



REGULAR MEETING OF THE FINANCE COMMITTEE*

**Tuesday, October 25, 2022 – 1:30 p.m.
Laguna Woods Village Board Room/Virtual Meeting
24351 El Toro Road
Laguna Woods, CA 92637**

NOTICE and AGENDA

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Approval of the Meeting Report for September 27, 2022
5. Chair Remarks
6. Member Comments (Items Not on the Agenda)

*At this time Members only may address the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. The Board reserves the right to limit the total amount of time allotted for the Open Forum. Members can join the Zoom Meeting by clicking on the link <https://us06web.zoom.us/j/85040223813> or call the one tap number using your mobile phone **+16699006833..85040223813#** or email meeting@vmsinc.org to request to speak.*

7. Department Head Update

Reports

8. Preliminary Financial Statements dated September 30, 2022
 - a) Items for Correction
 - b) Compensation and Outside Services
 - c) United Leasing Report
 - d) HR Staffing Report

Items for Discussion and Consideration

9. 2023 Collections and Lien Enforcement Policy
10. Education – Net Allocations
11. Endorsements from Standing Committees

Future Agenda Items

12. Education - GRF Contribution (November 2022)

Concluding Business:

13. Committee Member Comments
14. Date of Next Meeting – Tuesday, November 29, 2022 at 1:30 p.m.
15. Recess to Closed Session

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

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



FINANCE COMMITTEE MEETING REPORT OF THE REGULAR OPEN SESSION

Tuesday, September 27, 2022 – 1:30 p.m.
Hybrid Meeting

DIRECTORS PRESENT: Azar Asgari – Chair, Anthony Liberatore (Alternate for Pat English), Lenny Ross
DIRECTORS ABSENT: Pat English
ADVISORS PRESENT: Dick Rader
STAFF PRESENT: Siobhan Foster, Steve Hormuth, Jose Campos, Erika Hernandez
OTHERS PRESENT: United – Diane Casey
GRF – Juanita Skillman

Call to Order

Director Azar Asgari, Treasurer, chaired the meeting and called it to order at 1:30 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 Agenda

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

Approval of the Regular Meeting Report of August 30, 2022

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

Chair Remarks

Director Asgari briefly summarized the current United Finance investment portfolio performance resulting in a \$1.2M loss and the significance of forming the Investment Ad Hoc Committee to further explore and strategize investing options to improve performance years to come.

Member Comments (Items Not on the Agenda)

None.

Department Head Update

Steve Hormuth, Director of Financial Services, provided a brief summary of the 2023 Business Plan adoption that occurred at the September United Board meeting.

Review Preliminary Financial Statements dated August 31, 2022

The committee reviewed financial statements for August 31, 2022 and questions were addressed and noted by staff.

Compensation and Outside Services

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

Investment Ad Hoc Committee

On September 23, 2022, a communication was sent out to residents to apply in becoming members of the Investment Ad Hoc Committee with an application deadline of Monday, September 26th. A total of 9 submissions were received via email. These members were invited to participate during the Finance Committee meeting for a self-introduction. The few available members had a moment to discuss their financial background. Discussion ensued between members and the committee. No action was taken.

Endorsements from Standing Committees

None.

Future Agenda Items

Education – Net Allocations (October 2022)

Education – GRF Contributions (November 2022)

Committee Member Comments

None.

Date of Next Meeting

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

Recess to Closed Session

The meeting recessed to closed session at 2:32 p.m.


azar asgari (Oct 21, 2022 10:29 PDT)

Azar Asgari, Chair

MEMORANDUM

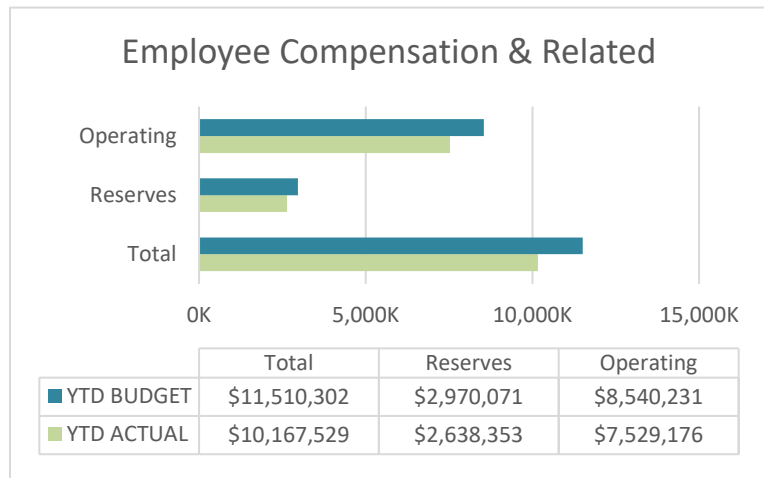
To: United Finance Committee
 From: Steve Hormuth, Director of Financial Services
 Date: October 25, 2022
 Re: Department Head Update

Financial Highlights

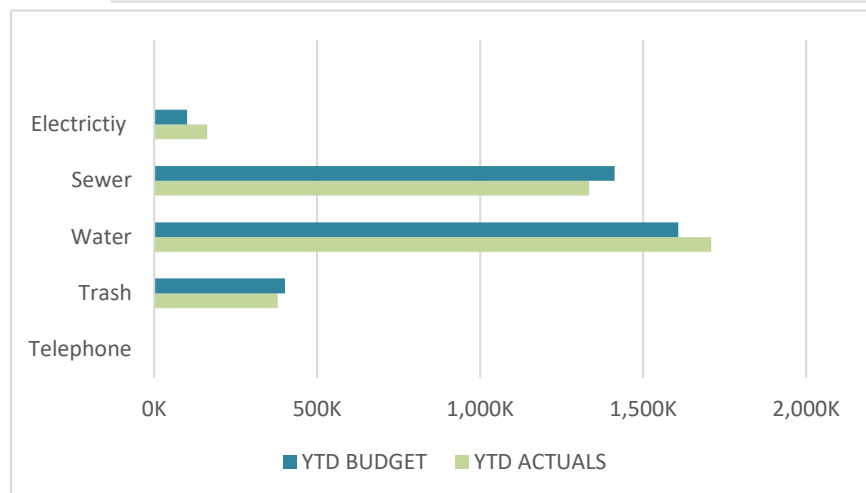
- **SUMMARY:** For the year-to-date period ending September 30, 2022, United Laguna Woods Mutual was better than budget by \$2,118K primarily resulting from open positions and timing of invoice payments; affecting the areas of outside services \$1,387K, compensation \$1,343K, and materials \$390K. The variance was partially offset by YTD unrealized (loss) on investments of (\$1,374K).

	INCOME STATEMENT		
	Actual	Budget	Variance
Assessment Revenues	\$34,414,031	\$34,272,135	\$141,896
Other Revenues	1,466,215	1,374,217	91,998
Expenses	35,039,852	38,298,538	3,258,686
Other Changes	(1,374,115)	0	(1,374,115)
Revenue / (Expense)	(\$533,721)	(\$2,652,186)	\$2,118,465

- **COMPENSATION:** Actual compensation and related costs came in at \$10.1 million, with \$7.5 million in operations and \$2.6 million in reserves. Combined, this category is 12% favorable to budget. The most significant impacts were in Maintenance and Landscape due to open positions and timing of programs.



- **UTILITIES:** In total, this category was unfavorable to budget by (\$61K) primarily due to water resulting from lower rainfall in 2022. Budget was based on a 5-year average that is 67% higher rainfall than current year experience. Sewer, trash, and telephone expenditures remained within budget.



Discussions

2023 Investment Ad Hoc Committee: The committee met for the first time on Thursday, October 20, 2022 to perform an initial review of the investment policy and establish goals for the upcoming weeks. A preliminary report from the committee will be provided at the next open session board meeting scheduled for November 8, 2022.

Calendar

- Oct 25, 2022 @ 1:30 p.m. United Finance Committee Meeting (September Financials)
- Oct 27, 2022 @ 2:00 p.m. United Agenda Prep Meeting
- Oct 31, 2022 @ 10:00 a.m. Corporate Members Meeting
- Nov 8, 2022 @ 9:30 a.m. United Board Meeting
- Nov 23, 2022 @ 2:00 p.m. United Agenda Prep Meeting
- Nov 29, 2022 @ 1:30 p.m. United Finance Committee Meeting (October Financials)
- December 13, 2022 @ 1:30 p.m. United Board Meeting
- December 22, 2022 @ 2:00 p.m. United Agenda Prep Meeting
- December 27, 2022 @ 1:30 p.m. United Finance Committee Meeting (November Financials)

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

United Laguna Woods Mutual
Statement of Revenues & Expenses - Preliminary
9/30/2022
(\$ IN THOUSANDS)

		CURRENT MONTH			YEAR TO DATE			PRIOR YEAR	TOTAL
		ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET
Revenues:									
Assessments:									
1	Operating	\$2,926	\$2,910	\$16	\$26,332	\$26,190	\$142	\$25,302	\$34,920
2	Additions to restricted funds	898	898		8,082	8,082		8,651	10,776
3	Total assessments	<u>3,824</u>	<u>3,808</u>	<u>16</u>	<u>34,414</u>	<u>34,272</u>	<u>142</u>	<u>33,953</u>	<u>45,696</u>
Non-assessment revenues:									
4	Merchandise sales				4	2	1	19	3
5	Fees and charges for services to residents	62	66	(4)	602	591	10	463	789
6	Laundry	27	23	4	187	203	(16)	190	270
7	Investment income	32	12	20	175	111	64	114	148
8	Miscellaneous	49	52	(3)	499	467	32	453	623
9	Total non-assessment revenue	<u>170</u>	<u>153</u>	<u>18</u>	<u>1,466</u>	<u>1,374</u>	<u>92</u>	<u>1,238</u>	<u>1,833</u>
10	Total revenue	<u>3,994</u>	<u>3,961</u>	<u>33</u>	<u>35,880</u>	<u>35,646</u>	<u>234</u>	<u>35,191</u>	<u>47,529</u>
Expenses:									
11	Employee compensation and related	1,118	1,260	142	10,168	11,510	1,343	10,203	15,359
12	Materials and supplies	252	250	(2)	1,864	2,254	390	1,718	3,009
13	Utilities and telephone	473	462	(11)	3,585	3,524	(61)	3,497	4,692
14	Legal fees	12	21	9	118	173	55	149	247
15	Professional fees	16	5	(11)	110	79	(31)	50	96
16	Equipment rental	1	4	3	15	32	17	36	43
17	Outside services	813	1,057	244	5,458	6,845	1,387	3,855	9,199
18	Repairs and maintenance	3	4	1	25	33	8	25	44
19	Other Operating Expense	13	16	3	93	146	53	92	201
20	Property and sales tax	1,006	1,033	28	9,406	9,301	(105)	9,039	12,401
21	Insurance	326	346	20	2,906	3,111	205	3,083	4,148
22	Investment expense		1	1	8	8		8	10
23	Uncollectible Accounts	6	1	(4)	30	11	(19)	(16)	15
24	Depreciation and amortization	16	16		147	147		147	196
25	Net allocation to mutuals	129	123	(6)	1,107	1,126	19	1,054	1,500
26	Total expenses	<u>4,183</u>	<u>4,599</u>	<u>416</u>	<u>35,040</u>	<u>38,299</u>	<u>3,259</u>	<u>32,940</u>	<u>51,160</u>
27	Excess of revenues over expenses	<u>(\$189)</u>	<u>(\$639)</u>	<u>\$450</u>	<u>\$840</u>	<u>(\$2,652)</u>	<u>\$3,493</u>	<u>\$2,251</u>	<u>(\$3,631)</u>
Other Changes									
28	Unrealized gain/(loss) on AFS investments	(381)		(381)	(1,374)		(1,374)	(306)	
29	(Gain)/loss on sale or trade							(63)	
30	Total other changes	<u>(381)</u>		<u>(381)</u>	<u>(1,374)</u>		<u>(1,374)</u>	<u>(243)</u>	
31	Excess of revenues over expenses	<u>(\$569)</u>	<u>(\$639)</u>	<u>\$69</u>	<u>(\$534)</u>	<u>(\$2,652)</u>	<u>\$2,118</u>	<u>\$2,008</u>	<u>(\$3,631)</u>

United Laguna Woods Mutual
Statement of Revenues & Expenses - By Fund Type - Preliminary
9/30/2022
(\$ IN THOUSANDS)

	OPERATING YEAR TO DATE			RESERVE: YEAR TO DATE			RESTRICTED: YEAR TO DATE			COMBINED: YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
Revenues:												
Assessments:												
Operating	\$16,890	\$16,889					\$9,443	\$9,301	\$142	\$26,332	\$26,190	\$142
Additions to restricted funds				8,082	8,082					8,082	8,082	
Total assessments	16,890	16,889		8,082	8,082		9,443	9,301	142	34,414	34,272	142
Non-assessment revenues:												
Merchandise sales	4	2	1							4	2	1
Fees and charges for services to residents	601	591	10	1		1				602	591	10
Laundry	187	203	(16)							187	203	(16)
Investment income				175	105	70		6	(6)	175	111	64
Miscellaneous	499	467	32							499	467	32
Total non-assessment revenue	1,290	1,263	27	176	105	70		6	(6)	1,466	1,374	92
Total revenue	18,180	18,152	28	8,258	8,188	70	9,443	9,306	136	35,880	35,646	234
Expenses:												
Employee compensation and related	7,529	8,540	1,011	2,638	2,970	332				10,168	11,510	1,343
Materials and supplies	627	567	(60)	1,237	1,687	450				1,864	2,254	390
Utilities and telephone	3,580	3,516	(64)	5	8	3				3,585	3,524	(61)
Legal fees	118	173	55							118	173	55
Professional fees	110	79	(31)							110	79	(31)
Equipment rental	4	6	2	11	26	15				15	32	17
Outside services	1,716	1,022	(694)	3,742	5,822	2,080				5,458	6,845	1,387
Repairs and maintenance	23	28	6	2	5	2				25	33	8
Other Operating Expense	75	121	45	18	25	7				93	146	53
Property and sales tax							9,406	9,301	(105)	9,406	9,301	(105)
Insurance	2,906	3,111	205							2,906	3,111	205
Investment expense				8	7					8	8	
Uncollectible Accounts	30	11	(19)							30	11	(19)
Depreciation and amortization	147	147								147	147	
Net allocation to mutuals	870	880	9	237	247	10				1,107	1,126	19
Total expenses	17,736	18,200	465	7,898	10,797	2,899	9,406	9,301	(105)	35,040	38,299	3,259
Excess of revenues over expenses	\$444	(\$48)	\$492	\$360	(\$2,610)	\$2,969	\$36	\$5	\$31	\$840	(\$2,652)	\$3,493
Other Changes												
Unrealized gain/(loss) on AFS investments				(1,374)		(1,374)				(1,374)		(1,374)
(Gain)/loss on sale or trade												
Total other changes				(1,374)		(1,374)				(1,374)		(1,374)
Excess of revenues over expenses	\$444	(\$48)	\$492	(\$1,015)	(\$2,610)	\$1,595	\$36	\$5	\$31	(\$534)	(\$2,652)	\$2,118

**United Laguna Woods Mutual
Balance Sheet - Preliminary
9/30/2022**

		<u>Current Month End</u>	<u>Prior Year December 31</u>
	Assets		
1	Cash and cash equivalents	\$9,307,475	\$6,230,045
2	Non-discretionary investments	2,486,742	999,883
3	Discretionary investments	13,978,758	15,204,873
4	Receivable/(Payable) from mutuals	(312,925)	(350,215)
5	Accounts receivable and interest receivable	562,857	784,588
6	Prepaid expenses and deposits	549,179	2,587,073
7	Property and equipment	91,989,605	91,989,605
8	Accumulated depreciation property and equipment	(83,764,612)	(83,762,315)
9	Beneficial interest in GRF of Laguna Hills Trust	5,266,482	5,411,004
10	Non-controlling interest in GRF	42,560,838	42,560,838
11	Total Assets	<u>\$82,624,399</u>	<u>\$81,655,380</u>
	Liabilities and Fund Balances		
	Liabilities:		
12	Accounts payable and accrued expenses	\$4,835,409	\$3,393,537
13	Accrued compensation and related costs	518,105	518,105
14	Deferred income	958,140	897,272
15	Asset retirement obligation	1,382,827	1,382,827
16	Total liabilities	<u>\$7,694,480</u>	<u>\$6,191,740</u>
	Fund balances:		
17	Fund balance prior years	75,463,640	74,758,941
18	Change in fund balance - current year	(533,721)	704,699
19	Total fund balances	<u>74,929,919</u>	<u>75,463,640</u>
20	Total Liabilities and Fund Balances	<u>\$82,624,399</u>	<u>\$81,655,380</u>

**United Laguna Woods Mutual
Fund Balance Sheet - Preliminary
9/30/2022**

		<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	\$4,877,347	\$4,430,128			\$9,307,475
2	Non-discretionary investments		2,486,742			2,486,742
3	Discretionary investments		13,978,758			13,978,758
4	Receivable/(Payable) from mutuals	(312,925)				(312,925)
5	Receivable/(Payable) from operating fund	(3,456,475)	(645,423)	1,113,771	2,988,127	562,857
6	Accounts receivable and interest receivable	562,857				562,857
7	Prepaid expenses and deposits	546,659	2,520			549,179
8	Property and equipment	91,989,605				91,989,605
9	Accumulated depreciation property and equipment	(83,764,612)				(83,764,612)
10	Beneficial interest in GRF of Laguna Hills Trust	5,266,482				5,266,482
11	Non-controlling interest in GRF	42,560,838				42,560,838
12	Total Assets	<u>\$58,269,776</u>	<u>\$20,252,725</u>	<u>\$1,113,771</u>	<u>\$2,988,127</u>	<u>\$82,624,399</u>
Liabilities and Fund Balances						
Liabilities:						
13	Accounts payable and accrued expenses	\$1,060,714	\$716,427		\$3,058,267	\$4,835,408
14	Accrued compensation and related costs	518,105				518,105
15	Deferred income	958,140				958,140
16	Asset retirement obligation		1,382,827			1,382,827
17	Total liabilities	<u>\$2,536,959</u>	<u>\$2,099,254</u>		<u>\$3,058,267</u>	<u>\$7,694,480</u>
Fund balances:						
18	Fund balance prior years	55,288,317	19,168,078	1,113,771	(106,526)	75,463,640
19	Change in fund balance - current year	444,500	(1,014,606)		36,385	(533,721)
20	Total fund balances	<u>55,732,817</u>	<u>18,153,471</u>	<u>1,113,771</u>	<u>(70,140)</u>	<u>74,929,919</u>
21	Total Liabilities and Fund Balances	<u>\$58,269,776</u>	<u>\$20,252,725</u>	<u>\$1,113,771</u>	<u>\$2,988,127</u>	<u>\$82,624,399</u>

**United Laguna Woods Mutual
Changes in Fund Balances - Preliminary
9/30/2022**

	<u>Operating Fund</u>	<u>Replacement Fund</u>	<u>Contingency Fund</u>	<u>Property Taxes Fund</u>	<u>Total</u>
Revenues:					
Assessments:					
1 Operating	\$16,889,525			\$9,442,574	\$26,332,099
2 Additions to restricted funds		8,081,932			8,081,932
3 Total assessments	<u>16,889,525</u>	<u>8,081,932</u>		<u>9,442,574</u>	<u>34,414,031</u>
Non-assessment revenues:					
4 Merchandise sales	3,650				3,650
5 Fees and charges for services to residents	600,815	760			601,575
6 Laundry	186,512				186,512
7 Interest income		175,047			175,047
8 Miscellaneous	499,431				499,431
9 Total non-assessment revenue	<u>1,290,407</u>	<u>175,807</u>			<u>1,466,215</u>
10 Total revenue	<u>18,179,932</u>	<u>8,257,740</u>		<u>9,442,574</u>	<u>35,880,245</u>
Expenses:					
11 Employee compensation and related	7,529,176	2,638,354			10,167,530
12 Materials and supplies	626,676	1,237,356			1,864,032
13 Utilities and telephone	3,579,746	5,331			3,585,077
14 Legal fees	118,179				118,179
15 Professional fees	109,843				109,843
16 Equipment rental	4,184	10,934			15,118
17 Outside services	1,715,939	3,742,038			5,457,976
18 Repairs and maintenance	22,508	2,148			24,656
19 Other Operating Expense	75,208	17,579			92,786
20 Property and sales tax				9,406,188	9,406,188
21 Insurance	2,906,364				2,906,364
22 Investment expense		7,740			7,740
23 Uncollectible Accounts	30,381				30,381
24 Depreciation and amortization	146,819				146,819
25 Net allocations to mutuals	870,496	236,666			1,107,163
26 Total expenses	<u>17,735,518</u>	<u>7,898,145</u>		<u>9,406,188</u>	<u>35,039,851</u>
27 Excess of revenues over expenses before other changes	<u>\$444,414</u>	<u>\$359,595</u>		<u>\$36,385</u>	<u>\$840,394</u>
Other Changes:					
28 Unrealized gain/(loss) on AFS investments		(1,374,201)			(1,374,201)

United Laguna Woods Mutual
Changes in Fund Balances - Preliminary
9/30/2022

		Operating Fund	Replacement Fund	Contingency Fund	Property Taxes Fund	Total
29	(Gain)/loss on sale or trade	<u>(86)</u>				<u>(86)</u>
30	Total other changes	<u>\$86</u>	<u>(\$1,374,201)</u>			<u>(\$1,374,115)</u>
31	Excess of revenues over expenses after other changes	<u>\$444,500</u>	<u>(\$1,014,606)</u>		<u>\$36,385</u>	<u>(\$533,721)</u>
32	Excluding unrealized gains and depreciation	<u>\$591,318</u>	<u>\$359,595</u>		<u>\$36,385</u>	<u>\$987,299</u>

**UNITED LAGUNA WOODS MUTUAL
FUND EXPENDITURES REPORT
AS OF SEPTEMBER 30, 2022**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		2022	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET	EXPENDED	\$	%
OPERATING EXPENDITURES - MAINTENANCE & CONSTRUCTION								
PLUMBING SERVICE	\$133,775	\$102,382	\$1,096,409	\$911,339	\$1,216,188	90%	(\$185,070)	(20%)
DAMAGE RESTORATION	340,024	62,501	680,543	562,509	750,051	91%	(118,034)	(21%)
CARPENTRY SERVICE	49,221	47,763	423,977	425,322	567,600	75%	1,345	0%
ELECTRICAL SERVICE	41,269	31,346	303,057	279,009	372,361	81%	(24,047)	(9%)
APPLIANCE REPAIRS	21,471	27,668	205,661	246,551	329,042	63%	40,890	17%
INTERIOR PREVENTIVE MAINTENANCE	32,444	31,808	251,472	283,050	377,755	67%	31,579	11%
PEST CONTROL	5,970	28,666	20,340	126,744	186,500	11%	106,404	84%
COUNTERTOP/FLOOR/TILE REPAIRS	11,314	10,713	84,523	95,428	127,371	66%	10,905	11%
ENERGY PROGRAM	6,714	2,083	18,951	18,747	25,000	76%	(204)	(1%)
MISC. REPAIRS BY OUTSIDE SERVICE	159	2,083	7,467	18,747	25,000	30%	11,280	60%
FIRE PROTECTION	3,226	4,624	16,943	21,567	32,430	52%	4,624	21%
TOTAL	\$645,586	\$351,637	\$3,109,342	\$2,989,014	\$4,009,298	78%	(\$120,328)	(4%)

OPERATING EXPENDITURES - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$30,623	\$33,754	\$265,483	\$300,960	\$401,522	66%	\$35,477	12%
JANITORIAL SERVICE	30,325	31,078	277,602	277,189	369,653	75%	(413)	(0%)
GUTTER CLEANING	1,268	2,129	17,018	18,997	85,351	20%	1,979	10%
WELDING	6,747	9,777	73,172	87,206	116,345	63%	14,034	16%
TRAFFIC CONTROL	1,196	1,647	13,027	14,673	19,592	66%	1,646	11%
TOTAL	\$70,159	\$78,386	\$646,302	\$699,026	\$992,463	65%	\$52,724	8%

OPERATING EXPENDITURES - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$21,466	\$20,386	\$175,844	\$181,012	\$241,403	73%	\$5,168	3%
NURSERY & COMPOSTING	14,324	15,754	125,603	140,504	187,602	67%	14,900	11%
GROUNDS MAINTENANCE	235,780	232,104	1,974,593	2,069,771	2,760,602	72%	95,178	5%
IRRIGATION	70,543	69,128	600,747	616,179	822,735	73%	15,432	3%
SMALL EQUIPMENT REPAIR	19,606	17,617	160,113	157,115	209,626	76%	(2,998)	(2%)
PEST CONTROL	20,446	23,098	220,959	205,701	274,513	80%	(15,258)	(7%)
TOTAL	\$382,165	\$378,085	\$3,257,860	\$3,370,281	\$4,496,480	72%	\$112,421	3%

**UNITED LAGUNA WOODS MUTUAL
FUND EXPENDITURES REPORT
AS OF SEPTEMBER 30, 2022**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		2022	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET	EXPENDED	\$	%
RESERVE FUND - MAINTENANCE & CONSTRUCTION								
REPLACEMENTS								
BUILDING STRUCTURES	\$228,710	\$139,280	\$578,274	\$1,075,464	\$1,492,903	39%	\$497,190	46%
ELECTRICAL SYSTEMS	97,472	55,466	414,131	494,194	660,595	63%	80,063	16%
EXTERIOR WALKWAY LIGHTING	760	6,726	23,460	55,461	75,635	31%	32,001	58%
FOUNDATIONS	2,745	3,619	24,728	32,571	43,436	57%	7,844	24%
GUTTER REPLACEMENT	4,863	10,620	39,447	95,129	126,889	31%	55,681	59%
PAINT - EXTERIOR	137,937	146,236	1,130,580	1,303,526	1,739,285	65%	172,946	13%
PRIOR TO PAINT	65,600	75,096	528,321	658,694	882,584	60%	130,373	20%
PLUMBING	30,731	54,093	231,499	484,912	646,769	36%	253,413	52%
PAVING	195,934	150,000	340,061	389,319	389,319	87%	49,258	13%
ROOF REPLACEMENTS	291,529	119,045	749,009	829,930	1,020,439	73%	80,921	10%
WALL REPLACEMENT	0	0	30,944	35,000	35,000	88%	4,056	12%
WASTE LINE REMEDIATION	293,136	230,000	1,306,147	1,610,000	2,300,000	57%	303,853	19%
WATER LINE - COPPER PIPE REMEDIATION	0	0	0	100,000	100,000	0%	100,000	100%
WINDOW/SLIDING SCREEN DOOR	6,589	11,205	64,266	100,382	133,896	48%	36,116	36%
SUB-TOTAL	\$1,356,006	\$1,001,386	\$5,460,866	\$7,264,582	\$9,646,750	57%	\$1,803,716	25%
APPLIANCE AND FIXTURE REPLACEMENTS								
COOKTOPS	\$13,487	\$5,882	\$69,187	\$52,816	\$70,442	98%	(\$16,371)	(31%)
DISHWASHERS	4,962	8,156	63,988	73,115	97,526	66%	9,127	12%
BASINS/SINKS/TOILETS	18,436	19,410	141,781	174,167	232,333	61%	32,386	19%
GARBAGE DISPOSALS	9,516	9,854	84,499	88,187	117,647	72%	3,688	4%
HOODS	1,681	3,345	15,204	29,988	40,005	38%	14,784	49%
COUNTER TOPS/FLOORS/SHOWER ENCLOSURE	165,451	114,020	738,268	1,022,568	1,363,868	54%	284,301	28%
OVENS	11,653	11,189	103,466	100,579	134,125	77%	(2,888)	(3%)
RANGES	505	1,057	6,619	9,446	12,613	52%	2,827	30%
REFRIGERATORS	12,496	18,697	128,978	167,839	223,841	58%	38,860	23%
WATER HEATERS & PERMITS	30,524	63,773	404,877	571,295	762,029	53%	166,418	29%
DRYERS	251	3,190	3,958	28,682	38,247	10%	24,725	86%
WASHING MACHINES	8,020	7,622	37,100	68,521	91,380	41%	31,421	46%
SUB-TOTAL	\$276,984	\$266,196	\$1,797,925	\$2,387,201	\$3,184,055	56%	\$589,277	25%
TOTAL	\$1,632,990	\$1,267,581	\$7,258,791	\$9,651,783	\$12,830,805	57%	\$2,392,993	25%

**UNITED LAGUNA WOODS MUTUAL
FUND EXPENDITURES REPORT
AS OF SEPTEMBER 30, 2022**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		2022	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET	EXPENDED	\$	%
RESERVE FUND - GENERAL SERVICES								
PRIOR TO PAINT	\$577	\$805	\$6,289	\$7,169	\$9,565	66%	\$880	12%
PAVING	3,650	5,115	40,124	45,573	60,820	66%	5,449	12%
WALL REPLACEMENT	0	1,282	0	11,538	15,400	0%	11,538	100%
TOTAL	\$4,227	\$7,201	\$46,413	\$64,280	\$85,785	54%	\$17,868	28%

RESERVE FUND - LANDSCAPE

REPLACEMENTS

LANDSCAPE MODIFICATION	\$7,057	\$9,335	\$50,728	\$83,922	\$111,925	45%	\$33,194	40%
IMPROVEMENTS & RESTORATION	14,661	31,313	134,297	279,544	373,213	36%	145,246	52%
TREE MAINTENANCE	90,783	79,332	400,177	710,204	947,657	42%	310,028	44%
TOTAL	\$112,501	\$119,980	\$585,202	\$1,073,671	\$1,432,795	41%	\$488,469	45%

PROPERTY TAXES FUND - NON WORK CENTER

PROPERTY TAXES	\$1,067,697	\$1,033,430	\$9,406,188	\$9,300,870	\$12,401,160	76%	(\$105,318)	(1%)
TOTAL	\$1,067,697	\$1,033,430	\$9,406,188	\$9,300,870	\$12,401,160	76%	(\$105,318)	(1%)

**RESERVES EXPENDITURES COMPARED TO RESERVE STUDY
AS PRESENTED IN THE 2022 BUSINESS PLAN
AS OF SEPTEMBER 30, 2022**

	2022	2022	2022	2022	2022
	YTD Actual	YTD Budget	YTD Variance	Annual Budget	% Expended
Paving	\$195,934	\$239,319	\$43,385	\$239,319	82%
Asphalt & Concrete Repair/Replace	184,250	195,573	11,323	210,820	87%
Roofs - Built-Up	749,009	829,930	80,921	1,020,439	73%
Roofs - Comp Shingle	0	0	0	0	0%
Roofs - Tile	0	0	0	0	0%
Infrastructure/Buildings	465,048	826,764	361,715	1,105,876	42%
Carport Siding Renovation	0	0	0	0	0%
Manor Components	1,741,476	2,280,624	539,148	3,041,917	57%
Lighting & Electrical	437,591	542,536	104,945	726,735	60%
Laundry Rooms	56,442	113,697	57,255	151,636	37%
Off Cycle Decking	80,313	94,538	14,225	126,159	64%
Prior To Painting	454,297	571,325	117,029	765,990	59%
Interior & Exterior Painting	1,130,580	1,303,526	172,946	1,739,285	65%
Walls, Fencing, Railings & Gates	30,944	46,538	15,594	50,400	61%
Grounds & Miscellaneous	584,882	1,073,671	488,789	1,432,795	41%
Building Structures	241,666	476,782	235,116	691,248	35%
Plumbing	1,537,966	2,194,912	656,946	3,046,769	50%
Total	\$7,890,399	\$10,789,735	\$2,899,336	\$14,349,388	55%

**UNITED LAGUNA WOODS MUTUAL
MAINTENANCE PROGRAMS EXPENDITURES REPORT
AS OF SEPTEMBER 30, 2022**

DESCRIPTION	YTD ACTUAL			
	TOTAL EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES

OPERATING EXPENDITURES - MAINTENANCE & CONSTRUCTION

PLUMBING SERVICE	\$1,096,409	\$792,160	\$90,199	\$214,050
DAMAGE RESTORATION	680,543	0	0	680,543
CARPENTRY SERVICE	423,977	357,040	66,937	0
ELECTRICAL SERVICE	303,057	241,605	23,884	37,567
APPLIANCE REPAIRS	205,661	184,802	20,860	0
INTERIOR PREVENTIVE MAINTENANCE	251,472	249,751	1,721	0
PEST CONTROL	20,340	0	0	20,340
COUNTERTOP/FLOOR/TILE REPAIRS	84,523	77,469	3,619	3,435
ENERGY PROGRAM	18,951	0	0	18,951
MISC. REPAIRS BY OUTSIDE SERVICE	7,467	0	0	7,467
FIRE PROTECTION	16,943	3,480	7,818	5,645
TOTAL	\$3,109,342	\$1,906,307	\$215,036	\$987,999

OPERATING EXPENDITURES - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$265,483	\$247,674	\$15,410	\$2,399
JANITORIAL SERVICE	277,602	277,602	0	0
GUTTER CLEANING	17,018	13,813	0	3,205
WELDING	73,172	68,280	1,861	3,032
TRAFFIC CONTROL	13,027	13,027	0	0
TOTAL	\$646,302	\$620,396	\$17,271	\$8,636

OPERATING EXPENDITURES - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$175,844	\$175,844	\$0	\$0
NURSERY & COMPOSTING	125,603	125,603	0	0
GROUPS MAINTENANCE	1,974,593	1,628,678	1,385	344,531
IRRIGATION	600,747	525,559	75,187	0
SMALL EQUIPMENT REPAIR	160,113	160,113	0	0
PEST CONTROL	220,959	220,959	0	0
TOTAL	\$3,257,860	\$2,836,757	\$76,573	\$344,531

RESERVE FUND - MAINTENANCE & CONSTRUCTION

BUILDING STRUCTURES	\$578,274	\$161,250	\$54,725	\$362,299
ELECTRICAL SYSTEMS	414,131	0	0	414,131
EXTERIOR WALKWAY LIGHTING	23,460	5,800	0	17,660
FOUNDATIONS	24,728	0	0	24,728
GUTTER REPLACEMENT	39,447	35,177	4,270	0
PAINT - EXTERIOR	1,130,580	1,015,845	114,735	0
PRIOR TO PAINT	528,321	484,522	43,799	0
PLUMBING	231,499	151,009	0	80,490
PAVING	340,061	0	0	340,061
ROOF REPLACEMENTS	749,009	0	0	749,009
WALL REPLACEMENT	30,944	0	0	30,944
WASTE LINE REMEDIATION	1,306,147	0	0	1,306,147
WATER LINE - COPPER PIPE REMEDIATION	0	0	0	0
WINDOW/SLIDING SCREEN DOOR	64,266	36,461	25,030	2,775
COOKTOPS	69,187	9,414	50,958	8,814
DISHWASHERS	63,988	21,670	37,076	5,241
BASINS/SINKS/TOILETS	141,781	40,880	100,900	0
GARBAGE DISPOSALS	84,499	39,497	45,001	0
HOODS	15,204	8,952	4,938	1,313
COUNTER TOPS/FLOORS/SHOWER ENCLOSURES	738,268	282,037	280,942	175,288
OVENS	103,466	9,414	71,173	22,879
RANGES	6,619	4,725	1,218	676
REFRIGERATORS	128,978	32,967	67,852	28,159
WATER HEATERS & PERMITS	404,877	209,063	195,814	0

**UNITED LAGUNA WOODS MUTUAL
MAINTENANCE PROGRAMS EXPENDITURES REPORT
AS OF SEPTEMBER 30, 2022**

YTD ACTUAL				
DESCRIPTION	TOTAL EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES
DRYERS	3,958	2,345	1,613	0
WASHING MACHINES	37,100	5,649	31,452	0
TOTAL	\$7,258,791	\$2,556,679	\$1,131,497	\$3,570,615

RESERVE FUND - GENERAL SERVICES

PRIOR TO PAINT	\$6,289	\$6,289	\$0	\$0
PAVING	40,124	39,755	369	0
WALL REPLACEMENT	0	0	0	0
TOTAL	\$46,413	\$46,044	\$369	\$0

RESERVE FUND - LANDSCAPE

LANDSCAPE MODIFICATION	\$50,728	\$8,051	\$320	\$42,357
IMPROVEMENTS & RESTORATION	134,297	133,310	987	0
TREE MAINTENANCE	400,177	273,283	0	126,894
SUPPLEMENTAL APPROPRIATION	0	0	0	0
TOTAL	\$585,202	\$414,644	\$1,307	\$169,251

PROPERTY TAXES FUND - NON WORK CENTER

PROPERTY TAXES	\$9,406,188	\$9,406,188	\$0	\$0
TOTAL	\$9,406,188	\$9,406,188	\$0	\$0

**UNITED LAGUNA WOODS MUTUAL
OUTSIDE SERVICES - COST COLLECTION
AS OF SEPTEMBER 30, 2022**

DESCRIPTION	YTD ACTUAL				YTD BUDGET	YTD Variance
	TOTAL OS EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES	OUTSIDE SERVICES	OUTSIDE SERVICES

OPERATING EXPENDITURES - MAINTENANCE & CONSTRUCTION

PLUMBING SERVICE	\$214,050	\$0	\$0	\$214,050	\$33,750	(\$180,300)
DAMAGE RESTORATION	\$680,543	\$0	\$0	\$680,543	\$562,509	(\$118,034)
CARPENTRY SERVICE	0	0	0	0	3,366	3,366
ELECTRICAL SERVICE	37,567	0	0	37,567	1,494	(36,073)
APPLIANCE REPAIRS	0	0	0	0	0	0
INTERIOR PREVENTIVE MAINTENANCE	0	0	0	0	0	0
PEST CONTROL	20,340	0	0	20,340	126,744	106,404
COUNTERTOP/FLOOR/TILE REPAIRS	3,435	0	0	3,435	5,616	2,181
ENERGY PROGRAM	18,951	0	0	18,951	18,747	(204)
MISC. REPAIRS BY OUTSIDE SERVICE	7,467	0	0	7,467	18,747	11,280
FIRE PROTECTION	5,645	0	0	5,645	16,900	11,255
TOTAL	\$987,999	\$0	\$0	\$987,999	\$787,873	(\$200,126)

OPERATING EXPENDITURES - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$2,399	\$0	\$0	\$2,399	\$0	(\$2,399)
JANITORIAL SERVICE	0	0	0	0	0	0
GUTTER CLEANING	3,205	0	0	3,205	3,744	539
WELDING	3,032	0	0	3,032	11,250	8,218
TRAFFIC CONTROL	0	0	0	0	0	0
TOTAL	\$8,636	\$0	\$0	\$8,636	\$14,994	\$6,358

OPERATING EXPENDITURES - M&C CHARGEABLE SERVICES

CHARGEABLES	\$208,928	\$0	\$0	\$208,928	\$108,351	(\$100,577)
TOTAL	\$208,928	\$0	\$0	\$208,928	\$108,351	(\$100,577)

OPERATING EXPENDITURES - LANDSCAPE SERVICES

LANDSCAPE SHRUB-BED MAINTENANCE	\$344,531	\$0	\$0	\$344,531	\$0	(\$344,531)
TOTAL	\$344,531	\$0	\$0	\$344,531	\$0	(\$344,531)

**UNITED LAGUNA WOODS MUTUAL
OUTSIDE SERVICES - COST COLLECTION
AS OF SEPTEMBER 30, 2022**

DESCRIPTION	YTD ACTUAL				YTD BUDGET	YTD Variance
	TOTAL OS EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES	OUTSIDE SERVICES	OUTSIDE SERVICES
RESERVE FUND - MAINTENANCE & CONSTRUCTION						
BUILDING STRUCTURES	\$362,299	\$0	\$0	\$362,299	\$848,497	\$486,198
CDS SIGNAGE	0	0	0	0	0	0
ELECTRICAL SYSTEMS	414,131	0	0	414,131	494,194	80,063
EXTERIOR WALKWAY LIGHTING	17,660	0	0	17,660	45,247	27,587
FOUNDATIONS	24,728	0	0	24,728	32,571	7,844
GUTTER REPLACEMENT	0	0	0	0	52,497	52,497
PAINT - EXTERIOR	0	0	0	0	6,354	6,354
PRIOR TO PAINT	0	0	0	0	38,500	38,500
PLUMBING	80,490	0	0	80,490	284,994	204,504
PAVING	340,061	0	0	340,061	389,319	49,258
ROOF REPLACEMENTS	749,009	0	0	749,009	829,930	80,921
WALL REPLACEMENT	30,944	0	0	30,944	35,000	4,056
WASTE LINE REMEDIATION	1,306,147	0	0	1,306,147	1,610,000	303,853
WATER LINE - COPPER PIPE REMEDIATION	0	0	0	0	100,000	100,000
WINDOW/SLIDING SCREEN DOOR	2,775	0	0	2,775	22,500	19,725
SUPPL. APPROPRIATIONS	0	0	0	0	0	0
COOKTOPS	8,814	0	0	8,814	11,475	2,661
DISHWASHERS	5,241	0	0	5,241	8,919	3,678
BASINS/SINKS/TOILETS	0	0	0	0	0	0
GARBAGE DISPOSALS	0	0	0	0	0	0
HOODS	1,313	0	0	1,313	3,222	1,909
COUNTER TOPS/FLOORS/SHOWER ENCLOSURES	175,288	0	0	175,288	405,315	230,027
OVENS	22,879	0	0	22,879	16,227	(6,652)
RANGES	676	0	0	676	1,944	1,268
REFRIGERATORS	28,159	0	0	28,159	32,544	4,385
WATER HEATERS & PERMITS	0	0	0	0	43,632	43,632
DRYERS	0	0	0	0	0	0
WASHING MACHINES	0	0	0	0	0	0
TOTAL	\$3,570,615	\$0	\$0	\$3,570,615	\$5,312,881	\$1,742,266

RESERVE FUND - GENERAL SERVICES

PRIOR TO PAINT	\$0	\$0	\$0	\$0	\$0	\$0
WALL REPLACEMENT	0	0	0	0	11,538	11,538

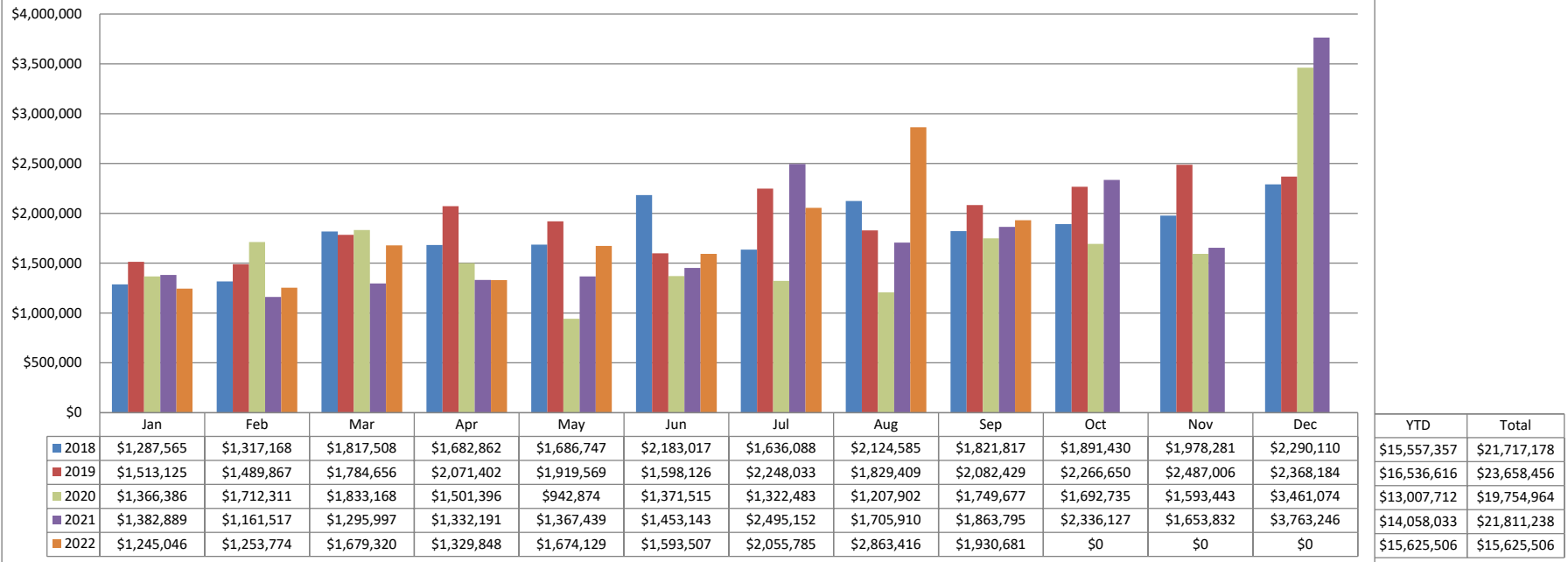
**UNITED LAGUNA WOODS MUTUAL
OUTSIDE SERVICES - COST COLLECTION
AS OF SEPTEMBER 30, 2022**

DESCRIPTION	YTD ACTUAL				YTD BUDGET	YTD Variance
	TOTAL OS EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES	OUTSIDE SERVICES	OUTSIDE SERVICES
TOTAL	\$0	\$0	\$0	\$0	\$11,538	\$11,538

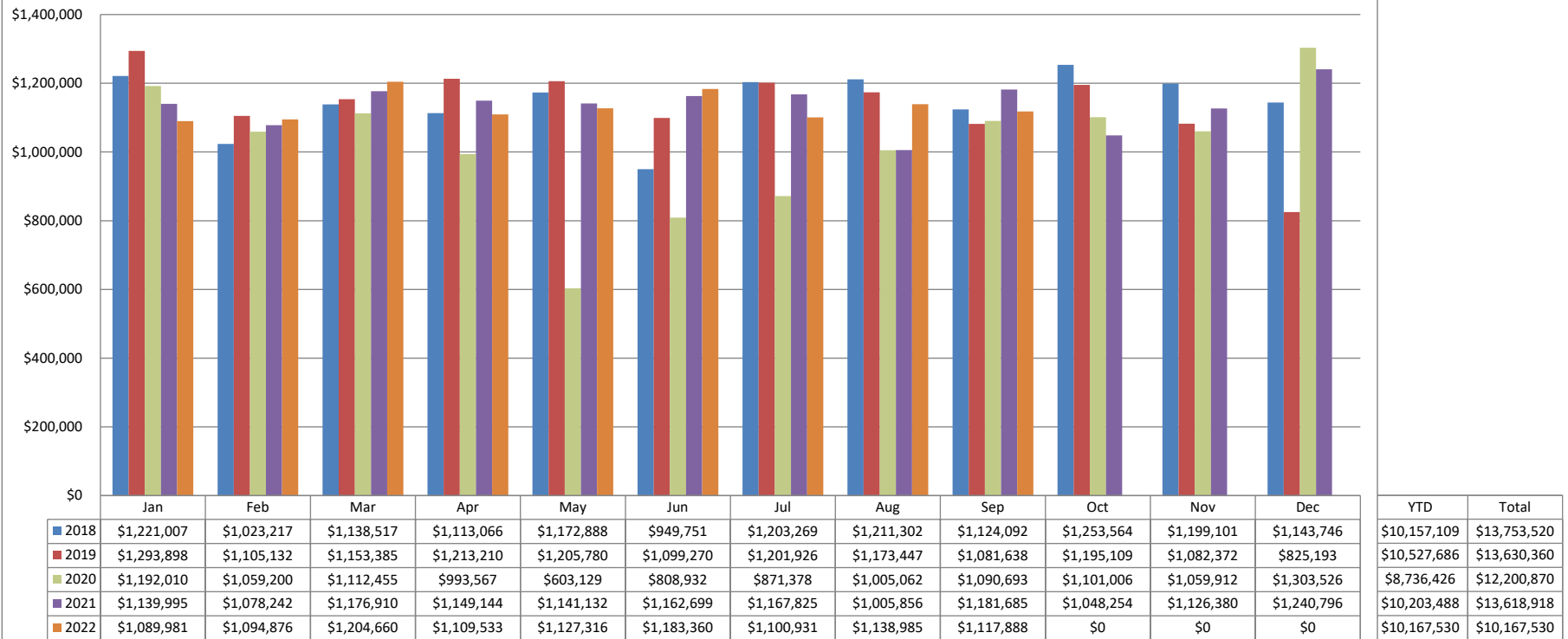
RESERVE FUND - LANDSCAPE

LANDSCAPE MODIFICATION	\$42,357	\$0	\$0	\$42,357	\$75,627	\$33,270
IMPROVEMENTS & RESTORATION	\$0	\$0	\$0	\$0	\$37,494	\$37,494
TREE MAINTENANCE	126,894	0	0	126,894	377,334	250,440
SUPPLEMENTAL APPROPRIATION	0	0	0	169,251	0	0
TOTAL	\$169,251	\$0	\$0	\$169,251	\$490,455	\$321,204

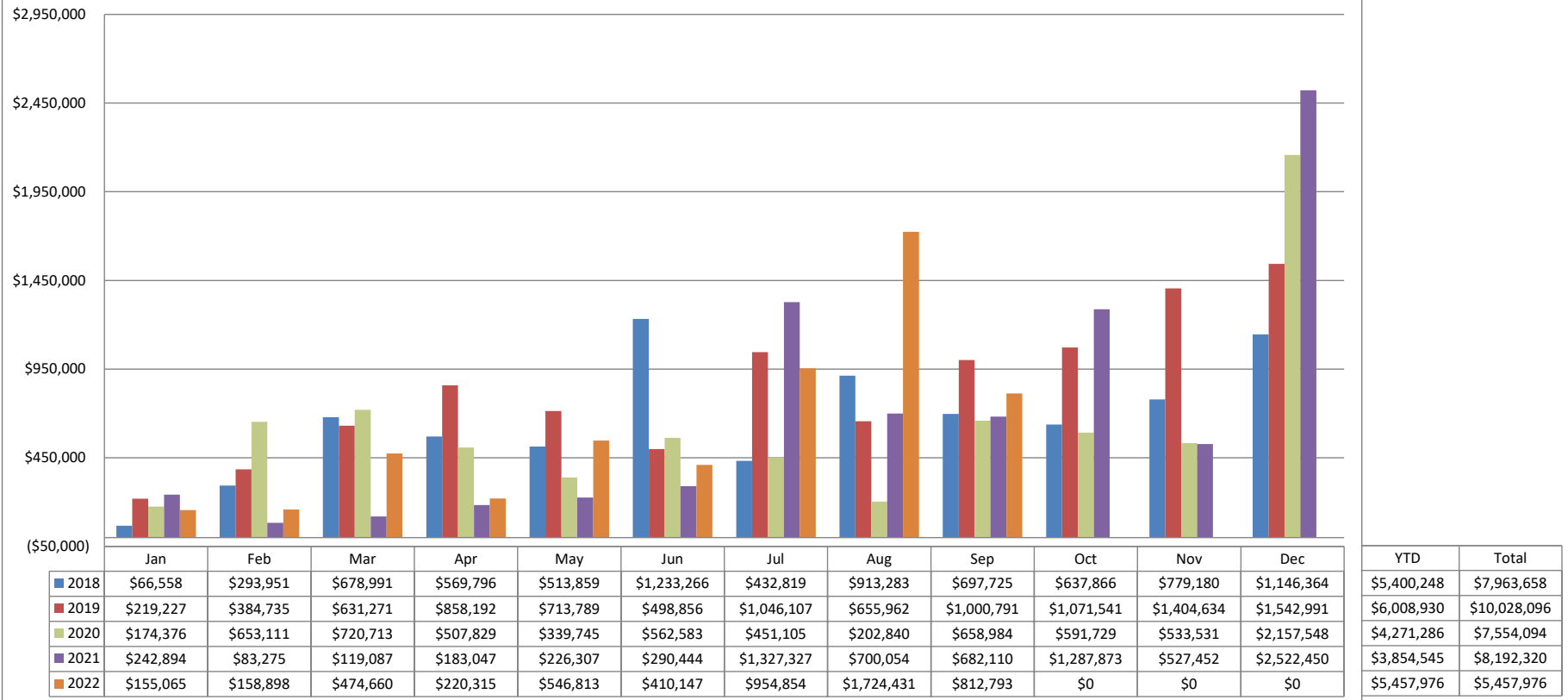
United Mutual **Employee Compensation, Related, and Outside Services**



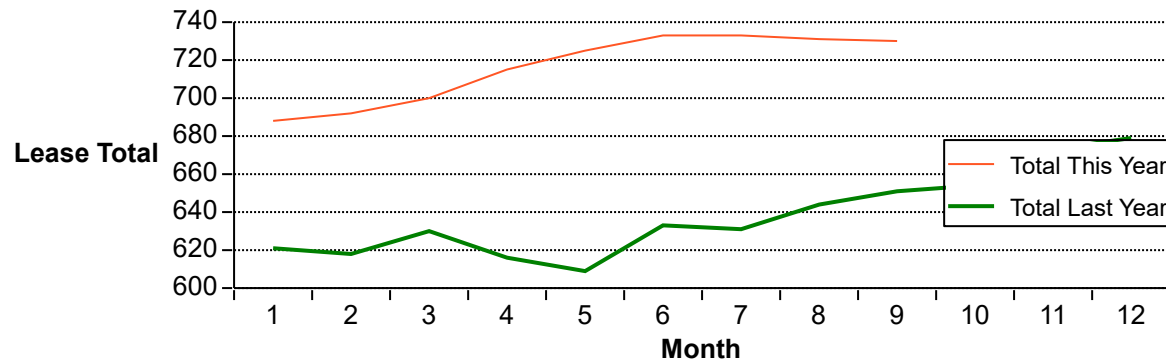
United Mutual Employee Compensation & Related



United Mutual Outside Services



Monthly Active Leasing Report 2022 Period 9 (Mutual 1)



Year	Month	1 to 3 Month	4 to 6 Month	7 to 12 Month	12+ Month	Total This Year	Total Last Year	% Leased	% Leased Last Year	% Change	Total Renewals	Total Expirations
2022	January	17	28	111	532	688	621	10.9	9.8	1.1	40	18
2022	February	17	25	126	524	692	618	10.9	9.8	1.1	50	18
2022	March	17	25	140	518	700	630	11.1	10.0	1.1	39	26
2022	April	14	29	165	507	715	616	11.3	9.7	1.6	66	26
2022	May	15	28	183	499	725	609	11.5	9.6	1.9	32	29
2022	June	17	32	193	491	733	633	11.6	10.0	1.6	67	25
2022	July	21	30	198	484	733	631	11.6	10.0	1.6	49	25
2022	August	23	33	204	471	731	644	11.6	10.2	1.4	35	22
2022	September	19	35	210	466	730	651	11.5	10.3	1.2	45	39
2022	October						654					
2022	November						673					
2022	December						679					



DATE: October 2022
 TO: VMS Board of Directors
 RE: Monthly Staffing Report

New Hires YTD:
 September

137 (58 Full-time, 79 Part-time)
 14 (7 Full-time, 7 Part-Time)

Active Recruiting Vacancies as of September 30, 2022

Total: 77

Full-time: 64

Part-time: 13

Vacancies by Divisions	Full-Time	Part-Time	Total Vacancies	Req Date
General Services	7	4	11	
Bus Driver	3	4	7	Continuously Open
Custodian	4		4	Continuously Open
Maintenance and Construction	10		10	
Senior Maintenance Plumber	1		1	4/1/22
Maintenance Painter	2		2	5/16/22
Operations Supervisor (WC 910)	1		1	7/1/22
Operations Specialist (WC 910)	1		1	7/27/22
Senior Maintenance Electrician	1		1	8/29/22
Plumber Trade Helper	1		1	9/2/22
Operations Specialist (WC 900)	1		1	9/6/22
Moisture Intrusion Coordinator	1		1	9/7/22
Operations Coordinator	1		1	9/20/22
Landscape Services	21		21	
Gardener (WC 520 & WC 530)	18		18	Continuously Open
Irrigator Technician	1		1	8/1/22



Laguna Woods Village®

Landscape Foreman	1		1	9/13/22
Tree Trimmer Technician	1		1	9/20/22
Security Services	11		11	
Gate Ambassador		-	-	Continuously Open
Security Patrol Officer	6		6	Continuously Open
Dispatcher	2		2	Continuously Open
Administrative Specialist	1		1	8/15/22
Scheduler	1		1	8/15/22
Community Compliance Coordinator	1		1	9/7/22
Recreation Services	4	9	13	
Recreation Leader		9	9	Continuously Open
Recreation Coordinator I	1		1	6/21/22
Senior Stable Hand	1		1	7/27/22
Sr. Equipment Operator	1		1	9/15/22
P/T Sr Recreation Leader	1		1	9/12/22
Resident Services	4		4	
Customer Services Representative I	3		3	6/14/22
Customer Services Representative II	1		1	8/12/22
Finance Services	2		2	
Senior Buyer	1		1	8/18/22
Office Assistant (Mail & Copy Services)	1		1	8/23/22
Community Services	2		2	
Community Services Supervisor	1		1	5/16/22
Membership Counselor	1		1	8/8/22
Media and Communications	1		1	
Broadband Technician	1		1	4/4/22
Information Services	1		1	
Personal Computer Technician	1		1	7/25/22
Office of the CEO	1		1	
Records Specialist	1		1	8/17/22
Total	64	13	77	



Terminations YTD:

September

120 (87 Full-time, 33 Part-time)

19 (13 Full-time, 6 Part-time)

Resignations and Terminations for September 2022 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	1	2		2	4	1	4	1	15
Terminated	2		2						4
Grand Total	3	2	2	2	4	1	4	1	19

The stated reasons for resignations in September are as follows:

- 1. Other Employment (better pay & job opportunity)** – 1 in Security Services, 2 in Maintenance and Construction, 1 in General Services, 2 in Recreation Services, 1 in Resident Services, and 2 in Landscape Services
- 2. Retirement** – 1 in Landscape Services, and 1 in Maintenance and Construction
- 3. Termination** – 2 in Landscape Services, 1 in General Services and 1 in Security Services
- 4. Personal Reasons** – 1 in Recreation Services
- 5. Health Reasons** - 1 in Security Services and 1 in Recreation Services
- 6. Death** – 1 in Landscape Services



**YEAR ~~2022~~ 2023 COLLECTION AND LIEN ENFORCEMENT
POLICY AND PROCEDURES FOR ASSESSMENT
DELINQUENCIES**

PURPOSE STATEMENT

The following is a statement (the “Policy Statement”) of the specific procedures, policies and practices employed by United Laguna Woods Mutual, a California nonprofit mutual benefit corporation (“United”) in enforcing lien rights or other legal remedies for default in payment of assessments against its members (“Shareholders”). This Policy Statement is provided pursuant to the requirements of California Civil Code Section 5310(a)(7) and incorporates by reference the disclosure provided by United pursuant to California Civil Code Section 5730.

The collection of delinquent assessments is of vital concern to all Shareholders of United. Such efforts ensure that all Shareholders pay their fair share of the costs of services and facilities provided and maintained by United. Shareholders’ failure to pay assessments when due creates a cash-flow problem for United and causes those Shareholders who make timely payment of their assessments to bear a disproportionate share of the community’s financial obligations.

Assessments are the separate debt of shareholders. United may employ single collection recourses or combinations thereof as allowed by law. In addition to any other rights provided for by law or described in the governing documents, including, but not limited to the Articles of Incorporation, Bylaws and each Shareholder’s Occupancy Agreement (“Governing Documents”), the Board has the right to collect delinquent assessments as stated herein.

WE SINCERELY TRUST THAT ALL SHAREHOLDERS, IN THE SPIRIT OF COOPERATION AND IN RECOGNITION OF THEIR LEGAL OBLIGATIONS, WILL MAKE TIMELY PAYMENTS AND AVOID THE IMPOSITION OF LATE CHARGES AND POSSIBLE RESULTANT LEGAL ACTION, AND REIMBURSEMENT FOR THE COSTS OF SUCH LEGAL ACTION. IT IS IN YOUR BEST INTEREST AND THE BEST INTEREST OF THE COMMUNITY AS A WHOLE TO MAKE YOUR MONTHLY PAYMENTS ON TIME.

REGARDLESS OF WHETHER A LIEN IS RECORDED AGAINST YOUR LEASEHOLD INTEREST DURING THE COLLECTION OF PAST-DUE ASSESSMENTS, ALL SHAREHOLDERS HAVE A PERSONAL AND ONGOING OBLIGATION TO PAY ASSESSMENTS AND CHARGES.

BASIC POLICIES AND PROCEDURES

Delinquency reports are made available monthly by United’s managing agent to the Board of United, identifying the delinquent Shareholder, the delinquent amount and the length of time the assessments have been in arrears. Additionally, to ensure the prompt payment of monthly

assessments United employs the following collection and lien enforcement procedures. The policies and practices outlined herein shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of United's Board of Directors.

Pursuant to United's Governing Documents, as well as the California Civil Code, the following are United's collection and lien enforcement policies and procedures for assessment delinquencies. Also following, pursuant to Paragraphs 3, 16 and 22, are United's collection policies and procedures for the collection of fines, fees, and chargeable services charged against Shareholders pursuant to the Governing Documents and current law:

1. Assessments; Assessments Due Date. "Carrying Charges" as defined by United's Occupancy Agreement, also referred to as "assessments" in United's Bylaws, are referred to throughout this Policy Statement as "assessments." Assessments are due and payable to United, in advance, in equal monthly installments, on the first (1st) day of each month. **It is each Shareholder's responsibility to pay assessments in full each month regardless of whether a billing statement is received.** Special assessments shall be due and payable on the due date specified by the Board of Directors in the notice imposing the special assessment. In no event shall a special assessment be due and payable earlier than thirty (30) days after the special assessment is duly imposed. If a special assessment is payable in installment payments and an installment payment of that special assessment is delinquent for more than 30 days, all remaining installments will be accelerated and the entire unpaid balance of the special assessment shall become immediately due and payable. The remaining balance shall be subject to late charges and interest as provided herein. Note that the obligation to pay assessments shall not be relieved or modified by the temporary closure and/or modified availability of common area facilities and amenities, absent a moratorium or mandate from state officials, or as otherwise determined at the discretion of the Board of Directors.

2. Reminder Notice; Administrative Collection Fee. If Assessments are not received by United on or before the close of business on the sixteenth (16th) day of the month (or if a special assessment is not received by United on or before the close of business on the fifteenth (15th) day after it is due), a Reminder Notice is sent to the Shareholder. PLEASE NOTE THAT TO BE CONSIDERED TIMELY, THE PAYMENT MUST BE RECEIVED BY UNITED WITHIN THIS FIFTEEN (15) DAY GRACE PERIOD. SIMPLY PLACING THE PAYMENT IN THE MAIL BEFORE THE GRACE PERIOD EXPIRES IS NOT SUFFICIENT. It is the policy of United not to waive any duly imposed late charges, interest, or collection fees and costs. Each delinquent account shall incur an administrative collection fee, in the amount of Two Hundred Dollars (\$200) (the "Administrative Collection Fee"), which is charged by United's managing agent to reasonably cover staff's costs to prepare the files for delivery to United's collection agent in order to carry out collection activities authorized hereunder, as well as direct costs incurred in recording and/or forwarding documents in connection with the collection process. ([*See Brown v. Professional Community Management, Inc. \[2005\] 127 Cal.App.4th 532.*](#)) This Administrative Collection Fee may be increased by majority vote of United's Board, and may be collected by United's collection agent on United's behalf, and remitted to United's managing agent, or may be directly collected by United's managing agent. IT IS THE SHAREHOLDER'S RESPONSIBILITY TO ALLOW AMPLE TIME TO DROP OFF OR MAIL ALL PAYMENTS SO THAT THEY ARE RECEIVED BEFORE THE DELINQUENCY DATE. All notices or invoices for assessments will be sent to Shareholders by first-class mail addressed to the Shareholder

or the Shareholder's designee at his or her address as shown on the books and records of United unless otherwise required by law. However, it is the Shareholder's responsibility to be aware of the assessment payment due dates and to advise United of any changes in the Shareholder's mailing address.

3. Late Charges; Interest. Assessments not received by the sixteenth (16th) day of the month will incur a late fee in the amount of Fifty Dollars (\$50.00), which amount is consistent with statutory authority. Further, both state law and United's governing documents provide for interest on the delinquent assessment, late charges and collection fees and costs. Accordingly, interest may be imposed thirty (30) days after the assessment is due, at an annual percentage rate not to exceed Twelve Percent (12%), consistent with Civil Code Section 5650. Such interest may be imposed and collected per the foregoing sentence regardless of whether the Shareholder's delinquent account is referred to United's collection agent for collections. Non-assessment fines, fees and chargeable services are also subject to late charges and interest.

4. Thirty-Day Pre-Lien Letter Notice to Delinquent Shareholder. If full payment of the delinquent amount is not received by the close of business on the thirtieth (30th) day after the date of the Reminder Notice, United's managing agent will send a pre-lien letter (also referred to as a final demand for payment letter) to the Shareholder as required by Civil Code Section 5660 by certified and regular first class mail, to the Shareholder's mailing address of record in United's books and records advising of, among other things required by law, the delinquent status of the account, including an itemized statement of the charges owed by the shareholder, impending collection action and the Shareholder's rights including a statement that the shareholder will not be liable to pay charges, interest and costs of collection if it is determined the assessment was paid on time to United, and the right to request a meeting with the Board of Directors of United pursuant to Civil Code Section 5665, the right to dispute the assessment debt by submitting a written request for dispute resolution pursuant to Civil Code pursuant to Article 2 (commencing with Section 5900) of Chapter 10 ("IDR"), the right to request alternative dispute resolution pursuant to Article 3 (commencing with Section 5925) of Chapter 10 ("ADR") and the right to request debt validation. Notwithstanding the provisions of this paragraph, United may cause a pre-lien letter to be sent to a delinquent Shareholder at any time when there is an open escrow involving the Shareholder's leasehold interest, may cause a pre-lien letter to be sent to a delinquent Shareholder if any special assessment becomes delinquent, and/or may turn the delinquent account over to United's collection agent to send a pre-lien letter to a delinquent Shareholder.

5. Recordation of a Lien Against a Delinquent Shareholder's Leasehold Interest. If a Shareholder does not pay the amounts set forth in the pre-lien letter and does not request IDR or ADR within thirty (30) days of the date of the pre-lien letter, or, otherwise, requests to validate the debt in which case the collection process will be placed on hold in order to validate the debt, the delinquent account will be turned over to United's collection agent for collections. The Board shall decide, by majority vote in an open meeting, whether to authorize United's collection agent to record a lien for the amount of any delinquent assessments, late charges, interest, and collection fees and costs, including attorneys' fees against the Shareholder's leasehold interest. If United authorizes United's collection agent to record a lien against the Shareholder's leasehold interest, the Shareholder will incur additional fees and costs for preparing and recording the lien. The lien may be enforced in any manner permitted by law, including without limitation,

judicial or non-judicial foreclosure (Civil Code Section 5700). A copy of the lien will be sent to the Shareholder, via certified mail, within ten (10) days of recordation of the lien.

6. Enforcement of a Lien. United's collection agent may be authorized to enforce the lien thirty (30) days after recordation of the lien, in any manner permitted by law, which may include recording a Notice of Default. United may foreclose the lien by judicial or non-judicial foreclosure when either (a) the delinquent assessment amount totals One Thousand Eight Hundred Dollars (\$1,800.00) or more, excluding accelerated assessments, late charges, interest, and collection fees and costs or (b) the assessments are delinquent for more than twelve (12) months. **YOU COULD LOSE YOUR LEASEHOLD INTEREST AT UNITED IF A FORECLOSURE ACTION IS COMPLETED.** A non-judicial foreclosure sale by United to collect upon a debt for delinquent assessments is subject to a statutory right of redemption. The redemption period within which your leasehold interest may be redeemed ends ninety (90) days after United's foreclosure sale, per California Civil Code Section 5715(b). The Shareholder will incur significant additional fees and costs if a Notice of Default is recorded and a foreclosure action is commenced against the Shareholder's leasehold interest. The decision to foreclose on a lien must be made by a majority of the Board of Directors in an Executive Session meeting and the Board of Directors must record their votes in the minutes of the next open meeting of the Board. The Board must maintain the confidentiality of the delinquent Shareholder(s) by identifying the matter in the minutes by only the parcel number of the property in which the Shareholder has a leasehold interest. Prior to initiating any foreclosure sale on a recorded lien, United shall offer delinquent Shareholders the option of participating in IDR, ADR, or both IDR and ADR as requested by the Shareholder.

United may commence and maintain a lawsuit directly on the debt without waiving its right to establish a lien and initiate foreclosure against the owner's separate interest for the delinquent assessment. In any action to collect delinquent assessments, late charges, or interest, the prevailing party will be entitled to costs and reasonable attorney's fees.

7. Inspection of Books and Records. A Shareholder is entitled to inspect United's accounting books and records to verify the amounts owed pursuant to Civil Code Section 5200, *et seq.*

8. Application of Payments. Any payments made shall be first applied to assessments owed and only after the assessments owed are paid in full, shall such payment be applied to late charges, interest, and collection fees and costs, including attorneys' fees.

9. Account Sent to United's Collection Agent In Error. In the event it is determined that the Shareholder has paid the assessments on time, the Shareholder will not be liable to pay the charges, interests, and fees and costs of collection associated with collection of those assessments. If it is determined that a lien was recorded in error, a release of lien shall be recorded within twenty-one (21) calendar days and the owner of the separate interest will be provided with a copy of the release of lien. If the lien was recorded in error, United shall promptly reverse all late charges, fees, interest, attorney's fees, and costs of collection.

10. Payment Under Protest. A Shareholder may but is not obligated to, pay under protest any disputed charge or sum levied by United, including but not limited to, an

assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

11. Right to Dispute the Debt. A Shareholder has the right to dispute the assessment debt by submitting a written request for dispute resolution to the collection agent for delivery to United pursuant to Civil Code Section 5900 *et seq.* A dispute, by itself, will not impede United's ability to record a lien.

12. Right to Request Internal Dispute Resolution ("IDR"). Pursuant to Civil Code Section 5670, prior to recording a lien, United offers to Shareholders, and if so requested by a Shareholder, participation in internal dispute resolution ("IDR") pursuant to United's "meet and confer" program.

13. Right to Request Alternative Dispute Resolution ("ADR"). A Shareholder has the right to request alternative dispute resolution with a neutral third party pursuant to Civil Code Section 5925 *et seq.* before United may initiate foreclosure against the Shareholder's leasehold interest, except that binding arbitration shall not be available if United intends to initiate a judicial foreclosure.

14. Right to Request Debt Validation. Under the Fair Debt Collection Practices Act ("FDCPA"), a Shareholder may request that United and/or its collection agent send the Shareholder proof that the debt sought to be recovered is valid, that the Shareholder lawfully owes the debt, and that United and/or its collection agent has the right to collect the debt.

15. Payment Plan Requests. Any Shareholder who is unable to pay assessments will be entitled to make a written request for a payment plan to United, or United's collection agent, as applicable, to be considered by the Board of Directors. A Shareholder may also request to meet with the Board in executive session to discuss a payment plan if the payment plan request is mailed within fifteen (15) days of the postmark date of the pre-lien letter. If such request is mailed within fifteen (15) days of the postmark of the pre-lien letter, the Board will meet with the Shareholder, in executive session, within forty-five (45) days of the postmark of such request, unless there is no regularly scheduled meeting of the Board within that time period, in which case the Board may designate a committee of one or more directors to meet with the Shareholder. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. Payment plans shall not interfere with United's ability to record a lien on a Shareholder's separate interest to secure payment for the Shareholder's delinquent assessments. If the Board authorizes a payment plan, it may incorporate payment of ongoing assessments that accrue during the payment plan period in addition to a \$50 one-time setup fee. If a payment plan is approved by the Board, additional late charges from the Shareholder will not accrue while the Shareholder remains current under the terms of the payment plan. If the Shareholder breaches an approved payment plan, United may resume its collection action from the time the payment plan was approved. Generally speaking, no payment plan may exceed six (6) months in duration. Any payment plan which exceeds six (6) months in duration must be accompanied by a written explanation of the reason for the request, which includes documentation of the Shareholder's special circumstances, financial hardship and ability to make the payments requested.

16. Termination of Shareholder's Rights under Occupancy Agreement. Nothing herein limits or otherwise affects United's right to proceed in any lawful manner to collect any delinquent sums owed to United (such as duly levied and imposed assessments, fines, fees and chargeable services, and any associated late charges and interest), or to pursue any other discipline set forth in United's governing documents, including but not limited to a termination of the Shareholder's rights under the Occupancy Agreement pursuant to Article 14 therein and pursuant to the procedures set forth in Article IV, Section 3 of the Bylaws and pursuing an unlawful detainer action or other proceeding which may apply to the eviction of tenants.

17. Release of Lien. Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and fees and costs of collection, including attorneys' fees, must be paid in full to United.

18. No Right of Offset. There is no right of offset. Shareholder may not withhold assessments owed to United on the alleged grounds that the Shareholder is entitled to recover money or damages from United for some other obligation. Additionally, the obligation to pay assessments shall not be relieved or modified by the temporary closure and/or modified availability of common area facilities and amenities, absent a moratorium or mandate from state officials or as otherwise determined at the discretion of the Board.

19. Returned Checks. United may charge the Shareholder a Twenty-Five Dollar (\$25.00) fee for the first check tendered to United that is returned unpaid by the Shareholder's bank and Thirty-Five Dollars (\$35.00) for each subsequent check passed on insufficient funds. If the check cannot be negotiated, United may also seek to recover damages of at least One Hundred Dollars (\$100.00), or, if higher, three (3) times the amount of the check up to One Thousand, Five Hundred Dollars (\$1,500.00) pursuant to Civil Code Section 1719.

20. Additional Mailing Addresses. Shareholders have the right to provide a secondary address to United for mailing of an additional copy of notices and other correspondence related to collection of delinquent assessments. The Shareholder's request shall be in writing and shall be mailed to United in a way that shall indicate that United has received it. A Shareholder may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, United shall only be required to send notices to the indicated secondary address from the point United receives the request.

21. Charges Subject to Change. All charges listed herein are subject to change upon thirty (30) days prior written notice. After a delinquent account has been turned over to United's collection agent, United's collection agent's charges may vary from United's and are subject to change without prior written notice. Shareholders in collections should rely on United collection agent's charges and statement of account.

22. Notice and Hearing Prior to Suspension of Shareholder Privileges. Until the Shareholder has paid all amounts due, including delinquent assessments, late charges, interest and costs of collection, including attorneys' fees, and duly imposed fines, fees and chargeable services, and associated late charges and interest, the Board of Directors may suspend the Shareholder's right to vote, and suspend the Shareholder's right to use United's recreational facilities and/or the facilities or services

provided by the Golden Rain Foundation of Laguna Woods after providing the Shareholder with a duly noticed hearing pursuant to Civil Code Section 5855. However, any suspension imposed shall not prevent the delinquent Shareholder from the use, benefit and pleasure of the Shareholder's leasehold interest (i.e., the manor).

When the Board is to meet in executive session to consider or impose a monetary charge as a means of reimbursing United for costs incurred by it in the repair of damage to common area and facilities caused by a member or the member's guest or tenant, the Board shall notify the member in writing, by either personal delivery or individual delivery pursuant to Section 4040, at least 10 days prior to the meeting. (Civil Code Section 5855(a).) The notice shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which a member may be disciplined or the nature of the damage to the common area and facilities for which a monetary charge may be imposed, and a statement that the member has a right to attend and may address the board at the meeting.

23. Overnight Payments. The mailing address for overnight payment of assessments is: United Laguna Woods Mutual, Attn: Assessments, 24351 El Toro Road, Laguna Woods, CA 92637.

24. Annual Notice to Members. United shall distribute its collection policy to each member during the 60-day period immediately preceding the beginning of United's fiscal year.

25. No limitations. Nothing herein limits or otherwise affects United's right to proceed in any lawful manner to collect any delinquent sums owed to United.

**BOARD OF DIRECTORS
UNITED LAGUNA WOODS MUTUAL**

NOTICE ASSESSMENTS AND FORECLOSURE

This notice outlines some of the rights and responsibilities of the shareholders (as holders of leasehold interests in a Unit located within United Laguna Woods Mutual, a stock cooperative), as shareholders with an entitlement to the exclusive right to occupy a unit, which is property in a common interest development (as defined by California Civil Code), and the corporation that manages them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

For purposes of this notice, “association” shall refer to “United Laguna Woods Mutual”, also referred to as “United” or the “Association”.

Any and all references to “shareholders” in this notice refer to holders of membership certificates issued by United, who are also holders of leasehold interests in a Unit, (or “Members”, as such term is defined in the Bylaws of United Laguna Woods Mutual).

Any and all references to a “Unit” in this notice shall refer to a dwelling unit owned by United.

Any and all references to “property” and “shareholder’s separate interest” in this notice refer to a leasehold interest and the right to exclusively occupy a Unit pursuant to an Occupancy Agreement and a membership certificate.

Any and all references to a “membership certificate” or “stock certificate” refer to a certificate for membership issued by United, which conveys to the holder a leasehold interest in and the right to exclusively occupy a Unit and membership in United.

ASSESSMENTS AND FORECLOSURE

Assessments become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay Association (United) assessments may result in the loss of a shareholder's property (leasehold interest in a Unit as evidenced by a stock certificate) through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure or without court action, often referred to as nonjudicial foreclosure. If a shareholder defaults under his or her Occupancy Agreement by failing to pay assessments when due, United also has the right, but not the obligation, to terminate the shareholder's stock certificate, which may result in the eviction of the occupants of the Unit.

For liens recorded on and after January 1, 2006, the Association (United) may not use judicial or nonjudicial foreclosure to enforce the lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than One Thousand Eight Hundred Dollars (\$1,800). For delinquent assessments or carrying charges in excess of One Thousand Eight Hundred Dollars (\$1,800) or more than 12 months delinquent, the Association (United) may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with Section 5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the Association (United) records a lien against the shareholder's separate interest. The shareholder's separate interest (a leasehold interest in a Unit as evidenced by a stock certificate) may be sold to satisfy the lien if the amounts secured by the lien are not paid. (Sections 5700 through 5720 of the Civil Code, inclusive) If a shareholder defaults under his or her Occupancy Agreement by failing to pay assessments when due, United also has the right but not the obligation to terminate the shareholder's stock certificate pursuant to the procedures set forth in the governing documents, including without limitation, the Bylaws and Occupancy Agreement, which may result in the eviction of the occupants of the Unit by an unlawful detainer action or other proceedings which may apply to the eviction of tenants.

In a judicial or nonjudicial foreclosure, the Association (United) may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The Association (United) may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common areas damaged by a shareholder or a shareholder's guests, if the governing documents provide for this. (Section 5725 of the Civil Code)

The Association (United) must comply with the requirements of Article 2 (commencing with Section 5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the Association (United) fails to

follow these requirements, it may not record a lien against the shareholder's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the Association (United). (Section 5675 of the Civil Code)

At least 30 days prior to recording a lien on a shareholder's separate interest (the leasehold interest in a Unit as evidenced by a stock certificate), the Association (United) must provide the shareholder with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the shareholder. A shareholder has a right to review the Association's (United's) records to verify the debt. (Section 5660 of the Civil Code)

If a lien is recorded against a shareholder's separate interest (the leasehold interest in a Unit as evidenced by a stock certificate) in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide a shareholder with certain documents in this regard. (Section 5685 of the Civil Code)

The collection practices of the Association (United) may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

PAYMENTS

When a shareholder makes a payment, he or she may request a receipt, and the Association (United) is required to provide it. On the receipt, the Association (United) must indicate the date of payment and the person who received it. The Association (United) must inform shareholders of a mailing address for overnight payments. (Section 5655 of the Civil Code)

A shareholder may, but is not obligated to, pay under protest any disputed charge or sum levied by the Association (United), including, but not limited to, a monthly carrying charge, assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

A shareholder may dispute an assessment debt by submitting a written request for dispute resolution to the Association (United) as set forth in Article 2 (commencing with Section 5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an Association (United) may not initiate a foreclosure without participating in alternative dispute resolution with a neutral third party as set forth in Article 3 (commencing with Section 5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the shareholder. Binding arbitration shall not be available if the Association (United) intends to initiate a judicial foreclosure.

A shareholder is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (Section 5685 of the Civil Code)

MEETINGS AND PAYMENT PLANS

A shareholder of a separate interest (the leasehold interest in a Unit as evidenced by a stock certificate) that is not a timeshare may request the Association (United) to consider a payment plan to satisfy a delinquent assessment. The Association (United) must inform shareholders of the standards for payment plans, if any exist. (Section 5665 of the Civil Code)

The Board of Directors must meet with a shareholder who makes a proper written request for a meeting to discuss a payment plan when the shareholder has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the Association (United), if they exist. (Section 5665 of the Civil Code)

United Allocations

Explanation

Allocations Explained

- Allocations can be described as the division of overhead costs between departments.
- Each year, work centers have the opportunity to allocate or not to allocate costs to other work centers, departments, or mutual so all related costs are shown in the right place.

Allocations

Example:

Landscape Administration (WC 500) is a work center that contains supervisors that are utilized by other work centers. To properly show expenses where they are incurred, WC 500 allocates those costs to the other work centers.

		510 - Improvement/Restoration		
		511 - Nursery/ Composting		
		520 - GRF Grounds Maintenance		
500 - Lanscape Admin >		530 - Grounds Maintenance		
		540 - Irrigation		
		550 - Small Equipment Repair		
		560 - Pest Control		
		570 - Tree Maintenance		

Allocations

Example:

Vehicle Maintenance (WC 960) has significant costs relating to labor hours and materials. About 37 work centers use vehicles within Laguna Woods Village. Since many other work centers use vehicles (that require maintenance) for their own departments, WC 960 allocates their costs to all of the other work centers with vehicles based on a 3-year average history of vehicle maintenance for each work center.

Summary – United Mutual Allocations

- In 2023 United had an operating budget of \$1,178,364 for “Net Allocations to Mutuals.” Of the \$1,178,364 United allocations, the vast majority comes from Landscape Services, Maintenance and Construction, and General Services.