



REGULAR OPEN MEETING OF THE FINANCE COMMITTEE*

Tuesday, July 30, 2024 – 1:30 pm
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 OF MEETING 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 Reports for May 28, 2024
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
 - a) Preliminary Financial Statements dated June 30, 2024
 - b) 2023 Operating Deficit Transfer
 - c) Property Tax- Follow up discussion (Oral)

United Laguna Woods Mutual
Finance Committee
Regular Open Session
July 30, 2024
Page 2 of 2

Items for Future Agendas

- None

Concluding Business:

9. Committee Member Comments
10. Date of Next Meeting – Tuesday, September 24, 2024 at 1:30 p.m.
11. Recessed to closed session

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



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

Tuesday, May 28, 2024 – 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, Carlos Rojas, Karina Vargas, Ian Barnette, Sandra Spencer, Erika Hernandez, Blake Lefante, Ada Sigler

OTHERS PRESENT: United – Ellen Leonard, Nancy Carlson, Georgiana Willis, Sue Quam

Call to Order

Director Mickie Choi Hoe, Treasurer, chaired the meeting and called it to order at 1:33 p.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 the Agenda

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

Approval of the Meeting Reports for March 26, 2024 and May 8, 2024

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

Chair Remarks

Director Mickie Choi Hoe provided an overview of the 2025 Maintenance and Construction budget meeting. She also briefly highlighted some concerns previously raised by members about the temporary borrowing from the reserve fund due to the possible change in due dates from property taxes and insurance premiums from October 1st to June 1st, and how the borrowed funds will be repaid to the reserve.

Member Comments (Items Not on the Agenda)

A member inquired if the property tax questions from the March meeting would be addressed. Steve Hormuth, Director of Financial Services, stated the questions would be answered by the end of the current meeting after reviewing the report, or in the next meeting if needed.

A member asked if the results of a previous inquiry would be shared with everyone at the next committee meeting, rather than only with the individual that posed the question. Steve clarified that the analysis results would instead be addressed in the July meeting.

Department Head Update

Steve Hormuth, Director of Financial Services announced the start of United's 2025 Business Plan development. He noted that the United board reviewed the Maintenance and Construction plan on May 23rd and the Landscape plan would be reviewed on June 3rd. He also provided details of the upcoming 2025 business plan meetings.

Steve Hormuth also provided a brief background for the temporary borrowing and the anticipated repayment date of October 31, 2024.

Review Preliminary Financial Statements dated April 30, 2024

The committee reviewed financial statements for April 30, 2024 and questions were addressed and noted by staff.

2025 Approval Collections and Lien Enforcement Policy

Staff research and legal counsel confirm no law changes affecting assessment collection policies. Thus, the 2025 collection and Lien enforcement policy remains consistent with the 2024 version, however staff recommend the following three changes:

1. Title updated to "2025"
2. Administrative collection fee increased from \$200 to \$500
3. Assessment late charge increased from \$50.00 to 10 percent of the monthly total basic assessment.

Director Tuning moved to approve as recommended, Director Bok seconded, hearing no objection the motion passed unanimously.

Temporary Borrowing- Property Insurance

Steve Hormuth presented a staff report requesting approval of a temporary borrowing in the amount of \$1,000,000 by the Operating Fund from the Reserve to meet cashflow needs resulting from the prepayment of property insurance payment due in June 2024 and the residual effects of prepaying 12 months of insurance planned for October 2024. Director Bok moved to endorse and approve the staff's recommendation as presented. Director Tuning seconded and discussion ensued. The motion passed unanimously and will be presented at the upcoming board meeting.

Future Agenda Items

United Annual Policy Review

- a) Finance Committee Charter
- b) Investments
- c) Temporary Borrowing update
- d) Follow up on March 2024 report inquiries posed by members

Committee Member Comments

None.

Date of Next Meeting

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

Report of United Finance Committee Regular Open Meeting

May 28, 2024

Page 3 of 3

Recessed to Closed Session

The meeting recessed to closed session at 2:47 p.m.

Mickie Choi Hoe

Mickie Choi Hoe (Jun 5, 2024 18:46 PDT)

Mickie Choi Hoe, Chair

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MEMORANDUM

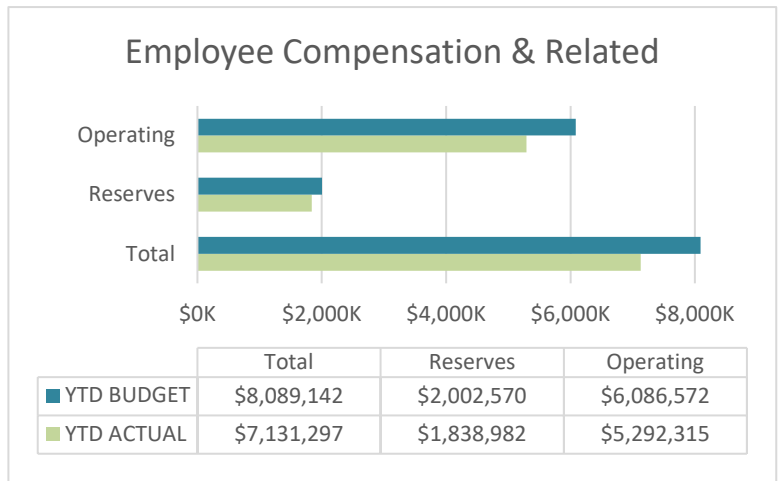
To: United Finance Committee
 From: Steve Hormuth, Director of Financial Services
 Date: July 30, 2024
 Re: Department Head Update

Financial Highlights

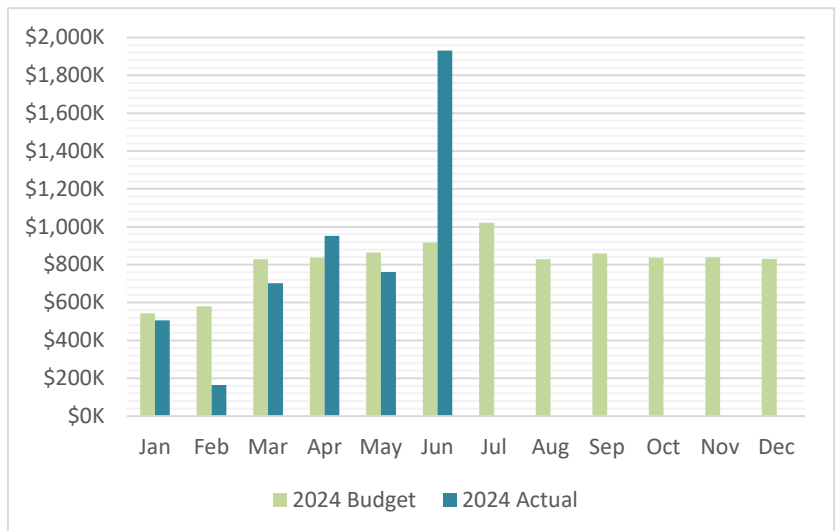
▪ **SUMMARY:** For the year-to-date period ending June 30, 2024, United Laguna Woods Mutual was better than budget by \$328K primarily in compensation due to open positions. The variance was partially offset by less damage restoration backlog revenue than anticipated at the time of budget preparation.

INCOME STATEMENT			
	Actual	Budget	Variance
Assessment Revenues	\$26,428,227	\$25,608,066	\$820,161
Other Revenues	1,135,580	1,783,172	(647,592)
Expenses	27,767,307	27,923,355	156,048
Revenue / (Expense)	(\$203,500)	(\$532,117)	\$328,617

▪ **COMPENSATION:** Compensation ended the period with a favorable variance of \$958K. Actual compensation and related costs came in at \$7.1 million, with \$5.3 million in operations and \$1.8 million in reserves. Combined, this category is 11.8% favorable to budget. The most significant impact was in Landscape and Maintenance & Construction due to open positions.



▪ **OUTSIDE SERVICES:** In total, this category was unfavorable to budget by (\$447K) primarily in M&C, specifically due to a mid-year accrual for Damage Restoration expenses, as more moisture events occurred than anticipated. The unfavorable variance was partially offset by Project Management and Building Maintenance as a result of timing of expenditures compared to the annual budget spread.



Discussions

Budget: United kicked off the 2025 Business Plan development in April by holding a meeting to review current service levels. The United Board conducted a review of Version 1 of the Maintenance & Construction budget on May 23 and Version 1 of the Landscape budget on June 3. Version 2 was recently reviewed July 17 and is undergoing changes and revisions. Version 3 review will be televised at the Business Plan meeting scheduled for August 12. The final version of the 2025 Business Plan will be proposed for adoption at the September 10 Board meeting. All budget meetings have been updated on the TeamUp calendar and are available on LagunaWoodsVillage.com.

Temporary Borrowing: Consistent with prior years, the United board authorized a temporary borrowing / transfer from the Reserve Fund to the Operating Fund in April 2024. The transfer of \$6,500,000 was made for the purposes of paying the April 2024 property tax installment to the County of Orange. The monies borrowed from the Reserve Fund are scheduled to be paid back by the end of October 2024 as indicated in the Cash Forecast provided in a prior Finance meeting. The United board authorized an additional \$1,000,000 to be temporarily borrowed for the purpose of paying property insurance. The \$1,000,000 transfer to the Operating Fund was completed in early July as was the scheduled repayment of \$2,000,000 to the Reserve Fund. The next repayment installment of \$1,000,000 is scheduled for August 2024.

Calendar

- July 30, 2024 @ 1:30 p.m. United Finance Committee (June Financials)
- August 12, 2024 @ 1:30 p.m. United Business Plan Review (Version 3)
- August 13, 2024 @ 9:30 a.m. United Board Meeting
- August 22, 2024 @ 9:00 a.m. United Agenda Prep
- September 10, 2024 @ 9:30 a.m. United Board Meeting
- September 24, 2024 @ 1:30 p.m. United Finance Committee (August Financials)
- September 26, 2024 @ 9:00 a.m. United Agenda Prep
- October 8, 2024 @ 9:30 a.m. United Annual/Organizational Meeting
- October 24, 2024 @ 9:00 a.m. United Agenda Prep Meeting

August 2024							September 2024							October 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	3	4	5	6	7			1	2	3	4	5
4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12
11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19
18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26
25	26	27	28	29	30	31	29	30						27	28	29	30	31		

United Laguna Woods Mutual
Statement of Revenues & Expenses - Preliminary
6/30/2024
(\$ IN THOUSANDS)

	CURRENT MONTH			YEAR TO DATE			PRIOR YEAR ACTUAL	TOTAL BUDGET	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE			
Revenues:									
Assessments:									
1	Operating	\$3,309	\$3,173	\$137	\$19,856	\$19,036	\$820	\$18,698	\$38,071
2	Additions to restricted funds	1,095	1,095		6,572	6,572		5,965	13,144
3	Total assessments	<u>4,405</u>	<u>4,268</u>	<u>137</u>	<u>26,428</u>	<u>25,608</u>	<u>820</u>	<u>24,663</u>	<u>51,215</u>
Non-assessment revenues:									
4	Merchandise sales				7	1	5	9	3
5	Fees and charges for services to residents	41	161	(120)	395	961	(566)	326	1,929
6	Laundry	24	21	3	122	125	(3)	113	249
7	Investment income	44	50	(6)	304	302	2	347	603
8	Miscellaneous	53	66	(13)	308	395	(87)	287	790
9	Total non-assessment revenue	<u>162</u>	<u>298</u>	<u>(136)</u>	<u>1,136</u>	<u>1,783</u>	<u>(648)</u>	<u>1,081</u>	<u>3,574</u>
10	Total revenue	<u>4,567</u>	<u>4,566</u>	<u>1</u>	<u>27,564</u>	<u>27,391</u>	<u>173</u>	<u>25,744</u>	<u>54,789</u>
Expenses:									
11	Employee compensation and related	1,130	1,334	204	7,131	8,089	958	6,821	16,236
12	Materials and supplies	362	295	(67)	1,701	1,772	71	1,638	3,546
13	Community Events					1	1		2
14	Utilities and telephone	457	440	(17)	2,457	2,392	(65)	2,376	5,126
15	Legal fees	3	16	12	50	88	38	58	183
16	Professional fees	4	13	9	50	73	23	59	147
17	Equipment rental	2	4	1	15	23	7	12	45
18	Outside services	1,932	917	(1,015)	5,017	4,570	(447)	4,703	9,787
19	Repairs and maintenance	3	4	1	26	24	(2)	19	48
20	Other Operating Expense	10	21	11	80	101	21	66	190
21	Property and sales tax	1,289	1,119	(170)	7,278	6,714	(564)	6,852	13,428
22	Insurance	524	535	11	3,142	3,207	65	2,264	6,415
23	Uncollectible Accounts	(8)	2	9	27	10	(17)	(9)	20
24	Depreciation and amortization	12	12		69	69		77	139
25	Cost Allocations	100	134	33	724	791	67	629	1,584
26	Total expenses	<u>5,820</u>	<u>4,845</u>	<u>(975)</u>	<u>27,767</u>	<u>27,923</u>	<u>156</u>	<u>25,565</u>	<u>56,895</u>
27	Excess of revenues over expenses	<u>(\$1,253)</u>	<u>(\$279)</u>	<u>(\$975)</u>	<u>(\$203)</u>	<u>(\$532)</u>	<u>\$329</u>	<u>\$179</u>	<u>(\$2,106)</u>
Other Changes									
28	(Gain)/loss on sale or trade							(1)	
29	Total other changes							1	
30	Excess of revenues over expenses	<u>(\$1,253)</u>	<u>(\$279)</u>	<u>(\$975)</u>	<u>(\$203)</u>	<u>(\$532)</u>	<u>\$329</u>	<u>\$180</u>	<u>(\$2,106)</u>

United Laguna Woods Mutual
Statement of Revenues & Expenses - By Fund Type - Preliminary
6/30/2024
(\$ 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	\$12,585	\$12,585				\$7,271	\$6,451	\$820	\$19,856	\$19,036	\$820	
2	Additions to restricted funds				6,496	6,496	76	76		6,572	6,572		
3	Total assessments	12,585	12,585		6,496	6,496	7,347	6,527	820	26,428	25,608	820	
Non-assessment revenues:													
4	Merchandise sales	7	1	5						7	1	5	
5	Fees and charges for services to residents	395	961	(566)						395	961	(566)	
6	Laundry	122	125	(3)						122	125	(3)	
7	Investment income				304	302	2			304	302	2	
8	Miscellaneous	308	395	(87)						308	395	(87)	
9	Total non-assessment revenue	832	1,482	(650)	304	302	2			1,136	1,783	(648)	
10	Total revenue	13,417	14,066	(650)	6,800	6,798	2	7,347	6,527	820	27,564	27,391	173
Expenses:													
11	Employee compensation and related	5,292	6,087	794	1,839	2,003	164			7,131	8,089	958	
12	Materials and supplies	401	440	40	1,300	1,331	32			1,701	1,772	71	
13	Community Events		1	1							1	1	
14	Utilities and telephone	2,452	2,387	(66)	5	5	1			2,457	2,392	(65)	
15	Legal fees	50	88	38						50	88	38	
16	Professional fees	50	73	23						50	73	23	
17	Equipment rental	4	5	1						15	23	7	
18	Outside services	2,081	1,001	(1,080)	2,936	3,569	632			5,017	4,570	(447)	
19	Repairs and maintenance	26	21	(5)	1	3	2			26	24	(2)	
20	Other Operating Expense	67	82	15	12	18	6			80	101	21	
21	Property and sales tax							7,278	6,714	(564)	7,278	6,714	(564)
22	Insurance	3,142	3,207	65						3,142	3,207	65	
23	Uncollectible Accounts	27	10	(17)						27	10	(17)	
24	Depreciation and amortization	69	69							69	69		
25	Cost Allocations	590	647	58	134	143	9			724	791	67	
26	Total expenses	14,251	14,119	(132)	6,238	7,091	852	7,278	6,714	(564)	27,767	27,923	156
27	Excess of revenues over expenses	<u>(\$834)</u>	<u>(\$52)</u>	<u>(\$782)</u>	<u>\$561</u>	<u>(\$293)</u>	<u>\$854</u>	<u>\$69</u>	<u>(\$187)</u>	<u>\$256</u>	<u>(\$203)</u>	<u>(\$532)</u>	<u>\$329</u>
Other Changes													
28	(Gain)/loss on sale or trade												
29	Total other changes												
30	Excess of revenues over expenses	<u>(\$834)</u>	<u>(\$52)</u>	<u>(\$782)</u>	<u>\$561</u>	<u>(\$293)</u>	<u>\$854</u>	<u>\$69</u>	<u>(\$187)</u>	<u>\$256</u>	<u>(\$203)</u>	<u>(\$532)</u>	<u>\$329</u>

**United Laguna Woods Mutual
Operating Statement - Preliminary
6/30/2024**

UNITED LAGUNA WOODS MUTUAL

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Revenues:					
Assessments:					
Operating					
41001000 - Monthly Assessments	\$9,959,863	\$9,959,863	\$0	0.00%	\$19,919,072
41007000 - Monthly Assessments - Property Taxes	7,035,110	6,451,083	584,027	9.05%	12,902,167
41007500 - Monthly Assessments - Supplemental Property Taxes	236,126	0	236,126	0.00%	0
41008000 - Monthly Assessments - Property Insurance	2,625,128	2,625,120	8	0.00%	5,250,240
Total Operating	19,856,227	19,036,067	820,161	4.31%	38,071,479
Additions To Restricted Funds					
41001500 - Monthly Assessments - Contingency Fund	75,876	75,876	0	0.00%	151,752
41003500 - Monthly Assessments - Replacement Fund	6,496,124	6,496,124	0	0.00%	12,992,247
Total Additions To Restricted Funds	6,572,000	6,572,000	0	0.00%	13,143,999
Total Assessments	26,428,227	25,608,066	820,161	3.20%	51,215,478
Non-Assessment Revenues:					
Merchandise Sales					
41501500 - Merchandise Sales - Warehouse	6,874	1,428	5,446	381.24%	2,858
Total Merchandise Sales	6,874	1,428	5,446	381.24%	2,858
Fees and Charges for Services to Residents					
46501000 - Permit Fee	80,988	117,947	(36,958)	(31.33%)	235,895
46501500 - Inspection Fee	19,371	45,035	(25,664)	(56.99%)	90,073
46502000 - Resident Maintenance Fee	161,508	235,344	(73,836)	(31.37%)	477,890
46502999 - Resident Maintenance Fee Backlog	133,371	562,500	(429,129)	(76.29%)	1,125,000
Total Fees and Charges for Services to Residents	395,238	960,826	(565,588)	(58.86%)	1,928,857
Laundry					
46005000 - Coin Op Laundry Machine	121,652	124,500	(2,848)	(2.29%)	249,000
Total Laundry	121,652	124,500	(2,848)	(2.29%)	249,000
Investment Income					
49001000 - Investment Income	303,686	301,659	2,026	0.67%	603,319
Total Investment Income	303,686	301,659	2,026	0.67%	603,319
Miscellaneous					
46004500 - Resident Violations	825	33,750	(32,925)	(97.56%)	67,508
44501000 - Additional Occupant Fee	21,016	20,000	1,016	5.08%	40,000
44501500 - Lease Processing Fee - United	87,460	85,122	2,338	2.75%	170,255
44502000 - Variance Processing Fee	1,050	750	300	40.00%	1,500
44503000 - Stock Transfer Fee	4,150	12,498	(8,348)	(66.79%)	25,000
44503510 - Resale Processing Fee - United	63,246	67,896	(4,650)	(6.85%)	135,800
44507000 - Golf Cart Electric Fee	27,999	28,000	(1)	0.00%	56,000
44507200 - Electric Vehicle Plug-In Fee	23,946	9,000	14,946	166.07%	18,000
44507500 - Cartport/Carport Space Rental Fee	1,125	1,000	125	12.50%	2,000
47001500 - Late Fee Revenue	27,140	26,500	640	2.41%	53,000
47002000 - Collection Administrative Fee	75	0	75	0.00%	0
47002010 - Collection Administrative Fee - United	46,910	106,742	(59,832)	(56.05%)	213,492
47002500 - Collection Interest Revenue	251	1,500	(1,249)	(83.26%)	3,000
47501000 - Recycling	2,929	2,000	929	46.43%	4,000
49009000 - Miscellaneous Revenue	8	0	8	0.00%	0
Total Miscellaneous	308,131	394,758	(86,628)	(21.94%)	789,555
Total Non-Assessment Revenue	1,135,580	1,783,172	(647,592)	(36.32%)	3,573,589
Total Revenue	27,563,807	27,391,238	172,569	0.63%	54,789,067
Expenses:					
Employee Compensation					
51011000 - Salaries & Wages - Regular	1,738,802	1,758,450	19,648	1.12%	3,558,108
51021000 - Union Wages - Regular	2,553,806	3,180,687	626,881	19.71%	6,412,963

United Laguna Woods Mutual
Operating Statement - Preliminary
6/30/2024
UNITED LAGUNA WOODS MUTUAL

	YEAR TO DATE				TOTAL BUDGET
	Actual	Budget	VAR\$ B/(W)	VAR% B/(W)	
51041000 - Wages - Overtime	15,627	15,742	116	0.73%	31,493
51051000 - Union Wages - Overtime	53,671	47,135	(6,536)	(13.87%)	94,313
51061000 - Holiday & Vacation	483,312	417,288	(66,024)	(15.82%)	842,718
51071000 - Sick	148,311	170,209	21,899	12.87%	343,740
51081000 - Sick - Part Time	0	21	21	100.00%	43
51091000 - Missed Meal Penalty	2,331	2,462	132	5.34%	4,951
51101000 - Temporary Help	72,770	46,247	(26,524)	(57.35%)	92,495
51981000 - Compensation Accrual	(2,925)	0	2,925	0.00%	0
Total Employee Compensation	5,065,704	5,638,241	572,537	10.15%	11,380,825
Compensation Related					
52411000 - F.I.C.A.	375,812	422,787	46,975	11.11%	849,339
52421000 - F.U.I.	7,480	10,498	3,017	28.74%	10,498
52431000 - S.U.I.	26,272	53,313	27,041	50.72%	53,313
52441000 - Union Medical	887,183	1,027,052	139,870	13.62%	2,054,104
52451000 - Workers' Compensation Insurance	272,278	321,764	49,485	15.38%	649,264
52461000 - Non Union Medical & Life Insurance	187,506	211,243	23,737	11.24%	422,486
52471000 - Union Retirement Plan	258,613	327,079	68,466	20.93%	659,579
52481000 - Non-Union Retirement Plan	50,667	77,166	26,499	34.34%	156,255
52981000 - Compensation Related Accrual	(218)	0	218	0.00%	0
Total Compensation Related	2,065,593	2,450,901	385,308	15.72%	4,854,838
Materials and Supplies					
53001000 - Materials & Supplies	265,719	364,918	99,200	27.18%	731,062
53003000 - Materials Direct	1,432,984	1,405,086	(27,898)	(1.99%)	2,810,649
53004000 - Freight	1,803	1,884	81	4.31%	3,820
Total Materials and Supplies	1,700,505	1,771,888	71,383	4.03%	3,545,530
Community Events					
53201000 - Community Events	0	1,198	1,198	100.00%	2,400
Total Community Events	0	1,198	1,198	100.00%	2,400
Utilities and Telephone					
53301000 - Electricity	122,136	91,194	(30,942)	(33.93%)	161,117
53301500 - Sewer	871,804	793,200	(78,604)	(9.91%)	1,625,400
53302000 - Water	850,679	915,460	64,781	7.08%	2,154,860
53302500 - Trash	611,400	591,871	(19,529)	(3.30%)	1,183,743
53304000 - Telephone	706	390	(316)	(80.90%)	780
Total Utilities and Telephone	2,456,724	2,392,115	(64,609)	(2.70%)	5,125,900
Legal Fees					
53401500 - Legal Fees	45,220	87,875	42,654	48.54%	183,325
53401550 - Legal Fees Contra	4,608	0	(4,608)	0.00%	0
Total Legal Fees	49,829	87,875	38,046	43.30%	183,325
Professional Fees					
53402010 - Audit & Tax Preparation Fees - United	41,000	24,996	(16,004)	(64.03%)	50,000
53403500 - Consulting Fees	4,260	8,691	4,432	50.99%	18,548
53403510 - Consulting Fees - United	4,249	38,994	34,745	89.10%	78,000
Total Professional Fees	49,509	72,681	23,173	31.88%	146,548
Equipment Rental					
53501500 - Equipment Rental/Lease Fees	15,384	22,704	7,320	32.24%	45,411
Total Equipment Rental	15,384	22,704	7,320	32.24%	45,411
Outside Services					
53601000 - Bank Fees	3	0	(3)	0.00%	0
53601500 - Credit Card Transaction Fees	6,840	5,000	(1,840)	(36.81%)	10,000
54603500 - Outside Services Cost Collection	4,902,862	4,487,777	(415,085)	(9.25%)	9,615,143
53704000 - Outside Services	107,531	77,318	(30,213)	(39.08%)	161,742
Total Outside Services	5,017,235	4,570,094	(447,141)	(9.78%)	9,786,885
Repairs and Maintenance					
53701000 - Equipment Repair & Maint	647	5,772	5,125	88.79%	11,592
53703000 - Elevator /Lift Maintenance	25,650	18,033	(7,617)	(42.24%)	36,067

United Laguna Woods Mutual
Operating Statement - Preliminary
6/30/2024
UNITED LAGUNA WOODS MUTUAL

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Total Repairs and Maintenance	26,297	23,805	(2,492)	(10.47%)	47,659
Other Operating Expense					
53801000 - Mileage & Meal Allowance	1,505	3,299	1,794	54.38%	6,564
53801500 - Travel & Lodging	0	387	387	100.00%	774
53802000 - Uniforms	39,409	53,751	14,342	26.68%	95,128
53802500 - Dues & Memberships	1,327	1,186	(142)	(11.96%)	2,297
53803000 - Subscriptions & Books	691	738	47	6.32%	1,479
53803500 - Training & Education	837	12,819	11,982	93.47%	24,092
53903000 - Safety	180	525	345	65.74%	1,054
54001000 - Board Relations	10	0	(10)	0.00%	0
54001010 - Board Relations - United	2,631	4,998	2,367	47.35%	10,000
54002000 - Postage	32,937	22,680	(10,257)	(45.22%)	48,577
54002500 - Filing Fees / Permits	402	165	(237)	(143.15%)	342
Total Other Operating Expense	79,929	100,547	20,618	20.51%	190,306
Income Taxes					
54301000 - State & Federal Income Taxes	109	0	(109)	0.00%	0
Total Income Taxes	109	0	(109)	0.00%	0
Property and Sales Tax					
54302000 - Property Taxes	7,277,978	6,713,945	(564,033)	(8.40%)	13,427,890
Total Property and Sales Tax	7,277,978	6,713,945	(564,033)	(8.40%)	13,427,890
Insurance					
54401000 - Hazard & Liability Insurance	509,317	543,830	34,512	6.35%	1,087,661
54401500 - D&O Liability	31,494	36,667	5,173	14.11%	73,337
54402000 - Property Insurance	2,596,214	2,624,987	28,774	1.10%	5,250,236
54403000 - General Liability Insurance	5,148	1,832	(3,316)	(181.00%)	3,664
Total Insurance	3,142,173	3,207,316	65,144	2.03%	6,414,899
Uncollectible Accounts					
54602000 - Bad Debt Expense	26,779	10,000	(16,779)	(167.79%)	20,000
Total Uncollectible Accounts	26,779	10,000	(16,779)	(167.79%)	20,000
Depreciation and Amortization					
55001000 - Depreciation And Amortization	69,499	69,499	0	0.00%	138,998
Total Depreciation and Amortization	69,499	69,499	0	0.00%	138,998
Cost Allocations					
54602500 - Allocated Expenses	724,059	790,590	66,532	8.42%	1,583,917
Total Cost Allocations	724,059	790,590	66,532	8.42%	1,583,917
Total Expenses	27,767,307	27,923,400	156,093	0.56%	56,895,331
Excess of Revenues Over Expenses Before Other Changes	(\$203,500)	(\$532,162)	\$328,663	61.76%	(\$2,106,264)
Other Changes					
54101000 - (Gain)/Loss - Warehouse Sales	0	(45)	(45)	(100.00%)	(90)
Total Other Changes	0	45	(45)	(100.00%)	90
Excess of Revenues Over Expenses	(\$203,500)	(\$532,117)	\$328,618	61.76%	(\$2,106,174)

**United Laguna Woods Mutual
Balance Sheet - Preliminary
6/30/2024**

	<u>Current Month End</u>	<u>Prior Year Same Period</u>	<u>Prior Year December 31</u>	
Assets				
1	Cash and cash equivalents	\$4,288,705	\$5,573,727	\$739,165
2	Investments	12,332,882	14,340,220	14,529,786
3	Receivable/(Payable) from mutuals	205,423	62,915	(1,029,842)
4	Accounts receivable	1,214,298	463,889	1,492,125
5	Prepaid expenses and deposits	1,778,173	1,371,621	4,241,957
6	Property and equipment	91,989,605	91,989,605	91,989,605
7	Accumulated depreciation property and equipment	(83,769,971)	(83,766,909)	(83,768,440)
8	Beneficial interest in GRF of Laguna Hills Trust	5,056,764	5,185,501	5,124,732
9	Non-controlling interest in GRF	45,365,144	43,803,096	45,365,144
10	Total Assets	<u>\$78,461,024</u>	<u>\$79,023,665</u>	<u>\$78,684,232</u>
Liabilities and Fund Balances				
Liabilities:				
11	Accounts payable and accrued expenses	\$2,668,559	\$2,177,048	\$2,801,739
12	Accrued compensation and related costs	528,432	551,668	528,432
13	Deferred income	955,649	1,038,969	842,178
14	Asset retirement obligation	1,583,198	1,479,624	1,583,198
15	Total liabilities	<u>\$5,735,839</u>	<u>\$5,247,309</u>	<u>\$5,755,547</u>
Fund balances:				
16	Fund balance prior years	72,928,685	73,596,565	73,596,565
17	Change in fund balance - current year	(203,500)	179,791	(667,880)
18	Total fund balances	<u>72,725,185</u>	<u>73,776,356</u>	<u>72,928,685</u>
19	Total Liabilities and Fund Balances	<u>\$78,461,024</u>	<u>\$79,023,665</u>	<u>\$78,684,232</u>

**United Laguna Woods Mutual
Fund Balance Sheet - Preliminary
6/30/2024**

	<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	\$4,231,109	\$57,597		\$4,288,705
2	Investments		12,332,882		12,332,882
3	Receivable/(Payable) from mutuals	205,423			205,423
4	Receivable/(Payable) from operating fund	(7,279,332)	7,131,624	1,265,523	(1,117,815)
5	Accounts receivable	617,352	105,172	492,698	1,215,223
6	Prepaid expenses and deposits	1,775,653	2,520		1,778,173
7	Property and equipment	91,989,605			91,989,605
8	Accumulated depreciation property and equipment	(83,769,971)			(83,769,971)
9	Beneficial interest in GRF of Laguna Hills Trust	5,056,764			5,056,764
10	Non-controlling interest in GRF	45,365,144			45,365,144
11	Total Assets	<u>\$58,191,746</u>	<u>\$19,629,795</u>	<u>\$1,265,523</u>	<u>(\$625,117)</u>
Liabilities and Fund Balances					
Liabilities:					
12	Accounts payable and accrued expenses	\$450,606	\$2,217,953		\$2,668,559
13	Accrued compensation and related costs	528,432			528,432
14	Deferred income	956,574			956,574
15	Asset retirement obligation		1,583,198		1,583,198
16	Total liabilities	<u>\$1,935,611</u>	<u>\$3,801,152</u>		<u>\$5,736,763</u>
Fund balances:					
17	Fund balance prior years	57,090,116	15,267,296	1,189,647	(618,375)
18	Change in fund balance - current year	(833,981)	561,347	75,876	(6,742)
19	Total fund balances	<u>56,256,135</u>	<u>15,828,644</u>	<u>1,265,523</u>	<u>(625,117)</u>
20	Total Liabilities and Fund Balances	<u>\$58,191,746</u>	<u>\$19,629,795</u>	<u>\$1,265,523</u>	<u>(\$625,117)</u>

United Laguna Woods Mutual
Changes in Fund Balances - Preliminary
6/30/2024

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Contingency Fund</u>	<u>Property Taxes Fund</u>	<u>Total</u>
Revenues:					
Assessments:					
1	\$12,584,991			\$7,271,236	\$19,856,227
2		6,496,124	75,876		6,572,000
3	<u>12,584,991</u>	<u>6,496,124</u>	<u>75,876</u>	<u>7,271,236</u>	<u>26,428,227</u>
Non-assessment revenues:					
4	6,874				6,874
5	395,238				395,238
6	121,652				121,652
7		303,686			303,686
8	308,131				308,131
9	<u>831,894</u>	<u>303,686</u>			<u>1,135,580</u>
10	<u>13,416,886</u>	<u>6,799,809</u>	<u>75,876</u>	<u>7,271,236</u>	<u>27,563,807</u>
Expenses:					
11	5,292,315	1,838,983			7,131,298
12	400,674	1,299,831			1,700,505
13	2,452,215	4,509			2,456,724
14	49,829				49,829
15	49,509				49,509
16	4,065	11,319			15,384
17	2,080,904	2,936,331			5,017,235
18	25,775	523			26,297
19	67,441	12,489			79,929
20	109				109
21				7,277,978	7,277,978
22	3,142,173				3,142,173
23	26,779				26,779
24	69,499				69,499
25	589,582	134,477			724,059
26	<u>14,250,867</u>	<u>6,238,462</u>		<u>7,277,978</u>	<u>27,767,307</u>
27	(\$833,981)	\$561,347	\$75,876	(\$6,742)	(\$203,500)
28	(\$764,482)	\$561,347	\$75,876	(\$6,742)	(\$134,000)
Other Changes:					
29					
30	(\$833,981)	\$561,347	\$75,876	(\$6,742)	(\$203,500)
31	(\$764,482)	\$561,347	\$75,876	(\$6,742)	(\$134,000)

**UNITED LAGUNA WOODS MUTUAL
NON-DISCRETIONARY INVESTMENTS
SCHEDULE OF INVESTMENTS
6/30/2024**

I.D. NO.	DESCRIPTION	SETTLEMENT DATE	MATURITY DATE	PAR VALUE	EFFECT. YIELD	ORIGINAL COST	BOOK VALUE	6/30/2024		
								MARKET VALUE	UNREALIZED GAIN/(LOSS)	
I1: HELD FOR SHORT TERM: BANK OF AMERICA										
I2: HELD FOR LONG TERM: JP MORGAN										
91282CCT6	U.S. TREASURY NOTE	11-25-22	08-15-24	1,855,000.00	4.570%	1,720,056.76	1,844,359.52	1,843,514.93	(844.59)	
9128283P3	U.S. TREASURY NOTE	03-27-23	12-31-24	2,050,000.00	3.800%	1,996,187.50	2,032,877.80	2,019,209.96	(13,667.84)	
91282CGN5	U.S. TREASURY NOTE	05-18-23	02-28-25	2,528,000.00	4.625%	2,545,380.00	2,534,320.00	2,517,606.56	(16,713.44)	
16514QBG1	CERTIFICATE OF DEPOSIT	08-25-23	09-01-28	250,000.00	5.400%	250,005.00	250,004.12	250,176.48	172.36	
108622NX5	CERTIFICATE OF DEPOSIT	08-25-23	09-01-28	250,000.00	5.400%	250,005.00	250,004.12	250,176.48	172.36	
064180BA9	CERTIFICATE OF DEPOSIT	08-25-23	09-07-28	250,000.00	5.400%	250,005.00	250,004.12	250,208.85	204.73	
697759AW8	CERTIFICATE OF DEPOSIT	08-25-23	09-07-28	250,000.00	5.400%	250,005.00	250,004.12	250,208.85	204.73	
46656MLM1	CERTIFICATE OF DEPOSIT	08-25-23	08-30-28	250,000.00	5.700%	250,005.00	250,004.12	250,365.75	361.63	
565402AN4	CERTIFICATE OF DEPOSIT	08-25-23	09-01-28	250,000.00	5.450%	250,005.00	250,004.12	250,187.89	183.77	
32056VAN7	CERTIFICATE OF DEPOSIT	08-25-23	08-31-28	250,000.00	5.400%	250,005.00	250,004.12	250,336.28	332.16	
912797HP5	U.S. TREASURY BILL	02-28-24	11-29-24	35,000.00	5.031%	33,766.87	34,314.95	34,248.36	(66.59)	
32022WCU8	CERTIFICATE OF DEPOSIT	11-01-23	11-02-28	250,000.00	5.718%	250,000.00	250,000.00	250,815.14	815.14	
87164Y3S1	CERTIFICATE OF DEPOSIT	11-01-23	11-03-27	250,000.00	5.050%	250,000.00	250,000.00	251,765.37	1,765.37	
06051XAU6	CERTIFICATE OF DEPOSIT	02-23-24	02-28-25	250,000.00	5.100%	250,000.00	250,000.00	249,560.66	(439.34)	
45332WBV4	CERTIFICATE OF DEPOSIT	02-23-24	05-29-25	250,000.00	5.000%	250,000.00	250,000.00	249,486.03	(513.97)	
91282CHN4	U.S. TREASURY NOTE	11-03-23	07-31-25	12,000.00	4.834%	11,982.66	11,989.62	11,957.34	(32.28)	
58958PMY7	CERTIFICATE OF DEPOSIT	02-26-24	08-29-25	250,000.00	5.000%	250,000.00	250,000.00	249,555.22	(444.78)	
00833JAU5	CERTIFICATE OF DEPOSIT	02-23-24	12-08-25	250,000.00	4.670%	250,000.00	250,000.00	248,592.50	(1,407.50)	
05610LGM0	CERTIFICATE OF DEPOSIT	02-23-24	03-02-26	250,000.00	4.740%	250,000.00	250,000.00	249,093.67	(906.33)	
20349NAA5	CERTIFICATE OF DEPOSIT	02-26-24	03-06-26	250,000.00	4.750%	250,000.00	250,000.00	248,941.33	(1,058.67)	
60425SLK3	CERTIFICATE OF DEPOSIT	02-26-24	06-05-26	250,000.00	4.700%	250,000.00	250,000.00	249,098.68	(901.32)	
15721UGD5	CERTIFICATE OF DEPOSIT	02-26-24	03-05-27	250,000.00	4.430%	250,000.00	250,000.00	247,308.32	(2,691.68)	
61690DGU6	CERTIFICATE OF DEPOSIT	11-01-23	11-08-27	250,000.00	5.050%	250,000.00	250,000.00	251,798.00	1,798.00	
254676BQ1	CERTIFICATE OF DEPOSIT	11-03-23	11-08-27	250,000.00	5.050%	250,000.00	250,000.00	251,798.00	1,798.00	
31810PCB3	CERTIFICATE OF DEPOSIT	11-01-23	11-10-28	250,000.00	5.800%	250,000.00	250,000.00	250,347.71	347.71	
33610RUX9	CERTIFICATE OF DEPOSIT	11-01-23	11-10-27	250,000.00	5.000%	250,000.00	250,000.00	251,427.39	1,427.39	
671082CK9	CERTIFICATE OF DEPOSIT	11-01-23	11-10-28	250,000.00	5.700%	250,000.00	250,000.00	250,318.69	318.69	
307811HX0	CERTIFICATE OF DEPOSIT	11-03-23	11-15-27	250,000.00	5.500%	250,000.00	250,000.00	252,355.52	2,355.52	
938828CZ1	CERTIFICATE OF DEPOSIT	12-15-23	12-15-28	23,000.00	5.400%	23,000.00	23,000.00	23,085.54	85.54	
549104D87	CERTIFICATE OF DEPOSIT	01-03-24	01-19-29	40,000.00	4.500%	40,000.00	40,000.00	39,866.87	(133.13)	
200AV4004	MONEY MARKET	08-25-23		61,991.37	0.010%	61,991.37	61,991.37	61,991.37	(0.00)	
						12,354,991.37	12,182,400.16	12,332,882.10	12,305,403.74	(27,478.36)
TOTAL NON-DISCRETIONARY INVESTMENTS						\$12,354,991.37	\$12,182,400.16	\$12,332,882.10	\$12,305,403.74	(\$27,478.36)

*Yield is based on all investments held during the year

**UNITED LAGUNA WOODS MUTUAL
FUND EXPENDITURES REPORT
AS OF JUNE 30, 2024**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		2024	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET	EXPENDED	\$	%
OPERATING EXPENDITURES - MAINTENANCE & CONSTRUCTION								
PLUMBING SERVICE	\$96,845	\$134,677	\$787,332	\$813,962	\$1,631,374	48%	\$26,630	3%
DAMAGE RESTORATION	823,244	75,415	1,346,048	452,490	905,000	149%	(893,558)	(197%)
CARPENTRY SERVICE	49,533	54,163	309,015	328,011	657,845	47%	18,996	6%
ELECTRICAL SERVICE	18,863	28,139	128,272	170,473	341,905	38%	42,200	25%
APPLIANCE REPAIRS	20,567	26,523	133,029	160,555	321,990	41%	27,526	17%
INTERIOR PREVENTIVE MAINTENANCE	16,452	28,086	102,700	170,219	341,440	30%	67,519	40%
PEST CONTROL	21,735	14,762	25,040	50,764	270,541	9%	25,724	51%
COUNTERTOP/FLOOR/TILE REPAIRS	13,330	12,714	61,144	76,945	154,355	40%	15,801	21%
ENERGY PROGRAM	774	3,000	13,782	18,000	36,000	38%	4,218	23%
MISC. REPAIRS BY OUTSIDE SERVICE	78	1,666	1,703	9,996	20,000	9%	8,293	83%
FIRE PROTECTION	4,462	3,099	23,106	18,655	37,348	62%	(4,451)	(24%)
TOTAL	\$1,065,882	\$382,244	\$2,931,170	\$2,270,069	\$4,717,797	62%	(\$661,101)	(29%)
OPERATING EXPENDITURES - GENERAL SERVICES								
CONCRETE REPAIR/REPLACEMENT	\$28,156	\$34,808	\$177,563	\$210,380	\$421,763	42%	\$32,817	16%
JANITORIAL SERVICE	36,628	43,264	232,432	262,412	524,467	44%	29,980	11%
GUTTER CLEANING	3,260	14,097	20,240	84,776	169,679	12%	64,536	76%
WELDING	7,434	10,405	46,927	62,873	126,053	37%	15,946	25%
TRAFFIC CONTROL	1,132	1,308	7,031	7,911	15,863	44%	880	11%
TOTAL	\$76,610	\$103,882	\$484,192	\$628,352	\$1,257,826	38%	\$144,159	23%
OPERATING EXPENDITURES - LANDSCAPE SERVICES								
LANDSCAPE ADMINISTRATION	\$26,985	\$29,585	\$172,775	\$175,665	352,686	49%	\$2,890	2%
NURSERY & COMPOSTING	13,361	14,676	88,590	87,937	176,055	50%	(653)	(1%)
GROUNDS MAINTENANCE	188,990	255,005	1,306,020	1,533,064	3,064,085	43%	227,045	15%
IRRIGATION	62,560	67,180	350,672	403,643	808,269	43%	52,971	13%
SMALL EQUIPMENT REPAIR	10,807	17,665	89,293	106,157	212,462	42%	16,864	16%
PEST CONTROL	27,555	26,517	152,496	159,280	318,843	48%	6,784	4%
TOTAL	\$330,256	\$410,627	\$2,159,845	\$2,465,745	\$4,932,400	44%	\$305,901	12%

**UNITED LAGUNA WOODS MUTUAL
FUND EXPENDITURES REPORT
AS OF JUNE 30, 2024**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		2024	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET	EXPENDED	\$	%
RESERVE FUND - MAINTENANCE & CONSTRUCTION								
REPLACEMENTS								
BUILDING STRUCTURES	\$261,538	\$139,668	\$795,236	\$800,744	\$1,634,468	49%	\$5,508	1%
ELECTRICAL SYSTEMS	111,448	43,702	264,422	262,212	524,435	50%	(2,210)	(1%)
EXTERIOR WALKWAY LIGHTING	369	5,387	8,231	32,363	64,760	13%	24,131	75%
FOUNDATIONS	0	8,687	0	26,061	43,436	0%	26,061	100%
GUTTER REPLACEMENT	4,746	9,641	29,353	58,147	116,486	25%	28,794	50%
PAINT - EXTERIOR	111,081	144,091	709,892	872,677	1,749,510	41%	162,785	19%
PRIOR TO PAINT	75,685	85,199	452,740	515,452	1,033,447	44%	62,712	12%
PLUMBING	19,286	28,549	364,051	172,418	345,510	105%	(191,633)	(111%)
PAVING	0	100,000	0	150,000	394,207	0%	150,000	100%
ROOF REPLACEMENTS	177,865	96,499	361,296	666,403	1,318,468	27%	305,107	46%
WALL REPLACEMENT	0	2,916	0	17,496	35,000	0%	17,496	100%
WASTE LINE REMEDIATION	232,070	230,000	921,059	920,000	2,300,000	40%	(1,059)	(0%)
WATER LINE - COPPER PIPE REMEDIATION	60,671	16,665	98,427	100,000	100,000	98%	1,573	2%
WINDOW/SLIDING SCREEN DOOR	6,347	12,593	36,881	75,864	151,910	24%	38,983	51%
SUPPLEMENTAL APPROPRIATIONS	62,072	62,072	62,072	62,072	0	0%	0	(100%)
SUB-TOTAL	\$1,123,178	\$985,669	\$4,103,661	\$4,731,908	\$9,811,637	42%	\$628,247	13%
APPLIANCE AND FIXTURE REPLACEMENTS								
COOKTOPS	\$3,667	\$5,817	\$59,732	\$34,973	\$69,996	85%	(\$24,759)	(71%)
DISHWASHERS	9,060	8,088	54,322	48,694	97,499	56%	(5,628)	(12%)
BASINS/SINKS/TOILETS	11,722	19,823	83,431	119,267	238,752	35%	35,835	30%
GARBAGE DISPOSALS	11,289	10,362	65,476	62,469	125,123	52%	(3,007)	(5%)
HOODS	1,268	3,285	10,488	19,780	39,610	26%	9,292	47%
COUNTER TOPS/FLOORS/SHOWER ENCLOSURES	71,835	129,549	447,697	779,753	1,561,145	29%	332,056	43%
OVENS	12,866	11,404	100,997	68,495	137,036	74%	(32,503)	(47%)
RANGES	489	1,024	6,479	6,178	12,389	52%	(300)	(5%)
REFRIGERATORS	11,538	18,473	75,595	111,089	222,337	34%	35,494	32%
WATER HEATERS & PERMITS	107,891	62,996	551,432	379,530	759,990	73%	(171,902)	(45%)
DRYERS	6,619	3,176	38,043	19,076	38,163	100%	(18,967)	(99%)
WASHING MACHINES	113,553	7,582	216,405	45,538	91,112	238%	(170,867)	(375%)
SUB-TOTAL	\$361,798	\$281,579	\$1,710,097	\$1,694,841	\$3,393,149	50%	(\$15,257)	(1%)
TOTAL	\$1,484,976	\$1,267,248	\$5,813,758	\$6,426,749	\$13,204,786	44%	\$612,991	10%

**UNITED LAGUNA WOODS MUTUAL
FUND EXPENDITURES REPORT
AS OF JUNE 30, 2024**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		2024	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET	EXPENDED	\$	%
RESERVE FUND - GENERAL SERVICES								
PRIOR TO PAINT	\$698	\$902	\$4,332	\$5,453	\$10,933	40%	\$1,121	21%
PAVING	3,500	4,585	21,731	27,718	55,591	39%	5,987	22%
WALL REPLACEMENT	0	1,282	0	7,692	15,400	0%	7,692	100%
SUPPLEMENTAL APPROPRIATION	0	0	8,274	8,274	0	0%	0	(100%)
TOTAL	\$4,197	\$6,769	\$34,337	\$49,137	\$81,925	42%	\$14,800	30%
RESERVE FUND - LANDSCAPE								
REPLACEMENTS								
SLOPE RENOVATION	\$15,261	\$9,143	\$52,685	\$54,876	\$109,792	48%	\$2,192	4%
IMPROVEMENTS & RESTORATION	24,777	16,287	100,745	97,970	195,857	51%	(2,775)	(3%)
TREE MAINTENANCE	75,485	88,600	387,817	532,292	1,065,281	36%	144,476	27%
SUPPLEMENTAL APPROPRIATION	0	0	49,119	49,119	49,119	100%	0	0%
TOTAL	\$115,523	\$114,030	\$590,367	\$734,259	\$1,420,049	42%	\$143,892	20%
PROPERTY TAXES FUND - NON WORK CENTER								
PROPERTY TAXES	1,288,631	1,118,991	7,277,978	6,713,945	13,427,890	54%	(564,033)	(8%)
TOTAL	\$1,288,631	\$1,118,991	\$7,277,978	\$6,713,945	\$13,427,890	54%	(\$564,033)	(8%)

**RESERVES EXPENDITURES COMPARED TO RESERVE STUDY
AS PRESENTED IN THE 2024 BUSINESS PLAN
AS OF JUNE 30, 2024**

	2024	2024	2024	2024	2024
	YTD Actual	YTD Budget	YTD Variance	Annual Budget	% Expended
Paving	\$0	\$0	\$0	\$244,207	0%
Asphalt & Concrete Repair/Replace	21,731	177,718	155,987	205,591	11%
Roofs - Built-Up	198,528	541,405	342,877	1,068,468	19%
Roofs - Comp Shingle	162,769	124,998	(37,771)	250,000	65%
Roofs - Tile	0	0	0	0	0%
Infrastructure/Buildings	467,396	496,711	29,314	1,004,286	47%
Carport Siding Renovation	0	0	0	0	0%
Manor Components	1,445,275	1,612,893	167,618	3,239,957	45%
Lighting & Electrical	272,653	289,859	17,205	579,760	47%
Laundry Rooms	264,823	81,265	(183,558)	162,630	163%
Off Cycle Decking	63,136	71,830	8,694	144,053	44%
Prior To Painting	393,937	449,075	55,139	900,327	44%
Interior & Exterior Painting	709,892	872,677	162,785	1,749,510	41%
Walls, Fencing, Railings & Gates	0	25,188	25,188	50,400	0%
Grounds & Miscellaneous	541,247	685,139	143,892	1,370,930	39%
Building Structures	394,074	464,105	70,032	942,014	42%
Plumbing	1,383,537	1,192,418	(191,120)	2,745,510	50%
Total	\$6,318,997	\$7,085,281	\$766,284	\$14,657,642	43%

**United Laguna Woods Mutual
Fund Expenditures Schedule
Period Ending: 6/30/2024**

Fund/Item	Resolution	BUDGET	EXPENDITURES I-T-D*			Remaining Ecumbrance
			2024	Prior Years	Total	
Operating Fund (Approved Unbudgeted Expenses)						
Damage Restoration Reimbursement Backlog Case Load	01-23-27	\$160,680	\$5,139	\$97,490	\$102,629	\$0
Reserve Fund (Supplemental Appropriations)						
Friendship Walk Bench Replacements	01-24-15	\$8,661	\$8,274	\$0	\$8,274	\$0
Pushmatic Electrical Panel Replacements	01-24-16	\$82,755	\$0	\$0	\$0	\$82,755
Turf Reduction (2024)	01-24-35	\$83,385	\$0	\$0	\$0	\$83,385
Dry Rot Repairs	01-24-48	\$500,000	\$0	\$0	\$0	\$500,000
Emergency Roof Repairs	01-24-49	\$121,445	\$62,072	\$0	\$62,072	\$59,373
Common Area Patio Furniture	01-21-78b	\$3,821	\$0	\$0	\$0	\$3,821
Turf Reduction (2023)	01-23-08	\$189,480	\$49,119	\$158,246	\$207,365	\$0
Shepherd's Crook Installation	01-23-09	\$40,000	\$0	\$35,351	\$35,351	\$4,649
	Total	\$1,190,227	\$124,604	\$291,088	\$415,692	\$733,983

*Incurred To Date



STAFF REPORT

DATE: July 30, 2024
FOR: Finance Committee
SUBJECT: Operating Fund Deficit Transfer

RECOMMENDATION

Staff recommends approval of a \$742,441 transfer from the Contingency Fund to the Operating Fund due to the Operating Fund deficit in 2023.

BACKGROUND

United's annual Business Plan is approved each year with a net zero anticipated Operating Fund (OPR) surplus or deficit. If actual OPR revenues exceed OPR expenses at the close of the fiscal year, IRS Revenue Ruling 70-604 requires the surplus to either be returned to the membership or be applied to the following year's assessment. Historically, surpluses have been transferred to the Contingency Fund (CNF), however, deficits have not been addressed and have led to a downward trend in available cash.

DISCUSSION

United ended the 2023 fiscal year with \$25,615,331 in OPR revenues and \$26,497,529 in OPR expenses (less unrealized gain in voting interest in GRF) resulting in an OPR deficit of \$882,198. Excluding depreciation of \$138,999 and adding \$758 from the sale of obsolete equipment, this resulted in a net operating deficit of \$742,441. Staff recommends applying a consistent approach to operating surpluses and deficits as illustrated below:

Operating Fund Surplus: Transfer OPR → CNF
Operating Fund Deficit: Transfer CNF → OPR

FINANCIAL ANALYSIS

The balance in the Contingency Fund as of June 31, 2024 was \$1,265,523 allowing sufficient funds available for the \$742,441 transfer.

Prepared By: Jose Campos, Assistant Director of Financial Services

Reviewed By: Steve Hormuth, Director of Financial Services