



**REGULAR MEETING OF THE FINANCE COMMITTEE\***

**Tuesday, April 26, 2022 – 1:30 p.m.  
Laguna Woods Village Board Room/Virtual Meeting  
24351 El Toro Road  
Laguna Woods, CA 92637**

**AGENDA**

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Approval of the Meeting Report for March 29, 2022
5. Chair Remarks
6. Member Comments (Items Not on the Agenda)

*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 join the Zoom Meeting by clicking on the link <https://us06web.zoom.us/j/85040223813> or call the one tap number using your mobile phone **+16699006833,,85040223813#** or email [meeting@vmsinc.org](mailto:meeting@vmsinc.org) to request to speak.*

7. Department Head Update

**Reports**

8. Preliminary Financial Statements dated March 31, 2022
  - a) Items for Correction
  - b) Compensation and Outside Services
  - c) United Leasing Report
9. Financial Statements dated December 31, 2021

**Items for Discussion and Consideration**

10. Ratify Temporary Borrowing of \$2 million from Reserve Fund
11. Endorsements from Standing Committees

**Future Agenda Items**

**Concluding Business:**

12. Committee Member Comments
13. Date of Next Meeting – Tuesday, May 31, 2022 at 1:30 p.m.
14. Recess to Closed Session

\*A quorum of the United Board or more may also be present at the meeting.

Azar Asgari, Chair  
Steve Hormuth, Staff Officer  
Telephone: 949-597-4201





**FINANCE COMMITTEE MEETING  
REPORT OF THE REGULAR OPEN SESSION**

Tuesday, March 29, 2022 – 1:30 p.m.  
Hybrid Meeting

**DIRECTORS PRESENT:** Azar Asgari – Chair, Lenny Ross, Pat English  
**DIRECTORS ABSENT:** None.  
**ADVISORS PRESENT:** Dick Rader  
**STAFF PRESENT:** Steve Hormuth, Jose Campos, Erika Hernandez  
**OTHERS PRESENT:** GRF – Diane Casey

**Call to Order**

Chair Azar Asgari, chaired the meeting and called it to order at 1:35p.m.

**Acknowledgment of Media**

The meeting was recorded via Granicus and made available via Zoom for members of the community to participate virtually.

**Approval of Agenda**

A motion was made and carried unanimously to amend and approve the agenda with the following changes:

- Agenda Item # 9 was moved to Agenda Item # 7
- Agenda Item # 11 under items for discussion and consideration will be removed.

**Approval of the Regular Meeting Report of February 22, 2022**

A motion was made and carried unanimously to approve the committee report as presented.

**Chair Remarks**

We need to involve the enormous knowledge of residents to generate new ideas to improve our village. United has 6323 units. If we are considering that only one retired person lives in each unit, then we have a minimum of 6323 people who have at least 35 years of experience in the workplace. Therefore, we have a village that collectively has almost 200,000 years of experience in different jobs. We have great untapped knowledge collectively; why not harvest the benefit? I suggest having a box near the community center or create a special webpage that residents can offer their ideas based on their experiences of how to keep the expenses low with a better and healthier living in this village.

**Member Comments (Items Not on the Agenda)**

None.

**Appliance Replacements (M&C)**

Ian Barnette, Assistant Director of Maintenance and Construction, presented information to the committee regarding appliance reserve levels, calculating funding, database entries and the preventative maintenance program on a 3-year loop (PM3Y). Questions were addressed.

**Department Head Update**

Steve Hormuth, Director of Financial Services, provided a summary of the 2021 Financial Audit progress, insurance tentative joint program, and the 2023 future budget meetings.

**Review Preliminary Financial Statements dated February 28, 2022**

The committee reviewed financial statements for February 28, 2022 and questions were addressed.

**Compensation and Outside Services**

The committee reviewed the report. No actions were requested or taken.

**Investment Review – SageView Presentation**

Dan Quirk, Senior Investment Advisor from SageView, provided an informative presentation on current market inflation and an overview of the United Mutual Investment Summary as of December 31, 2021.

Director Lenny Ross made a motion to discuss a possibility of transferring funds into T-Bills and CD accounts with a 1-year duration. A vote took place and the motion failed with a 1-2 vote.

**Endorsements from Standing Committees**

Landscape Services – Supplemental Funding Canary Island Pine Tree Reduction. Kurt Weiman, Director of Landscape, presented a staff report requesting approval of a supplemental appropriation fund in the amount of \$184,760 remaining amount from the 2021 Reserve Fund to the 2022 Reserve Fund to fund a portion of the Canary Island Pine Tree Reduction Project as stated in the staff report. A motion was made and carried unanimously to accept the recommendation to endorse and present at the next board meeting.

**Future Agenda Items**

None.

**Committee Member Comments**


None.

**Date of Next Meeting**

Tuesday, April 25, 2022 at 1:30 p.m.

**Recess to Closed Session**

The meeting recessed to closed session at 3:36 p.m.

  
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Azar Asgari, Chair



**MEMORANDUM**

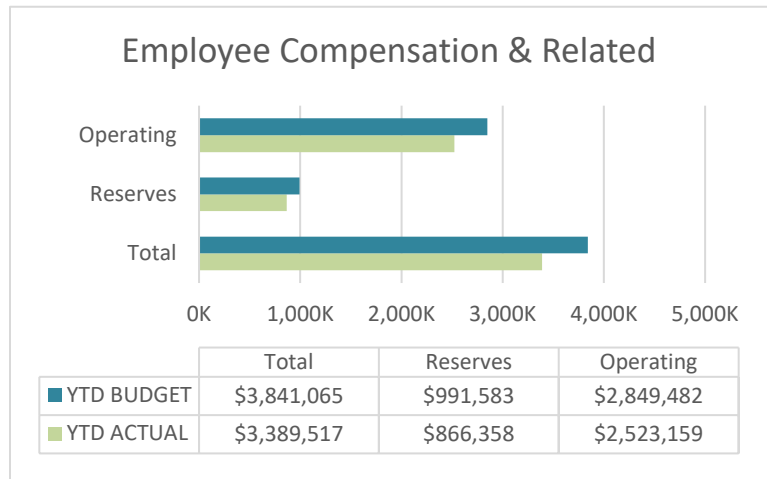
To: United Finance Committee  
 From: Steve Hormuth, Director of Financial Services  
 Date: April 26, 2022  
 Re: Department Head Update

**Financial Highlights**

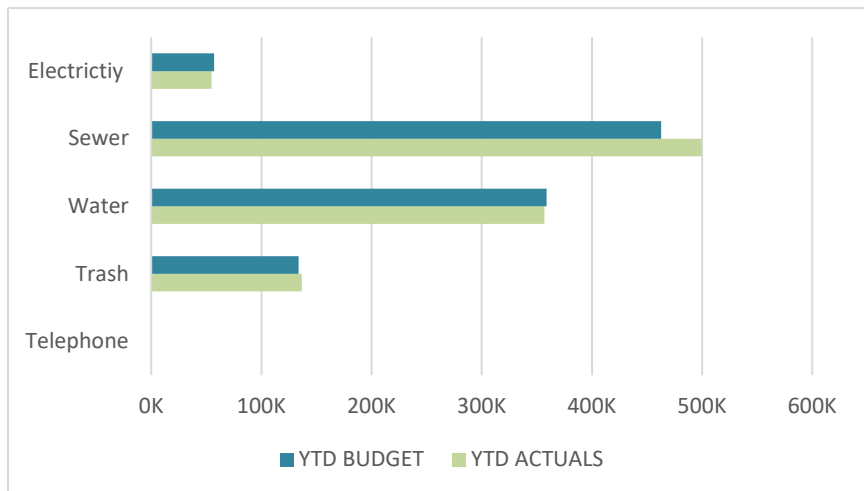
- **SUMMARY:** For the year-to-date period ending March 31, 2022, United Laguna Woods Mutual was better than budget by \$934K primarily resulting from timing of expenditures, affecting the areas of outside services \$726K, compensation \$452K, and materials \$136K.

	INCOME STATEMENT		
	Actual	Budget	Variance
Assessment Revenues	\$11,471,344	\$11,424,045	\$47,299
Other Revenues	(183,599)	458,112	(641,711)
Expenses	10,324,075	11,852,638	1,528,563
<b>Revenue / (Expense)</b>	<b>\$963,670</b>	<b>\$29,519</b>	<b>\$934,151</b>

- **COMPENSATION:** Actual compensation and related costs came in at \$3.4 million, with \$2.5 in operations and \$866K in reserves. Combined, this category is 12% favorable to budget. The most significant impacts were in Maintenance and Landscape due to open positions and timing of programs.



- **UTILITIES:** In total, this category was unfavorable to budget by (\$35K) primarily due to sewer offset by savings in water expenses. Trash, and telephone expenditures remained within budget.



**Discussions**

**Purchasing Policy Review:** The Purchasing Task Force met in April to discuss an updated Purchasing Policy. During discussion, minor revisions were suggested to add clarification to the policy. Once revisions are finished, an updated purchasing policy will be submitted to each Board for adoption.

**2023 Business Plan:** United kicked off the 2023 Business Plan development in March by holding a meeting to review 2022 service levels. Staff is currently in the budget development portion of the planning process. Once budgets are compiled, staff will conduct an internal review of each department. United will conduct Landscape and Maintenance reviews on June 2 and June 3.

**Financial Audit:** KPMG completed the audit and issued a favorable opinion. The audit committee (Select Audit Task Force) held several hybrid update meetings with KPMG in March and April. The audit report was accepted into corporate records by the Board on April 4, 2022. A summary version of the audited financials will be mailed to members by the end of April and the full audit report is available now on the Laguna Woods Village website.

**Calendar**

- Apr 26, 2022 @ 1:30 p.m. United Finance Committee Meeting (March Financials)
- Apr 28, 2022 @ 2:00 p.m. United Board Agenda Prep Meeting
- Apr 12, 2022 @ 9:30 a.m. United Board Meeting
- May 10, 2022 @ 9:30 a.m. United Board Meeting
- May 26, 2022 @ 2:00 p.m. United Board Agenda Prep Meeting
- May 31, 2022 @ 1:30 p.m. United Finance Committee Meeting (April Financials)

April 2022							May 2022							June 2022						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
					1	2	1	2	3	4	5	6	7				1	2	3	4
3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11
10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18
17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25
24	25	26	27	28	29	30	29	30	31					26	27	28	29	30		

**United Laguna Woods Mutual**  
**Statement of Revenues & Expenses - Preliminary**  
**3/31/2022**  
(\$ IN THOUSANDS)

	CURRENT MONTH			YEAR TO DATE			PRIOR YEAR ACTUAL	TOTAL BUDGET	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE			
Revenues:									
Assessments:									
1	Operating	\$2,926	\$2,910	\$16	\$8,777	\$8,730	\$47	\$8,434	\$34,920
2	Additions to restricted funds	898	898		2,694	2,694		2,884	10,776
3	Total assessments	<u>3,824</u>	<u>3,808</u>	<u>16</u>	<u>11,471</u>	<u>11,424</u>	<u>47</u>	<u>11,318</u>	<u>45,696</u>
Non-assessment revenues:									
4	Merchandise sales				1	1		1	3
5	Fees and charges for services to residents	55	66	(11)	142	197	(55)	168	789
6	Laundry	18	23	(4)	59	68	(8)	42	270
7	Investment income	13	12	1	30	37	(7)	35	148
8	Unrealized gain/(loss) on AFS investments	(303)		(303)	(583)		(583)	(334)	
9	Miscellaneous	55	52	3	167	156	11	127	623
10	Total non-assessment revenue	<u>(161)</u>	<u>153</u>	<u>(314)</u>	<u>(184)</u>	<u>458</u>	<u>(642)</u>	<u>39</u>	<u>1,833</u>
11	Total revenue	<u>3,663</u>	<u>3,961</u>	<u>(298)</u>	<u>11,288</u>	<u>11,882</u>	<u>(594)</u>	<u>11,357</u>	<u>47,529</u>
Expenses:									
12	Employee compensation and related	1,205	1,312	108	3,390	3,841	452	3,395	15,359
13	Materials and supplies	305	250	(55)	616	751	136	558	3,009
14	Utilities and telephone	358	339	(18)	1,048	1,013	(35)	995	4,692
15	Legal fees	18	21	3	44	49	5	37	247
16	Professional fees	1	34	32	9	40	31	37	96
17	Equipment rental	3	4	1	3	11	8	16	43
18	Outside services	475	576	101	789	1,515	726	445	9,199
19	Repairs and maintenance	3	4		8	11	2	9	44
20	Other Operating Expense	14	23	9	22	53	31	22	201
21	Property and sales tax	1,000	1,033	33	3,047	3,100	53	2,937	12,401
22	Insurance	325	346	21	951	1,037	86	1,000	4,148
23	Investment expense		1	1	3	3		3	10
24	Uncollectible Accounts	4	1	(3)	1	4	2	(8)	15
25	Depreciation and amortization	16	16		49	49		49	196
26	Net allocation to mutuals	134	127	(7)	345	376	31	344	1,500
27	Total expenses	<u>3,860</u>	<u>4,087</u>	<u>226</u>	<u>10,324</u>	<u>11,853</u>	<u>1,529</u>	<u>9,838</u>	<u>51,160</u>
28	Excess of revenues over expenses	<u>(\$197)</u>	<u>(\$126)</u>	<u>(\$72)</u>	<u>\$964</u>	<u>\$30</u>	<u>\$934</u>	<u>\$1,519</u>	<u>(\$3,631)</u>

**United Laguna Woods Mutual**  
**Statement of Revenues & Expenses - By Fund Type - Preliminary**  
**3/31/2022**  
(\$ IN THOUSANDS)

	OPERATING YEAR TO DATE			RESERVE: YEAR TO DATE			RESTRICTED: YEAR TO DATE			COMBINED: YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	
<b>Revenues:</b>													
<b>Assessments:</b>													
1	Operating	\$5,630	\$5,630				\$3,148	\$3,100	\$47	\$8,777	\$8,730	\$47	
2	Additions to restricted funds			2,694	2,694					2,694	2,694		
3	<b>Total assessments</b>	<b>5,630</b>	<b>5,630</b>	<b>2,694</b>	<b>2,694</b>		<b>3,148</b>	<b>3,100</b>	<b>47</b>	<b>11,471</b>	<b>11,424</b>	<b>47</b>	
<b>Non-assessment revenues:</b>													
4	Merchandise sales	1	1							1	1		
5	Fees and charges for services to residents	142	197	(55)						142	197	(55)	
6	Laundry	59	68	(8)						59	68	(8)	
7	Investment income				28	35	(7)	2	2	30	37	(7)	
8	Unrealized gain/(loss) on AFS investments				(548)		(548)	(35)	(35)	(583)		(583)	
9	Miscellaneous	167	156	11						167	156	11	
10	<b>Total non-assessment revenue</b>	<b>369</b>	<b>421</b>	<b>(52)</b>	<b>(520)</b>	<b>35</b>	<b>(555)</b>	<b>(33)</b>	<b>2</b>	<b>(35)</b>	<b>(184)</b>	<b>458</b>	
11	<b>Total revenue</b>	<b>5,999</b>	<b>6,051</b>	<b>(52)</b>	<b>2,174</b>	<b>2,729</b>	<b>(555)</b>	<b>3,115</b>	<b>3,102</b>	<b>12</b>	<b>11,288</b>	<b>11,882</b>	
<b>Expenses:</b>													
12	Employee compensation and related	2,523	2,849	326	866	992	125			3,390	3,841	452	
13	Materials and supplies	193	189	(4)	422	562	140			616	751	136	
14	Utilities and telephone	1,046	1,010	(36)	2	3	1			1,048	1,013	(35)	
15	Legal fees	44	49	5						44	49	5	
16	Professional fees	9	40	31						9	40	31	
17	Equipment rental	1	2	1	2	9	6			3	11	8	
18	Outside services	313	296	(16)	476	1,219	743			789	1,515	726	
19	Repairs and maintenance	8	9	2	1	2	1			8	11	2	
20	Other Operating Expense	17	44	28	6	8	3			22	53	31	
21	Property and sales tax							3,047	3,100	53	3,047	3,100	53
22	Insurance	951	1,037	86						951	1,037	86	
23	Investment expense				3	2				3	3		
24	Uncollectible Accounts	1	4	2						1	4	2	
25	Depreciation and amortization	49	49							49	49		
26	Net allocation to mutuals	273	294	21	72	82	10			345	376	31	
27	<b>Total expenses</b>	<b>5,428</b>	<b>5,874</b>	<b>446</b>	<b>1,849</b>	<b>2,878</b>	<b>1,029</b>	<b>3,047</b>	<b>3,100</b>	<b>53</b>	<b>10,324</b>	<b>11,853</b>	
28	<b>Excess of revenues over expenses</b>	<b>\$571</b>	<b>\$177</b>	<b>\$394</b>	<b>\$325</b>	<b>(\$149)</b>	<b>\$474</b>	<b>\$67</b>	<b>\$2</b>	<b>\$66</b>	<b>\$964</b>	<b>\$30</b>	



**United Laguna Woods Mutual**  
**Operating Statement - Preliminary**  
**3/31/2022**  
UNITED LAGUNA WOODS MUTUAL

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Revenues:					
Assessments:					
<b>Operating</b>					
41001000 - Monthly Assessments	\$4,824,955	\$4,824,807	\$148	0.00%	\$19,299,232
41007000 - Monthly Assessments - Property Taxes	3,063,646	3,100,290	(36,644)	(1.18%)	12,401,160
41007500 - Monthly Assessments - Supplemental Property Taxes	83,879	0	83,879	0.00%	0
41008000 - Monthly Assessments - Property Insurance	804,887	804,888	(1)	0.00%	3,219,547
<b>Total Operating</b>	<b>8,777,366</b>	<b>8,729,985</b>	<b>47,381</b>	<b>0.54%</b>	<b>34,919,939</b>
<b>Additions To Restricted Funds</b>					
41003500 - Monthly Assessments - Replacement Fund	2,693,977	2,694,060	(83)	0.00%	10,776,240
<b>Total Additions To Restricted Funds</b>	<b>2,693,977</b>	<b>2,694,060</b>	<b>(83)</b>	<b>0.00%</b>	<b>10,776,240</b>
<b>Total Assessments</b>	<b>11,471,344</b>	<b>11,424,045</b>	<b>47,299</b>	<b>0.41%</b>	<b>45,696,179</b>
Non-Assessment Revenues:					
<b>Merchandise Sales</b>					
41501500 - Merchandise Sales - Warehouse	950	750	200	26.63%	3,001
<b>Total Merchandise Sales</b>	<b>950</b>	<b>750</b>	<b>200</b>	<b>26.63%</b>	<b>3,001</b>
<b>Fees and Charges for Services to Residents</b>					
46501000 - Permit Fee	51,249	61,369	(10,120)	(16.49%)	245,478
46501500 - Inspection Fee	17,389	19,497	(2,108)	(10.81%)	77,993
46502000 - Resident Maintenance Fee	73,381	116,263	(42,881)	(36.88%)	465,100
<b>Total Fees and Charges for Services to Residents</b>	<b>142,019</b>	<b>197,129</b>	<b>(55,110)</b>	<b>(27.96%)</b>	<b>788,570</b>
<b>Laundry</b>					
46005000 - Coin Op Laundry Machine	59,334	67,500	(8,166)	(12.10%)	270,000
<b>Total Laundry</b>	<b>59,334</b>	<b>67,500</b>	<b>(8,166)</b>	<b>(12.10%)</b>	<b>270,000</b>
<b>Investment Income</b>					
49001000 - Investment Income - Nondiscretionary	88	1,002	(915)	(91.27%)	4,000
49002000 - Investment Income - Discretionary	30,140	36,000	(5,860)	(16.28%)	144,000
<b>Investment Interest Income</b>	<b>30,228</b>	<b>37,002</b>	<b>(6,774)</b>	<b>(18.31%)</b>	<b>148,000</b>
<b>Unrealized Gain/(Loss) On AFS Investments</b>					
49008100 - Unrealized Gain/(Loss) On Available For Sale Investments	(583,148)	0	(583,148)	0.00%	0
<b>Total Unrealized Gain/(Loss) On AFS Investments</b>	<b>(583,148)</b>	<b>0</b>	<b>(583,148)</b>	<b>0.00%</b>	<b>0</b>
<b>Miscellaneous</b>					
46004500 - Resident Violations	1,000	14,549	(13,549)	(93.13%)	58,202
44501000 - Additional Occupant Fee	10,150	10,998	(848)	(7.71%)	44,000
44501500 - Lease Processing Fee - United	39,400	31,134	8,266	26.55%	124,540
44502000 - Variance Processing Fee	0	3,971	(3,971)	(100.00%)	15,888
44503000 - Stock Transfer Fee	3,250	3,399	(149)	(4.38%)	13,605
44503510 - Resale Processing Fee - United	45,136	35,499	9,637	27.15%	142,000
44507000 - Golf Cart Electric Fee	11,911	16,251	(4,340)	(26.70%)	65,000
44507200 - Electric Vehicle Plug-In Fee	5,196	4,500	696	15.47%	18,000
44507500 - Cartport/Carport Space Rental Fee	431	600	(169)	(28.13%)	2,400
47001500 - Late Fee Revenue	14,490	12,501	1,989	15.91%	50,000
47002010 - Collection Administrative Fee - United	34,367	20,079	14,288	71.16%	80,320
47002500 - Collection Interest Revenue	207	1,251	(1,044)	(83.46%)	5,000
47501000 - Recycling	1,475	999	476	47.68%	4,001
49009000 - Miscellaneous Revenue	4	0	4	0.00%	0
<b>Total Miscellaneous</b>	<b>167,018</b>	<b>155,731</b>	<b>11,287</b>	<b>7.25%</b>	<b>622,955</b>
<b>Total Non-Assessment Revenue</b>	<b>(183,599)</b>	<b>458,112</b>	<b>(641,711)</b>	<b>(140.08%)</b>	<b>1,832,526</b>
<b>Total Revenue</b>	<b>11,287,745</b>	<b>11,882,157</b>	<b>(594,412)</b>	<b>(5.00%)</b>	<b>47,528,705</b>

Expenses:

**Employee Compensation**

51011000 - Salaries & Wages - Regular	671,856	790,880	119,024	15.05%	3,227,871
51021000 - Union Wages - Regular	1,193,789	1,524,441	330,652	21.69%	6,182,456
51041000 - Wages - Overtime	10,581	6,964	(3,617)	(51.94%)	27,869

**United Laguna Woods Mutual**  
**Operating Statement - Preliminary**  
**3/31/2022**  
 UNITED LAGUNA WOODS MUTUAL

	YEAR TO DATE				TOTAL BUDGET
	Actual	Budget	VAR\$ B/(W)	VAR% B/(W)	
51051000 - Union Wages - Overtime	50,199	26,995	(23,204)	(85.96%)	108,022
51061000 - Holiday & Vacation	223,442	195,517	(27,925)	(14.28%)	794,626
51071000 - Sick	73,605	79,750	6,145	7.71%	324,124
51091000 - Missed Meal Penalty	2,435	1,403	(1,032)	(73.56%)	5,639
51101000 - Temporary Help	17,196	29,159	11,964	41.03%	116,647
51981000 - Compensation Accrual	146,384	0	(146,384)	0.00%	0
<b>Total Employee Compensation</b>	<b>2,389,487</b>	<b>2,655,108</b>	<b>265,622</b>	<b>10.00%</b>	<b>10,787,254</b>
<b>Compensation Related</b>					
52411000 - F.I.C.A.	167,753	198,180	30,427	15.35%	798,773
52421000 - F.U.I.	7,232	10,758	3,526	32.78%	10,758
52431000 - S.U.I.	32,543	54,705	22,162	40.51%	54,705
52441000 - Union Medical	441,922	500,620	58,699	11.73%	2,002,482
52451000 - Workers' Compensation Insurance	114,794	141,188	26,393	18.69%	573,203
52461000 - Non Union Medical & Life Insurance	91,346	114,470	23,123	20.20%	457,591
52471000 - Union Retirement Plan	108,934	131,411	22,478	17.10%	532,946
52481000 - Non-Union Retirement Plan	16,360	34,626	18,266	52.75%	141,320
52981000 - Compensation Related Accrual	19,147	0	(19,147)	0.00%	0
<b>Total Compensation Related</b>	<b>1,000,030</b>	<b>1,185,957</b>	<b>185,927</b>	<b>15.68%</b>	<b>4,571,778</b>
<b>Materials and Supplies</b>					
53001000 - Materials & Supplies	123,014	148,407	25,393	17.11%	596,779
53003000 - Materials Direct	491,845	601,401	109,556	18.22%	2,406,139
53004000 - Freight	642	1,428	787	55.08%	5,756
<b>Total Materials and Supplies</b>	<b>615,500</b>	<b>751,236</b>	<b>135,736</b>	<b>18.07%</b>	<b>3,008,674</b>
<b>Utilities and Telephone</b>					
53301000 - Electricity	54,684	57,142	2,458	4.30%	130,789
53301500 - Sewer	499,336	462,900	(36,436)	(7.87%)	1,898,400
53302000 - Water	356,834	358,939	2,105	0.59%	2,127,288
53302500 - Trash	136,757	133,848	(2,909)	(2.17%)	535,299
53304000 - Telephone	158	177	19	10.56%	706
<b>Total Utilities and Telephone</b>	<b>1,047,769</b>	<b>1,013,006</b>	<b>(34,763)</b>	<b>(3.43%)</b>	<b>4,692,482</b>
<b>Legal Fees</b>					
53401500 - Legal Fees	44,073	49,441	5,368	10.86%	246,652
<b>Total Legal Fees</b>	<b>44,073</b>	<b>49,441</b>	<b>5,368</b>	<b>10.86%</b>	<b>246,652</b>
<b>Professional Fees</b>					
53402010 - Audit & Tax Preparation Fees - United	0	31,055	31,055	100.00%	47,670
53403500 - Consulting Fees	7,439	2,420	(5,019)	(207.36%)	13,371
53403510 - Consulting Fees - United	1,183	6,498	5,316	81.80%	35,000
<b>Total Professional Fees</b>	<b>8,621</b>	<b>39,973</b>	<b>31,352</b>	<b>78.43%</b>	<b>96,041</b>
<b>Equipment Rental</b>					
53501500 - Equipment Rental/Lease Fees	3,175	10,718	7,544	70.38%	42,879
<b>Total Equipment Rental</b>	<b>3,175</b>	<b>10,718</b>	<b>7,544</b>	<b>70.38%</b>	<b>42,879</b>
<b>Outside Services</b>					
53601000 - Bank Fees	9,518	10,668	1,150	10.78%	42,678
53601500 - Credit Card Transaction Fees	2,335	0	(2,335)	0.00%	0
54603500 - Outside Services Cost Collection	714,852	1,479,502	764,650	51.68%	9,007,726
53704000 - Outside Services	61,917	24,937	(36,980)	(148.29%)	148,769
<b>Total Outside Services</b>	<b>788,623</b>	<b>1,515,107</b>	<b>726,484</b>	<b>47.95%</b>	<b>9,199,173</b>
<b>Repairs and Maintenance</b>					
53701000 - Equipment Repair & Maint	1,343	3,377	2,034	60.24%	13,553
53703000 - Elevator /Lift Maintenance	7,092	7,542	450	5.97%	30,166
<b>Total Repairs and Maintenance</b>	<b>8,435</b>	<b>10,919</b>	<b>2,484</b>	<b>22.75%</b>	<b>43,719</b>
<b>Other Operating Expense</b>					
53801000 - Mileage & Meal Allowance	761	2,735	1,974	72.16%	10,963
53801500 - Travel & Lodging	7	644	638	98.97%	2,581
53802000 - Uniforms	13,882	23,628	9,746	41.25%	93,604
53802500 - Dues & Memberships	231	671	440	65.51%	2,375
53803000 - Subscriptions & Books	2	445	443	99.62%	1,788
53803500 - Training & Education	280	5,733	5,453	95.12%	24,459
53903000 - Safety	62	270	209	77.21%	1,084

**United Laguna Woods Mutual**  
**Operating Statement - Preliminary**  
**3/31/2022**  
UNITED LAGUNA WOODS MUTUAL

	YEAR TO DATE				TOTAL BUDGET
	Actual	Budget	VAR\$ B/(W)	VAR% B/(W)	
54001010 - Board Relations - United	913	1,881	968	51.44%	7,525
54002000 - Postage	5,886	16,779	10,894	64.92%	56,312
54002500 - Filing Fees / Permits	130	86	(44)	(50.94%)	354
<b>Total Other Operating Expense</b>	<b>22,153</b>	<b>52,873</b>	<b>30,720</b>	<b>58.10%</b>	<b>201,043</b>
<b>Property and Sales Tax</b>					
54302000 - Property Taxes	3,047,070	3,100,290	53,220	1.72%	12,401,160
<b>Total Property and Sales Tax</b>	<b>3,047,070</b>	<b>3,100,290</b>	<b>53,220</b>	<b>1.72%</b>	<b>12,401,160</b>
<b>Insurance</b>					
54401000 - Hazard & Liability Insurance	177,836	211,069	33,233	15.74%	844,276
54401500 - D&O Liability	17,769	19,193	1,424	7.42%	76,776
54402000 - Property Insurance	753,548	804,886	51,338	6.38%	3,219,547
54403000 - General Liability Insurance	1,946	1,862	(83)	(4.47%)	7,450
<b>Total Insurance</b>	<b>951,099</b>	<b>1,037,011</b>	<b>85,912</b>	<b>8.28%</b>	<b>4,148,049</b>
<b>Investment Expense</b>					
54201000 - Investment Expense	2,661	2,610	(51)	(1.95%)	10,440
<b>Total Investment Expense</b>	<b>2,661</b>	<b>2,610</b>	<b>(51)</b>	<b>(1.95%)</b>	<b>10,440</b>
<b>Uncollectible Accounts</b>					
54602000 - Bad Debt Expense	1,355	3,750	2,395	63.87%	15,000
<b>Total Uncollectible Accounts</b>	<b>1,355</b>	<b>3,750</b>	<b>2,395</b>	<b>63.87%</b>	<b>15,000</b>
<b>Depreciation and Amortization</b>					
55001000 - Depreciation And Amortization	48,940	48,940	0	0.00%	195,758
<b>Total Depreciation and Amortization</b>	<b>48,940</b>	<b>48,940</b>	<b>0</b>	<b>0.00%</b>	<b>195,758</b>
<b>Net Allocation to Mutuals</b>					
54602500 - Allocated Expenses	345,084	375,699	30,614	8.15%	1,499,949
<b>Total Net Allocation to Mutuals</b>	<b>345,084</b>	<b>375,699</b>	<b>30,614</b>	<b>8.15%</b>	<b>1,499,949</b>
<b>Total Expenses</b>	<b>10,324,075</b>	<b>11,852,638</b>	<b>1,528,563</b>	<b>12.90%</b>	<b>51,160,052</b>
<b>Excess of Revenues Over Expenses</b>	<b>\$963,670</b>	<b>\$29,519</b>	<b>\$934,151</b>	<b>3164.55%</b>	<b>(\$3,631,346)</b>

**United Laguna Woods Mutual  
Balance Sheet - Preliminary  
3/31/2022**

		<u>Current Month End</u>	<u>Prior Year December 31</u>
<b>Assets</b>			
1	Cash and cash equivalents	\$9,686,100	\$6,230,045
2	Non-discretionary investments	999,883	999,883
3	Discretionary investments	14,649,205	15,204,873
4	Receivable/(Payable) from mutuals	(172,927)	(350,215)
5	Accounts receivable and interest receivable	719,774	784,588
6	Prepaid expenses and deposits	1,958,059	2,595,239
7	Property and equipment	91,989,605	91,989,605
8	Accumulated depreciation property and equipment	(83,763,081)	(83,762,315)
9	Beneficial interest in GRF of Laguna Hills Trust	5,362,830	5,411,004
10	Non-controlling interest in GRF	42,288,314	42,288,314
<b>11</b>	<b>Total Assets</b>	<b><u><u>\$83,717,763</u></u></b>	<b><u><u>\$81,391,022</u></u></b>
<b>Liabilities and Fund Balances</b>			
Liabilities:			
12	Accounts payable and accrued expenses	\$4,701,561	\$3,393,537
13	Accrued compensation and related costs	518,105	518,105
14	Deferred income	952,319	897,272
15	Asset retirement obligation	1,382,827	1,382,827
16	Total liabilities	<u>\$7,554,811</u>	<u>\$6,191,740</u>
Fund balances:			
17	Fund balance prior years	75,199,282	74,758,941
18	Change in fund balance - current year	963,670	440,341
19	Total fund balances	<u>76,162,952</u>	<u>75,199,282</u>
<b>20</b>	<b>Total Liabilities and Fund Balances</b>	<b><u><u>\$83,717,763</u></u></b>	<b><u><u>\$81,391,022</u></u></b>

**United Laguna Woods Mutual  
Fund Balance Sheet - Preliminary  
3/31/2022**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Contingency Fund</u>	<u>Property Taxes Fund</u>	<u>Total</u>
<b>Assets</b>					
1	Cash and cash equivalents	\$3,535,982	\$6,150,118		\$9,686,100
2	Non-discretionary investments		999,883		999,883
3	Discretionary investments		14,649,205		14,649,205
4	Receivable/(Payable) from mutuals	(172,927)			(172,927)
5	Receivable/(Payable) from operating fund	(3,863,988)	(270,338)	1,082,131	3,052,195
6	Accounts receivable and interest receivable	719,774			719,774
7	Prepaid expenses and deposits	1,958,059			1,958,059
8	Property and equipment	91,989,605			91,989,605
9	Accumulated depreciation property and equipment	(83,763,081)			(83,763,081)
10	Beneficial interest in GRF of Laguna Hills Trust	5,362,830			5,362,830
11	Non-controlling interest in GRF	42,288,314			42,288,314
<b>12</b>	<b>Total Assets</b>	<b><u>\$58,054,569</u></b>	<b><u>\$21,528,868</u></b>	<b><u>\$1,082,131</u></b>	<b><u>\$3,052,195</u></b>
<b>Liabilities and Fund Balances</b>					
Liabilities:					
13	Accounts payable and accrued expenses	(\$303,550)	\$1,945,319	\$1,525	\$3,058,267
14	Accrued compensation and related costs	518,105			518,105
15	Deferred income	952,319			952,319
16	Asset retirement obligation	1,292,361	90,465		1,382,827
17	Total liabilities	<u>\$2,459,235</u>	<u>\$2,035,784</u>	<u>\$1,525</u>	<u>\$3,058,267</u>
Fund balances:					
18	Fund balance prior years	55,023,959	19,168,078	1,113,771	(106,526)
19	Change in fund balance - current year	571,375	325,006	(33,165)	100,454
20	Total fund balances	<u>55,595,334</u>	<u>19,493,084</u>	<u>1,080,606</u>	<u>(6,072)</u>
<b>21</b>	<b>Total Liabilities and Fund Balances</b>	<b><u>\$58,054,569</u></b>	<b><u>\$21,528,868</u></b>	<b><u>\$1,082,131</u></b>	<b><u>\$3,052,195</u></b>

**United Laguna Woods Mutual  
Changes in Fund Balances - Preliminary  
3/31/2022**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Contingency Fund</u>	<u>Property Taxes Fund</u>	<u>Total</u>
Revenues:					
Assessments:					
1	Operating	\$5,629,842		\$3,147,525	\$8,777,366
2	Additions to restricted funds		2,693,977		2,693,977
3	Total assessments	<u>5,629,842</u>	<u>2,693,977</u>	<u>3,147,525</u>	<u>11,471,344</u>
Non-assessment revenues:					
4	Merchandise sales	950			950
5	Fees and charges for services to residents	142,019			142,019
6	Laundry	59,334			59,334
7	Interest income		28,423	1,804	30,228
8	Unrealized gain/(loss) on AFS investments		(548,337)	(34,811)	(583,148)
9	Miscellaneous	167,018			167,018
10	Total non-assessment revenue	<u>369,321</u>	<u>(519,914)</u>	<u>(33,006)</u>	<u>(183,599)</u>
11	Total revenue	<u>5,999,163</u>	<u>2,174,064</u>	<u>(33,006)</u>	<u>3,147,525</u>
Expenses:					
12	Employee compensation and related	2,523,159	866,358		3,389,517
13	Materials and supplies	193,372	422,129		615,500
14	Utilities and telephone	1,046,093	1,676		1,047,769
15	Legal fees	44,073			44,073
16	Professional fees	8,621			8,621
17	Equipment rental	923	2,251		3,175
18	Outside services	312,941	475,682		788,623
19	Repairs and maintenance	7,709	726		8,435
20	Other Operating Expense	16,515	5,638		22,153
21	Property and sales tax			3,047,070	3,047,070
22	Insurance	951,099			951,099
23	Investment expense		2,502	159	2,661
24	Uncollectible Accounts	1,355			1,355
25	Depreciation and amortization	48,940			48,940
26	Net allocations to mutuals	272,990	72,095		345,084
27	Total expenses	<u>5,427,788</u>	<u>1,849,057</u>	<u>159</u>	<u>3,047,070</u>
28	Excess of revenues over expenses	<u>\$571,375</u>	<u>\$325,006</u>	<u>(\$33,165)</u>	<u>\$100,454</u>
29	Excluding unrealized gain/(loss) and depreciation	<u>\$620,315</u>	<u>\$873,343</u>	<u>\$1,646</u>	<u>\$1,595,757</u>

INVESTMENT REPORT  
March 1, 2022 - March 31, 2022



Envelope # BMGGHFBBBCNGH

UNITED LAGUNA WOODS MUTUAL  
PO BOX 2220  
LAGUNA HILLS CA 92654-2220

BROKERAGE UNITED LAGUNA WOODS MUTUAL

**Your Account Value: \$14,649,205.01**

Change from Last Period: ▼ \$289,621.28

	This Period	Year-to-Date
<b>Beginning Account Value</b>	<b>\$14,938,826.29</b>	<b>\$15,204,873.33</b>
Subtractions	-	-2,660.85
Change in Investment Value *	-289,621.28	-553,007.47
<b>Ending Account Value **</b>	<b>\$14,649,205.01</b>	<b>\$14,649,205.01</b>
Accrued Interest (AI)	0.00	
<b>Ending Account Value Incl. AI</b>	<b>\$14,649,205.01</b>	

Your Advisor/Agent

SAGEVIEW ADVISORY GROUP, LLC  
RANDALL LONG  
4000 MACARTHUR BLVD  
SUITE 1050  
NEWPORT BEACH CA 92660

Phone: (949) 955-1395

- \* Reflects appreciation or depreciation of your holdings due to price changes, transactions from Other Activity In or Out and Multi-currency transactions, plus any distribution and income earned during the statement period.
- \*\* Excludes unpriced securities.

Your Advisor is an independent organization and is not affiliated with Fidelity Investments. Brokerage services provided by **Fidelity Brokerage Services LLC (FBS)**, Member NYSE, SIPC (800) 544-6666. Brokerage accounts carried with National Financial Services LLC (NFS), Member NYSE, SIPC.





## Account Summary

Account Value: **\$14,649,205.01**

Change in Account Value ▼ **\$289,621.28**

	This Period	Year-to-Date
<b>Beginning Account Value</b>	<b>\$14,938,826.29</b>	<b>\$15,204,873.33</b>
<b>Subtractions</b>	-	<b>-2,660.85</b>
Transaction Costs, Fees & Charges	-	-2,660.85
<b>Change in Investment Value *</b>	<b>-289,621.28</b>	<b>-553,007.47</b>
<b>Ending Account Value</b>	<b>\$14,649,205.01</b>	<b>\$14,649,205.01</b>
Accrued Interest (AI)	0.00	
Ending Account Value Incl. AI	\$14,649,205.01	

\* Reflects appreciation or depreciation of your holdings due to price changes, transactions from Other Activity In or Out and Multi-currency transactions, plus any distribution and income earned during the statement period.

### Income Summary

	This Period	Year-to-Date
<b>Taxable</b>	<b>\$13,261.17</b>	<b>\$30,140.22</b>
Dividends	13,261.17	30,140.22
<b>Total</b>	<b>\$13,261.17</b>	<b>\$30,140.22</b>

### Top Holdings

Description	Value	Percent of Account
Vanguard Short Term Treasury Admiral	\$4,272,044.76	29%
Vanguard Short Term Corp Bd Index Admrl	4,057,447.96	28
Vanguard Backed Securities Indx Adm	3,299,661.88	23
Fidelity Short Term Treasury Bond Index	2,915,385.43	20
Fidelity Government Cash Reserves	104,664.98	1
<b>Total</b>	<b>\$14,649,205.01</b>	<b>100%</b>

### Core Account and Credit Balance Cash Flow

Core Account: FIDELITY GOVERNMENT CASH RESERVES

	This Period	Year-to-Date
<b>Beginning Balance</b>	<b>\$91,403.81</b>	<b>\$77,185.61</b>
<b>Investment Activity</b>		
Dividends, Interest & Other Income <sup>D</sup>	13,261.17	30,140.22
<b>Total Investment Activity</b>	<b>\$13,261.17</b>	<b>\$30,140.22</b>
<b>Cash Management Activity</b>		
Fees & Charges	-	-2,660.85
<b>Total Cash Management Activity</b>	<b>-</b>	<b>-\$2,660.85</b>
<b>Ending Balance</b>	<b>\$104,664.98</b>	<b>\$104,664.98</b>

<sup>D</sup> Includes dividend reinvestments.

► Effective April 2022, Southeast Bank and Trust, headquartered in Farragut, TN, will be added to the network Bank Deposit Sweep Program bank list and banks may start accepting deposits at this time. You are not required to take action. If you have any questions or would like to opt out of the banks, please contact your financial professional. 1008950.2.0







## Account Summary

### Estimated Cash Flow

(Rolling as of March 31, 2022)

Month	Bond & CD Income	Bond & CD Principal	Stock Income	ETP Income	Mutual Fund Income	Other Income	Total Est. Cash Flow
April 2022	--	--	--	--	\$12,068	--	\$12,068
May	--	--	--	--	12,068	--	12,068
June	--	--	--	--	12,068	--	12,068
July	--	--	--	--	12,068	--	12,068
August	--	--	--	--	12,068	--	12,068
September	--	--	--	--	12,068	--	12,068
October	--	--	--	--	12,068	--	12,068
November	--	--	--	--	12,068	--	12,068
December	--	--	--	--	12,068	--	12,068
January 2023	--	--	--	--	12,068	--	12,068
February	--	--	--	--	12,068	--	12,068
March	--	--	--	--	12,068	--	12,068
<b>Total</b>	--	--	--	--	<b>\$144,816</b>	--	<b>\$144,816</b>

This table presents the estimated monthly interest and dividend income and return of principal that your current holdings may generate over the next rolling 12 months. The cash flows displayed are estimates provided for informational purposes only and there is no guarantee that you will actually receive any of the amounts displayed. These estimates should not be relied upon for making investment, trading or tax decisions. The estimates for fixed income are calculated using the security's coupon rate. The estimates for all other securities are calculated using an indicated annual dividend (IAD). The IAD is an estimate of a security's dividend payments for the next 12 months calculated based on prior and/or declared dividends for that security. IADs are sourced from third party vendors believed to be reliable, but no assurance can be made as to accuracy. There are circumstances in which these estimates will not be presented for a specific security you hold.

**Bond & CD Income** includes interest payments for fixed and variable rate bonds, international bonds that pay in USD, and Certificates of Deposit (CDs).

**Bond & CD Principal** includes maturing principal payments for fixed and variable rate bonds, international bonds that pay in USD, and Certificates of Deposit (CDs).

**Stock Income** includes estimated dividend payments for common stocks, preferred stocks, ADRs, closed-end mutual funds, and MLPs.

**ETP Income** includes estimated dividend payments for Exchange Traded Funds (ETFs) and Exchange Traded Notes (ETNs).

**Mutual Fund Income** includes estimated dividend payments for Fidelity and non-Fidelity mutual funds.

**Other Income** includes, but is not limited to estimated dividend payments for Unit Investment Trusts (UITs), REITs, and LPs.

This table does not include cash flow from foreign denominated fixed income.

-- not available





UNITED LAGUNA WOODS MUTUAL - CORPORATION

## Holdings

### Core Account

Description	Quantity	Price Per Unit	Total Market Value	Total Cost Basis	Unrealized Gain/Loss	Est. Annual Income (EAI)	Est. Yield (EY)
FIDELITY GOVERNMENT CASH RESERVES (FDRXX)	104,664.980	\$1.0000	\$104,664.98	not applicable	not applicable	\$10.47	0.010%
-- 7-day yield: 0.01%							
<b>Total Core Account (1% of account holdings)</b>			<b>\$104,664.98</b>			<b>\$10.47</b>	

### Mutual Funds

Description	Quantity	Price Per Unit	Total Market Value	Total Cost Basis	Unrealized Gain/Loss	Est. Annual Income (EAI)	Est. Yield (EY)
<b>Bond Funds</b>							
FIDELITY SHORT TERM TREASURY BOND INDEX (FUMBX)	286,665.234	\$10.1700	\$2,915,385.43	\$3,014,574.92	-\$99,189.49	\$22,633.53	0.780%
-- 30-day yield: 1.94%							
VANGUARD SHORT TERM TREASURY ADMIRAL (VFIRX)	413,157.134	10.3400	4,272,044.76	4,416,602.06	-144,557.30	20,252.39	0.470
VANGUARD SHORT TERM CORP BD INDEX ADMRL (VSCSX)	191,118.604	21.2300	4,057,447.96	4,275,083.45	-217,635.49	63,030.92	1.550
VANGUARD BACKED SECURITIES INDX ADM (VMBSX)	165,065.627	19.9900	3,299,661.88	3,508,104.81	-208,442.93	38,889.46	1.180
Total Bond Funds (99% of account holdings)			\$14,544,540.03	\$15,214,365.24	-\$669,825.21	\$144,806.30	
<b>Total Mutual Funds (99% of account holdings)</b>			<b>\$14,544,540.03</b>	<b>\$15,214,365.24</b>	<b>-\$669,825.21</b>	<b>\$144,806.30</b>	

<b>Total Holdings</b>			<b>\$14,649,205.01</b>	<b>\$15,214,365.24</b>	<b>-\$669,825.21</b>	<b>\$144,816.77</b>	
-----------------------	--	--	------------------------	------------------------	----------------------	---------------------	--

Cost Basis - the original amount paid for a security, including the amount of reinvested dividends and capital gains, plus or minus certain adjustments. See last page of statement for details. Total Cost Basis does not include the cost basis on core, money market or other positions where cost basis is unknown or not applicable.

EAI **Estimated Annual Income (EAI) & Estimated Yield (EY)**- EAI is an estimate of annual income for a specific security position over the next rolling 12 months. EAI may be negative on short & EY positions. EY is calculated by dividing the current EAI for a security position by its statement closing date market value. EAI and EY are estimates only and may include return of principal and/or capital gains, which would render them overstated. Actual income and yield might be lower or higher than the estimated amounts. **For calculation details, refer to the "Additional Information and Endnotes" section.**





## Holdings

All positions held in cash account unless indicated otherwise.

## Activity

### Dividends, Interest & Other Income

(Includes dividend reinvestment)

Settlement Date	Security Name	Symbol/ CUSIP	Description	Quantity	Price	Amount
02/28	VANGUARD BACKED SECURITIES INDX ADM	92206C755	Dividend Received	-	-	\$4,489.79
02/28	VANGUARD SHORT TERM TREASURY ADMIRAL	922031851	Dividend Received	-	-	2,124.80
02/28	VANGUARD SHORT TERM CORP BD INDEX ADMRL	92206C607	Dividend Received	-	-	4,701.52
03/31	FIDELITY GOVERNMENT CASH RESERVES	316067107	Dividend Received	-	-	0.87
03/31	FIDELITY SHORT TERM TREASURY BOND INDEX	31635V216	Dividend Received	-	-	1,944.19
<b>Total Dividends, Interest &amp; Other Income</b>						<b>\$13,261.17</b>

### Core Fund Activity

For more information about the operation of your core account, please refer to your Customer Agreement.

Settlement Date	Account Type	Transaction	Description	Quantity	Price	Amount	Balance
03/01	CASH	You Bought	FIDELITY GOVERNMENT CASH RESERVES @ 1	2,124.800	\$1.0000	\$2,124.80	\$93,528.61
03/01	CASH	You Bought	FIDELITY GOVERNMENT CASH RESERVES MORNING TRADE @ 1	9,191.310	1.0000	9,191.31	102,719.92
03/31	CASH	You Bought	FIDELITY GOVERNMENT CASH RESERVES @ 1	1,945.060	1.0000	1,945.06	104,664.98
<b>Total Core Fund Activity</b>						<b>\$13,261.17</b>	



**UNITED LAGUNA WOODS MUTUAL  
FUND EXPENDITURES REPORT  
AS OF MARCH 31, 2022**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		2022 BUDGET	%	VARIANCE		
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%	
<b>OPERATING EXPENDITURES - MAINTENANCE &amp; CONSTRUCTION</b>									
PLUMBING SERVICE	\$121,329	\$103,377	\$292,674	\$304,055	\$1,216,188	24%	\$11,381	4%	
DAMAGE RESTORATION	7	62,501	97,754	187,503	750,051	13%	89,749	48%	
CARPENTRY SERVICE	50,097	48,202	127,928	141,892	567,600	23%	13,964	10%	
ELECTRICAL SERVICE	29,493	31,652	92,096	93,084	372,361	25%	988	1%	
APPLIANCE REPAIRS	26,379	27,911	69,381	82,245	329,042	21%	12,864	16%	
INTERIOR PREVENTIVE MAINTENANCE	27,220	32,125	85,177	94,434	377,755	23%	9,257	10%	
PEST CONTROL	5,745	2,416	5,705	7,248	186,500	3%	1,543	21%	
COUNTERTOP/FLOOR/TILE REPAIRS	9,339	10,809	25,235	31,836	127,371	20%	6,601	21%	
ENERGY PROGRAM	1,879	2,083	5,393	6,249	25,000	22%	856	14%	
MISC. REPAIRS BY OUTSIDE SERVICE	0	2,083	298	6,249	25,000	1%	5,951	95%	
FIRE PROTECTION	1,392	628	3,156	1,857	32,430	10%	(1,299)	(70%)	
<b>TOTAL</b>	<b>\$272,881</b>	<b>\$323,788</b>	<b>\$804,798</b>	<b>\$956,652</b>	<b>\$4,009,298</b>	<b>20%</b>	<b>\$151,855</b>	<b>16%</b>	

**OPERATING EXPENDITURES - GENERAL SERVICES**

CONCRETE REPAIR/REPLACEMENT	\$31,116	\$34,111	\$81,696	\$100,501	\$401,522	20%	\$18,805	19%
JANITORIAL SERVICE	32,302	31,557	92,204	92,826	369,653	25%	622	1%
GUTTER CLEANING	(18,365)	2,149	7,687	6,343	85,351	9%	(1,345)	(21%)
WELDING	8,608	9,877	22,837	29,120	116,345	20%	6,283	22%
TRAFFIC CONTROL	1,236	1,326	3,389	3,900	15,587	22%	511	13%
<b>TOTAL</b>	<b>\$54,896</b>	<b>\$79,021</b>	<b>\$207,813</b>	<b>\$232,690</b>	<b>\$988,458</b>	<b>21%</b>	<b>\$24,877</b>	<b>11%</b>

**OPERATING EXPENDITURES - LANDSCAPE SERVICES**

LANDSCAPE ADMINISTRATION	\$17,509	\$20,689	\$49,249	\$59,942	\$241,403	20%	\$10,693	18%
NURSERY & COMPOSTING	14,856	15,935	39,422	47,003	187,602	21%	7,581	16%
GROUNDS MAINTENANCE	237,631	235,532	650,173	693,250	2,760,602	24%	43,077	6%
IRRIGATION	85,777	69,493	212,228	205,022	819,029	26%	(7,206)	(4%)
SMALL EQUIPMENT REPAIR	10,277	17,788	28,694	52,434	209,626	14%	23,739	45%
PEST CONTROL	34,954	23,318	79,153	68,606	274,513	29%	(10,547)	(15%)
<b>TOTAL</b>	<b>\$401,002</b>	<b>\$382,754</b>	<b>\$1,058,919</b>	<b>\$1,126,256</b>	<b>\$4,492,774</b>	<b>24%</b>	<b>\$67,336</b>	<b>6%</b>

**OPERATING EXPENDITURES - LANDSCAPE CHARGEABLE SERVICES**

LANDSCAPE CHARGEABLES	\$292	\$1,534	\$805	\$4,519	\$18,046	4%	\$3,714	82%
<b>TOTAL</b>	<b>\$292</b>	<b>\$1,534</b>	<b>\$805</b>	<b>\$4,519</b>	<b>\$18,046</b>	<b>4%</b>	<b>\$3,714</b>	<b>82%</b>

**UNITED LAGUNA WOODS MUTUAL  
FUND EXPENDITURES REPORT  
AS OF MARCH 31, 2022**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		2022	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET	EXPENDED	\$	%
<b>RESERVE FUND - MAINTENANCE &amp; CONSTRUCTION</b>								
<b>REPLACEMENTS</b>								
BUILDING STRUCTURES	\$50,055	\$106,665	\$88,411	\$292,769	\$1,492,903	6%	\$204,358	70%
ELECTRICAL SYSTEMS	31,425	53,800	64,945	161,398	660,595	10%	96,453	60%
EXTERIOR WALKWAY LIGHTING	624	6,734	1,964	15,156	75,635	3%	13,192	87%
FOUNDATIONS	0	3,619	20,130	10,857	43,436	46%	(9,273)	(85%)
GUTTER REPLACEMENT	4,470	10,663	13,068	31,721	126,889	10%	18,653	59%
PAINT - EXTERIOR	143,379	147,635	380,042	435,203	1,739,285	22%	55,161	13%
PRIOR TO PAINT	60,986	72,025	165,509	212,392	882,584	19%	46,883	22%
PLUMBING	18,681	54,283	47,929	161,690	646,769	7%	113,761	70%
PAVING	0	0	0	0	389,319	0%	0	100%
ROOF REPLACEMENTS	15,578	98,994	108,822	115,660	1,020,439	11%	6,838	6%
WALL REPLACEMENT	0	0	0	0	35,000	0%	0	100%
WASTE LINE REMEDIATION	341,213	76,666	226,945	230,000	2,300,000	10%	3,055	1%
WATER LINE - COPPER PIPE REMEDIATION	0	0	0	0	100,000	0%	0	100%
WINDOW/SLIDING SCREEN DOOR	7,035	11,250	22,144	33,473	133,896	17%	11,328	34%
<b>SUB-TOTAL</b>	<b>\$673,444</b>	<b>\$642,333</b>	<b>\$1,139,908</b>	<b>\$1,700,318</b>	<b>\$9,646,750</b>	<b>12%</b>	<b>\$560,409</b>	<b>33%</b>
<b>APPLIANCE AND FIXTURE REPLACEMENTS</b>								
COOKTOPS	\$2,690	\$5,895	\$11,722	\$17,608	\$70,442	17%	\$5,886	33%
DISHWASHERS	10,672	8,185	23,353	24,379	97,526	24%	1,026	4%
BASINS/SINKS/TOILETS	19,846	19,461	49,095	58,070	232,333	21%	8,975	15%
GARBAGE DISPOSALS	9,696	9,904	27,458	29,409	117,647	23%	1,952	7%
HOODS	1,881	3,357	5,107	9,999	40,005	13%	4,892	49%
COUNTER TOPS/FLOORS/SHOWER ENCLOSURE:	75,266	114,370	144,895	340,953	1,363,868	11%	196,058	58%
OVENS	21,118	11,202	38,106	33,529	134,125	28%	(4,577)	(14%)
RANGES	953	1,063	2,734	3,150	12,613	22%	416	13%
REFRIGERATORS	16,200	18,741	35,868	55,957	223,841	16%	20,089	36%
WATER HEATERS & PERMITS	74,006	64,036	201,678	190,505	762,029	26%	(11,174)	(6%)
DRYERS	303	3,194	795	9,562	38,247	2%	8,766	92%
WASHING MACHINES	7,509	7,629	10,549	22,842	91,380	12%	12,293	54%
<b>SUB-TOTAL</b>	<b>\$240,141</b>	<b>\$267,034</b>	<b>\$551,361</b>	<b>\$795,962</b>	<b>\$3,184,055</b>	<b>17%</b>	<b>\$244,602</b>	<b>31%</b>
<b>TOTAL</b>	<b>\$913,586</b>	<b>\$909,367</b>	<b>\$1,691,269</b>	<b>\$2,496,280</b>	<b>\$12,830,805</b>	<b>13%</b>	<b>\$805,011</b>	<b>32%</b>

**UNITED LAGUNA WOODS MUTUAL  
FUND EXPENDITURES REPORT  
AS OF MARCH 31, 2022**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		2022	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET	EXPENDED	\$	%
<b>RESERVE FUND - GENERAL SERVICES</b>								
PRIOR TO PAINT	\$744	\$814	\$2,041	\$2,394	\$9,565	21%	\$354	15%
PAVING	4,705	5,173	13,269	15,221	60,820	22%	1,952	13%
WALL REPLACEMENT	0	1,282	0	3,846	15,400	0%	3,846	100%
<b>TOTAL</b>	<b>\$5,449</b>	<b>\$7,269</b>	<b>\$15,309</b>	<b>\$21,461</b>	<b>\$85,785</b>	<b>18%</b>	<b>\$6,152</b>	<b>29%</b>
<b>RESERVE FUND - LANDSCAPE</b>								
<b>REPLACEMENTS</b>								
LANDSCAPE MODIFICATION	\$1,115	\$9,345	\$9,022	\$27,983	\$111,925	8%	\$18,960	68%
IMPROVEMENTS & RESTORATION	16,740	31,691	37,909	93,210	373,213	10%	55,301	59%
TREE MAINTENANCE	30,421	79,716	93,045	236,961	947,657	10%	143,916	61%
<b>TOTAL</b>	<b>\$48,276</b>	<b>\$120,752</b>	<b>\$139,977</b>	<b>\$358,154</b>	<b>\$1,432,795</b>	<b>10%</b>	<b>\$218,177</b>	<b>61%</b>
<b>PROPERTY TAXES FUND - NON WORK CENTER</b>								
PROPERTY TAXES	\$1,016,931	\$1,033,430	\$3,047,070	\$3,100,290	\$12,401,160	25%	\$53,220	2%
<b>TOTAL</b>	<b>\$1,016,931</b>	<b>\$1,033,430</b>	<b>\$3,047,070</b>	<b>\$3,100,290</b>	<b>\$12,401,160</b>	<b>25%</b>	<b>\$53,220</b>	<b>2%</b>

**RESERVES EXPENDITURES COMPARED TO RESERVE STUDY  
AS PRESENTED IN THE 2022 BUSINESS PLAN  
AS OF MARCH 31, 2022**

	2022	2022	2022	2022	2022
	YTD Actual	YTD Budget	YTD Variance	Annual Budget	% Expended
Paving	\$0	\$0	\$0	\$239,319	0%
Asphalt & Concrete Repair/Replace	13,269	15,221	1,952	210,820	6%
Roofs - Built-Up	108,822	115,660	6,838	1,020,439	11%
Roofs - Comp Shingle	0	0	0	0	0%
Roofs - Tile	0	0	0	0	0%
Infrastructure/Buildings	67,333	268,955	201,622	1,105,876	6%
Carport Siding Renovation	0	0	0	0	0%
Manor Components	536,564	760,433	223,869	3,041,917	18%
Lighting & Electrical	66,909	174,181	107,272	726,735	9%
Laundry Rooms	14,797	37,904	23,107	151,636	10%
Off Cycle Decking	25,519	31,538	6,019	126,159	20%
Prior To Painting	142,031	183,248	41,218	765,990	19%
Interior & Exterior Painting	380,042	435,203	55,161	1,739,285	22%
Walls, Fencing, Railings & Gates	0	3,846	3,846	50,400	0%
Grounds & Miscellaneous	139,977	358,154	218,177	1,432,795	10%
Building Structures	76,420	99,865	23,445	691,248	11%
Plumbing	274,874	391,690	116,816	3,046,769	9%
<b>Total</b>	<b>\$1,846,555</b>	<b>\$2,875,896</b>	<b>\$1,029,341</b>	<b>\$14,349,388</b>	<b>13%</b>

**UNITED LAGUNA WOODS MUTUAL  
MAINTENANCE PROGRAMS EXPENDITURES REPORT  
AS OF MARCH 31, 2022**

**YTD ACTUAL**

DESCRIPTION	TOTAL EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES
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**OPERATING EXPENDITURES - MAINTENANCE & CONSTRUCTION**

PLUMBING SERVICE	\$292,674	\$251,422	\$27,444	\$13,809
DAMAGE RESTORATION	97,754	0	0	97,754
CARPENTRY SERVICE	127,928	112,862	15,066	0
ELECTRICAL SERVICE	92,096	82,660	9,436	0
APPLIANCE REPAIRS	69,381	62,689	6,693	0
INTERIOR PREVENTIVE MAINTENANCE	85,177	84,580	597	0
PEST CONTROL	5,705	0	0	5,705
COUNTERTOP/FLOOR/TILE REPAIRS	25,235	24,305	930	0
ENERGY PROGRAM	5,393	0	0	5,393
MISC. REPAIRS BY OUTSIDE SERVICE	298	0	0	298
FIRE PROTECTION	3,156	1,178	1,740	238
<b>TOTAL</b>	<b>\$804,798</b>	<b>\$619,696</b>	<b>\$61,905</b>	<b>\$123,196</b>

**OPERATING EXPENDITURES - GENERAL SERVICES**

CONCRETE REPAIR/REPLACEMENT	\$81,696	\$80,859	\$837	\$0
JANITORIAL SERVICE	92,204	92,204	0	0
GUTTER CLEANING	7,687	4,482	0	3,205
WELDING	22,837	22,156	281	400
TRAFFIC CONTROL	3,389	3,389	0	0
<b>TOTAL</b>	<b>\$207,813</b>	<b>\$203,090</b>	<b>\$1,118</b>	<b>\$3,605</b>

**OPERATING EXPENDITURES - LANDSCAPE SERVICES**

LANDSCAPE ADMINISTRATION	\$49,249	\$49,249	\$0	\$0
NURSERY & COMPOSTING	39,422	39,422	0	0
GROUNDS MAINTENANCE	650,173	553,910	0	96,263
IRRIGATION	212,228	181,892	30,336	0
SMALL EQUIPMENT REPAIR	28,694	28,694	0	0
PEST CONTROL	79,153	79,153	0	0
<b>TOTAL</b>	<b>\$1,058,919</b>	<b>\$932,321</b>	<b>\$30,336</b>	<b>\$96,263</b>

**OPERATING EXPENDITURES - LANDSCAPE CHARGEABLES SERVICES**

LANDSCAPE CHARGEABLES	\$805	\$734	\$71	\$0
<b>TOTAL</b>	<b>\$805</b>	<b>\$734</b>	<b>\$71</b>	<b>\$0</b>



**UNITED LAGUNA WOODS MUTUAL  
MAINTENANCE PROGRAMS EXPENDITURES REPORT  
AS OF MARCH 31, 2022**

DESCRIPTION	YTD ACTUAL			
	TOTAL EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES
<b>RESERVE FUND - MAINTENANCE &amp; CONSTRUCTION</b>				
BUILDING STRUCTURES	\$88,411	\$50,976	\$11,460	\$25,974
ELECTRICAL SYSTEMS	64,945	0	0	64,945
EXTERIOR WALKWAY LIGHTING	1,964	1,964	0	0
FOUNDATIONS	20,130	0	0	20,130
GUTTER REPLACEMENT	13,068	11,121	1,947	0
PAINT - EXTERIOR	380,042	346,070	33,972	0
PRIOR TO PAINT	165,509	153,173	12,336	0
PLUMBING	47,929	47,929	0	0
PAVING	0	0	0	0
ROOF REPLACEMENTS	108,822	0	0	108,822
WALL REPLACEMENT	0	0	0	0
WASTE LINE REMEDIATION	226,945	0	126	226,819
WATER LINE - COPPER PIPE REMEDIATION	0	0	0	0
WINDOW/SLIDING SCREEN DOOR	22,144	11,526	10,618	0
COOKTOPS	11,722	3,193	7,145	1,384
DISHWASHERS	23,353	7,351	14,694	1,308
BASINS/SINKS/TOILETS	49,095	12,967	36,128	0
GARBAGE DISPOSALS	27,458	12,536	14,922	0
HOODS	5,107	3,037	1,674	396
COUNTER TOPS/FLOORS/SHOWER ENCLOSURES	144,895	88,486	38,045	18,363
OVENS	38,106	3,193	29,071	5,842
RANGES	2,734	1,603	742	389
REFRIGERATORS	35,868	11,183	19,281	5,404
WATER HEATERS & PERMITS	201,678	66,354	135,324	0
DRYERS	795	795	0	0
WASHING MACHINES	10,549	1,916	8,633	0
<b>TOTAL</b>	<b>\$1,691,269</b>	<b>\$835,375</b>	<b>\$376,119</b>	<b>\$479,775</b>

**RESERVE FUND - GENERAL SERVICES**

PRIOR TO PAINT	\$2,041	\$2,041	\$0	\$0
PAVING	13,269	12,900	369	0
WALL REPLACEMENT	0	0	0	0
<b>TOTAL</b>	<b>\$15,309</b>	<b>\$14,941</b>	<b>\$369</b>	<b>\$0</b>

**RESERVE FUND - LANDSCAPE**

LANDSCAPE MODIFICATION	\$9,022	\$2,798	\$0	\$6,225
IMPROVEMENTS & RESTORATION	37,909	37,909	0	0
TREE MAINTENANCE	93,045	103,670	0	(10,625)
<b>TOTAL</b>	<b>\$139,977</b>	<b>\$144,377</b>	<b>\$0</b>	<b>(\$4,400)</b>

**PROPERTY TAXES FUND - NON WORK CENTER**

PROPERTY TAXES	\$3,047,070	\$3,047,070	\$0	\$0
<b>TOTAL</b>	<b>\$3,047,070</b>	<b>\$3,047,070</b>	<b>\$0</b>	<b>\$0</b>

**UNITED LAGUNA WOODS MUTUAL  
OUTSIDE SERVICES - COST COLLECTION  
AS OF MARCH 31, 2022**

YTD ACTUAL

DESCRIPTION	TOTAL OS EXPENDITURES
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***OPERATING EXPENDITURES - MAINTENANCE & CONSTRUCTION***

PLUMBING SERVICE	\$13,809
DAMAGE RESTORATION	\$97,754
CARPENTRY SERVICE	0
ELECTRICAL SERVICE	0
APPLIANCE REPAIRS	0
INTERIOR PREVENTIVE MAINTENANCE	0
PEST CONTROL	5,705
COUNTERTOP/FLOOR/TILE REPAIRS	0
ENERGY PROGRAM	5,393
MISC. REPAIRS BY OUTSIDE SERVICE	298
FIRE PROTECTION	238
<b>TOTAL</b>	<b>\$123,196</b>

***OPERATING EXPENDITURES - GENERAL SERVICES***

CONCRETE REPAIR/REPLACEMENT	\$0
JANITORIAL SERVICE	0
GUTTER CLEANING	3,205
WELDING	400
TRAFFIC CONTROL	0
<b>TOTAL</b>	<b>\$3,605</b>

***OPERATING EXPENDITURES - M&C CHARGEABLE SERVICES***

CHARGEABLES	\$16,413
<b>TOTAL</b>	<b>\$16,413</b>

***OPERATING EXPENDITURES - LANDSCAPE***

LANDSCAPE SHRUB-BED MAINTENANCE	\$96,263
<b>TOTAL</b>	<b>\$96,263</b>

**UNITED LAGUNA WOODS MUTUAL  
OUTSIDE SERVICES - COST COLLECTION  
AS OF MARCH 31, 2022**

YTD ACTUAL

DESCRIPTION	TOTAL OS EXPENDITURES
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**RESERVE FUND - MAINTENANCE & CONSTRUCTION**

BUILDING STRUCTURES	\$25,974
CDS SIGNAGE	0
ELECTRICAL SYSTEMS	64,945
EXTERIOR WALKWAY LIGHTING	0
FOUNDATIONS	20,130
GUTTER REPLACEMENT	0
PAINT - EXTERIOR	0
PRIOR TO PAINT	0
PLUMBING	0
PAVING	0
ROOF REPLACEMENTS	108,822
WALL REPLACEMENT	0
WASTE LINE REMEDIATION	226,819
WATER LINE - COPPER PIPE REMEDIATION	0
WINDOW/SLIDING SCREEN DOOR	0
SUPPL. APPROPRIATIONS	0
COOKTOPS	1,384
DISHWASHERS	1,308
BASINS/SINKS/TOILETS	0
GARBAGE DISPOSALS	0
HOODS	396
COUNTER TOPS/FLOORS/SHOWER ENCLOSURES	18,363
OVENS	5,842
RANGES	389
REFRIGERATORS	5,404
WATER HEATERS & PERMITS	0
DRYERS	0
WASHING MACHINES	0
<b>TOTAL</b>	<b>\$479,775</b>

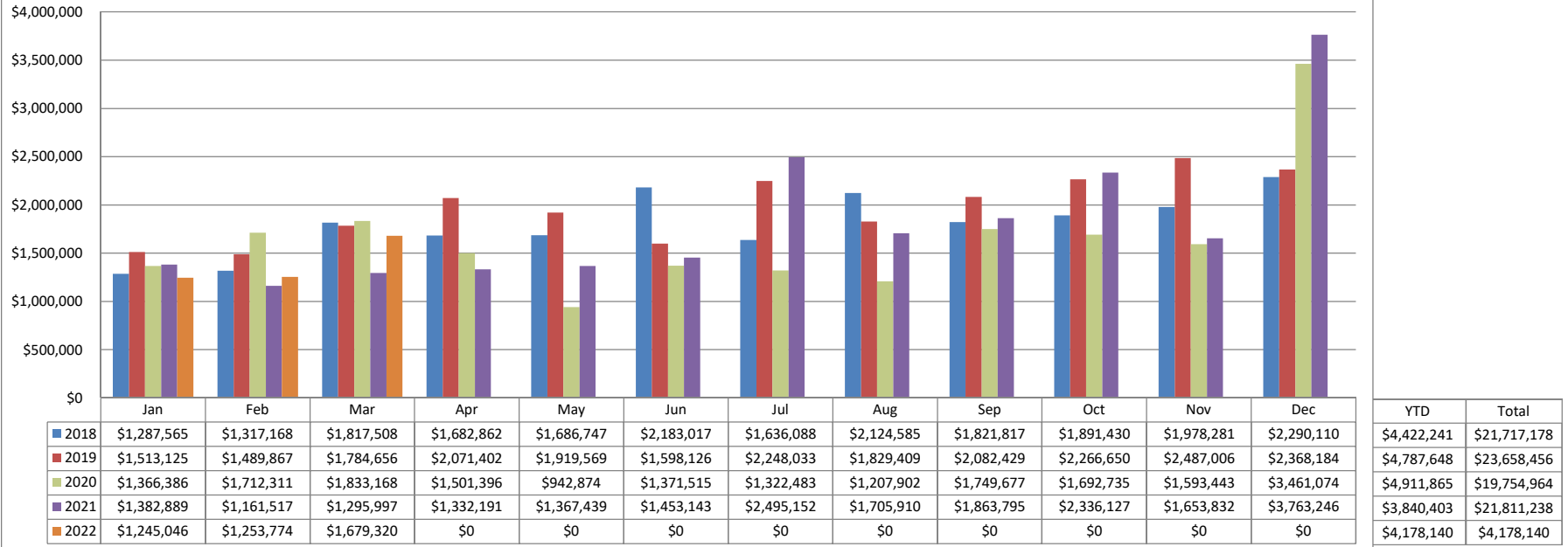
**RESERVE FUND - GENERAL SERVICES**

PRIOR TO PAINT	\$0
WALL REPLACEMENT	0
<b>TOTAL</b>	<b>\$0</b>

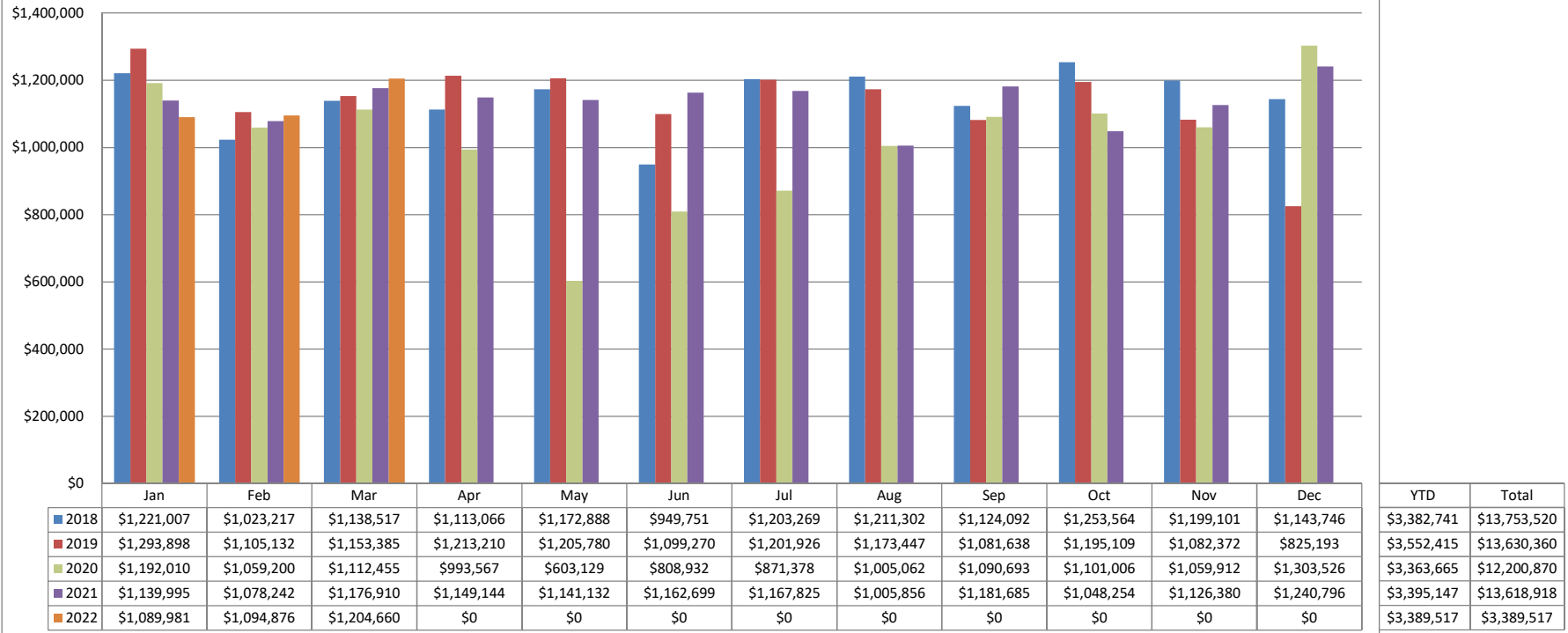
**RESERVE FUND - LANDSCAPE**

LANDSCAPE MODIFICATION	\$6,225
IMPROVEMENTS & RESTORATION	\$0
TREE MAINTENANCE	(10,625)
<b>TOTAL</b>	<b>(\$4,400)</b>

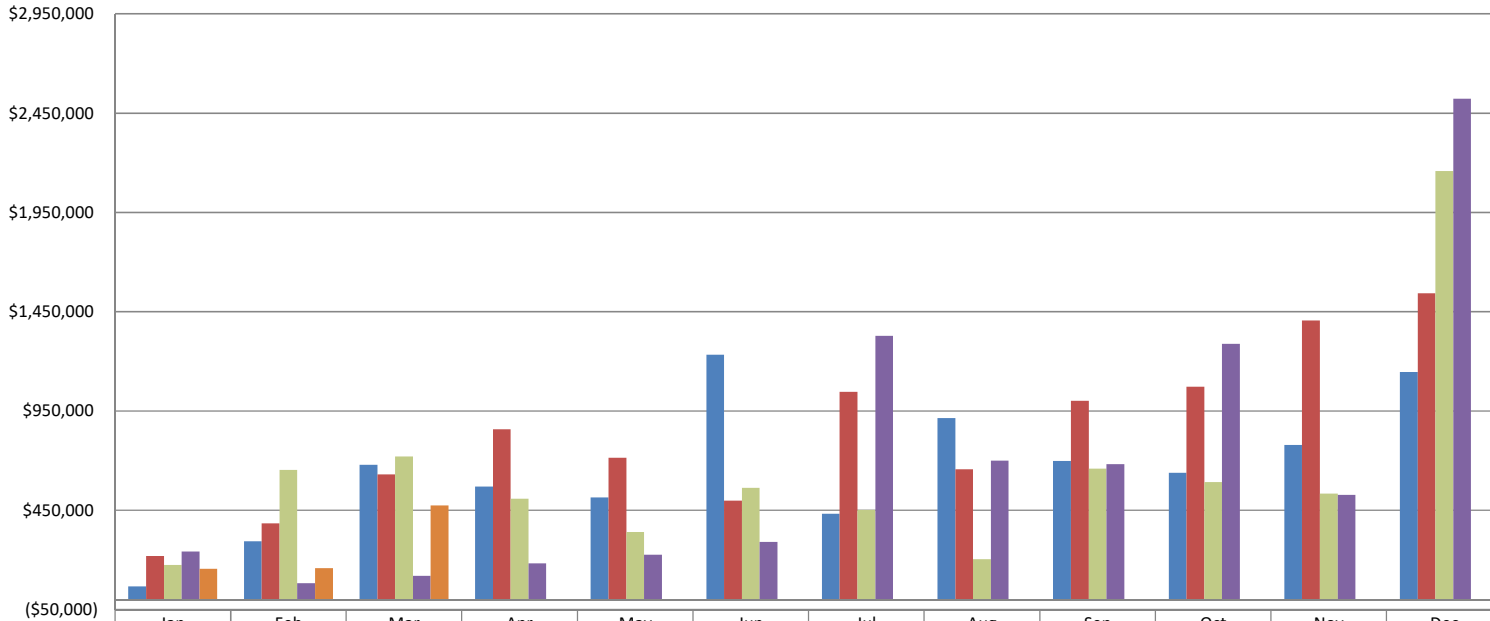
**United Mutual  
Employee Compensation, Related, and Outside Services**



## United Mutual Employee Compensation & Related

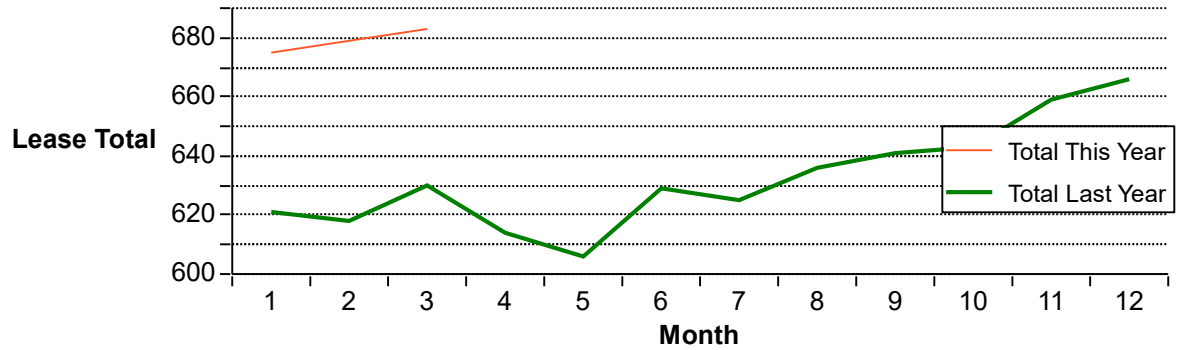


## United Mutual Outside Services



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Total
■ 2018	\$66,558	\$293,951	\$678,991	\$569,796	\$513,859	\$1,233,266	\$432,819	\$913,283	\$697,725	\$637,866	\$779,180	\$1,146,364	\$1,039,500	\$7,963,658
■ 2019	\$219,227	\$384,735	\$631,271	\$858,192	\$713,789	\$498,856	\$1,046,107	\$655,962	\$1,000,791	\$1,071,541	\$1,404,634	\$1,542,991	\$1,235,233	\$10,028,096
■ 2020	\$174,376	\$653,111	\$720,713	\$507,829	\$339,745	\$562,583	\$451,105	\$202,840	\$658,984	\$591,729	\$533,531	\$2,157,548	\$1,548,200	\$7,554,094
■ 2021	\$242,894	\$83,275	\$119,087	\$183,047	\$226,307	\$290,444	\$1,327,327	\$700,054	\$682,110	\$1,287,873	\$527,452	\$2,522,450	\$445,256	\$8,192,320
■ 2022	\$155,065	\$158,898	\$474,660										\$788,623	\$788,623

## Monthly Active Leasing Report 2022 Period 3 (Mutual 1)



Year	Month	1 to 3 Month	4 to 6 Month	7 to 12 Month	12+ Month	Total This Year	Total Last Year	% Leased	% Leased Last Year	% Change	Total Renewals	Total Expirations
2022	January	18	33	188	436	675	621	10.7	9.8	0.9	40	19
2022	February	17	30	204	428	679	618	10.7	9.8	0.9	50	23
2022	March	17	28	221	417	683	630	10.8	10.0	0.8	39	30
2022	April						614					
2022	May						606					
2022	June						629					
2022	July						625					
2022	August						636					
2022	September						641					
2022	October						643					
2022	November						659					
2022	December						666					



## STAFF REPORT

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**DATE:** April 26, 2022  
**FOR:** Finance Committee  
**SUBJECT:** Temporary Borrowing

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### **RECOMMENDATION**

Staff recommends the Finance Committee ratify the temporary borrowing of \$2,000,000 by the Operating Fund from the Reserve Fund to meet cashflow needs resulting from the property tax payment issued in April 2022. Payback of the borrowed monies to the advancing fund is planned by June 30, 2022.

### **GOVERNING AUTHORITY**

California Civil Code § 5510 Expenditure of Reserve Accounts

- (b) The board shall not expend funds designated as reserve funds for any purpose other than the repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration, replacement, or maintenance of, major components that the association is obligated to repair, restore, replace, or maintain and for which the reserve fund was established.

California Civil Code § 5515 Borrowing from Reserve Accounts

- (a) Notwithstanding Section 5510, the board may authorize the temporary transfer of moneys from a reserve fund to the association's general operating fund to meet short-term cashflow requirements or other expenses, if the board has provided notice of the intent to consider the transfer in a board meeting notice provided pursuant to Section 4920 (Notice of Board Meeting).
- (b) The notice shall include the reasons the transfer is needed, some of the options for repayment, and whether a special assessment may be considered.
- (c) If the board authorizes the transfer, the board shall issue a written finding, recorded in the board's minutes, explaining the reasons that the transfer is needed, and describing when and how the moneys will be repaid to the reserve fund.
- (d) The transferred funds shall be restored to the reserve fund within one year of the date of the initial transfer, except that the board may, after giving the same notice required for considering a transfer, and, upon making a finding supported by documentation that a temporary delay would be in the best interest of the common interest development, temporarily delay the restoration.



**BACKGROUND**

The Orange County Tax Collector requires the equivalent of six months of property taxes to be paid no later than April 10<sup>th</sup>. By April 2022, only four months of resident property tax contributions had been collected resulting in an operating fund cash deficit of \$2,042,431 (\$1,021,215 x 2 months: May and June) specific to property taxes.

The table below illustrates the inflow of property tax contributions from residents and outflow of payments to the Orange County Tax Collector:

	Contributions	Payment	Rolling Balance
January 2022	1,021,218	-	1,021,218
February	1,021,218	-	2,042,436
March	1,021,218	-	3,063,654
April	1,021,218	(6,127,308)	(2,042,436)
May	1,021,218	-	(1,021,218)
June	1,021,218	-	0

**DISCUSSION**

To provide sufficient funding for the April 2022 property tax payment, a temporary borrowing of \$2,000,000 was needed from United’s Reserve Fund. Funds were moved from the Reserve Fund to the Operating Fund and property tax payment was issued.

**FINANCIAL ANALYSIS**

The borrowed funds will be repaid in full by the end of June via monthly assessments. A special assessment will not be necessary to repay the borrowed funds. Moving funds between accounts is conducted as an account transfer and incurs no bank transaction fees.

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