



OPEN MEETING

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

Wednesday, June 30, 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 – Elsie Addington
VMS – Juanita Skillman

STAFF PRESENT: Jeff Parker, Steve Hormuth, Jose Campos, Jackie Kupfert, Pamela Bashline, Ada Montesinos, Richu Saju

Call to Order

Director Asgari, Treasurer, chaired the meeting and called it to order at 1:30 p.m. and established there was a quorum.

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 May 25, 2021

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

Chair Remarks

Upon getting close for planning a budget for 2022, all directors and staff are working closely for a reasonable and effective budget.

Two important sides of our budgeting are: 1) how much money we anticipate receiving by assessment and non-assessment, and 2) how to manage the receiving income to cover all expenses.

Although history has shown us (except last year) that the HOA has gone up in a continuous upward slope, it is possible to put a halt on this ever going up again by focusing on managing our expenses. Lowering unnecessary expenses in our budgeting is as important as how much we add (or not!) to the monthly HOA.

Lowering expenses does not mean to cut back services; it means to find intelligent ways or use new technology to cut unnecessary expenses.

One good example is reviewing all procedures in different departments to see if any of them that was necessary in the past is still useful or not.

Are all formatted applications still useful the way they were useful in the beginning? For example, as more buyers of units choose to do total remodeling, do we need the same number of staff in some departments that service our residents?

In one company in which I once worked, they set aside the fourth Thursday of each month for a "new idea" meeting; and it was open to all staff to share their ideas for better results with the same budget; and the winner idea got the recognition.

I hope that VMS can create such a meeting or procedure and be open to new and practical ideas that can be suggested from staff, directors, or residents.

Member Comments (Items Not on the Agenda)

Advisor Rader asked if it was possible to get an update on insurance plans and what it might cost us. President Margolis answered that they are working with Marsh to review the policies and information will be shared when updates are available in September.

Department Head Update

Steve Hormuth, Interim Financial Services Director, provided updates on the 2022 budget process, banking services, insurance and reserve payment approvals. He further commented that the updated reserve expenditure process would include reserve payroll expenses and would be described during a subsequent agenda item.

Review Preliminary Financial Statements dated May 31, 2021

The committee reviewed financial statements for May 31, 2021 and questions were addressed.

Compensation and Outside Services

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

Reserve Expenditures - Payroll

Steve Hormuth updated the committee on the Reserve Expenditure procedure stating that reserve payroll expense details will be provided to two United board members in support of the monthly Reserve Payroll Expense check beginning in July 2021.

United Rental Properties

The committee requested the number of rental units be provided in future finance committee meetings on a monthly basis.

Co-Occupancy Policy

Committee agree to remove the Finance requirements from co-occupant application.

Endorsements from Standing Committees

United Finance Committee Regular Open Meeting

June 30, 2021

Page 2 of 2

There were none.

Future Agenda Items

None.

Committee Member Comments

None.

Date of Next Meeting

Tuesday, July 27, 2021 at 1:30 p.m. and will be held in the Community Center Board Room.

Recess to Closed Session

The meeting recessed to closed session at 3:54 p.m.

azar asgari

azar asgari (Nov 22, 2021 09:01 PST)

Azar Asgari, Chair