



OPEN MEETING

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

Tuesday, May 25, 2021 – 1:30 p.m.
Virtual Meeting

MEMBERS PRESENT: Azar Asgari – Chair, Sue Margolis, Carl Randazzo, Andre Torng, Diane Casey, Advisor: Dick Rader

MEMBERS ABSENT: None

OTHERS PRESENT: United
VMS
Select Audit Task Force Representative

STAFF PRESENT: Jeff Parker, Steve Hormuth, Jose Campos, Ernesto Munoz, Grant Schultz

Call to Order

Director Asgari, Treasurer, chaired the meeting and called it to order at 1:31 p.m.

Acknowledgment of Media

The meeting was streamed live on the Laguna Woods Village website.

Approval of Agenda

By consensus, the agenda was approved as presented.

Approval of the Regular Meeting Report of April 27, 2021

By consensus, the committee meeting report was approved as presented.

Chair Remarks

Director Asgari commented on the new VMS culture described by Jeff Parker in a previous meeting and welcomed Steve Hormuth as the new Interim Finance Director.

Department Head Update

Steve Hormuth, Interim Finance Director, provided updates on the 2022 Business Plans, Banking Services, Insurance, Reserve Payments, and Purchasing Policy.

Mr. Hormuth also discussed Financial Statement format changes, including separating the funds formerly in the “Reserve Funds” into Reserve Funds and Restricted Funds.

Mr. Hormuth also spoke on the possibility of adding an additional Fund used to track and pay

insurance premiums and property taxes.

Mr. Hormuth also spoke about the Purchasing Policy and recommended the Purchasing Taskforce discuss the matter of United reviewing and approving contracts annually for a period of 6 months as a test period. The results of the 6 month test period will be reviewed in December and a determination can be made to continue with an ongoing review of annual contracts.

Mutual Owned Appliance Records

Ernesto Munoz, Maintenance & Construction Director, provided an update to Mutual Owned Appliance Records. Records of Mutual-owned appliances are obtained through resale inspections and maintained in a database. Mr. Munoz commented on the fact that the current data collected will be shown during the upcoming budget meetings. Ongoing data collection will go into 2022 and staff anticipates that the vast majority of information will be available by the end of 2022. Using the existing data that has been collected, staff recommends a decrease of future appliance replacement expense.

Review Preliminary Financial Statements dated April 30, 2021

The committee reviewed financial statements for April 30, 2021 and questions were addressed. Questions were asked about which accounts use modified accruals and which accounts are cash based. Further questions included which accounts are specific to United versus which accounts are allocated from GRF.

Questions were asked about the supplemental appropriation schedule. Only two items were on the list and no funds were spent in 2021. Since no funds were expended in 2021 and there are no specific plans for the funds, staff will close the appropriations and release the encumbrance on the funds.

Endorsements from Standing Committees

There were none.

Future Agenda Items

Reserve Expenditures – Payroll

Committee Member Comments

None.

Date of Next Meeting

Wednesday, June 30, 2021 at 1:30 p.m. and will be held virtually.

Recess to Closed Session

The meeting recessed to closed session at 3:20 p.m.


azar asgari (Nov 21, 2021 21:23 PST)

Azar Asgari, Chair