



Third Laguna Hills Mutual Year in Review

November 5, 2020



Introduction

President Steve Parsons

Communications

First Vice President Annie McCary

Communications Overview

- New resident orientations
- Breeze magazine
- TV6 (This Day)
- COVID: rules, web landing page, Ayres Hotel crisis management
- “This Day” broadcast increased to six days per week
- GRF Media and Communications meetings



Maintenance & Construction 2020 Projects Completed

Second Vice President Cush Bhada

2020 Completed M&C Projects

- Modified the paint & PTP program to a 15-year cycle
- LED light upgrades
- Gate 11 entrance
- Shepherd's crook
- Parkway concrete
- Seal coat program
- Garden Villa laundry room flooring renovations
- Roofing (preventive and program)
- Epoxy lining
- CDS signs
- Elevator replacements



LED Light Upgrades

Before



After



LED Light Upgrades

After



After



Gate 11 Entrance



Shepherd's Crook

Before



Fencing Before

After



Fencing After

Parkway Concrete & Seal Coat



Garden Villa Laundry Room Flooring

Before



After



Roofing Preventive Program

Before



After



Epoxy Coating for Waste Pipes

Before



After



New Cul-de-Sac Signs



Elevator Renovation



Modified Paint, Prior-to-Paint Program to 15-Year Cycle



Maintenance & Construction 2021 Carryover Projects

Director Ralph Engdahl

2021 Carryover M&C Projects

- Parapet and stucco wall repair
- Epoxy waste-line remediation
- Elevator replacement
- Building structure
- Prior to paint
- Exterior paint

2021 projects on hold:

- Building addresses
- Energy projects
- Golf cart parking and striping



Landscape

Director and Secretary Lynn Jarrett, Landscape Chair

Landscape Services Overview

- Irrigation management
- Tree maintenance
- Turf maintenance
- Shrub bed and slope maintenance
- Composting and nursery
- Pest control
- Creek maintenance
- Chargeable services
- Rain event response



Landscape Services Overview

Landscape Supported Acres					Tree Count
	Turf	Shrubs	Slopes	Total	
Third	165.03	83.10	118.69	366.81	15,916
United	138.04	75.14	23.54	236.72	18,585
GRF	7.45	12.45	27.63	47.53	4,593
Total	303.07	158.24	142.23	651.07	39,094

Landscape Maintenance Manual

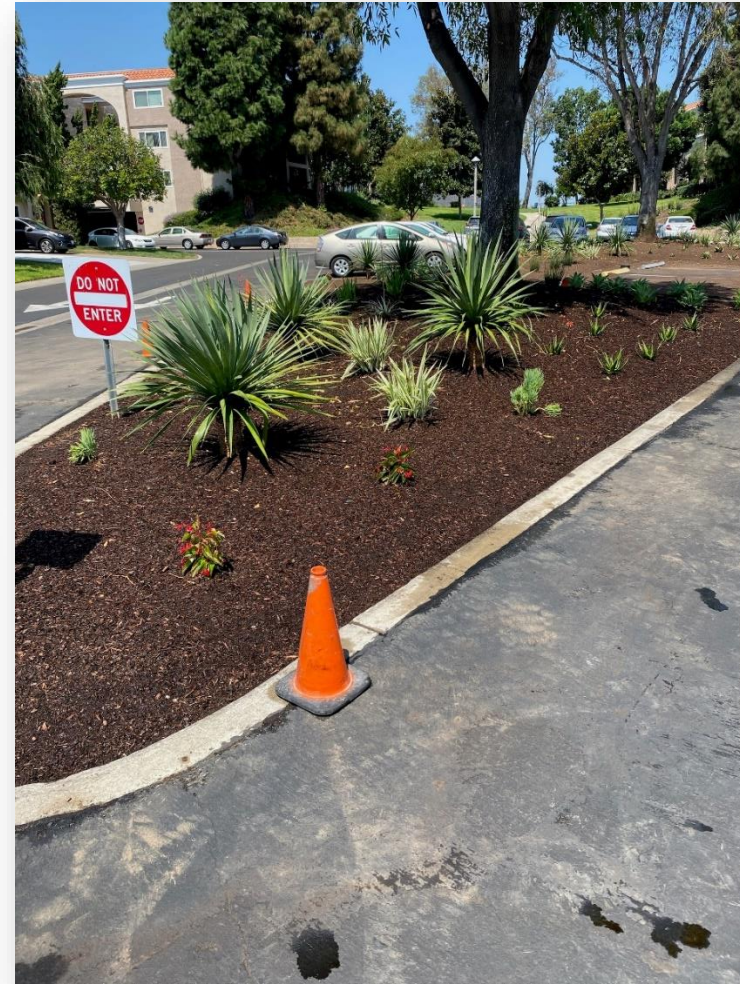


- Updated and on the Village website
- Illustrates how Village landscape and related programs are managed
- Resource helps residents understand what personal landscaping is permitted around residences
- Schedules, scope of work and maintenance methods are subject to change



Landscape Modernization Projects

Cul-de-Sac 323



Landscape Modernization Projects

Gate 14



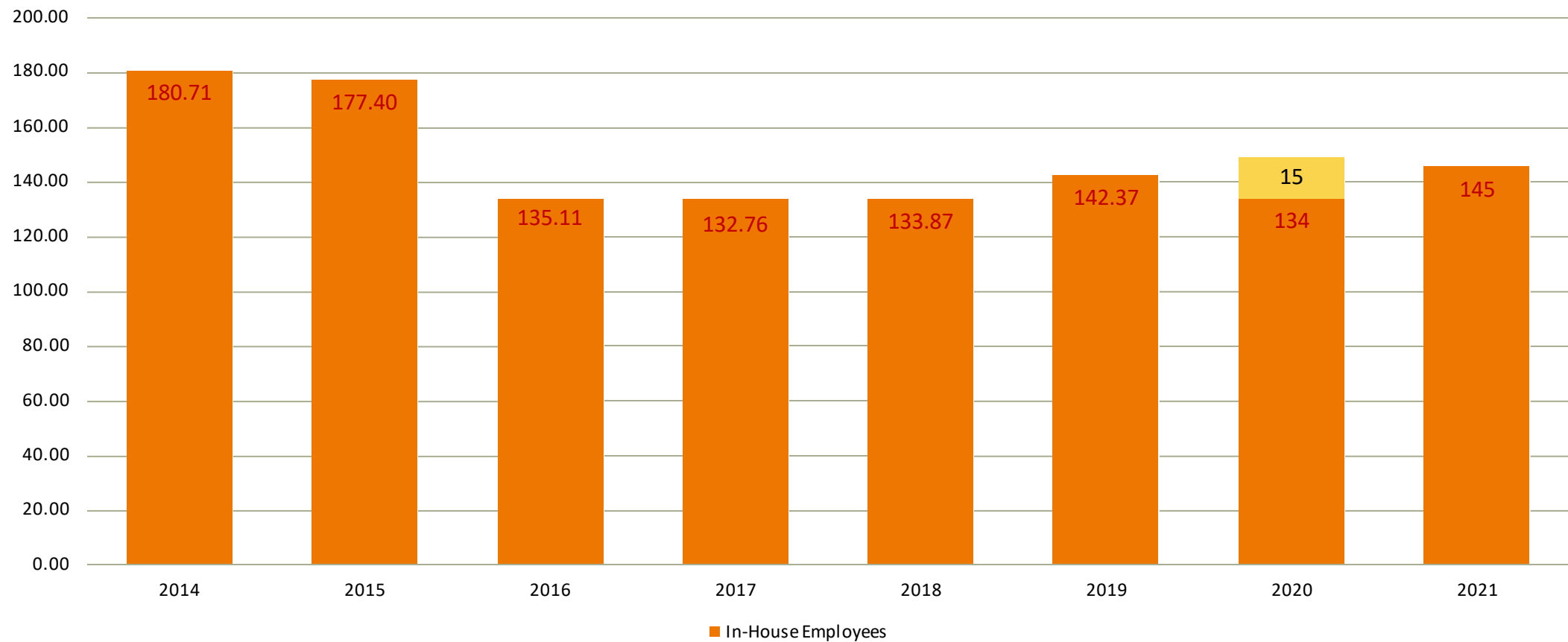
Landscape Modernization Projects

Gate 14



Staffing Levels

Budgeted Positions for Landscaping Department

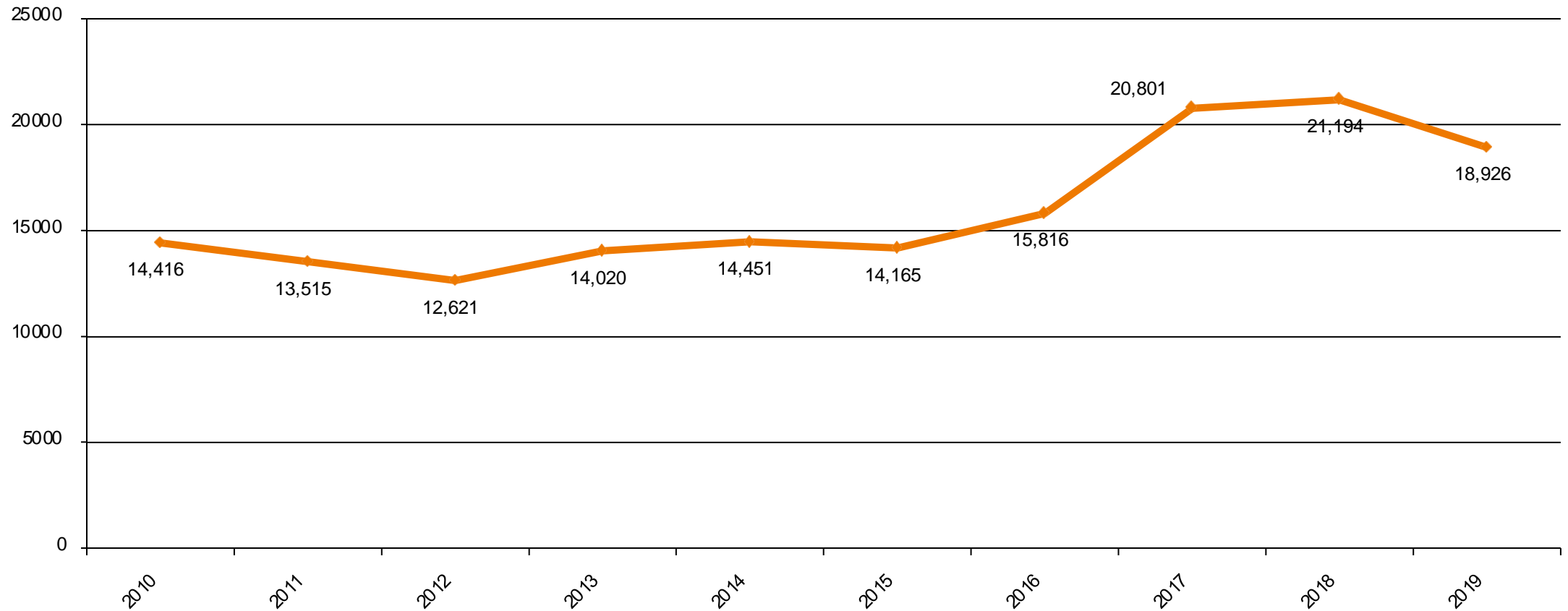


Landscape Services

- Challenges and successes
- Highest priority customer service
 - Improve response time
 - Reduce complaints
 - Quantity of work completed
 - Quality of work completed

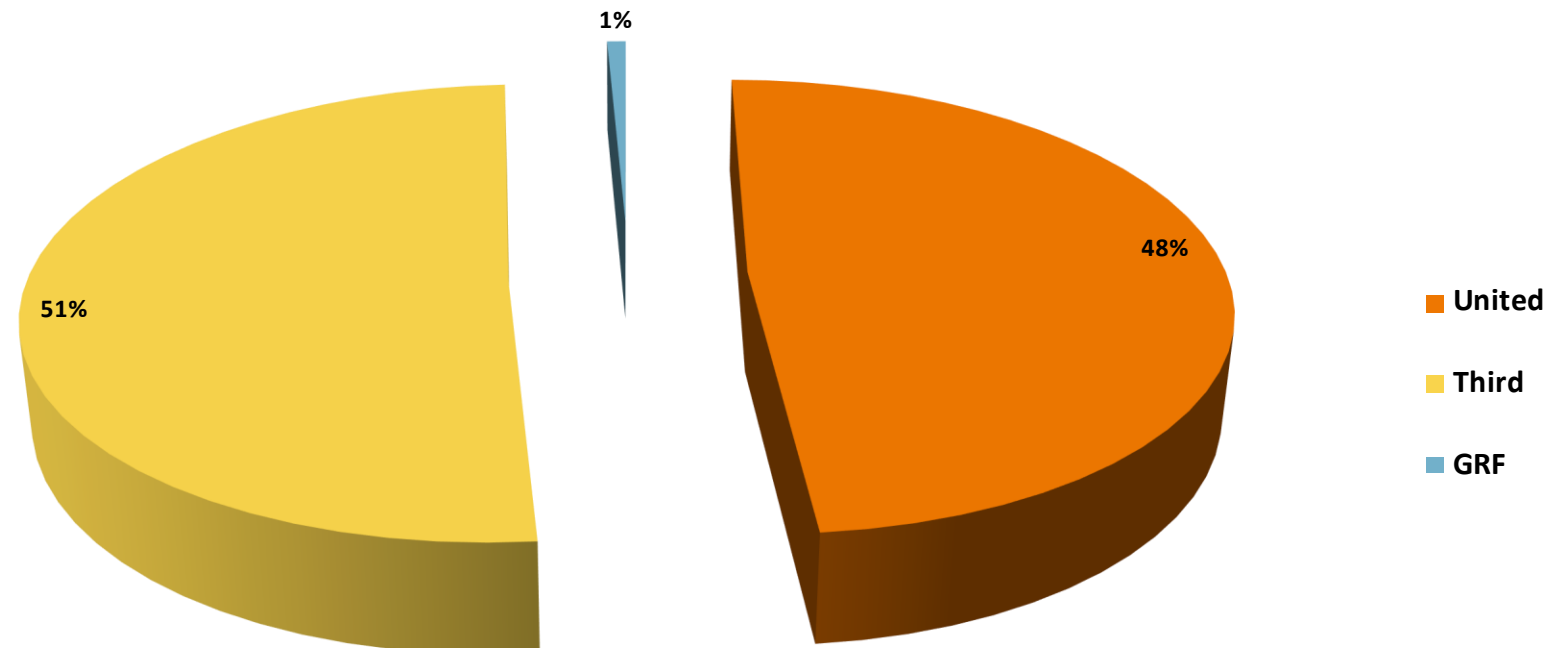


Landscape Tickets



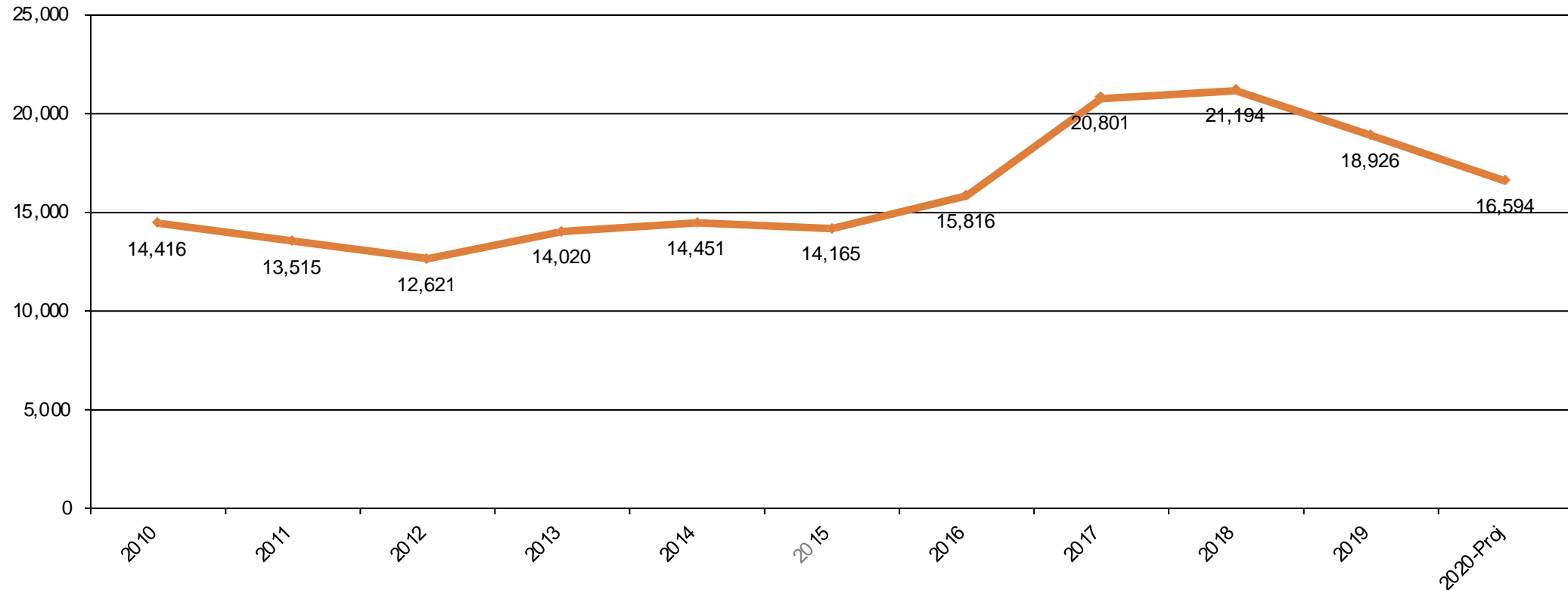
All Landscape Tickets 2020 Mutual Volume

**Landscape Division
2020 YTD Total Ticket Volume (14,244)**



All Landscape Tickets 2010-2020 Comparison

Total Landscape Tickets – All Closed

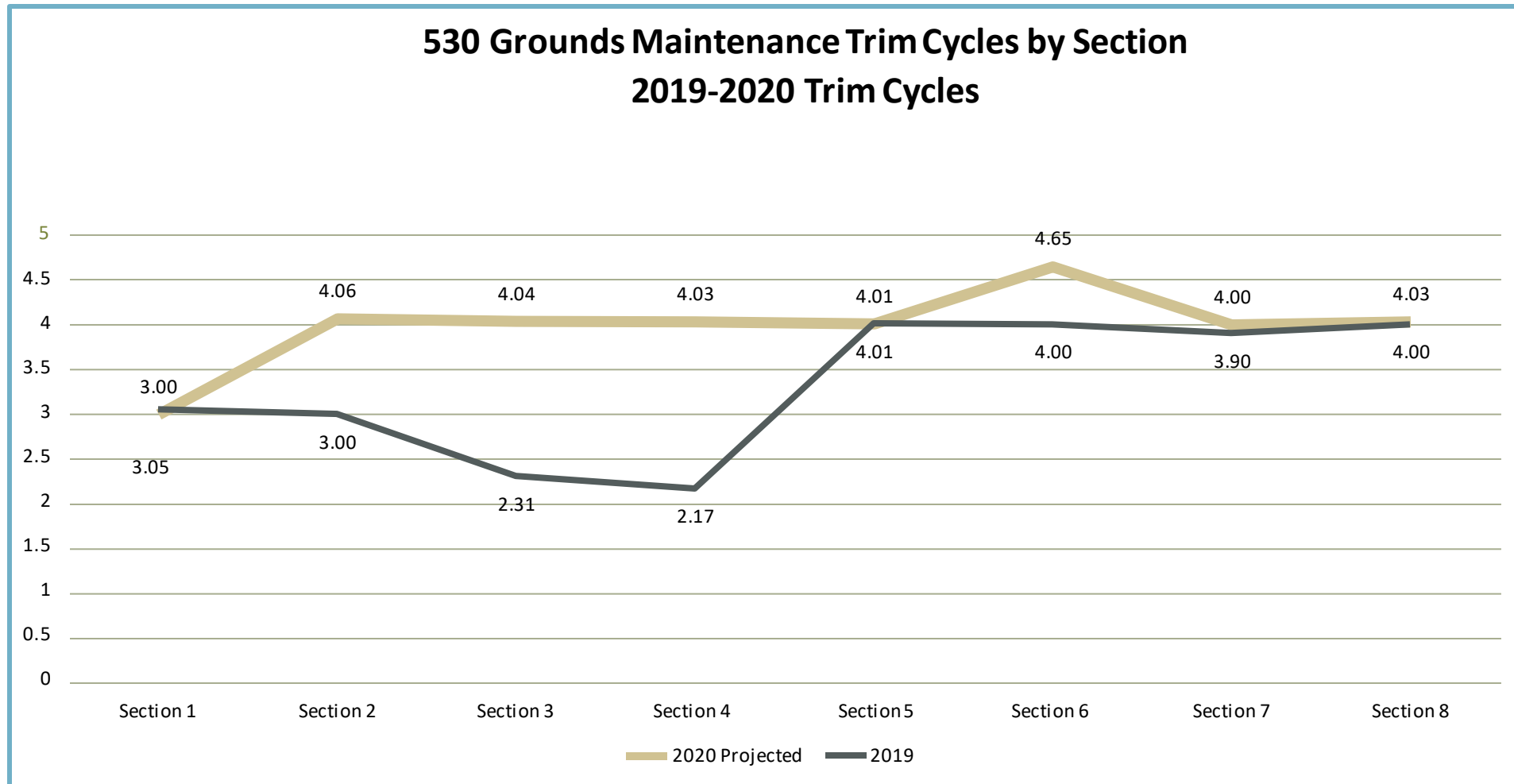


Reorganization 2020

- Delegate work more efficiently
- Add more oversight
- Clarify responsibility
- Increase accountability



Q3 2020 Cycles



Landscape Services Priorities

Rodent control

- Current rodenticide banned in October 2020
- Continue rodenticide testing and develop comprehensive rodent-control program



Landscape Services Priorities 2021

- Increase service levels; control weeds in between cycles
- Institute **new** planting crew
- **Continue** landscape modernization projects
- Continue small power tool replacement program
- Continue retraining of field crews:
 - Mow patterns
 - Spray techniques
 - Increase use of plant growth regulators

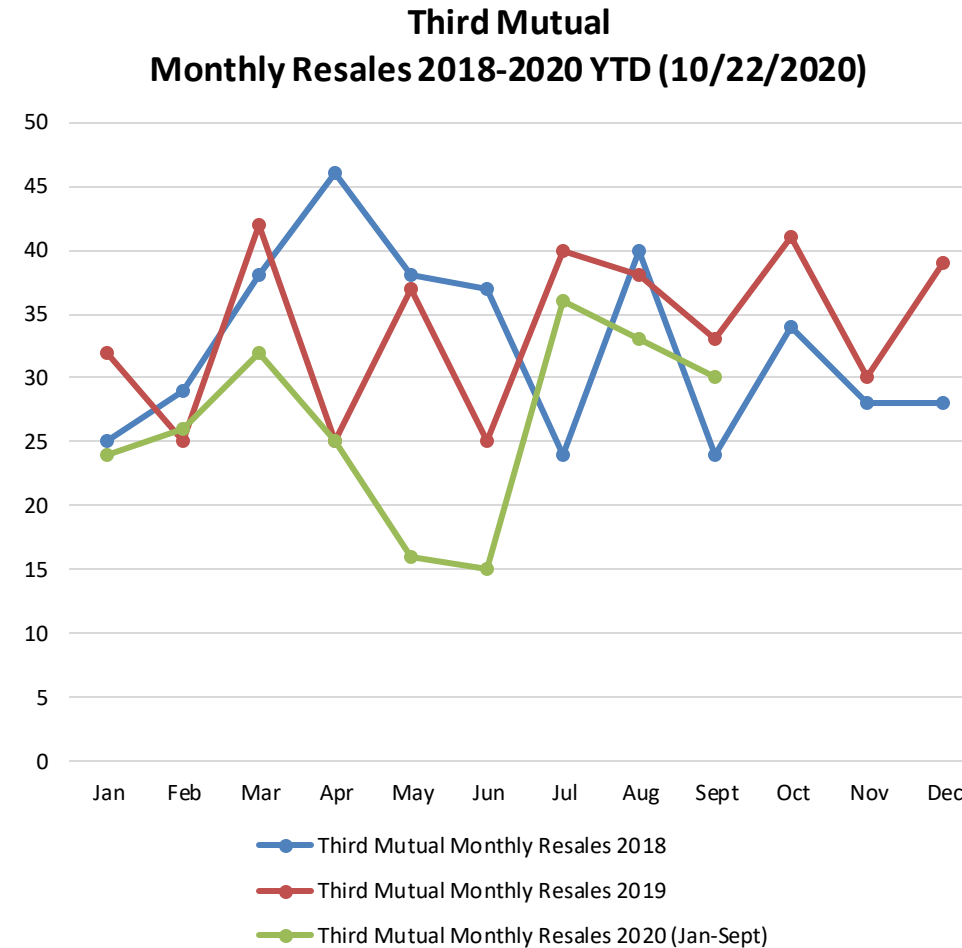


Resales and Leasing

President Steve Parsons

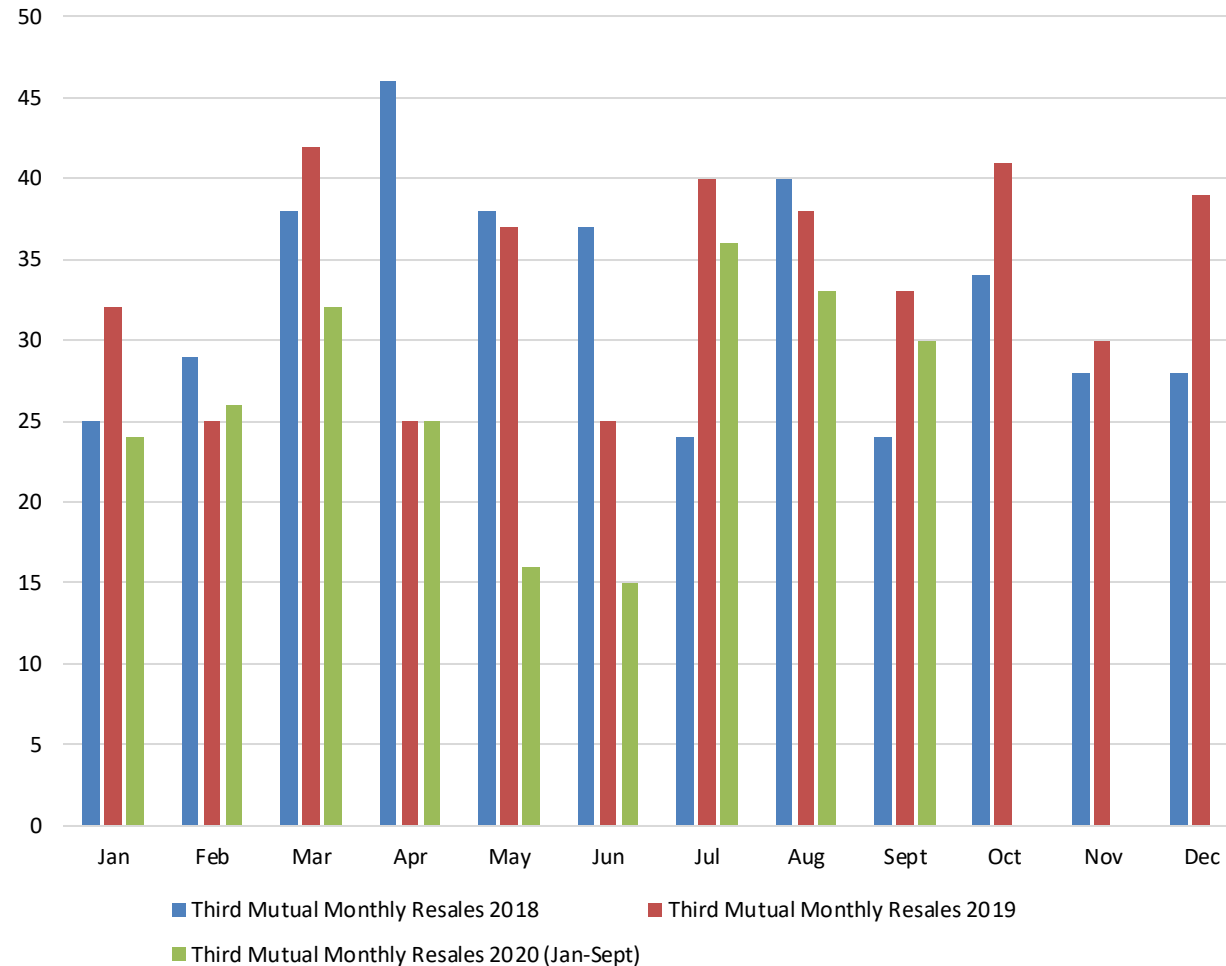
Monthly Resales

Third Mutual Monthly Resales			
	2018	2019	2020 (Jan-Sept)
Jan	25	32	24
Feb	29	25	26
Mar	38	42	32
Apr	46	25	25
May	38	37	16
Jun	37	25	15
Jul	24	40	36
Aug	40	38	33
Sept	24	33	30
Oct	34	41	
Nov	28	30	
Dec	28	39	



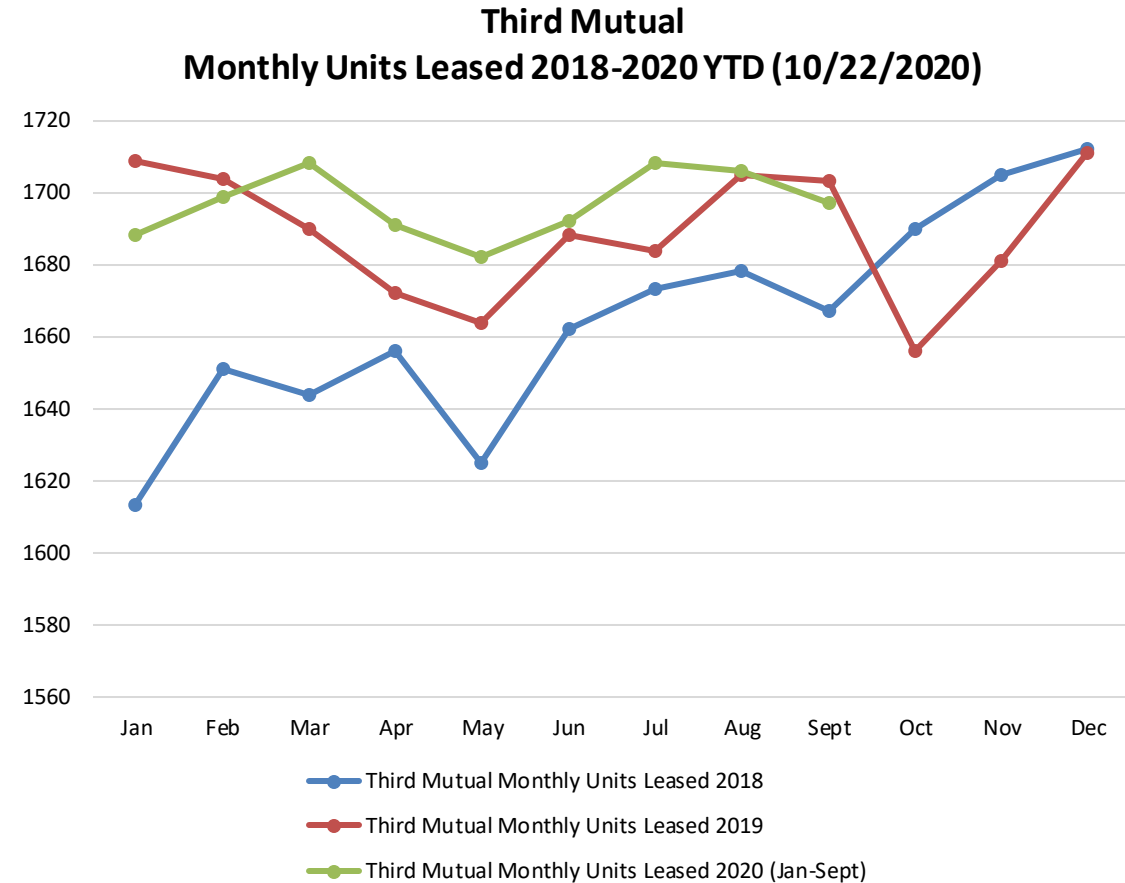
Monthly Resales

**Third Mutual
Monthly Resales 2018-2020 YTD (10/22/2020)**



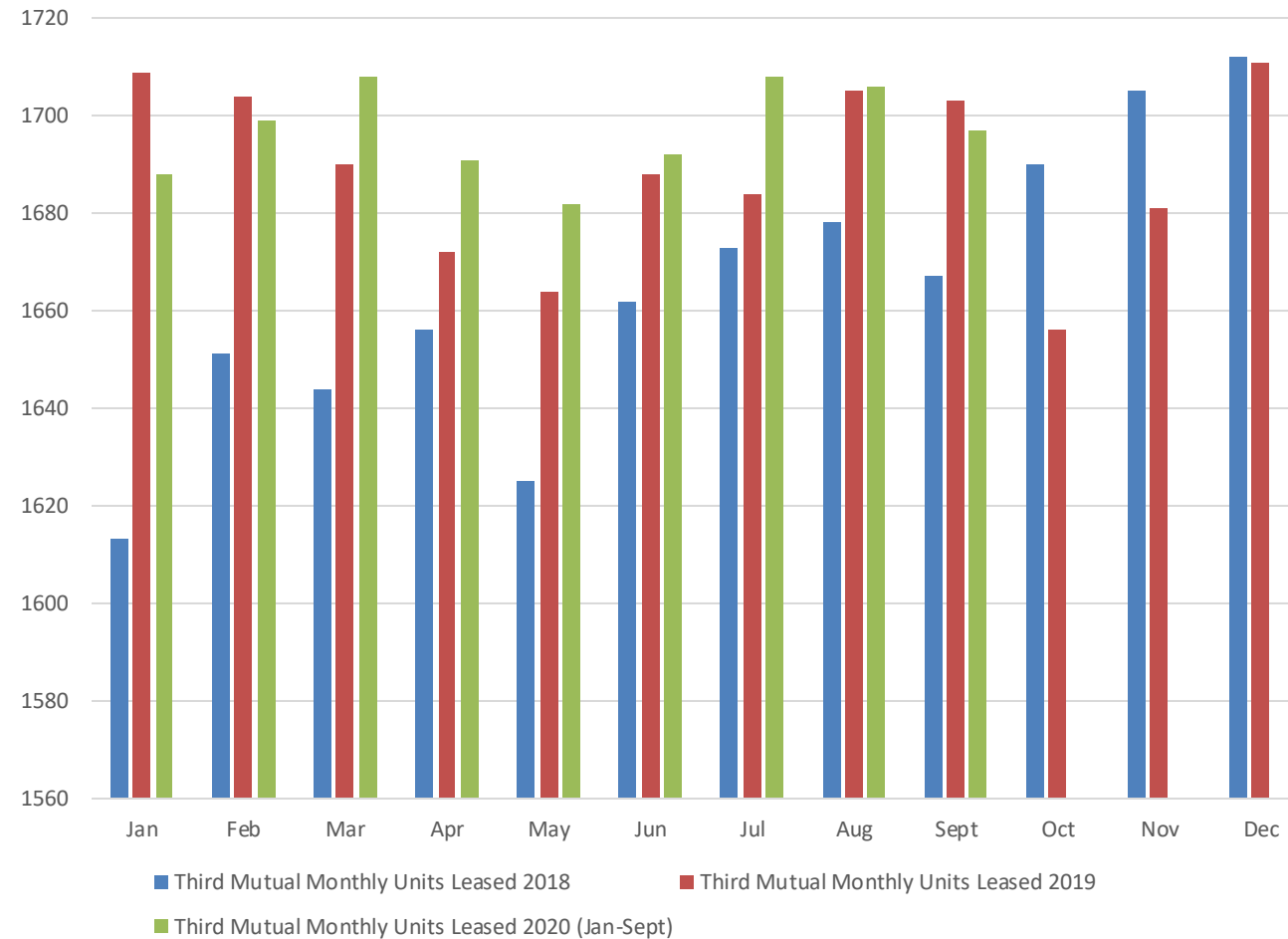
Monthly Leasing

Third Mutual Monthly Units Leased			
	2018	2019	2020 (Jan-Sept)
Jan	1613	1709	1688
Feb	1651	1704	1699
Mar	1644	1690	1708
Apr	1656	1672	1691
May	1625	1664	1682
Jun	1662	1688	1692
Jul	1673	1684	1708
Aug	1678	1705	1706
Sept	1667	1703	1697
Oct	1690	1656	
Nov	1705	1681	
Dec	1712	1711	



Monthly Leasing

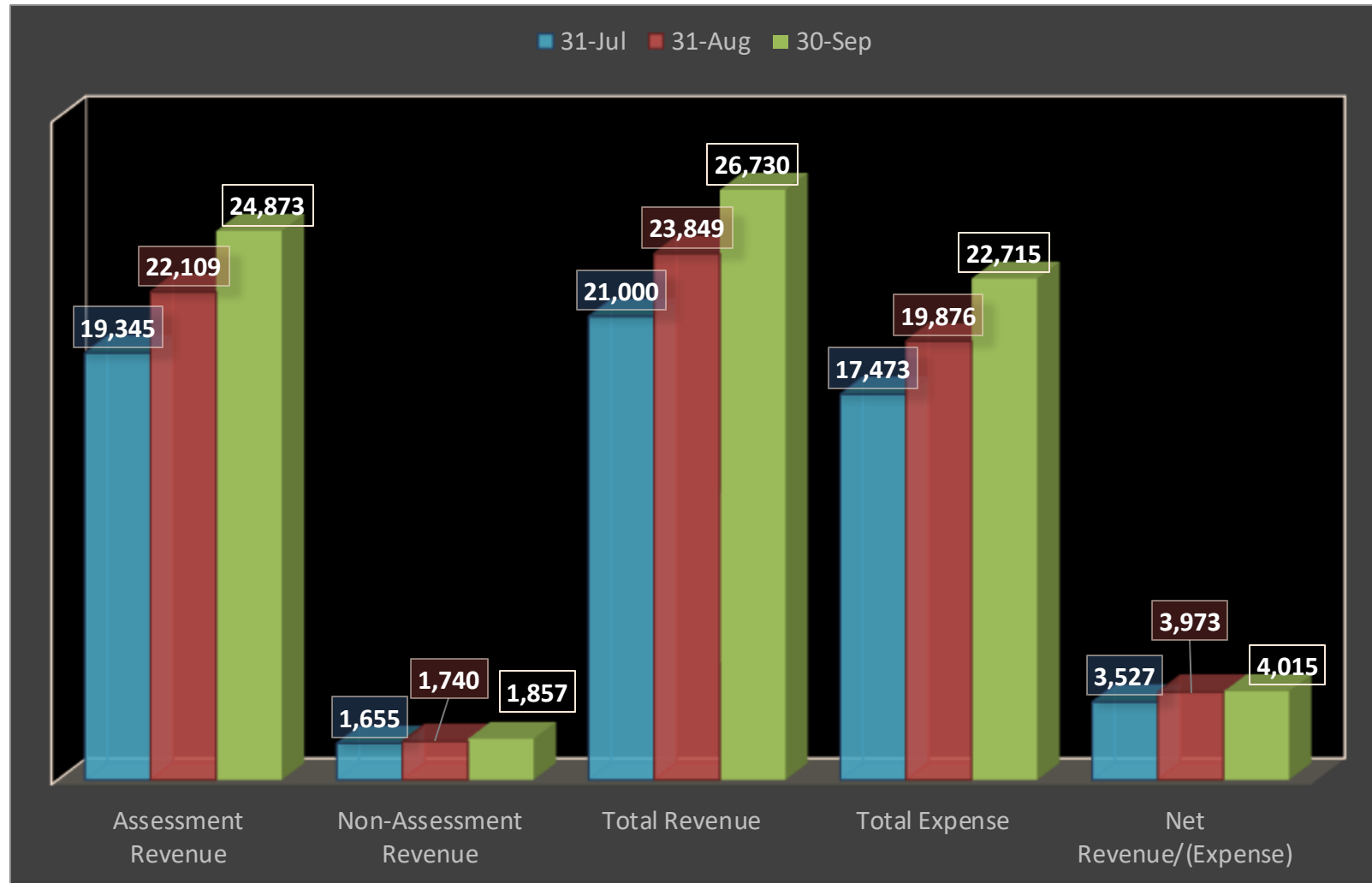
Third Mutual
Monthly Units Leased 2018-2020 YTD (10/22/2020)



Financial Report

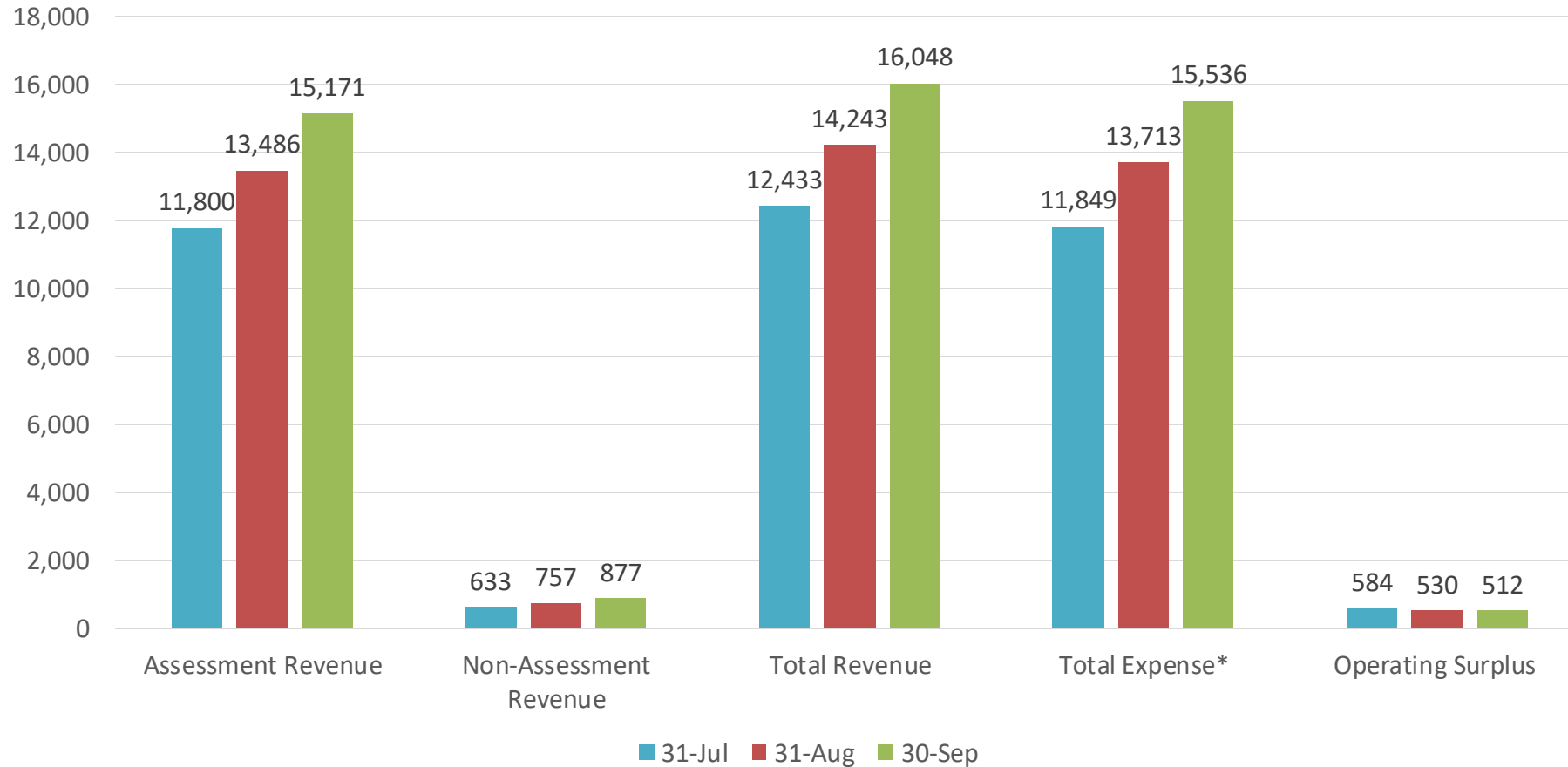
Treasurer Robert Mutchnick

Income Statement (in thousands)



Income Statement - Operating Fund Only

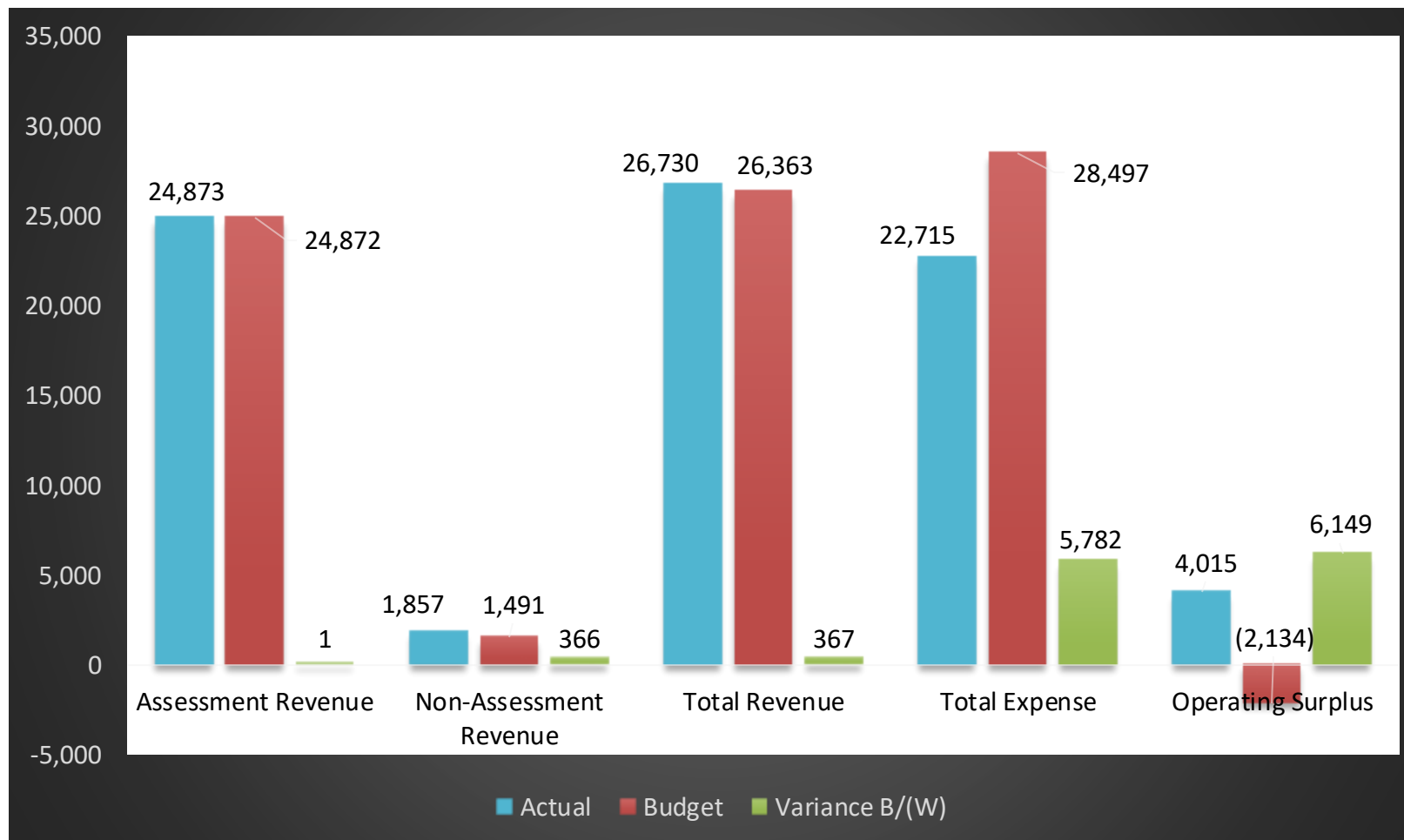
(in thousands)



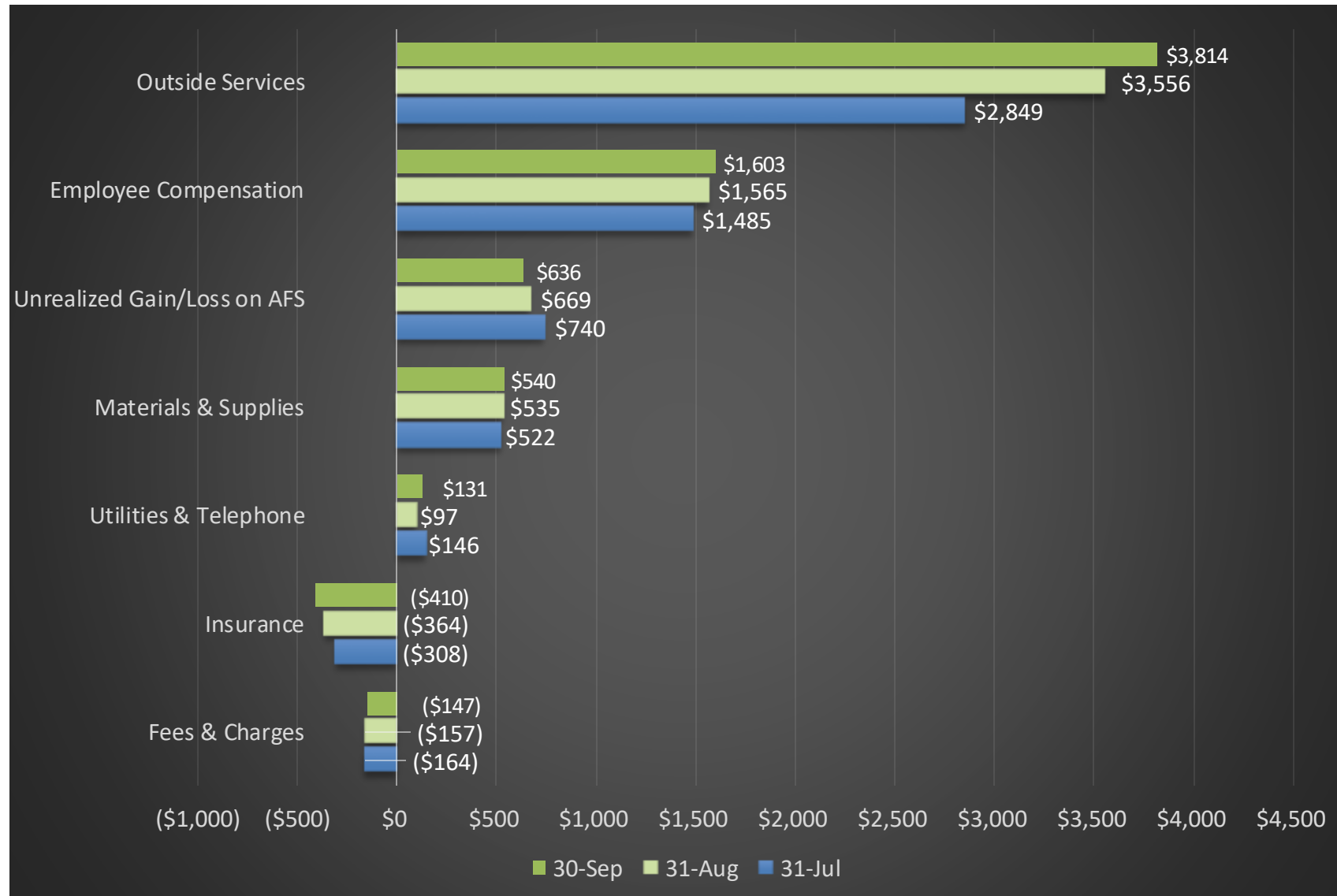
*Excludes Depreciation

Income Statement — Actual v. Budget

(in thousands)



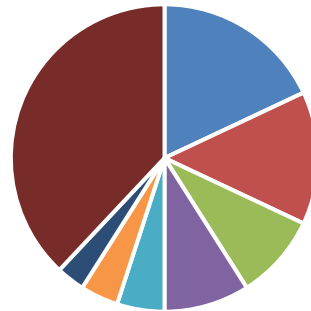
Selected Variances (in thousands)



Total Non-Assessment Revenue

AUGUST 31

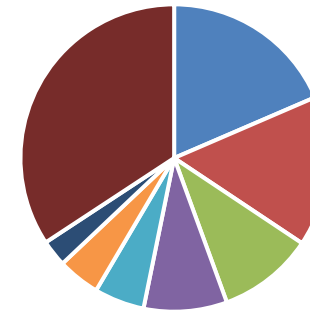
\$1,740,176



- Investment Income - 18%
- Fees & Charges to Residents - 14%
- Lease Processing Fee - Third 9%
- Laundry - 9%
- Resale Processing Fee - Third -5%
- Miscellaneous Revenue - 4%
- Golf Cart Electric Fee - 3%
- Unrealized Gain/(Loss) On AFS - 38%

SEPTEMBER 30

\$1,857,064

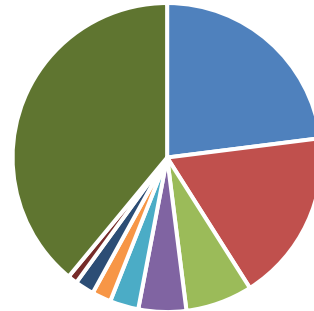


- Investment Income - 19%
- Fees & Charges to Residents - 16%
- Lease Processing Fee - Third 10%
- Laundry - 9%
- Resale Processing Fee - Third -5%
- Miscellaneous Revenue - 4%
- Golf Cart Electric Fee - 3%
- Unrealized Gain/(Loss) On AFS - 34%

Total Expenses

AUGUST 31

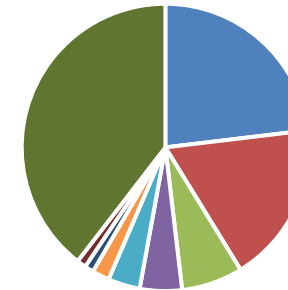
\$19,876,086



- Outside Services - 23%
- Utilities & Telephone - 18%
- Insurance - 7%
- Net Allocations to Mutuals - 5%
- Materials & Supplies - 3%
- Other - 2%
- Legal Fees - 2%
- Repairs & Maintenance - 1%

SEPTEMBER 30

\$22,714,621



- Outside Services - 23%
- Utilities & Telephone - 18%
- Insurance - 7%
- Net Allocations to Mutuals - 5%
- Materials & Supplies - 4%
- Legal Fees - 2%
- Other - 1%
- Repairs & Maintenance - 1%

Non-Operating Fund Balances

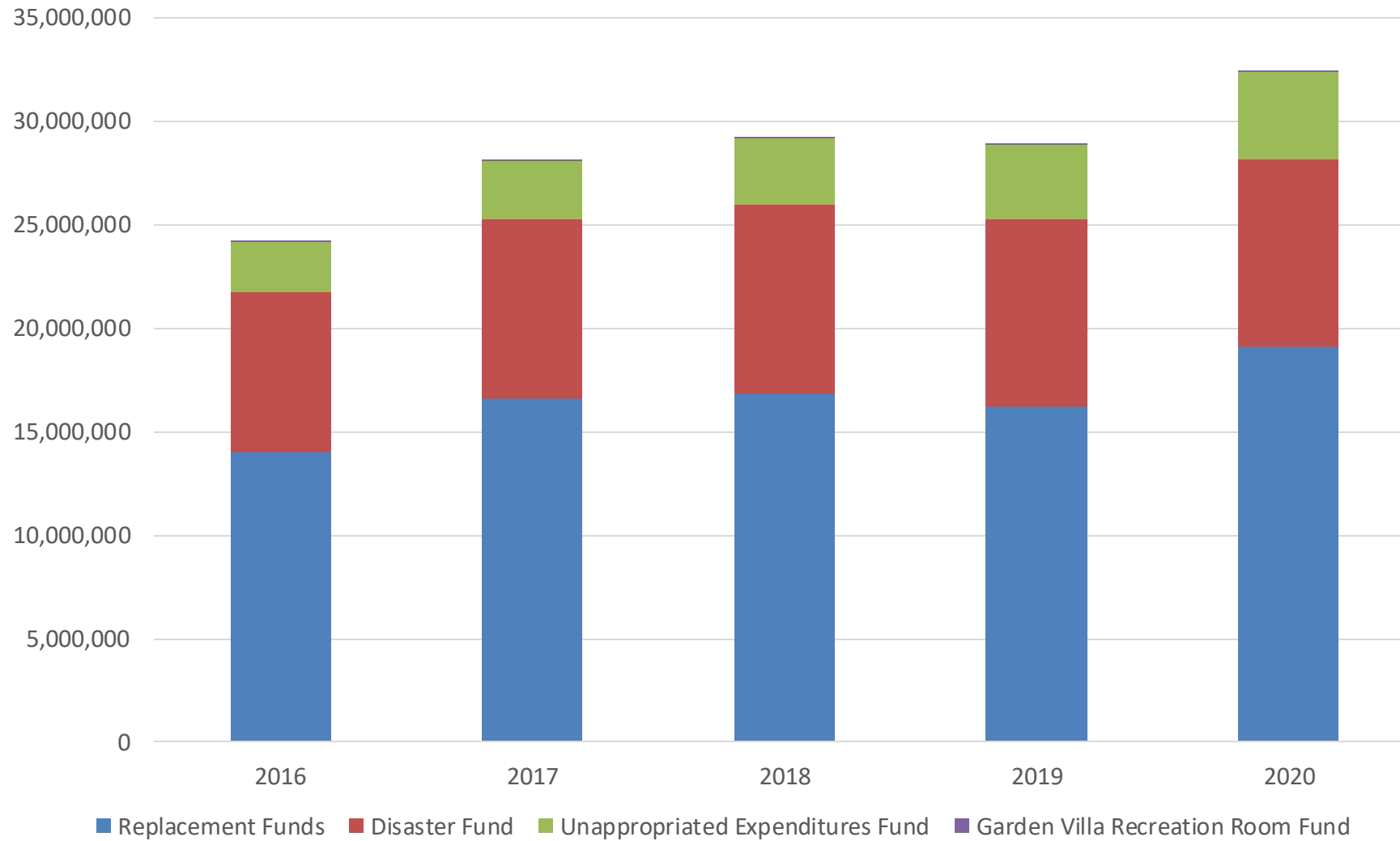
(in thousands)



Non-Operating Fund Balances	Replacement Funds*	Disaster Fund	Unappropriated Expenditures Fund	Garden Villa Fund	Total
Beginning Balances: 1/1/20	\$16,033	\$9,065	\$3,626	\$73	\$28,797
Contributions & Interest	8,894	1,158	562	67	10,681
Expenditures	5,829	1,168	14	66	7,077
Current Balances: 9/30/20	\$19,098	\$9,055	\$4,174	\$74	\$32,401

* Includes Elevator and Laundry Funds

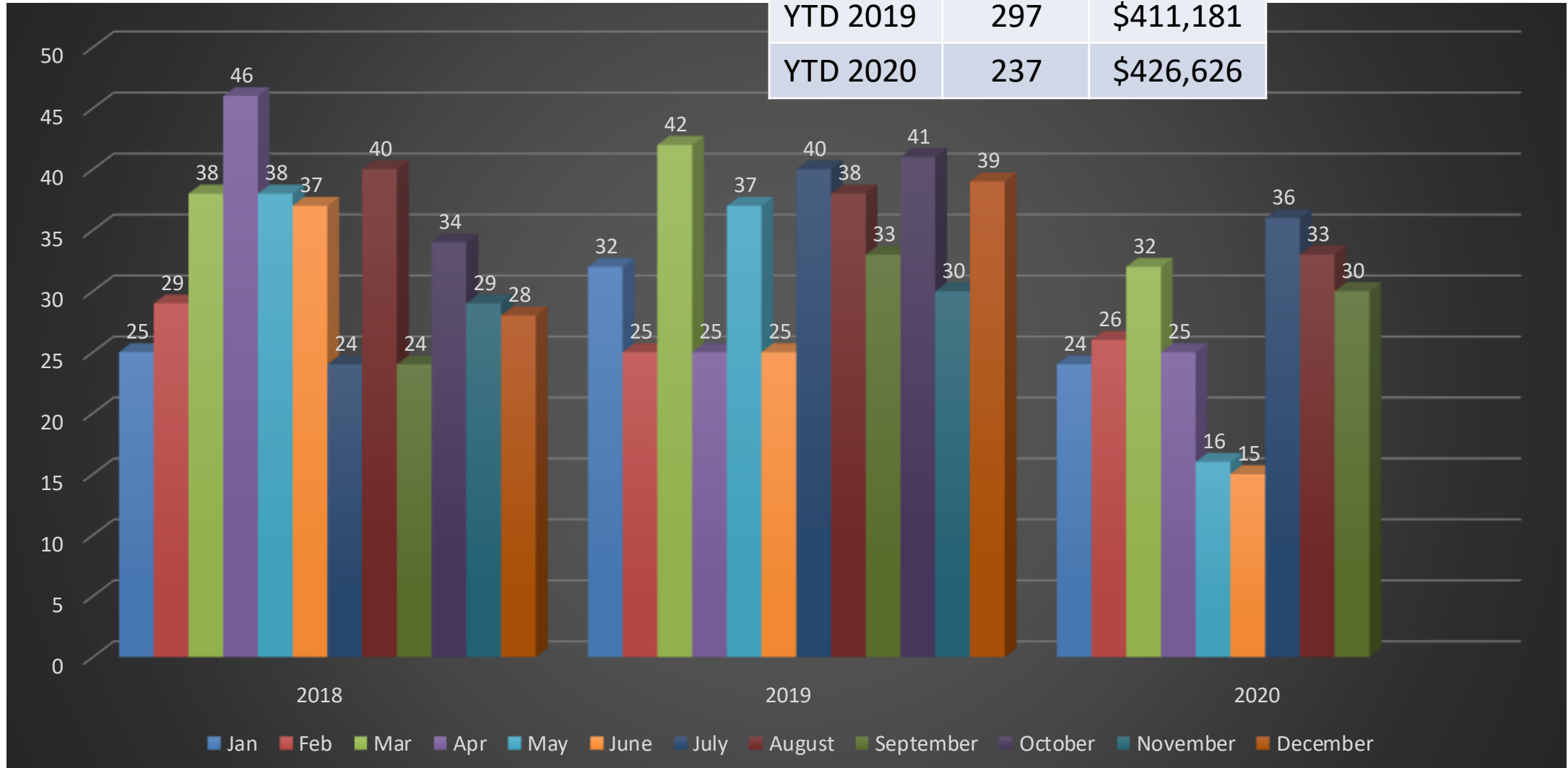
Fund Balances – August 31



Resale History

Preliminary as of September 30, 2020

	No. of Resales	Av. Resale Price
YTD 2018	301	\$430,667
YTD 2019	297	\$411,181
YTD 2020	237	\$426,626



Water Conservation

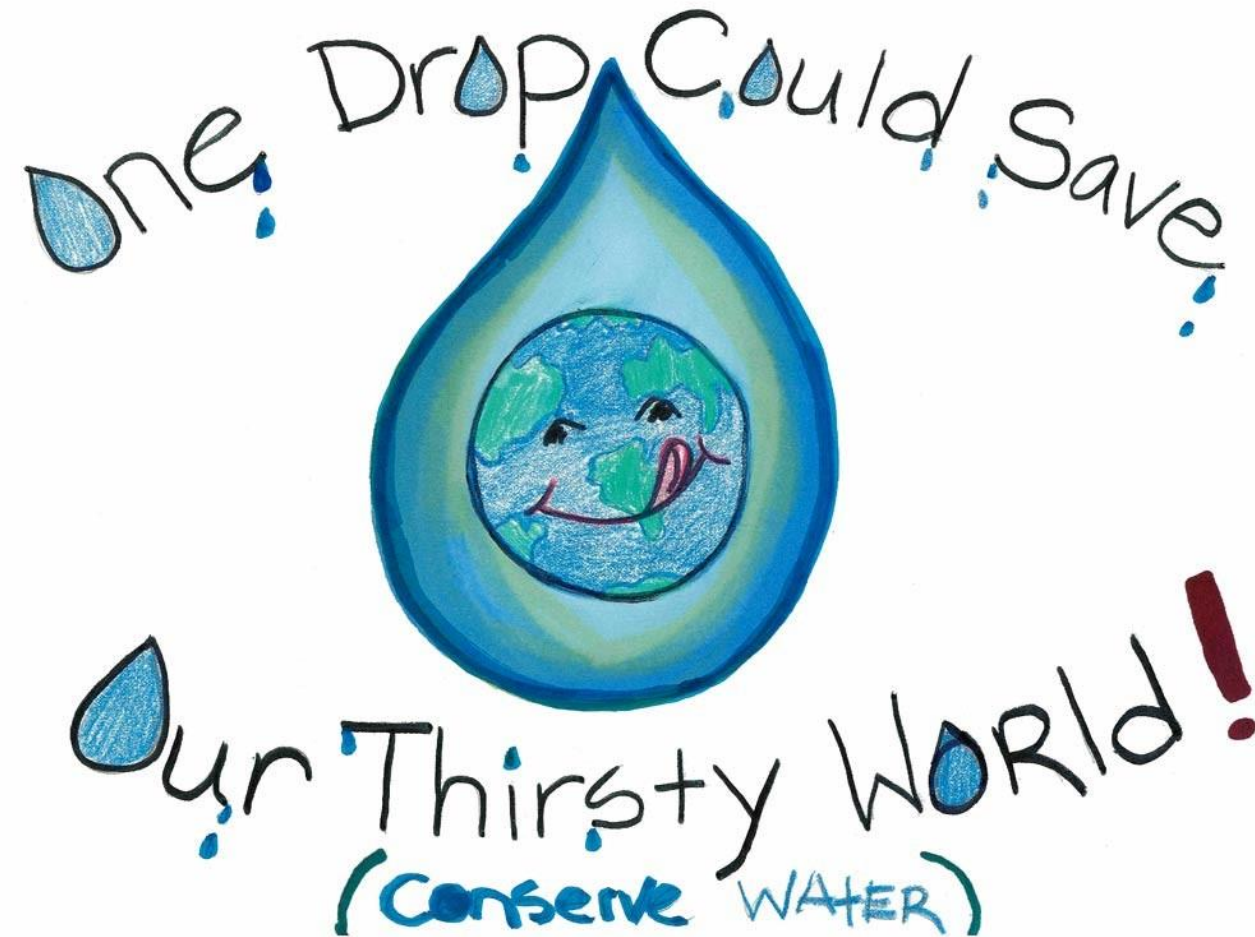
Director Reza Karimi

Water Conservation

Residents receive alert letters in buildings where water use is excessive



Water Conservation



Traffic Hearings

Director John Frankel

Traffic Hearings

Traffic Hearings are administered by the Department of Security Services and held on a monthly basis, with a board member from each mutual, including the Towers, for residents and their guests who commit traffic violations.



Traffic Hearings

Village Security collects speeding and stop sign failure violations on video.

Additionally, certain violations are captured on photos including:

- Parking
- Clutter stored in vehicles
- Registration issues
- Lack of decals
- Overnight parking without the proper permit

Parking violations are issued for:

- Parking in a red zone
- Parking on the sidewalk
- Parking in manor parking garages without decals

Traffic Hearings

A traffic rules guideline manual is available which defines all of the Village traffic rules and the applicable fine system for violators found guilty.

Traffic hearings are held in the Community Center Board Room where violators can view the videos or photos and explain any circumstances which may be applicable. A first-time violation results in a warning.

Subsequent violations result in increased fines. Persons receiving a traffic ticket for a moving violation may choose to attend a two-hour traffic school with a \$20 fine.

Only a small percentage of traffic violators choose to present their circumstances to the hearing board, which averages 12 each month. Most receiving a ticket simply choose to pay the fine and not present their case.

Compliance

President Steve Parsons

Cases Addressed in 2020

Violations	Cases per violation
Abandoned vehicle	4
Animal nuisance	3
Clutter	6
Damage restoration	18
Delinquency	45
Maintenance	5
Nuisance	1
Real Estate Sign	1
Smoking nuisance	2
Unauthorized alteration	4
Unauthorized landscape	5
Unauthorized occupancy	6
Total cases for 2020	100

Garden Villa Rec Room

Secretary Lynn Jarrett

Rec Room Work Completed

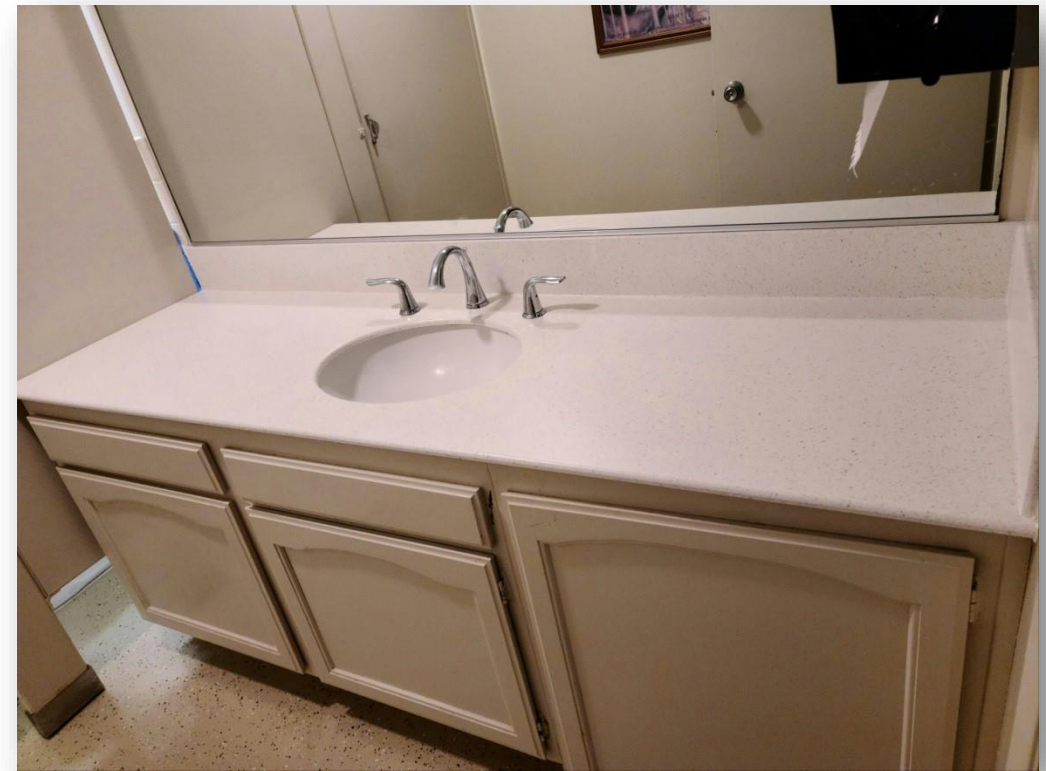
- 3 kitchen renovations
- 3 full kitchens painted
- 5 women's bathroom mirrors
- 5 men's bathroom mirrors
- 5 women's bathroom countertops
- 6 window coverings
- 5 rec rooms painted
- 5 carpets replaced
- 5 refrigerators
- 3 microwaves
- Assorted billiard table accessories

Countertop Resurfacing in Women's Restroom R5519

Before



After



Window Covering Replacements at R4008

Before



After

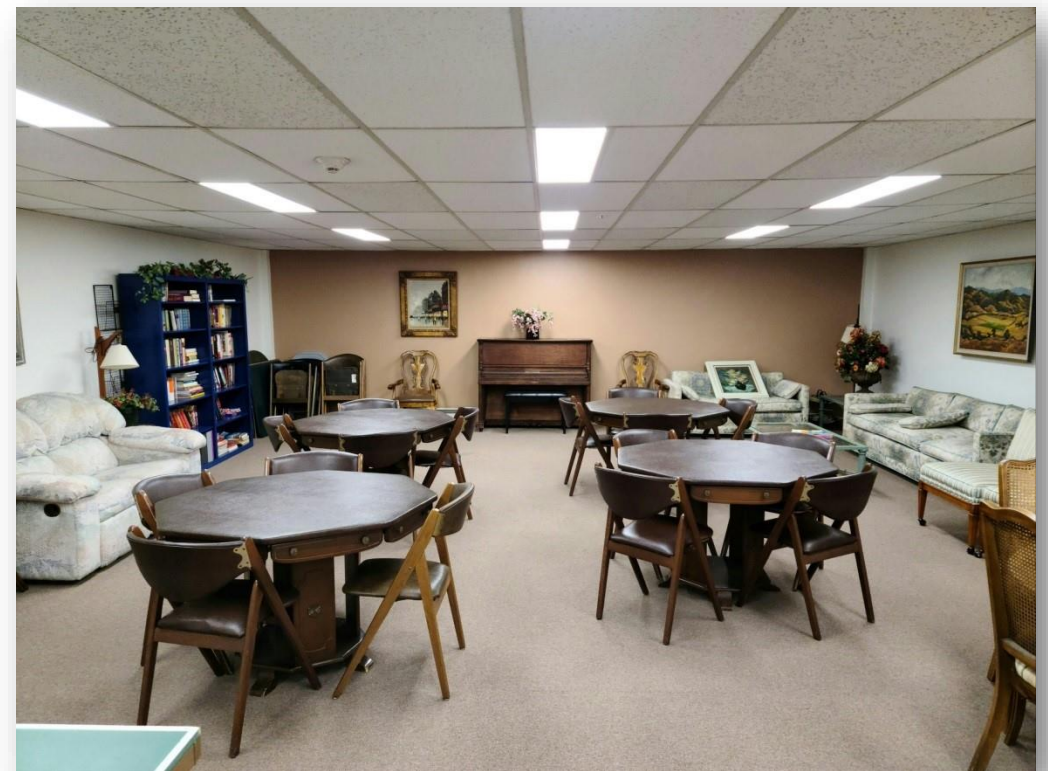


Rec Room and Accent Wall Painting at R2396

Before



After

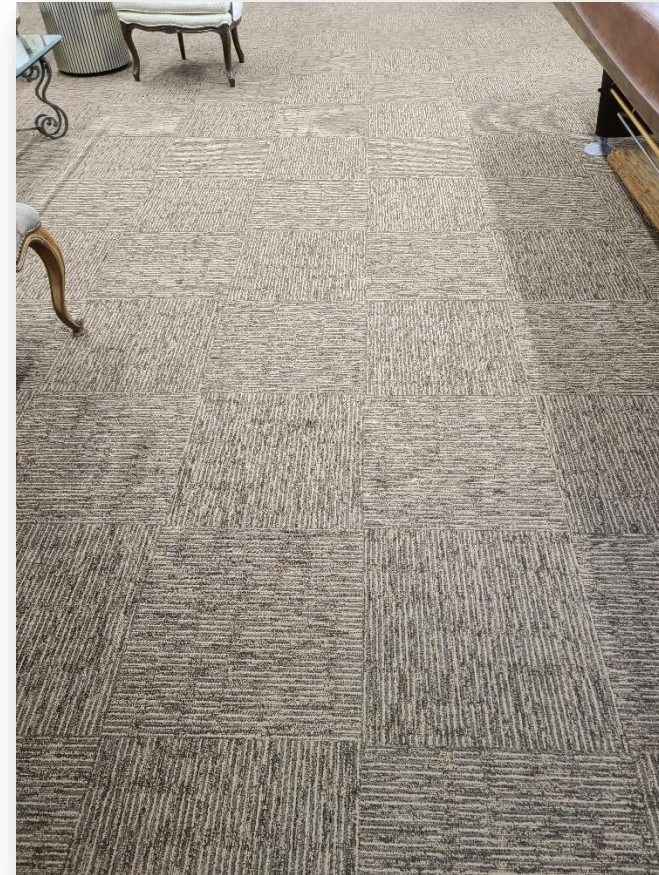


Carpet Tile Replacement at R4011

Before



After



Refrigerator Replacement at R2353



Billiard Table Re-felt at R5371

Before



After



Select 2020 Resolutions Passed

Treasurer Robert Mutchnick

Resolutions Passed in 2020

- Smoke-free building policy
- Alternate heat source policy
- Good standing policy
- Nuisance policy
- Harassment policy
- Tree trimming by species policy
- Lease cap and waiting list policy
- Income requirement for guarantors

Outgoing Director

Thank you for your hard work and dedication to Third Mutual!



Director Doug Gibson