by (\$69,552) or (\$0.45) PMPM due to removal of one-time consultant fee in 2023 for Broadband Network Implementation.

Line 22: Rentals increased by \$38,387 or \$0.25 PMPM based on transition from owning fitness equipment, previously capital item, to leasing in 2023. The increase represents additional cardio equipment for Clubhouse 1.

Line 23: Outside Services increased by \$316,963 or \$2.07 PMPM due to increased cloud computing platform costs for the implementation of the new ERP in 2024. In addition, class instructor costs will be paid from outside services account as opposed to decreasing revenue as had been done in the past. Offset will be in line 7 above. In addition, budgeted credit card transaction fees were increased for Golf Facilities and the Performing Arts Center to reflect actuals as more and more residents favor bank and credit cards as their preferred method of payment.

Line 24: Repairs and Maintenance increased by \$46,316 or \$0.30 PMPM due to correction in number of Microsoft Office accounts budgeted to reflect actuals and new Microsoft tools necessary for the new ERP.

Line 25: Other Operating Expense increased by \$99,451 or \$0.65 PMPM due to increased training and education for employees for various department for items such as training on new Microsoft office tools for the new ERP. Staff support was also increased in various departments in an effort to retain staff.

Line 27: Insurance increased by \$285,430 or \$1.87 PMPM due to increased Hazard & Liability and D&O Liability Insurance to reflect anticipated premium increases at renewal.

Line 28: Cable TV Programming increased by \$727,860 or \$4.76 PMPM due to contractually rate increases and anticipated increases of 50% for independent network contracts at renewal.

Line 31: Cost Allocations to Mutuals, the net result of interdepartmental allocations is lower in 2024 by (\$196,747) or (\$1.27) PMPM to reflect existing service levels throughout the departments providing more of an offset to the line items above.

Line 32: (Surplus)/Deficit Recovery a surplus recovery of (\$764,160), or (\$5.00) PMPM is anticipated from a transfer from the Contingency Fund from prior years' operating surplus.

Line 33: GRF Reserve Fund Contribution for Version 2, the Reserve Contribution is budgeted to remain at \$17.00 PMPM. To adequately plan for future expenditures, the Mutual adopts a 30-Year Funding Plan that projects contributions and disbursements to the Reserve Fund over the next 30 years. A full reserve study is being conducted by Association Reserves Inc and recommended funding plans will be provided based on the existing 30-year funding plan at the next version of the budget. Reserves provide the funding necessary to maintain, repair, replace, or restore major common-area components. Contributions to the Reserve Funds are supplemented by the Transfer Fee of \$7,500 per eligible transfer.

Line 34: GRF Contingency Fund Contribution remained at \$0. Staff projects sufficient funds exist in the Contingency Fund to fund projected future year expenses.

FINANCIAL ANALYSIS

The financial impact of this proposed business plan would be a GRF assessment of \$229.12 PMPM, an increase of \$7.81 or 3.5% when compared to current year.

Prepared By: Jose Campos, Assistant Director of Financial Services

Reviewed By: Siobhan Foster, Chief Executive Officer
Pam Jensen, Controller

ATTACHMENTS

Attachment 1: GRF 2024 Business Plan by Account – Version 2
Attachment 2: GRF 2024 Business Plan by Department – Version 2
Attachment 3: GRF 2024 Budget Comparison Report – Operating Fund
Attachment 4: 2024 Staffing Report
Attachment 5: GRF 2024 Reserves Plan



2024 BUSINESS PLAN - BY ACCOUNT

		ASSESSMENT							
DESCRIPTION		2020 ACTUAL*	2021 ACTUAL*	2022 ACTUAL	2023 PLAN	2024 PLAN	Per Manor Per Month		
							2023	2024	Change
Revenues:									
1	Golf Greens Fees	\$1,241,594	\$1,656,161	\$1,777,020	\$1,744,500	\$1,814,600	\$11.41	\$11.87	(\$0.46)
2	Golf Operations	273,504	318,827	363,750	379,300	377,400	2.48	2.47	0.01
3	Merchandise Sales	269,630	522,651	618,929	609,006	643,147	3.98	4.21	(0.23)
4	Clubhouse Rentals and Event Fees	123,440	113,331	565,790	653,971	695,493	4.28	4.55	(0.27)
5	Rentals	142,958	140,779	144,674	197,500	198,064	1.29	1.30	(0.01)
6	Broadband Services	5,186,355	5,038,208	5,277,634	5,554,800	6,423,300	36.35	42.03	(5.68)
7	Miscellaneous	655,785	659,087	1,021,743	1,217,629	1,171,790	7.97	7.67	0.30
Total Revenue		\$7,893,266	\$8,449,044	\$9,769,540	\$10,356,706	\$11,323,794	\$67.76	\$74.10	(\$6.34)
Expenses:									
8	Employee Compensation	\$16,656,527	\$17,060,816	\$18,221,733	\$20,123,612	\$20,284,721	\$131.67	\$132.73	\$1.06
9	Exp. Related to Compensation	4,913,404	5,058,750	5,405,108	6,331,723	6,020,201	41.43	39.39	(2.04)
10	Materials and Supplies	1,564,387	1,570,108	2,189,516	1,801,729	2,048,159	11.79	13.40	1.61
11	Cost of Merchandise Sold	192,232	431,568	477,382	440,638	467,066	2.88	3.06	0.18
12	Community Events	125,189	45,229	408,472	410,910	432,956	2.69	2.83	0.14
13	Electricity	705,598	881,645	1,161,822	918,102	1,015,216	6.01	6.64	0.63
14	Sewer	67,047	75,868	94,167	126,163	106,651	0.82	0.70	(0.12)
15	Water	645,378	762,448	783,105	723,350	703,980	4.73	4.61	(0.12)
16	Trash	191,847	128,609	86,161	148,815	139,544	0.97	0.91	(0.06)
17	Natural Gas	164,840	237,215	397,074	334,415	366,013	2.19	2.39	0.20
18	Telephone	316,676	308,599	281,881	342,957	260,960	2.24	1.71	(0.53)
19	Fuel & Oil for Vehicles	370,940	489,252	723,392	628,490	627,894	4.11	4.11	0.00
20	Legal Fees	336,669	737,723	92,364	245,850	248,350	1.61	1.62	0.01
21	Professional Fees	571,281	416,867	629,637	829,009	759,457	5.42	4.97	(0.45)
22	Rentals	200,704	258,816	272,854	289,655	328,042	1.90	2.15	0.25
23	Outside Services	2,252,750	2,829,913	2,886,946	2,900,604	3,217,567	18.98	21.05	2.07
24	Repairs and Maintenance	954,116	886,507	1,192,186	999,673	1,045,989	6.54	6.84	0.30
25	Other Operating Expense	443,005	648,436	734,620	938,280	1,037,731	6.14	6.79	0.65
26	Income, Property, and Sales Tax	718,919	43,622	35,300	35,991	37,892	0.24	0.25	0.01
27	Insurance	2,008,550	2,658,323	2,783,674	2,987,766	3,273,196	19.55	21.42	1.87
28	Cable TV Programming	3,792,055	3,966,508	4,196,413	4,415,500	5,143,360	28.89	33.65	4.76
29	Uncollectible Accounts	1,416	12,184	4,144	12,100	13,000	0.08	0.09	0.01
30	(Gain)/Loss on Sale or Trade	(56,922)	(180,899)	17,743	0	(810)	0.00	(0.01)	(0.01)
31	Cost Allocations	(2,900,667)	(2,775,315)	(2,988,482)	(2,875,047)	(3,071,794)	(18.81)	(20.08)	(1.27)
Total Expenses		\$34,235,941	\$36,552,792	\$40,087,212	\$43,110,285	\$44,505,341	\$282.07	\$291.22	\$9.15
32	(Surplus)/Deficit Recovery	\$0	\$0	\$0	(\$1,528,320)	(\$764,160)	(\$10.00)	(\$5.00)	\$5.00
Net Operating		\$26,342,675	\$28,103,748	\$30,317,672	\$31,225,259	\$32,417,387	\$204.31	\$212.12	\$7.81
Fund Contributions:									
33	Reserve Funds	\$2,903,808	\$2,903,808	\$2,598,144	\$2,598,144	\$2,598,144	\$17.00	\$17.00	\$0.00
34	Contingency Fund	764,160	0	764,160	0	0	0.00	0.00	0.00
Total Fund Contributions		\$3,667,968	\$2,903,808	\$3,362,304	\$2,598,144	\$2,598,144	\$17.00	\$17.00	\$0.00
TOTAL BASIC ASSESSMENTS		\$30,010,643	\$31,007,556	\$33,679,976	\$33,823,403	\$35,015,531	\$221.31	\$229.12	\$7.81

*2020 and 2021 actuals were affected by COVID-19 Pandemic.



2024 BUSINESS PLAN - BY DEPARTMENT

DESCRIPTION	2020 ACTUAL*	2021 ACTUAL*	2022 ACTUAL	2023 PLAN	2024 PLAN	ASSESSMENT		
						Per Manor Per Month		
						2023	2024	Change
Department								
Operating Contributions (Expenses net of Revenues):								
Office of the CEO	\$665,818	\$540,277	\$505,974	\$801,972	\$735,445	\$5.25	\$4.81	(\$0.44)
Media and Communications	1,605,084	2,216,225	2,233,799	2,542,279	2,559,521	16.63	16.75	0.12
Information Services	1,702,660	1,417,894	1,633,877	2,118,964	2,394,624	13.86	15.67	1.81
General Services	4,256,538	4,043,651	4,400,704	5,200,899	4,949,812	34.03	32.39	(1.64)
Financial Services	2,383,621	1,755,477	2,181,385	1,857,928	1,698,437	12.16	11.11	(1.05)
Security Services	5,833,457	5,783,930	6,494,103	6,582,665	6,380,481	43.07	41.75	(1.32)
Landscape Services	1,063,921	1,104,296	951,646	1,524,142	1,479,545	9.97	9.68	(0.29)
Recreation Services	5,469,944	5,827,935	6,948,068	6,728,080	7,338,744	44.02	48.01	3.99
Human Resource Services	301,845	235,489	244,649	280,611	320,376	1.84	2.10	0.26
Insurance	2,008,516	2,658,205	2,783,639	2,987,416	3,271,530	19.55	21.41	1.86
Maintenance & Construction	1,041,364	1,912,302	1,875,867	2,128,623	2,051,832	13.93	13.43	(0.50)
Non Work Center	9,907	608,067	63,961	0	1,200	0.00	0.01	0.01
Net Operating Expenses	\$26,342,675	\$28,103,748	\$30,317,672	\$32,753,579	\$33,181,547	\$214.31	\$217.12	\$2.81
(Surplus)/Deficit Recovery	\$0	\$0	\$0	(\$1,528,320)	(\$764,160)	(\$10.00)	(\$5.00)	\$5.00
Total Operating Contributions	\$26,342,675	\$28,103,748	\$30,317,672	\$31,225,259	\$32,417,387	\$204.31	\$212.12	\$7.81
Fund Contributions:								
Reserve Funds	\$2,903,808	\$2,903,808	\$2,598,144	\$2,598,144	\$2,598,144	\$17.00	\$17.00	\$0.00
Contingency Fund	764,160	0	764,160	0	0	0.00	0.00	0.00
Total Fund Contributions	\$3,667,968	\$2,903,808	\$3,362,304	\$2,598,144	\$2,598,144	\$17.00	\$17.00	\$0.00
TOTAL BASIC ASSESSMENTS	\$30,010,643	\$31,007,556	\$33,679,976	\$33,823,403	\$35,015,531	\$221.31	\$229.12	\$7.81

*2020 and 2021 actuals were affected by COVID-19 Pandemic.

**Golden Rain Foundation of Laguna Woods
Budget Comparison Report by Account
12/31/2024**

GOLDEN RAIN FOUNDATION

	<u>2020 Actuals</u>	<u>2021 Actuals</u>	<u>2022 Actuals</u>	<u>2023 Budget</u>	<u>2024 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:							
Golf Green Fees							
42001000 - Golf Green Fees - Residents	\$1,192,949	\$1,534,992	\$1,505,516	\$1,531,000	\$1,531,000	\$0	0%
42001500 - Golf Green Fees - Guests	48,645	121,169	271,504	213,500	283,600	(70,100)	(33%)
Total Golf Green Fees	1,241,594	1,656,161	1,777,020	1,744,500	1,814,600	(70,100)	(4%)
Golf Operations							
42002000 - Golf Driving Range Fees	63,000	99,771	151,326	170,000	165,000	5,000	3%
42003000 - Golf Cart Use Fees	190,109	191,780	197,670	191,400	196,400	(5,000)	(3%)
42004000 - Golf Lesson Fees	17,540	23,212	9,429	15,000	12,000	3,000	20%
42005000 - Golf Club Storage Fees	2,855	3,520	3,645	2,400	3,500	(1,100)	(46%)
42005500 - Golf Club Rental Fees	0	544	1,680	500	500	0	0%
Total Golf Operations	273,504	318,827	363,750	379,300	377,400	1,900	1%
Merchandise Sales							
41501000 - Merchandise Sales - Pro Shop	139,787	294,441	310,694	310,000	325,000	(15,000)	(5%)
41501500 - Merchandise Sales - Warehouse	15,596	11,293	16,313	27,427	17,142	10,285	38%
41502500 - Merchandise Sales - Fitness	290	54	174	926	174	752	81%
41503500 - Merchandise Sales - Broadband	17,125	17,112	18,108	17,250	15,000	2,250	13%
41504800 - Merchandise Sales - Fuel & Oil	86,160	173,557	215,192	198,403	228,831	(30,428)	(15%)
41505000 - Bar Sales	10,672	26,194	58,448	55,000	57,000	(2,000)	(4%)
Total Merchandise Sales	269,630	522,651	618,927	609,006	643,147	(34,141)	(6%)
Clubhouse Rentals and Event Fees							
42501000 - Clubhouse Room Rentals - Residents	49,177	71,288	320,804	416,287	424,000	(7,713)	(2%)
42501500 - Clubhouse Room Rentals - Exception Rate	2,517	0	9,915	20,849	25,540	(4,691)	(22%)
42502000 - Clubhouse Event Fees - Residents	69,015	38,558	220,778	211,635	226,903	(15,268)	(7%)
42502500 - Clubhouse Event Fees - Non Residents	776	0	0	0	0	0	0%
42503000 - Village Greens Room Rentals - Residents	1,489	3,296	12,543	4,000	16,300	(12,300)	(308%)
42503500 - Village Greens Room Rentals - Non Residents	467	190	1,750	1,200	2,750	(1,550)	(129%)
Total Clubhouse Rentals and Event Fees	123,440	113,331	565,789	653,971	695,493	(41,522)	(6%)
Rentals							
43001000 - Garden Plot Rental	57,020	56,872	57,335	75,000	75,000	0	0%
43001500 - Shade House Rental Space	429	407	382	400	400	0	0%
45506500 - Rental Fee	30,070	29,500	32,527	68,100	59,664	8,436	12%
48001500 - Lease Revenue	55,440	54,000	54,430	54,000	63,000	(9,000)	(17%)
Total Rentals	142,958	140,779	144,674	197,500	198,064	(564)	0%
Fees and Charges for Services to Residents							
46502000 - Resident Maintenance Fee	0	0	298	0	0	0	0%
Total Fees and Charges for Services to Residents	0	0	298	0	0	0	0%
Broadband Services							
45001000 - Ad Insertion	823,585	590,984	836,547	700,000	925,000	(225,000)	(32%)
45001500 - Premium Channel	349,239	317,094	285,588	300,000	270,000	30,000	10%
45002000 - Cable Service Call	83,229	83,230	75,472	87,000	72,000	15,000	17%
45002500 - Cable Commission	93,870	104,903	44,743	85,000	33,500	51,500	61%
45003000 - High Speed Internet	1,692,744	1,787,497	1,886,109	2,200,000	2,700,000	(500,000)	(23%)
45003500 - Equipment Rental	1,867,437	1,851,248	1,875,365	1,879,200	1,864,200	15,000	1%
45004000 - Video Production	49,004	89,251	78,681	50,000	50,000	0	0%
45004500 - Video Re-Production	297	90	49	100	100	0	0%
45005000 - Message Board	23,100	35,000	25,400	26,000	24,500	1,500	6%
45005500 - Advertising	203,850	178,911	169,680	227,500	484,000	(256,500)	(113%)
Total Broadband Services	5,186,355	5,038,208	5,277,635	5,554,800	6,423,300	(868,500)	(16%)
Miscellaneous							
43501000 - Horse Boarding Fee	60,335	60,342	85,044	76,000	102,120	(26,120)	(34%)
43501500 - Horse Feed Fee	27,099	30,333	46,572	44,400	63,600	(19,200)	(43%)
43502000 - Horse Trailer Parking Fee	855	213	370	1,200	1,360	(160)	(13%)
43502500 - Horse Lesson Fee - Resident	3,403	7,733	26,002	43,200	57,600	(14,400)	(33%)
43503500 - Horse Rental & Trail Ride Fee - Resident	0	0	0	11,500	0	11,500	100%
44001500 - Pool Fee - Guests	0	0	168	0	0	0	0%
44002000 - Bridge Room Fee - Guests	12,380	9,435	25,265	35,000	25,000	10,000	29%
44002500 - Parking Fees - Non Residents	28,185	24,000	41,487	45,000	24,400	20,600	46%
44003000 - Class Fees	33,825	47,752	161,161	130,600	159,000	(28,400)	(22%)
44003500 - Locker Rental Fee	4,865	44	10,659	15,350	16,375	(1,025)	(7%)
44004500 - Clubhouse Labor Fee	4,535	9,290	12,634	34,174	11,018	23,156	68%
44005500 - Clubhouse Catering Fee	5,486	5,128	12,039	27,000	18,700	8,300	31%
44006000 - Tickets Sales - Residents	0	0	0	630	0	630	100%
44006500 - Sponsorship Income	4,246	27,667	83,300	80,500	75,000	5,500	7%
44008000 - Club Group Organization Registration Fee	4,650	(100)	4,090	0	9,000	(9,000)	0%
46001000 - RV Storage Fee	112,283	118,688	109,133	130,000	124,480	5,520	4%

OPERATING FUND ONLY

Version 2

**Golden Rain Foundation of Laguna Woods
Budget Comparison Report by Account
12/31/2024**

GOLDEN RAIN FOUNDATION

	2020 Actuals	2021 Actuals	2022 Actuals	2023 Budget	2024 Budget	Assessment Increase/ (Decrease)	VAR %
46002000 - Traffic Violation	61,586	24,734	51,387	150,000	90,000	60,000	40%
46003500 - Security Standby Fee	233	2,310	3,339	3,500	3,500	0	0%
46004000 - Estate Sale Fee	450	540	2,250	4,100	2,080	2,020	49%
46004500 - Resident Violations	1,000	0	0	4,224	1,056	3,168	75%
44501000 - Additional Occupant Fee	191,860	176,900	151,300	214,995	216,495	(1,500)	(1%)
44503500 - Resale Processing Fee	3,600	0	600	3,600	0	3,600	100%
44504000 - Resident Id Card Fee	6,125	9,600	12,275	11,000	11,000	0	0%
44506000 - Photo Copy Fee	21,082	21,745	50,679	65,000	65,000	0	0%
44506500 - Auto Decal Fee	35,275	52,910	52,321	60,000	60,000	0	0%
44507000 - Golf Cart Electric Fee	0	640	0	0	0	0	0%
47001000 - Cash Discounts - Accounts Payable	0	0	20,579	0	0	0	0%
47001500 - Late Fee Revenue	9,409	5,805	6,187	8,000	8,000	0	0%
47002800 - Fuel & Oil Administrative Fee	10,800	10,800	10,800	0	10,800	(10,800)	0%
48001000 - Legal Fee	0	0	15	0	0	0	0%
46005500 - Disaster Task Force	764	214	1,010	4,500	0	4,500	100%
49009000 - Miscellaneous Revenue	11,456	12,366	40,779	14,156	16,206	(2,050)	(14%)
Total Miscellaneous	655,785	659,087	1,021,444	1,217,629	1,171,790	45,839	4%
Total Non-Assessment Revenue	7,893,266	8,449,044	9,769,538	10,356,707	11,323,794	(967,088)	(9%)
Expenses:							
Employee Compensation							
51011000 - Salaries & Wages - Regular	12,174,885	11,796,090	12,945,882	14,592,416	14,702,228	109,812	1%
51021000 - Union Wages - Regular	2,804,255	2,975,967	2,881,838	3,509,055	3,566,678	57,623	2%
51041000 - Wages - Overtime	140,167	174,106	228,615	164,515	183,523	19,008	12%
51051000 - Union Wages - Overtime	37,595	42,993	38,149	42,202	47,039	4,836	11%
51061000 - Holiday & Vacation	1,582,534	1,549,091	1,524,497	1,259,311	1,238,296	(21,015)	(2%)
51071000 - Sick	396,252	330,368	394,571	513,667	505,095	(8,572)	(2%)
51081000 - Sick - Part Time	0	8	0	0	14	14	0%
51091000 - Missed Meal Penalty	36,556	35,116	48,601	30,314	29,732	(582)	(2%)
51101000 - Temporary Help	32,729	86,823	145,845	12,134	12,116	(17)	0%
51981000 - Compensation Accrual	(548,446)	70,253	13,735	0	0	0	0%
Total Employee Compensation	16,656,526	17,060,816	18,221,733	20,123,614	20,284,721	161,107	1%
Compensation Related							
52411000 - F.I.C.A.	1,259,660	1,239,115	1,324,582	1,506,881	1,521,305	14,424	1%
52421000 - F.U.I.	20,481	19,611	21,115	22,037	21,444	(593)	(3%)
52431000 - S.U.I.	139,996	129,842	105,589	133,696	129,132	(4,564)	(3%)
52441000 - Union Medical	986,122	1,035,574	1,020,322	1,193,308	1,176,433	(16,875)	(1%)
52451000 - Workers' Compensation Insurance	749,587	832,327	1,014,989	921,284	966,967	45,683	5%
52461000 - Non Union Medical & Life Insurance	1,321,808	1,266,880	1,303,778	1,703,473	1,327,382	(376,091)	(22%)
52471000 - Union Retirement Plan	228,260	252,742	268,703	337,520	377,756	40,236	12%
52481000 - Non-Union Retirement Plan	285,206	268,394	344,755	513,524	499,782	(13,742)	(3%)
52981000 - Compensation Related Accrual	(77,717)	14,265	1,275	0	0	0	0%
Total Compensation Related	4,913,404	5,058,749	5,405,108	6,331,723	6,020,202	(311,521)	(5%)
Materials and Supplies							
53001000 - Materials & Supplies	1,221,335	1,231,351	1,507,575	1,394,484	1,552,755	158,272	11%
53003000 - Materials Direct	56,416	0	38,488	0	0	0	0%
53003500 - Materials Direct - Grf	256,258	308,069	610,952	364,494	445,380	80,886	22%
53004000 - Freight	30,378	30,689	32,501	42,751	50,024	7,274	17%
Total Materials and Supplies	1,564,387	1,570,108	2,189,516	1,801,729	2,048,160	246,431	14%
Cost of Goods Sold							
53101000 - Cost Of Sales - Warehouse	2,570	43,616	20,820	11,735	12,235	500	4%
53101500 - Cost Of Sales - Pro Shop	99,459	204,387	223,256	202,500	208,000	5,500	3%
53102000 - Cost Of Sales - Alcohol	3,935	8,734	17,915	18,000	18,000	0	0%
53103400 - Cost Of Sales - Fuel & Oil	86,160	173,557	215,192	198,403	228,831	30,428	15%
53103500 - Earthquake Materials	108	1,274	199	10,000	0	(10,000)	(100%)
Total Cost of Goods Sold	192,232	431,568	477,381	440,638	467,066	26,428	6%
Community Events							
53201000 - Community Events	125,189	45,229	408,472	410,910	432,956	22,046	5%
Total Community Events	125,189	45,229	408,472	410,910	432,956	22,046	5%
Utilities and Telephone							
53301000 - Electricity	705,598	881,645	1,161,822	918,102	1,015,216	97,114	11%
53301500 - Sewer	67,047	75,868	94,167	126,163	106,651	(19,512)	(15%)
53302000 - Water	645,378	762,448	783,105	723,350	703,980	(19,370)	(3%)
53302500 - Trash	191,847	128,609	86,161	148,815	139,544	(9,271)	(6%)
53303500 - Gas	164,840	237,215	397,074	334,415	366,013	31,598	9%
53304000 - Telephone	316,676	308,599	281,881	342,957	260,960	(81,997)	(24%)
Total Utilities and Telephone	2,091,386	2,394,384	2,804,210	2,593,802	2,592,364	(1,438)	0%

Fuel and Oil

OPERATING FUND ONLY

Version 2

**Golden Rain Foundation of Laguna Woods
Budget Comparison Report by Account
12/31/2024**

GOLDEN RAIN FOUNDATION

	<u>2020 Actuals</u>	<u>2021 Actuals</u>	<u>2022 Actuals</u>	<u>2023 Budget</u>	<u>2024 Budget</u>	Assessment Increase/ (Decrease)	VAR %
53304500 - Fuel & Oil For Vehicles	370,940	489,252	723,392	628,490	627,894	(596)	0%
Total Fuel and Oil	370,940	489,252	723,392	628,490	627,894	(596)	0%
Legal Fees							
53401500 - Legal Fees	336,669	737,723	92,364	245,850	248,350	2,500	1%
Total Legal Fees	336,669	737,723	92,364	245,850	248,350	2,500	1%
Professional Fees							
53402000 - Audit & Tax Preparation Fees	133,883	139,399	145,134	143,010	145,000	1,990	1%
53402500 - Payroll System Fees	170,233	151,928	179,526	173,500	176,832	3,332	2%
53403500 - Consulting Fees	260,165	117,540	295,977	506,499	427,625	(78,874)	(16%)
53404500 - Fees	7,000	8,000	9,000	6,000	10,000	4,000	67%
Total Professional Fees	571,281	416,867	629,637	829,009	759,457	(69,552)	(8%)
Equipment Rental							
53501500 - Equipment Rental/Lease Fees	200,704	258,816	272,854	289,655	328,042	38,387	13%
Total Equipment Rental	200,704	258,816	272,854	289,655	328,042	38,387	13%
Outside Services							
53601000 - Bank Fees	75,631	91,842	47,218	60,000	0	(60,000)	(100%)
53601500 - Credit Card Transaction Fees	199,571	224,525	285,088	176,035	272,032	95,997	55%
53602000 - Merchant Account Fees	3,597	7,464	15,555	15,449	17,627	2,178	14%
53602500 - Licensing Fees	3,500	5,900	6,488	6,000	6,000	0	0%
53603000 - Permit Fees	0	0	103	4,200	1,800	(2,400)	(57%)
54603500 - Outside Services CC	45,117	37,140	10,350	0	78,750	78,750	0%
53704000 - Outside Services	1,925,334	2,463,042	2,522,144	2,638,920	2,841,358	202,438	8%
Total Outside Services	2,252,750	2,829,913	2,886,946	2,900,604	3,217,567	316,963	11%
Repairs and Maintenance							
53701000 - Equipment Repair & Maint	694,940	653,177	894,622	620,382	659,286	38,904	6%
53702000 - Street Repair & Maint	0	6,218	0	5,000	5,000	0	0%
53702500 - Building Repair & Maint	237,899	226,648	285,332	358,930	365,430	6,500	2%
53703000 - Elevator /Lift Maintenance	17,207	464	10,700	11,119	12,041	922	8%
53703500 - Water Softener	4,070	0	1,532	4,242	4,232	(10)	0%
Total Repairs and Maintenance	954,116	886,508	1,192,186	999,673	1,045,989	46,316	5%
Other Operating Expense							
53604000 - Pest Control Fees	4,402	15,510	11,396	20,782	20,595	(187)	(1%)
53801000 - Mileage & Meal Allowance	2,823	3,811	4,200	13,288	11,463	(1,826)	(14%)
53801500 - Travel & Lodging	1,579	5	2,502	8,000	3,527	(4,473)	(56%)
53802000 - Uniforms	98,880	106,246	103,302	125,279	125,826	547	0%
53802500 - Dues & Memberships	12,695	14,355	11,915	18,381	20,811	2,429	13%
53803000 - Subscriptions & Books	6,151	14,978	19,093	17,488	26,554	9,066	52%
53803500 - Training & Education	20,266	34,516	36,736	111,869	161,054	49,185	44%
53804000 - Staff Support	45,144	64,087	97,248	121,230	150,050	28,820	24%
53901000 - Benefit Administrative Fees	2,459	4,088	3,019	4,000	4,000	0	0%
53901500 - Volunteer Support	1,479	277	12,910	22,600	24,600	2,000	9%
53902000 - Physical Examinations	33,747	48,677	46,411	50,000	50,000	0	0%
53902500 - Recruiting Fees	41,650	65,357	127,491	90,000	90,000	0	0%
53903000 - Safety	59,715	75,266	78,750	100,768	100,366	(402)	0%
54001000 - Board Relations	3,129	10,682	13,930	16,980	16,500	(480)	(3%)
54001500 - Public Relations	24,112	6,059	14,483	0	10,000	10,000	0%
54002000 - Postage	33,727	35,879	31,131	40,530	46,007	5,477	14%
54002500 - Filing Fees / Permits	51,048	148,093	120,103	174,585	174,378	(207)	0%
54502500 - Cable Promotions	0	0	0	2,500	2,000	(500)	(20%)
Total Other Operating Expense	443,005	647,885	734,620	938,281	1,037,730	99,450	11%
Income, Property, and Sales Tax							
54301000 - State & Federal Income Taxes	593,124	(548,927)	2,224	1,000	1,000	0	0%
54301500 - State & Local Taxes	122,270	40,471	29,925	31,370	33,713	2,343	7%
54302000 - Property Taxes	3,525	3,151	3,151	3,621	3,179	(442)	(12%)
Total Income, Property, and Sales Tax	718,920	(505,305)	35,299	35,991	37,892	1,901	5%
Insurance							
54401000 - Hazard & Liability Insurance	1,739,534	2,261,770	2,404,137	2,660,249	2,931,112	270,863	10%
54401500 - D&O Liability	55,406	63,781	72,306	82,853	91,636	8,783	11%
54402000 - Property Insurance	205,359	326,200	284,697	225,714	231,981	6,267	3%
54402500 - Auto Liability Insurance	1,163	895	6,487	7,500	7,500	0	0%
54403000 - General Liability Insurance	7,088	2,785	8,721	3,950	3,467	(483)	(12%)
54403500 - Property Damage	0	2,892	7,326	7,500	7,500	0	0%
Total Insurance	2,008,550	2,658,323	2,783,673	2,987,766	3,273,197	285,430	10%
Cable Programming/Copyright/Franchise							
54501000 - Cable - Programming Fees	3,536,870	3,751,938	3,978,729	4,200,000	4,850,000	650,000	15%
54502000 - Cable - City of Laguna Woods Franchise Fees	255,185	214,570	217,684	215,500	293,360	77,860	36%

OPERATING FUND ONLY

Version 2

Golden Rain Foundation of Laguna Woods
Budget Comparison Report by Account
12/31/2024

GOLDEN RAIN FOUNDATION

	<u>2020 Actuals</u>	<u>2021 Actuals</u>	<u>2022 Actuals</u>	<u>2023 Budget</u>	<u>2024 Budget</u>	Assessment Increase/ (Decrease)	VAR %
Total Cable Programming/Copyright/Franchise	3,792,055	3,966,508	4,196,412	4,415,500	5,143,360	727,860	16%
Net Allocation to Mutuals							
48501000 - Allocated To Grf Departments	(6,578,836)	(6,748,979)	(7,571,854)	(7,184,671)	(7,186,079)	(1,408)	0%
54602500 - Allocated Expenses	<u>3,678,169</u>	<u>3,973,664</u>	<u>4,583,372</u>	<u>4,309,622</u>	<u>4,114,284</u>	<u>(195,339)</u>	<u>(5%)</u>
Total Net Allocation To Mutuals	(2,900,667)	(2,775,316)	(2,988,483)	(2,875,049)	(3,071,795)	(196,747)	(7%)
Uncollectible Accounts							
54602000 - Bad Debt Expense	<u>1,416</u>	<u>12,184</u>	<u>4,144</u>	<u>12,100</u>	<u>13,000</u>	<u>900</u>	<u>7%</u>
Total Uncollectible Accounts	1,416	12,184	4,144	12,100	13,000	900	7%
(Gain)/Loss on Sale or Trade							
54101000 - (Gain)/Loss - Warehouse Sales	<u>(56,922)</u>	<u>(180,899)</u>	<u>17,743</u>	<u>0</u>	<u>(810)</u>	<u>(810)</u>	<u>0%</u>
Total (Gain)/Loss on Sale or Trade	(56,922)	(180,899)	17,743	0	(810)	(810)	0%
Total Expenses	<u>34,235,941</u>	<u>36,003,316</u>	<u>40,087,209</u>	<u>43,110,285</u>	<u>44,505,341</u>	<u>1,395,056</u>	<u>3%</u>
Excess of Revenues Over Expenses	<u>(\$26,342,675)</u>	<u>(\$27,554,271)</u>	<u>(\$30,317,672)</u>	<u>(\$32,753,579)</u>	<u>(\$33,181,547)</u>	<u>\$427,968</u>	<u>1%</u>

Attachment 4
Laguna Woods Village
Department Staffing
Full Time Equivalents

	2020 Funded	2021 Funded	2022 Funded	2023 Approved	2023 Funded	2024 Approved	2024 Funded	Funded Inc/(Dec)
ALL DEPARTMENTS	751.01	727.86	734.19	735.97	711.47	731.78	695.28	(16.19)
Office of the CEO	20.00	17.06	19.50	18.50	18.50	18.50	18.50	-
100 Office of the CEO	10.00	7.00	9.00	7.50	7.50	7.50	7.50	-
240 Community Services	10.00	10.06	10.50	11.00	11.00	11.00	11.00	-
Department of Media and Communications	10.50	12.33	23.35	23.15	21.65	21.60	20.60	(1.05)
010 Media and Communications Admin	1.50	3.83	3.50	4.30	4.30	4.00	4.00	(0.30)
020 Cable TV Network*	-	-	11.10	10.10	10.10	9.10	8.60	(1.50)
030 TV Studio	7.00	6.50	6.50	6.50	5.00	6.25	5.75	0.75
040 Media Services	2.00	2.00	2.25	2.25	2.25	2.25	2.25	-
Department of Information Services	48.00	47.50	36.00	38.00	36.00	37.00	34.00	(2.00)
360 Information Systems	10.50	10.30	11.00	11.00	11.00	11.00	11.00	-
200 Resident Services Admin	5.00	4.50	5.00	4.00	4.00	4.00	4.00	-
950 Property Services	20.00	20.00	20.00	23.00	21.00	22.00	19.00	(2.00)
020 Cable TV Network*	11.50	11.70	-	-	-	-	-	-
050 Internet Service*	1.00	1.00	-	-	-	-	-	-
Department of General Services	91.57	86.00	87.00	87.00	82.00	81.50	75.50	(6.50)
902 General Services Admin	4.00	4.00	4.00	4.00	4.00	4.50	4.50	0.50
935 Janitorial	18.00	18.00	18.00	18.00	18.00	15.00	15.00	(3.00)
936 Streets and Sidewalks	16.00	16.00	17.00	17.00	15.00	17.00	15.00	-
945 GRF Janitorial	20.00	17.00	17.00	17.00	15.00	16.00	14.00	(1.00)
960 Fleet Maintenance	12.00	12.00	12.00	12.00	12.00	12.00	12.00	-
970 Transportation	21.57	19.00	19.00	19.00	18.00	17.00	15.00	(3.00)
Department of Financial Services	31.00	31.00	31.00	30.50	30.00	31.00	30.50	0.50
300 Financial Services	20.00	20.00	20.00	19.50	19.00	20.00	19.50	0.50
241 Mail and Copy Service	3.00	3.00	3.00	3.00	3.00	3.00	3.00	-
311 Warehouse	3.00	3.00	3.00	3.00	3.00	3.00	3.00	-
370 Purchasing	5.00	5.00	5.00	5.00	5.00	5.00	5.00	-
Department of Security Services	119.68	118.68	117.55	118.03	115.03	114.96	108.96	(6.07)
400 Security Services	114.68	107.68	105.55	104.03	101.03	100.96	94.96	(6.07)
210 Compliance	-	6.00	7.00	8.00	8.00	8.00	8.00	-
220 Social Services	5.00	5.00	5.00	6.00	6.00	6.00	6.00	-

* Division moved from Department of Information Services to Department of Media and Communications in 2022.
Subsequent financial reporting includes historic actuals in new department

Attachment 4
**Laguna Woods Village
Department Staffing
Full Time Equivalents**

	2020 Funded	2021 Funded	2022 Funded	2023 Approved	2023 Funded	2024 Approved	2024 Funded	Funded Inc/(Dec)
Department of Landscape Services	149.00	145.50	146.50	147.50	146.50	148.50	146.50	-
500 Landscape Admin	10.00	11.00	11.00	12.00	12.00	12.00	12.00	-
510 Improvement/Restoration	-	5.00	5.00	5.00	5.00	5.00	5.00	-
511 Nursery/Composting	4.00	5.00	5.00	5.00	5.00	5.00	4.00	(1.00)
512 Composting	1.00	-	-	-	-	-	-	-
520 GRF Grounds Maintenance	8.00	8.00	8.00	8.00	8.00	8.00	8.00	-
530 Grounds Maintenance	83.50	82.50	82.50	81.50	80.50	83.50	83.50	3.00
540 Irrigation	17.00	17.00	17.00	17.00	17.00	16.00	16.00	(1.00)
550 Small Equipment Repair	4.00	4.00	4.00	4.00	4.00	4.00	4.00	-
560 Pest Control	5.00	5.00	6.00	7.00	7.00	7.00	6.00	(1.00)
570 Tree Maintenance	16.50	8.00	8.00	8.00	8.00	8.00	8.00	-
Department of Recreation Services	86.36	82.29	84.79	84.79	79.79	90.22	82.22	2.43
600 Recreation Admin	16.48	15.00	12.60	5.00	5.00	5.00	5.00	-
521 Garden Centers	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-
580 Golf Maintenance 27-Hole	18.14	18.64	17.64	17.64	17.64	16.64	16.64	(1.00)
581 Golf Maintenance 9-Hole	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-
602 Bar Services	0.60	0.60	0.60	0.60	0.60	0.60	0.60	-
611 Clubhouse 1	3.25	2.66	3.00	4.40	3.40	4.50	3.50	0.10
612 Clubhouse 2	2.70	2.36	2.70	4.00	4.00	3.95	3.95	(0.05)
613 Performing Arts Center	5.25	4.53	6.75	7.50	5.50	8.50	5.50	-
614 Clubhouse 4	3.00	2.66	2.83	3.33	3.33	4.00	4.00	0.67
615 Clubhouse 5	3.70	3.19	3.70	4.20	3.20	4.20	3.20	-
616 Clubhouse 6	0.20	0.20	0.20	1.80	1.80	1.80	1.80	-
617 Clubhouse 7	1.30	1.13	1.30	3.00	3.00	2.95	2.95	(0.05)
620 Equestrian	4.50	4.50	5.33	5.58	5.58	7.40	7.40	1.82
670 Golf Operations 27-Hole	11.38	12.28	12.28	12.64	12.64	14.05	14.05	1.41
680 Golf Operations 9-Hole	1.96	1.96	1.96	2.10	2.10	2.10	1.10	(1.00)
690 Aquatics	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-
691 Fitness	8.90	7.58	8.90	8.00	7.00	9.53	7.53	0.53
Department of Human Resource Services	8.40	8.40	9.40	9.40	9.40	9.40	9.40	-
700 Human Resource Services	8.40	8.40	9.40	9.40	9.40	9.40	9.40	-
Department of Maintenance & Construction	186.50	179.10	179.10	179.10	172.60	179.10	169.10	(3.50)
900 Maintenance Operations	6.00	6.00	7.00	7.00	7.00	7.00	7.00	-
904 Maintenance Services	7.00	7.00	8.00	8.00	7.00	8.00	7.00	-
909 Damage Restoration	7.00	8.00	10.00	10.00	9.00	10.00	9.00	-
910 Building Maintenance	10.00	10.00	10.00	10.00	9.50	10.00	9.00	(0.50)
911 Appliance	5.00	5.00	5.00	5.00	5.00	5.00	5.00	-
912 Carpentry	42.00	37.80	36.80	37.80	35.80	37.80	34.80	(1.00)
913 Electrical	10.00	10.00	9.00	9.00	9.00	9.00	9.00	-
914 Plumbing	24.00	23.80	23.80	23.80	22.80	23.80	22.80	-
917 Interior Components	8.00	7.00	7.00	7.00	7.00	7.00	7.00	-
920 Construction/Project Management	8.00	8.00	7.00	7.00	7.00	7.00	7.00	-
925 Manor Alterations and Permits	11.00	12.00	16.00	16.00	16.00	16.00	15.00	(1.00)
926 Facilities Management	5.00	5.00	5.00	5.00	5.00	5.00	5.00	-
932 Paint	43.50	39.50	34.50	33.50	32.50	33.50	31.50	(1.00)



STAFF REPORT

DATE: July 10, 2023
FOR: Board of Directors
SUBJECT: 2024 Capital Plan Proposals

RECOMMENDATION

Staff recommends the Board review the proposed 2024 Capital Plan and provide direction for change or revision at the meeting on July 10, 2023, if necessary.

BACKGROUND

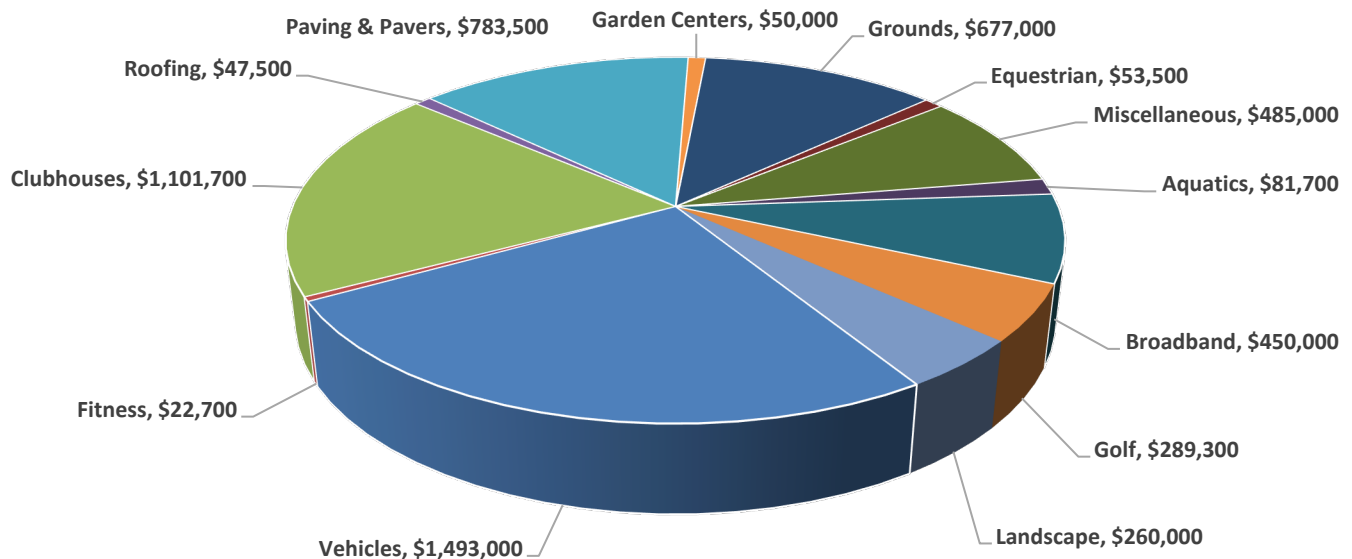
At its May and June meetings, the GRF Board reviewed 2024 Capital Plan Proposals and updates to the Capital Plan Proposals. Based on input received at the meeting and subsequent discussions, staff have refined the CIP as included in this agenda.

The Capital Plan of this corporation reflects the funding necessary to maintain, repair, replace and/or restore major common-area components over the next 30 years. Funding is provided from various reserve funds:

- The Equipment Reserve Fund is used for the purchase of new and replacement equipment, including but not limited to vehicles, machinery, office equipment, and furniture. This fund receives monies through assessments, investment earnings, and a transfer of operating surplus if directed by the board.
- The Facilities Reserve Fund is used for the acquisition, addition, replacement or improvement of Foundation and Trust facilities and their components. This fund receives monies through assessments, investment earnings, and a transfer of operating surplus if directed by the board.
- Trust Facilities Fee Fund accumulates fees charged at the time of title transfer, generating revenue to maintain and improve the recreational and other amenities available to all residents of Laguna Woods Village. These monies are transferred by the board, as needed, to fund projects included in this plan.

A narrower focus of the 2024 Capital Plan is provided below. This document details the proposed projects and budgetary estimates for all GRF equipment and facility needs. Annual funding is obtained as part of the business planning process.

The proposed 2024 funding of \$5,794,900 is less than the \$15,065,400 projected for 2024 in the current year reserves plan, primarily attributable to the deferral of Clubhouse 1 improvements and Building E development and construction to reflect a more realistic timeline. A pie graph of proposed expenditures is presented below:



FINANCIAL ANALYSIS

The proposed projects for 2024 total \$5,794,900, as summarized below. This report provides a brief description of each project recommended for the upcoming budget year, divided into the categories commensurate with the location of the projects.

	Equipment	Facilities	Total
Aquatics			\$81,700
Pool Umbrellas	\$26,000		\$26,000
CH 5 Pool/Spa Salt Chlorine Generator		\$25,000	\$25,000
Pool Chemical Controllers		\$15,000	\$15,000
CH 4 Pool Vacuum	\$10,000		\$10,000
Two-Way Radio Equipment	\$5,700		\$5,700

- Funding of \$26,000 is recommended to replace current pool umbrellas which are in poor condition at various pools.
- Funding of \$25,000 is recommended for the replacement of the failed salt chlorine generator at Pool 5. The existing generator is past the end of its useful life and no longer works as designed. Currently, staff are manually checking pH levels and manually adjusting the chemical levels of the pool and spa. Replacement of equipment will convert the pool back to a salt pool rather than a chlorinated pool. The salt chlorine generator will reintroduce the naturally occurring chlorine by electrolysis of the salt.

- Funding of \$15,000 is recommended to purchase chemical controllers to control the chemical distribution (acid/chlorine) and monitor PH levels at the pools, currently done manually by staff. The proposed controllers meet the industry standard for chemical distribution and the intent is to update processes to eliminate potential hazards.
- Funding of \$10,000 is recommended to purchase an automatic pool cleaning vacuum. Pool 4 is serviced manually daily. Purchasing an automatic vacuum would allow pool technician time to be used more constructively servicing the pools.
- Funding of \$5,700 is recommended to purchase two-way radios to improve communication between lifeguards and clubhouse staff at all pools.

	Equipment	Facilities	Total
Broadband Facility			\$450,000
Infrastructure	\$175,000		\$175,000
Set Top Boxes	\$175,000		\$175,000
Website Redesign and Rebuild	\$100,000		\$100,000

- Funding of \$175,000 is recommended to replace aging cable infrastructure. The existing cable infrastructure is 20 years old. Metal enclosures and underground conduits deteriorate over time. By reinvesting in this infrastructure project, serviceable life is anticipated to be extended by 20 years. Funds will be utilized to immediately repair failed components and to continue the inspection of the entire network to determine future repairs.
- Funding of \$175,000 is recommended for the purchase of approximately 570 set top boxes for digital video services and replacement of failed units at the end of their useful lives.
- Funding of \$100,000 is recommended to add to existing 2023 Website Redesign and Rebuild that is in the 2023 Capital Plan for a total of \$275,000 for the project. The update of the village website will improve user experience and ease of use.

	Equipment	Facilities	Total
Clubhouses			\$1,101,700
CH 1 Banquet Tables	\$52,000		\$52,000
CH 1 Main Lounge Sound System		\$36,000	\$36,000
CH 1 Generator		\$29,500	\$29,500
CH 2 Banquet Tables	\$16,700		\$16,700
CH 3 Auditorium Sound System		\$600,000	\$600,000
CH 3 Dining Room Projector Installation		\$22,000	\$22,000
CH 3 Banquet Tables	\$10,500		\$10,500
CH 4 Work Bench Chairs for Slip casting Studio	\$9,300		\$9,300
CH 4 Downdraft Sanding Tables	\$6,000		\$6,000
CH 4 Slip Casting Room Security Cameras	\$6,000		\$6,000
CH 5 Banquet Tables	\$35,000		\$35,000
CH 5 Sound System		\$23,500	\$23,500
CH 5 Cycling Bikes	\$20,000		\$20,000
CH 6 Turf Reduction		\$35,000	\$35,000
CH 6 Banquet Tables	\$8,000		\$8,000
CH 7 LED Lighting Upgrade		\$150,000	\$150,000
CH 7 Tennis Cabanas	\$18,500		\$18,500
CH 7 Benches and Trash Receptacles	\$12,000		\$12,000
CH 7 Sound System		\$11,700	\$11,700

- For Clubhouse 1:
 - Funding of \$52,000 is recommended to replace the banquet tables which are in poor condition and have surpassed their useful life of 10 years.
 - Funding of \$36,000 is recommended for replacement of the existing ballroom sound system which is more than 25 years old and for the addition of a projector to the ballroom.
 - Funding of \$29,500 is recommended for replacement of the existing generator which is past its useful life of 20 years.
- For Clubhouse 2:
 - Funding of \$16,700 is recommended to replace the banquet tables which are in poor condition and have surpassed their useful life of 10 years.
 - Funding of \$600,000 is recommended for the replacement of the auditorium sound system. The current system is more than 20 years old and has functional limitations due to the age. Staff is unable to set up for multiple bands in one night; the system in its current state is unreliable.
- For Clubhouse 3:
 - Funding of \$22,000 is recommended for the purchase and installation of projectors in the ceilings of both dining rooms to modernize presentations.

- Funding of \$10,500 is recommended to replace the banquet tables which are in poor condition and have surpassed their useful lives.
- For Clubhouse 4:
 - Funding of \$9,300 is recommended for the replacement of work bench chairs in the slip casting studio. These chairs have exceeded their useful lives and wear and tear have decreased chair functionality.
 - Funding of \$6,000 is recommended for the purchase of a downdraft sanding table to help elimination of sanding dust in the air inside the woodshop.
 - Funding of \$6,000 is recommended for the purchase of two security surveillance cameras in the slip casting room for inventory control purposes.
- For Clubhouse 5:
 - Funding of \$35,000 is recommended to replace the banquet tables which are in poor condition and have surpassed their useful life of 10 years.
 - Funding of \$23,500 is recommended to replace the sound system, projector, screen and microphones which are in poor condition. Staff has received complaints from members about the condition of these items.
 - Funding of \$20,000 is recommended to replace the cycling bikes which are in poor condition due to the heavy use they receive. Mechanical and physical parts are degraded and replacement parts are scarce.
- For Clubhouse 6:
 - Funding of \$35,000 is recommended for turf reduction. There is a sloped landscape area near the parking lot that is steep and difficult to mow. Mowers slide downhill in damp turf which makes mowing difficult.
 - Funding of \$8,000 is recommended to replace the banquet tables which are in poor condition and have surpassed their useful life of 10 years.
- For Clubhouse 7:
 - Funding of \$150,000 is recommended for the addition of LED lighting upgrade consisting of light bulbs, fixtures and ballasts. The current ballasts do not support the use of LED lighting and have created unnecessary operational expenditures. The funding would replace 380 existing clubhouse lights and 41 parking lot lights, four of which have already failed.
 - Funding of \$18,500 is recommended for replacement of the existing Tennis Center cabanas. The wooden structures and plastic protective covering are warping and cracking.
 - Funding of \$12,000 is recommended for replacement of outdoor benches and trash receptacles which are in poor condition and showing signs of wear.

- Funding of \$11,700 is recommended for the replacement of the existing sound system. The current system is aged and experiencing functionality issues.

	Equipment	Facilities	Total
Equestrian Center			\$53,500
Horse Walker/Exerciser	\$30,000		\$30,000
Stall Mats	\$23,500		\$23,500

- Funding of \$30,000 is recommended for horse walker/exerciser. The current item has limited function due to the age of the machine and machine has been repaired on various occasions. Staff is recommending the upgrade of existing machine to meet current standards.
- Funding of \$23,500 is recommended for the purchase of horse stall mats at the Equestrian Center. Stall mats will make cleaning easier and provide a medium between horses and the ground beneath, preventing erosion and damage to the ground where horses stand.

	Equipment	Facilities	Total
Fitness			\$22,700
Tennis Center Ball Machine	\$16,200		\$16,200
Pec Fly/Rear Deltoid Machine	\$6,500		\$6,500

- Funding of \$16,200 is recommended for the replacement of two tennis ball machines at the Tennis Center that have exceeded their useful life of five to seven years. The current machines also experience functional issues such as remote connectivity issues and ball jams. Replacement parts are difficult to find.
- Funding of \$6,500 is recommended for the replacement of the current pec fly machine in the Fitness Center that has exceeded its useful life and experiencing mechanical failures or something. The replacement machine will be a dual exercise machine that enables users to perform more than one exercise: the pectoral fly and rear deltoid fly. The current machine is limited to the pectoral fly only.

	Equipment	Facilities	Total
Golf			\$289,300
Rough Mower	\$98,000		\$98,000
Chemical Sprayer	\$72,000		\$72,000
Greens Mower	\$52,300		\$52,300
Golf Starter Public Address (PA) System		\$22,000	\$22,000
Par 3 Shade Cover		\$35,000	\$35,000
Tow Behind Spreader	\$10,000		\$10,000

- Funding of \$289,300 is recommended for the replacement of various golf facilities maintenance equipment items that have reached the end of their useful life. The equipment is needed to maintain the aesthetic appeal and functionality of the Village golf courses. The 27-Hole Golf Course is one of the most widely used amenities at Laguna Woods Village. The specialized equipment is needed to enable the golf maintenance crew to address specific maintenance needs.

	Equipment	Facilities	Total
Landscape & Irrigation			\$260,000
Gate Re-landscaping		\$250,000	\$250,000
Backflow Devices	\$10,000		\$10,000

- Funding of \$250,000 is recommended for gate re-landscaping of nine community gates by the GRF Landscape Committee. This project is to beautify the landscape around nine gates to aesthetically pleasing water-wise landscaping.
- Funding of \$10,000 is recommended for the replacement of backflow devices on potable water meters. These backflow devices are required by law and recertified annually. If a device fails recertification, it must be repaired or replaced. Staff has kept a supply of used/recycled devices to replace failed devices but that supply is nearly depleted.

	Equipment	Facilities	Total
Miscellaneous			\$485,000
Office Space Lease		\$230,000	\$230,000
Miscellaneous Projects		\$125,000	\$125,000
Maintenance Operations Equipment	\$50,000		\$50,000
Maintenance Services Equipment	\$50,000		\$50,000
Miscellaneous Fleet/Paving Equipment	\$30,000		\$30,000

- Funding of \$230,000 is recommended for office lease payments for 2024. Per GRF Board approval on February 7, 2023, GRF entered into a lease for four (4) office suites in the Town Centre Professional Building for a 24-month term with one 12-month extension option. The leased offices provide temporary office space for approximately 40 administrative personnel from Security, Landscape and Maintenance & Construction

departments.

- Funding of \$125,000 is recommended for miscellaneous projects. By including contingency funding in the Capital Plan, unforeseen small capital projects can be completed in an economical and timely fashion without going through the formal process required for supplemental appropriations. Projects under \$25,000 will be completed at the discretion and under the funding authority of the CEO and projects over \$25,000 must follow normal board approval process for supplemental appropriations.
- Funding of \$50,000 is recommended for building maintenance operations equipment used by carpentry, painting, and interior components crews. By including contingency funding in the Capital Plan, maintenance tools and equipment can be purchased, if needed, without deferring service requests or decreasing productivity.
- Funding of \$50,000 is recommended for maintenance services equipment used by plumbing, electrical, facilities and appliance technicians. Contingency funds for tools and equipment allows for timely purchases of equipment, if needed, to support maintenance service levels.
- Funding of \$30,000 is recommended for the possible replacement of various fleet and paving equipment that is needed to support operations in Fleet Maintenance, Janitorial, and/or Streets and Sidewalks. Contingency funds for the replacement of failed equipment will help avoid interruption in operations.

	Equipment	Facilities	Total
Garden Centers			\$50,000
Building Exteriors		\$25,000	\$25,000
Restrooms Refurbish		\$25,000	\$25,000

- Funding of \$25,000 is recommended for the structural repair and improvement of Garden Center 2 buildings. Several buildings in the garden center need exterior repairs for rot in the wood siding followed by a professional paint job.
- Funding of \$25,000 is recommended for the renovation of Garden Center 2 restrooms that show signs of wear and tear. These restrooms have broken/loose tiles, old fixtures, and worn mirrors. The renovation of these restrooms will improve the overall atmosphere at the garden center.

	Equipment	Facilities	Total
Grounds			\$677,000
Landscape Equipment - Electrical	\$250,000		\$250,000
Repair Shop Electrical Upgrade (Battery Equipment)		\$200,000	\$200,000
Landscape & Slope		\$172,000	\$172,000
Moving/Upgrading of Benches		\$29,000	\$29,000
V-Ditch (Swales)		\$26,000	\$26,000

- Funding of \$250,000 is recommended for electric landscape equipment. State law will prohibit the sale of gas-powered equipment that will become effective January 1, 2024. Gas-powered equipment is generally replaced every 3-4 years. Electric equipment will provide a quieter and healthier environment for employees and residents.
- Funding of \$200,000 is recommended for the electrical system upgrade in the repair shop. State law will ban the sale of gas-powered equipment beginning in 2024. Upgrading the electrical system in the repair shop will allow safe and efficient charging in one location for new electric landscaping equipment.
- Funding of \$172,000 is recommended for slope refurbishment. A vendor will be contracted to renovate landscaped slopes on GRF property. This project will maintain 60,000 square feet of previously unmaintained slopes to Orange County Fire Authority requirements.
- Funding of \$29,000 is recommended for moving and upgrading 10 benches that are on the sidewalks. The existing white benches would be moved off of the sidewalk and be replaced with new, green benches. Moving benches off of the sidewalk would create a wider walking path for residents.
- Funding of \$26,000 is recommended for the repair and/or replacement of existing v-ditch swales used to direct water on hillsides. Properly maintained v-ditch swales will help ensure stable hillsides in the community.

	Equipment	Facilities	Total
Paving & Pavers			\$783,500
Asphalt Paving and Sealcoat		\$583,500	\$583,500
Concrete - Repair/Replace		\$200,000	\$200,000

- Funding of \$583,500 is recommended for the Asphalt Paving and Sealcoat Programs. GRF streets and parking lots provide residents vehicular access to their manors and facilities within the Community. The anticipated serviceable life of the new pavement is estimated to be 25 years. The recommended asphalt paving budget is \$480,500 and sealcoat budget is \$103,000. Sealcoat work for GRF pavement is completed on a seven-year cycle.
- Funding of \$200,000 is recommended for concrete repairs. In coordination with paving, staff has identified concrete areas that require repair or replacement. With recommended funding of \$200,000, the concrete repairs program is designed to repair damaged GRF

curbs/gutters, driveway aprons, and sidewalks adjacent to the planned paving overlay areas prior to asphalt paving work and add curb return ramps, as needed.

	Equipment	Facilities	Total
Roofing			\$47,500
CH 7 Flat Roof Replacement		\$28,000	\$28,000
Maintenance Center - Building C Roof		\$19,500	\$19,500

- Funding of \$28,000 is recommended for the replacement of the existing built-up roof at Clubhouse 7, with a PVC cool-roof system. The flat roof areas consist of hot tar built-up roofing with aggregate material as the final layer. Maintenance costs for leaks and dry rot repairs due to rain leaks have increased over the last few years. In 2024, the roof system will reach 20 years of age. Industry standards for useful life expectancy of hot tar built-up roof systems is 16 to 20 years. The PVC cool-roof will eliminate any rain leak activity on the flat roof areas, and less heat will be absorbed into the structure due to the reflectivity of the PVC roofing material.
- Funding of \$19,500 is recommended for the replacement of existing built-up roof of Building C at the Maintenance Center, with a PVC cool-roof system. Building C at the Maintenance Centre houses fertilizer and other Landscape Department materials. Replacing the flat roof areas with cool roof material will require less electricity for summer cooling, due to the reflectivity of the PVC roofing material. The flat roof areas consist of hot tar built-up roofing with aggregate material as the final layer. Maintenance costs for leaks and dry rot repairs due to rain leaks have increased over the last few years. In 2024, the roof system will reach 23 years of age. Industry standards for useful life expectancy of hot tar built-up roof systems is 16 to 20 years.

	Equipment	Facilities	Total
Vehicles			\$1,493,000
Small Pickup Truck (7)	\$294,000		\$294,000
Work Van (4)	\$270,000		\$270,000
Miscellaneous Vehicle Purchases	\$200,000		\$200,000
Full Size Truck (4)	\$195,000		\$195,000
Security Vehicles (3)	\$191,000		\$191,000
Transportation Bus (1)	\$178,000		\$178,000
Utility Vehicles (5)	\$99,000		\$99,000
Flat Bed Trailer (4)	\$46,000		\$46,000
Enclosed Trailer for Security	\$20,000		\$20,000

Vehicle Maintenance is responsible for maintenance and repair of the entire Laguna Woods Village vehicle and mobile equipment fleet. Staff strives to extend serviceable life where possible by providing preventive maintenance on equipment. However, as equipment ages, repairs can become more frequent and costlier. To minimize expense and downtime, replacement of certain equipment is necessary.

- **REPLACEMENTS:** Staff evaluated the fleet and recommends funding of \$1,493,000 for the vehicle replacements noted above. These components of the fleet are used by various departments to transport crews and equipment to job sites and to perform work. Because the funding is appropriated well in advance of the actual purchase, General Services Fleet Maintenance personnel will reevaluate utilization and repair costs prior to purchase to ensure that the appropriate individual vehicle is selected for replacement.

Prepared By: Jose Campos, Assistant Director of Financial Services

Reviewed By: Pam Jensen, Controller

ATTACHMENT(S)

Attachment 5A: 2024 Capital Plan Proposals



2024 Capital Plan Proposals

	Equipment	Facilities	Total
Aquatics			\$81,700
1 Pool Umbrellas	\$26,000		\$26,000
2 CH 5 Pool/Spa Salt Chlorine Generator		\$25,000	\$25,000
3 Pool Chemical Controllers		\$15,000	\$15,000
4 CH 4 Pool Vacuum	\$10,000		\$10,000
5 Two-Way Radio Equipment	\$5,700		\$5,700
Broadband			\$450,000
6 Infrastructure	\$175,000		\$175,000
7 Set Top Boxes	\$175,000		\$175,000
8 Website Redesign and Rebuild	\$100,000		\$100,000
Clubhouses			\$1,101,700
9 CH 1 Banquet Tables	\$52,000		\$52,000
10 CH 1 Main Lounge Sound System		\$36,000	\$36,000
11 CH 1 Generator		\$29,500	\$29,500
12 CH 2 Banquet Tables	\$16,700		\$16,700
13 CH 3 Auditorium Sound System		\$600,000	\$600,000
14 CH 3 Dining room Projector Installation		\$22,000	\$22,000
15 CH 3 Banquet Tables	\$10,500		\$10,500
16 CH 4 Work Bench Chairs for Slip casting Studio	\$9,300		\$9,300
17 CH 4 Downdraft Sanding Tables	\$6,000		\$6,000
18 CH 4 Slip Casting Room Security Cameras	\$6,000		\$6,000
19 CH 5 Banquet Tables	\$35,000		\$35,000
20 CH 5 Sound System		\$23,500	\$23,500
21 CH 5 Cycling Bikes	\$20,000		\$20,000
22 CH 6 Turf Reduction		\$35,000	\$35,000
23 CH 6 Banquet Tables	\$8,000		\$8,000
24 CH 7 LED Lighting Upgrade		\$150,000	\$150,000
25 CH 7 Tennis Cabanas	\$18,500		\$18,500
26 CH 7 Benches and Trash Receptacles	\$12,000		\$12,000
27 CH 7 Sound System		\$11,700	\$11,700
Equestrian Center			\$53,500
28 Horse Walker/Exerciser	\$30,000		\$30,000
29 Stall Mats	\$23,500		\$23,500
Fitness			\$22,700
30 Tennis Center Ball Machine	\$16,200		\$16,200
31 Pec Fly/Rear Deltoid Machine	\$6,500		\$6,500
Golf			\$289,300
32 Rough Mower	\$98,000		\$98,000



2024 Capital Plan Proposals

	Equipment	Facilities	Total
33 Chemical Sprayer	\$72,000		\$72,000
34 Greens Mower	\$52,300		\$52,300
35 Golf Starter Public Address (PA) System		\$22,000	\$22,000
36 Par 3 Shade Cover		\$35,000	\$35,000
37 Tow Behind Spreader	\$10,000		\$10,000
Landscape			\$260,000
38 Gate Relandscaping		\$250,000	\$250,000
39 Backflow Devices	\$10,000		\$10,000
Miscellaneous			\$485,000
40 Office Space Lease		\$230,000	\$230,000
41 Miscellaneous Projects		\$125,000	\$125,000
42 Maintenance Operations Equipment	\$50,000		\$50,000
43 Maintenance Services Equipment	\$50,000		\$50,000
44 Miscellaneous Fleet/Paving Equipment	\$30,000		\$30,000
Garden Centers			\$50,000
45 Building Exteriors		\$25,000	\$25,000
46 Restrooms Refurbish		\$25,000	\$25,000
Grounds			\$677,000
47 Landscape Equipment - Electrical	\$250,000		\$250,000
48 Repair Shop Electrical Upgrade (Battery Equipment)		\$200,000	\$200,000
49 Landscape & Slope		\$172,000	\$172,000
50 Moving/Upgrading of Benches		\$29,000	\$29,000
51 V-Ditch (Swales)		\$26,000	\$26,000
Paving & Pavers			\$783,500
52 Asphalt Paving and Sealcoat		\$583,500	\$583,500
53 Concrete - Repair/Replace		\$200,000	\$200,000
Roofing			\$47,500
54 CH 7 Flat Roof Replacement		\$28,000	\$28,000
55 Maintenance Center - Building C Roof		\$19,500	\$19,500



2024 Capital Plan Proposals

	Equipment	Facilities	Total
Vehicles			\$1,493,000
56 Small Pickup Truck (7)	\$294,000		\$294,000
57 Work Van (4)	\$270,000		\$270,000
58 Miscellaneous Vehicle Purchases	\$200,000		\$200,000
59 Full Size Truck (4)	\$195,000		\$195,000
60 Security Vehicles (3)	\$191,000		\$191,000
61 Transportation Bus (1)	\$178,000		\$178,000
62 Utility Vehicles (5)	\$99,000		\$99,000
63 Flat Bed Trailer (4)	\$46,000		\$46,000
64 Enclosed Trailer for Security	\$20,000		\$20,000
TOTAL	\$ 2,877,200	\$ 2,917,700	\$ 5,794,900