



REGULAR MEETING OF THE FINANCE COMMITTEE

**Tuesday, January 30, 2024 – 1:30 p.m.
Laguna Woods Village Board Room/Virtual Meeting
24351 El Toro Road
Laguna Woods, CA 92637**

Laguna Woods Village owners/residents are welcome to participate in all open committee meetings and submit comments or questions regarding virtual meetings using one of two options:

1. Join the Committee meeting via a Zoom link at: <https://us06web.zoom.us/j/85040223813> or by calling 669-900-6833 Access Code: 85040223813
2. Via email to meeting@vmsinc.org any time before the meeting is scheduled to begin. Please use the name of the committee in the subject line of the email. Name and unit number must be included.

NOTICE AND AGENDA

This Meeting May Be Recorded

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Approval of the Meeting Report for November 28, 2023
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 amount of time allotted for the Open Forum.
7. Department Head Update
8. Items for Discussion and Consideration:
9. Preliminary Financial Statements dated December 31, 2023
 - a) United Leasing Report
 - b) HR Staffing Report
10. United Fees
11. Purchasing Policy
12. Endorsements from Standing Committees
 - a) Landscape Committee – Approve a Supplemental Appropriation to Replace Benches on Friendship Walk

Mickie Choi Hoe, Chair
Steve Hormuth, Staff Officer
Telephone: 949-597-4201

- b) Architectural Control and Standards Committee – Revision to Resale Inspection Fees

Future Agenda Items

- 13. United Annual Policy Review
 - a) Finance Committee Charter
 - b) Investment
 - c) Collections and Lien Enforcement

Concluding Business:

- 14. Committee Member Comments
- 15. Date of Next Meeting – Tuesday, March 26, 2024 at 1:30 p.m.
- 16. Recess to Closed Session



FINANCE COMMITTEE MEETING REPORT OF THE REGULAR OPEN SESSION

Tuesday, November 28, 2023 – 1:30 p.m.
Hybrid Meeting

DIRECTORS PRESENT: Mickie Choi Hoe – Chair, Alison Bok, Thomas Tuning
DIRECTORS ABSENT: None
ADVISORS PRESENT: Ken Benson, Eric Carlson
STAFF PRESENT: Steve Hormuth, Jose Campos, Erika Hernandez
OTHERS PRESENT: United – Maggie Blackwell, Sue Quam, Nancy Carlson,
Ellen Leonard

Call to Order

Director Mickie Choi Hoe, Treasurer, chaired the meeting and called it to order at 1:32 p.m.

Acknowledgment of Media

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

Approval of Agenda

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

Approval of the Regular Meeting Report of October 31, 2023

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

Chair Remarks

Director Choi Hoe thanked the Board and staff for their presentation on financials during the November 14, 2023 Board meeting.

Member Comments (Items Not on the Agenda)

None.

Department Head Update

Steve Hormuth, Director of Financial Services, shared that the annual Mutual budgets combined had increased by 25% beginning 2016 to 2023 and provided information on where to find the Business Plans in the Laguna Woods Village website.

Review Preliminary Financial Statements dated October 31, 2023

The committee reviewed financial statements for October 31, 2023 and questions were addressed and noted by staff.

Financial Statement and Budget Training

Steve Hormuth provided a brief presentation on the GAAP method used to present financial statements and explained the information displayed on each Financial Statements that is reviewed during each committee meeting.

Future Agenda Items

None.

Committee Member Comments

None.

Date of Next Meeting

Tuesday, January 30, 2024 at 1:30 p.m.

Recess to Closed Session

The meeting recessed to closed session at 2:50 p.m.



[Mickie Choi Hoe \(Dec 29, 2023 14:34 PST\)](#)

Mickie Choi Hoe, Chair

MEMORANDUM

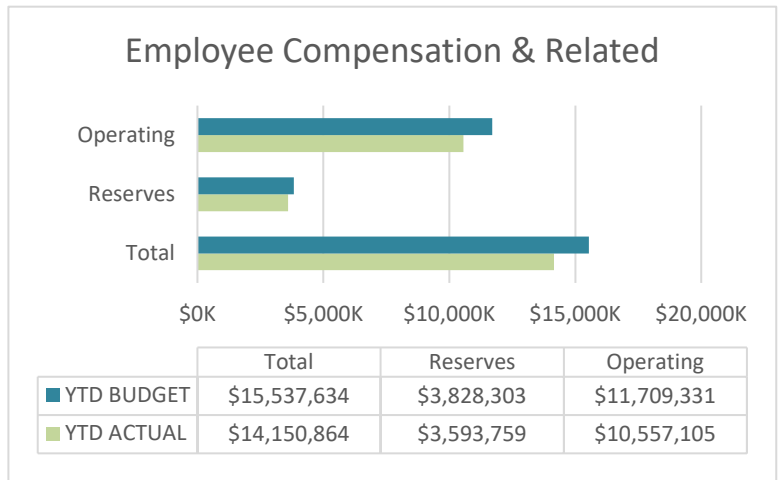
To: United Finance Committee
 From: Steve Hormuth, Director of Financial Services
 Date: January 30, 2024
 Re: Department Head Update

Financial Highlights

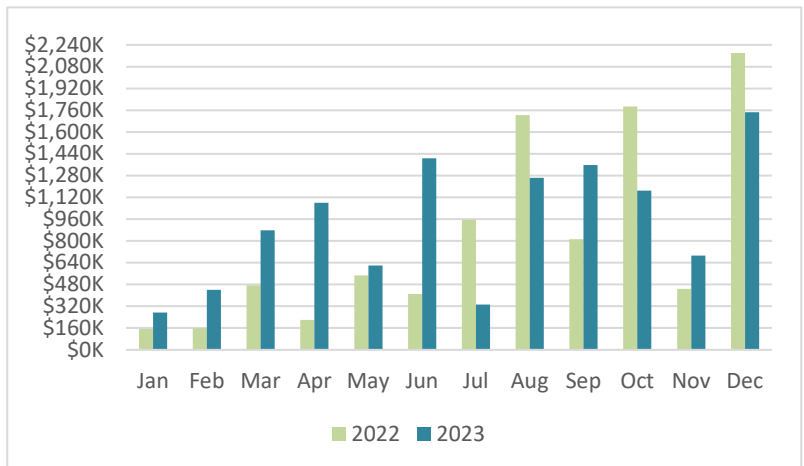
▪ **SUMMARY:** For the year-to-date period ending December 31, 2023, United Laguna Woods Mutual was worse than budget by (\$558K) primarily due to higher outside services and insurance expenses than planned. This was partially offset by lower compensation and related expenses than budgeted due to open positions and more investment income than planned.

	INCOME STATEMENT		
	Actual	Budget	Variance
Assessment Revenues	\$49,325,381	\$48,296,856	\$1,028,525
Other Revenues	2,591,880	1,931,436	660,444
Expenses	54,210,959	51,963,961	(2,246,998)
Revenue / (Expense)	(\$2,293,698)	(\$1,735,669)	(558,029)

▪ **COMPENSATION:** Compensation ended the period with a favorable variance of \$1,387K. Actual compensation and related costs came in at \$14.2 million, with \$10.6 million in operations and \$3.6 million in reserves. Combined, this category is 8.9% favorable to budget. The most significant impacts were in Landscape and Maintenance & Construction due to open positions.



▪ **OUTSIDE SERVICES:** In total, this category was unfavorable to budget by (\$1,951K) primarily in M&C and Landscape as a result of more moisture intrusion events than anticipated. Rainfall in 2023 was higher than prior years. Landscape contracted out shrub-bed maintenance to outside vendors for the pruning/weeding cycle.



Discussions

2024 Annual Budget Report and Annual Policy Statement: During November 2023, staff mailed out the 2024 Business Plan to owners. The United portion of the basic assessment increased \$12.85 compared to compared 2023 primarily due to increased reserve fund contributions. Including the assessment for Golden Rain Foundation, total basic assessment (excluding property taxes and insurance) increased by \$19.76 or 3.07% when compared to 2023. The 2024 Annual Assessment packet is available on the lagunawoodsvillage.com website. Additionally, coupon books were mailed out in December to those not currently enrolled in EZ pay.

Financial Audit: The Select Audit Task Force will meet on February 14, 2024 with an invite to all boards to kick off the 2023 financial statement audit. At the meeting, United’s auditors (KPMG) will give their annual audit services presentation including expected timelines and an overview of the procedures the will perform. During the months of February through April, KPMG will hold multiple meetings with the Task Force to keep them apprised of status and any findings they may discover. Consistent with prior years, the audit will conclude after a special board meeting is held to accept the final numbers into corporate records.

Calendar

- January 30, 2024 @ 1:30 p.m. United Finance Committee (December Financials)
- February 13, 2024 @ 9:30 a.m. United Board Meeting
- February 14, 2024 @ 1:00 p.m. Select Audit Task Force Pre-Audit Meeting (Invite to all Boards)
- February 22, 2024 @ 9:00 a.m. United Agenda Prep Meeting
- March 12, 2024 @ 9:30 a.m. United Board Meeting
- March 26, 2024 @ 1:30 p.m. United Finance Committee (February Financials)
- April 4, 2024 @ 1:00 p.m. Select Audit Task Force Audit Closing Meeting (Invite to all Boards)
- April 9, 2024 @ 9:30 a.m. United Board Meeting
- April 25, 2024 @ 9:00 a.m. United Agenda Prep

February 2024							March 2024							April 2024						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3						1	2	1	2	3	4	5	6	
4	5	6	7	8	9	10	3	4	5	6	7	8	9	7	8	9	10	11	12	13
11	12	13	14	15	16	17	10	11	12	13	14	15	16	14	15	16	17	18	19	20
18	19	20	21	22	23	24	17	18	19	20	21	22	23	21	22	23	24	25	26	27
25	26	27	28	29			24	25	26	27	28	29	30	28	29	30				
							31													

United Laguna Woods Mutual
Statement of Revenues & Expenses - Preliminary
12/31/2023
(\$ IN THOUSANDS)

	CURRENT MONTH			YEAR TO DATE			PRIOR YEAR ACTUAL	TOTAL BUDGET	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE			
Revenues:									
Assessments:									
1	Operating	\$3,116	\$3,031	\$86	\$37,395	\$36,367	\$1,028	\$35,154	\$36,367
2	Additions to restricted funds	994	994		11,930	11,930		10,776	11,930
3	Total assessments	4,110	4,025	86	49,325	48,297	1,029	45,929	48,297
Non-assessment revenues:									
4	Merchandise sales	1		1	15	5	11	5	5
5	Fees and charges for services to residents	441	65	375	1,045	820	225	753	820
6	Laundry	18	23	(4)	227	270	(43)	234	270
7	Investment income	55	13	43	694	150	544	355	150
8	Miscellaneous	69	57	11	611	687	(76)	636	687
9	Total non-assessment revenue	585	158	427	2,592	1,931	660	1,983	1,931
10	Total revenue	4,695	4,183	512	51,917	50,228	1,689	47,913	50,228
Expenses:									
11	Employee compensation and related	1,547	1,310	(236)	14,151	15,538	1,387	13,637	15,538
12	Materials and supplies	148	265	117	3,150	3,134	(16)	2,480	3,134
13	Utilities and telephone	333	344	11	4,478	4,517	38	4,282	4,517
14	Legal fees	26	13	(14)	122	183	61	184	183
15	Professional fees	12	9	(4)	91	102	11	127	102
16	Equipment rental	4	3	(1)	27	43	16	28	43
17	Outside services	1,746	719	(1,027)	11,268	9,316	(1,951)	9,872	9,316
18	Repairs and maintenance	17	4	(13)	55	47	(8)	34	47
19	Other Operating Expense	7	15	8	127	191	64	135	191
20	Income taxes							1	
21	Property and sales tax	1,765	1,054	(711)	14,152	12,649	(1,502)	13,161	12,649
22	Insurance	522	383	(139)	4,956	4,601	(355)	4,020	4,601
23	Investment expense		1	1		11	10	10	11
24	Uncollectible Accounts	9	1	(7)	2	15	13	35	15
25	Depreciation and amortization	(2)	13	14	139	153	14	153	153
26	Net allocation to mutuals	110	123	13	1,390	1,463	73	1,473	1,463
27	Total expenses	6,245	4,258	(1,987)	54,108	51,964	(2,144)	49,633	51,964
28	Excess of revenues over expenses	<u>(\$1,550)</u>	<u>(\$75)</u>	<u>(\$1,475)</u>	<u>(\$2,191)</u>	<u>(\$1,736)</u>	<u>(\$455)</u>	<u>(\$1,720)</u>	<u>(\$1,736)</u>
Other Changes									
29	Miscellaneous							1,242	
30	(Gain)/loss on sale or trade	104		(104)	103		(103)	1,389	
31	Total other changes	(104)		(104)	(103)		(103)	(147)	
32	Excess of revenues over expenses	<u>(\$1,654)</u>	<u>(\$75)</u>	<u>(\$1,579)</u>	<u>(\$2,294)</u>	<u>(\$1,736)</u>	<u>(\$558)</u>	<u>(\$1,867)</u>	<u>(\$1,736)</u>

United Laguna Woods Mutual
Statement of Revenues & Expenses - By Fund Type - Preliminary
12/31/2023
(\$ 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	
Revenues:													
Assessments:													
1	Operating	\$23,718	\$23,718				\$13,678	\$12,649	\$1,028	\$37,395	\$36,367	\$1,028	
2	Additions to restricted funds			11,854	11,854		76	76		11,930	11,930		
3	Total assessments	23,718	23,718	11,854	11,854		13,753	12,725	1,028	49,325	48,297	1,029	
Non-assessment revenues:													
4	Merchandise sales	15	5	11						15	5	11	
5	Fees and charges for services to residents	1,044	820	224	1				1	1,045	820	225	
6	Laundry	227	270	(43)						227	270	(43)	
7	Investment income				694	150	544			694	150	544	
8	Miscellaneous	611	687	(76)						611	687	(76)	
9	Total non-assessment revenue	1,898	1,781	116	694	150	544			2,592	1,931	660	
10	Total revenue	25,615	25,499	116	12,548	12,004	545	13,753	12,725	1,028	51,917	50,228	1,689
Expenses:													
11	Employee compensation and related	10,557	11,709	1,152	3,594	3,828	235			14,151	15,538	1,387	
12	Materials and supplies	830	823	(6)	2,321	2,311	(10)			3,150	3,134	(16)	
13	Utilities and telephone	4,469	4,506	37	9	11	2			4,478	4,517	38	
14	Legal fees	122	183	61						122	183	61	
15	Professional fees	87	102	15	4		(4)			91	102	11	
16	Equipment rental	7	9	1	20	35	15			27	43	16	
17	Outside services	3,951	2,172	(1,779)	7,317	7,144	(172)			11,268	9,316	(1,951)	
18	Repairs and maintenance	53	41	(12)	1	6	4			55	47	(8)	
19	Other Operating Expense	105	159	54	22	32	10			127	191	64	
20	Income taxes												
21	Property and sales tax							14,152	12,649	(1,502)	14,152	12,649	(1,502)
22	Insurance	4,956	4,601	(355)						4,956	4,601	(355)	
23	Investment expense					11	10				11	10	
24	Uncollectible Accounts	2	15	13						2	15	13	
25	Depreciation and amortization	139	153	14						139	153	14	
26	Net allocation to mutuals	1,128	1,178	50	262	285	22			1,390	1,463	73	
27	Total expenses	26,406	25,653	(753)	13,550	13,662	112	14,152	12,649	(1,502)	54,108	51,964	(2,144)
28	Excess of revenues over expenses	(\$791)	(\$153)	(\$637)	(\$1,002)	(\$1,658)	\$656	(\$398)	\$76	(\$474)	(\$2,191)	(\$1,736)	(\$455)
Other Changes													
29	Miscellaneous												
30	(Gain)/loss on sale or trade	(1)		1	104		(104)			103		(103)	
31	Total other changes	1		1	(104)		(104)			(103)		(103)	
32	Excess of revenues over expenses	(\$790)	(\$153)	(\$637)	(\$1,105)	(\$1,658)	\$553	(\$398)	\$76	(\$474)	(\$2,294)	(\$1,736)	(\$558)

United Laguna Woods Mutual
Operating Statement - Preliminary
12/31/2023
UNITED LAGUNA WOODS MUTUAL

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Revenues:					
Assessments:					
Operating					
41001000 - Monthly Assessments	\$20,158,736	\$20,158,869	(\$133)	0.00%	\$20,158,869
41007000 - Monthly Assessments - Property Taxes	13,024,054	12,649,183	374,871	2.96%	12,649,183
41007500 - Monthly Assessments - Supplemental Property Taxes	653,540	0	653,540	0.00%	0
41008000 - Monthly Assessments - Property Insurance	3,559,068	3,559,064	4	0.00%	3,559,064
Total Operating	37,395,397	36,367,116	1,028,281	2.83%	36,367,116
Additions To Restricted Funds					
41001500 - Monthly Assessments - Contingency Fund	75,876	75,876	0	0.00%	75,876
41003500 - Monthly Assessments - Replacement Fund	11,854,107	11,853,864	243	0.00%	11,853,864
Total Additions To Restricted Funds	11,929,983	11,929,740	243	0.00%	11,929,740
Total Assessments	49,325,381	48,296,856	1,028,525	2.13%	48,296,856
Non-Assessment Revenues:					
Merchandise Sales					
41501500 - Merchandise Sales - Warehouse	15,078	4,573	10,505	229.73%	4,573
Total Merchandise Sales	15,078	4,573	10,505	229.73%	4,573
Fees and Charges for Services to Residents					
46501000 - Permit Fee	241,608	257,340	(15,732)	(6.11%)	257,340
46501500 - Inspection Fee	50,245	90,073	(39,827)	(44.22%)	90,073
46502000 - Resident Maintenance Fee	176,296	472,174	(295,878)	(62.66%)	472,174
46502999 - Resident Maintenance Fee Backlog	576,467	0	576,467	0.00%	0
Total Fees and Charges for Services to Residents	1,044,616	819,587	225,029	27.46%	819,587
Laundry					
46005000 - Coin Op Laundry Machine	227,041	270,000	(42,959)	(15.91%)	270,000
Total Laundry	227,041	270,000	(42,959)	(15.91%)	270,000
Investment Income					
49001000 - Investment Income	693,801	150,000	543,801	362.53%	150,000
Total Investment Income	693,801	150,000	543,801	362.53%	150,000
Miscellaneous					
46004500 - Resident Violations	5,399	52,332	(46,933)	(89.68%)	52,332
44501000 - Additional Occupant Fee	41,000	43,992	(2,992)	(6.80%)	43,992
44501500 - Lease Processing Fee - United	168,920	163,425	5,495	3.36%	163,425
44502000 - Variance Processing Fee	750	15,888	(15,138)	(95.28%)	15,888
44503000 - Stock Transfer Fee	11,400	25,000	(13,600)	(54.40%)	25,000
44503510 - Resale Processing Fee - United	122,640	135,800	(13,160)	(9.69%)	135,800
44506000 - Photo Copy Fee	15	0	15	0.00%	0
44507000 - Golf Cart Electric Fee	52,549	60,000	(7,451)	(12.42%)	60,000
44507200 - Electric Vehicle Plug-In Fee	35,166	21,000	14,166	67.46%	21,000
44507500 - Cartport/Carport Space Rental Fee	1,800	2,400	(600)	(25.00%)	2,400
47001000 - Cash Discounts - Accounts Payable	22	0	22	0.00%	0
47001500 - Late Fee Revenue	53,163	52,000	1,163	2.24%	52,000
47002000 - Collection Administrative Fee	200	0	200	0.00%	0
47002010 - Collection Administrative Fee - United	90,920	109,440	(18,520)	(16.92%)	109,440
47002500 - Collection Interest Revenue	(74)	2,000	(2,074)	(103.72%)	2,000
47501000 - Recycling	5,792	4,000	1,792	44.81%	4,000
49009000 - Miscellaneous Revenue	21,683	0	21,683	0.00%	0
Total Miscellaneous	611,345	687,277	(75,932)	(11.05%)	687,277
Total Non-Assessment Revenue	2,591,880	1,931,436	660,444	34.19%	1,931,436
Total Revenue	51,917,261	50,228,292	1,688,968	3.36%	50,228,292
Expenses:					
Employee Compensation					
51011000 - Salaries & Wages - Regular	3,073,124	3,398,734	325,610	9.58%	3,398,734
51021000 - Union Wages - Regular	5,160,450	6,166,553	1,006,104	16.32%	6,166,553

United Laguna Woods Mutual
Operating Statement - Preliminary
12/31/2023
 UNITED LAGUNA WOODS MUTUAL

	YEAR TO DATE				TOTAL BUDGET
	Actual	Budget	VAR\$ B/(W)	VAR% B/(W)	
51041000 - Wages - Overtime	33,389	25,663	(7,727)	(30.11%)	25,663
51051000 - Union Wages - Overtime	145,670	90,400	(55,270)	(61.14%)	90,400
51061000 - Holiday & Vacation	904,375	808,209	(96,166)	(11.90%)	808,209
51071000 - Sick	309,800	329,664	19,864	6.03%	329,664
51091000 - Missed Meal Penalty	5,493	5,520	27	0.49%	5,520
51101000 - Temporary Help	170,780	27,473	(143,307)	(521.63%)	27,473
51981000 - Compensation Accrual	12,467	0	(12,467)	0.00%	0
Total Employee Compensation	9,815,548	10,852,216	1,036,668	9.55%	10,852,216
Compensation Related					
52411000 - F.I.C.A.	722,430	813,282	90,852	11.17%	813,282
52421000 - F.U.I.	7,943	10,423	2,480	23.79%	10,423
52431000 - S.U.I.	38,307	53,999	15,692	29.06%	53,999
52441000 - Union Medical	1,771,439	2,015,225	243,786	12.10%	2,015,225
52451000 - Workers' Compensation Insurance	843,755	582,424	(261,331)	(44.87%)	582,424
52461000 - Non Union Medical & Life Insurance	362,975	490,892	127,917	26.06%	490,892
52471000 - Union Retirement Plan	496,643	569,993	73,351	12.87%	569,993
52481000 - Non-Union Retirement Plan	89,914	149,180	59,267	39.73%	149,180
52981000 - Compensation Related Accrual	1,911	0	(1,911)	0.00%	0
Total Compensation Related	4,335,316	4,685,418	350,102	7.47%	4,685,418
Materials and Supplies					
53001000 - Materials & Supplies	561,744	659,410	97,665	14.81%	659,410
53003000 - Materials Direct	2,583,932	2,470,556	(113,376)	(4.59%)	2,470,556
53004000 - Freight	4,460	4,277	(183)	(4.29%)	4,277
Total Materials and Supplies	3,150,136	3,134,242	(15,893)	(0.51%)	3,134,242
Utilities and Telephone					
53301000 - Electricity	224,439	137,760	(86,679)	(62.92%)	137,760
53301500 - Sewer	1,569,662	1,542,000	(27,662)	(1.79%)	1,542,000
53302000 - Water	1,876,020	2,014,664	138,644	6.88%	2,014,664
53302500 - Trash	806,391	821,478	15,087	1.84%	821,478
53304000 - Telephone	1,524	633	(891)	(140.79%)	633
Total Utilities and Telephone	4,478,035	4,516,535	38,500	0.85%	4,516,535
Legal Fees					
53401500 - Legal Fees	128,333	183,325	54,992	30.00%	183,325
53401550 - Legal Fees Contra	(6,281)	0	6,281	0.00%	0
Total Legal Fees	122,052	183,325	61,273	33.42%	183,325
Professional Fees					
53402000 - Audit & Tax Preparation Fees	3,943	0	(3,943)	0.00%	0
53402010 - Audit & Tax Preparation Fees - United	56,778	47,670	(9,108)	(19.11%)	47,670
53403500 - Consulting Fees	3,758	12,096	8,339	68.93%	12,096
53403510 - Consulting Fees - United	26,847	42,166	15,319	36.33%	42,166
Total Professional Fees	91,326	101,932	10,606	10.41%	101,932
Equipment Rental					
53501500 - Equipment Rental/Lease Fees	27,145	43,211	16,067	37.18%	43,211
Total Equipment Rental	27,145	43,211	16,067	37.18%	43,211
Outside Services					
53601000 - Bank Fees	12,278	37,678	25,400	67.41%	37,678
53601500 - Credit Card Transaction Fees	10,815	10,000	(815)	(8.15%)	10,000
54603500 - Outside Services Cost Collection	10,961,914	9,109,537	(1,852,377)	(20.33%)	9,109,537
53704000 - Outside Services	282,549	159,046	(123,503)	(77.65%)	159,046
Total Outside Services	11,267,557	9,316,261	(1,951,295)	(20.95%)	9,316,261
Repairs and Maintenance					
53701000 - Equipment Repair & Maint	2,900	13,046	10,145	77.77%	13,046
53703000 - Elevator /Lift Maintenance	52,033	34,320	(17,713)	(51.61%)	34,320
Total Repairs and Maintenance	54,933	47,366	(7,568)	(15.98%)	47,366
Other Operating Expense					
53801000 - Mileage & Meal Allowance	2,079	6,533	4,455	68.18%	6,533
53801500 - Travel & Lodging	0	1,781	1,781	100.00%	1,781
53802000 - Uniforms	64,573	89,734	25,162	28.04%	89,734

United Laguna Woods Mutual
Operating Statement - Preliminary
12/31/2023
UNITED LAGUNA WOODS MUTUAL

	YEAR TO DATE				TOTAL BUDGET
	Actual	Budget	VAR\$ B/(W)	VAR% B/(W)	
53802500 - Dues & Memberships	788	2,449	1,661	67.83%	2,449
53803000 - Subscriptions & Books	692	1,629	937	57.50%	1,629
53803500 - Training & Education	5,328	22,110	16,782	75.90%	22,110
53903000 - Safety	168	739	572	77.32%	739
54001010 - Board Relations - United	7,247	10,000	2,753	27.53%	10,000
54002000 - Postage	45,866	55,556	9,691	17.44%	55,556
54002500 - Filing Fees / Permits	382	405	23	5.72%	405
Total Other Operating Expense	127,122	190,937	63,815	33.42%	190,937
Property and Sales Tax					
54302000 - Property Taxes	14,151,681	12,649,183	(1,502,498)	(11.88%)	12,649,183
Total Property and Sales Tax	14,151,681	12,649,183	(1,502,498)	(11.88%)	12,649,183
Insurance					
54401000 - Hazard & Liability Insurance	963,145	955,855	(7,290)	(0.76%)	955,855
54401500 - D&O Liability	62,988	79,165	16,178	20.44%	79,165
54402000 - Property Insurance	3,917,941	3,559,064	(358,877)	(10.08%)	3,559,064
54403000 - General Liability Insurance	12,098	7,328	(4,770)	(65.09%)	7,328
Total Insurance	4,956,172	4,601,413	(354,759)	(7.71%)	4,601,413
Investment Expense					
54201000 - Investment Expense	30	10,500	10,470	99.71%	10,500
Total Investment Expense	30	10,500	10,470	99.71%	10,500
Uncollectible Accounts					
54602000 - Bad Debt Expense	1,804	15,000	13,196	87.97%	15,000
Total Uncollectible Accounts	1,804	15,000	13,196	87.97%	15,000
Depreciation and Amortization					
55001000 - Depreciation And Amortization	138,999	153,398	14,399	9.39%	153,398
Total Depreciation and Amortization	138,999	153,398	14,399	9.39%	153,398
Net Allocation to Mutuals					
54602500 - Allocated Expenses	1,390,289	1,463,024	72,735	4.97%	1,463,024
Total Net Allocation to Mutuals	1,390,289	1,463,024	72,735	4.97%	1,463,024
Total Expenses	54,108,143	51,963,961	(2,144,182)	(4.13%)	51,963,961
Excess of Revenues Over Expenses Before Other Changes	(\$2,190,882)	(\$1,735,669)	(\$455,214)	(26.23%)	(\$1,735,669)
Other Changes					
54101000 - (Gain)/Loss - Warehouse Sales	(758)	0	758	0.00%	0
54103000 - Asset Retirement Obligation	103,574	0	(103,574)	0.00%	0
Total Other Changes	(102,816)	0	(102,816)	0.00%	0
Excess of Revenues Over Expenses	(\$2,293,698)	(\$1,735,669)	(\$558,030)	(32.15%)	(\$1,735,669)

**United Laguna Woods Mutual
Balance Sheet - Preliminary
12/31/2023**

	<u>Current Month End</u>	<u>Prior Year Same Period</u>	<u>Prior Year December 31</u>
Assets			
1	Cash and cash equivalents	\$747,592	\$608,243
2	Investments	14,529,786	19,133,813
3	Receivable/(Payable) from mutuals	(1,093,424)	(521,303)
4	Accounts receivable	993,683	560,749
5	Prepaid expenses and deposits	4,241,957	3,187,844
6	Property and equipment	91,989,605	91,989,605
7	Accumulated depreciation property and equipment	(83,768,440)	(83,765,378)
8	Beneficial interest in GRF of Laguna Hills Trust	5,124,732	5,260,669
9	Non-controlling interest in GRF	43,803,096	43,803,096
10	Total Assets	<u>\$76,568,587</u>	<u>\$80,257,337</u>
Liabilities and Fund Balances			
Liabilities:			
11	Accounts payable and accrued expenses	\$2,311,871	\$3,685,682
12	Accrued compensation and related costs	528,432	551,668
13	Deferred income	842,220	943,798
14	Asset retirement obligation	1,583,198	1,479,624
15	Total liabilities	<u>\$5,265,721</u>	<u>\$6,660,772</u>
Fund balances:			
16	Fund balance prior years	73,596,565	75,463,640
17	Change in fund balance - current year	(2,293,698)	(1,867,075)
18	Total fund balances	<u>71,302,866</u>	<u>73,596,565</u>
19	Total Liabilities and Fund Balances	<u>\$76,568,587</u>	<u>\$80,257,337</u>

**United Laguna Woods Mutual
Fund Balance Sheet - Preliminary
12/31/2023**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Contingency Fund</u>	<u>Property Taxes Fund</u>	<u>Total</u>
Assets					
1	Cash and cash equivalents	\$101,231	\$646,361		\$747,592
2	Investments		14,529,786		14,529,786
3	Receivable/(Payable) from mutuals	(1,093,424)			(1,093,424)
4	Receivable/(Payable) from operating fund	(3,378,955)	3,300,381	1,189,647	(1,111,073)
5	Accounts receivable	893,521	100,162		993,683
6	Prepaid expenses and deposits	4,239,437	2,520		4,241,957
7	Property and equipment	91,989,605			91,989,605
8	Accumulated depreciation property and equipment	(83,768,440)			(83,768,440)
9	Beneficial interest in GRF of Laguna Hills Trust	5,124,732			5,124,732
10	Non-controlling interest in GRF	43,803,096			43,803,096
11	Total Assets	<u>\$57,910,803</u>	<u>\$18,579,210</u>	<u>\$1,189,647</u>	<u>(\$1,111,073)</u>
Liabilities and Fund Balances					
Liabilities:					
12	Accounts payable and accrued expenses	\$920,760	\$1,391,110		\$2,311,870
13	Accrued compensation and related costs	528,432			528,432
14	Deferred income	842,220			842,220
15	Asset retirement obligation		1,583,198		1,583,198
16	Total liabilities	<u>\$2,291,412</u>	<u>\$2,974,308</u>		<u>\$5,265,720</u>
Fund balances:					
17	Fund balance prior years	56,409,509	16,710,271	1,113,771	73,596,565
18	Change in fund balance - current year	(790,118)	(1,105,370)	75,876	(2,293,698)
19	Total fund balances	<u>55,619,391</u>	<u>15,604,902</u>	<u>1,189,647</u>	<u>(1,111,073)</u>
20	Total Liabilities and Fund Balances	<u>\$57,910,803</u>	<u>\$18,579,210</u>	<u>\$1,189,647</u>	<u>(\$1,111,073)</u>

**United Laguna Woods Mutual
Changes in Fund Balances - Preliminary
12/31/2023**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Contingency Fund</u>	<u>Property Taxes Fund</u>	<u>Total</u>
Revenues:					
Assessments:					
1	Operating	\$23,717,804		\$13,677,594	\$37,395,397
2	Additions to restricted funds		11,854,107		11,929,983
3	Total assessments	<u>23,717,804</u>	<u>11,854,107</u>	<u>75,876</u>	<u>13,677,594</u>
Non-assessment revenues:					
4	Merchandise sales	15,078			15,078
5	Fees and charges for services to residents	1,044,064	552		1,044,616
6	Laundry	227,041			227,041
7	Investment income		693,801		693,801
8	Miscellaneous	611,345			611,345
9	Total non-assessment revenue	<u>1,897,527</u>	<u>694,353</u>		<u>2,591,880</u>
10	Total revenue	<u>25,615,331</u>	<u>12,548,460</u>	<u>75,876</u>	<u>13,677,594</u>
Expenses:					
11	Employee compensation and related	10,557,105	3,593,759		14,150,864
12	Materials and supplies	829,511	2,320,625		3,150,136
13	Utilities and telephone	4,468,963	9,072		4,478,035
14	Legal fees	122,052			122,052
15	Professional fees	86,929	4,398		91,326
16	Equipment rental	7,491	19,654		27,145
17	Outside services	3,950,971	7,316,586		11,267,557
18	Repairs and maintenance	53,471	1,463		54,933
19	Other Operating Expense	104,692	22,430		127,122
20	Property and sales tax			14,151,681	14,151,681
21	Insurance	4,956,172			4,956,172
22	Investment expense		30		30
23	Uncollectible Accounts	1,804			1,804
24	Depreciation and amortization	138,999			138,999
25	Net allocations to mutuals	1,128,048	262,240		1,390,289
26	Total expenses	<u>26,406,206</u>	<u>13,550,256</u>		<u>14,151,681</u>
27	Excess of revenues over expenses before other changes	<u>(\$790,876)</u>	<u>(\$1,001,796)</u>	<u>\$75,876</u>	<u>(\$474,087)</u>
28	Excess of revenues over expenses excluding depreciation before other changes	<u>(\$651,876)</u>	<u>(\$1,001,796)</u>	<u>\$75,876</u>	<u>(\$474,087)</u>
Other Changes:					
29	(Gain)/loss on sale or trade	(758)	103,574		102,816
30	Total other changes	<u>\$758</u>	<u>(\$103,574)</u>		<u>(\$102,816)</u>

**United Laguna Woods Mutual
Changes in Fund Balances - Preliminary
12/31/2023**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Contingency Fund</u>	<u>Property Taxes Fund</u>	<u>Total</u>
31 Excess of revenues over expenses after other changes	(\$790,118)	(\$1,105,370)	\$75,876	(\$474,087)	(\$2,293,698)
32 Excluding unrealized gains and depreciation	(\$651,119)	(\$1,105,370)	\$75,876	(\$474,087)	(\$2,154,699)

**UNITED LAGUNA WOODS MUTUAL
NON-DISCRETIONARY INVESTMENTS
SCHEDULE OF INVESTMENTS
12/31/2023**

I.D. NO.	DESCRIPTION	SETTLEMENT DATE	MATURITY DATE	PAR VALUE	EFFECT. YIELD	ORIGINAL COST	BOOK VALUE	12/31/2023		
								MARKET VALUE	UNREALIZED GAIN/(LOSS)	
I1: HELD FOR SHORT TERM: BANK OF AMERICA										
I2: HELD FOR LONG TERM: JP MORGAN										
912828W48	U.S. TREASURY NOTE	11-25-22	02-29-24	2,000,000.00	4.680%	1,937,812.50	1,992,226.58	1,989,740.80	(2,485.78)	
912828XT2	U.S. TREASURY NOTE	11-25-22	05-31-24	2,000,000.00	4.640%	1,923,437.50	1,979,852.04	1,973,359.38	(6,492.66)	
91282CCT6	U.S. TREASURY NOTE	11-25-22	08-15-24	2,000,000.00	4.570%	1,862,500.00	1,950,000.00	1,942,656.24	(7,343.76)	
9128283P3	U.S. TREASURY NOTE	03-27-23	12-31-24	2,050,000.00	3.800%	1,996,187.50	2,018,201.68	1,999,424.92	(18,776.76)	
91282CGN5	U.S. TREASURY NOTE	05-18-23	02-28-25	2,528,000.00	4.625%	2,545,380.00	2,539,060.00	2,526,518.74	(12,541.26)	
16514QBG1	CERTIFICATE OF DEPOSIT	08-25-23	09-01-28	250,000.00	5.400%	250,005.00	250,004.60	250,370.25	365.65	
108622NX5	CERTIFICATE OF DEPOSIT	08-25-23	09-01-28	250,000.00	5.400%	250,005.00	250,004.60	250,370.25	365.65	
064180BA9	CERTIFICATE OF DEPOSIT	08-25-23	09-07-28	250,000.00	5.400%	250,005.00	250,004.60	250,216.52	211.92	
52475DAB4	CERTIFICATE OF DEPOSIT	08-25-23	09-05-28	250,000.00	5.400%	250,005.00	250,004.60	250,397.64	393.04	
697759AW8	CERTIFICATE OF DEPOSIT	08-25-23	09-07-28	250,000.00	5.400%	250,005.00	250,004.60	250,411.43	406.83	
46656MLM1	CERTIFICATE OF DEPOSIT	08-25-23	08-30-28	250,000.00	5.700%	250,005.00	250,004.60	252,014.43	2,009.83	
565402AN4	CERTIFICATE OF DEPOSIT	08-25-23	09-01-28	250,000.00	5.450%	250,005.00	250,004.60	250,391.65	387.05	
32056VAN7	CERTIFICATE OF DEPOSIT	08-25-23	08-31-28	250,000.00	5.400%	250,005.00	250,004.60	251,516.82	1,512.22	
912796Z28	U.S. TREASURY BILL	08-25-23	02-22-24	3,000.00	5.451%	2,926.27	3,018.42	2,977.70	(40.72)	
32022WCU8	CERTIFICATE OF DEPOSIT	11-01-23	11-02-28	250,000.00	5.718%	250,000.00	250,000.00	251,051.67	1,051.67	
87164Y3S1	CERTIFICATE OF DEPOSIT	11-01-23	11-03-27	250,000.00	5.050%	250,000.00	250,000.00	252,699.11	2,699.11	
91282CHN4	U.S. TREASURY NOTE	11-03-23	07-31-25	12,000.00	4.834%	11,982.66	11,984.40	12,054.38	69.98	
61690DGU6	CERTIFICATE OF DEPOSIT	11-01-23	11-08-27	250,000.00	5.050%	250,000.00	250,000.00	252,733.25	2,733.25	
254676BQ1	CERTIFICATE OF DEPOSIT	11-03-23	11-08-27	250,000.00	5.050%	250,000.00	250,000.00	252,733.25	2,733.25	
31810PCB3	CERTIFICATE OF DEPOSIT	11-01-23	11-10-28	250,000.00	5.800%	250,000.00	250,000.00	251,234.41	1,234.41	
33610RUX9	CERTIFICATE OF DEPOSIT	11-01-23	11-10-27	250,000.00	5.000%	250,000.00	250,000.00	252,310.48	2,310.48	
671082CK9	CERTIFICATE OF DEPOSIT	11-01-23	11-10-28	250,000.00	5.700%	250,000.00	250,000.00	251,144.35	1,144.35	
307811HX0	CERTIFICATE OF DEPOSIT	11-03-23	11-15-27	250,000.00	5.500%	250,000.00	250,000.00	253,442.67	3,442.67	
938828CZ1	CERTIFICATE OF DEPOSIT	12-15-23	12-15-28	23,000.00	5.400%	23,000.00	23,000.00	23,221.56	221.56	
200AV4004	MONEY MARKET	08-25-23		12,405.67	0.010%	12,405.67	12,405.67	12,405.67	-	
						14,628,405.67	14,315,672.10	14,529,785.59	14,505,397.57	(24,388.02)
TOTAL INVESTMENTS						\$14,628,405.67	\$14,315,672.10	\$14,529,785.59	\$14,505,397.57	(\$24,388.02)

*Yield is based on all investments held during the year

**UNITED LAGUNA WOODS MUTUAL
FUND EXPENDITURES REPORT
AS OF DECEMBER 31, 2023**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		2023	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET	EXPENDED	\$	%
OPERATING EXPENDITURES - MAINTENANCE & CONSTRUCTION								
PLUMBING SERVICE	\$197,385	\$132,375	\$1,755,142	\$1,576,071	\$1,576,071	111%	(\$179,072)	(11%)
DAMAGE RESTORATION	335,567	86,880	1,763,068	885,805	885,805	199%	(877,263)	(99%)
CARPENTRY SERVICE	51,135	54,651	656,224	638,911	638,911	103%	(17,314)	(3%)
ELECTRICAL SERVICE	21,219	31,588	355,639	373,787	373,787	95%	18,148	5%
APPLIANCE REPAIRS	17,537	26,941	243,149	319,633	319,633	76%	76,484	24%
INTERIOR PREVENTIVE MAINTENANCE	18,807	31,562	316,207	374,517	374,517	84%	58,310	16%
PEST CONTROL	14,525	22,148	229,488	257,655	257,655	89%	28,167	11%
COUNTERTOP/FLOOR/TILE REPAIRS	9,670	12,751	109,830	149,440	149,440	73%	39,610	27%
ENERGY PROGRAM	5,638	3,500	23,381	35,000	35,000	67%	11,619	33%
MISC. REPAIRS BY OUTSIDE SERVICE	2,175	2,000	17,226	20,000	20,000	86%	2,774	14%
FIRE PROTECTION	2,721	2,880	44,730	34,395	34,394	130%	(10,335)	(30%)
TOTAL	\$676,379	\$407,276	\$5,514,084	\$4,665,213	\$4,665,212	118%	(\$848,871)	(18%)
OPERATING EXPENDITURES - GENERAL SERVICES								
CONCRETE REPAIR/REPLACEMENT	\$47,972	\$34,210	\$394,125	\$406,549	\$406,549	97%	\$12,424	3%
JANITORIAL SERVICE	34,406	33,511	376,276	397,860	397,860	95%	21,583	5%
GUTTER CLEANING	91,111	13,220	211,292	158,152	158,152	134%	(53,140)	(34%)
WELDING	12,496	9,503	99,843	112,840	112,840	88%	12,997	12%
TRAFFIC CONTROL	2,354	1,319	18,732	15,576	15,576	120%	(3,156)	(20%)
TOTAL	\$188,339	\$91,764	\$1,100,268	\$1,090,977	\$1,090,977	101%	(\$9,291)	(1%)
OPERATING EXPENDITURES - LANDSCAPE SERVICES								
LANDSCAPE ADMINISTRATION	\$27,001	\$21,349	\$255,873	\$253,036	\$253,034	101%	(\$2,837)	(1%)
NURSERY & COMPOSTING	15,025	16,200	180,240	192,001	192,001	94%	11,760	6%
GROUNDS MAINTENANCE	239,661	237,024	2,656,141	2,816,942	2,816,945	94%	160,801	6%
IRRIGATION	3,362	68,221	724,966	809,937	809,937	90%	84,971	10%
SMALL EQUIPMENT REPAIR	16,721	16,206	169,025	192,216	192,214	88%	23,191	12%
PEST CONTROL	23,846	26,568	276,016	315,266	315,267	88%	39,249	12%
TOTAL	\$325,616	\$385,567	\$4,262,261	\$4,579,395	\$4,579,396	93%	\$317,134	7%

**UNITED LAGUNA WOODS MUTUAL
FUND EXPENDITURES REPORT
AS OF DECEMBER 31, 2023**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		2023	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET	EXPENDED	\$	%
RESERVE FUND - MAINTENANCE & CONSTRUCTION								
REPLACEMENTS								
BUILDING STRUCTURES	\$288,574	\$111,817	\$1,485,158	\$1,314,877	\$1,314,877	113%	(\$170,281)	(13%)
ELECTRICAL SYSTEMS	25,546	42,468	471,797	509,495	509,495	93%	37,698	7%
EXTERIOR WALKWAY LIGHTING	6,611	6,932	38,574	75,550	75,550	51%	36,976	49%
FOUNDATIONS	13,229	3,627	31,407	43,436	43,436	72%	12,029	28%
GUTTER REPLACEMENT	27,729	9,487	100,248	113,127	113,127	89%	12,879	11%
PAINT - EXTERIOR	131,312	145,518	1,512,461	1,734,242	1,734,242	87%	221,781	13%
PRIOR TO PAINT	81,406	83,813	967,571	996,471	996,471	97%	28,900	3%
PLUMBING	119,643	29,691	387,416	337,826	337,826	115%	(49,590)	(15%)
PAVING	0	0	389,696	398,371	398,371	98%	8,675	2%
ROOF REPLACEMENTS	221,672	44,029	968,491	1,041,301	1,041,301	93%	72,810	7%
WALL REPLACEMENT	0	2,924	34,257	35,000	35,000	98%	743	2%
WASTE LINE REMEDIATION	(10,965)	191,674	2,373,897	2,300,000	2,300,000	103%	(73,897)	(3%)
WATER LINE - COPPER PIPE REMEDIATION	0	8,337	(163,361)	100,000	100,000	(163%)	263,361	263%
WINDOW/SLIDING SCREEN DOOR	7,081	11,740	109,548	140,157	140,157	78%	30,609	22%
SUPPLEMENTAL APPROPRIATION	9,062	9,062	91,488	91,488	91,488	100%	0	0%
SUB-TOTAL	\$920,900	\$701,118	\$8,798,649	\$9,231,342	\$9,231,342	95%	\$432,694	5%
APPLIANCE AND FIXTURE REPLACEMENTS								
COOKTOPS	\$9,410	\$6,512	\$142,009	\$69,963	\$69,963	203%	(\$72,046)	(103%)
DISHWASHERS	8,071	8,069	151,180	96,362	96,362	157%	(54,817)	(57%)
BASINS/SINKS/TOILETS	14,091	18,804	183,148	224,611	224,611	82%	41,463	18%
GARBAGE DISPOSALS	9,025	9,923	127,313	118,247	118,247	108%	(9,067)	(8%)
HOODS	1,534	3,316	19,992	39,542	39,542	51%	19,549	49%
COUNTER TOPS/FLOORS/SHOWER ENCLOSURES	109,706	128,742	1,116,344	1,467,906	1,467,906	76%	351,562	24%
OVENS	18,027	11,157	266,257	133,646	133,646	199%	(132,611)	(99%)
RANGES	1,296	1,046	15,365	12,345	12,345	124%	(3,020)	(24%)
REFRIGERATORS	16,368	18,568	219,052	222,137	222,137	99%	3,085	1%
WATER HEATERS & PERMITS	55,490	62,739	855,895	749,363	749,363	114%	(106,532)	(14%)
DRYERS	210	3,180	7,194	38,113	38,113	19%	30,919	81%
WASHING MACHINES	10,553	7,608	74,672	91,082	91,144	82%	16,410	18%
SUB-TOTAL	\$253,781	\$279,663	\$3,178,421	\$3,263,318	\$3,263,377	97%	\$84,896	3%
TOTAL	\$1,174,681	\$980,781	\$11,977,070	\$12,494,660	\$12,494,719	96%	\$517,590	4%

**UNITED LAGUNA WOODS MUTUAL
FUND EXPENDITURES REPORT
AS OF DECEMBER 31, 2023**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		2023	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET	EXPENDED	\$	%
RESERVE FUND - GENERAL SERVICES								
PRIOR TO PAINT	\$1,137	\$805	\$9,043	\$9,558	\$9,558	95%	\$515	5%
PAVING	5,662	4,089	46,899	48,378	48,378	97%	1,480	3%
WALL REPLACEMENT	0	1,298	0	15,400	15,400	0%	15,400	100%
TOTAL	\$6,799	\$6,192	\$55,942	\$73,337	\$73,337	76%	\$17,395	24%

RESERVE FUND - LANDSCAPE

REPLACEMENTS

LANDSCAPE MODIFICATION	\$25,269	\$8,269	\$93,170	\$98,898	\$98,898	94%	\$5,728	6%
IMPROVEMENTS & RESTORATION	30,437	14,990	158,749	177,744	177,744	89%	18,995	11%
TREE MAINTENANCE	35,051	75,288	839,698	898,360	898,360	93%	58,662	7%
SUPPLEMENTAL APPROPRIATION	6,684	6,684	225,627	225,627	260,682	87%	0	0%
TOTAL	\$97,442	\$105,231	\$1,317,244	\$1,400,630	\$1,435,685	92%	\$83,385	6%

PROPERTY TAXES FUND - NON WORK CENTER

PROPERTY TAXES	1,765,008	1,054,094	14,151,681	12,649,183	12,649,183	112%	(1,502,498)	(12%)
TOTAL	\$1,765,008	\$1,054,094	\$14,151,681	\$12,649,183	\$12,649,183	112%	(\$1,502,498)	(12%)

**RESERVES EXPENDITURES COMPARED TO RESERVE STUDY
AS PRESENTED IN THE 2023 BUSINESS PLAN
AS OF DECEMBER 31, 2023**

	2023	2023	2023	2023	2023
	YTD Actual	YTD Budget	YTD Variance	Annual Budget	% Expended
Paving	\$239,783	\$248,371	\$8,588	\$248,371	97%
Asphalt & Concrete Repair/Replace	196,811	198,378	1,567	198,378	99%
Roofs - Built-Up	968,491	1,041,301	72,810	1,041,301	93%
Roofs - Comp Shingle	0	0	0	0	0%
Roofs - Tile	0	0	0	0	0%
Infrastructure/Buildings	1,383,032	1,091,591	(291,442)	1,091,591	127%
Carport Siding Renovation	0	0	0	0	0%
Manor Components	3,071,901	3,102,004	30,103	3,112,570	99%
Lighting & Electrical	510,371	575,550	65,179	575,550	89%
Laundry Rooms	106,459	160,243	53,784	160,243	66%
Off Cycle Decking	129,249	139,100	9,851	139,100	93%
Prior To Painting	847,365	866,930	19,565	866,930	98%
Interior & Exterior Painting	1,512,461	1,734,242	221,781	1,734,242	87%
Walls, Fencing, Railings & Gates	34,257	50,400	16,143	50,400	68%
Grounds & Miscellaneous	1,091,560	1,175,003	83,443	1,175,003	93%
Building Structures	343,328	520,006	176,678	520,006	66%
Plumbing	2,598,072	2,737,826	139,754	2,737,826	95%
Total	\$13,033,141	\$13,640,945	\$607,804	\$13,651,511	95%

**UNITED LAGUNA WOODS MUTUAL
MAINTENANCE PROGRAMS EXPENDITURES REPORT
AS OF DECEMBER 31, 2023**

YTD ACTUAL

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

PLUMBING SERVICE	\$1,755,142	\$1,056,577	\$117,516	\$581,049
DAMAGE RESTORATION	1,763,068	0	0	1,763,068
CARPENTRY SERVICE	656,224	570,505	85,720	0
ELECTRICAL SERVICE	355,639	306,495	45,609	3,535
APPLIANCE REPAIRS	243,149	220,704	22,445	0
INTERIOR PREVENTIVE MAINTENANCE	316,207	315,779	427	0
PEST CONTROL	229,488	0	0	229,488
COUNTERTOP/FLOOR/TILE REPAIRS	109,830	103,880	6,425	(475)
ENERGY PROGRAM	23,381	0	0	23,381
MISC. REPAIRS BY OUTSIDE SERVICE	17,226	0	0	17,226
FIRE PROTECTION	44,730	5,086	14,255	25,389
TOTAL	\$5,514,084	\$2,579,026	\$292,398	\$2,642,661

OPERATING EXPENDITURES - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$394,125	\$362,365	\$19,002	\$12,757
JANITORIAL SERVICE	376,276	376,276	0	0
GUTTER CLEANING	211,292	138,233	0	73,059
WELDING	99,843	97,860	1,983	0
TRAFFIC CONTROL	18,732	18,732	0	0
TOTAL	\$1,100,268	\$993,467	\$20,986	\$85,816

OPERATING EXPENDITURES - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$255,873	\$255,873	\$0	\$0
NURSERY & COMPOSTING	180,240	180,240	0	0
GROUNDS MAINTENANCE	2,656,141	1,998,567	3,723	653,850
IRRIGATION	724,966	724,768	198	0
SMALL EQUIPMENT REPAIR	169,025	169,025	0	0
PEST CONTROL	276,016	276,016	0	0
TOTAL	\$4,262,261	\$3,604,490	\$3,922	\$653,850

**UNITED LAGUNA WOODS MUTUAL
 MAINTENANCE PROGRAMS EXPENDITURES REPORT
 AS OF DECEMBER 31, 2023**

YTD ACTUAL

DESCRIPTION	TOTAL EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES
<i>RESERVE FUND - MAINTENANCE & CONSTRUCTION</i>				
BUILDING STRUCTURES	\$1,485,158	\$85,709	\$51,986	\$1,347,463
ELECTRICAL SYSTEMS	471,797	0	0	471,797
EXTERIOR WALKWAY LIGHTING	38,574	7,337	0	31,237
FOUNDATIONS	31,407	0	0	31,407
GUTTER REPLACEMENT	100,248	56,179	6,601	37,468
PAINT - EXTERIOR	1,512,461	1,388,654	112,284	11,523
PRIOR TO PAINT	967,571	801,286	110,279	56,006
PLUMBING	387,416	201,430	0	185,986
PAVING	389,696	0	0	389,696
ROOF REPLACEMENTS	968,491	0	0	968,491
WALL REPLACEMENT	34,257	0	0	34,257
WASTE LINE REMEDIATION	2,373,897	0	169	2,373,728
WATER LINE - COPPER PIPE REMEDIATION	(163,361)	0	0	(163,361)
WINDOW/SLIDING SCREEN DOOR	109,548	58,027	46,646	4,875
COOKTOPS	142,009	11,248	116,055	14,706
DISHWASHERS	151,180	25,844	115,543	9,793
BASINS/SINKS/TOILETS	183,148	57,548	125,600	0
GARBAGE DISPOSALS	127,313	52,689	74,624	0
HOODS	19,992	10,690	8,398	905
COUNTER TOPS/FLOORS/SHOWER ENCLOSURES	1,116,344	387,743	380,848	347,754
OVENS	266,257	11,248	221,114	33,896
RANGES	15,365	5,624	6,077	3,664
REFRIGERATORS	219,052	39,367	144,008	35,678
WATER HEATERS & PERMITS	855,895	278,599	577,297	0
DRYERS	7,194	2,791	4,403	0
WASHING MACHINES	74,672	6,740	67,900	32
SUPPLEMENTAL APPROPRIATION	91,488	0	0	91,488
TOTAL	\$11,977,070	\$3,488,751	\$2,169,831	\$6,318,487

**UNITED LAGUNA WOODS MUTUAL
 MAINTENANCE PROGRAMS EXPENDITURES REPORT
 AS OF DECEMBER 31, 2023**

YTD ACTUAL

DESCRIPTION	TOTAL EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES
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RESERVE FUND - GENERAL SERVICES

PRIOR TO PAINT	\$9,043	\$9,043	\$0	\$0
PAVING	46,899	45,054	1,844	0
WALL REPLACEMENT	0	0	0	0
TOTAL	\$55,942	\$54,098	\$1,844	\$0

RESERVE FUND - LANDSCAPE

LANDSCAPE MODIFICATION	\$93,170	\$22,349	\$57	\$70,764
IMPROVEMENTS & RESTORATION	158,749	158,749	0	0
TREE MAINTENANCE	839,698	353,152	0	486,546
SUPPLEMENTAL APPROPRIATION	225,627	0	0	225,627
TOTAL	\$1,317,244	\$534,251	\$57	\$782,936

PROPERTY TAXES FUND - NON WORK CENTER

PROPERTY TAXES	\$14,151,681	\$14,151,681	\$0	\$0
TOTAL	\$14,151,681	\$14,151,681	\$0	\$0

**UNITED LAGUNA WOODS MUTUAL
OUTSIDE SERVICES - COST COLLECTION
AS OF DECEMBER 31, 2023**

DESCRIPTION	YTD ACTUAL TOTAL OS EXPENDITURES	YTD BUDGET OUTSIDE SERVICES	YTD Variance OUTSIDE SERVICES
OPERATING EXPENDITURES - MAINTENANCE & CONSTRUCTION			
PLUMBING SERVICE	\$581,049	\$345,000	(\$236,049)
DAMAGE RESTORATION	\$1,763,068	\$885,805	(\$877,263)
CARPENTRY SERVICE	0	4,500	4,500
ELECTRICAL SERVICE	3,535	6,000	2,465
APPLIANCE REPAIRS	0	0	0
INTERIOR PREVENTIVE MAINTENANCE	0	0	0
PEST CONTROL	229,488	257,655	28,167
COUNTERTOP/FLOOR/TILE REPAIRS	(475)	15,000	15,475
ENERGY PROGRAM	23,381	35,000	11,619
MISC. REPAIRS BY OUTSIDE SERVICE	17,226	20,000	2,774
FIRE PROTECTION	25,389	26,200	811
TOTAL	\$2,642,661	\$1,595,160	(\$1,047,501)
OPERATING EXPENDITURES - GENERAL SERVICES			
CONCRETE REPAIR/REPLACEMENT	\$12,757	\$0	(\$12,757)
JANITORIAL SERVICE	0	0	0
GUTTER CLEANING	73,059	115,000	41,941
WELDING	0	10,000	10,000
TRAFFIC CONTROL	0	0	0
TOTAL	\$85,816	\$125,000	\$39,184
OPERATING EXPENDITURES - M&C CHARGEABLE SERVICES			
CHARGEABLES	\$278,164	\$255,325	(\$22,839)
TOTAL	\$278,164	\$255,325	(\$22,839)
OPERATING EXPENDITURES - LANDSCAPE SERVICES			
LANDSCAPE SHRUB-BED MAINTENANCE	\$653,850	\$0	(\$653,850)
TOTAL	\$653,850	\$0	(\$653,850)

**UNITED LAGUNA WOODS MUTUAL
OUTSIDE SERVICES - COST COLLECTION
AS OF DECEMBER 31, 2023**

DESCRIPTION	YTD ACTUAL	YTD BUDGET	YTD Variance
	TOTAL OS EXPENDITURES	OUTSIDE SERVICES	OUTSIDE SERVICES
RESERVE FUND - MAINTENANCE & CONSTRUCTION			
BUILDING STRUCTURES	\$1,347,495	\$1,200,195	(\$147,300)
CDS SIGNAGE	0	0	0
ELECTRICAL SYSTEMS	471,797	509,495	37,698
EXTERIOR WALKWAY LIGHTING	31,237	62,000	30,763
FOUNDATIONS	31,407	43,436	12,029
GUTTER REPLACEMENT	37,468	50,000	12,532
PAINT - EXTERIOR	11,523	8,495	(3,028)
PRIOR TO PAINT	56,006	55,000	(1,006)
PLUMBING	185,986	80,000	(105,986)
PAVING	389,696	398,371	8,675
ROOF REPLACEMENTS	968,491	1,041,301	72,810
WALL REPLACEMENT	34,257	35,000	743
WASTE LINE REMEDIATION	2,373,728	2,300,000	(73,728)
WATER LINE - COPPER PIPE REMEDIATION	(163,361)	100,000	263,361
WINDOW/SLIDING SCREEN DOOR	4,875	30,000	25,125
COOKTOPS	14,706	15,300	594
DISHWASHERS	9,793	11,900	2,107
BASINS/SINKS/TOILETS	0	0	0
GARBAGE DISPOSALS	0	0	0
HOODS	905	4,300	3,395
COUNTER TOPS/FLOORS/SHOWER ENCLOSURES	347,754	471,000	123,247
OVENS	33,896	21,643	(12,253)
RANGES	3,664	2,600	(1,064)
REFRIGERATORS	35,678	43,400	7,722
WATER HEATERS & PERMITS	0	58,183	58,183
DRYERS	0	0	0
WASHING MACHINES	0	0	0
SUPPLEMENTAL APPROPRIATION	91,488	91,488	0
TOTAL	\$6,318,487	\$6,633,107	\$314,620

**UNITED LAGUNA WOODS MUTUAL
OUTSIDE SERVICES - COST COLLECTION
AS OF DECEMBER 31, 2023**

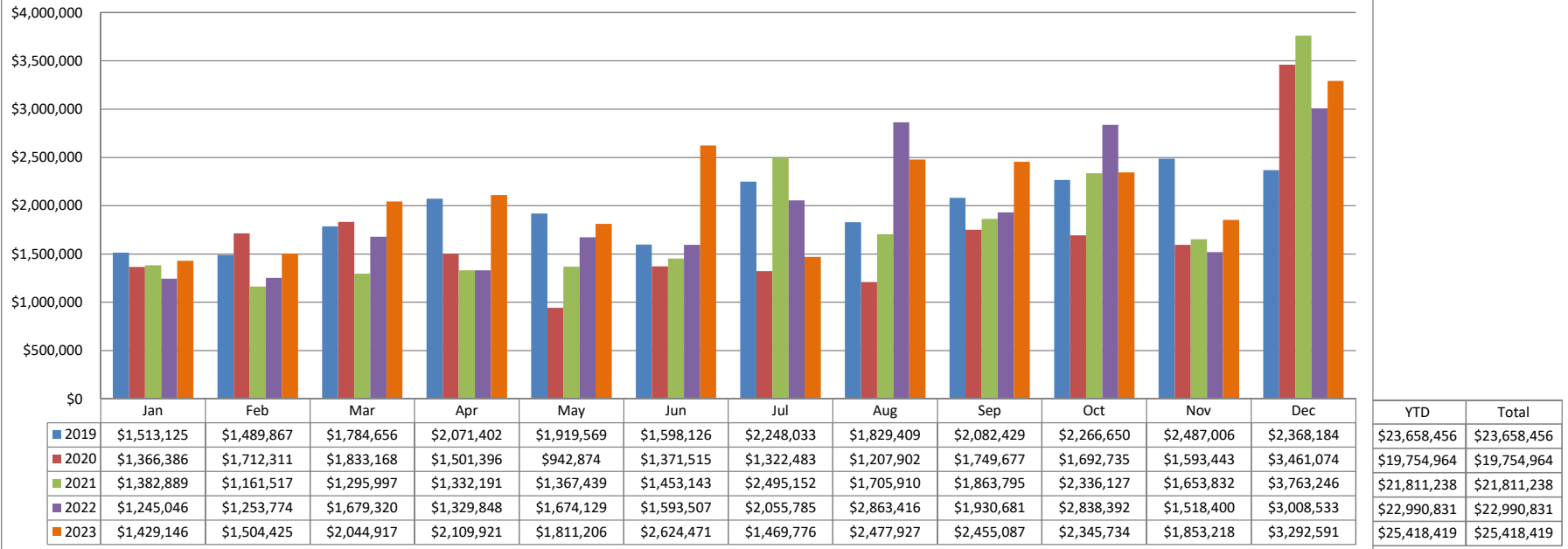
DESCRIPTION	YTD ACTUAL TOTAL OS EXPENDITURES	YTD BUDGET OUTSIDE SERVICES	YTD Variance OUTSIDE SERVICES
<i>RESERVE FUND - GENERAL SERVICES</i>			
PRIOR TO PAINT	\$0	\$0	\$0
WALL REPLACEMENT	0	15,400	15,400
TOTAL	\$0	\$15,400	\$15,400
<i>RESERVE FUND - LANDSCAPE</i>			
LANDSCAPE MODIFICATION	\$70,764	\$73,913	\$3,150
IMPROVEMENTS & RESTORATION	\$0	\$0	\$0
TREE MAINTENANCE	486,546	503,120	16,574
SUPPLEMENTAL APPROPRIATION	225,627	225,627	0
TOTAL	\$782,936	\$802,660	\$19,724

**United Laguna Woods Mutual
Fund Expenditures Schedule
Period Ending: 12/31/2023**

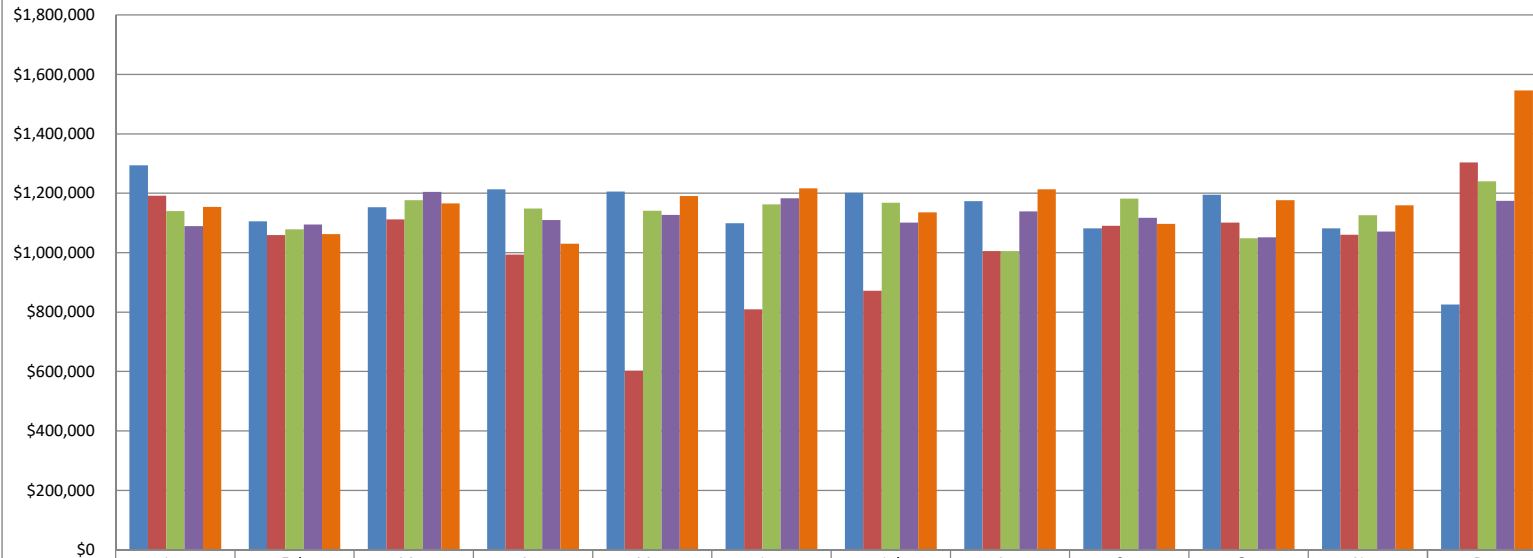
Fund/Item	Resolution	BUDGET	EXPENDITURES I-T-D*			Remaining Ecumbrance
			2023	Prior Years	Total	
Operating Fund (Approved Unbudgeted Expenses)						
Damage Restoration Reimbursement Backlog Case Load	1-23-27	\$160,680	\$97,490	\$0	\$97,490	\$63,190
Reserve Fund (Supplemental Appropriations)						
Common Area Patio Furniture	1-21-78b	\$3,821	\$0	\$0	\$0	\$3,821
Turf Reduction	1-23-08	\$189,480	\$158,246	\$0	\$158,246	\$31,234
Shepherd's Crook Installation	1-23-09	\$40,000	\$35,351	\$0	\$35,351	\$4,649
Emergency Roof Repairs	1-23-22	\$50,000	\$56,137	\$0	\$56,137	\$0
	Total	\$443,981	\$347,225	\$0	\$347,225	\$102,893

*Incurred To Date

United Mutual Employee Compensation, Related, and Outside Services

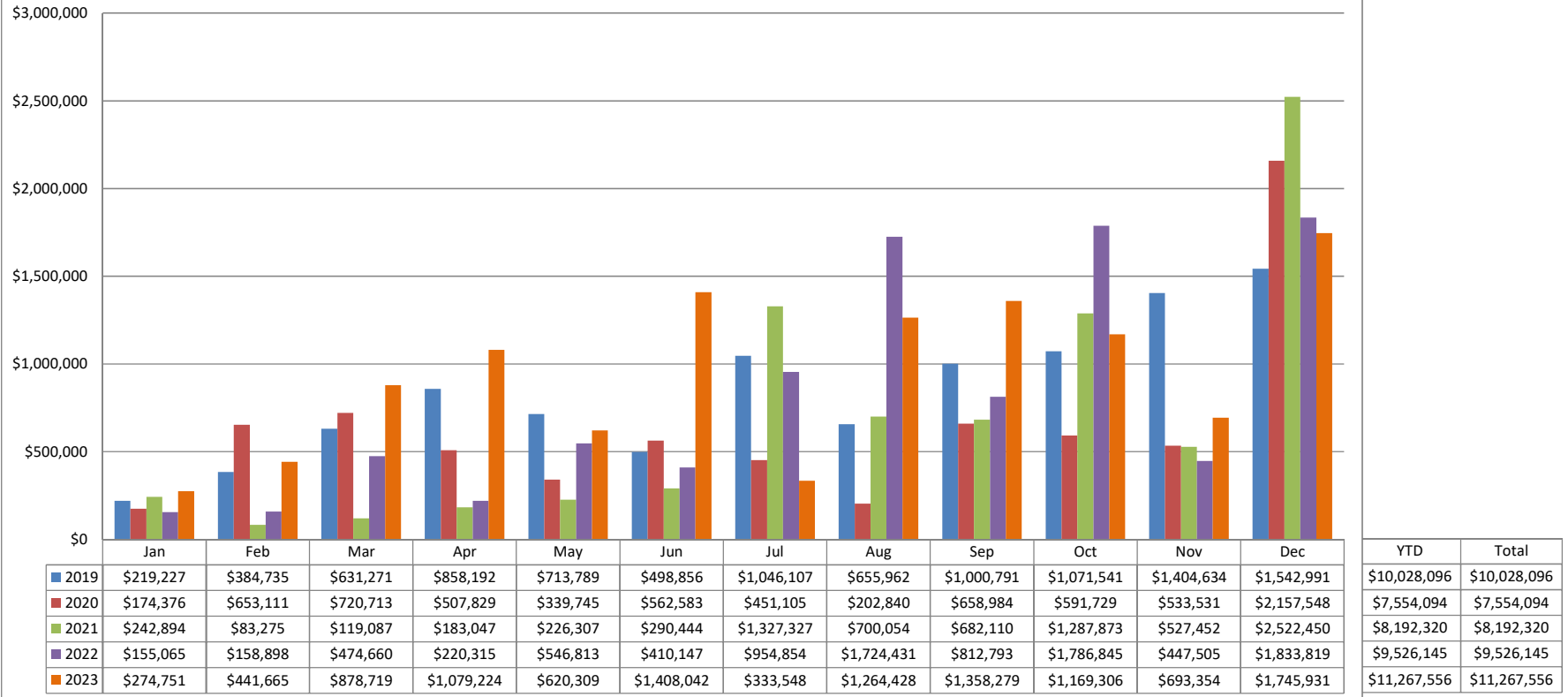


United Mutual Employee Compensation & Related

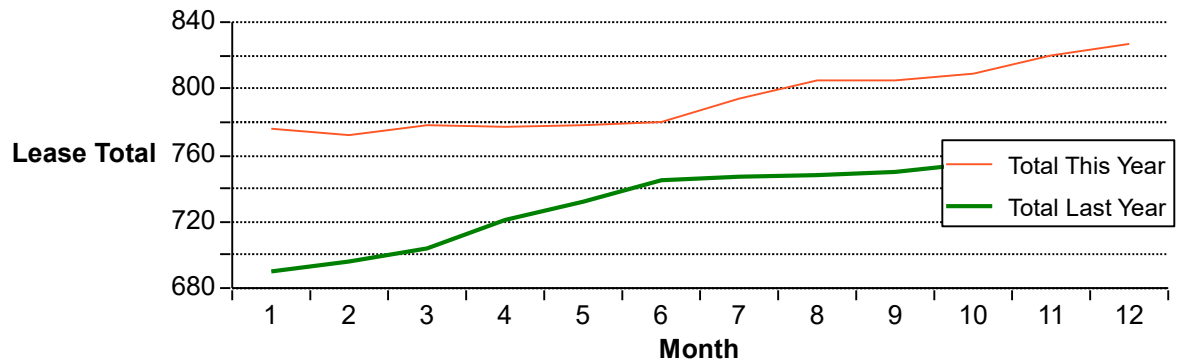


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Total
■ 2019	\$1,293,898	\$1,105,132	\$1,153,385	\$1,213,210	\$1,205,780	\$1,099,270	\$1,201,926	\$1,173,447	\$1,081,638	\$1,195,109	\$1,082,372	\$825,193	\$13,630,360	\$13,630,360
■ 2020	\$1,192,010	\$1,059,200	\$1,112,455	\$993,567	\$603,129	\$808,932	\$871,378	\$1,005,062	\$1,090,693	\$1,101,006	\$1,059,912	\$1,303,526	\$12,200,870	\$12,200,870
■ 2021	\$1,139,995	\$1,078,242	\$1,176,910	\$1,149,144	\$1,141,132	\$1,162,699	\$1,167,825	\$1,005,856	\$1,181,685	\$1,048,254	\$1,126,380	\$1,240,796	\$13,618,918	\$13,618,918
■ 2022	\$1,089,981	\$1,094,876	\$1,204,660	\$1,109,533	\$1,127,316	\$1,183,360	\$1,100,931	\$1,138,985	\$1,117,888	\$1,051,547	\$1,070,895	\$1,174,714	\$13,464,686	\$13,464,686
■ 2023	\$1,154,395	\$1,062,760	\$1,166,198	\$1,030,697	\$1,190,897	\$1,216,429	\$1,136,228	\$1,213,499	\$1,096,808	\$1,176,428	\$1,159,864	\$1,546,660	\$14,150,863	\$14,150,863

United Mutual Outside Services



Monthly Active Leasing Report 2023 Period 12 (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
2023	January	22	38	63	653	776	690	12.3	10.9	1.4	58	17
2023	February	22	37	66	647	772	696	12.2	11.0	1.2	44	21
2023	March	23	37	80	638	778	704	12.3	11.1	1.2	57	27
2023	April	20	36	93	628	777	721	12.3	11.4	0.9	45	43
2023	May	18	31	114	615	778	732	12.3	11.6	0.7	47	22
2023	June	24	29	124	603	780	745	12.3	11.8	0.5	42	23
2023	July	32	27	146	589	794	747	12.6	11.8	0.8	66	18
2023	August	32	24	164	585	805	748	12.7	11.8	0.9	50	23
2023	September	21	28	178	578	805	750	12.7	11.9	0.8	59	24
2023	October	14	27	196	572	809	755	12.8	11.9	0.9	55	22
2023	November	18	24	215	563	820	753	13.0	11.9	1.1	38	23
2023	December	18	27	230	552	827	763	13.1	12.1	1.0	50	25



Laguna Woods Village®

DATE: January, 2024
 TO: VMS Board of Directors
 RE: Monthly Staffing Report

New Hires YTD:

December

164 (98 Full-time, 66 Part-time)

7 (6 Full-time, 1 Part-Time)

Active Recruiting Vacancies as of December 31, 2023

Total: **60**

Full-time: **47**

Part-time: **13**

Vacancies by Divisions	Full-Time	Part-Time	Total Vacancies	Total Budgeted	Req Date
General Services	6	2	8		
Bus Driver (WC 970)	1	2	3	10.00	Continuously Open
Custodian (WC 935)	1		1	16.00	11/3/2023
Auto Mechanic (WC 960)	1		1	4.00	8/24/2023
Transportation Coordinator (WC 970)	1		1	2.00	7/12/2023
Paving Trade Aid (WC 936)	1		1	1.00	9/1/2023
Concrete Finisher	1		1	2.00	11/20/202
Maintenance and Construction	8	1	9		
Project Manager (WC 920)	1		1	5.00	5/8/2023
Operations Specialist (WC 904)		1	1	2.0	10/18/2023
Senior General Maintenance Worker (WC 911)	1		1	1.00	8/10/2023
Maintenance Electrician (WC 913)	1		1	2.00	7/21/2023
Maintenance Carpenter (WC 912)	1		1	22.80	10/4/2023
Maintenance Plumber (WC 914)	1		1	3.00	8/1/2023
Maintenance Painter (WC 932)	1		1	28.00	8/22/2023
Inspector I (WC 925)	1		1	3.00	6/21/2023
Inspector II (WC 925)	1		1	3.00	6/15/2023
Landscape Services	21	0	21		
Gardener (WC 520)	2		2	7.0	Continuously Open
Gardener (WC 530)	19		19	69.00	Continuously Open
Security Services	6	2	8		
Gate Ambassador (WC 400)		2	2	43.00	Continuously Open
Security Supervisor I	2		2		
Security Patrol Officer (WC 400)	1		1	14.00	Continuously Open



Laguna Woods Village®

Dispatcher (WC 400)	1		1	5.00	Continuously Open
Social Services Counselor (WC 220)	1		1	3.00	11/9/2023
Comm Compliance Coord (WC 210)	1		1	3.00	12/1/2023
Recreation Services	2	8	10		
P/T Recreation Leader (WC 600)		6	6	9.58	Continuously Open
Fitness Assistant II (WC 691)		2	2	1.25	10/27/2022
Equipment Operator (WC 580)	1		1	1.00	7/25/2023
Stable Hand (WC 620)	1		1	2.00	11/9/2023
Information Services	2	0	2		
Customer Srv Rep I (WC 950)	2		2	17.00	6/14/22
Financial Services	2	0	2		
Accounts Payables Supervisor (WC 300)	1		1	1.0	11/15/2023
Total	47	13	60		

Terminations YTD:

December

135 (81 Full-time, 54 Part-time)

12 (7 Full-time, 5 Part-time)

Resignations and Terminations for December 2023 by Length of Service

	Less than 1 year		Less than 2 years		Leave after 2-5 years		Leave after 5+ years		Grand Total
	FT	PT	FT	PT	FT	PT	FT	PT	
Resigned	2	2	0	0	0	3	4	1	12
Terminated	0	0	0	0	0	0	0	0	0
Grand Total	2	2	0	0	0	3	4	1	12

The stated reasons for resignations in December are as follows:

1. **Career Opportunity** – 1 in Human Resources
2. **Retirement** – 2 in Landscape Services, 1 in Financial Services
3. **Personal Reasons** – 1 in Financial Services
4. **Health Reasons** – 1 in Recreations & Special Events, 2 in Security Services
5. **Dissatisfied with Hours** – 1 in Security Services
6. **Voluntary Resignation** – 2 in Security Services,
7. **Moving** – 1 in Landscape Services

**UNITED LAGUNA WOODS MUTUAL
FEE DEVELOPMENT PLANNING WORKSHEET**

Work Center	Type	Description	2024 Budget	Net of exclusions	Frequency	Initial Review	Subsequent Review
M&C			805,358	90,073			
909 / 925 / 911	Chargeable Services	Non-Emergency Maintenance Chargeable Services	477,890	Passthrough	Annual	2023	2024
925	Membership Transfer	Inspection Fee - First & Final (Resale Inspection Fee)	90,073	90,073	Bi-Annual	2024	2025
	Variance Requests	Pre-Construction Mutual Consent	-	-			
		Solar Application Processing Fee	-	Reviewed	Bi-Annual	2023	2025
		Unauthorized Alterations Fee	-	Reviewed			
		Variance Fee - Based on Value of Alteration	235,895	Reviewed	Bi-Annual	2023	2025
		Variance Processing Fee - Non Standard	-	Reviewed	Bi-Annual	2023	2025
		Variance Processing Fee - Standard	1,500	Reviewed	Bi-Annual	2023	2025
Community Services			331,055	331,055			
240	Membership Transfer	Escrow Cancellation Fee	-	-			
		Resale Processing Fee	135,800	135,800	Bi-Annual	2024	2026
		Resale Processing Fee - All Cash Sale, Recording	-	-		2024	2026
		Stock Transfer Fee	25,000	25,000	Tri-Annual	2024	2027
	Sublease	Sublease Permit Processing & Extension	170,255	170,255	Bi-Annual	2024	2026
Financial Services			269,492	213,492			
300	Collections and Lien Enforcement	NSF - First Returned Check	-	-		2024	2025
		NSF - Subsequent Checks	-	-		2024	2025
		Delinquent Assessments - Payment Plan Fees		Reviewed	Annual	2023	2024
		Fines, Fees and Chargeables - Payment Plan Fees		Reviewed	Annual	2023	2024
		Late Charge, monthly - Chargeable Services	-	Reviewed	Annual	2023	2024
		Interest Charge	3,000	Reviewed	Annual	2023	2024
		Late Charge - Assessments	53,000	Reviewed	Annual	2023	2024
		Recovery of Damages	-	Passthrough		2024	2025
300 / 240	Collections and Lien Enforcement	Collection Administrative Fee	213,492	213,492	Annual	2024	2025
Compliance			67,508	67,508			
210 / 400 / 925	Violations	Resident Violations - Schedule of Monetary Penalties	67,508	67,508	Bi-Annual	2024	2026
Other: Non Work Center			365,000	365,000			
240 / 400	Chargeable Services	Additional Occupant Fee (United), monthly	40,000	40,000	Tri-Annual	2024	2027
		Carport Rental Fee, annual	2,000	2,000	Tri-Annual	2024	2027
		Chargeable Services - Additional Smoke Detector Installation	-	-			
		Chargeable Services - Service Charge	-	-			
300		Electric Charge - Golf Cart, annual	56,000	56,000	Tri-Annual	2024	2027
300		Electric Charge - PEV, annual	18,000	18,000	Tri-Annual	2024	2027
300	Laundry Facilities	Laundry - Washer, Per Load	249,000	249,000	Bi-Annual	2024	2026
Non-Fee (Reconciliation to Budget)			1,735,176	-			
909	Chargeable Services	Damage Restoration Backlog	1,125,000	Passthrough			
000	Miscellaneous	Investment	603,319	Non-Fee			
311	Miscellaneous	Warehouse	2,857	Non-Fee			
311	Miscellaneous	Recycling	4,000	Non-Fee			
Grand Total			3,573,589	1,067,128			

STAFF REPORT

DATE: January 30, 2024
FOR: Finance Committee
SUBJECT: Revised Purchasing Policy

RECOMMENDATION

Staff recommends that the committee approves the revised Purchasing Policy as presented.

BACKGROUND

The Purchasing Task Force was established to review existing purchasing controls and optimize the internal procurement and contracting procedures. The task force met numerous times throughout 2023 where members incorporated revisions necessary for the upcoming Enterprise Resources Planning (ERP) implementation, clarify items identified by members of the task force, and lastly review authority limits.

On October 23, 2023 the Purchasing Task Force held a special open meeting with the invitation to all boards and all directors to present the revised Purchasing Policy. The United Board of Directors of approved the Purchasing Policy as presented.

DISCUSSION

In December 2023, clarification edits to the policy were requested and approved by Third Laguna Hills Mutual. To ensure consistency across Laguna Woods Village companies, staff recommends United approve the revised policy inclusive of the clarification edits. The redline version of the revised Purchasing Policy is being presented for review and approval (attachment 1).

Prepared By: Erika Hernandez, Assistant Financial Analyst

Reviewed By: Steve Hormuth, Director of Financial Services

Attachment(s):
Attachment 1: Revised Purchasing Policy

PURCHASING POLICY

1. PURPOSE

To establish guidelines and rules to procure a service, project or product/equipment for capital and operating requirements. The Purchasing Policy will outline the approval process for purchases of certain expenditures that require Corporation approval. The VMS Purchasing Division's goal is to obtain the product or service that best meets the needs of the corporation at the best possible value and interest of Laguna Woods Village.

2. CODE OF CONDUCT

Corporation or VMS shall not participate in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when Corporation or VMS, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. VMS shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub agreements except for where the financial interest is not substantial or the gift is an unsolicited item of nominal value. VMS shall never intentionally be involved in bid splitting to break down proposals to evade or circumvent the requirements for signature authorization levels. Members of the Corporation shall comply with all relevant fiduciary duties, including those governing conflicts of interest, when they vote upon matters related to procurement contracts in which they have a direct or indirect financial or personal interest. The Corporation shall be subject to disciplinary actions for violations of these standards as identified by the Corporation.

3. FUNDS

Funding for all procurement activities is approved by the Corporation through the capital plan, a supplemental appropriation or the operating budgets of each VMS Division, prior to procurement of goods or services.

4. COMPETITIVE BIDDING PROCESS

The VMS Purchasing Division carries out a bidding process whether the request is for a service, project or product/equipment. The following steps are taken:

- a. A Purchase Requisition (PR) and a detailed Scope of Work (SOW) are submitted by the requesting VMS Division. The VMS Purchasing Division reviews the SOW and if it requires more detail, it is returned to the requesting VMS Division with questions and comments
- b. The VMS Purchasing Division will incorporate the final SOW into a request for quote (RFQ) for a product, professional services or construction services, together with brief information about the Laguna Woods Village, insurance requirements, a pre-bid meeting date and the deadline for submitting proposals/bids. The RFQ is sent to a minimum of three (3) qualified vendors/contractors or may be widely advertised to obtain bids. Vendors shall be qualified by a process which will include researching the company for history, size, licensing, and references.

- c. When the proposal/bids are received, VMS will evaluate them to ensure that each bidder meets the SOW and will recommend to the Corporations Committee the best qualified and competitive proposal/bid. If a proposal is submitted late, the VMS Purchasing & Supply Manager along with the requesting VMS Division will determine if the proposal should be accepted in the best interest of the Corporation, and this shall be put in writing.

Exceptions to carrying out the bidding process are when:

- **Single Source (Form)**

A Single Source procurement is one in which two or more vendors can supply the commodity, technology or perform the services required, but staff recommends one vendor over the others for reasons such as expertise or previous experience with similar contracts.

Upon receipt of a justification which includes price justification to use a single source, Purchasing shall confirm, through a review of the material and appropriate market research, if a single source contract is appropriate. This form shall be signed by the VMS Department Director, the CEO, and the VMS Purchasing & Supply Manager.

- **Sole Source (Form)**

A Sole Source procurement is one in which only one vendor can supply the product, commodities, technology or perform the services required by an agency.

Upon receipt of a justification to use a sole source, Purchasing shall confirm, through a review of the material and appropriate market research, if a sole source contract is appropriate. This form shall be signed by the VMS Department Director, the CEO, and the VMS Purchasing & Supply Manager.

- The cost of an item, service or project does not exceed the Minor Project Limit amount listed in the Appendix, unless required by the VMS Purchasing & Supply Manager.
- A current material trade agreement or annual service contract is expiring using a proven vendor/contractor and their pricing will not increase and their products will not substantially change. In this case a new contract shall be drafted that addresses the new effective dates.
- Blanket purchase orders: (PO indicates a not-to-exceed amount that does not specify product, quantity or delivery date. Standard Terms and Conditions apply.) Purchase orders that supply products on an as needed or emergency schedule. Blanket orders shall be established with vendors that allow a 30-day payment schedule. The approval ~~levels~~ amounts are per the Appendix.

- Emergency repairs: (1) involving manifest danger to life or property, (2) immediately necessary for the preservation and safety of the physical assets of the Village (3) for the safety of the members and residents or (4) as may be required to avoid the suspension of any necessary services to the residents, may be made irrespective of whether included in the Budget. Notwithstanding the foregoing authority, if at all possible, VMS shall confer immediately with the applicable Corporation and attempt to gain prior written approval regarding every such unbudgeted expenditure and suspension of service and in any event shall provide a written report regarding the same within forty-eight (48) hours of such emergency expenditures. The responsible VMS Division with the input from the VMS Purchasing & Supply Manager shall negotiate a price with vendor and that price shall be agreed to in advance of purchases, in writing signed by both parties, in order to have an order of magnitude understanding of the cost associated with that purchase. After damage control is finalized, and further work needed to address the repair that is beyond damage control shall be worked via a bid process or a Single/Sole source justification with the appropriate approval signatures.
- Change Order to an existing contract, shall be made per the Corporations-adopted Contract Change Order Policy attached hereto and made a part hereof.

5. AWARD PROCESS

- After proposal/bids are received for One-Time Large and Annual Program Projects, they shall be opened, and analyzed by VMS, a detailed Contract Award report will be prepared for the appropriate Corporation and Committee as outlined in the Corporations Contracts Responsibility Matrix. The Contract Award report will be prepared by the VMS Division overseeing the services to be contracted for, and shall include a comparison spreadsheet listing all the proposals/bidders; a description of the services to be contracted for; and VMS's recommendations.
- After proposal/bids are received for Annual Maintenance and Small Projects, they shall be opened, and analyzed by VMS, a detailed Contract Award report will be prepared for the appropriate VMS Division review and recommendation for award.
- Third party agreements for goods and services shall be for a term for ~~one~~ three years, unless the contract is terminable by any party at the end of any one year period or unless such a contact has been authorized by the board.

6. CONTRACTS

Following the competitive bidding process, the parties enter into an agreement or Contract. The process and documents differ between product and services:

- Trade Agreements

- Supply item:

VMS Purchasing Division uses the Purchase Requisition (PR) to create a Purchase Order (PO) and then forwards it to the vendor. A detailed description, quantity and unit price for each product being ordered is required.

- Stock item:

A Trade Agreement is written and after execution the VMS Warehouse Division creates purchase requisitions when the stock items are required. The requisitions are approved by the VMS Warehouse Supervisor and the items ordered by the VMS Purchasing Division.

- b. Annual service:

An annual contract is written for the service and when executed a Purchase Order from the requisition is generated to enable payment through the accounting system. The Purchase Orders shall not exceed the total amount listed in the approved annual contract. Annual contracts are not-to-exceed contract amounts and do not require a requisition to establish a contract with the vendor.

Annual contracts may be for one or up to three ~~more~~ years in duration, and unit prices must be competitively verified at least every three years. A detailed description, quantity and unit price for each product or service being ordered is required with the Annual Terms and Conditions and other applicable exhibits made a part of.

- An **Annual Program Contract** is a contract between the Corporation and a vendor for one or more years to provide services on an on-going basis that is for a program that VMS has received direction to accomplish from the Corporations. Program contracts can exist for Architects, Engineers, Sidewalks, Roofing, Plumbing programs such as waste lines; water lines; water heaters, etc.. This type of contract requires Committee and Board review. The completed contract is sent to the contractor and then to the Corporation for signature by two officers.
- An **Annual Maintenance Contract** is a contract between the Corporation and a vendor for one or more years to provide services on an on-going, on-call, urgent or emergency basis that is for the maintenance of the facilities within Laguna Woods Village. Maintenance contracts can exist for Architects, Engineers, Title Search, Concrete, Asphalt, Locksmith, Towing, Hotels, Catering, Portable Toilets, Trash Bins, Vehicle Repairs, Pest Contractor, Pool Maintenance, Landscaping, Information Technologies and building repairs, etc. This type of contract does not require Committee or Board review. Staff never spends more than budget amounts. The completed contract is sent to the contractor and then to the Corporation for signature by two officers.

Common parts of an annual contract span across all needs. A program or maintenance contract shall show the expectations, requirements and hourly/unit prices for the duration of that contract as defined by the dates shown in the contract. A Purchase Order (Work Order) will be generated by the Work Center that will direct the vendors to proceed with the work under Annual Contracts. The PO/Work Order shall reference the scope of work, the annual contract, the unit prices or the bidding for the intended work. The PO amount shall not exceed the total amount listed in the approved annual contract. If the cumulative amount of the contract is ~~needed~~exceeded, a change order is required to be approved by the Corporation.

- c. Equipment: Equipment for new, repair or replacement is processed in the ERP system except when installation is required. Installation by a vendor who performs work on Laguna Woods Village property must meet the Insurance requirement and therefore requires a contract for the work with the Standard Terms and Conditions and other applicable exhibits made a part of.
- d. A One-Time Contract is based on a specific project that is as directed by the responsible Corporation. Processed from the Scope of Work to the Request for Quote, to the award and finally to the contract. The one-time contracts cover all items requiring installation where the vendor is required to come on Village property to perform the work. Standard Terms and Conditions apply and other applicable exhibits made a part thereof. Signature limits are applicable as defined in the Purchasing Policy Appendix.
- e. Projects
 - Minor project:

The VMS Purchasing Division obtains, from the requesting VMS Division, approval of the contractor and its value. The VMS Purchasing & Supply Manager then adds conditions to the purchase requisition, then approves the Purchase Requisition and the VMS Purchasing Division generates a Purchase Order after all requirements are met. The final PO is forwarded to the contractor. Amount is defined in the Purchasing Policy Appendix.
 - Small Project:

The VMS Purchasing Division obtains approval of the contractor and value from the requesting VMS Division in writing and a contract is written for the work. The contract SOW is copied from the RFQ with any changes that occurred during the proposal/bidding process. The completed contract is signed by the contractor then by the VMS CEO, or the designated VMS Department Director, or the VMS Purchasing & Supply Manager. Amount is defined in the Purchasing Policy Appendix.
 - Large Project:

The VMS Purchasing Division obtains approval of the contractor and value from the applicable Corporation Committee and Board via the requesting VMS Division and a contract is written for the work. The contract SOW is copied from the RFQ

with any changes that occurred during the proposal/bidding process. The completed contract is signed by the contractor then by two Officers of the applicable Corporation. Amount is defined in the Purchasing Policy Appendix.

- Very Large and Special Projects

The VMS Purchasing Division obtains approval of the contractor and value from the applicable Corporations via the requesting VMS Division and a contract is written for the work. The contract SOW is copied from the RFQ with any changes that occurred during the proposal/ bidding process. The completed contract is signed by the contractor and then by two Officers of the applicable Corporation. Amount is defined in the Purchasing Policy Appendix.

Any GRF purchases per the Trust Agreement for Very Large Projects require Corporate Member approval. The completed contract is signed by the contractor then by two GRF Officers.

- f. Leasing;

A GRF Leasing Agreement for property is for one year per the Trust Agreement and forwarded to GRF for signature by two officers.

Other Leasing Agreements may be made for more than one year and will be forwarded to the Corporation for signature. Examples are Copier Equipment, Golf Carts and other agreements that the leasing Vendor requires to be executed on their forms. Leases shall be signed by the applicable Corporation President.

- g. The VMS Purchasing Division will assist the requesting VMS Division to cancel a contract or produce written warnings to a contractor.

- h. Legal Review. Non-standard contracts will be forwarded by the VMS Purchasing & Supply Manager to Corporation legal counsel for their legal review and advice. Legal review is required for specialty contracts related to the streaming industry to ensure compliance with industry practices and applicable law. Results to be forwarded by the VMS Purchasing & Supply Manager to the Corporation President for disposition.

Legal Review Checklist: Verify the following as a minimum;

- i. Parties: Legal names and addresses
- ii. Purpose of Scope: Covers all aspects of the work to be performed
- iii. Definitions: Ensure consistency and clarity
- iv. Terms and Conditions: Evaluate the specific terms and conditions of the contract including payment terms, delivery schedules, performance obligations, and any specific provisions related to termination, renewal, or amendment.
- v. Consideration: Confirm each party is providing something of value in exchange for the obligations outlined in the agreement.
- vi. Legal compliance: Complies with all relevant laws
- vii. Representations and Warranties
- viii. Indemnification and Liability
- ix. Confidentiality and Non-disclosure

- x. Intellectual Properties
- xi. Dispute Resolutions
- xii. Governing Law and Jurisdiction
- xiii. Force Majeure

- i. Standard Terms and Conditions included in the contracts have been approved by legal counsel and are identified as follows;
 - i. Standard Terms and Conditions
 - ii. Annual Contract Terms and Conditions
 - iii. Consultant Contract Terms and Conditions
- j. Industry specific television programming contracts are exceptions to this Purchasing Policy, however, specialty contracts written to facilitate the operations and relationships within the streaming industry are not exempt from this policy.
- k. Standard or Capital purchases are submitted to the Corporation for approval per the attached Appendix.

7. Certain purchases made by VMS ~~are considered employee related and~~ are appropriate for DIRECT PAYMENT and may be excluded from competitive sourcing, requisition and purchase order requirements. Appropriations needed for these services have already been allocated through the annual budgeting process. These include the following:

- Casualty and Property Insurance (approved by Corporation)
- Community Sponsored Functions (entertainers, caterers)
- Debt Service Payments
- Employee Benefits/Contracts with Third Parties for Payroll Deductions i.e. Life, Health and Dental Insurance, 401K contributions, Pension payments, EAP
- Investments (approved by Corporation)
- Legal Fees (approved by Corporation)
- Memberships, Dues, Subscriptions, Publications
- Permits
- Postage
- Recording Fees
- Recreation Services (instructors, entertainers, caterers)
- Retirement Plan Contributions
- Section 457 (Deferred Compensation) Contributions
- Services Procured with non-Corporation Funds (Developer Deposits, etc.)
- Staff Support
- Tax Withholding Payments
- Training, Seminars and Travel Expenses
- Unemployment Compensation
- Utilities
- Vehicle Licensing

8. CHANGE ORDERS TO CONTRACTS

Per the Corporations-adopted Change Order Policy. Attached hereto and made a part hereof.

9. VEHICLE PURCHASES

The Mobility & Vehicles Committee will approve the specifications annually for all vehicles intended for purchase throughout the year. Upon approval, the VMS Transportation Division will submit requisitions for the Vehicle purchases in the ERP system. Upon electronic approval, vehicles may be purchased by way of a cooperative purchasing program that manages the specification requirements and offers VMS easy access to an established network which offers competitive rates and faster procurement or other more competitive resources. The VMS Transportation Division Director will keep the Mobility & Vehicles Committee updated on fleet status.

10. GLOSSARY

Definitions of words used in this Policy

Contractor: This references entities with contracts that include labor and materials to be provided to the Corporation

Corporation: Includes one or more of the managing entities for Laguna Woods Village;

- The Golden Rain Foundation of Laguna Woods, Inc. as acting Trustee of the Golden Rain Foundation Trust, established March 2, 1964 as amended
- Third Laguna Hills Mutual
- United Laguna Woods Mutual

ERP: Enterprise Resource Planning

GRF: Golden Rain Foundation

Non-standard Terms and Conditions: Any contract that contains terms and conditions which are not included under the Corporations standard form contracts

PR: Purchasing Request

PO: Purchase Order

RFQ: Request for Quote

SOW: Scope of Work

Vendor: Any entity with a vendor number in the ERP. Includes, but not limited to, material suppliers, contractors, delivery companies, engineers and professional services, service companies.

VMS: Village Management Services, Inc., an Agent of the Corporation

Work Order: Authorization to proceed with work in the Village.

PURCHASING POLICY APPENDIX

Minor Project.....	Under \$10,000
Small Project.....	\$10,000-\$35,000
Large Project	\$35,000-\$500,000
Very Large and Special Projects	Over \$500,000
Standard or Capital Purchases GRF Board....	Over \$35,000
Blanket PO Authority	Up to \$10,000
Blanket PO Authority VMS Director	Over \$10,000

United Laguna Woods Mutual
Landscape Committee
January 30, 2024

ENDORSEMENT (to Finance Committee)

Authorize the Landscape Committee to approve a supplemental appropriation in the amount of \$8,661 from the United Reserve Fund to finance the replacement of seven benches located along Friendship Walk.

At the December 11, 2023, United Landscape Committee meeting, a motion was made and moved by Director Liberatore to accept and endorse this recommendation. Director Willis seconded and the motion passed unanimously.



STAFF REPORT

DATE: January 30, 2024
FOR: Finance Committee
SUBJECT: Replacement of Benches on Friendship Walk

RECOMMENDATION

Approve a supplemental appropriation in the amount of \$8,661 from the United Reserve Fund to finance the replacement of seven benches located along Friendship Walk.

BACKGROUND

On February 14, 2012, the Board of Directors approved the installation of seven Heritage Style Benches along Friendship Walk in United Mutual to coincide with a completed landscape renovation project (Attachment 1).

DISCUSSION

The benches originally installed in 2012 were composed of green recycled plastic-coated cast-iron frames, with wooden slats. Since the installation, the iron has rusted and the green paint is peeling off of the frames. This damage is not aesthetically pleasing, and the decaying poses a potential threat to the structural integrity of the benches long-term (Attachment 2).

Staff obtained a quote from Kings River Casting, Inc. to replace the existing benches with seven new benches composed of oak wooden slats and electrostatic powder coated iron frames. The longevity of these benches, due to the change in material used, is expected to last much longer than the current benches (Attachment 3).

Staff is recommending the approval of an unbudgeted expense in the amount of \$8,661 to purchase seven benches from Kings River Casting, Inc. with installation to be completed by the General Services Department (Attachment 4). The \$876 cost for the installation is included in the 2024 General Services Department operating budget.

FINANCIAL ANALYSIS

The cost to purchase the new benches is \$8,661. The supplemental appropriation in the amount of \$8,661 from the United Reserve Fund will fund the purchase of the seven benches. The \$876.28 cost for installation is included in the 2024 General Services operating budget.

Prepared By: Megan Feliz, Department Administrative Assistant

Reviewed By: Kurt Wiemann, Director of Landscape Services

Robert Carroll, Director of General Services

ATTACHMENT(S)

Attachment 1: Original Staff Report and Resolution 01-12-48

Attachment 2: Photographs

Attachment 3: Quote from Kings River Casting, Inc.

Attachment 4: Resolution 01-23-XX

Attachment 1

RESOLUTION 01-12-48

Friendship Walk Benches

WHEREAS, as a way to upgrade the area and to coincide with a completed landscape slope renovation project, the Landscape Committee recommends the installation of seven new benches in designated locations along Friendship Walk;

NOW THEREFORE BE IT RESOLVED, February 14, 2012, that the Board of Directors of this Corporation hereby agrees to install seven Heritage Style Benches along Friendship Walk at an estimated cost of \$5,250 from the Replacement Fund; and

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

Attachment 2















Attachment 3

Kings River Casting, Inc.

1350 North Avenue
 Sanger, CA 93657
 (559) 875-8250 Fax (559) 875-1491
 sales@kingsrivercasting.com

Quotation

Date	Estimate #
9/12/2023	1463

Bill To:
Laguna Woods Village Angelo Ocampo (949) 597-4679 angelo.ocampo@vmsinc.org

Ship To:
92656

Lead Time	Terms	Quoted By	FOB	P.O. Number	Project
6-8 Weeks	CBD	TH	Sanger		
Description			Qty	Rate	Total
IVSBP 60-OAK IRON VALLEY SLATTED Bench 60"L OAK Slats FRAME (Stock)			7	1,062.00	7,434.00T
Freight Prepay & Add Ship Assembled				650.00	650.00
Signature _____					

Please sign/date and email back to place order	This quote is valid for 30 Days	Subtotal	\$8,084.00
		Sales Tax (7.75%)	\$576.14
		Total	\$8,660.14

Attachment 4

RESOLUTION 01-23-XX

Replacement of Benches at Friendship Walk

WHEREAS, February 14, 2012, the Board of Directors approved the installation of seven Heritage Style benches along Friendship Walk at an estimated cost of \$5,250 from the Replacement Fund; and

WHEREAS, due to the materials of the benches being recycled plastic and green aluminum, they have began decaying over time; and

WHEREAS, the rust and decay pose a threat to the structural integrity of the current benches;

NOW THEREFORE BE IT RESOLVED, November 14, 2023, that the Board of Directors of this Corporation hereby agrees to replace the seven benches with Oak Iron Valley Slatted benches purchased from Kings River Casting, Inc. in the amount of \$8,661 from the Reserve Fund and to be installed by the General Services Department; and

RESOLVED FURTHER, that Resolution 01-12- is hereby canceled and replaced by this resolution; and

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



STAFF REPORT

DATE: January 30, 2024
FOR: Finance Committee
SUBJECT: Revision to Resale Inspection Fees

RECOMMENDATION

Recommend the Board of Directors approve the revised Resale Inspection Fees.

BACKGROUND

The Architectural Control and Standards Committee (ACSC) initiated a review of the current Resale Inspection Fees. The Resale Inspection Fees were last revised in January 2008, via Resolution 01-08-16 (Attachment 1).

DISCUSSION

The attached Resale Inspection Cost Analysis (Attachment 2) shows that the current fee structure for resale inspections does not fully cover the costs to perform said inspections. Staff proposes a revised fee structure that not only recovers the cost for time staff spends processing these inspections but allows for the flexibility to not charge for final inspections if during the first inspection it is determined that there are no member corrections or deficiencies.

On January 18, 2024 the ACSC reviewed and voted unanimously to recommend the board approve the proposed Revised Resale Inspection Fees.

FINANCIAL ANALYSIS

It is anticipated that if the revised resale inspection fees are approved and become effective on March 12, 2024, the revenue to the mutual will increase by approximately \$78,000 from \$38,000 to \$116,000 based on an estimated 255 inspections from 3/12/24 to 12/31/24.

Prepared By: Alan Grimshaw, Manor Alterations Manager

Reviewed By: Baltazar Mejia, Maintenance & Construction Assistant Director
Gavin Fogg, Manor Alterations Supervisor
Steve Hormuth, Financial Services Director

ATTACHMENT(S)

Attachment 1 – Current Resolution 01-08-16
Attachment 2 – Resale Inspection Cost Analysis
Attachment 3 – Revised Resolution 01-24-XX

RESOLUTION 01-08-16

WHEREAS, resale inspections are utilized to identify any damages and/or modifications to the property for which the selling party may be financially responsible, as well as identify any necessary repairs and/or replacements that may be the Mutual's financial responsibility; and

WHEREAS, a recent cost analysis revealed that a portion of the costs associated with the resale inspection process is not recovered from the requesting member, and an increase in the fee would serve to recover more of the administrative costs associates with the transactions;

NOW THEREFORE BE IT RESOLVED, January 8, 2008 that the Board of Directors of this Corporation hereby increases the Resale Inspection Fee from \$80 to \$150; and

RESOLVED FURTHER, that such fee shall be charged as follows: \$90 for the first inspection, \$60 for the final inspection, if necessary, and each charge will be billed separately; and

RESOLVED FURTHER, that the first inspection portion of the fee will be billed as a chargeable service to the seller upon completion of the first inspection, and the final inspection portion of the fee will be collected through escrow upon closing; and

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

UNITED LAGUNA WOODS MUTUAL

Cost Analysis

UNITED RESALE INSPECTION & REPORT FEES CURRENT & PROPOSED			
		Current Fees	
Current Fees: \$150		\$	38,250
Current Fee is as follows:			
1st Inspection: \$90		\$	22,950
Final Inspection \$60		\$	15,300
Anticipated resale inspections (from 3/12/24 -12/31/24)	255		
1st Inspection Costs:			
	2024 Bill Rates	Hrs.	Total
Initial Request for Inspection	\$ 41.92	0.5	\$ 20.96
Research of Manor	\$ 41.92	1.5	\$ 62.88
Assembly of Archive & Material	\$ 41.92	0.5	\$ 20.96
Generate Packet	\$ 41.92	0.25	\$ 10.48
Schedule Inspection	\$ 41.92	0.2	\$ 8.38
Appliance Confirmation Field Work	\$ 41.92	0.5	\$ 20.96
Appliance Updates and Archives Inspection	\$ 41.92	1	\$ 41.92
Prepare Draft Report	\$ 41.92	1.5	\$ 62.88
Final First Inspection Report	\$ 41.92	1	\$ 41.92
Report Issuance	\$ 41.92	0.75	\$ 31.44
Misc. Calls and Coordination	\$ 41.92	0.2	\$ 8.38
			\$ 20.96
			\$ 352.13
		Proposed Fee (1st Inspection):	\$353.00
Re-Inspection Costs (to be charged when a Final Inspection is requested and it does not pass):			
	2024 Bill Rates	Hrs.	Total
Request for Final Inspection	\$ 41.92	0.5	\$ 20.96
Inspection	\$ 41.92	0.75	\$ 31.44
Inform Member of Failed Inspection	\$ 41.92	0.1	\$ 4.19
			\$ 56.59
		Proposed Fee (Re-Inspection):	\$ 57.00
Final Inspection Costs:			
	2024 Bill Rates	Hrs.	Total
Request for Final Inspection	\$ 41.92	0.5	\$ 20.96
Final Inspection	\$ 41.92	0.75	\$ 31.44
Prepare Final Inspection Report	\$ 41.92	1	\$ 41.92
Report Issuance	\$ 41.92	0.2	\$ 8.38
			\$ 102.70
Anticipated resale inspections (from 3/12/24 -12/31/24)	255	Proposed Fee (Final Inspection):	\$103.00
Resales Inspections Projected Annual Revenue:		\$	116,280.00
Resales Inspections Projected Annual Revenue Increase:		\$	78,030.00

RESOLUTION 01-24-XX
REVISED RESALE INSPECTION FEE

WHEREAS, resale inspections are utilized to identify any damages and/or modifications to the property for which the selling party may be financially responsible, as well as identify any necessary repairs and/or replacements that may be the mutual's financial responsibility; and

WHEREAS, a recent cost analysis revealed that a portion of the costs associated with the resale inspection process is not recovered from the requesting member, and an increase in the fee would serve to recover more of the administrative costs associated with the transactions;

NOW THEREFORE BE IT RESOLVED, [DATE], the Board of Directors of this Corporation hereby revises the Resale Inspection Fees as follows:

First Inspection	\$353
Re-Inspection (if required)	\$ 57
Final Inspection (if required)	\$103

RESOLVED FURTHER, that each charge will be billed separately; and

RESOLVED FURTHER, that when a progress inspection is requested or when a request for final inspection fails, the Member will be charged a re-inspection fee; and

RESOLVED FURTHER, no fee will be charged for a final inspection if, after the first inspection, it is determined that there are no corrections for the member to complete prior to the close of escrow; and

RESOLVED FURTHER, that the first inspection portion of the fees will be billed as a chargeable service to the seller upon completion of the first inspection, and the re-inspection and final inspection portion of the fee will be collected through escrow upon closing; and

RESOLVED FURTHER, Resolution 01-08-16 adopted January 08, 2008, is hereby superseded and canceled; and

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

FEBRUARY INITIAL NOTIFICATION: Should the Board endorse the proposed revisions, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 28-days from the postponement to comply with Civil Code §4360.

DRAFT