



OPEN SESSION

REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL BOARD OF DIRECTORS A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

**Tuesday, September 21, 2021 - 9:30 a.m.
Laguna Woods Village Community Center
Board Room/Virtual Meeting
24351 El Toro Road
Laguna Woods, California**

NOTICE OF MEETING AND AGENDA

The purpose of this meeting is to conduct the regular Third Mutual Board Meeting in accordance with *Civil Code §4930* and was hereby noticed in accordance with *Civil Code §4920*

- 1. Call meeting to order / Establish Quorum – President Parsons**
- 2. Pledge of Allegiance – Director Engdahl**
- 3. Acknowledge Media**
- 4. Approval of Agenda**
- 5. Approval of Minutes**
 - a. August 6, 2021 – Agenda Prep Meeting
 - b. August 17, 2021 – Regular Board Meeting
- 6. Report of the Chair**
- 7. Update from VMS Board**
- 8. Open Forum (Three Minutes per Speaker) -** *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 to thirty minutes. A member may speak only once during the forum. Speakers may not give their time to other people, no audio or video recording by attendees, and no rude or threatening comments. Members can attend the meeting by joining the Zoom link <https://zoom.us/j/94899806730> or call 1 (669) 900-6833 or email meeting@vmsinc.org to have your message read during the Open Forum.*

9. Responses to Open Forum Speakers

10. CEO/COO Report

a. Meet the Managers Video

11. Consent Calendar - *All matters listed under the Consent Calendar are recommended for action by committees and will be enacted by the Board by one motion. In the event an item is removed from the Consent Calendar by members of the Board, such item(s) shall be the subject of further discussion and action by the Board.*

- a.** Consistent with its statutory obligations the Board members individually reviewed Third Laguna Hills Mutual preliminary financials for the month of July 2021, and by this vote ratify that such review be confirmed in this month's Board Member Open Session Meeting minutes per Civil Code §5501.

b. Recommendation from the Landscape Committee:

- (1) Recommend to Approve Tree Removal Request: 3094-C Via Serena N. – One Rusty Leaf Fig tree
- (2) Recommend to Approve Landscape Revision Request with the Exception of the Walkway Shown on the Plan: 3085-C Via Serena N.
- (3) Recommend to Approve Request for Removal of One Canary Island Pine tree and Deny Request for Removal of One Hollywood Juniper tree: 5158 Avenida Despacio
- (4) Recommend to Deny Tree Removal Request: 3075-C Via Serena S. – One Rusty Leaf Fig tree

c. Recommendation from the Maintenance and Construction Committee:

- (1) Recommendation to Cancel Applications Submitted for the Charge Ready 2 Program

12. Unfinished Business

- a.** Entertain a Motion to Approve the 2022 Third Business Plan and 2022 Third Reserves Funding Plan

13. New Business

- a.** Entertain a Motion to Approve a Resolution for the Parking and Golf Cart Subcommittee Mission Statement/Charter
- b.** Entertain a Motion to Introduce a Resolution for Alterations Fee Schedule Revisions **(SEPTEMBER Initial Notification—Must postpone 28-days for Member review and comment to comply with Civil Code §4360)**
- c.** Entertain a Motion to Introduce a Resolution to Revise the Pest Control for Termite Policy to Allow for Unscheduled Fumigation of Single-Unit Buildings, at Member Expense **(SEPTEMBER Initial Notification—Must postpone 28-days for Member review and comment to comply with Civil Code §4360)**

14. Committee Reports

- a. Report of the Finance Committee / Financial Report – Director Mutchnick. The committee met on September 7, 2021; next meeting October 5, 2021, at 1:30 p.m. in the board room and as a virtual meeting
 - (1) Treasurer's Report
 - (2) Third Finance Committee Report
 - (3) Resales/Leasing Reports
- b. Report of the Architectural Controls and Standards Committee – President Parsons. The committee met on August 23, 2021; next meeting September 27, 2021 at 9:30 a.m. in the board room and as a virtual meeting.
- c. Report of the Communications Committee – Director McCary. The committee met on August 4, 2021. The next meeting is October 13, 2021 at 1:30 p.m. as a virtual meeting.
- d. Report of the Maintenance and Construction Committee – Director Mutchnick. The committee met on September 13, 2021; next meeting November 1, 2021 at 1:30 p.m. in the board room and as a virtual meeting.
 - (1) Report of the Parking and Golf Cart Subcommittee – President Parsons. The subcommittee met on August 18, 2021; next meeting TBA.
 - (2) Garden Villa Rec. Room Subcommittee – Director Jarrett. The subcommittee met on June 8, 2021; next meeting September 29, 2021 at 1:30 p.m.
- e. Report of the Landscape Committee – Director Jarrett. The committee met on September 2, 2021; next meeting September 29, 2021 at 9:30 a.m. as a virtual meeting.
- f. Report of the Water Committee – Director Rane-Szostak. The committee met on July 29, 2021; next meeting October 28, 2021 at 2:00 p.m. as a virtual meeting.
- g. Report of the Resident Policy and Compliance Committee – Director Jarrett. The committee met on August 24, 2021; next meeting TBA.

15. GRF Committee Highlights

- a. Community Activities Committee – Director Karimi. The committee met on September 9, 2021; next meeting October 14, 2021 at 1:30 p.m. as a virtual meeting.
 - (1) Equestrian Center Ad Hoc Committee – Director Bhada. The committee met on September 20, 2021; next meeting, November 4, 2021, at 1:00 p.m. as a virtual meeting.
- b. GRF Finance Committee – Director Mutchnick. The committee met on August 25, 2021; next meeting October 20, 2021, at 1:30 p.m. as a virtual meeting.

- c. GRF Landscape Committee – Director Jarrett. The committee met on September 8, 2021; next meeting November 10, 2021, at 1:30 p.m. as a virtual meeting.
- d. GRF Maintenance & Construction Committee – Director Frankel – The committee met on August 11, 2021; next meeting October 13, 2021, at 9:30 a.m. as a virtual meeting.

(1) Clubhouse Facilities Renovation Ad Hoc Committee – Director Engdahl. The committee met on July 9, 2021; next meeting TBA.

- e. Media and Communications Committee – Director McCary. The committee met on September 20, 2021; next meeting October 18, 2021, at 1:30 p.m. as a virtual meeting.
- f. Mobility and Vehicles Committee – Director Karimi – The committee met on July 28, 2021; next meeting October 6, 2021, at 1:30 p.m. as a virtual meeting.
- g. Security and Community Access Committee – Director Bhada. The committee met on August 30, 2021; next meeting October 25, 2021 at 1:30 p.m. as a virtual meeting.

(1) Disaster Preparedness Task Force – Director McCary. The task force met on July 27, 2021; next meeting September 28, 2021 at 9:30 a.m. as a virtual meeting

- h. Report of the Laguna Woods Village Traffic Hearings – Director Frankel. The hearings were held on September 15, 2021; next meeting October 20, 2021 at 9:00 a.m. as a virtual meeting.
- i. GRF Strategic Planning Ad Hoc Committee – Director Mutchnick. The committee met on June 28, 2021; next meeting TBA.
- j. Trash Task Force – Director Karimi

16. Future Agenda Items-- *All matters listed under Future Agenda Items are items for a future Board Meetings. No action will be taken by the Board on these agenda items at this meeting. The Board will take action on these items at a future Board Meeting.*

- a. Resident Suggestion Program
- b. Alterations Review
- c. Property and Casualty Insurance
- d. Presentation from El Toro Water District

17. Director's Comments

- 18. Recess** - *At this time the Meeting will recess for lunch and reconvene to Executive Session to discuss the following matters per California Civil Code §4935.*

Closed Session Agenda

Approval of Agenda

Approval of the Minutes

(a) August 6, 2021—Emergency Closed Meeting

(b) August 17, 2021—Regular Closed Session

Discuss and Consider Member Matters

Discuss Personnel Matters

Discuss and Consider Contractual Matters

Discuss and Consider Litigation Matters

- 19. Adjourn**

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OPEN SESSION

MINUTES OF THE AGENDA PREP MEETING OF THE THIRD LAGUNA HILLS MUTUAL BOARD OF DIRECTORS A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

**Friday, August 6, 2021 - 9:30 a.m.
Laguna Woods Village Virtual Meeting
24351 El Toro Road
Laguna Woods, California**

NOTICE OF MEETING AND AGENDA

The purpose of this meeting to discuss agenda items for the Third Board Regular Meeting
Civil Code §4930

Directors present: Annie McCary, Lynn Jarrett, John Frankel, Ralph Engdahl, Robert Mutchnick, Craig Wayne, Cush Bhada, Donna Rane-Szostak, Reza Karimi, Charlotte Hislop

Directors absent: Steve Parsons

Staff present: Jeff Parker-CEO, Siobhan Foster, Cheryl Silva and Grant Schultz

1. Call Meeting to Order / Establish Quorum

President Parsons called the meeting to order at 9:30 a.m. and establish that a quorum was present.

2. Approval of the Agenda

Director Mutchnick made a motion to approve the agenda. Director Jarrett seconded the motion and the motion passed without objection.

3. Discuss and Consider Items to be placed on the Third Board Regular Meeting Agenda (open & closed session) on August 17, 2021

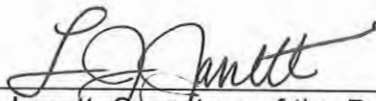
4. Director Comments

- Director Bhada requested an item be added to the closed agenda regarding a Maintenance & Construction issue.

- Director Mutchnick called for an emergency meeting after the agenda prep meeting.

5. Adjournment

The meeting was adjourned at 10:20 a.m.



Lynn Jarrett, Secretary of the Board
Third Mutual Laguna Hills



OPEN SESSION

**MINUTES OF THE REGULAR OPEN MEETING OF THE
THIRD LAGUNA HILLS MUTUAL BOARD OF
DIRECTORS A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**Tuesday, August 17, 2021 - 9:30 a.m.
Laguna Woods Village Virtual Meeting
24351 El Toro Road
Laguna Woods, California**

Directors Present: Steve Parsons, Annie McCary, Lynn Jarrett, Robert Mutchnick, Reza Karimi, Craig Wayne, Ralph Engdahl, Donna Rane-Szostak, John Frankel, Cush Bhada

Directors Absent: None

Staff Present: Jeff Parker-CEO, Siobhan Foster-COO, Eileen Paulin, Cheryl Silva and Grant Schultz

Others Present: Rosemarie diLorenzo (VMS), Wei-Ming Tao (VMS)

1. Call meeting to order / Establish Quorum – President Parsons, Chair

President Parsons called the meeting to order at 9:30 a.m. and established that a quorum was present.

2. Pledge of Allegiance

Director McCary led the Pledge of Allegiance.

3. Acknowledge Media

The media was acknowledged online and through Village Television.

4. Approval of Agenda

President Parsons asked for a motion to approve the agenda.

Director Karimi made a motion to approve the agenda. Director Bhada seconded the motion.

President Parsons called for the vote on the agenda and the motion passed without objection.

5. Approval of Minutes

5a. July 20, 2021 – Regular Board Meeting

5b. July 27, 2021 – Special Open Election (fill vacancy)

President Parsons asked for a motion to approve the minutes.

Director Karimi made a motion to approve the minutes of July 20, 2021—Regular Board Meeting, and July 27, 2021—Special Open Election Meeting. Director Wayne seconded the motion and the motion passed without objection.

6. Update from the VMS Board

Rosemarie diLorenzo gave a presentation from the VMS Board.

- Overview of the VMS Mission and Goals
- Resident Services Calls
- Landscape Tickets – 2018 to Date
- Community Services Resale Efficiencies
- Operational Enhancements
- Manor Alterations New Bulletin
- Restructured Fixed Bus Routes
- Sunset of Vehicle Decal Program
- Communication
- Contacts

Rosemarie diLorenzo commented a priority of the VMS Board is communication with the Community.

7. Report of the Chair

President Parsons commented there are different presentations today.

8. Open Forum (Three Minutes per Speaker) - *At this time Members only addressed the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. The board reserved the right to limit the total amount of time allotted for the Open Forum. Members requested to speak Zoom at <https://zoom.us/j/94899806730> or via email to meeting@vmsinc.org. Residents were required to provide their name and unit number.*

- A member commented about a change from near her manor which has affected her because she is blind. She is asking for a railing on the pathway.
- A member commented about the unsuccessful ballot initiative to revise the CC&R's for insurance purposes.
- A member requested her neighbor place her exercise equipment inside.

Ellyce Rothrock read the written member comments:

- A member commented about the board member election and the removal of architectural wood trim. Against requiring members to give their manor address when requesting to speak.

9. Responses to Open Forum Speakers

- President Parsons responded about tree grinding and the repair of sidewalks.
- Director Mutchnick responded about the ballot initiative.

- President Parsons responded that candidate statements will be included in the ballots and there will be a Meet the Candidates meeting in September.
- Jeff Parker-CEO commented he will look into the removal of the architectural wood trim.
- Directors Jarrett and Karimi commented that most of the work happens at the Committee Meetings.
- President Parsons and Director Karimi responded about why the board asks for Manor numbers.

10. CEO Report (Jeff Parker-CEO and Siobhan Foster-COO)

- Manor Alterations Department are meeting with residents by appointment only.
- RFID makes it easier for residents to enter the community and residents can make appointments to get their vehicle decal.
- COVID Update: An increase in COVID cases has occurred in the last week. Public health officials at the OC Hearth Care Agency (OCHCA) are encouraging residents to take adequate safety precautions in the wake of increasing COVID-19 cases in the county. Currently, there are no plans to implement a new mask mandate in Orange County; however, those who are not fully vaccinated must continue wearing a mask indoors in accordance with guidelines from the California Department of Public Health (CDPH) and are strongly encouraged to get vaccinated as soon as possible.
- Gate 6 was damaged when a resident crashed into the gate that caused serious damage. Repairs will be completed as soon as the parts arrive.
- New employee: Manuel Gomez, Maintenance and Construction Director, began on August 16, 2021.

10a. New Manager Introduction video was shown during the meeting.

Jeff Parker-CEO and Siobhan Foster-COO answered questions from the board.

11. Consent Calendar - *All matters listed under the Consent Calendar were recommended for action by committees and were enacted by the board by one motion. Items removed from the Consent Calendar by members of the board, were moved for further discussion and action by the board.*

11a. Finance Committee Recommendations:

Consistent with its statutory obligations, the Board members individually reviewed Third Laguna Hills Mutual **preliminary** financials for the month of July 2021 and by this vote ratify that such review be confirmed in this month's Board Member Open Session Meeting minutes per Civil Code 5501.

11b. Recommendation from the Landscape Committee:

- (1) Recommend to Approve the Tree Removal Request: 3023-B Calle Sonora (Taylor) – One Magnolia tree

RESOLUTION 03-21-45
Approve the Request for Removal of One Magnolia Tree
3023-B Calle Sonora

WHEREAS, February 16, 2021, that the Board of Directors adopted Resolution 03-21-10 Tree Maintenance Policy which states:

“...Unless there is a purposeful reason, trees should not be removed merely because they are messy, or because of residents’ personal preferences concerning shape, color, size, or fragrance. Trees shall not be removed to preserve, enhance or create a view.

- Trees which are damaging or will damage a structure, pose a hazard, diseased, in failing health or interfering with neighboring trees, will be considered for removal.
- Removal requests will be reviewed by a staff arborist and, if necessary, referred to the Committee...”

WHEREAS, on August 5, 2021, the Landscape Committee reviewed a request from the Member at 3023-B for the removal of one Magnolia tree. The Member cited the reasons as structural damage and clogged rain gutters;

WHEREAS, the Committee determined that the tree meets the guidelines set forth in Resolution 03-21-10 and recommends approving the request for the removal of one Magnolia tree located at 3023-B Calle Sonora.

NOW THEREFORE BE IT RESOLVED, August 17, 2021, the Board of Directors approves the removal of one Magnolia tree located at 3023-B;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

- (2) Recommend to Approve Landscape Revision Request: 3157-B Alta Vista (Keck)

RESOLUTION 03-21-46
Approve the Landscape Revisions Request
3157-B Alta Vista

WHEREAS, on August 5, 2021, the Landscape Committee reviewed a request from the Member at 3157-B for landscape revisions to their manor, at their expense. The Member cited the reasons as resident preference;

WHEREAS, the Committee recommends approving the request for landscape revisions, at the Member’s expense, located at 3157-B Alta Vista with the following conditions:

1. All costs for design, construction, and maintenance of the improvement are the responsibility of the Property's Member Owner at 3157-B.
2. All materials and installation shall be approved by the Landscape Department prior to start of work.
3. The requesting Member understands that the area will remain Common Area subject to the use and passage of all members of Third Mutual.

NOW THEREFORE BE IT RESOLVED, August 17, 2021, the Board of Directors approves the request for a landscape revision, at the Member's expense, at 3157-B;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

- (3) Recommend to Deny Tree Requests: 3203-C Via Carrizo (Chen) – One Italian Stone Pine and Three Eucalyptus trees

RESOLUTION 03-21-47

**Deny the Request for Removal of One Italian Stone Pine Tree and
Three Eucalyptus Trees
and To Schedule Trimming for This Fiscal Year
3230-C Via Carrizo**

WHEREAS, February 16, 2021, that the Board of Directors adopted Resolution 03-21-10 Tree Maintenance Policy which states:

"...Unless there is a purposeful reason, trees should not be removed merely because they are messy, or because of residents' personal preferences concerning shape, color, size, or fragrance. Trees shall not be removed to preserve, enhance or create a view.

- Trees which are damaging or will damage a structure, pose a hazard, diseased, in failing health or interfering with neighboring trees, will be considered for removal.
- Removal requests will be reviewed by a staff arborist and, if necessary, referred to the Committee..."

WHEREAS, on August 5, 2021, the Landscape Committee reviewed a request from the Member at 3023-B for the removal of one Italian Stone Pine tree and three Eucalyptus trees. The Member cited the reasons as old age, the trees are leaning towards the manor, in case of failure there is potential for damage to the manor, and the trees appear to be creating a hazardous condition;

WHEREAS, the Committee determined that the tree does not meet *the guidelines* set forth in Resolution 03-21-10 and recommends denying the

request for the removal of one Italian Stone Pine tree and three Eucalyptus trees and to trim them prior to this winter rainy season located at 3230-C Via Carrizo.

NOW THEREFORE BE IT RESOLVED, August 17, 2021, the Board of Directors denies the request for the removal of one Italian Stone Pine tree and three Eucalyptus trees and to trim them prior to this winter rainy season located at 3230-C Via Carrizo;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

- (4) Recommend to Deny Off-Schedule Tree Trimming Requests: 3335-1D (Schneider) – One Silver Dollar Eucalyptus tree

RESOLUTION 03-21-48
Deny the Request for Off-Schedule Trimming
of One Silver Dollar Eucalyptus Tree
3335-1D Punta Alta

WHEREAS, on August 5, 2021, the Landscape Committee reviewed a request from the Member at 3335-1D for the off-schedule trimming of one Silver Dollar Eucalyptus tree. The Member cited the reason as view obstruction;

WHEREAS, the Committee determined that the tree does not meet the requirements for off-schedule trimming and recommends denying the request for off-schedule trimming of one Silver Dollar Eucalyptus tree *located at* 3335-1D Punta Alta.

NOW THEREFORE BE IT RESOLVED, August 17, 2021, the Board of Directors denies the off-schedule trimming of one Silver Dollar Eucalyptus tree located at 3335-1D;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

11c. Recommendation from the Finance Committee:

- (1) Approve Resolution for Recording of Lien for Member ID# 931-510-15

Resolution 03-21-49
Recording of a Lien

WHEREAS, Member ID 931-510-15; is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment; and

WHEREAS, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation

of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

NOW THEREFORE BE IT RESOLVED, August 17, 2021, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-510-15 and;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

President Parsons asked for a motion to approve the consent calendar.

Director McCary made a motion, seconded by Director Jarrett, to approve the consent calendar as presented.

President Parsons called for the vote and the motion passed without objection.

12. Unfinished Business

12a. Entertain a Motion to Adopt a Resolution to Amend the Guidelines for Financial Qualifications Policy Net Worth Requirements for Process Improvements to Resale Documents

Director Jarrett read the following resolution:

RESOLUTION 03-21-50
Guidelines for Financial Qualifications Policy
Net Worth Requirements

WHEREAS, Third Laguna Hills Mutual (Third) is formed to manage, operate and maintain housing at Laguna Woods Village; and

WHEREAS, Third is authorized to adopt rules and regulations to carry out the purposes of this Corporation through its board of directors; and

WHEREAS, Third desires to protect the financial integrity of the Corporation; and

WHEREAS, the current Guidelines for Financial Qualifications Policy stipulate that a prospective buyer must demonstrate only the purchase price plus \$125,000 to satisfy the asset requirement; and

WHEREAS, an increasing number of prospective buyers own multiple properties with mortgage balances that exceed the value of their assets remaining after the pending purchase of a condominium in Third;

NOW, THEREFORE BE IT RESOLVED, August 17, 2021, that the Board of Directors of this Corporation hereby introduces an amendment to the net worth

requirements as established within the Guidelines for Financial Qualifications Policy;

RESOLVED FURTHER, that Resolution 03-18-131, adopted August 21, 2018 and Resolution 03-20-71, adopted September 15, 2020, are hereby suspended in their entirety and canceled; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of this corporation to carry out the purpose of this resolution.

JULY Initial Notification

28-day notification for Member review and comment to comply with Civil Code §4360 has been satisfied.

Staff recommends that board consider amending the Guidelines for Financial Qualifications Policy to explain that additional assets (above and beyond the sum of the purchase price plus \$125,000) are required when buyers/guarantors have existing properties with mortgage balances and eliminate documentation not material to Third's buyer approval process.

Director McCary made a motion to adopt a resolution to amend the guidelines for financial qualifications policy net worth requirements for process improvements to resale documents. Director Karimi seconded the motion.

Discussion ensued among the directors.

President Parsons called for the vote and the motion passed without objection.

13. New Business

13a. Entertain a Motion to Approve a Resolution to Transfer Discretionary Funds to Sunwest Bank and give SageView 90-day Termination Notice

Director Jarrett read the following resolution:

RESOLUTION 03-21-51

ACCOUNT TRANSFER

TRANSFER DISCRETIONARY FUNDS FROM FIDELITY TO SUNWEST BANK

WHEREAS, the Third Laguna Hills Mutual Discretionary Investment balance as of July 31, 2021 was \$25,183,334.24; and

WHEREAS, the discretionary account is an investment account that allows the Corporation's investment manager to buy and sell investments without the Board's consent for each trade; and

WHEREAS, the funds maintained in the discretionary account, in the opinion of the managing agent, are not required within a reasonable time to pay obligations of the corporation; and

WHEREAS, the Board desires to transfer discretionary investment funds to a California bank account where the funds are covered by insurance provided by the federal government; and

NOW THEREFORE BE IT RESOLVED, August 17, 2021 that this corporation is hereby authorized to open a new bank account whereby the bank is headquartered in California and whose funds are fully insured by the federal government; and

RESOLVED FURTHER, that the Board of this Corporation hereby authorizes the transfer of \$25,000,000 from the discretionary investment account, currently held by Fidelity Investments, to the newly opened bank account; and

RESOLVED FURTHER, that the Board of this corporation hereby authorizes the managing agent of this corporation to provide old investment manager, SageView, a ninety-day termination notice as outlined in the investment advisory services agreement dated October 1, 2019; and

RESOLVED FURTHER, that at the conclusion of the ninety-day termination of the investment advisory services agreement dated October 1, 2019 the balance maintained in the Fidelity Investment account is authorized to be transferred to the newly created bank account whose balance is fully insured by the federal government; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

Staff recommends the board authorize transferring \$25,183,334.24 from the Discretionary Investment account, held by Fidelity Investments, to a federally insured bank account held by Sunwest Bank and approve a ninety-day termination notice of investment advisory services performed by SageView Advisor Group.

Director Bhada made a motion to approve a resolution to transfer discretionary funds to Sunwest Bank and approve a SageView 90-day termination notice. Director Rane-Szostak seconded the motion.

Discussion ensued among the directors.

A member asked why the board decided to make this transfer.

Director Bhada made an amendment to change the subject title. Motion failed for lack of a second.

Director Karimi made an amendment to change the title of the resolution to Transfer of Discretionary Funds from SageView to Sunwest Bank. Director Bhada seconded the motion.

Director Mutchnick made an amendment to the amendment to change the title of the resolution to Transfer of Discretionary Funds from Fidelity to Sunwest Bank. Director Karimi seconded the motion.

President Parsons called for the vote on the amendment and the motion passed unanimously.

President Parsons called for the vote on the amendment to the amendment and the motion passed by a vote of 8-2-0 (Directors Parsons and McCary opposed).

President Parsons called for the vote on the motion as amended and the motion passed unanimously.

14. Committee Reports

14a. Report of the Finance Committee / Financial Report – Director Mutchnick gave the Treasurer's Report. The committee met on August 3, 2021; next meeting September 7, 2021, at 1:30 p.m. in the board room and as a virtual meeting.

- (1) Treasurer's Report
- (2) Third Finance Committee Report
- (3) Resale/Leasing Reports

14b. Report of the Architectural Controls and Standards Committee – Director Engdahl gave an update from the last committee meeting. The committee discussed permit process, updated fee schedule, and address staffing problems. The committee met on July 26, 2021; next meeting August 23, 2021, at 9:30 a.m. in the board room and as a virtual meeting.

14c. Report of the Communications Committee – Director McCary gave an update from the committee. The committee discussed better ways to communicate with the Community. The committee met on August 4, 2021; next meeting TBA.

14d. Report of the Maintenance and Construction Committee – Director Mutchnick gave an update from the M&C Committee. The committee met on July 7, 2021; next meeting September 8, 2021, at 1:30 p.m. in the board room and as a virtual meeting.

- (1) Report of the Parking and Golf Cart Subcommittee – President Parsons gave an update from the subcommittee. The subcommittee met on May 12, 2021; next meeting August 18, 2021 at 1:30 p.m. in the board room and as a virtual meeting.

- (2) Report of the Garden Villa Rec. Room Subcommittee – Director Jarrett gave an update from the subcommittee. The Garden Villas Rec. Room Subcommittee met on June 8, 2021; next meeting TBA.

14e. Report of the Landscape Committee – Director Jarrett gave an update from the Landscape Committee. The committee discussed alternative landscape approval, tree removals and weed control. A presentation was shown on Landscape Tickets. The committee met on August 5, 2021; next meeting September 2, 2021, at 9:30 a.m. as a virtual meeting.

14f. Report of the Water Committee – Director Rane-Szostak gave a presentation on Water Conservation. The committee met on July 29, 2021; next meeting TBA.

14g. Report of the Resident Policy and Compliance Committee – Director Jarrett gave an update from the committee. The committee met on July 9, 2021; next meeting August 24, 2021 at 9:30 a.m. in the board room and as a virtual meeting.

15. GRF Committee Highlights

15a. Community Activities Committee – President Parson shared highlights from the last Community Activities Committee. The committee met on July 8, 2021; next meeting September 9, 2021, at 1:30 p.m. as a virtual meeting.

- (1) Equestrian Center Ad Hoc Committee – Director Bhada shared highlights from the last committee meeting. He showed pictures of the horses boarded at the Equestrian Center. The committee met on August 5, 2021; next meeting August 24, 2021 at 1:30 p.m. as a virtual meeting.

15b. GRF Finance Committee – Director Mutchnick shared highlights from the last committee meeting. The committee met on June 23, 2021; next meeting August 25, 2021, at 1:30 p.m. as a virtual meeting.

15c. GRF Landscape Committee – Director Jarrett shared highlights from the last committee meeting. The committee met on June 9, 2021; next meeting November 10, 2021 at 1:30 p.m. as a virtual meeting.

15d. GRF Maintenance & Construction Committee – Director Frankel shared highlights from the last committee meeting. The committee met August 11, 2021; next meeting October 13, 2021, at 9:30 a.m. as a virtual meeting.

- (1) Clubhouse Renovation Ad Hoc Committee – Director Engdahl shared highlights from the last committee meeting. The committee discussed plumbing and painting upgrades. The committee met on July 9, 2021; next meeting TBA.

15e. Media and Communications Committee – Director McCary shared highlights from the last committee meeting. The committee discussed the monthly report, code red and email

scams. The committee met on August 16, 2021; next meeting September 20, 2021, at 1:30 p.m. as a virtual meeting.

15f. Mobility and Vehicles Committee – Director Karimi shared highlights from the last committee meeting. The committee discussed changes to the fixed routes and journey program with Lift. The committee met on July 28, 2021; next meeting October 6, 2021, at 1:30 p.m. as a virtual meeting.

15g. Security and Community Access Committee – Director Bhada shared highlights from the last committee meeting. The committee discussed the bicycle registration program and nuisance violations. The committee met on June 28, 2021; next meeting August 30, 2021 at 1:30 p.m. as a virtual meeting.

(1) Disaster Preparedness Task Force – Director McCary updated the board on the last task force meeting. The task force discussed the radio communication test and pet disaster plan. The task force met on July 27, 2021; next meeting September 28, 2021, 9:30 a.m. as a virtual meeting.

15h. Report of the Laguna Woods Village Traffic Hearings – Director Frankel reported on the last traffic hearings held on July 21, 2021; next meetings are August 18, 2021 at 9 a.m. in as a virtual meeting.

15i. Report of the GRF Strategic Planning Ad Hoc Committee – Director Mutchnick shared highlights from the last committee meeting. The committee met on June 28, 2021; next meeting TBA.

16. Future Agenda Items-- *All matters listed under Future Agenda Items are items for a future board meeting. No action will be taken by the board on these agenda items at this meeting. The board will take action on these items at a future board meeting.*

- a. Resident Suggestion Program
- b. Alterations Review
- c. Property and Casualty Insurance
- d. Presentation from El Toro Water District

17. Director's Comments

- Director Wayne liked the presentations shown today.
- Director Engdahl commented about recent e-mail scams.
- Director Jarrett thanked the board for all the work they do.
- Director McCary commented about the speeding in the community and beware of email scams.
- Director Frankel commented about the fire helicopters.
- Director Bhada commented about wearing sunscreen and hats during the hot weather.
- Director Karimi commented about safety measure when exercising in the heat.
- President Parsons commented about backing-up before looking when driving.

The meeting was recessed at 12:11 p.m.

Summary of Previous Closed Session Minutes per Civil Code §4935.

During the July 2, 2021, Special Closed Meeting, the board:

Approved the Agenda

Discussed and Considered the Budget Review

Director Comments

Adjournment

During the July 20, 2021, Regular Closed Session the Board:

Approved the Agenda

VMS Board Update

Discussed and Considered Legal/Litigation Matters

CEO Report (Personnel Matters)

Approval of the Following Meeting Minutes.

(a) June 4, 2021 – Emergency Closed Meeting

(b) June 15, 2021 – Regular Closed Session

(c) June 25, 2021 – Special Closed Meeting

(d) July 2, 2021 – Special Closed Meeting

Discuss and Consider Investment and Personnel Matters

Discussed Member Disciplinary Matters

Director Comments

Adjournment

During the July 27, 2021, Special Emergency Meeting the Board:

Approved the Agenda

Discussed and Considered Legal Requirements for Election Procedures

Adjournment

19. Adjournment

The meeting was adjourned at 3:00 p.m.



Lynn Jarrett, Secretary of the Board
Third Mutual Laguna Hills

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RESOLUTION 03-21-XX

Approve the Request For Removal of One Rusty Leaf Fig Tree 3094-C Via Serena N.

WHEREAS, February 16, 2021, that the Board of Directors adopted Resolution 03-21-10 Tree Maintenance Policy which states:

“...Unless there is a purposeful reason, trees should not be removed merely because they are messy, or because of residents’ personal preferences concerning shape, color, size, or fragrance. Trees shall not be removed to preserve, enhance or create a view.

- Trees which are damaging or will damage a structure, pose a hazard, diseased, in failing health or interfering with neighboring trees, will be considered for removal.
- Removal requests will be reviewed by a staff arborist and, if necessary, referred to the Committee...”

WHEREAS, on September 2, 2021, the Landscape Committee reviewed a request from the Member at 3094-C to remove one Rusty Leaf Fig tree. The Member cited the reasons as structural damage (roots growing under the foundation) and mold on the roof;

WHEREAS, the Committee determined that the tree meets the guidelines set forth in Resolution 03-21-10 and recommends approving the request for the removal of one Rusty Leaf Fig tree located at 3094-C Via Serena N.

NOW THEREFORE BE IT RESOLVED, September 21, 2021, the Board of Directors approves the request for the removal of one Rusty Leaf Fig tree located at 3094-B;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

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RESOLUTION 03-21-XX

Approve the Landscape Revisions Request 3085-C Via Serena N.

WHEREAS, on September 2 2021, the Landscape Committee reviewed a request from the Member at 3085-C for landscape revisions to their manor, at their expense. The Member cited the reasons as resident preference;

WHEREAS, the Committee recommends approving the request for landscape revisions, at the Member's expense, located at 3085-C Via Serena N., with the exception of the walkway running from the patio area to the sidewalk, and with the following conditions:

1. All costs for design, construction, and maintenance of the improvement are the responsibility of the Property's Member Owner at 3085-C.
2. All materials and installation shall be approved by the Landscape Department prior to start of work.
3. The requesting Member understands that the area will remain Common Area subject to the use and passage of all members of Third Mutual.

NOW THEREFORE BE IT RESOLVED, September 21, 2021, the Board of Directors approves the request for a landscape revision, with the exception of the walkway running from the patio area to the sidewalk, at the Member's expense, at 3085-C;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

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RESOLUTION 03-21-XX

Deny the Request for Removal of One Canary Island Pine Tree Approve the Request for Removal of One Hollywood Juniper Tree 5158 Avenida Despacio

WHEREAS, February 16, 2021, that the Board of Directors adopted Resolution 03-21-10 Tree Maintenance Policy which states:

“...Unless there is a purposeful reason, trees should not be removed merely because they are messy, or because of residents’ personal preferences concerning shape, color, size, or fragrance. Trees shall not be removed to preserve, enhance or create a view.

- Trees which are damaging or will damage a structure, pose a hazard, diseased, in failing health or interfering with neighboring trees, will be considered for removal.
- Removal requests will be reviewed by a staff arborist and, if necessary, referred to the Committee...”

WHEREAS, on September 2, 2021, the Landscape Committee reviewed a request from the Member at 5158 to remove one Canary Island Pine tree and one Hollywood Juniper tree. The Member cited the reasons as litter/debris and overgrown;

WHEREAS, the Committee determined that the Hollywood Juniper tree meets the guidelines set forth in Resolution 03-21-10 and recommends approving the request for the removal of one Hollywood Juniper tree located at 5158 Avenida Despacio.

WHEREAS, the Committee determined that the Canary Island Pine tree does not meet the guidelines set forth in Resolution 03-21-10 and recommends denying the request for the removal of one Canary Island Pine tree located at 5158 Avenida Despacio.

NOW THEREFORE BE IT RESOLVED, September 21, 2021, the Board of Directors approves the request for the removal of one Hollywood Juniper tree located at 3094-B and denies the request to remove one Canary Island Pine tree at the same location;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

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RESOLUTION 03-21-XX

Deny the Request For Removal of One Rusty Leaf Fig Tree and Perform a Canopy Reduction During Next Scheduled Trim Cycle 3075-C Via Serena S.

WHEREAS, February 16, 2021, that the Board of Directors adopted Resolution 03-21-10 Tree Maintenance Policy which states:

“...Unless there is a purposeful reason, trees should not be removed merely because they are messy, or because of residents’ personal preferences concerning shape, color, size, or fragrance. Trees shall not be removed to preserve, enhance or create a view.

- Trees which are damaging or will damage a structure, pose a hazard, diseased, in failing health or interfering with neighboring trees, will be considered for removal.
- Removal requests will be reviewed by a staff arborist and, if necessary, referred to the Committee...”

WHEREAS, on September 2, 2021, the Landscape Committee reviewed a request from the Member at 3075-C to remove one Rusty Leaf Fig tree. The Member cited the reasons litter/debris, falling leaves, berries in the patio area, as well as the surrounding landscape;

WHEREAS, the Committee determined that the tree does not meet the guidelines set forth in Resolution 03-21-10 and recommends denying the request for the removal of one Rusty Leaf Fig tree located at 3075-C Via Serena S but recommends a canopy reduction during the next scheduled trim cycle.

NOW THEREFORE BE IT RESOLVED, September 21, 2021, the Board of Directors denies the request for the removal of one Rusty Leaf Fig tree located at 3075-B;

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out this resolution.

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STAFF REPORT

DATE: September 21, 2021
FOR: Board of Directors
SUBJECT: Entertain a Motion to Cancel 12 of the 14 EV Charging Station Applications Submitted for the SCE Charge Ready 2 Program

RECOMMENDATION

Review and accept the Maintenance and Construction Committee's recommendation to cancel 12 of the 14 electric vehicle charging station applications submitted for the SCE Charge Ready 2 Program (Attachment 1).

BACKGROUND

The Charge Ready 2 program by SCE provides opportunities to install electric vehicle charging stations closer to residential units at a reduced cost, due to the offered rebates.

On May 3, 2021 the Committee reviewed potential locations for EV charging station locations that would qualify the Third Laguna Woods Mutual (the Mutual) to take advantage of the rebates available through the SCE Charge Ready 2 Program.

The Committee discussed how SCE will provide power to certain proposed locations; the projected number of future electric vehicles in the Community; and charging stations at Gate 11.

On July 14, 2021, fourteen applications were submitted to SCE for the Charge Ready 2 Program. The proposed locations were spread throughout the Mutual (Attachment 2). These applications are still being reviewed by SCE. A site-walk to determine the feasibility of each location has not yet been scheduled.

On July 27, 2021, the Third M&C Committee Chair met with SCE in a virtual meeting to discuss the rebate program for the submitted applications and the important milestones that needed to be completed before SCE could begin construction.

On September 13, 2021 staff provided the M&C Committee with an overview of the proposed locations and discussed the immediate and long-term costs related to charging stations. After much discussion and after hearing comments from more than 13 Mutual members, the Committee evaluated the participation in this program and recommended unanimously to withdraw all but two of the applications submitted. The Committee recommends that the applications for the two locations at 4008 Calle Sonora Oeste and 4019 Calle Sonora Este, inside Gate 14, remain under review by SCE (Attachment 3). The residential buildings inside Gate 14 are not near any GRF clubhouses that could potentially receive EV charging stations.

The Committee supports installation of electric vehicle charging stations at select clubhouses located in Third Mutual and throughout the Village.

DISCUSSION

SCE's Charge Ready 2 program incentivizes multi-family communities to install new Level 2 electric vehicle charging stations by providing rebates that reimburse up to 80% of the cost to extend the electric service from the meter to the charging station and a rebate of \$1,450 per port. SCE pays for all costs to bring power up to the meter. However, a minimum of four (4) charging ports installed per site, is required to qualify for this program.

Katie Sloan, SCE director of eMobility and Building Electrification states that "This action by the California Public Utilities Commission is critical to supporting California's transition from fossil fuel toward electrification...investment in EV charging infrastructure can be a catalyst to help with economic recovery from COVID-19, while also supporting vital air quality and climate benefits to all communities."

EV charging stations located within the Mutual offer's convenience to residents and guests who need to charge their plug-in hybrid or fully electric vehicles; may encourage more residents to purchase or lease electric vehicles and has the potential to attract new buyers.

However, other factors need to be considered as well.

- For the majority of the proposed locations there will be a loss of guest parking spaces.
- The program requires a minimum 10-year commitment to operate and maintain the EV charging equipment, including a \$159 fee per month per meter for as long as the system is in operation.
- The estimated cost, after rebates, if all the locations are approved, is \$1.1 million.

At this time, the Mutual may withdraw any submitted application without penalty and without having incurred any out-of-pocket expenses.

FINANCIAL ANALYSIS

There is no fiscal impact for the recommended action.

Prepared By: Baltazar Mejia, P.E., Facilities Manager

Reviewed By: Manuel Gomez, Maintenance and Construction Director

Committee Routing: Third M&C Committee 9/13/2021

ATTACHMENT(S)

Attachment 1 – List of Submitted Applications for SCE's Charge Ready 2 Program

Attachment 2 – Map Locations for the Proposed EV Charging Stations

Attachment 3 – Map Locations for the Two Proposed EV Charging Stations in Gate 14

Charge Ready 2 Program & Suggested EV Charging Station Locations (Bart Mejia)

Facilities Manager Baltazar Mejia summarized the applications submitted to SCE and the proposed costs to the Mutual for the Charge Ready 2 Program.

One member from the audience, one virtual member and eleven email comments were heard in support of electric vehicle charging stations. Most comments mentioned that they were in support of charging stations at GRF clubhouses.

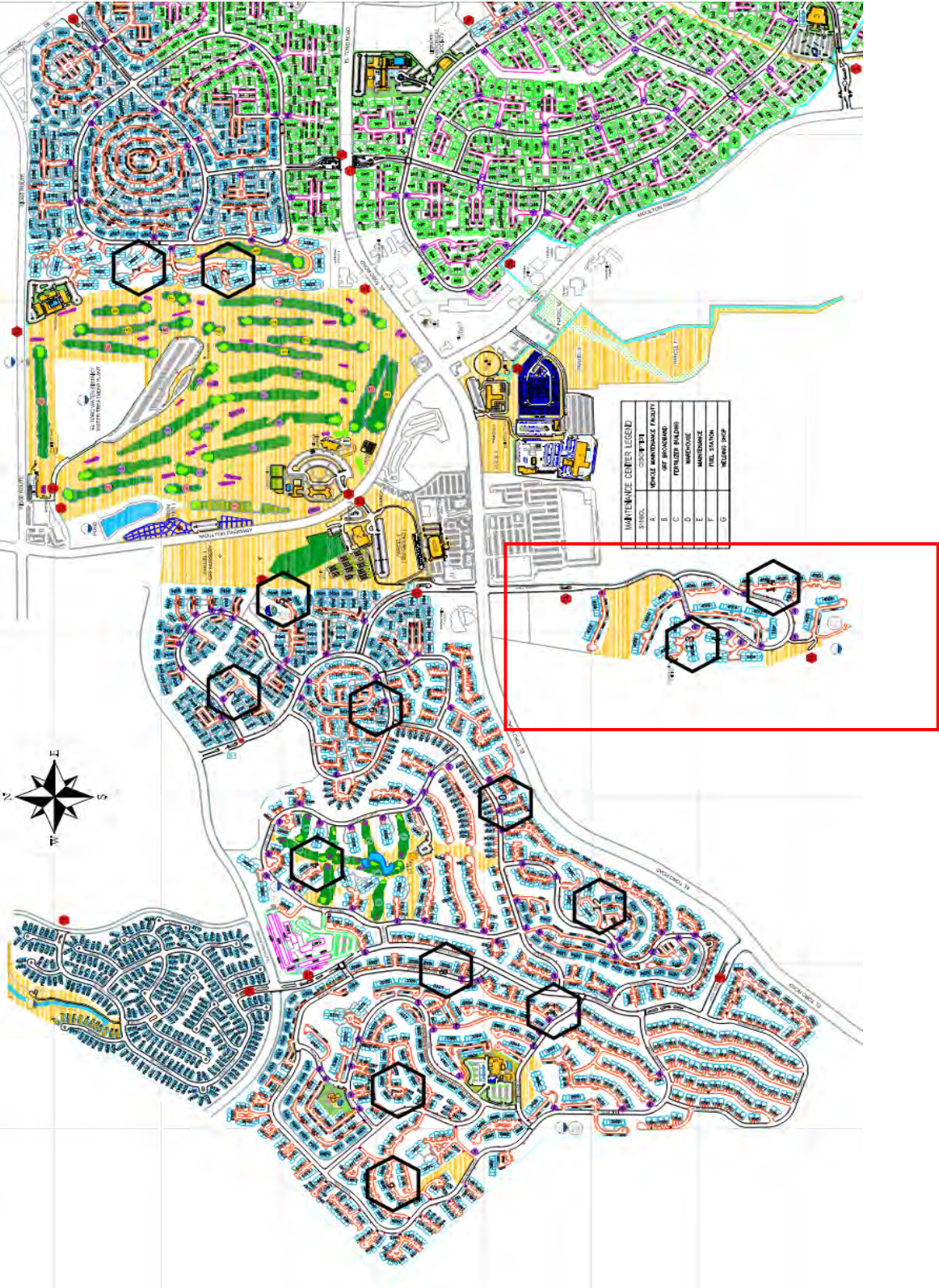
Discussion ensued regarding Level III DC fast charging stations versus Level II charging stations; what is the solution for residents in Gate 14 who are not near a clubhouse; and the amount of parking spaces needed for the proposed EV charging stations;

A motion was made and unanimously carried to recommend that the Board cancel 12 of the 14 applications submitted to SCE for the Charge Ready 2 Program. The two locations inside Gate 14 at 4008 Calle Sonora Oeste and 4019 Calle Sonora Este, should remain under review by SCE.

Attachment 1 – List of Submitted Applications for SCE’s Charge Ready 2 Program

Item #	Application #	Address	Charger Count	Port Count	Notes
1	00001341601	2396 Via Mariposa W	3	6	
2	00001341703	2390 Via Mariposa W	3	6	
3	00001342205	3073 Via Serena N	4	4	Parallel Parking
4	00001342003	3046 Via Serena S	2	4	
5	00001341306	5506 Paseo Del Lago W	2	4	
6	00001342303	3426 Bahia Blanca W	2	4	
7	00001341500	3398 Punta Alta	2	4	
8	00001341405	3332 Bahia Blanca E	2	4	
9	00001331903	3168 Via Vista	2	4	
10	00001341101	3222 Via Carrizo	4	4	Parallel Parking
11	00001342405	3531 Monte Hermoso	4	4	Parallel Parking
12	00001341205	3244 San Amadeo	3	6	
13	00001341805	4008 Calle Sonora Oeste	4	8	
14	00001341907	4019 Calle Sonora Este	3	6	
		Total	40	68	

Attachment 2 – Map Locations for the Proposed EV Charging Stations



Attachment 3 – Map Locations for the Two Proposed EV Charging Stations in Gate 14

4008 Calle Sonora Oeste



4019 Calle Sonora Este





STAFF REPORT

DATE: September 21, 2021
FOR: Board of Directors
SUBJECT: 2022 Business Plan – Version 4

RECOMMENDATION

Staff recommends the Board review the Proposed 2022 Business Plan Resolution (ATT 1) and the 2022 Reserves Funding Plan Resolution (ATT 2) at the Board meeting on September 21, 2021.

BACKGROUND

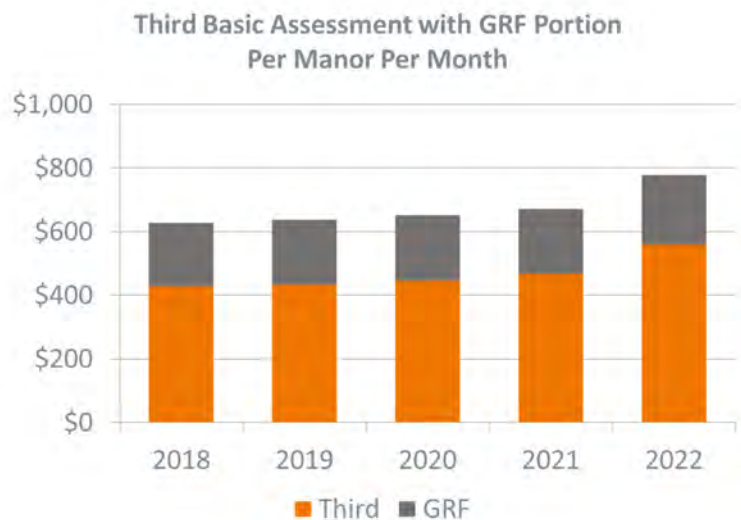
The proposed business plan for Third was reviewed several times from June to August at special meetings of the Third Board. At its August 13, 2021 meeting, the Board reviewed the 2022 Business Plan that included a basic assessment of \$777.43, an increase of \$105.21 PMPM compared to 2021. Comments and directives have been incorporated into this version of the budget presented for adoption which resulted in a year-over-year net increase of \$104.90, or 15.6%.

DISCUSSION

BUSINESS PLAN SUMMARY

The proposed budget for 2022 plan year (ATT 3) shows that the sum of \$41,414,855, of which \$40,978,855 is required by the Corporation to meet the Third Laguna Hills Mutual operating expenses and reserve contributions along with the \$436,000 in surcharges to units with common elevators and/or Garden Villa Rec Rooms for the year 2022. In addition, the sum of \$15,927,043 is required by the Corporation to meet the Golden Rain Foundation and Golden Rain Foundation Trust operating expenses and reserve contributions for the year 2022. Therefore, a total of \$57,341,898 is required to be collected from and paid by members of the Corporation as monthly assessments. The budget equates to a Total Basic Assessment of \$777.12 per manor per month, reflecting a net increase of \$104.90 or 15.6% when compared to current year, excluding surcharges.

Year	Assessment
2018	\$628.42
2019	\$637.22
2020	\$652.22
2021	\$672.22
2022 (Proposed)	\$777.12



BUSINESS PLAN BY DEPARTMENT

The Business Plan is presented by department with a brief synopsis of each area of operation and significant change from current year, listed in order of appearance (ATT 3):

Office of the CEO

Scope: Provides liaison with each of the corporation board of directors; directs services, programs, and operations, ensuring that all activities are within policy guidelines set by the boards, the management agreement, the governing documents, and the business plans of each corporation; provides support to all boards of directors in matters pertaining to membership and occupancy; recommends changes in governing rules, policies, and membership qualifications to the corporations, as needed. Functions include executive management, corporate secretary, and community services.

Staffing:

2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan
16.00	20.00	20.00	17.06	19.50

Full-Time Equivalents for all Corporations

Budget: The net cost of this department is \$451,247 for the Third portion, all of which is included in the operating assessment. The budget increased the assessment by \$144,644 primarily due to the addition of a Senior Management Analyst to provide increased analysis and audit of certain programs. The department also added a Community Services Supervisor to focus on the department priorities of enhancing the resale process and redesigning website layout to better serve members. Additionally, Third Board decided to add a Corporate Secretary position only for Third to provide administrative support to the Board of Directors. Unfavorable variance was partially offset by higher revenues anticipated for resale processing fee based on current year trend.

Department of Information Services

Scope: Coordinates and manages the development, implementation, and maintenance of all automated and operational systems related to fiscal and management information activities, and maintenance of all automated and operational data network systems; oversees all call center operations pertaining to resident maintenance service as well as receives, organizes and processes resident service requests.

Staffing:

2018	2019	2020	2021	2022
Plan	Plan	Plan	Plan	Plan
34.00	35.50	35.50	34.80	36.00

Full-Time Equivalents for all Corporations

Budget: The net cost of this department is \$667,144 for the Third portion, all of which is included in the operating assessment. The budget increased the assessment by \$25,357 due to an increase in non-union medical and the addition of a Customer Service Manager to provide increased supervision.

Department of General Services

Scope: Responsible for operating, maintaining, repairing, and replacing the community physical assets or resources, with the following major areas of operation: community center facility, janitorial, streets and sidewalks, service center facility, fleet maintenance and transportation.

Staffing:

2018	2019	2020	2021	2022
Plan	Plan	Plan	Plan	Plan
94.57	93.07	91.57	86.00	87.00

Full-Time Equivalents for all Corporations

Budget: The net cost of this department is \$1,760,931 for the Third portion, of which \$1,656,465 is included in the operating assessment. The operating budget decreased the assessment by (\$3,070) mainly due to outside service gutter cleaning program planned to be done by in-house staff in 2022. The decrease was partially offset by the addition of a Paving Trade Aide.

Department of Financial Services

Scope: Provides accounting, budget and financial planning, purchasing, mail and copy services, and warehouse functions for all entities. Coordinates and manages banking relationships, investments, audits, tax preparation, and collection services. Also provides compensation research and guidelines for VMS.

Staffing:

2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan
29.50	30.00	31.00	31.00	31.00

Full-Time Equivalents for all Corporations

Budget: The net cost of this department is \$791,517 for the Third portion, all of which is included in the Financial Services line of the operating assessment. The budget decreased the basic assessment by (\$3,588) primarily due to an update in allocations to reflect decreased time spent on administrative tasks for contracts, partially offset by increase in bank fees and audit and tax preparation fees, and an anticipated non-union medical and life insurance rate increase.

Department of Security Services

Scope: Provides oversight of all security operations, including: monitoring of gates, field supervision, routine motor patrol, maintaining a traffic control program and security dispatch center; assisting local law enforcement agencies and maintaining relations with OC Sheriff, OC Fire Authority and other outside agencies as necessary to achieve compliance within the community; and social services including individual and family counseling, facilitation of caregivers, bereavement and support groups, and referrals to community programs, agencies and services.

Staffing:

2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan
115.61	118.19	119.68	118.68	117.55

Full-Time Equivalents for all Corporations

Budget: The net cost of this department is \$158,876 for the Third portion, all of which is included in the operating assessment. The budget increased the assessment by \$11,013 due to state minimum wage increase for 2022 that affected over 60 positions, offsetting savings from a staff reduction of 1.13 FTEs.

Department of Landscape Services

Scope: Provides the following major functions: nursery, composting, grounds maintenance, irrigation, small equipment repair, pest control, and tree maintenance.

Staffing:

2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan
133.87	142.27	149.00	145.50	146.50

Full-Time Equivalents for all Corporations

Budget: The net cost of this department is \$7,270,947 for the Third portion, of which \$5,494,608 is included in the operating assessment. The budget increased the assessment by \$102,926 due to added Spray Tech position for pest control, increased contracted union medical and union retirement costs, and a contracted union wage rate increase of 2%. The increase was partially offset by a reduction in materials costs due to a lower planned use of fertilizers application.

Department of Human Resource Services

Scope: Responsible for the development, administration and implementation of all human resources and safety/environmental functions, ensuring that programs and policies are designed to meet organizational goals and protect the company, the community and staff in accordance with best practices and governmental laws and regulations. Provides risk management and insurance functions for all entities.

Staffing:

2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan
9.40	8.40	8.40	8.40	9.40

Full-Time Equivalents for all Corporations

Budget: The net cost of this department is \$9,205,705 for the Third portion, of which \$146,652 is included in the Human Resource Services line of the operating assessment and \$9,059,053 is included in the Insurance line of the operating assessment. The budget increased the basic assessment by \$7,242,709 primarily due to higher insurance premiums anticipated for property insurance, hazard and liability and D&O liability renewals, resulting from higher rates and increased coverages.

Department of Maintenance & Construction

Scope: Responsible for operating, maintaining, repairing, and replacing the community's physical assets or resources, including maintenance operations, building maintenance, manor alterations and permits, damage restoration, facilities management, and construction and project management.

Staffing:

2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan
185.50	185.50	186.50	179.10	179.10

Full-Time Equivalents for all Corporations

Budget: The net cost of this department is \$13,623,705 for the Third portion. A total of \$3,802,743 is included in the operating assessment, of which \$98,669 is in surcharges. The operating budget decreased the assessment by (\$245,167) due to a decrease in outside services for fumigation program, partially offset by planned wage adjustments and related benefits expense.

Non Work Center

Scope: This category exists to account for items not directly attributable to departments. It is primarily comprised of utilities, legal fees, interest earnings, and miscellaneous fee revenue.

Budget: The net cost of Non Work Center budgets is \$6,152,309 for the Third portion, of which \$6,375,189 is included in the Non Work Center operating assessment, and (\$222,880) is credited to reserves for net investment income.

This budget increased the operating budget by \$358,115 due to an increase in utilities, particularly water, trash, and sewer to reflect projected rate increases.

Reserve Fund Contribution

To adequately plan for future expenditures, the Mutual adopts a 30-Year Funding Plan that projects contributions and disbursements to the Reserve Fund over the next 30 years. An update to the reserve study and recommended funding plans were provided by Association Reserves, Inc.

To ensure that funds will be sufficient to meet planned expenditures, the contribution remained at \$152.00 per manor per month.

Disaster Fund Contribution

The purpose of the Disaster Fund is to provide for emergency expenditures or catastrophic damages not covered by insurance, including insurance policy deductible amounts. The contribution to Disaster Fund decreased by (\$3.26) from \$25.00 to \$21.74 per manor per month to maximize the contribution to the Disaster Fund and keep the Third Basic Assessment increases within the statutory maximum.

Unappropriated Expenditures Fund Contribution

This contingency fund is used for significant expenditures not otherwise identified in the Business Plan. This fund is not required by Civil Code and is therefore excluded from reserve plan calculations. The contribution to Unappropriated Expenditures Fund decreased by (\$8.00) from \$8.00 to \$0.00 per manor per month.

GRF

Added to the Mutual portion is the GRF Assessment of \$217.50 per manor per month. This reflects an increase of \$11.90 or about 5.8% compared to current year.

The contribution to GRF reserve funds is proposed to decrease from \$19.00 to \$17.00 per manor per month based on a 30-year funding plan. Contributions to the Reserve Funds will be supplemented by an increase of the Transfer fee from \$5,000 to \$7,500 per eligible transfer. The contribution to the Contingency Fund is proposed to increase from \$0.00 to \$5.00 per manor per month to replenish available funds for unexpected costs not included in the budget.

Prepared By: Jose Campos, Financial Services Manager

Reviewed By: Jeff Parker, Chief Executive Officer
Steve Hormuth, Interim Financial Services Director

ATTACHMENT(S)

ATT1 – 2022 Business Plan Resolution

ATT2 – 2022 Reserve Funding Plan Resolution

ATT3 – 2022 Third Business Plan by Department

ATT4 – 2022 Third Business Plan by Account

ATT5 – 2022 Third Budget Comparison Report – Operating

ATT6 – 2022 Third Budget Comparison Report – by Fund Type

ATT7 – 2022 Programs Report

ATT8 – Definition of Funds

ATT9 – Contracted Reserve Study Dated July 6, 2021 - Excerpts

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RESOLUTION 03-21-XX

2022 BUSINESS PLAN RESOLUTION

RESOLVED, September 21, 2021, that the Business Plan of this Corporation for the year 2022 is hereby adopted and approved; and

RESOLVED FURTHER, that pursuant to said business plan, the Board of Directors of this Corporation hereby estimates that the net sum of \$41,414,855 is required by the Corporation to meet the Third Laguna Hills Mutual operating expenses and reserve contributions for the year 2022. In addition, the sum of \$15,927,043 is required by the Corporation to meet the Golden Rain Foundation and the Golden Rain Foundation Trust operating expenses and reserve contributions for the year 2022. Therefore, a total of \$57,341,898 is required to be collected from and paid by members of the Corporation as monthly assessments; and

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby approves expenditures from reserves in the sum of \$10,523,314 of which \$10,308,574 is planned from the Replacement Fund, \$105,000 from the Elevator Replacement Fund, \$109,740 from the Laundry Replacement Fund; and

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby approves expenditures from restricted funds in the sum of \$1,606,459 of which \$1,133,000 is planned from the Disaster Fund, \$400,000 from the Unappropriated Expenditures Fund \$73,459 from the Garden Villa Recreation Room Fund; and

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby determines and establishes monthly assessments of the Corporation as shown on each member's breakdown of monthly assessments for the year 2022 and as filed in the records of the Corporation, said assessments to be due and payable by the members of this Corporation on the first day of each month for the year 2022; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

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RESOLUTION 03-21-XX

2022 RESERVE FUNDING PLAN

WHEREAS, Civil Code § 5570 requires specific reserve funding disclosure statements for common interest developments;

WHEREAS, planned assessments or other contributions to replacement reserves must be projected to ensure balances will be sufficient at the end of each year to meet the Corporation's obligations for repair and/or replacement of major components during the next 30 years; and

NOW THEREFORE BE IT RESOLVED, September 21, 2021, that the Board hereby adopts the 30-Year Alternate Reserve Funding Plan (attached) prepared by Association Reserves™ for fiscal year 2022; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

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THIRD LAGUNA HILLS MUTUAL 2022 BUSINESS PLAN - BY DEPARTMENT

DESCRIPTION	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 PLAN	2022 PLAN	ASSESSMENT		
						Per Manor 2021	Per Month 2022	Per Month Change
OPERATING:								
Office of the CEO	\$280,554	\$300,423	\$504,373	\$306,603	\$451,247	\$4.19	\$6.16	\$1.97
Information Services	446,920	385,215	528,637	641,787	667,144	8.76	9.11	0.35
General Services	1,398,168	1,423,231	1,573,194	1,659,535	1,656,465	22.66	22.62	(0.04)
Financial Services	627,134	740,926	734,565	795,105	791,517	10.86	10.81	(0.05)
Security Services	147,684	189,761	204,477	147,863	158,876	2.02	2.17	0.15
Landscape Services	4,520,658	4,850,661	4,990,251	5,391,682	5,494,608	73.63	75.04	1.41
Human Resource Services	5,186	7,057	143,303	149,985	146,652	2.05	2.00	(0.05)
Insurance	1,267,140	1,512,536	1,910,975	1,813,011	9,059,053	24.76	123.72	98.96
Maintenance & Construction	4,214,295	3,209,809	3,437,051	3,949,241	3,704,074	53.93	50.59	(3.34)
Non Work Center	5,884,563	5,730,986	5,763,754	5,766,634	6,127,281	78.76	83.66	4.90
Net Operating	\$18,792,302	\$18,350,605	\$19,790,580	\$20,621,446	\$28,256,917	\$281.62	\$385.88	\$104.26
RESERVE CONTRIBUTIONS								
Replacement Fund	\$9,885,240	\$10,251,360	\$10,690,704	\$10,690,704	\$10,690,704	\$146.00	\$146.00	\$0.00
Elevator Replacement Fund	366,120	439,344	366,120	366,120	366,120	5.00	5.00	0.00
Laundry Replacement Fund	0	0	73,224	73,224	73,224	1.00	1.00	0.00
Total Reserve Contribution	\$10,251,360	\$10,690,704	\$11,130,048	\$11,130,048	\$11,130,048	\$152.00	\$152.00	\$0.00
RESTRICTED CONTRIBUTIONS								
Disaster Fund	\$2,028,305	\$2,028,305	\$1,133,508	\$1,830,600	\$1,591,890	\$25.00	\$21.74	(\$3.26)
Unappropriated Exp. Fund	732,240	585,792	585,792	585,792	0	8.00	0.00	(8.00)
Total Restricted Contribution	\$2,760,545	\$2,614,097	\$1,719,300	\$2,416,392	\$1,591,890	\$33.00	\$21.74	(\$11.26)
Total Reserve/Restricted Contribution	\$13,011,905	\$13,304,801	\$12,849,348	\$13,546,440	\$12,721,938	\$185.00	\$173.74	(\$11.26)
TOTAL MUTUAL	\$31,804,207	\$31,655,406	\$32,639,928	\$34,167,886	\$40,978,855	\$466.62	\$559.62	\$93.00
GOLDEN RAIN FOUNDATION								
GRF Operating	\$13,075,237	\$13,460,408	\$13,297,478	\$13,663,283	\$14,316,115	\$186.60	\$195.50	\$8.90
GRF Reserve Contributions	1,391,256	1,244,808	1,391,256	1,391,256	1,244,808	19.00	17.00	(2.00)
GRF Contingency Contributions	73,224	146,448	366,120	0	366,120	0.00	5.00	5.00
Total GRF	\$14,539,717	\$14,851,664	\$15,054,854	\$15,054,539	\$15,927,043	\$205.60	\$217.50	\$11.90
TOTAL BASIC ASSESSMENTS	\$46,343,924	\$46,507,070	\$47,694,782	\$49,222,425	\$56,905,898	\$672.22	\$777.12	\$104.90
SURCHARGES (unique to units with common laundry facilities, elevators, and/or Garden Villa Rec Rooms)								
Laundry Revenue	(\$132,633)	(\$210,085)	(\$198,525)	(\$240,000)	(\$210,000)	(\$5.79)	(\$5.07)	\$0.72
Laundry Operating	132,633	210,085	\$198,525	240,000	210,000	5.79	5.07	(0.72)
Elevator Operating	354,546	363,183	\$303,146	346,374	346,576	15.63	15.64	0.01
Laundry Replacement Fund	82,896	73,224	\$73,224	0	0	0.00	0.00	0.00
Garden Villa Rec Room Fund	59,616	81,972	\$85,698	85,698	89,424	5.75	6.00	0.25
	\$497,058	\$518,379	\$462,068	\$432,072	\$436,000	\$21.38	\$21.64	\$0.26
TOTAL BUSINESS PLAN	\$46,840,982	\$47,025,449	\$48,156,850	\$49,654,497	\$57,341,898			

THIRD LAGUNA HILLS MUTUAL 2022 BUSINESS PLAN - BY ACCOUNT

DESCRIPTION	2018 ACTUAL	2019 ACTUAL	2020 ACTUAL	2021 PLAN	2022 PLAN	ASSESSMENT		
						Per Manor Per Month		
						2021	2022	Change
REVENUES								
Non-Assessment Revenues								
Fees and Charges to Residents	\$977,604	\$1,087,533	\$401,033	\$674,156	\$960,396	\$9.21	\$13.12	(\$3.91)
Miscellaneous	683,736	995,189	543,648	640,447	683,067	8.75	9.33	(0.58)
Total Revenue	\$1,661,340	\$2,082,722	\$944,681	\$1,314,603	\$1,643,463	\$17.96	\$22.45	(\$4.49)
EXPENSES								
Employee Compensation	\$6,734,884	\$6,492,437	\$6,496,995	\$7,211,121	\$7,833,487	\$98.48	\$106.98	\$8.50
Expenses Related to Compensation	2,937,749	2,570,068	2,776,079	3,046,212	3,324,517	41.60	45.40	3.80
Material and Supplies	774,841	742,572	618,392	850,344	767,213	11.61	10.48	(1.13)
Electricity	455,577	357,458	276,892	211,441	251,506	2.89	3.43	0.54
Sewer	1,695,720	1,685,382	1,698,515	1,773,600	1,829,400	24.22	24.98	0.76
Water	2,809,708	2,610,093	2,817,315	2,971,182	3,095,794	40.58	42.28	1.70
Trash	514,757	531,455	546,524	564,007	655,275	7.70	8.95	1.25
Legal Fees	427,069	726,416	627,448	499,985	526,652	6.83	7.19	0.36
Professional Fees	100,652	149,906	216,776	149,616	154,767	2.04	2.11	0.07
Equipment Rental	7,624	5,128	4,688	4,652	7,368	0.06	0.10	0.04
Outside Services	1,388,020	1,293,726	1,255,418	1,383,401	945,798	18.89	12.92	(5.97)
Repairs and Maintenance	19,607	5,990	2,554	11,109	7,104	0.15	0.10	(0.05)
Other Operating Expense	126,687	226,843	123,011	165,022	167,123	2.25	2.28	0.03
Insurance	444,898	495,924	542,735	783,504	949,710	10.70	12.97	2.27
Property Insurance	822,241	1,016,612	1,368,240	1,021,615	8,099,520	13.95	110.61	96.66
Uncollectible Accounts	134,208	361,190	71,798	75,000	65,000	1.02	0.89	(0.13)
Net Allocation to Mutuals	1,059,401	1,162,127	1,291,881	1,214,238	1,220,146	16.61	16.66	0.05
Total Expenses	\$20,453,642	\$20,433,327	\$20,735,261	\$21,936,049	\$29,900,380	\$299.58	\$408.33	\$108.75
RESERVE CONTRIBUTIONS								
Replacement Fund	\$9,885,240	\$10,251,360	\$10,690,704	\$10,690,704	\$10,690,704	\$146.00	\$146.00	\$0.00
Elevator Replacement Fund	366,120	439,344	366,120	366,120	366,120	5.00	5.00	0.00
Laundry Replacement Fund	0	0	73,224	73,224	73,224	1.00	1.00	0.00
Total Reserve Contribution	\$10,251,360	\$10,690,704	\$11,130,048	\$11,130,048	\$11,130,048	\$152.00	\$152.00	\$0.00
RESTRICTED CONTRIBUTIONS								
Disaster Fund	\$2,028,305	\$2,028,305	\$1,133,508	\$1,830,600	\$1,591,890	\$25.00	\$21.74	(\$3.26)
Unappropriated Exp. Fund	732,240	585,792	585,792	585,792	0	8.00	0.00	(8.00)
Total Restricted Contribution	\$2,760,545	\$2,614,097	\$1,719,300	\$2,416,392	\$1,591,890	\$33.00	\$21.74	(\$11.26)
Total Reserve/Restricted Contribution	\$13,011,905	\$13,304,801	\$12,849,348	\$13,546,440	\$12,721,938	\$185.00	\$173.74	(\$11.26)
TOTAL MUTUAL	\$31,804,207	\$31,655,406	\$32,639,928	\$34,167,886	\$40,978,855	\$466.62	\$559.62	\$93.00
GOLDEN RAIN FOUNDATION								
GRF Operating	\$13,075,237	\$13,460,408	\$13,297,478	\$13,663,283	\$14,316,115	\$186.60	\$195.50	\$8.90
GRF Reserve Contributions	1,391,256	1,244,808	1,391,256	1,391,256	1,244,808	19.00	17.00	(2.00)
GRF Contingency Contributions	73,224	146,448	366,120	0	366,120	0.00	5.00	5.00
Total GRF	\$14,539,717	\$14,851,664	\$15,054,854	\$15,054,539	\$15,927,043	\$205.60	\$217.50	\$11.90
TOTAL BASIC ASSESSMENTS	\$46,343,924	\$46,507,070	\$47,694,782	\$49,222,425	\$56,905,898	\$672.22	\$777.12	\$104.90
SURCHARGES (unique to units with common laundry facilities, elevators, and/or Garden Villa Rec Rooms)								
Laundry Revenue	(\$132,633)	(\$210,085)	(\$198,525)	(\$240,000)	(\$210,000)	(\$5.79)	(\$5.07)	\$0.72
Laundry Operating	132,633	210,085	198,525	240,000	210,000	5.79	5.07	(0.72)
Elevator Operating	354,546	363,183	303,146	346,374	346,576	15.63	15.64	0.01
Laundry Replacement Fund	82,896	73,224	73,224	0	0	0.00	0.00	0.00
Garden Villa Rec Room Fund	59,616	81,972	85,698	85,698	89,424	5.75	6.00	0.25
	\$497,058	\$518,379	\$462,068	\$432,072	\$436,000	\$21.38	\$21.64	\$0.26
TOTAL BUSINESS PLAN	\$46,840,982	\$47,025,449	\$48,156,850	\$49,654,497	\$57,341,898			

**Third Laguna Hills Mutual
Budget Comparison Report by Account
12/31/2022
THIRD LAGUNA HILLS MUTUAL**

	<u>2018 Actuals</u>	<u>2019 Actuals</u>	<u>2020 Actuals</u>	<u>2021 Budget</u>	<u>2022 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:							
Fees and Charges for Services to Residents							
46501000 - Permit Fee	\$107,788	\$160,232	\$149,933	\$159,607	\$238,222	(\$78,615)	(49%)
46501500 - Inspection Fee	71,304	81,310	60,676	76,520	73,538	2,983	4%
46502000 - Resident Maintenance Fee	<u>798,512</u>	<u>845,991</u>	<u>190,424</u>	<u>438,029</u>	<u>648,636</u>	<u>(210,606)</u>	<u>(48%)</u>
Total Fees and Charges for Services to Residents	977,603	1,087,533	401,033	674,157	960,395	(286,238)	(42%)
Laundry							
46005000 - Coin Op Laundry Machine	<u>132,633</u>	<u>210,085</u>	<u>198,525</u>	<u>240,000</u>	<u>210,000</u>	<u>30,000</u>	<u>13%</u>
Total Laundry	132,633	210,085	198,525	240,000	210,000	30,000	13%
Unrealized Gain/(Loss) On AFS Investments							
49008100 - Unrealized Gain/(Loss) On Available For Sale Investments	<u>(166,633)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
Total Unrealized Gain/(Loss) on AFS Investments	(166,633)	0	0	0	0	0	0%
Miscellaneous							
46002000 - Traffic Violation	(25)	(25)	0	0	0	0	0%
46004500 - Resident Violations	75,975	18,580	12,336	30,000	54,198	(24,198)	(81%)
44501510 - Lease Processing Fee - Third	247,699	259,475	236,435	259,475	259,475	0	0%
44502000 - Variance Processing Fee	(150)	(150)	0	0	15,888	(15,888)	0%
44502500 - Non-Sale Transfer Fee - Third	2,050	1,500	1,450	1,500	1,666	(166)	(11%)
44503520 - Resale Processing Fee - Third	153,086	163,072	133,408	163,072	191,740	(28,668)	(18%)
44505500 - Hoa Certification Fee	7,290	8,015	13,040	7,800	12,000	(4,200)	(54%)
44507000 - Golf Cart Electric Fee	69,077	70,609	68,930	70,000	70,000	0	0%
44507200 - Electric Vehicle Plug-In Fee	6,824	10,657	11,910	11,000	11,000	0	0%
44507500 - Cartport Space Rental Fee	5,536	4,006	4,800	4,600	4,400	200	4%
47001000 - Cash Discounts - Accounts Payable	0	701	0	0	0	0	0%
47001500 - Late Fee Revenue	56,148	49,541	46,004	60,000	51,000	9,000	15%
47002020 - Collection Administrative Fee - Third	3,500	1,800	1,275	6,000	2,700	3,300	55%
47002500 - Collection Interest Revenue	7,586	13,658	12,089	25,000	5,000	20,000	80%
47501000 - Recycling	6,070	4,360	2,013	2,000	4,000	(2,000)	(100%)
48001000 - Legal Fee	178,203	390,534	0	0	0	0	0%
49009000 - Miscellaneous Revenue	<u>31,500</u>	<u>(1,143)</u>	<u>(42)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
Total Miscellaneous	850,369	995,190	543,647	640,447	683,067	(42,620)	(7%)
Total Non-Assessment Revenue	<u>1,793,972</u>	<u>2,292,808</u>	<u>1,143,205</u>	<u>1,554,604</u>	<u>1,853,462</u>	<u>(298,858)</u>	<u>(19%)</u>
Expenses:							
Employee Compensation							
51011000 - Salaries & Wages - Regular	2,237,720	2,291,242	2,419,055	2,854,473	3,188,996	334,523	12%
51021000 - Union Wages - Regular	3,614,889	3,262,675	3,384,949	3,612,110	3,731,723	119,612	3%
51041000 - Wages - Overtime	33,060	38,477	23,109	20,749	25,234	4,485	22%
51051000 - Union Wages - Overtime	61,965	73,656	82,693	20,949	39,156	18,207	87%
51061000 - Holiday & Vacation	619,467	615,424	647,290	543,570	583,126	39,557	7%
51071000 - Sick	186,095	202,487	216,340	221,719	237,854	16,135	7%
51081000 - Sick - Part Time	0	0	0	175	0	(175)	(100%)
51091000 - Missed Meal Penalty	2,362	2,856	3,820	1,201	3,462	2,261	188%
51101000 - Temporary Help	107,647	78,125	46,844	19,400	109,606	90,206	465%
51981000 - Compensation Accrual	<u>(35,467)</u>	<u>39,659</u>	<u>(229,148)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
Total Employee Compensation	6,827,738	6,604,601	6,594,953	7,294,346	7,919,157	624,811	9%
Compensation Related							
52411000 - F.I.C.A.	504,345	488,684	502,347	546,649	584,255	37,606	7%
52421000 - F.U.I.	6,444	5,985	5,951	7,843	8,206	363	5%
52431000 - S.U.I.	56,925	45,954	40,656	40,062	41,877	1,815	5%
52441000 - Union Medical	1,315,419	1,232,634	1,282,935	1,288,520	1,372,279	83,759	7%
52451000 - Workers' Compensation Insurance	466,823	299,979	378,392	372,737	387,913	15,177	4%
52461000 - Non Union Medical & Life Insurance	281,784	299,952	315,125	351,459	432,813	81,354	23%
52461500 - VUL Premium	18,337	0	0	0	0	0	0%
52461550 - VUL Interest	(579)	0	0	0	0	0	0%
52471000 - Union Retirement Plan	232,249	251,473	285,388	322,232	365,223	42,990	13%
52481000 - Non-Union Retirement Plan	52,718	52,322	62,389	124,243	139,777	15,534	13%
52981000 - Compensation Related Accrual	<u>42,778</u>	<u>(29,025)</u>	<u>(30,287)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
Total Compensation Related	2,977,244	2,647,957	2,842,894	3,053,745	3,332,343	278,598	9%
Materials and Supplies							
53001000 - Materials & Supplies	324,124	327,122	292,343	389,603	364,369	(25,235)	(6%)
53003000 - Materials Direct	462,901	432,752	340,393	463,528	404,601	(58,927)	(13%)
53004000 - Freight	<u>15</u>	<u>74</u>	<u>540</u>	<u>2,386</u>	<u>3,416</u>	<u>1,030</u>	<u>43%</u>
Total Materials and Supplies	787,039	759,948	633,276	855,517	772,386	(83,131)	(10%)
Cost of Goods Sold							
53101000 - Cost Of Sales - Warehouse	<u>0</u>	<u>12,569</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
Total Cost of Goods Sold	0	12,569	0	0	0	0	0%
Utilities and Telephone							
53301000 - Electricity	478,675	370,031	303,146	365,300	372,829	7,529	2%
53301500 - Sewer	1,695,720	1,685,382	1,698,515	1,773,600	1,829,400	55,800	3%
53302000 - Water	2,809,708	2,610,093	2,817,315	2,971,182	3,095,794	124,612	4%

OPERATING FUND ONLY

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**Third Laguna Hills Mutual
Budget Comparison Report by Account
12/31/2022
THIRD LAGUNA HILLS MUTUAL**

	2018 Actuals	2019 Actuals	2020 Actuals	2021 Budget	2022 Budget	Assessment Increase/ (Decrease)	VAR %
53302500 - Trash	514,757	531,455	546,524	564,007	655,275	91,268	16%
Total Utilities and Telephone	5,498,861	5,196,961	5,365,499	5,674,089	5,953,298	279,209	5%
Legal Fees							
53401500 - Legal Fees	427,069	726,416	627,448	499,985	526,652	26,667	5%
Total Legal Fees	427,069	726,416	627,448	499,985	526,652	26,667	5%
Professional Fees							
53402000 - Audit & Tax Preparation Fees	42,056	0	0	0	0	0	0%
53402020 - Audit & Tax Preparation Fees - Third	0	43,377	44,628	45,400	47,670	2,270	5%
53403500 - Consulting Fees	5,313	2,756	2,533	15,780	13,597	(2,183)	(14%)
53403520 - Consulting Fees - Third	53,283	103,772	169,615	88,436	93,500	5,064	6%
Total Professional Fees	100,651	149,906	216,775	149,616	154,767	5,151	3%
Equipment Rental							
53501500 - Equipment Rental/Lease Fees	7,624	5,128	4,688	4,652	7,368	2,716	58%
Total Equipment Rental	7,624	5,128	4,688	4,652	7,368	2,716	58%
Outside Services							
53601000 - Bank Fees	20,026	6,604	39,669	31,679	42,323	10,643	34%
53601500 - Credit Card Transaction Fees	0	2,343	6,147	0	0	0	0%
53604500 - Marketing Expense	5,940	5,960	4,420	5,000	5,000	0	0%
54603500 - Outside Services CC	1,281,164	1,176,756	1,097,156	1,255,470	799,047	(456,423)	(36%)
53704000 - Outside Services	80,890	102,063	108,026	91,252	99,428	8,176	9%
Total Outside Services	1,388,021	1,293,726	1,255,418	1,383,401	945,797	(437,604)	(32%)
Repairs and Maintenance							
53701000 - Equipment Repair & Maint	5,099	5,990	2,554	11,109	7,104	(4,005)	(36%)
53702500 - Building Repair & Maint	14,508	0	0	0	0	0	0%
53703000 - Elevator /Lift Maintenance	319,531	353,266	295,759	336,584	336,584	0	0%
Total Repairs and Maintenance	339,137	359,256	298,313	347,693	343,688	(4,005)	(1%)
Other Operating Expense							
53801000 - Mileage & Meal Allowance	5,787	8,214	2,146	14,379	10,432	(3,947)	(27%)
53801500 - Travel & Lodging	404	1,005	246	2,763	2,511	(252)	(9%)
53802000 - Uniforms	54,892	53,999	49,348	61,483	65,437	3,955	6%
53802500 - Dues & Memberships	822	1,314	701	2,713	2,526	(186)	(7%)
53803000 - Subscriptions & Books	1,160	1,641	1,317	2,322	1,930	(391)	(17%)
53803500 - Training & Education	3,967	6,231	4,237	19,373	20,298	925	5%
53804000 - Staff Support	0	0	104	0	0	0	0%
53903000 - Safety	0	0	0	981	1,466	485	49%
54001000 - Board Relations	3,980	6,931	158	0	0	0	0%
54001020 - Board Relations - Third	3,883	8,556	2,522	7,525	7,525	0	0%
54001500 - Public Relations	(29)	(1)	(17)	0	0	0	0%
54002000 - Postage	51,402	43,798	45,274	52,980	54,488	1,508	3%
54002500 - Filing Fees / Permits	409	1,866	183	503	510	7	1%
Total Other Operating Expense	126,676	133,554	106,218	165,021	167,124	2,104	1%
Income Taxes							
54301000 - State & Federal Income Taxes	10	80,720	16,295	0	0	0	0%
Total Income Taxes	10	80,720	16,295	0	0	0	0%
Property and Sales Tax							
54302000 - Property Taxes	0	0	497	0	0	0	0%
Total Property and Sales Tax	0	0	497	0	0	0	0%
Insurance							
54401000 - Hazard & Liability Insurance	391,239	444,073	501,005	716,432	853,762	137,331	19%
54401500 - D&O Liability	46,761	46,634	38,931	60,000	88,758	28,758	48%
54402000 - Property Insurance	822,241	1,016,612	1,368,240	1,021,615	8,099,520	7,077,905	693%
54403000 - General Liability Insurance	6,898	5,217	2,799	7,072	7,190	118	2%
Total Insurance	1,267,140	1,512,536	1,910,975	1,805,119	9,049,230	7,244,112	401%
Net Allocation to Mutuals							
48502500 - Mutual General Operating	0	(20,513)	0	0	0	0	0%
54602500 - Allocated Expenses	1,059,401	1,182,640	1,291,881	1,214,238	1,220,146	5,908	0%
Total Net Allocation To Mutuals	1,059,401	1,162,127	1,291,881	1,214,238	1,220,146	5,908	0%
Uncollectible Accounts							
54602000 - Bad Debt Expense	134,208	361,190	71,798	75,000	65,000	(10,000)	(13%)
Total Uncollectible Accounts	134,208	361,190	71,798	75,000	65,000	(10,000)	(13%)
Total Expenses	20,940,819	21,006,595	21,236,928	22,522,421	30,456,957	7,934,536	35%
Excess of Revenues Over Expenses	(\$19,146,848)	(\$18,713,787)	(\$20,093,722)	(\$20,967,817)	(\$28,603,495)	\$7,635,678	36%

**Third Laguna Hills Mutual
Budget Comparison Report by Fund Type
12/31/2022**

	2022 Budget Operating	2022 Budget Reserves	2022 Budget Restricted	Total
Non-Assessment Revenues:				
Fees and Charges for Services to Residents				
46501000 - Permit Fee	\$238,222	\$0	\$0	\$238,222
46501500 - Inspection Fee	73,538	0	0	73,538
46502000 - Resident Maintenance Fee	648,636	0	0	648,636
Total Fees and Charges for Services to Residents	960,395	0	0	960,395
Laundry				
46005000 - Coin Op Laundry Machine	210,000	0	0	210,000
Total Laundry	210,000	0	0	210,000
Investment Income				
49001000 - Investment Income - Nondiscretionary	0	2,249	1,751	4,000
49002000 - Investment Income - Discretionary	0	136,032	103,968	240,000
Total Investment Income	0	138,281	105,719	244,000
Miscellaneous				
46004500 - Resident Violations	54,198	0	0	54,198
44501510 - Lease Processing Fee - Third	259,475	0	0	259,475
44502000 - Variance Processing Fee	15,888	0	0	15,888
44502500 - Non-Sale Transfer Fee - Third	1,666	0	0	1,666
44503520 - Resale Processing Fee - Third	191,740	0	0	191,740
44505500 - Hoa Certification Fee	12,000	0	0	12,000
44507000 - Golf Cart Electric Fee	70,000	0	0	70,000
44507200 - Electric Vehicle Plug-In Fee	11,000	0	0	11,000
44507500 - Cartport Space Rental Fee	4,400	0	0	4,400
47001500 - Late Fee Revenue	51,000	0	0	51,000
47002020 - Collection Administrative Fee - Third	2,700	0	0	2,700
47002500 - Collection Interest Revenue	5,000	0	0	5,000
47501000 - Recycling	4,000	0	0	4,000
Total Miscellaneous	683,067	0	0	683,067
Total Non-Assessment Revenue	1,853,462	138,281	105,719	2,097,462
Expenses:				
Employee Compensation				
51011000 - Salaries & Wages - Regular	3,188,996	0	0	3,188,996
51021000 - Union Wages - Regular	3,731,723	1,817,263	32,861	5,581,846
51041000 - Wages - Overtime	25,234	0	0	25,234
51051000 - Union Wages - Overtime	39,156	10,511	439	50,106
51061000 - Holiday & Vacation	583,126	154,661	2,797	740,583
51071000 - Sick	237,854	63,085	1,141	302,080
51091000 - Missed Meal Penalty	3,462	103	6	3,571
51101000 - Temporary Help	109,606	0	0	109,606
Total Employee Compensation	7,919,157	2,045,623	37,243	10,002,023
Compensation Related				
52411000 - F.I.C.A.	584,255	155,678	2,815	742,748
52421000 - F.U.I.	8,206	1,980	35	10,221
52431000 - S.U.I.	41,877	9,898	173	51,948
52441000 - Union Medical	1,372,279	524,933	9,158	1,906,370
52451000 - Workers' Compensation Insurance	387,913	140,239	2,536	530,688
52461000 - Non Union Medical & Life Insurance	432,813	0	0	432,813
52471000 - Union Retirement Plan	365,223	139,707	2,437	507,367
52481000 - Non-Union Retirement Plan	139,777	0	0	139,777
Total Compensation Related	3,332,343	972,435	17,153	4,321,931
Materials and Supplies				
53001000 - Materials & Supplies	364,369	135,481	3,239	503,088
53003000 - Materials Direct	404,601	482,048	15,768	902,417
53004000 - Freight	3,416	2,176	38	5,631

**Third Laguna Hills Mutual
Budget Comparison Report by Fund Type
12/31/2022**

	2022 Budget Operating	2022 Budget Reserves	2022 Budget Restricted	Total
Total Materials and Supplies	772,386	619,705	19,045	1,411,136
Utilities and Telephone				
53301000 - Electricity	372,829	0	0	372,829
53301500 - Sewer	1,829,400	0	0	1,829,400
53302000 - Water	3,095,794	0	0	3,095,794
53302500 - Trash	655,275	14,293	425	669,993
Total Utilities and Telephone	5,953,298	14,293	425	5,968,016
Legal Fees				
53401500 - Legal Fees	526,652	0	0	526,652
Total Legal Fees	526,652	0	0	526,652
Professional Fees				
53402020 - Audit & Tax Preparation Fees - Third	47,670	0	0	47,670
53403500 - Consulting Fees	13,597	0	0	13,597
53403520 - Consulting Fees - Third	93,500	0	0	93,500
Total Professional Fees	154,767	0	0	154,767
Equipment Rental				
53501500 - Equipment Rental/Lease Fees	7,368	37,136	573	45,077
Total Equipment Rental	7,368	37,136	573	45,077
Outside Services				
53601000 - Bank Fees	42,323	0	0	42,323
53604500 - Marketing Expense	5,000	0	0	5,000
54603500 - Outside Services CC	799,047	6,570,055	1,101,156	8,470,258
53704000 - Outside Services	99,428	6,918	84	106,430
Total Outside Services	945,797	6,576,972	1,101,240	8,624,010
Repairs and Maintenance				
53701000 - Equipment Repair & Maint	7,104	5,166	70	12,340
53703000 - Elevator /Lift Maintenance	336,584	0	0	336,584
Total Repairs and Maintenance	343,688	5,166	70	348,924
Other Operating Expense				
53801000 - Mileage & Meal Allowance	10,432	107	1	10,540
53801500 - Travel & Lodging	2,511	0	0	2,511
53802000 - Uniforms	65,437	24,192	369	89,998
53802500 - Dues & Memberships	2,526	157	0	2,683
53803000 - Subscriptions & Books	1,930	0	0	1,930
53803500 - Training & Education	20,298	857	7	21,163
53903000 - Safety	1,466	23	0	1,489
54001020 - Board Relations - Third	7,525	0	0	7,525
54002000 - Postage	54,488	0	0	54,488
54002500 - Filing Fees / Permits	510	0	0	510
Total Other Operating Expense	167,124	25,337	377	192,838
Insurance				
54401000 - Hazard & Liability Insurance	853,762	0	0	853,762
54401500 - D&O Liability	88,758	0	0	88,758
54402000 - Property Insurance	8,099,520	0	0	8,099,520
54403000 - General Liability Insurance	7,190	0	0	7,190
Total Insurance	9,049,230	0	0	9,049,230
Investment Expense				
54201000 - Investment Expense	0	11,640	9,480	21,120
Total Investment Expense	0	11,640	9,480	21,120
Net Allocation to Mutuals				
54602500 - Allocated Expenses	1,220,146	226,646	2,329	1,449,122
Total Net Allocation To Mutuals	1,220,146	226,646	2,329	1,449,122

**Third Laguna Hills Mutual
Budget Comparison Report by Fund Type
12/31/2022**

	<u>2022 Budget Operating</u>	<u>2022 Budget Reserves</u>	<u>2022 Budget Restricted</u>	<u>Total</u>
Uncollectible Accounts				
54602000 - Bad Debt Expense	65,000	0	0	65,000
Total Uncollectible Accounts	<u>65,000</u>	<u>0</u>	<u>0</u>	<u>65,000</u>
 Total Expenses	 <u>30,456,957</u>	 <u>10,534,953</u>	 <u>1,187,935</u>	 <u>42,179,845</u>
 Excess of Revenues Over Expenses	 <u><u>(\$28,603,495)</u></u>	 <u><u>(\$10,396,672)</u></u>	 <u><u>(\$1,082,215)</u></u>	 <u><u>(\$40,082,383)</u></u>

**THIRD LAGUNA HILLS MUTUAL
2022 PLAN
PROGRAMS REPORT**

DESCRIPTION		2018	2019	2020	2021	2022	Assessment	
		ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	Increase/(Decrease)	
							\$	%
OPERATING FUND - MAINTENANCE & CONSTRUCTION								
1	PLUMBING SERVICE	\$740,507	\$827,584	\$828,543	\$676,492	\$704,474	\$27,982	4%
2	PEST CONTROL	281,908	194,008	87,989	645,800	174,633	(471,167)	(73%)
3	CARPENTRY SERVICE	427,819	149,952	515,640	455,942	510,004	54,062	12%
4	ELECTRICAL SERVICE	93,736	99,796	107,651	135,290	115,944	(19,346)	(14%)
5	FIRE PROTECTION	87,961	86,599	101,400	133,931	144,380	10,449	8%
6	APPLIANCE REPAIRS	106,484	130,996	115,550	90,825	93,270	2,445	3%
7	MISCELLANEOUS REPAIRS BY OUTSIDE SERVICES	34,075	58,234	11,191	58,664	58,664	0	0%
8	SOLAR MAINTENANCE	15,911	28,149	23,981	25,000	25,000	0	0%
9	GUTTER CLEANING	132,890	132,957	29,988	0	0	0	0%
10	CURB CUTS	0	10,000	0	0	0	0	0%
11	BALCONY/BREEZEWAY RESURFACING	478,073	0	0	0	0	0	0%
12	BUILDING REHAB/DRY ROT	198,433	0	0	0	0	0	0%
13	ROOF REPAIRS	274,541	0	0	0	0	0	0%
14	PAINT- TOUCHUP	244,896	0	0	0	0	0	0%
TOTAL		\$3,117,234	\$1,718,276	\$1,821,933	\$2,221,944	\$1,826,367	(\$395,576)	(18%)

Lines 9 moved to General Services in 2020.

Lines 11 - 14 moved to reserves in 2019.

OPERATING FUND - GENERAL SERVICES

15	JANITORIAL SERVICE	\$874,334	\$882,450	\$963,848	\$962,945	\$977,822	\$14,878	2%
16	CONCRETE SERVICE	376,281	393,686	348,028	379,831	369,462	(10,369)	(3%)
17	GUTTER CLEANING	9,759	41,466	123,469	179,758	160,758	(19,000)	(11%)
18	WELDING	71,402	99,041	111,697	115,027	126,349	11,322	10%
19	TRAFFIC CONTROL	28,168	14,238	14,118	21,974	22,074	100	0%
20	PAVING MAINTENANCE & REPAIRS	48,602	0	0	0	0	0	0%
TOTAL		\$1,408,547	\$1,430,881	\$1,561,161	\$1,659,535	\$1,656,465	(\$3,069)	(0%)

OPERATING FUND - LANDSCAPE

21	LANDSCAPE ADMINISTRATION	\$94,424	\$148,803	\$145,024	\$332,008	\$341,287	\$9,279	3%
22	NURSERY & COMPOSTING	257,078	257,239	237,480	290,341	290,924	583	0%
23	GROUPS MAINTENANCE	2,808,720	2,910,763	3,035,110	3,173,855	3,211,028	37,173	1%
24	IRRIGATION	937,145	1,043,777	1,051,492	1,053,027	1,040,844	(12,183)	(1%)
25	SMALL EQUIPMENT REPAIR	204,148	204,044	206,371	226,338	227,135	797	0%
26	PEST CONTROL	227,888	291,533	313,692	316,113	383,390	67,277	21%
27	TREE MAINTENANCE	(8,745)	(5,498)	1,082	0	0	0	0%
TOTAL		\$4,520,658	\$4,850,661	\$4,990,251	\$5,391,682	\$5,494,608	\$102,926	2%

Line 27 moved to reserves in 2020.

**THIRD LAGUNA HILLS MUTUAL
2022 PLAN
PROGRAMS REPORT**

DESCRIPTION	2018	2019	2020	2021	2022	Assessment	
	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	Increase/(Decrease)	
						\$	%
RESERVE FUNDS - MAINTENANCE & CONSTRUCTION							
BUILDING NUMBERS	\$32,797	\$33,961	\$0	\$30,000	\$0	(\$30,000)	(100%)
BUILDING STRUCTURES	2,084,453	2,534,260	1,404,870	3,599,789	2,502,043	(1,097,746)	(30%)
ELECTRICAL SYSTEMS	50,907	50,400	16,690	59,495	30,000	(29,495)	(50%)
ENERGY PROJECTS	7,997	27,491	923	0	0	0	0%
EXTERIOR LIGHTING	302,074	59,319	760,369	75,000	25,000	(50,000)	(67%)
FENCING	21,576	123,758	57,416	58,920	63,996	5,077	9%
GARDEN VILLA LOBBY	114,664	111,162	109,636	112,500	12,000	(100,500)	(89%)
GARDEN VILLA MAILROOM	54,023	75,477	32,510	439	412	(27)	(6%)
GARDEN VILLA RECESSED AREAS	71,111	40,436	65,016	65,000	0	(65,000)	(100%)
GARDEN VILLA REC ROOM HEAT PUMP/WATER HEATER	15,546	23,584	12,473	6,017	2,983	(3,033)	(50%)
GUTTERS	136,466	39,017	134,135	76,206	78,926	2,720	4%
MAILBOXES	6,701	29,282	63,844	51,899	9,143	(42,756)	(82%)
PAINT PROGRAM	1,482,768	2,031,797	1,619,789	1,506,039	1,586,080	80,041	5%
PRIOR TO PAINT	1,538,859	1,228,861	915,496	1,071,350	1,166,432	95,082	9%
PAVING/CONCRETE	518,479	693,336	695,094	694,149	433,960	(260,189)	(37%)
ROOFS	1,576,174	1,550,899	1,429,531	1,439,294	1,461,792	22,498	2%
EXTERIOR WALLS	0	148,913	137,928	35,000	35,000	0	0%
WASTE LINE REMEDIATION	723,670	741,873	417,586	1,000,000	700,000	(300,000)	(30%)
WATER LINES - COPPER PIPE REMEDIATION	104,547	199,817	154,939	500,000	500,000	(0)	(0%)
ELEVATORS	309,899	332,267	115,890	255,000	105,000	(150,000)	(59%)
LAUNDRY COUNTERTOP/FLOOR	50,380	51,423	62,093	58,888	16,028	(42,860)	(73%)
LAUNDRY APPLIANCES	46,293	20,935	46,932	92,955	93,712	756	1%
TOTAL	\$9,249,385	\$10,148,267	\$8,253,160	\$10,787,940	\$8,822,507	(\$1,965,432)	(18%)

Lines 29, 40 - 43 include major repairs moved from operations in 2019.

Line 29 includes the funds moved from Disaster fund in 2021.

Line 35 moved from operations to reserves in 2018.

RESERVE FUNDS - GENERAL SERVICES

50 PRIOR TO PAINT	\$1,184	\$3,735	\$1,842	\$11,856	\$12,709	\$853	7%
51 PAVING/CONCRETE	0	32,375	65,491	79,002	67,608	(11,394)	(14%)
52 EXTERIOR WALLS	50,000	0	0	49,147	24,150	(24,997)	(51%)
TOTAL	\$51,184	\$36,111	\$67,333	\$140,005	\$104,467	(\$35,538)	(25%)

Line 51 moved into Reserves Fund - General Services in 2019.

**THIRD LAGUNA HILLS MUTUAL
2022 PLAN
PROGRAMS REPORT**

DESCRIPTION	2018	2019	2020	2021	2022	Assessment	
	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	Increase/(Decrease)	
						\$	%
RESERVE FUNDS - LANDSCAPE							
LANDSCAPE MODERNIZATION	\$49,813	\$797,341	\$837,542	\$487,823	\$523,701	\$35,878	7%
IMPROVEMENT & RESTORATION	0	0	0	126,524	129,213	2,689	2%
TREE MAINTENANCE	828,245	228,647	830,447	920,872	943,426	22,553	2%
TOTAL	\$878,058	\$1,025,988	\$1,667,989	\$1,535,219	\$1,596,340	\$61,121	4%

DISASTER FUND - MAINTENANCE & CONSTRUCTION

56 MOISTURE INTRUSION - RAIN LEAKS	\$208,073	\$873,957	\$707,469	\$237,513	\$237,513	\$0	0%
57 MOISTURE INTRUSION - PLUMBING LEAKS	796,702	882,146	1,254,082	400,000	400,000	0	0%
58 MOISTURE INTRUSION - PLUMBING STOPPAGES	153,986	208,893	151,227	50,000	50,000	0	0%
59 MOISTURE INTRUSION - MISCELLANEOUS	161,029	148,226	146,221	46,548	46,548	0	0%
60 DAMAGE RESTORATION SERVICES	337,753	108,912	217,829	220,370	190,935	(29,435)	(13%)
TOTAL	\$1,657,543	\$2,222,135	\$2,476,828	\$954,431	\$924,996	(\$29,435)	(3%)

Lines 56 – 60 funding for the construction portion of damage restoration was moved to Reserve Funds under the Building Structures line.

DISASTER FUND - LANDSCAPE

61 FIRE RISK MANAGEMENT	\$0	\$31,335	\$106,597	\$180,000	\$180,000	\$0	0%
TOTAL	\$0	\$31,335	\$106,597	\$180,000	\$180,000	\$0	0%

DISASTER FUND - FINANCIAL SERVICES

62 INSURANCE PREMIUMS	\$0	\$0	\$918,432	\$2,131,029	\$0	(\$2,131,029)	(100%)
TOTAL	\$0	\$0	\$918,432	\$2,131,029	\$0	(\$2,131,029)	(100%)

Lines 62 - 2021 expenditures assumes insurance premium of \$2.1M to be paid from the Disaster Fund.

GARDEN VILLA REC ROOM FUND - MAINTENANCE & CONSTRUCTION

63 GARDEN VILLA RECREATION ROOMS	\$63,429	\$71,036	\$71,247	\$71,831	\$73,459	\$1,627	2%
TOTAL	\$63,429	\$71,036	\$71,247	\$71,831	\$73,459	\$1,627	2%



DEFINITION OF FUNDS

RESERVE FUNDS

REPLACEMENT RESERVE FUND

This fund was established at the original construction of the Mutual. The purpose of the Reserve Fund is to provide for repair, restoration, replacement, or maintenance of structural elements and mechanical equipment within the Mutual including, but not limited to, building structures, plumbing, roofs, paving, and walls.

<i>Fund</i>	<i>Year</i>	<i>Beginning Balance</i>	<i>Interest</i>	<i>Contributions</i>	<i>Assessment PMPM</i>	<i>Planned Expenditures</i>	<i>ENDING BALANCE</i>
REPLACEMENT RESERVE FUND	2021	\$ 15,220,959	\$ 103,718	\$ 10,690,704	\$ 146.00	\$ (11,305,667)	\$ 14,709,714
	2022	\$ 14,709,714	\$ 17,881	\$ 10,690,704	\$ 146.00	\$ (10,308,574)	\$ 15,109,725
	2023	\$ 15,109,725	\$ 296,052	\$ 11,276,496	\$ 154.00	\$ (11,890,709)	\$ 14,791,564
	2024	\$ 14,791,564	\$ 292,903	\$ 11,862,288	\$ 162.00	\$ (12,155,118)	\$ 14,791,637
	2025	\$ 14,791,637	\$ 295,896	\$ 12,448,080	\$ 170.00	\$ (12,441,768)	\$ 15,093,845
	2026	\$ 15,093,845	\$ 313,337	\$ 13,033,872	\$ 178.00	\$ (11,887,818)	\$ 16,553,236

ELEVATOR REPLACEMENT RESERVE FUND

This Elevator Replacement Fund was established in the 1978 Business Plan and only manors located within buildings containing common elevators contributed to this fund. The Board adopted Resolution M3-97-10, which changed this from a surcharge to a shared cost for all members of the Mutual effective January 1, 1998. The purpose of this fund is to provide for repair, restoration, replacement, or maintenance of elevator components including, but not limited to, cab doors, buttons and refurbishment, controllers, hoistway doors, hydraulic cylinders, and pit water proofing.

<i>Fund</i>	<i>Year</i>	<i>Beginning Balance</i>	<i>Interest</i>	<i>Contributions</i>	<i>Assessment PMPM</i>	<i>Planned Expenditures</i>	<i>ENDING BALANCE</i>
ELEVATOR REPLACEMENT RESERVE FUND	2021	\$ 2,117,684	\$ 1,886	\$ 366,120	\$ 5.00	\$ (229,500)	\$ 2,256,190
	2022	\$ 2,256,190	\$ 2,864	\$ 366,120	\$ 5.00	\$ (105,000)	\$ 2,520,174
	2023	\$ 2,520,174	\$ 51,451	\$ 366,120	\$ 5.00	\$ (261,375)	\$ 2,676,370
	2024	\$ 2,676,370	\$ 54,510	\$ 366,120	\$ 5.00	\$ (267,909)	\$ 2,829,091
	2025	\$ 2,829,091	\$ 57,497	\$ 366,120	\$ 5.00	\$ (274,607)	\$ 2,978,101
	2026	\$ 2,978,101	\$ 60,408	\$ 366,120	\$ 5.00	\$ (281,472)	\$ 3,123,157



LAUNDRY REPLACEMENT RESERVE FUND

The Laundry Replacement Fund was one of the first funds established by the Mutual. Only manors originally built to be served by Mutual-owned laundry facilities contribute to this fund. As part of the 2019 Business Plan approval, this fund was changed from a surcharge to a shared cost for all members of the Mutual effective January 1, 2019. The purpose of this fund is to provide for repair, restoration, replacement, or maintenance of equipment in common laundry facilities including, but not limited to, washers, dryers, water heaters and plumbing fixtures.

<i>Fund</i>	<i>Year</i>	<i>Beginning Balance</i>	<i>Interest</i>	<i>Contributions</i>	<i>Assessment PMPM</i>	<i>Planned Expenditures</i>	<i>ENDING BALANCE</i>
LAUNDRY REPLACEMENT RESERVE FUND	2021	\$ 387,389	\$ 427	\$ 73,224	\$ 1.00	\$ (151,842)	\$ 309,198
	2022	\$ 309,198	\$ 349	\$ 73,224	\$ 1.00	\$ (109,740)	\$ 273,032
	2023	\$ 273,032	\$ 5,501	\$ 146,448	\$ 2.00	\$ (142,396)	\$ 282,585
	2024	\$ 282,585	\$ 5,862	\$ 146,448	\$ 2.00	\$ (125,453)	\$ 309,442
	2025	\$ 309,442	\$ 6,280	\$ 146,448	\$ 2.00	\$ (137,299)	\$ 324,871
	2026	\$ 324,871	\$ 6,953	\$ 183,060	\$ 2.50	\$ (137,461)	\$ 377,423

RESTRICTED FUNDS

DISASTER FUND

The Disaster Fund is used for the repair or replacement of mutual assets damaged by uninsured or unexpected disasters in addition to providing for certain insurance premiums as directed by the Board. This fund may also be used for write-offs of uncollectible accounts according to original definition of the General Operating Fund. This fund is not required by Civil Code and is not included in the reserve plan calculations.

<i>Fund</i>	<i>Year</i>	<i>Beginning Balance</i>	<i>Interest</i>	<i>Contributions</i>	<i>Assessment PMPM</i>	<i>Planned Expenditures</i>	<i>ENDING BALANCE</i>
DISASTER FUND	2021	\$ 6,985,570	\$ 276,685	\$ 1,830,600	\$ 25.00	\$ (5,985,802)	\$ 3,107,053
	2022	\$ 3,107,053	\$ 4,004	\$ 1,591,890	\$ 21.74	\$ (1,133,000)	\$ 3,569,947
	2023	\$ 3,569,947	\$ 4,686	\$ 1,830,600	\$ 25.00	\$ (1,161,000)	\$ 4,244,233
	2024	\$ 4,244,233	\$ 5,477	\$ 1,830,600	\$ 25.00	\$ (1,190,000)	\$ 4,890,310
	2025	\$ 4,890,310	\$ 6,235	\$ 1,830,600	\$ 25.00	\$ (1,220,000)	\$ 5,507,145
	2026	\$ 5,507,145	\$ 6,956	\$ 1,830,600	\$ 25.00	\$ (1,251,000)	\$ 6,093,701

Includes Supplemental Appropriation of Insurance premium of \$918K in 2021.

Includes Supplemental Appropriation of Moisture Intrusion Rerelandsaping of \$66K in 2021.

2021 expenditures assumes insurance premium of \$1,736K to be paid from the Disaster Fund.



UNAPPROPRIATED EXPENDITURES FUND

In 1977, Resolution No. 696 established the Supplemental Appropriations Fund. The fund name was changed to the Unappropriated Expenditures Fund in 1991. This contingency fund is used for significant expenditures not otherwise identified in the Business Plan. This fund is not required by Civil Code and is not included in the reserve plan calculations.

<i>Fund</i>	<i>Year</i>	<i>Beginning Balance</i>	<i>Interest</i>	<i>Contributions</i>	<i>Assessment PMPM</i>	<i>Planned Expenditures</i>	<i>ENDING BALANCE</i>
UNAPPROPRIATED EXPENDITURES FUND	2021	\$ 4,325,546	\$ 110,705	\$ 585,792	\$ 8.00	\$ (1,736,403)	\$ 3,285,640
	2022	\$ 3,285,640	\$ 3,703	\$ 0	\$ 0	\$ (400,000)	\$ 2,889,343
	2023	\$ 2,889,343	\$ 3,573	\$ 585,792	\$ 8.00	\$ (410,000)	\$ 3,068,708
	2024	\$ 3,068,708	\$ 3,782	\$ 585,792	\$ 8.00	\$ (420,000)	\$ 3,238,282
	2025	\$ 3,238,282	\$ 3,979	\$ 585,792	\$ 8.00	\$ (431,000)	\$ 3,397,053
	2026	\$ 3,397,053	\$ 4,163	\$ 585,792	\$ 8.00	\$ (442,000)	\$ 3,545,008
	<i>2021 expenditures assumes insurance premium of \$1,736K to be paid from the Unappropriated Expenditures Fund.</i>						

GARDEN VILLA RECREATION ROOM FUND

Surcharge Fund: Only manors located within the 53 Garden Villa buildings contribute to this fund.

The Replacement Reserve-Villa Furnishings Fund was established in 1975 for the replacement of furnishings in the Villa buildings. Several policy changes were made through the years regarding the fund name and usage. On September 19, 1995, the Board of Directors adopted Resolution M3-95-82 approving a fund name of Garden Villa Recreation Room Fund. The purpose of this fund is to provide for all expenditures in the recreation rooms of Garden Villa buildings (repairs, replacements and preventive maintenance), other than janitorial services. On June 16, 2009 the Board directed that water heater and heat pump components previously paid from this fund will be paid from the Replacement Fund. This fund is not required by Civil Code and is not included in the reserve plan calculations.

<i>Fund</i>	<i>Year</i>	<i>Beginning Balance</i>	<i>Interest</i>	<i>Contributions</i>	<i>Assessment PMPM</i>	<i>Planned Expenditures</i>	<i>ENDING BALANCE</i>
SURCHARGE: GARDEN VILLA REC ROOM FUND	2021	\$ 89,700	\$ 2,229	\$ 85,698	\$ 5.75	\$ (71,831)	\$ 105,796
	2022	\$ 105,796	\$ 137	\$ 89,424	\$ 6.00	\$ (73,459)	\$ 121,898
	2023	\$ 121,898	\$ 157	\$ 93,150	\$ 6.25	\$ (75,300)	\$ 139,905
	2024	\$ 139,905	\$ 177	\$ 93,150	\$ 6.25	\$ (77,200)	\$ 156,032
	2025	\$ 156,032	\$ 196	\$ 93,150	\$ 6.25	\$ (79,100)	\$ 170,278
	2026	\$ 170,278	\$ 212	\$ 93,150	\$ 6.25	\$ (81,100)	\$ 182,540

**Third Mutual - Laguna Woods Village**

Laguna Woods, CA

Level of Service: **Update "No-Site-Visit"**Report #: **31071-2**

of Units: 6,102

January 1, 2022 through December 31, 2022**Findings & Recommendations****as of January 1, 2022**

Projected Starting Reserve Balance	\$17,275,103
Current Full Funding Reserve Balance	\$46,724,065
Average Reserve Deficit (Surplus) Per Unit	\$4,826
Percent Funded	37.0 %
Recommended 2022 "Annual Full Funding Contributions"	\$13,260,000
Alternate minimum contributions to keep Reserve above \$8,290,000	\$11,130,048
Most Recent Reserve Contribution Rate	\$11,130,048

Reserve Fund Strength: 37.0%**Weak****Fair****Strong**

< 30%

< 70%

> 130%

**Risk of Special Assessment:****High****Medium****Low****Economic Assumptions:**Net Annual "After Tax" Interest Earnings Accruing to Reserves **2.00 %**Annual Inflation Rate **3.00 %**

This is an Update "No-Site-Visit", and is based on a prior Report prepared by Association Reserves for your 2021 Fiscal Year. No site inspection was performed as part of this Reserve Study.

This Reserve Study was prepared by a credentialed Reserve Specialist, Sean Erik Andersen RS #68.

The Reserve Fund is between the 30% Funded level and the 70% Funded level at 37.0 % Funded, which is a fair position for the fund to be in. This means that the Mutual's special assessment & deferred maintenance risk is currently Medium. The objective of your multi-year Funding Plan is to continue to Fully Fund Reserves and maintain a position of strength in the fund, where the Mutual enjoy a low risk of Reserve cash flow problems. Your multi-year Funding Plan is designed to gradually bring you to the 100% level, or "Fully Funded".

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions to \$13,260,000.

*The Alternative Contribution rate, also called Threshold Funding will keep the Reserve Funds above \$8,290,000. This figure for the Mutual is \$11,130,048.

To receive a copy of the full Reserve Study, contact the Mutual.

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Paved Surfaces			
103 Parkway Concrete - Repair/Replace	1	1	\$150,000
201 2022 Asphalt Paving Replacement	25	0	\$388,000
201 2023 Asphalt Paving Replacement	25	1	\$381,000
201 2024 Asphalt Paving Replacement	25	2	\$438,000
201 2025 Asphalt Paving Replacement	25	3	\$453,000
201 2026 Asphalt Paving Replacement	25	4	\$360,000
201 2027 Asphalt Paving Replacement	25	5	\$363,000
201 2028 Asphalt Paving Replacement	25	6	\$355,000
201 2029 Asphalt Paving Replacement	25	7	\$389,000
201 2030 Asphalt Paving Replacement	25	8	\$379,000
201 2031 Asphalt Paving Replacement	25	9	\$365,000
201 2032 Asphalt Paving Replacement	25	10	\$360,000
201 2033 Asphalt Paving Replacement	25	11	\$358,000
201 2034 Asphalt Paving Replacement	25	12	\$355,000
201 2035 Asphalt Paving Replacement	25	13	\$336,000
201 2036 Asphalt Paving Replacement	25	14	\$344,000
201 2037 Asphalt Paving Replacement	25	15	\$318,000
201 2038 Asphalt Paving Replacement	25	16	\$235,000
201 2039 Asphalt Paving Replacement	25	17	\$145,000
201 2041 Asphalt Paving Replacement	25	19	\$160,000
201 2042 Asphalt Paving Replacement	25	20	\$299,000
201 2043 Asphalt Paving Replacement	25	21	\$245,000
201 2044 Asphalt Paving Replacement	25	22	\$399,000
201 2045 Asphalt Paving Replacement	25	23	\$571,000
201 2046 Asphalt Paving Replacement	25	24	\$398,000
202 Paving Seal Coat - Annually	1	0	\$47,200
205 (2022) Concrete & Paving Maint	10	0	\$69,300
205 (2023) Concrete & Paving Maint	10	1	\$50,400
205 (2024) Concrete & Paving Maint	10	2	\$111,500
205 (2025) Concrete & Paving Maint	10	3	\$94,900
205 (2026) Concrete & Paving Maint	10	4	\$50,700
205 (2027) Concrete & Paving Maint	10	5	\$33,100
205 (2028) Concrete & Paving Maint	10	6	\$17,000
205 (2029) Concrete & Paving Maint	10	7	\$32,000
205 (2030) Concrete & Paving Maint	10	8	\$63,000
205 (2031) Concrete & Paving Maint	10	9	\$65,700
Roofing & Gutters			

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
1308 (2022) LWT to Comp Shingle	40	0	\$119,000
1308 (2023) LWT to Comp Shingle	40	1	\$116,000
1308 (2024) LWT to Comp Shingle	40	2	\$118,000
1308 (2025) LWT to Comp Shingle	40	3	\$117,000
1308 (2026) LWT to Comp Shingle	40	4	\$114,000
1308 (2027) LWT to Comp Shingle	40	5	\$112,000
1308 (2028) LWT to Comp Shingle	40	6	\$117,000
1308 (2029) LWT to Comp Shingle	40	7	\$118,000
1308 (2030) LWT to Comp Shingle	40	8	\$442,000
1308 (2031) LWT to Comp Shingle	40	9	\$446,000
1308 (2032) LWT to Comp Shingle	40	10	\$446,000
1308 (2033) LWT to Comp Shingle	40	11	\$446,000
1308 (2034) LWT to Comp Shingle	40	12	\$443,000
1308 (2035) LWT to Comp Shingle	40	13	\$443,000
1308 (2036) LWT to Comp Shingle	40	14	\$445,000
1308 (2037) LWT to Comp Shingle	40	15	\$442,000
1308 (2038) LWT to Comp Shingle	40	16	\$444,000
1308 (2039) LWT to Comp Shingle	40	17	\$447,000
1308 (2040) LWT to Comp Shingle	40	18	\$443,000
1308 (2041) LWT to Comp Shingle	40	19	\$444,000
1308 (2042) LWT to Comp Shingle	40	20	\$441,000
1308 (2043) LWT to Comp Shingle	40	21	\$446,000
1308 (2044) LWT to Comp Shingle	40	22	\$447,000
1308 (2045) LWT to Comp Shingle	40	23	\$447,000
1308 (2046) LWT to Comp Shingle	40	24	\$440,000
1308 (2047) LWT to Comp Shingle	40	25	\$446,000
1308 (2048) LWT to Comp Shingle	40	26	\$442,000
1308 (2049) LWT to Comp Shingle	40	27	\$441,000
1308 (2050) LWT to Comp Shingle	40	28	\$452,000
1308 (2051) LWT to Comp Shingle	40	29	\$476,000
1310 (2039) Malibu/Capistrano Tile Roofs	40	17	\$603,000
1310 (2040) Malibu/Capistrano Tile Roofs	40	18	\$607,000
1310 (2041) Malibu/Capistrano Tile Roofs	40	19	\$606,000
1310 (2042) Malibu/Capistrano Tile Roofs	40	20	\$603,000
1310 (2043) Malibu/Capistrano Tile Roofs	40	21	\$605,000
1310 (2044) Malibu/Capistrano Tile Roofs	40	22	\$607,000
1310 (2045) Malibu/Capistrano Tile Roofs	40	23	\$606,000
1310 (2046) Malibu/Capistrano Tile Roofs	40	24	\$290,000
1310 (2047) Malibu/Capistrano Tile Roofs	40	25	\$409,000
1310 (2048) Malibu/Capistrano Tile Roofs	40	26	\$589,000
1310 (2049) Malibu/Capistrano Tile Roofs	40	27	\$577,000
1310 (2050) Malibu/Capistrano Tile Roofs	40	28	\$601,000

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
1310 (2051) Malibu/Capistrano Tile Roofs	40	29	\$597,000
1310 (2052) Malibu/Capistrano Tile Roofs	40	30	\$604,000
1310 (2053) Malibu/Capistrano Tile Roofs	40	31	\$606,000
1310 (2054) Malibu/Capistrano Tile Roofs	40	32	\$605,000
1311 (2030) Metal Tile Roof - Replace	40	8	\$265,000
1311 (2031) Metal Tile Roof - Replace	40	9	\$257,000
1311 (2032) Metal Tile Roof - Replace	40	10	\$264,000
1311 (2033) Metal Tile Roof - Replace	40	11	\$274,000
1311 (2034) Metal Tile Roof - Replace	40	12	\$275,000
1311 (2035) Metal Tile Roof - Replace	40	13	\$261,000
1311 (2036) Metal Tile Roof - Replace	40	14	\$272,000
1311 (2037) Metal Tile Roof - Replace	40	15	\$269,000
1311 (2038) Metal Tile Roof - Replace	40	16	\$276,000
1311 (2039) Metal Tile Roof - Replace	40	17	\$269,000
1311 (2040) Metal Tile Roof - Replace	40	18	\$272,000
1311 (2041) Metal Tile Roof - Replace	40	19	\$277,000
1311 (2042) Metal Tile Roof - Replace	40	20	\$275,000
1311 (2043) Metal Tile Roof - Replace	40	21	\$271,000
1311 (2044) Metal Tile Roof - Replace	40	22	\$273,000
1311 (2045) Metal Tile Roof - Replace	40	23	\$269,000
1311 (2046) Metal Tile Roof - Replace	40	24	\$275,000
1311 (2047) Metal Tile Roof - Replace	40	25	\$274,000
1311 (2048) Metal Tile Roof - Replace	40	26	\$268,000
1311 (2049) Metal Tile Roof - Replace	40	27	\$264,000
1314 (2022) PVC Cool Roof System - Repl	25	0	\$1,100,000
1314 (2023) PVC Cool Roof System - Repl	25	1	\$1,112,000
1314 (2024) PVC Cool Roof System - Repl	25	2	\$1,114,000
1314 (2025) PVC Cool Roof System - Repl	25	3	\$1,111,000
1314 (2026) PVC Cool Roof System - Repl	25	4	\$1,115,000
1314 (2027) PVC Cool Roof System - Repl	25	5	\$1,105,000
1314 (2028) PVC Cool Roof System - Repl	25	6	\$1,157,000
1314 (2028) PVC Cool Roof System - Repl	25	6	\$1,157,000
1314 (2029) PVC Cool Roof System - Repl	25	7	\$1,221,000
1314 (2030) PVC Cool Roof System - Repl	25	8	\$1,244,000
1314 (2031) PVC Cool Roof System - Repl	25	9	\$1,250,000
1314 (2032) PVC Cool Roof System - Repl	25	10	\$1,242,000
1314 (2033) PVC Cool Roof System - Repl	25	11	\$1,251,000
1314 (2034) PVC Cool Roof System - Repl	25	12	\$1,282,000
1314 (2035) PVC Cool Roof System - Repl	25	13	\$1,253,000
1314 (2036) PVC Cool Roof System - Repl	25	14	\$1,294,000
1314 (2037) PVC Cool Roof System - Repl	25	15	\$1,431,000
1314 (2038) PVC Cool Roof System - Repl	25	16	\$1,360,000

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
1314 (2039) PVC Cool Roof System - Repl	25	17	\$1,147,000
1314 (2040) PVC Cool Roof System - Repl	25	18	\$1,400,000
1314 (2041) PVC Cool Roof System - Repl	25	19	\$1,163,000
1314 (2042) PVC Cool Roof System - Repl	25	20	\$1,052,000
1314 (2043) PVC Cool Roof System - Repl	25	21	\$786,000
1314 (2044) PVC Cool Roof System - Repl	25	22	\$636,000
1314 (2045) PVC Cool Roof System - Repl	25	23	\$607,000
1314 (2046) PVC Cool Roof System - Repl	25	24	\$569,000
1314 (2047) PVC Cool Roof System - Repl	25	24	\$619,000
1314 (2048) PVC Cool Roof System - Repl	25	24	\$659,000
1314 (2049) PVC Cool Roof System - Repl	25	25	\$659,000
1316 Roof Preventative Maintenance	1	0	\$114,000
1317 Emergency Roof Repairs	1	0	\$150,000
1330 (2040) 3- Story Gutters R/R	30	18	\$125,000
1330 (2041) 3- Story Gutters R/R	30	19	\$125,000
1330 (2042) 3- Story Gutters R/R	30	20	\$125,000
1330 (2043) 3- Story Gutters R/R	30	21	\$125,000
1330 (2044) 3- Story Gutters R/R	30	22	\$125,000
1330 (2045) 3- Story Gutters R/R	30	23	\$125,000
1330 (2046) 3- Story Gutters R/R	30	24	\$125,000
1330 (2047) 3- Story Gutters R/R	30	25	\$125,000
1330 (2048) 3- Story Gutters R/R	30	26	\$12,500
1331 (2022) 1 & 2-Story Gutters R/R	1	0	\$28,900
1331 (2023-2029) 1 & 2-Story Gutters R/R	1	1	\$100,000
1331 (2030-2051) 1 & 2-Story Gutters R/R	1	8	\$50,000
Building Structures			
1860 (2023-2028) Fire Alarm System	1	1	\$210,000
3210 (2022) MO/Carpentry/CP Panels	1	0	\$666,000
3210 (2023-2025) MO/Carpentry/CP Panels	1	1	\$625,300
3210 (2026-2039) MO/Carpentry/CP Panels	1	4	\$359,000
3210 (2040-2051) MO/Carpentry/CP Panels	1	18	\$291,000
3213 (2023-2027) Bldg Structure Dry Rot	1	1	\$512,500
3213 (2028-2037) Bldg Structure Dry Rot	1	6	\$256,300
3213 (2038-2050) Bldg Structure Dry Rot	1	16	\$128,100
3216 (2022) Bldg Struct Replacement	1	0	\$200,000
3216 (2023-2027) Bldg Struct Replacement	1	1	\$350,000
3216 (2028-2037) Bldg Struct Replacement	1	6	\$175,000
3216 (2038-2051) Bldg Struct Replacement	1	16	\$87,500
3219 (2023-2025) Parapet Wall Removal	1	1	\$275,000
3220 Bldg Struct Foundation Repairs	1	0	\$75,000
3223 (2023-2027) Storage Cabinets	1	1	\$91,000
3225 (2022) Glulam/Beam - Repair	10	0	\$299,000

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
3225 (2024) Glulam/Beam - Repair	10	2	\$149,500
3225 (2026) Glulam/Beam - Repair	10	4	\$149,500
3225 (2027) Glulam/Beam - Repair	10	5	\$399,000
3225 (2028) Glulam/Beam - Repair	10	6	\$199,000
3225 (2029) Glulam/Beam - Repair	10	7	\$149,500
3225 (2030) Glulam/Beam - Repair	10	8	\$49,800
3225 (2031) Glulam/Beam - Repair	10	9	\$1,246,000
3230 Annual Bldg Dry Rot - Repairs	1	0	\$141,500
3231 (2022) Bldg Lead Abatement	1	0	\$5,000
3231 Bldg Lead Abatement	1	1	\$1,200
3235 Annual Damage Restoration	1	0	\$889,000
Decking Projects			
151 Balcony Inspections	1	0	\$50,000
153 (2022) Mid-Cycle Decks Seal	1	0	\$435,800
153 (2023-2025) Mid-Cycle Decks Seal	1	1	\$412,100
153 Annual Mid-Cycle Decks Seal	1	6	\$412,100
Prior To Painting & Painting Projects			
153 Deck Top Coat With Painting	1	0	\$63,000
1115 (2022) Full Cycle Exterior Painting	1	0	\$1,235,000
1115 Annual Full Cycle Exterior Painting	1	1	\$1,126,000
1116 Annual Exterior Paint Touch-Up	1	0	\$156,000
1116 Annual Interior Paint Touch-Up	1	0	\$75,500
1400 Annual HIP Reflective Address Signs	1	0	\$38,000
1401 Building # Signage - Replace	1	1	\$39,300
2901 Annual Lead Testing & Abatement	1	0	\$7,500
2902 PTP Annual Asbestos Abatement	1	0	\$36,000
2910 (2022) PTP Repair Work	1	0	\$741,300
2910 (2023-2034) PTP Repair Work	1	1	\$668,700
2910 Annual PTP Repair Work	1	13	\$632,200
Elevators			
2800 Miscellaneous Elevator Components	1	1	\$14,000
2802 (2023-2026) Cab Door Operators	1	1	\$55,000
2802 (2051) Cab Door Operators Replace	40	29	\$110,000
2804 (2023) Cab Remodel & Flooring	40	1	\$53,500
2804 (2024) Cab Remodel & Flooring	40	2	\$53,500
2804 (2025) Cab Remodel & Flooring	40	3	\$53,500
2804 (2026) Cab Remodel & Flooring	40	4	\$53,500
2806 (2032) Controllers & Call Buttons	30	10	\$590,000
2806 (2033) Controllers & Call Buttons	30	11	\$590,000
2806 (2034) Controllers & Call Buttons	30	12	\$590,000
2806 (2035) Controllers & Call Buttons	30	13	\$590,000
2806 (2036) Controllers & Call Buttons	30	14	\$590,000

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
2806 (2037) Controllers & Call Buttons	30	15	\$590,000
2806 (2038) Controllers & Call Buttons	30	16	\$590,000
2806 (2039) Controllers & Call Buttons	30	17	\$708,000
2808 (2023) Hoistway Doors Replace	40	1	\$49,100
2808 (2024) Hoistway Doors Replace	40	2	\$49,100
2808 (2025) Hoistway Doors Replace	40	3	\$49,100
2808 (2026) Hoistway Doors Replace	40	4	\$49,100
2850 (2023-2026) Machine Room Power Unit	1	1	\$67,500
2850 (2051) Machine Room Power Units	1	29	\$135,000
2852 (2023) Solid State Soft Starters	20	1	\$16,000
2852 (2024) Solid State Soft Starters	20	2	\$16,000
2852 (2025) Solid State Soft Starters	20	3	\$16,000
2852 (2026) Solid State Soft Starters	20	4	\$16,000
Garden Villas			
332 (2023) GV Water Heaters	10	1	\$1,000
332 (2024) GV Water Heaters	10	2	\$1,000
332 (2026) GV Water Heaters	10	4	\$1,000
332 (2027) GV Water Heaters	10	5	\$1,500
332 (2028) GV Water Heaters	10	6	\$7,400
332 (2029) GV Water Heaters	10	7	\$4,400
332 (2030) GV Water Heaters	10	8	\$4,400
332 (2031) GV Water Heaters	10	9	\$6,200
336 GV Rec Room Heat Pump	1	0	\$2,000
912 (2023) GV Lobby Renovations	1	1	\$11,300
912 (2031-2041) GV Lobby Renovations	10	9	\$56,500
912 (2051-2061) GV Lobby Renovations	10	29	\$56,500
915 (2026) Mail Room Renvoations	10	4	\$80,000
915 (2027) Mail Room Renvoations	10	5	\$80,000
915 (2028) Mail Room Renvoations	10	6	\$80,000
915 (2029) Mail Room Renvoations	10	7	\$80,000
915 (2030) Mail Room Renvoations	10	8	\$80,000
915 (2031) Mail Room Renvoations	10	9	\$24,000
1950 (2023-2035) GV Concrete Filler	1	0	\$225,000
1951 GV Recessed Area Carpet	1	0	\$64,400
Lighting Replacement Projects			
360 Street Light Replacement	1	0	\$29,000
370 Exterior Lighting Replacement	1	1	\$50,000
Walls, Fencing & Railings			
501 Common Interior Walls- Repair	1	0	\$25,000
501 Perimeter Block Wall - Repair	1	0	\$24,100
504 (2022) Perim Shepherds Crooks - R/R	1	0	\$35,000
504 Shepherds Crooks - Replace/Repair	1	1	\$145,000

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
516 Split Rail Fencing Replacement	1	0	\$66,700
Laundry Facilities			
603 (2023-2029) Epoxy Floors - Replace	1	0	\$50,300
603 (2041) Epoxy Floors - Replace	25	19	\$50,300
990 (2022) Countertops - Replace	20	0	\$6,400
990 (2023) Countertops - Replace	20	1	\$14,500
990 (2034-2043) Countertops - Replace	1	12	\$15,000
992 Commercial Washers - Replace	1	0	\$62,000
993 (2026-2027) Commercial Dryers	1	4	\$7,700
993 Annual Commercial Dryers - Replace	1	4	\$37,900
994 (2022) Laundry Water Heaters	10	0	\$33,200
994 (2023) Laundry Water Heaters	10	1	\$13,200
994 (2024) Laundry Water Heaters	10	2	\$8,100
994 (2025) Laundry Water Heaters	10	3	\$16,200
994 (2026) Laundry Water Heaters	10	4	\$8,100
994 (2027) Laundry Water Heaters	10	5	\$6,100
994 (2028) Laundry Water Heaters	10	6	\$17,200
994 (2029) Laundry Water Heaters	10	7	\$6,100
994 (2030) Laundry Water Heaters	10	8	\$5,100
Sewer Lines, Water Lines & Elect			
318 (2023-2041) Waste Line Liners	1	1	\$1,000,000
319 (2022-2028) Copper Water Lines	1	0	\$287,000
319 (2029-2045) Copper Water Lines	1	7	\$137,600
319 (2046-2051) Copper Water Lines	1	24	\$103,200
340 (2022) Elect System & Panel Replace	1	0	\$30,000
340 Elect System & Panel Replacement	1	1	\$50,000
341 Heat Pumps/Wall Heaters, Replace	1	1	\$9,500
2810 (2023-2028) Energy Consultant	1	1	\$10,000
Grounds & Miscellaneous			
450 Pedestal Mailboxes - Replace	1	0	\$27,000
Landscape Projects			
1020 Annual Tree Trimming	1	0	\$859,000
1022 (2022) Landscape Modernization	1	0	\$300,000
1022 (2023) Landscape Modernization	1	1	\$200,000
1022 Annual Landscape Modernization	1	2	\$50,000
1022 Landscape Improvement & Restoration	1	0	\$173,000
1024 Slope Renovations	1	0	\$817,000
272 Total Funded Components			

	Useful Life		2022 Rem. Useful Life		Estimated Replacement Cost in 2022	2022 Expenditures	01/01/2022 Fully Funded Balance	2022 Contributions
	Min	Max	Min	Max				
Paved Surfaces	1	25	0	24	\$9,178,800	\$504,500	\$5,008,190	\$390,396
Roofing & Gutters	1	40	0	32	\$57,806,400	\$1,511,900	\$29,450,165	\$1,551,678
Building Structures	1	10	0	18	\$7,979,700	\$2,275,500	\$2,943,310	\$3,696,353
Decking Projects	1	1	0	6	\$1,310,000	\$485,800	\$485,800	\$864,292
Prior To Painting & Painting Projects	1	1	0	13	\$4,818,500	\$2,352,300	\$2,352,300	\$3,179,077
Elevators	1	40	1	29	\$5,693,900	\$0	\$3,118,133	\$296,219
Garden Villas	1	10	0	29	\$866,600	\$291,400	\$468,280	\$236,915
Lighting Replacement Projects	1	1	0	1	\$79,000	\$29,000	\$29,000	\$52,121
Walls, Fencing & Railings	1	1	0	1	\$295,800	\$150,800	\$150,800	\$195,158
Laundry Facilities	1	25	0	19	\$357,400	\$151,900	\$225,087	\$123,565
Sewer Lines, Water Lines & Elect	1	1	0	24	\$1,627,300	\$317,000	\$317,000	\$1,073,635
Grounds & Miscellaneous	1	1	0	0	\$27,000	\$27,000	\$27,000	\$17,814
Landscape Projects	1	1	0	2	\$2,399,000	\$2,149,000	\$2,149,000	\$1,582,776
					\$92,439,400	\$10,246,100	\$46,724,065	\$13,260,000

Percent Funded: 37.0%



30-Year Reserve Plan Summary (Alternate Funding Plan)

Report # 31071-2
No-Site-Visit

Fiscal Year Start: 2022

Interest:

2.00 %

Inflation:

3.00 %

Reserve Fund Strength: as-of Fiscal Year Start Date

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2022	\$17,275,103	\$46,724,065	37.0 %	Medium	\$11,130,048	\$0	\$357,608	\$10,246,100
2023	\$18,516,659	\$51,514,692	35.9 %	Medium	\$12,142,882	\$0	\$366,014	\$12,909,093
2024	\$18,116,462	\$53,952,534	33.6 %	Medium	\$12,385,740	\$0	\$355,508	\$13,392,589
2025	\$17,465,121	\$56,391,173	31.0 %	Medium	\$12,633,455	\$0	\$342,438	\$13,632,644
2026	\$16,808,370	\$58,072,411	28.9 %	High	\$12,886,124	\$0	\$336,937	\$13,116,905
2027	\$16,914,526	\$60,614,220	27.9 %	High	\$13,143,846	\$0	\$337,940	\$13,487,574
2028	\$16,908,738	\$62,647,067	27.0 %	High	\$13,406,723	\$0	\$330,644	\$14,461,764
2029	\$16,184,342	\$63,706,367	25.4 %	High	\$13,674,858	\$0	\$332,671	\$13,080,323
2030	\$17,111,547	\$57,230,145	29.9 %	High	\$13,948,355	\$0	\$350,313	\$13,460,065
2031	\$17,950,149	\$59,483,407	30.2 %	Medium	\$14,227,322	\$0	\$350,958	\$15,352,353
2032	\$17,176,077	\$60,287,218	28.5 %	High	\$14,511,868	\$0	\$339,158	\$15,258,020
2033	\$16,769,083	\$61,657,273	27.2 %	High	\$14,802,106	\$0	\$333,721	\$15,272,944
2034	\$16,631,966	\$63,532,760	26.2 %	High	\$15,098,148	\$0	\$325,727	\$16,086,860
2035	\$15,968,981	\$65,045,284	24.6 %	High	\$15,400,111	\$0	\$314,339	\$16,191,318
2036	\$15,492,112	\$66,586,085	23.3 %	High	\$15,708,113	\$0	\$303,268	\$16,642,571
2037	\$14,860,922	\$68,196,316	21.8 %	High	\$16,022,275	\$0	\$283,338	\$17,669,064
2038	\$13,497,471	\$68,954,066	19.6 %	High	\$16,342,721	\$0	\$262,801	\$17,297,612
2039	\$12,805,381	\$70,384,810	18.2 %	High	\$16,669,575	\$0	\$243,267	\$18,175,870
2040	\$11,542,353	\$71,353,466	16.2 %	High	\$17,002,967	\$0	\$226,041	\$17,689,982
2041	\$11,081,380	\$73,378,994	15.1 %	High	\$17,343,026	\$0	\$194,048	\$20,278,245
2042	\$8,340,208	\$71,536,433	11.7 %	High	\$17,689,887	\$0	\$172,976	\$17,230,662
2043	\$8,972,409	\$73,282,886	12.2 %	High	\$18,043,684	\$0	\$196,161	\$16,551,599
2044	\$10,660,655	\$76,272,864	14.0 %	High	\$18,404,558	\$0	\$225,029	\$17,428,493
2045	\$11,861,749	\$78,984,530	15.0 %	High	\$18,772,649	\$0	\$248,129	\$17,909,903
2046	\$12,972,624	\$81,553,226	15.9 %	High	\$19,148,102	\$0	\$252,555	\$20,068,557
2047	\$12,304,724	\$82,534,961	14.9 %	High	\$19,531,064	\$0	\$231,909	\$21,161,395
2048	\$10,906,303	\$82,996,697	13.1 %	High	\$19,921,686	\$0	\$218,447	\$20,089,079
2049	\$10,957,357	\$85,170,228	12.9 %	High	\$20,320,119	\$0	\$217,822	\$20,651,546
2050	\$10,843,753	\$84,209,244	12.9 %	High	\$20,726,522	\$0	\$220,252	\$20,589,976
2051	\$11,200,551	\$87,144,088	12.9 %	High	\$21,141,052	\$0	\$193,342	\$24,384,562

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STAFF REPORT

DATE: September 21, 2021
FOR: Board of Directors
SUBJECT: Approve a Resolution for the Parking and Golf Cart Subcommittee Mission Statement/Charter

RECOMMENDATION

Approve Resolution 03-21-XX to establish a Mission Statement and Charter for the Parking and Golf Cart Subcommittee (Attachment 1).

BACKGROUND

The Parking and Golf Cart Subcommittee was previously known as a Task Force. In March, 2021 the Board updated the Third Mutual Committee Appointments and changed the title of this group to a Subcommittee, as the assigned duties of this Subcommittee will be on-going for years to come. A draft Mission Statement & Charter was presented to the Subcommittee and suggested revisions were made and accepted.

DISCUSSION

The revised Mission Statement and Charter was placed on the Third M&C Committee agenda for review. At the M&C Committee meeting on September 13, 2021, the Committee unanimously voted to recommend the Board approve the resolution to establish a formal Mission Statement and Charter for the Parking and Golf Cart Subcommittee.

FINANCIAL ANALYSIS

There is no fiscal impact for the recommended actions.

Prepared By: Laurie Chavarria, Executive Assistant

Reviewed By: Manuel Gomez, Maintenance and Construction Director

Committee Routing: Third M&C Committee 9/13/2021

ATTACHMENT(S)

Attachment 1 – Proposed Resolution to establish a Mission Statement & Charter for the Parking and Golf Cart Subcommittee

ENDORSEMENT (to Board) 3 pages

Approve the Mission Statement & Charter for Parking and Golf Cart Subcommittee

Chair Mutchnick read the mission statement of the Parking and Golf Cart Subcommittee, which reviews parking, golf cart and electric vehicle information and forwards recommendations to the M&C Committee for review.

A motion was made and unanimously carried to recommend the Board approve proposed Resolution 03-21-XX to establish a Mission Statement and Charter for the Parking and Golf Cart Subcommittee.

**Attachment 1 – Proposed Resolution to establish a Mission Statement & Charter for the
Parking and Golf Cart Subcommittee**

RESOLUTION 03-21-XX

**THIRD LAGUNA HILLS MUTUAL PARKING AND GOLF CART SUBCOMMITTEE
CHARTER AND MISSION STATEMENT**

RESOLVED, the primary mission of the Third Mutual Parking and Golf Cart Subcommittee, as a subcommittee of the Third Mutual Maintenance and Construction committee shall be to oversee parking matters within the mutual for all vehicles, including golf carts; identify and recommend parking solutions or resolutions to parking issues that will improve safety, and efficiency; review and address concerns of residents related to parking; provide possibilities for parking improvements, and inform the M&C Committee of issues, concerns, and opportunities in furtherance of these overall goals and objectives;

NOW THEREFORE BE IT RESOLVED, September 21, 2021, the Board of Directors of the Third Laguna Hills Mutual (hereafter, "Mutual") hereby assigns the duties and responsibilities of this Subcommittee as follows:

1. Review and evaluate existing and proposed purchases/installations of devices, systems, or materials that will generate, control, or make available parking options, and make recommendations to improve efficiency, reliability, sustainability, cost reduction, or operability, including items required to satisfy future needs.
2. Consult, review, and analyze proposed EV Charging Station locations with the Third Mutual Maintenance and Construction Committee for the purpose of long-term planning and to make recommendations for funding, installation, and sustainability.
3. Review proposed needs for parking allocations or changes which are not budgeted, with the Third M&C and Finance Committees, and make recommendations.
4. Investigate and evaluate funding sources for energy-related EV projects, including grants and incentives, for which the Third Mutual may be eligible, and assist in preparation of any requests.
5. Work with the VMS staff to support the parking needs of the residents of Third Mutual.
6. Hold meetings as required and make progress reports to the various committees as necessary to fulfill the mission of the subcommittee.

RESOLVED FURTHER, that the officers and agents of this corporation are hereby authorized, on behalf of the corporation, to carry out the purpose of this resolution.

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STAFF REPORT

DATE: September 21, 2021
FOR: Third Mutual Board of Directors
SUBJECT: Alteration Fee Schedule Revision

RECOMMENDATION

The Third Architectural Control & Standards Committee recommend the Third Mutual Board approve the new Alteration Fee Schedule, as provided in Attachment One, which allows for a more appropriate fee structure to the actual cost of staff labor expended on Mutual Consent Alterations.

BACKGROUND

The current Fee Schedule was adopted in 2017. The actual cost expended by Manor Alterations at its current rate do not align with the 2017 adopted Fee Schedule.

DISCUSSION

Prior to the commencement of most manor alterations, Mutual members or their authorized contractors are required to obtain a Mutual Consent (permit application) from the Permits & Inspections Office. A Permit Fee is charged to partially offset administrative costs associated with the processing and review of Mutual Consents. Depending on the type of alteration to be performed, the fees are currently calculated using either a flat fee or the value of the proposed alteration. The process starts as soon as the Mutual Consent is submitted to the Permits & Inspections Office. Staff reviews the application and ensures that the proposed alteration conforms to Mutual Standards.

Since alterations are optional, and chosen by the Member, it is reasonable that the cost for processing the applications and inspecting the work be borne by those electing to alter their manor. Over the past year, several new processes and services, along with improvements to customer service, have been implemented in the Manor Alterations Division. Contractor parking passes, demolition mutual consents, and conformance deposits have all brought significant improvements to the services offered and have increased safety within the Village. Given the processes and administrative requirements currently involved, it is suggested that the ACSC now consider updating the alteration fee schedule to reflect the increased administrative and processing cost increase for Mutual Consents.

As shown on Attachment 1, the Financial Analysis factors in the cost of each staff members time in order to process Mutual Consents, Variances, Resale Inspections, and other submissions.

The cost of each staff members time is based upon their position within Manor Alterations (Attachment 2). The financial analysis extrapolates the amount of additional earnings captured by the proposed fee increase (Attachment 3). The proposed resolution 03-21-XX (Attachment 4) would serve to update the existing fee schedule and enact a more accurate fee schedule reflective of current costs incurred by the Mutual.

FINANCIAL ANALYSIS

The total average increase is estimated to incur a \$67,200 increase to the assessment value in Mutual Consents with an increase of \$12,300 in Variance fees. The proposed fee increases will partially offset the operating costs of the added staff. This additional income is not represented in the current 2022 Budget projection for Manor Alterations.

Prepared By: Robbi Doncost, Manor Alterations Manager

Reviewed By: Gavin Fogg, Manor Alterations Supervisor
Guy West, Maintenance & Construction Director
Jeff Parker, CEO

ATTACHMENT(S)

Attachment 1 – Financial Analysis
Attachment 2 – Organizational Chart
Attachment 3 – Revised Fee Schedule
Attachment 4 – Resolution 03-21-XX

Attachment 1 – Financial Analysis

925 ADDED STAFF FINANCIAL ANALYSIS					
DIVISION 925		January 15, 2020			
See Organizational Chart for listing of new positions and new staff added.					
STAFF ADDITIONS		Economical Impact			
Counter Staff Added		Rate/Hr.	Yearly Pay		
0	promotion-Sr. Op Specialist	2.2	\$ 4,576	1) Previously Appv'd position	
1	1 Counter Operational Specialist	19	\$ 39,520		
2	2 Counter Operational Specialist	19	\$ 39,520		
Phone Staff Added					
3	3 Phone Operational Specialist	19	\$ 39,520		
4	4 Phone Operational Specialist	19	\$ 39,520		
Resales Staff Added					
5	5 Inspector Float	28.85	\$ 60,000		
6	6 Operational Specialist	19	\$ 39,520		
Inspectors Staff Added					
7	7 Float Inspector (3rd & United)	28.85	\$ 60,000		
			Total Salary Increase Per Org Chart	\$ (322,176)	
Economical Resource Alternatives					
Mutual Consents		Current Fees		MC Proposed Fee Increase	
MC Permit Fees Collected 2020		\$ 110,500		\$ 120,000.00	2) MC Permit Fees Calculated See Exhibit "A"
Resale Inspection & Report Fees		Current Fees		Proposed Fee Increase	
Third Resale Inspections		\$ 37,375		\$ 45,000.00	3) Resale Inspection & Report Fees Calculated See
United Resale Inspections		\$ 48,750		\$ 45,000.00	Exhibit "A" for Fees
		\$ 86,125		\$ 90,000	
				Proposed Fee Increase	
		Current Fees			4) Resale Inspection & Report Fees See Exhibit "A"
Variances		24		24	
		VARs/YEAR		VARs Actual	Additional Fee Generated
Variance Fee \$150/VAR.		\$ 3,600		\$ 7,944	\$ 4,344 5) 24 Variances per year average.
Added Fines					
MA Issued IN110 Stop Notice		Fine of \$500 X 17 events		\$ 8,500	6) 1.42 per month
MA Issued N of Correction 9378		Fine of \$250 X 43 events		\$ 10,740	7) 3.58 per month
			Added Proceeds for Various Cost Revisions	\$ 323,584	
			Total Financial Impact	\$ 1,408 per year	
NOTES:				Added Income	
1) This rate is noted as the increase from prior position to new position rate increase as previously approved.					
2) MC Permit Fees see Exhibit "A" for Current & Proposed Fees					
3) Resale Fees see Exhibit "A" for Current & Proposed Fees					
4) Resale Inspection & Report Fees See Exhibit "A"					
5) Increase of Variance fee proposed to cover actual cost to owner					
6) MA Stop Notice Fee- Many are issued for illegal work or ACM P-5 Cleanup					
7) Correction Notice Issuance for work not conforming to Standards and Policy					
The current variance fee of \$150 doesn't come close to covering the site visits, staff reporting, and preparation					

Attachment 1 – Financial Analysis (continued)

EXHIBIT "A"				
MUTUAL CONSENT CURRENT FEES				
Mutual Consent Current fee based on Average of records searched in 2020				
MCs processed '2020	325	records for the AV yr.		
MC Fee Av 2020	\$ 340	for PA01 & PA02 Mutual Consent		
MC FEES COLLECTED 2020	\$ 110,500			
MUTUAL CONSENT PROPOSED FEE INCREASE				
United \$100 Fee Increase X 600 AV MC's/yr	\$ 60,000	Fee Increase only		
Third \$100 Fee Increase X 600 AV MC's/yr.	\$ 60,000	Fee Increase only		
MC PROPOSED FEE INCREASE	\$ 120,000	Proposed Fee Increase		
RESALE INSPECTION & REPORT FEES CURRENT & PROPOSED				
	Current Fees 2020			
Third Report Cost Current : \$115	\$ 37,375	325 resales inspections		
United Report Cost Current: \$150	\$ 48,750	325 resales inspections		
	\$ 86,125	Current Fees		
	Fee Increase			
Resale Inspections in 20211				
United \$100 Fee Increase X 450 Insp't	\$ 45,000.00	Fee Increase only		
Third \$100 Fee Increase X 450 Insp't	\$ 45,000.00	Fee Increase only		
	\$ 90,000	Proposed Fee Increase		
Projected an increase in Resale Inspections due to staff and no malware problems				
VARIANCE FEES ACTUAL				
	Per 2021 Bill Rates Schedule			
	\$ 38.94			
		Hrs.	Total	
Inspection Site Visit & Gen. Data	\$ 38.94	1.5	\$ 58.41	
Manor Research Tickets/MC's/Violations	\$ 38.94	2.5	\$ 97.35	
Operations Specialist Report	\$ 38.94	1.5	\$ 58.41	
Operations Specialist Filing & Transmittal	\$ 38.94	1.5	\$ 58.41	
Misc. Reissue & Resale Coord. O.S.	\$ 38.94	1.5	\$ 58.41	
		8.50	\$ 330.99	
		Hrs	per report	
			Actual Cost	
	Actual Fee 24 X @330.99 =			\$ 7,943.76

Attachment 1 – Financial Analysis (continued)

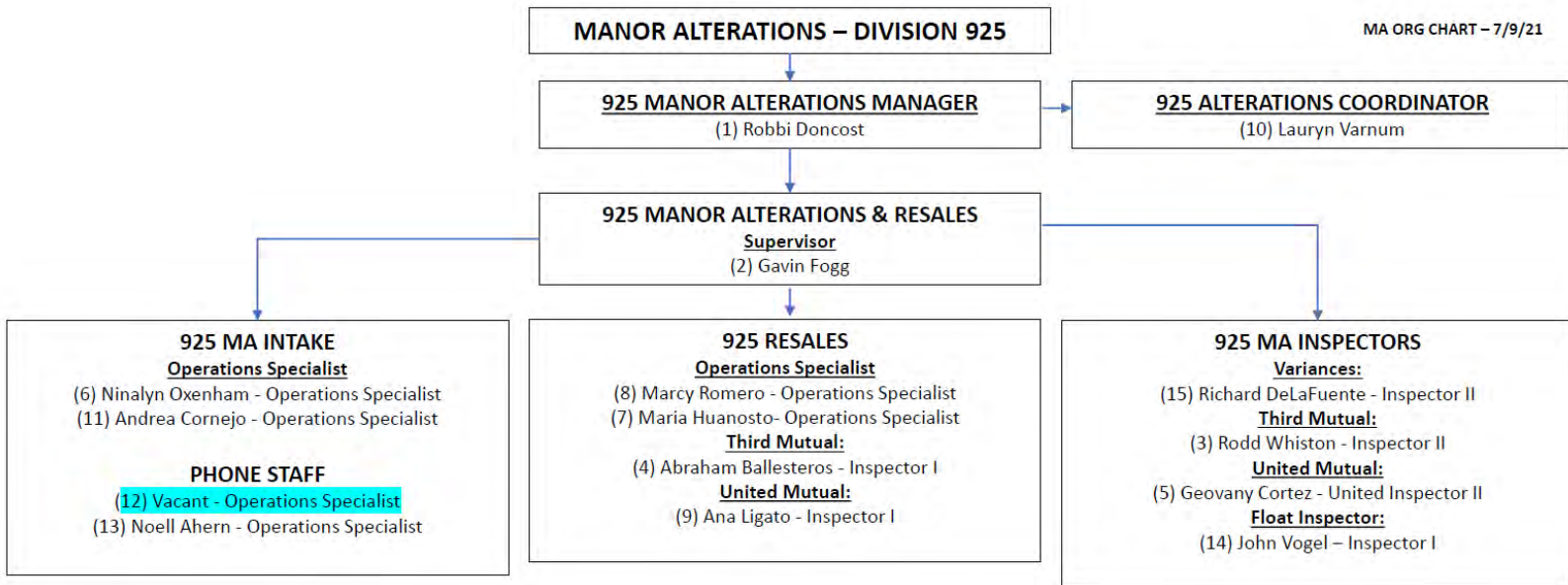
EXHIBIT "B"				
VARIANCE ASSEMBLY & REPORT PROCESSING FEE ALLOCATION				
Per 2021 Bill Rates Schedule				
	\$ 38.94	Hrs.	Total	
Rev of Variance Initial Req. & Discssions of Policy	\$ 38.94	0.5	\$ 19.47	
Initial Stellar & Policy Review	\$ 38.94	1	\$ 38.94	
Site Visit & Doc Assembly	\$ 38.94	4	\$ 155.76	
Report Assembly	\$ 38.94	7	\$ 272.58	
Added Plan Coordination/MC	\$ 38.94	2	\$ 77.88	
Supervisor Review & Comments	\$ 38.94	1.5	\$ 58.41	
Manager Review & Edits	\$ 38.94	1	\$ 38.94	
		17	\$ 662.0	
		Hrs	Per Variance	
			Actual Cost	
Calculate AV # of Variances / Yr.				
24 Variances per year at \$662 = \$15,900				

	Permit Fee Legend			
Valuation	Current	% Fee	New	Actual
	Fee	Increase	Fee	\$ Increase
Less than \$750	\$50	40%	\$70.0	\$20.0
\$751 to \$2,000	\$77	40%	\$107.8	\$30.8
\$2,001 to \$4,000	\$168	40%	\$235.2	\$67.2
\$4,001 to \$6,000	\$280	40%	\$392.0	\$112.0
\$6,001 to \$8,000	\$392	40%	\$548.8	\$156.8
\$8,001 tp \$10,000	\$504	40%	\$705.6	\$201.6
Above \$10,000	\$700	40%	\$980.0	\$280.0
What are # of AV MC's issued	600	in 2021 IN Third Mutual		
What is AV Fee Collected	280			
Calculate Total Fee Tally 2021			\$168,000	Third Mutual
Calculate Total Fee Increase 2022			\$67,200	Third Mutual

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Attachment 2 – Organizational Chart

MA ORG CHART – 7/9/21



CURRENT – 14 POSITIONS FILLED
 VACANT – 1 POSITIONS VACANT
 15 TOTAL POSITIONS

INCLUDES 6 OPERATIONS SPECIALIST POSITIONS
 Vacancy to Hire

Attachment 3 – Revised Fee Schedule



Alteration Fee Schedule

All alterations require an approved HOA Mutual Consent from Manor Alterations before work can commence.

Alterations may also require a City Permit as indicated below.

For items not listed, please contact Manor Alterations at (949) 597-4616 or alterations@vmsinc.org

Visit www.lagunawoodsvillage.com for Mutual Standards and Standard Plans.

Unauthorized Alteration Fee	\$350
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Variance Processing Fee	\$662
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\$50 Alteration Processing Fee	
Alteration Type	City Permit Required
Acoustic Ceiling Removal	Yes
Awnings (Standard, Less than 54")	Yes
Awnings (Powered)	Yes
HVAC (No Increase in Amperage)	No
Tub Replacement	Yes
Block Walls (Less than 48" H)	No
Block Walls (More than 48" H)	Yes
Planter Wall	No
Dishwasher (New Installation)	Yes
Door Revision (Exterior)	No
Electrical	Yes
Exhaust Fan	Yes
Fences (Less than 84") and Gates	No
Floor Coverings (Exterior)	No
Flooring (Vinyl)	No
Gutters and Downspouts	No
Metal Drop Shades	No
Modesty Panels (Balcony)	No
Patio Slab Revision	No
Patio Wall Revision	No
Plumbing	Yes
Soft Water System (Independent)	No
Soft Water System (Connected to Water Heater)	No
Storage Cabinets (Carpport)	No
Shades (Roll-up)	No

Permit Alteration Fees Based on Valuation	
Alteration Type	City Permit Required
Air Conditioner (Through the Wall)	Yes
Bathroom Addition (Split)	Yes
Central HVAC (New Installation)	Yes
Atrium, Balcony, Patio Covers (Replacement or New Installation)	Yes
Doors (New Construction)	Yes
Atrium, Balcony, Patio Enclosures	Yes
French Doors (New Installation)	Yes
Garden Room, Solarium	Yes
Heat Pumps (New Installation through Wall)	Yes
Man Doors (New Installation)	Yes
Plumbing (New Installation or Relocation)	Yes
Room Addition	Yes
Shower to Shower Replacement	Yes
Skylights	Yes
Sliding Glass Doors (New Installation)	Yes
Sliding Glass Doors (Retrofit)	Yes
Solar Tubes	Yes
Tub to Shower Installation	Yes
Tub to Tub Replacement	Yes
Wall Revisions	Yes
Washer and Dryer (New Installation)	Yes
Water Heater (Relocation)	Yes
Windows (New Construction)	Yes
Windows (Retrofit)	Yes

Permit Fee Legend	
Valuation	Fee
Less than \$750	\$70
\$751 to \$2,000	\$108
\$2,001 to \$4,000	\$235
\$4,001 to \$6,000	\$392
\$6,001 to \$8,000	\$549
\$8,001 to \$10,000	\$706
Above \$10,000	\$980

*Some Alterations may require a Demolition Permit, which carries a \$50 fee. To confirm if your Alteration will require a Demolition Permit, please contact the Manor Alterations Department.

*Alteration Fees are paid via credit card upon approval of a completed permit. Manor Alterations will contact applicants directly upon approval to collect payment.

Attachment 4 – Resolution 03-21-XX

RESOLUTION 03-21-XX

Alteration/Variance Processing Fee Policy

WHEREAS, alteration and variance requests require significant staff time for proper processing, including research, report preparation, and then presentation to the appropriate committee and then the Board; and

WHEREAS, in order to offset administrative costs associated with processing variance requests, which is often followed by multiple resubmittals, and can be followed by an appeal to the Board as mandated in accordance with Resolution 03-13-105; and

WHEREAS, the Mutual currently charges a \$50 fee for a Mutual Consent and a \$150 fee for a Variance; and

WHEREAS, the new Alteration Fee Schedule increase to better align the fees with the administrative time it takes to process each task.

WHEREAS, the Board realizes that the current fee schedule does not appropriately cover staff time;

NOW THEREFORE BE IT RESOLVED, [DATE], 2021 to partially offset administrative costs associated with processing alteration and variance requests, the Board of Directors of this Corporation hereby revise the alteration and inspection fees as attached to the official minutes of this meeting; the Variance request processing fee will increase to \$662, the Alteration processing fee will increase to \$50, the Unauthorized Alteration Fee will increase to \$350, the Revised Inspection Fee Schedule will be adopted; and

RESOLVED FURTHER, October 20, 2017, that Resolution 03-17-120 adopted October 20, 2017 is hereby superseded and cancelled; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the resolution.

SEPTEMBER Initial Notification

Should the Board endorse the proposed resolution, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 28-days from the postponement to comply with Civil Code §4360.

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STAFF REPORT

DATE: September 21, 2021
FOR: Board of Directors
SUBJECT: Authorize an Unscheduled Fumigation of a Single-unit Building, at Member Expense

RECOMMENDATION

1. Approve and authorize the Member of Manor 5247 Duenas to fumigate the single-unit building, at Member Expense, using the Mutual approved Fumigation Company.
2. Approve the Revised Mutual Pest Control for Termite Policy/Resolution to allow unscheduled fumigation of single-unit buildings, at Member Expense (Initial Notification— Must postpone 28-days for Member review and comment to comply with Civil Code §4360).

BACKGROUND

The existing Mutual Pest Control for Termite Policy (Resolution 03-12-138) does not allow Members who reside in free-standing, single-unit buildings to schedule fumigation by whole structure tenting at their own expense. The Member at 5247 Duenas has requested approval to perform a fumigation of their single-unit building now, as a condition of closing the current escrow on the property. Under normal protocol, this building would be fumigated in 2022, on a schedule determined by the Mutual.

DISCUSSION

On or about September 7, 2021, Director Mutchnick received a request on behalf of the Member at 5247 Duenas to have the Mutual allow the Member to fumigate the building at the expense of the Member (Attachment 1). The request is based on an inspection report prepared by Newport Exterminating (the Mutual's Pest Control Company) commissioned by the Member (Attachment 2).

On September 13, 2021, the Third Laguna Hills Mutual Maintenance and Construction Committee considered the Member's request and unanimously voted to recommend that The Third Laguna Hills Mutual Board of Directors authorize the Member to proceed with the fumigation, at Member expense, including any cost for temporary housing if necessary, and that the Board approve a revision of the Mutual's Pest Control for Termite Policy/Resolution, to allow unscheduled fumigation of single-unit buildings, at Member expense (Attachment 3).

FINANCIAL ANALYSIS

There is no fiscal impact for the recommended actions.

Prepared By: Koh Shida, Maintenance Operations Manager

Reviewed By: Manuel Gomez, Maintenance and Construction Director

Committee Routing: Third M&C Committee 9/13/2021

ATTACHMENT(S)

Attachment 1 – Member Request for Fumigation at 5247 Duenas
Attachment 2 – Newport Exterminating Inspection Report dated 8/19/2021
Attachment 3 – Revised Pest Control for Termites Resolution 03-21-XX

ENDORSEMENT (to Board)

Fumigation for Manor 5247 and a Policy Revision

Chair Mutchnick summarized the request from the seller/owner of unit 5247, which would allow them to be able to fumigate their single unit building, by whole structure tenting, at their own cost prior to the close of escrow.

Discussion ensued regarding fumigation preparation by staff; recording the fumigation in the database; and the savings to the Mutual.

Chair Mutchnick proposed that a resolution be written to allow fumigation at member expense for free-standing single unit buildings with several conditions that he read aloud and had also sent in an email to staff.

Director Frankel suggested that a condition be included that the owner requesting the unscheduled whole structure fumigation also be responsible for costs associated with lodging for any occupants residing in the unit at the time of fumigation.

A motion was made and unanimously carried to recommend the Board authorize the owner of 5247 Duenas to fumigate their single-unit, free standing building at their expense.

Additionally, a motion was made and unanimously carried to recommend the Board approve the proposed resolution to revise the Fumigation Policy to allow single-unit buildings that are not scheduled for the current year's fumigation, be allowed to schedule whole structure fumigation/tenting with the Mutual's fumigation contractor, at their own expense.

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Attachment 1 – Member Request for Fumigation at 5247 Duenas

Dear Robert Munchnick,

Thanks for your quick response. Sellers both are MDs and will be working at the time of the M&C meeting. Sellers' agents (Katherine Platt and Amir Kharrazi, 3249-B) are Third Mutual members and have SOE to act on behalf of the sellers. Kitty Platt will attend the M&C meeting. We assume it has the same 3-minute period that residents can address items that are not on the agenda.

The following are pertinent facts concerning this 5247 Duenas property:

It is a vacant free-standing, detached condo in Gate 11, so fumigation would not involve hotel costs for any residents. If the mutual waits until it is occupied, it will incur those lodging costs as well as fumigation costs.

We spoke with Debbie at Newport Exterminating on 8/31/21. She told us that their next availability to schedule fumigation was 2 weeks from then. She said to contact Patrick Hammer, coordinator of Newport's Laguna Woods Village activity, to get more information.

Patrick Hammer told us the fumigation cost would be approximately \$1,500.

The current owners bought the home in 2005. There has been no fumigation done since they bought it.

In 2014 Third Mutual provided a spot treatment in the same area the current Newport report states there are still termites and recommends fumigation. (We suspect that the spot treatment was not adequate and that termite destruction continued.)


The home is in escrow and the buyer wants the fumigation done before she closes escrow & moves in. Her son & daughter-in-law are very concerned with her moving in and needing to move out later for fumigation and have stated that she intends to cancel escrow if fumigation cannot be completed prior to her buying.

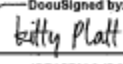
If this sale does not happen it will be costing the current owners quite a bit of money since the accepted offer was substantially above the asking price.

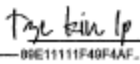
We would think a primary aim of the Board & VMS would be to protect property values and management reputation and to prevent further progression of damage.

Both buyer and sellers would really appreciate your assistance in finding a positive solution to this. It would also save money for Third Mutual to not have to pay for moving resident out & lodging for future owner(s) of the property. Sellers are willing to pay for fumigation in order to proceed with the sale but Mutual policy prevents them from ordering it.

Thank you for your efforts,

DocuSigned by:

3808EF4E89174E3...
Bettina Franz-lp, owner

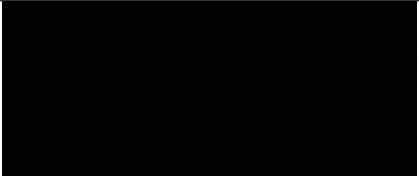


DocuSigned by:

1BFA5F8BC4B04A2...
Katherine (Kitty) Platt, real estate agent

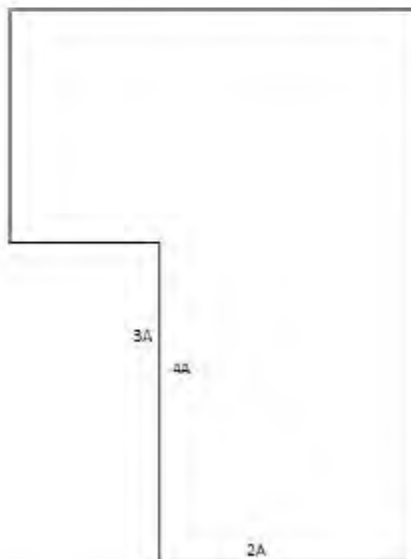
DocuSigned by:

08E1111F40F4AF...
Tze Kin Ip, owner


DocuSigned by:

FC1838FDD8C34FD...
Amir Kharrazi, real estate agent

Attachment 2 – Newport Exterminating Inspection Report dated 8/19/2021 (5 pages)

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT					
Building No. 5247	Street Duenas	City Laguna Woods	Zip 92637-1815	Date of Inspection 08/19/2021	Number of Pages 1 of 5
			<p>A LICENSED PEST CONTROL OPERATOR IS AN EXPERT IN HIS/HER FIELD. QUESTIONS RELATIVE TO THIS REPORT SHOULD BE REFERRED TO HIM/HER.</p> <p>Report #: 90287</p>		
Ordered by: Century 21 Rainbow Kitty Platt 		Property Owner and/or Party of Interest: Bettina Franz c/o Agent 5247 Duenas Laguna Woods, CA 92637-1815		Report sent to: Corner Escrow Stacy Cope 	
COMPLETE REPORT <input checked="" type="checkbox"/> LIMITED REPORT <input type="checkbox"/> SUPPLEMENTAL REPORT <input type="checkbox"/> REINSPECTION REPORT <input type="checkbox"/>					
General Description: 1 Story Single Family Residence, Tile Roof, Occupied				Inspection Tag Posted: Other	
				Other Tag(s) Posted:	
An inspection has been made of the structure(s) shown on the diagram in accordance with the Structural Pest Control Act. Detached porches, detached steps, detached decks and any other structures not on the diagram were not inspected.					
Subterranean Termites <input type="checkbox"/> Drywood Termites <input checked="" type="checkbox"/> Fungus/Dryrot <input checked="" type="checkbox"/> Other Findings <input checked="" type="checkbox"/> Further Inspection <input type="checkbox"/>					
If any of the above boxes are checked, it indicates that there were visible problems in accessible areas. Read the report for details on checked items.					
Key: 1 = Subterranean Termites 2 = Drywood Termites 3 = Fungus/Dryrot 4 = Other Findings 5 = Unknown Further Inspection					



Inspected By: Patrick Hammer State License No.: FR30763 Signature: 

You are entitled to obtain copies of all reports and completion notices on this property reported to the Structural Pest Control Board during the preceding two years. To obtain copies contact: Structural Pest Control Board, 2005 Evergreen Street, Suite 1500, Sacramento, CA 95815

NOTE: Questions or problems concerning the above report should be directed to the manager of the company. Unresolved questions or problems with services performed may be directed to the Structural Pest Control Board at (916) 561-8708, (800) 737-8188 or www.pestboard.ca.gov. 43M-41 (REV. 04/2015)

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT

Building No.	Street	City	Zip	Date of Inspection	Number of Pages
5247	Duenas	Laguna Woods	92637-1815	08/19/2021	2 of 5

General Comments

A. Certain areas are recognized by the industry as inaccessible and/or for other reasons not inspected. These include but are not limited to: inaccessible and/or insulated attics or portions thereof, attics with less than 18" clear crawl space, the interior of hollow walls; spaces between a floor or porch deck and the ceiling below; area where there is no access without defacing or tearing out lumber, masonry or finished work; areas behind stoves, refrigerators or beneath floor coverings, furnishings; areas where encumbrances and storage, conditions or locks make inspection impractical; and areas or timbers around eaves that would require use of an extension ladder.

B. Slab floor construction has become more prevalent in recent years. Floor coverings may conceal cracks in the slab that will allow infestation to enter. Infestation in the walls may be concealed by plaster so that a diligent inspection may not disclose the true condition. These areas are not practical to inspect because of health hazards, damage to the structure, or inconvenience. They were not inspected unless described in this report. We recommend further inspection if there is any question about the above noted areas. Re: Structural Pest Control Act, Title 16, Article 5, 1990-1991, Division 3, Article 1, Section 8516 (b). Amended, effective March 1, 1974. Inspection is limited to disclosure of wood destroying pests or organisms is the Structural Pest Control Act, Title 16, Article 5, 1990-1991, Division 3, Article 1, Section 8516 (b).

C. This inspection pertains only to the specific address(es) indicated above and does not include any attached or adjacent unit(s).

D. This company is NOT RESPONSIBLE for work completed by others, recommended or not, including by Owner. Contractors bills should be submitted to Escrow as certification of work completed by others.

E. Should any party in interest desire further information pertaining to the condition of the Plumbing or the Roof, we recommend the employment of a Licensed Contractor, as this is not within the scope of our license.

F. This proposal does not include Painting or Decorating in the process of work performed. Items recommended will be replaced as close as possible to original but are NOT GUARANTEED to match.

G. Second story stall showers are inspected but NOT WATER TESTED unless there is evidence of leaks in ceilings below. Ref: Structural Pest Control Rules and Regulations Sec. 8516G. Sunken or below grade showers or tubs are not water tested due to their construction.

H. During the course of/or after opening walls or any PREVIOUSLY CONCEALED AREAS should any further damage or infestation be found, a supplementary report will be issued. Any work completed in these areas would be at OWNERS DIRECTION AND ADDITIONAL EXPENSE.

I. During the process of treatment or replacement it may be necessary to drill holes through ceramic tiles or other floor coverings; these holes will then be sealed with concrete. We will exercise due care but assume NO RESPONSIBILITY for cracks, chipping or other damage to floor coverings.

J. We assume NO RESPONSIBILITY for damage to any Plumbing, Gas or Electrical lines, etc., in the process of pressure treatment of concrete slab areas or replacement of concrete or structural timbers.

K. When a fumigation is recommended we will exercise ALL DUE CARE but assume NO RESPONSIBILITY for damage to Shrubbery, Trees, Plants, TV Antennas or Roofs. A FUMIGATION NOTICE will be left with, or mailed to the Owner of this property, or his designated Agent which states, among other things, that certain FOOD AND MEDICINES must be bagged in Nylofume plastic bags or removed from the premises PRIOR to Fumigation.

L. Your termite report and clearance will cover any EXISTING infestation or infection which is outlined in this report.

M. If you should have any questions regarding this report, please call or come by our office any weekday between 8:00 am and 4:30 pm.

N. I agree to pay reasonable attorneys fees if suit is required by this COMPANY to enforce any terms of this contract, together with the costs of such action, whether or not suit proceeds to judgment.

NOTICE TO OWNER

Under the California Mechanics Lien Law any structural pest company which contracts to do work for you, any contractor, subcontractor, laborer, supplier or other person who helps to improve your property, but is not paid for his work or supplies, has a right to enforce a claim against your property. This means that after a court hearing, your property could be sold by a court officer and the proceeds of the sale used to satisfy the indebtedness. This can happen even if you have paid your structural pest control company in full if the subcontractor, laborers or supplier remain unpaid.

To preserve their right to file a claim or lien against your property, certain claimants such as subcontractors or material suppliers are required to provide you with a document entitled, Preliminary Notice. Prime contractors and laborers for wages do not have to provide this notice. A Preliminary Notice is not a lien against your property. Its purpose is to notify you of persons who may have a right to file a lien against your property if they are not paid.

State law requires that you be given the following information: CAUTION PESTICIDES ARE TOXIC CHEMICALS. Structural Pest Control Companies are registered and regulated by the Structural Pest Control Board, and apply pesticides which are registered and approved for use by the California Department of Pesticide Regulation and the United States Environmental Protection Agency. Registration is granted when the state finds that based on existing scientific evidence there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits. The degree of risk depends upon the degree of exposure, so

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT

Building No	Street	City	Zip	Date of Inspection	Number of Pages
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exposure should be minimized. If within 24 hours following application you experience symptoms similar to common seasonal illness comparable to the flu, contact your physician or poison control center (800) 222-1222, (800) 876-4768 and your pest control company immediately. For further information, contact any of the following: Newport Exterminating (949) 261-0700; for Health Questions County Health Dept.: Orange (714) 433-8000; Los Angeles (310) 338-3200; San Diego (619) 515-6770; Riverside (951) 955-3045; San Bernardino (909) 387-8280; for Application Information County Agricultural Commissioner: Orange (714) 955-0100; Los Angeles (626) 575-5466; San Diego (619) 894-8980; Riverside (951) 955-3000; San Bernardino (909) 387-2105 and for Regulatory Information - the Structural Pest Control Board, 2005 Evergreen St, Ste 1500, Sacramento, CA 95815-3831 (800) 737-8188.

The exterior surface of the roof was not inspected. If you want the water tightness of the roof determined, you should contact a roofing contractor who is licensed by the Contractor's State License Board. "NOTICE: Reports on this structure prepared by various registered companies should list the same findings (i.e., termite infestations, termite damage, fungus damage, etc.). However, recommendations to correct these findings may vary from company to company. You have a right to seek a second opinion from another company."

"This Wood Destroying Pests and Organisms Report DOES NOT INCLUDE MOLD or any mold like condition. No reference will be made to mold or mold like condition. Mold is not a Wood Destroying Organism and is outside the scope of this report as defined by The Structural Pest Control Act. If you wish your property to be inspected for mold or mold like conditions, please contact the appropriate mold professional."

If the structure(s) inspected and/or subject(s) of this report were constructed prior to 1978, please notify us immediately. It is very important that we have accurate information on the date of the construction to properly evaluate the needed repair procedures.

Structures built prior to 1978: Homes and other buildings constructed prior to 1978 are presumed to have lead paint that may cause serious health issues if disturbed during repairs. Special procedures are required by the US EPA in repairing areas where more than 6 square feet in the interior or 20 square feet on the exterior are disturbed. Those doing the repairs are required by the EPA to be licensed lead renovators and must follow strict test, containment, repair, clean up and debris disposal practices. The penalties for violation of the EPA regulations are severe.

"NOTICE: The charge for service that this company subcontracts to another registered company may include the company's charges for arranging and administering such services that are in addition to the direct costs associated with paying the subcontractor. You may accept Newport Exterminating's bid or you may contract directly with another registered company licensed to perform the work. If you choose to contract directly with another registered company, Newport Exterminating will not in any way be responsible for any act or omission in the performance of work that you directly contract with another to perform".

"This company will re-inspect repairs done by others within four (4) months of the original inspection. A charge, if any, can be no greater than the original inspection fee for each re-inspection. The re-inspection must be done within ten (10) working days of request. The re-inspection is a visual inspection and if inspection of concealed areas is desired, inspection of work in progress will be necessary. Any guarantees must be received from parties performing repairs."

IMPORTANT NOTE: Under no circumstances should this "Wood Destroying Pests and Organisms Inspection Report" be construed in any way as a guarantee or warranty of the structure. Inspection reports are intended to represent a list of infestations, infections or adverse conditions which are noted on the date of inspection in visible and accessible areas. Any infestations, infections or adverse conditions found after the date of this inspection report by any party will require an additional inspection report with additional findings, recommendations and estimates, if any.

Fences and gates are not included on inspection report.

All fumigations completed by Newport Exterminating are guaranteed for three years from date of completion.

Payment is the responsibility of homeowner or agent ordering the work if not paid through escrow.

ATTENTION: Please be advised that your lender may require all items (Section I, Section II and Unknown) be completed before the close of escrow. Consult your lender before ordering work.

In accordance with the laws and regulations of the State of California, we are required to provide you with the following information prior to application of termiticides to your property.

For fumigation process, the following fumigant will be used:

Vikane - active ingredients: (99.8% sulfuryl fluoride and chloropicrin)

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT

Building No	Street	City	Zip	Date of Inspection	Number of Pages
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This is a separated report which is defined as Section I/Section II conditions evident on the date of the inspection. Section I contains items where there is visible evidence of active infestation, infection or conditions that have resulted in or from infestation or infection. Section II items are conditions deemed likely to lead to infestation or infection but where no visible evidence of such was found. Further inspection items are defined as recommendations to inspect area(s) which during the original inspection did not allow the inspector access to complete the inspection and cannot be defined as Section I or Section II.

Description of Findings

SECTION: I

DRYWOOD TERMITES

Finding: 2A

Evidence of drywood termites noted in garage extending into inaccessible areas as marked on diagram.

Recommendation:

It is recommended that the structure be covered with tarpaulin and fumigant be released for the eradication of drywood termites. Pellets to be covered or cleaned up where practical. All fumigations are guaranteed for three years from date of completion.

FUNGUS/DRYROT

Finding: 3A

Fungus damage noted at garage door as marked on diagram.

Recommendation:

Others remove fungus damaged wood members and replace with new material. Upon removal of wood, if further fungus infection and/or damage is noted, Newport Exterminating will further inspect, if requested, and a supplemental report will be issued with findings, recommendations and costs of repairs, if any.

SECTION: II

OTHER FINDINGS

Finding: 4A

Moisture damage noted at garage wall as marked on diagram.

Recommendation:

Appropriate tradesman inspect and make necessary repairs.

WOOD DESTROYING PESTS AND ORGANISMS INSPECTION REPORT

Building No.	Street	City	Zip	Date of Inspection	Number of Pages
5247	Duenas	Laguna Woods	92637-1815	08/18/2021	5 of 5

Disclaimer

Escrow Inspection Fee: \$60.00

2A Fumigation - Price Per Contract (Corporation's Responsibility)

3A/4A - Others (Corporation's Responsibility)

Re-Inspection/Supplemental Reports:

If a re-inspection is required for clearance, work completed by owner and/or others must be re-inspected by Newport Exterminating. The re-inspection fee is \$60.00 and an additional \$60.00 will be charged per trip.

If owner or others request a previously inaccessible area to be inspected by Newport Exterminating, an \$60.00 supplemental inspection fee will be charged and an additional \$60.00 will be charged per trip.

If the inspection report is used for escrow purposes, then it is agreed that the inspection report and completion, if any, is part of the ESCROW TRANSACTION.

The total amount of this contract is due and payable upon completion of work unless otherwise specified. A finance charge computed at a monthly rate of 1.5% of the unpaid balance (annual percentage rate of 18%) will be added to all accounts 30 days past due.

PLEASE NOTE: AN ESCROW CANCELLATION, BUYER WITHDRAWAL OR "CHANGING YOUR MIND" DOES NOT ABSOLVE LIABILITY FOR UP-FRONT MATERIAL AND LABOR COSTS INCURRED BY NEWPORT EXTERMINATING. All parties authorizing construction repair services for the property designated in this report are financially liable for the preliminary costs incurred by our company. These costs include but are not limited to: up-front material costs (purchasing of paint, lumber, & other items needed to prepare the material) and/or labor costs paid to our employees to prepare these materials. The authorizing party is responsible for reimbursing Newport Exterminating for all up-front costs incurred.

I hereby authorize Newport Exterminating to perform the following items:

Item #(s): _____ Total Cost Estimate of Item(s): \$ _____

Authorized by: Owner/Agent/Management _____ Date _____

Print Name _____

Title _____ P.O. / ESC # _____

Phone: (Hm) _____ (Bus) _____ (Cell) _____

We only need the last page of the inspection report. Please consider the environment before faxing the entire report back to us. Thank you.

Attachment 3 – Revised Pest Control for Termites Resolution 03-21-XX (3 pages)

**Pest Control for Termites
Resolution 03-21-XX**

WHEREAS, the buildings that are qualified for whole structure tenting in any given year are scheduled for fumigation the following fiscal year, as the fumigation costs are based on a pre-determined contract value per building type; and

WHEREAS, manor owners have requested that fumigation take place in the building, the same fiscal year they are qualified in for various reasons; and

WHEREAS, in an effort to accommodate these requests when the current years' budget is already allocated to a scheduled group of buildings, the Board will allow manor owners of free-standing, single-unit buildings to arrange for fumigation by whole structure tenting at their own expense, provided that the conditions in item 3 below are met without exception;

NOW THEREFORE BE IT RESOLVED, **October 19, 2021**, the Board hereby adopts the following procedure with regard to the scheduling and implementation of the fumigation process as part of the Mutual's Pest Control for Termites Program:

1. The Mutual shall provide members and tenants of buildings scheduled for treatment with four (4) weeks advance written notice specifying:
 - (a) The Mutual's intent to perform fumigation in accordance with the Mutual's authorized standard practice.
 - (b) Each member or tenant has the option of arranging for accommodations, in addition to any accommodations which may be provided by the Mutual during the fumigation process, and taking any additional steps that they believe are necessary and appropriate at their own expense.
2. If the Mutual receives, at its mailing address, no less than two weeks prior to the scheduled fumigation, a written request from a member or tenant to delay fumigation, and if the written request is due to a documented medical reason, and includes an estimated duration of the medical ailment, signed by a licensed physician, prohibiting the resident from vacating the unit:
 - (a) The Mutual shall allow for a one-time rescheduling of the fumigation on behalf of the requesting resident.
 - (b) Staff shall work with the resident and reschedule fumigation. Considerations affecting the rescheduling include the nature of the medical issue and the timing of the request within the program year. Requests made late in a program year may preclude fumigation until the following program year.

- (c) Staff will refer residents who request a second rescheduling of fumigation to the Board for action.
- (d) Staff shall issue a letter to members and tenants of an affected building advising that the fumigation of the building has been postponed and will be rescheduled by the Mutual at the earliest date possible and that they will be advised of that date in accordance with the notification procedure.
- 3. The Mutual will allow Members who request that their qualified free-standing, single-unit buildings, be fumigated by whole structure tenting in the current fiscal year, to do so at their expense when the following conditions are met:
 - (a) The building is not attached to other residential buildings and contains a single residential manor.
 - (b) The building has qualified for fumigation based on the inspection findings in the termite report issued to the member by the Mutual's fumigation contractor.
 - (c) The member agrees to provide the termite inspection report to staff.
 - (d) The building is not on the fumigation schedule for the current fiscal year, where funds have already been allocated for the Program.
 - (e) The member agrees to only use the exterminating company currently under contract with Third Mutual, for fumigation by whole structure tenting.
 - (f) The member agrees to be responsible for scheduling the fumigation; to enter into an agreement with the Mutual's fumigation contractor; and to pay all associated costs to fumigate the building.
 - (g) The member agrees to pay all costs for lodging if the unit is occupied by the member, lessee or other registered occupant.
 - (h) The member agrees to notify staff 2 weeks prior to the scheduled fumigation in order to prepare the liability waiver and to allow for a roof inspection to be conducted by staff and/or the Mutual's roofing contractor, on the building to be fumigated.
 - (i) The member agrees to have the fumigation contractor provide written evidence the fumigation took place as scheduled, that is consistent with what it regularly provides to Third Mutual for buildings fumigated under the contract.
 - (j) The member will provide to Third Mutual a warranty for work consistent with the warranty it currently provides for buildings scheduled for fumigation by Third Mutual.
 - (k) The member agrees to sign a waiver provided by staff that holds Third Laguna Hills Mutual harmless for any problems, issues, damage, loss of property, etc. for the fumigation they independently contract for with the exterminating company.

- (I) The member acknowledges that any dry rot repairs to Mutual property will be remediated by the Mutual at Mutual expense as soon scheduling allows.

RESOLVED FURTHER, that Resolution 03-12-138, adopted November 20, 2012 is hereby superseded and cancelled; and

RESOLVED FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

SEPTEMBER Initial Notification

Should the Board endorse the proposed resolution, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 28-days from the postponement to comply with Civil Code §4360.

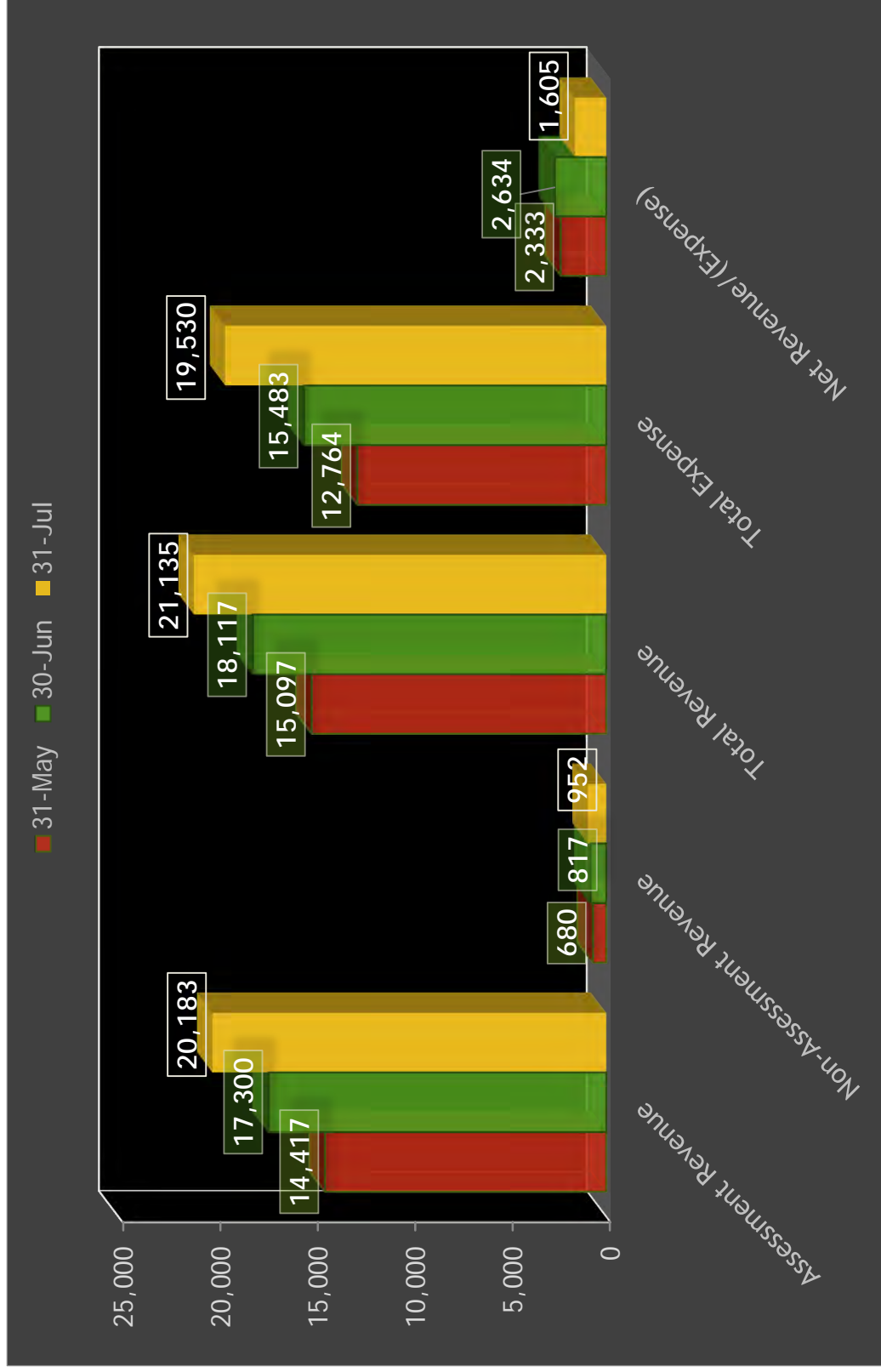
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Financial Report - July 31, 2021

- ▶ Third Laguna Hills Mutual
- ▶ Robert Mutchnick, Treasurer
- ▶ September 21, 2021

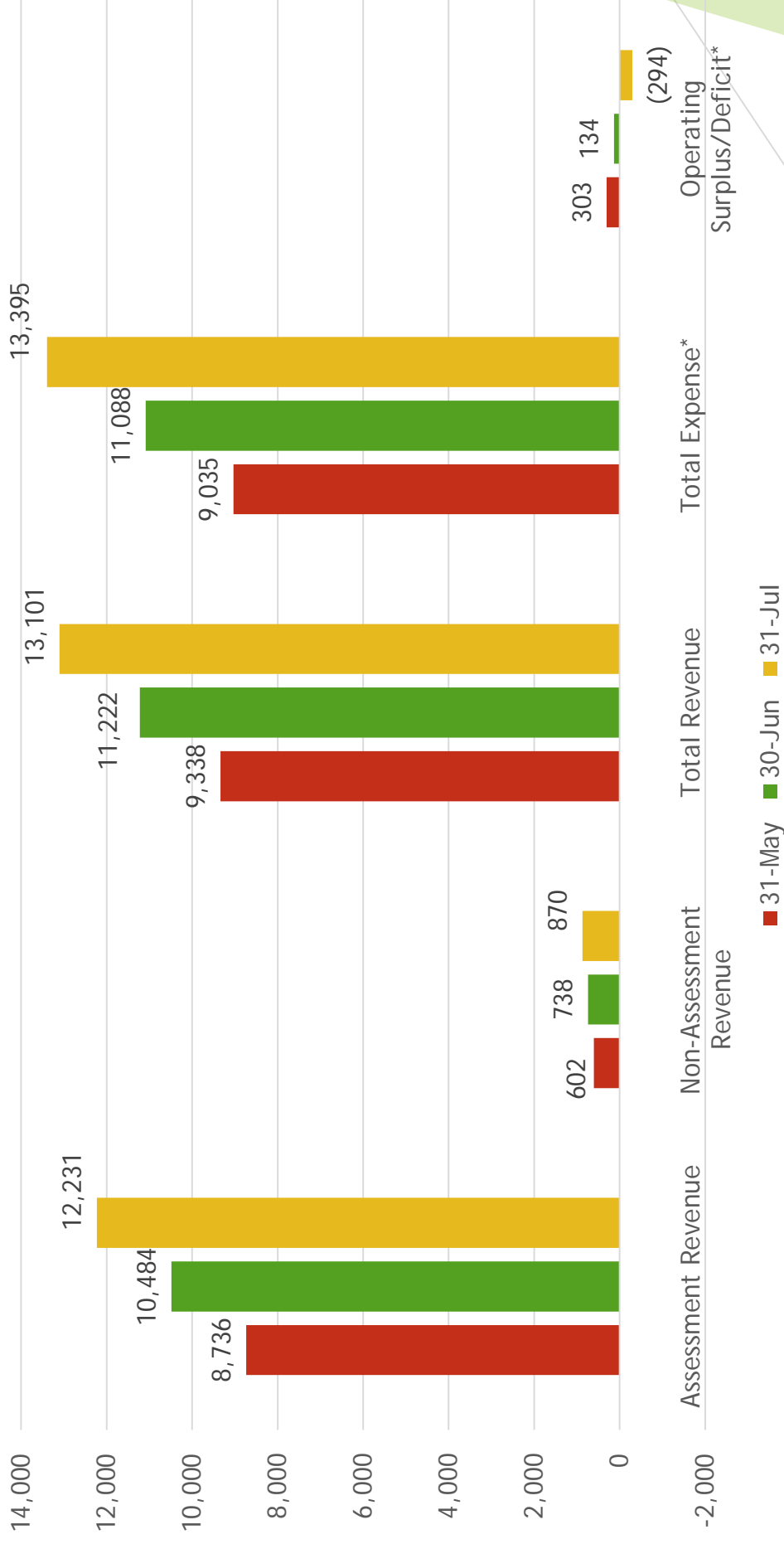
Income Statement

(YTD 7/31/2021, In Thousands)



Income Statement - Operating Fund Only

(YTD 7/31/2021, In Thousands)



*Excludes Depreciation

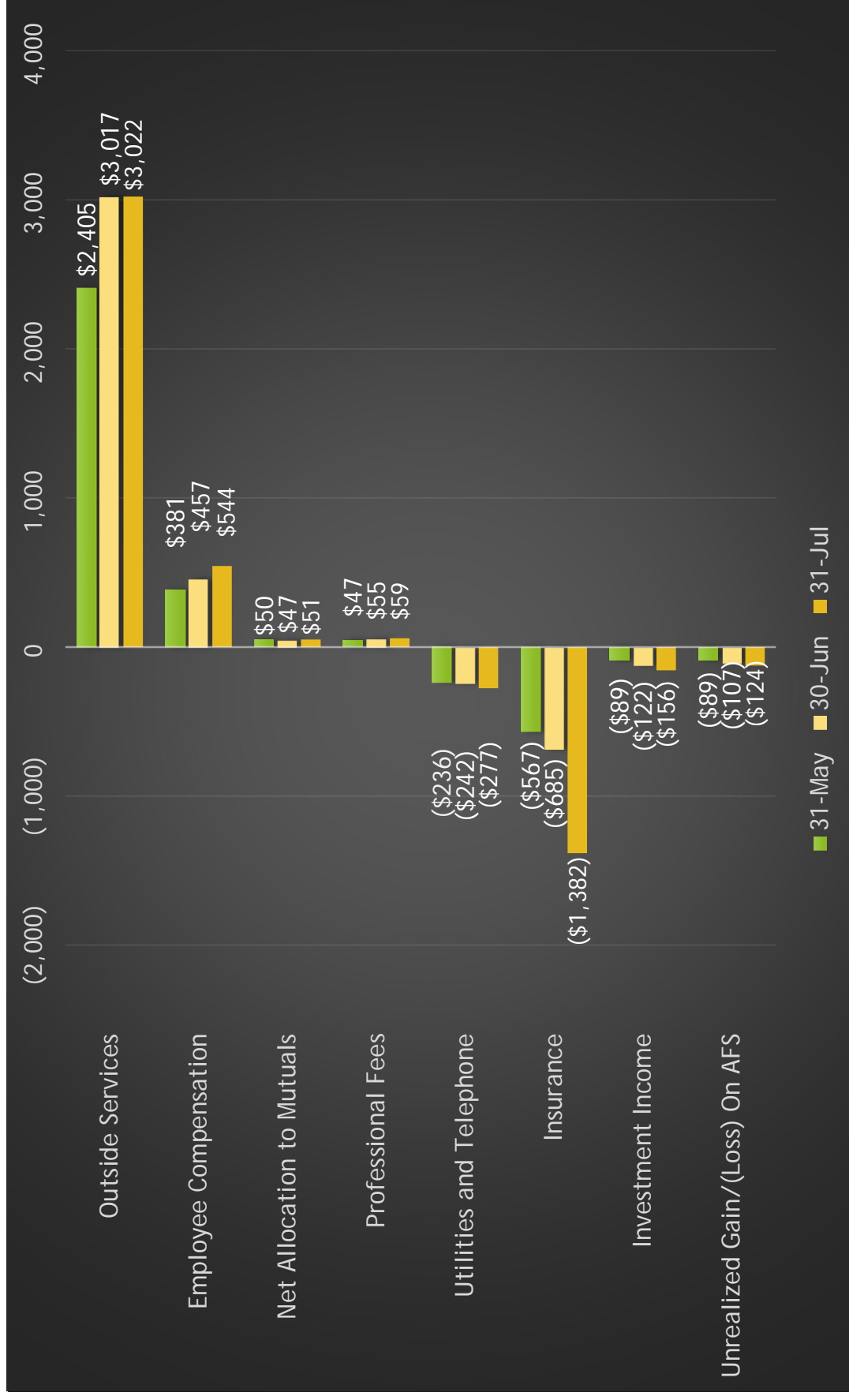
Income Statement - Actual v. Budget

(YTD 7/31/2021, In Thousands)



Selected Variances

(YTD 7/31/2021, In Thousands)



Total Non-Assessment Revenue

(YTD 7/31/2021, In Thousands)

June 30

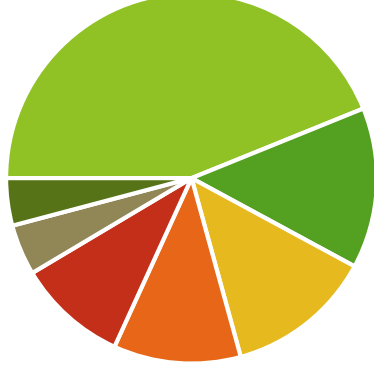
\$816,726



- Fees & Charges to Residents - 44%
- Lease Processing Fee - 14%
- Laundry - 13%
- Resale Processing Fee - 11%
- Investment Income - 10%
- Miscellaneous Revenue - 4%
- Golf Cart Electric Fee - 4%

July 31

\$951,632



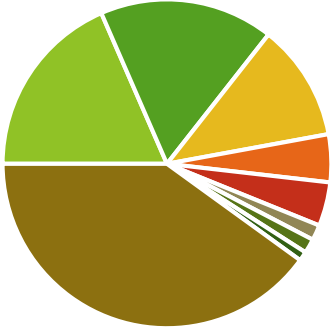
- Fees & Charges to Residents - 43%
- Lease Processing Fee - 14%
- Laundry - 13%
- Resale Processing Fee - 12%
- Investment Income - 8%
- Miscellaneous Revenue - 5%
- Golf Cart Electric Fee - 5%

Total Expenses

(YTD 7/31/2021, In Thousands)

June 30

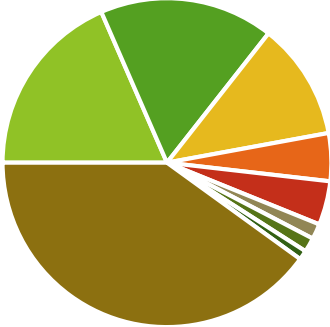
\$15,482,576



- Utilities & Telephone - 18%
- Insurance - 17%
- Outside Services - 12%
- Materials & Supplies - 5%
- Net Allocations to Mutuals - 4%
- Other - 2%
- Legal Fees - 1%
- Repairs & Maintenance - 1%
- Employee Comp. & Related - 40%

July 31

\$19,530,282



- Utilities & Telephone - 18%
- Insurance - 19%
- Outside Services - 15%
- Materials & Supplies - 4%
- Net Allocations to Mutuals - 4%
- Other - 1%
- Legal Fees - 1%
- Repairs & Maintenance - 1%
- Employee Comp. & Related - 37%

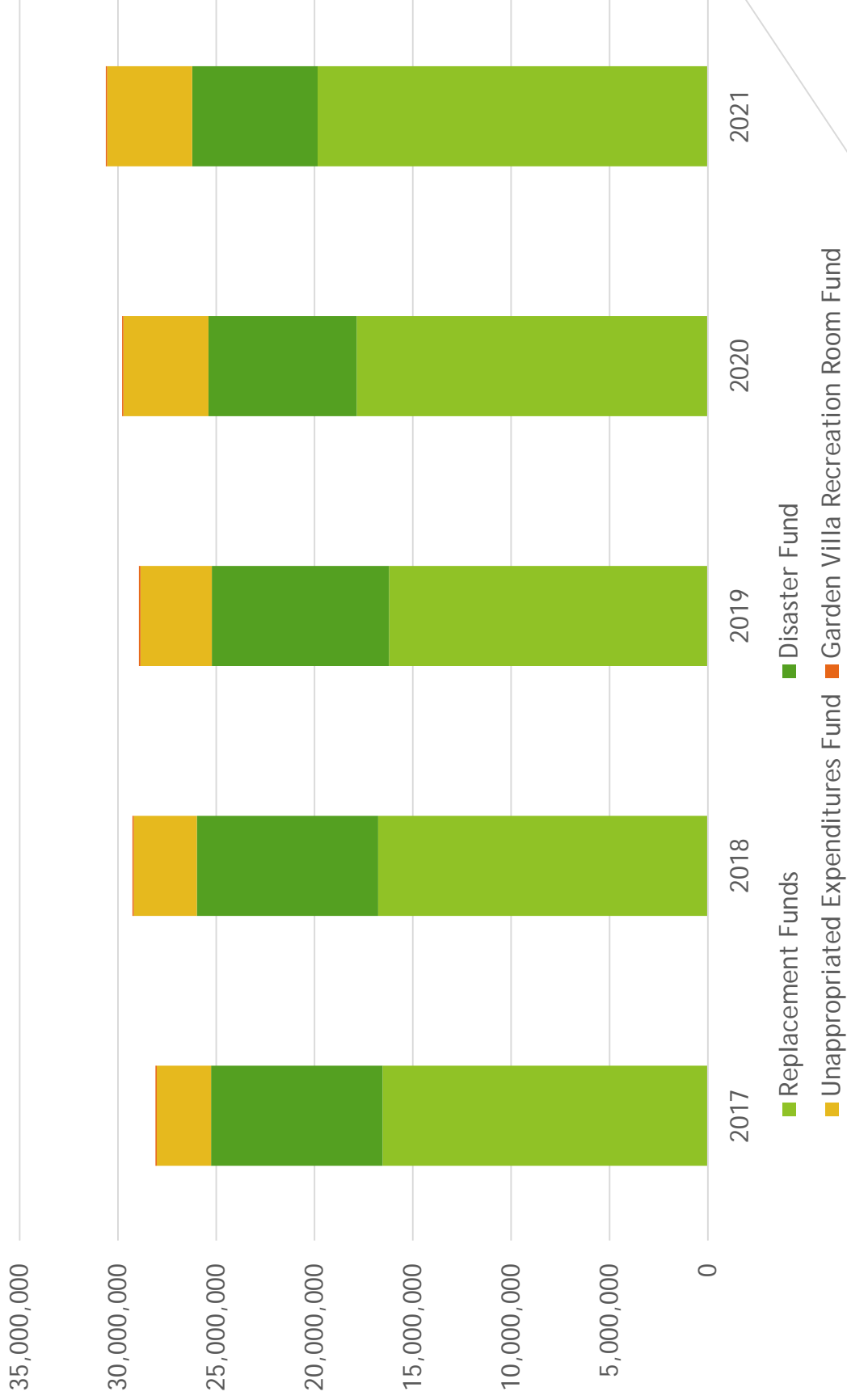
Non-Operating Fund Balances

(YTD 7/31/2021, In Thousands)

Non-Operating Fund Balances	Replacement Funds*	Disaster Fund	Unappropriated Expenditures Fund	Garden Villa Fund	Total
Beginning Balances: 1/1/21	\$17,437	\$6,843	\$4,271	\$89	\$28,640
Contributions & Interest	6,540	1,092	352	50	8,034
Expenditures	4,140	1,547	296	75	6,058
Current Balances: 7/31/21	\$19,837	\$6,388	\$4,327	\$64	\$30,616

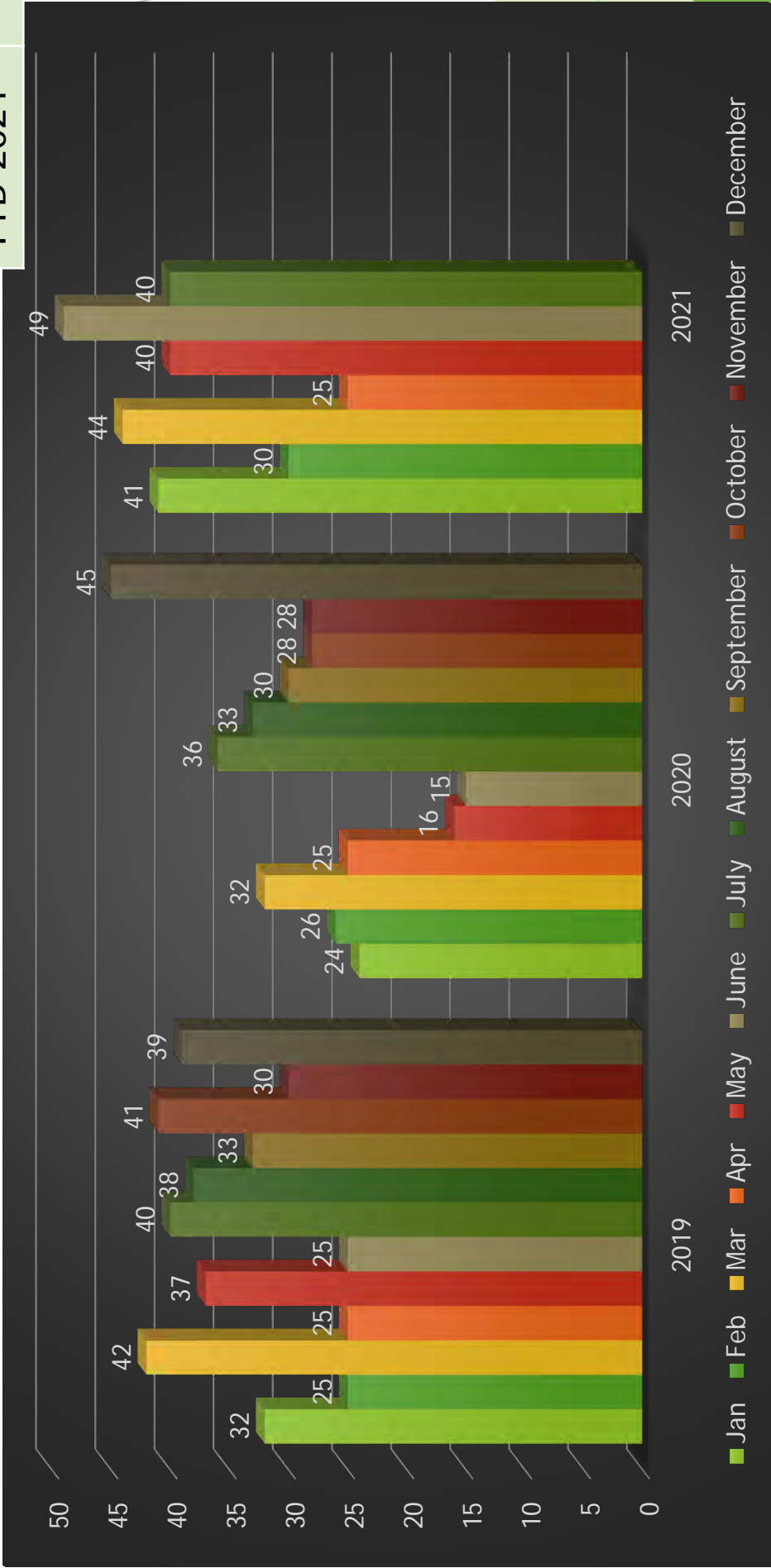
* Includes Elevator and Laundry Funds

Fund Balances - July 31st, 2021



Resale History -Third Mutual

Preliminary as of July 31, 2021



	No. of Resales	Av. Resale Price
YTD 2019	226	\$413,798
YTD 2020	174	417,098
YTD 2021	269	\$457,742

Third Laguna Hills Mutual
Statement of Revenues & Expenses - Preliminary
7/31/2021
(\$ IN THOUSANDS)

	ACTUAL	CURRENT MONTH BUDGET	VARIANCE	ACTUAL	YEAR TO DATE BUDGET	VARIANCE	PRIOR YEAR ACTUAL	TOTAL BUDGET
Revenues:								
Assessments:								
1 Operating	\$1,747	\$1,747		\$12,231	\$12,231		\$11,800	\$20,968
2 Additions to restricted funds	1,136	1,136		7,952	7,952		7,545	13,632
3 Total assessments	2,883	2,883		20,183	20,183		19,345	34,600
Non-assessment revenues:								
4 Fees and charges for services to residents	52	57	(5)	410	392	18	179	674
5 Laundry	21	20	1	126	140	(14)	133	240
6 Investment income		33	(33)	79	234	(156)	283	402
7 Unrealized gain/(loss) on AFS investments		18	(18)		124	(124)	740	213
8 Miscellaneous	62	53	9	337	374	(36)	320	640
9 Total non-assessment revenue	135	181	(46)	952	1,264	(313)	1,655	2,170
10 Total revenue	3,018	3,065	(46)	21,135	21,447	(313)	21,001	36,770
Expenses:								
11 Employee compensation and related	1,039	1,125	86	7,235	7,779	544	6,678	13,340
12 Materials and supplies	113	125	12	842	893	51	530	1,526
13 Utilities and telephone	581	545	(35)	3,439	3,162	(277)	2,981	5,685
14 Legal fees	37	42	5	255	292	36	322	500
15 Professional fees	4	9	4	47	106	59	73	150
16 Equipment rental	5	1	(4)	29	10	(19)	12	18
17 Outside services	1,090	1,095	5	2,872	5,894	3,022	4,379	11,122
18 Repairs and maintenance	24	29	5	166	205	39	192	353
19 Other Operating Expense	11	15	4	74	111	37	64	192
20 Income taxes							20	
21 Property and sales tax				2		(2)		
22 Insurance	1,025	328	(697)	3,678	2,296	(1,382)	1,193	3,936
23 Investment expense				9	11	2	6	21
24 Uncollectible Accounts	(8)		8	3	38	35	10	75
25 (Gain)/loss on sale or trade				15		(15)	108	
26 Depreciation and amortization	11	11		79	79		79	135
27 Net allocation to mutuals	117	122	5	785	836	51	825	1,426
28 Total expenses	4,048	3,446	(601)	19,530	21,711	2,181	17,473	38,479
29 Excess of revenues over expenses	(\$1,029)	(\$382)	(\$648)	\$1,605	(\$264)	\$1,868	\$3,527	(\$1,710)



Statement of Revenues & Expenses - Preliminary
Variance Explanations as of July 31, 2021

SUMMARY

Third financial results were better than budget by \$1,868K as of July 31, 2021. Explanations for categories with significant variances are found below.

REVENUE

Investment Income – (\$156K) [Line 6](#)

Unfavorable variance due to less revenue being generated from current portfolio of Discretionary investments as opposed to budgeted investment bonds.

Unrealized gain/(loss) on AFS Investments – (\$124K) [Line 7](#)

Unfavorable variance due to the current investment portfolio being sold off in favor of purchasing treasury bills. The current year-to-date unrealized loss was transferred to realized gains/losses along with prior year unrealized gain.

EXPENSES

Employee Compensation and Related – \$544K [Line 11](#)

Favorable variance resulted primarily in Landscape and M&C departments. In Landscape department, ground maintenance was favorable due to outsourcing of 8 staff positions. The variance was furthered in carpentry services and paint programs due to a reduction in staff required. To a lesser extent, Property Service is favorable due to open position, recruitment is in progress.

Materials and Supplies – \$51K [Line 12](#)

Favorable variance due to timing of expenditures and shortages in materials and appliances, primarily in programs such as paint, appliances, building maintenance.

Utilities and Telephone – (\$277K) [Line 13](#)

Unfavorable variance due to less seasonal rainfall. Budget was based on a five-year average of water consumption, however, seasonal rainfall through June was 35% lower than 5-year average during the same period.

Professional Fees – \$59K [Line 15](#)

Favorable variance due to lower expenditures for consultation service for epoxy programs in M&C. Consultant was unable to meet the schedule due to the pandemic.

Outside Services – \$3,022K [Line 17](#)

Favorable variance is due to:

- **Building Structures – \$1,274K**

Favorable variance resulted from timing of expenditures primarily in damage restoration programs. Staff has not processed 2021 invoices for damage restoration



Statement of Revenues & Expenses - Preliminary
Variance Explanations as of July 31, 2021

as of the reporting period. Additionally, Staff anticipates the building structure program being under budget by \$465K by year-end, due to less building structure replacement, dry rot and parapet wall removal.

- **Waste Line Remediation – \$349K**
Favorable variance due to timing of scheduled work compared to budget distribution. Work is in progress. While the primary focus is on three-story buildings this year, other buildings with a high risk for stoppages will also be evaluated for epoxy lining. The three-story buildings take an average of 10-12 weeks to complete. Six three-story buildings were scheduled to complete this year; however, due to delays in scheduled work, only five buildings will be completed by year end.
- **Water Lines – Copper Remediation – \$323K**
Favorable variance resulted from late start due to COVID-19 restrictions. Work commenced in June and is scheduled to be completed by September.
- **Moisture Intrusion – Plumbing Leaks – \$156K**
Favorable variance is due to timing of expenditures. Staff has not processed 2021 invoices.
- **Roof Replacements – \$119K**
Favorable variance is due to timing of invoices. 28 buildings totaling 145,535 SF are scheduled for roof replacement with a PVC cool roof system. This program commenced in April and is scheduled to be completed by the end of November. As of July 31, 2021, 13 out of 28 buildings have been completed.
- **Pest Control – \$105K**
Pest Control for bees and wasps is a contingency for resident service requests. The termite fumigation will be underspent due to some buildings requiring a postponement to next year. Staff anticipates the pest control program being under budget by \$224K by yearend.

Insurance – (\$1,382K) [Line 22](#)

Unfavorable variance due to higher premiums for property and casualty insurance. Insurance premium increases were implemented after 2021 budget was finalized. Significant changes in market conditions, catastrophic losses including wildfires in California, and a non-renewal situation required a new layered program structure to achieve the existing limits in a tight market.

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

Tuesday, September 7, 2021 – 1:30 p.m.
Board Room/Virtual Meeting

MEMBERS PRESENT: Robert Mutchnick – Chair, Ralph Engdahl, Reza Karami, Lynn Jarrett, John Frankel, Craig Wayne, Donna Rane-Szostak
Advisors: Wei-Ming Tao

MEMBERS ABSENT: Steve Parsons, Annie McCary, Cush Bhada, Advisor: John Hess

STAFF PRESENT: Jose Campos, Christopher Swanson

Call to Order

Director Mutchnick chaired and called the meeting to order at 1:31pm

Acknowledgement of Media

Director Mutchnick acknowledged the media at a distance.

Approval of Meeting Agenda

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

Approval of Meeting Report for August 3, 2021

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

Chair Remarks

None.

Member Comments

None

Department Head Update

Jose Campos, Financial Services Manager, provided updates on the 2022 budget, banking services, and insurance.

Preliminary Financial Statements dated July 31, 2021

Steve Hormuth, presented the Preliminary Financial Statements dated June 30, 2021 and questions were addressed from the committee.

Future Agenda Items

None

Committee Member Comments

None

Date of Next Meeting

Tuesday, October 5, 2021 at 1:30 p.m.

Recess to Closed Session

The meeting recessed at 2:11 p.m.

DRAFT

Robert Mutchnick, Chair

Monthly Resale Report

PREPARED BY

MUTUAL

REPORT PERIOD

Community Services Department

Third

August, 2021

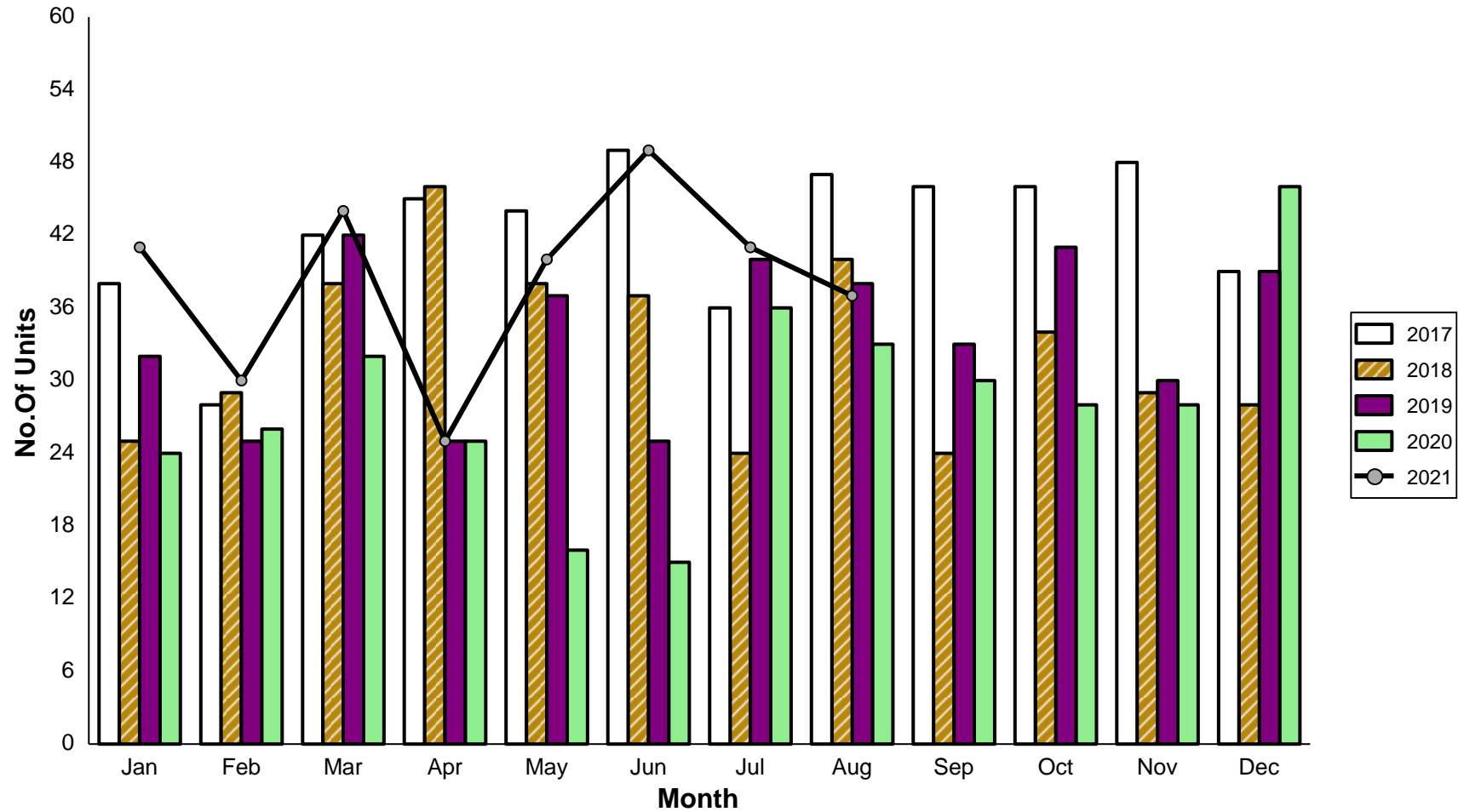
MONTH	NO. OF RESALES		TOTAL SALES VOLUME IN \$\$		AVG RESALE PRICE	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
January	41	24	\$16,433,725	\$10,015,000	\$400,823	\$417,292
February	30	26	\$11,904,525	\$12,158,700	\$396,818	\$467,642
March	44	32	\$20,903,100	\$13,946,416	\$475,070	\$435,826
April	25	25	\$12,493,400	\$10,830,833	\$499,736	\$433,233
May	40	16	\$18,741,800	\$5,604,000	\$468,545	\$350,250
June	49	15	\$25,804,388	\$5,881,500	\$526,620	\$392,100
July	41	36	\$17,901,388	\$15,240,248	\$436,619	\$423,340
August	37	33	\$17,812,000	\$14,612,928	\$481,405	\$442,816
September		* 30		* \$14,314,100		* \$477,137
October		* 28		* \$10,707,400		* \$382,407
November		* 28		* \$11,057,300		* \$394,904
December		* 46		* \$18,548,901		* \$403,237
TOTAL	307.00	207.00	\$141,994,326	\$88,289,625		
MON AVG	38.00	25.00	\$17,749,291	\$11,036,203	\$460,705	\$420,312
% CHANGE - YTD	48.3%		60.8%		9.6%	

% Change calculated (ThisYear - LastYear)/LastYear

* Amount is excluded from percent calculation

THIRD MUTUAL

Resales - 5 Year Comparison



Monthly Resale Report

PREPARED BY

Community Services Department

MUTUAL

All Mutuals

REPORT PERIOD

August, 2021

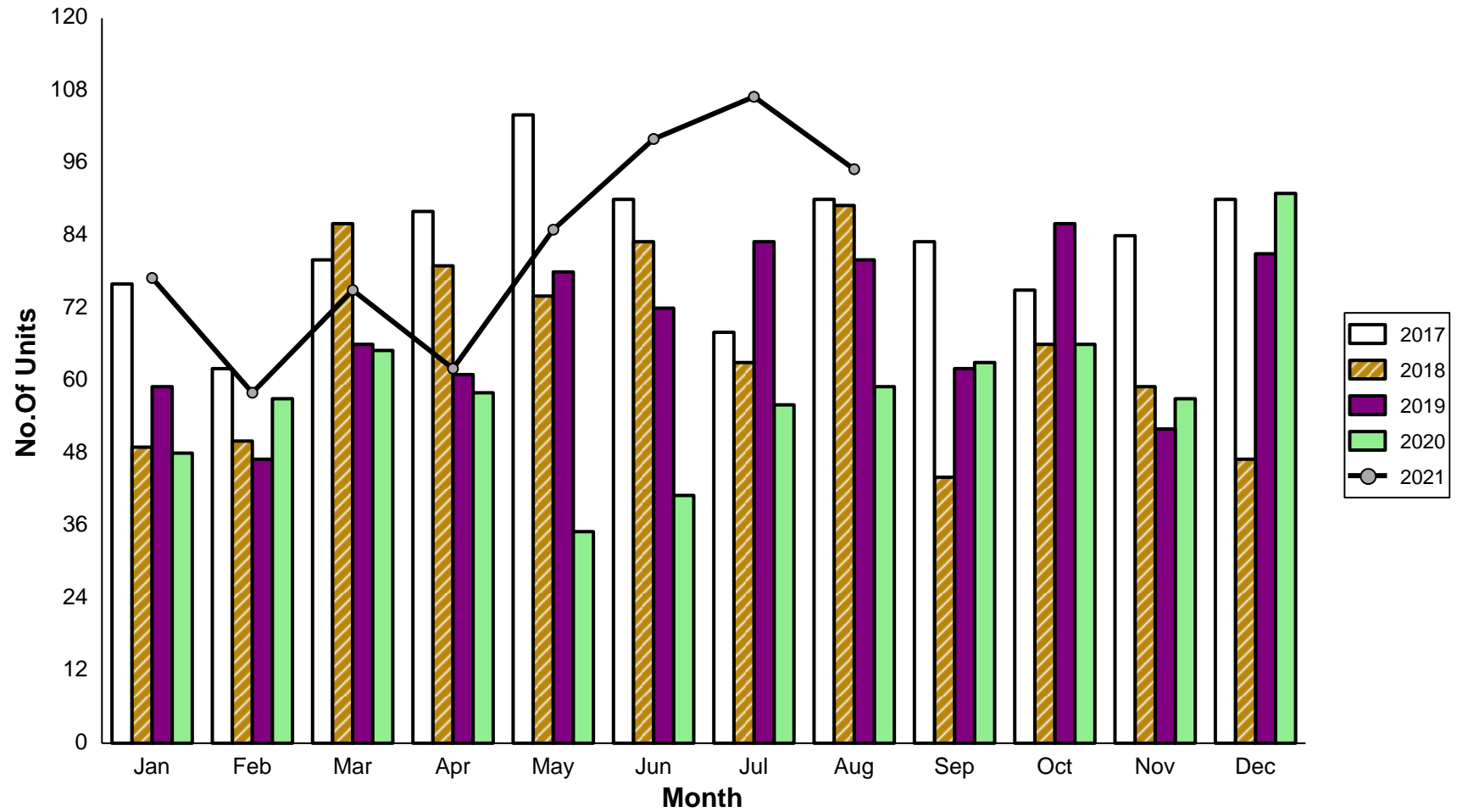
MONTH	NO. OF REALES		TOTAL SALES VOLUME IN \$\$		AVG RESALE PRICE	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
January	77	48	\$25,440,878	\$16,125,300	\$330,401	\$335,944
February	58	57	\$18,806,125	\$18,886,210	\$324,244	\$331,337
March	75	65	\$28,286,000	\$21,969,916	\$377,147	\$337,999
April	62	58	\$22,141,399	\$18,200,321	\$357,119	\$313,799
May	85	35	\$29,079,200	\$10,277,500	\$342,108	\$293,643
June	100	41	\$40,080,488	\$12,315,399	\$400,805	\$300,376
July	107	56	\$35,145,888	\$20,514,748	\$328,466	\$366,335
August	95	59	\$33,467,600	\$21,522,228	\$352,291	\$364,784
September		* 63		* \$22,132,600		* \$351,311
October		* 66		* \$20,962,800		* \$317,618
November		* 57		* \$17,923,188		* \$314,442
December		* 91		* \$29,495,361		* \$324,125
TOTAL	659.00	419.00	\$232,447,578	\$139,811,622		
MON AVG	82.00	52.00	\$29,055,947	\$17,476,453	\$351,573	\$330,527

* Amount is excluded from percent calculation

Year to-date totals now include Mutual Fifty

ALL MUTUALS

Resales - 5 Year Comparison



Resales Report Third Laguna Hills Mutual August, 2021

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
08/02/2021	2240-O	3	\$280,000	Castilla	ReMax	Coldwell Banker	Granite Escrow
08/27/2021	2275-P	3	\$319,000	Casa Linda	Laguna Premier Realty, Inc	Century 21 Award	Blue Pacific Escrow
08/06/2021	2330-A	3	\$227,000	Casa Linda	Berkshire Hathaway	No Broker	Granite Escrow
08/17/2021	2355-3F	3	\$330,000	Garden Villa	West Shores	HomeSmart Evergreen	Corner Escrow Inc.
08/11/2021	2358-C	3	\$330,000	Valencia	Pacific Sotheby's International	Seven Gables Real Estate	Generations Escrow
08/06/2021	2393-2D	3	\$375,000	Garden Villa	Coldwell Banker	Laguna Premier Realty, Inc	West Coast Escrow
08/04/2021	2396-1E	3	\$364,000	Garden Villa	Century 21 Rainbow	Keller Williams Real Estate	Granite Escrow
08/09/2021	2396-2G	3	\$290,000	Garden Villa	Laguna Premier Realty, Inc	Century 21 Rainbow	Generations Escrow
08/25/2021	3068-C	3	\$400,000	San Clemente	Laguna Premier Realty, Inc	Realty One Group West	Blue Pacific Escrow
08/16/2021	3102-D	3	\$468,000	Encanto	Ricci Realty	Ricci Realty	Corner Escrow Inc.
08/09/2021	3168-P	3	\$385,000	La Brisa	HomeSmart Evergreen	Manna Realty	Granite Escrow
08/06/2021	3217-D	3	\$632,000	El Doble	HomeSmart Evergreen	Presidential Real Estate	Escrow Options Group
08/27/2021	3233-C	3	\$670,000	La Reina	Mint		Generations Escrow
08/03/2021	3241-1F	3	\$375,000	Villa Puerta	Century 21 Rainbow	First Team Real Estate	Generations Escrow
08/16/2021	3242-3G	3	\$225,000	Villa Puerta	Christine Donovan, Broker	HomeSmart Evergreen	Corner Escrow Inc.
08/05/2021	3268-A	3	\$635,000	La Reina	Century 21 Rainbow	Laguna Premier Realty, Inc	Corner Escrow Inc.
08/23/2021	3273-A	3	\$365,000	La Brisa	Hallmark West Real Estate	HomeSmart Evergreen	Escrow Options Group
08/19/2021	3275-P	3	\$505,000	Casa Vista	Team Spirit Realty, Inc.	Laguna Premier Realty, Inc	Corner Escrow Inc.
08/18/2021	3281-O	3	\$375,000	Casa Vista	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Blue Pacific Escrow
08/20/2021	3304-B	3	\$305,000	Casa Vista	Century 21 Rainbow	HomeSmart Evergreen	Granite Escrow
08/02/2021	3310-P	3	\$275,000	Casa Vista	Century 21 Award	Century 21 Award	Granite Escrow
08/31/2021	3367-3C	3	\$380,000	Aragon	Mark Carlson, Broker	HomeSmart Evergreen	Corner Escrow Inc.
08/06/2021	3420-3E	3	\$609,000	Casa Dorado	Laguna Premier Realty, Inc	Coldwell Banker	Blue Pacific Escrow
08/27/2021	3500-1B	3	\$425,000	Villa Nueva	HomeSmart Evergreen	eXp Realty of California	Escrow Options Group

Resales Report Third Laguna Hills Mutual August, 2021

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
08/11/2021	4002-1E	3	\$289,500	Villa Nueva	HomeSmart Evergreen	Berkshire Hathaway	Escrow Options Group
08/05/2021	4011-1H	3	\$380,000	El Mirador	Laguna Premier Realty, Inc	James Hahn, Broker	Blue Pacific Escrow
08/18/2021	4014-2D	3	\$420,000	Villa Nueva	Surterre Properties, Inc.	Village Real Estate Services	Granite Escrow
08/31/2021	4026-2D	3	\$437,000	Villa Nueva	Realty One Group West	Pillar and Porch	Escrow Options Group
08/05/2021	4026-3C	3	\$499,000	Villa Nueva	New Star Realty & Investment	HomeSmart Evergreen	Blue Pacific Escrow
08/04/2021	5328-A	3	\$765,000	El Doble	Del Mar Realty and Investments	Berkshire Hathaway	Corner Escrow Inc.
08/27/2021	5346-C	3	\$900,000	La Reina	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Blue Pacific Escrow
08/17/2021	5348-A	3	\$325,000	Casa Vista	Keller Williams Real Estate	Laguna Premier Realty, Inc	Granite Escrow
08/02/2021	5367-C	3	\$438,500	La Princesa	Village Real Estate	HomeSmart Evergreen	Granite Escrow
08/16/2021	5417	3	\$935,000	San Marco	FSBO	Century 21 Rainbow	Corner Escrow Inc.
08/05/2021	5459	3	\$975,000	Casa Grande	Keller Williams Real Estate	HomeSmart Evergreen	Corner Escrow Inc.
08/18/2021	5517-2D	3	\$389,000	El Mirador	HomeSmart Evergreen	Hallmark West Real Estate	Escrow Options Group
08/12/2021	5584-B	3	\$1,515,000	Casa Monaco	Century 21 Rainbow	Realty One Group West	Corner Escrow Inc.

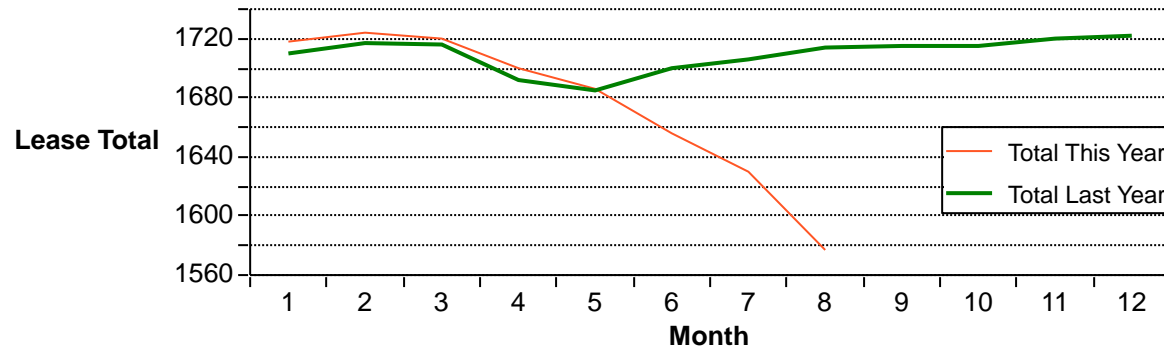
Number of Resales: 37

Total Resale Price: \$17,812,000

Average Resale Price: \$481,405

Median Resale Price: \$385,000

Monthly Active Leasing Report 2021 Period 8 (Mutual 3)



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
2021	January	13	12	223	1,470	1,718	1,710	28.2	28.0	0.2	0	31
2021	February	16	11	247	1,450	1,724	1,717	28.3	28.1	0.2	47	33
2021	March	14	15	266	1,425	1,720	1,716	28.2	28.1	0.1	114	69
2021	April	11	15	298	1,376	1,700	1,692	27.9	27.7	0.2	116	62
2021	May	14	14	328	1,330	1,686	1,685	27.6	27.6	0.0	91	75
2021	June	15	16	343	1,282	1,656	1,700	27.1	27.9	-0.8	124	71
2021	July	14	20	367	1,229	1,630	1,706	26.7	28.0	-1.3	119	85
2021	August	13	21	375	1,168	1,577	1,714	25.8	28.1	-2.3	91	112
2021	September						1,715					
2021	October						1,715					
2021	November						1,720					
2021	December						1,722					

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OPEN MEETING

**REGULAR OPEN MEETING OF THE THIRD LAGUNA WOODS MUTUAL
ARCHITECTURAL CONTROL AND STANDARDS COMMITTEE**

Monday, August 23 2021: 9:30AM-11:30AM
Laguna Woods Village Community Center (Zoom)
24351 El Toro Road, Laguna Woods, CA 92637

REPORT

COMMITTEE MEMBERS PRESENT: Robert Mutchnick, John Frankel, Ralph Engdahl, Reza Karimi, Steve Parsons

DIRECTORS PRESENT:

COMMITTEE MEMBERS ABSENT:

ADVISORS PRESENT: Michael Plean, Michael Butler

STAFF PRESENT: Robbi Doncost, Lauryn Varnum, Gavin Fogg

1. Call to Order

Acting Chair Engdahl called the meeting to order at 9:30 AM.

2. Acknowledgement of Media

Zoom recording.

3. Approval of Agenda

Agenda was approved by consensus.

4. Approval of Meeting Report for July 26, 2021

The committee approved the meeting report as presented.

5. Chair's Remarks

None.

6. Member Comments - (Items Not on the Agenda)

None.

7. Manor Alterations Division Update



Mr. Doncost updated the current status of the Manor Alterations (“MA”) office, with the staff currently at a three-person deficit and MA currently is utilizing temp staff members to help offset the void. The MA counter is currently closed due to the new COVID regulations and lack of staffing, but Mr. Doncost hopes to reopen the counter soon.

Director Karimi inquired what was being done to address the deficit, and Mr. Doncost confirmed that inspectors are being tapped to partially assist with intake, and the deficit was immediately brought to the attention of the VMS governance.

Consent:

All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.

8. Monthly Mutual Consent Report

The ACSC reviewed the report without questions.

Items for Discussion:

9. City of Laguna Woods Meeting Minutes

Chair Parsons inquired about the City’s willingness to streamline specific processes. Mr. Doncost confirmed the city has expressed willingness to work with MA, and is scheduling ongoing meetings to maintain contact. Director Mutchnick posed questions regarding asbestos regulations, highlighting that the city has different concerns than VMS, as there are employees of VMS entering resident’s manors. Mr. Doncost clarified that a list of roles/responsibilities is being compiled to confirm the needs of VMS v the city.

10. Alteration Fee Update

The committee review the breakdown and financial analysis provided within the Staff Report, with Mr. Doncost clarified that the fee update is related to expenditure of staff hours in order to balance the Manor Alterations budget. Advisor Plean inquired as to the relationship between the fee schedule and overall expenditure of Manor Alterations. Mr. Doncost could not provide that exact cost, and the fee schedule was derived from a workload analysis.

Advisor Plean then requested the verbiage be updated in order to more clearly illustrate the fees for unauthorized alterations, city-required permits, and alteration fees. Mr. Doncost pledged to update the verbiage accordingly before the Staff Report is reviewed by the Third Mutual Board.

Chair Parsons inquired if the committee was ready to vote, and Director Mutchnick made a motion to approve the Alteration Fee Schedule update and recommend to the Board. The motion passed.

11. SCAQMD & Asbestos Update



Mr. Doncost summarized the efforts of Manor Alterations to engage with SCAQMD resulting in minimal reciprocation. The VMS executive team has been engaged in an effort to facilitate further communication, but with no results as of yet. Mr. Doncost confirmed a responsibility matrix is being created in order to align the understanding of roles/responsibilities of each organization.

Chair Parsons inquired as to a prior idea proposed by United to create a clinic to provide testing at a lower cost to residents. Mr. Doncost stated that this idea has not been pushed further forward as the focus has been elsewhere for United, and the cost expenditure would be great as no recoverable costs are available. Director Karimi questioned which regulatory agency is the authority, and Mr. Doncost confirmed it was SCAQMD and CalOSHA respectively, and the complexities lie within the ownership of the Mutual v members. Chair Parsons stated the topic should be placed on the agenda for the following committee meeting.

Items for Future Agendas:

- Manor Alterations News Bulletin Topics
- In-Person Manor Alterations Seminar and Q&A

Chair Parsons highlighted two topics to add to the next agenda: penalties for contractors; demolition permits. Mr. Doncost confirmed that Manor Alterations was discussing the idea of streamlining permits, stating that the need for demo permits arose due to asbestos regulations. He also confirmed that both a Mutual Consent and a Demo permit can be pulled simultaneously. Chair Parsons acknowledged this, and confirmed the need to explore these topics further.

Concluding Business:

12. Committee Member Comments:

None.

13. Date of Next Meeting – August 23, 2021

14. Adjournment at 11:50AM

DRAFT

X _____

Ralph Engdahl, Acting Chair

Robbi Doncost, Staff Officer

Telephone: (949) 268-2281

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OPEN MEETING

**REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL
LANDSCAPE COMMITTEE**

**Thursday, September 2, 2021 – 9:30 a.m.
BOARD ROOM AND VIRTUAL MEETING
Laguna Woods Village Community Center
24351 El Toro Road**

REPORT

COMMITTEE MEMBERS PRESENT: Chair - Lynn Jarrett, Ralph Engdahl, Donna Rane-Szostak, Reza Karimi, Cush Bhada

COMMITTEE MEMBERS ABSENT: Annie McCary

OTHERS PRESENT:

ADVISORS PRESENT:

STAFF PRESENT: Kurt Wiemann, Eve Morton

1. Call to Order

Chair Jarrett called the meeting to order at 9:30 a.m.

2. Acknowledgement of Media

No media was present.

3. Approval of the Agenda

The agenda was approved by consensus.

4. Approval of the August 5, 2021 Report

The report was approved by consensus.

5. Committee Chair Remarks

Chair Jarrett stated that the mowing schedule was moved from every seven days to every nine days.

There is a bare area in Gate 5. There is a drought tolerant project there and they are not happy with tall grass.

We are starting a drought tolerant campaign to ask residents to put in drought tolerant plantings.

We have to reduce potted plants on balconies of multi-story buildings.

We are always looking for ways to reduce water usage.

6. Department Head Update

Mr. Wiemann reported that due to the cycle of four visits per manor, per year, that the weeds get overgrown at times. Staff mows every week in the summer. They mow less as it gets closer to winter and that will leave more time for weeding.

Landscaping is short-staffed six people at the moment. We are constantly recruiting.

Mr. Wiemann spoke with Vector Control and found out the Creek is not the source of the mosquitos. The mosquitos are breeding in potted plant saucers and other still water areas--another reason why we need to ask people to remove any potted plants.

6a. Project Log

Mr. Wiemann reviewed the Project Log information with the committee and answered some questions.

Director Karimi asked if they will still be cutting grasses back to 100 foot from Village perimeter which borders the conservation area. Mr. Wiemann said eventually, yes. We are still waiting for approval from OC Parks.

Chair Jarrett stated that the Landscape Department didn't get any budget cuts this year and she is glad about that, although it was disappointing we didn't receive the additional \$300K that was requested for 2022.

Mr. Wiemann discussed rodent control measures.

6b. Tree Work Status Report

Mr. Wiemann reviewed this report with the committee.

Items for Discussion and Consideration

7. Tree Removal Request: 3075-C Via Serena S.– One Rusty Leaf Fig

Director Karimi made a motion to accept staff recommendation and deny this request with a caveat that a canopy reduction will be performed at the next scheduled trim cycle. Director Rane-Szostak seconded. The committee was in unanimous support.

8. Tree Removal Request: 3094-C Via Serena N.– One Rusty Leaf Fig

Director Rane-Szostak made a motion to accept staff recommendation and approve this request. Director Bhada seconded. The committee was in unanimous support.

9. Tree Removal Request: 5158 Avenida Despacio– One Canary Island Pine tree and One Hollywood Juniper tree

Director Rane-Szostak made a motion to accept staff recommendation and deny the request to remove one Canary Island Pine and to approve the request to remove one Hollywood Juniper tree. Director Engdahl seconded. The committee was in unanimous support.

10. Landscape Revision Request: 3085-C Via Serena N.

Director Karimi made a motion to accept staff recommendation and approve the request for revisions to the landscaping adjacent to 3085-C, with the exception of the walkway shown on the plan, which will not be allowed. Director Bhada seconded. The committee was in unanimous support.

11. Landscape Revision Request: 3428-A Bahia Blanca W.

Ms. Archer's attorney addressed the committee and provided some documents to the committee members.

Resident will agree to remove the birdbath and Adirondack chairs.

Resident proposes to reduce pebbles back to encompass only 240 sq. ft.

She would like to keep potted plants. Many neighbors have them.

Chair Jarrett brought to his attention a resolution on Page 5 of his exhibit regarding gravel use.

The resident at 3428-O was in attendance and lives above this unit. When she purchased her unit, there was only grass below but now both neighbors have extended their patios onto the common area. It is true that even the residents next to her are using common area and were able to get an extension to their patio. They have continued to extend it further. The resident before the current resident, only took away what they did when they moved out. They did not restore it to its prior state. Nothing is enforced so areas keep expanding. Why are you giving away common area is the question. (VMS and Third are not.)

Resident at 3428-N spoke and stated that she also lives above unit 3428-A. Everyone who has lived there has taken it further and further. When a new resident moved in, it was all dirt. She requested the committee not approve anything beyond that tree.

Mr. Wiemann recommended to table this request and work with resident for an agreeable plan for all.

The committee unanimously agreed.

12. Member Comments (Items Not on the Agenda)

Resident at 5289 commented on RV Lot 1 and asked when re-seeding takes place in his area. Mr. Wiemann replied November thru March.

Resident at 3456-B stated her neighbor at 3451 is requesting that grass clippings are picked up.

The Board needs an extra cycle into the summertime. The grass is two feet high. It would go a long way to beautify the neighborhood.

3456-B also commented on blowers and gophers.

She is speaking for six other people today.

5321-A: Issues with sprinkler pressure.

3439-A: Dead dying area on slope behind her home.

3444-A: Issues with large tree in common area that drop leaves and blocks sun. Flowering plants are cut to ground and leave dirt. Every week of mowing turns grass brown.

3457-C: Sidewalk replaced 4-5 months ago and now the ditch area and grass is very high.

3439-B: Crews are different each time they come. No one has history of what had been done. They cut completely to ground. Weed spraying creates dirt areas. No one has authority to do anything outside main work but no one is overseeing work.

Chair Jarrett stated that she would love to have another cycle in summer but we don't have the staff or funding.

3436-O: Requesting that staff replace her current landscape with succulents. Mr. Wiemann asked her to submit a Landscape Request Form.

3446: She asked that when they do the mowing, can they not do the edging? Grass grows under the shrubs.

Topping of the trees, some have gotten very large. Can we have them topped? Mr. Wiemann reported that pine trees cannot be topped.

13. Response to Member Comments

Above.

Concluding Business:

14. Committee Member Comments

Director Engdahl said it was a great meeting and thanked everyone for coming out.

~~Director Rane-Szostak thanked residents. She asked Mr. Wiemann to talk about~~
landscape requests and how they should be done.

There was a panel regarding water use and it will be shown on Village TV. We don't have the date of it yet.

Director Bhada said good meeting and thanked residents for coming.

Director Karimi also thanked residents for coming today. All work and debate happen in committees so best to come to those rather to wait until the Board meeting.

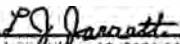
Mr. Wiemann explained when to use the Landscape Request Form. Turn it into Resident Services and they get it to Eve Morton. It then goes to the Supervisor and a report is written which goes to committee and then to the Board for a decision.

Be as specific as possible when calling Resident Services with requests.

Chair Jarrett stated that El Toro Water District reported that the Village water consumption went up 9 percent from last year.

15. Date of Next Meeting – Wednesday, September 29, 2021 at 9:30 a.m.

16. Adjournment at 11:20 a.m.


Lynn Jarrett [Sep 13, 2021 10:16 PDT]

Lynn Jarrett, Chair
Kurt Wiemann, Staff Officer
Eve Morton, Landscape Coordinator – 268-2565

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OPEN MEETING

REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL RESIDENT POLICY AND COMPLIANCE COMMITTEE

Thursday, August 24, 2021 – 9:30 A.M.
BOARD ROOM/VIRTUAL MEETING
Laguna Woods Village Community Center
24351 El Toro Road, Laguna Woods, CA 92637

MEMBERS PRESENT: Lynn Jarrett, Chair, Steve Parsons, Reza Karimi, and Robert Mutchnick

MEMBERS ABSENT: Cush Bhada and Donna Rane-Szostak

ADVISORS PRESENT: None

ADVISORS ABSENT: Stuart Hack

STAFF PRESENT: Blessilda Wright and Paul Nguyen.

CALL TO ORDER

Lynn Jarrett, Chair, called the meeting to order at 9:30 a.m.

ACKNOWLEDGEMENT OF MEDIA

The Media was not present.

APPROVAL OF AGENDA

Chair Jarrett tabled the agenda to the next meeting.

APPROVAL OF MEETING REPORTS

Chair Jarrett tabled the meeting report of July 9, 2021 to the next meeting.

CHAIRMAN'S REMARKS

Chair Jarrett stated that due to a lack of quorum, the meeting was postponed to a later date.

MEMBER COMMENTS ON NON-AGENDA ITEMS

None

REPORTS

None

ITEMS FOR DISCUSSION AND CONSIDERATION

Lease – Lower Cap to 25%

Pamela Bashline, Community Service Manager, presented Lease – Lower Cap to 25%. The Committee commented and asked questions.

Tabled to next meeting.

Multi-Unit Owners Qualifications

Pamela Bashline, Community Service Manager, Multi-Unit Owners Qualifications. The Committee commented and asked questions.

Tabled to next meeting.

ITEMS FOR FUTURE AGENDAS

- Lease Renewal

CONCLUDING BUSINESS

Committee Member Comments

None

Date of Next Meeting

The next meeting is To Be Determined

Adjournment

With no further business before the Committee, the Chair adjourned the meeting at 9:31 a.m.


Lynn Jarrett (Sep 7, 2021 08:13 PDT)

Lynn Jarrett, Chair
Third Laguna Hills Mutual

**REPORT OF THE SPECIAL OPEN MEETING OF THE GOLDEN RAIN FOUNDATION
MAINTENANCE AND CONSTRUCTION COMMITTEE**

**Wednesday, August 11, 2021 – 9:30 A.M.
Virtual On-line Meeting**

MEMBERS PRESENT: Egon Garthoffner - Chair, Gan Mukhopadhyay, Debbie Dotson, John Frankel, Ralph Engdahl, Carl Randazzo, Advisors Bill Walsh and Steve Leonard

MEMBERS ABSENT: Brian Gilmore, John Carter

OTHERS PRESENT: Bunny Carpenter, Dick Rader, Sue Stephens Juanita Skillman

STAFF PRESENT: Guy West – Staff Officer, Bart Mejia, Ian Barnette, Brian Gruner, Tom McCray, Laurie Chavarria

1. Call to Order

Chair Garthoffner called the meeting to order at 9:32 a.m.

2. Acknowledgement of Media

Chair Garthoffner noted no members of the media were present.

3. Approval of the Agenda

Staff Officer Guy West added a discussion on the SCE Charge Ready 2 program to the agenda Item 9a.

The agenda was approved as amended.

4. Approval of Meeting Report for June 16, 2021

Advisor Leonard noted that changes to the attendee list and a meeting date were needed on the first page of the meeting report for June 16th. Staff made the corrections during the meeting.

The meeting report for June 16, 2021 was approved as amended.

5. Chair's Remarks

Chair Garthoffner had no remarks.

6. Member Comments (Items Not on the Agenda)

There were no member comments.

7. Department Head Update

Mr. West introduced Facilities Manager, Baltazar (Bart) Mejia and gave a brief synopsis of his background and the work he will be overseeing for the Village. Mr. Mejia also gave an update on the solar light at the Employee Parking Light.

Consent:

All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.

The consent calendar was pulled for Discussion.

8. Project Log

Chair Garthoffner reviewed each item of the Project Log for the Committee. Mr. West responded to all questions and comments.

Reports:

9. EV Growth in LWV and EV Charging Stations (Director Dotson)

Director Dotson reviewed a PowerPoint presentation she prepared regarding the installation of electric vehicle charging stations, and answered questions from the Committee.

Discussion ensued regarding a report that provides the number of times a manor has new owners or new lessees; the benefit of sensibly deciding on how many charging stations are needed and where they should be placed; need cost benefit analysis before a decision could be made due to the 10-year operations and maintenance (O&M) requirement for each installed charging station; annual review of electric vehicle registrations is needed to keep track of growth; data related to the type and number of electric vehicles may not be accurate due to data input errors; electrical infrastructure in United will not support multiple electric vehicle charging in the carports; and the idea of placing EV charging stations at Clubhouse 7 only.

9(a). SCE Charge Ready 2 Program – Submitted Applications and Proposed Locations

Staff Officer Guy West was going to review the nine applications, and proposed EV charging station locations that were submitted to SCE for grants through the Charge Ready 2 program, however the Committee did not want to review the presentation at this time. Staff was asked to wait to see what SCE comes back with.

Discussion ensued regarding the utilization of the existing EV charging stations at the Community Center; and a cost analysis for immediate and long-range expenditures for EV charging stations.

By consensus, staff was directed to schedule a meeting with the SCE Representative to discuss the program, and to help understand the probable costs involved. Additionally, staff was asked to provide an estimated cost analysis prior to a meeting being scheduled in September.

10. First Floor Break Room in Resident Services

Staff Officer Guy West provided the Committee with information related to the expenditures incurred to date.

11. UV Lighting for PAC and Broadband HVAC Facilities

Staff Officer Guy West provided an update on the cost to add a UV lighting system to the Performing Arts Center (\$22k) and Broadband Building (\$18k).

Discussion ensued regarding if the addition of the UV light equipment will cause any damage to the HVAC system; UV light systems placed in the supply plenums; the Broadband HVAC replacement will be like for like; effectiveness of ion generation and UV light systems; HEPA filters clean the air but may corrode the HVAC system over time; the mini-splits for the office at the PAC will have a filtration system; and that ion generation systems may not fully protect residents and staff from the COVID-19 virus.

12. Senate Bill 326 Inspections

This item was discussed during the Department Head Update.

13. Driving Range Update

Recreation Director Brian Gruner provided an update on an irrigation design proposal that was received from Fairway for \$6,000.

The tasks that need to be completed to move this project forward are the following three items –

1. Determine what grading is needed to ensure the site drains properly.
2. Determine the proper irrigation system for the terrain.
3. Contact a Landscape Company for costs on conditioning and installation of the turf.

By consensus, staff was asked to set up another field meeting with landscape and grading contractors to discuss next steps.

14. Window Coverings for both Dining Rooms at the Performing Arts Center (PAC)

Recreation Director Brian Gruner discussed the need for new window coverings in both dining rooms at the PAC, and provided a quote for the work. A further review of this topic and a recommendation will be discussed in closed session.

Chair Garthoffner asked Mr. Gruner to discuss the challenges that staff is facing with the existing sound system.

Additionally, Mr. Gruner provided an update on stage lighting and executing an agreement for an analysis and recommendation. A proposal was received from Nautilus out of San Diego in the amount of \$4,300.

Discussion ensued regarding the need to upgrade all outdated systems to effectively utilize the Performing Arts Center; Advisor Leonard has volunteered to review proposals for sound systems to help ensure the Performing Arts Center receives what is needed most.

Items for Future Agendas:

- Employee Parking Lot Lighting
- Building E Assessment
- Epoxy Line Remediation at the Golf Starter Building
- Electric Gate at Garden Center II

Concluding Business:

15. Committee Member Comments

- Advisor Walsh welcomed Mr. Mejia to VMS.
- Chair Garthoffner commented that a Clubhouse Renovation Ad-hoc Committee meeting will be scheduled soon.
- Director Mukhopadhyay commented on the Clubhouse 1 project.

16. Date of Next Meeting: October 13, 2021. *A special Committee Workshop or Special Open Committee meeting will be scheduled in September.*

17. Recess: The meeting was recessed at 12:30pm.

DRAFT

Egon Garthoffner, Chair



OPEN MEETING
THE GOLDEN RAIN FOUNDATION
MEDIA AND COMMUNICATIONS COMMITTEE
Monday, August 16, 2021, at 1:30 p.m.
Virtual Meeting
24351 El Toro Road, Laguna Woods, CA 92637

REPORT

Members Present: Chair Joan Milliman; Directors Elsie Addington, Neda Ardani, Maggie Blackwell, Lynn Jarrett, Annie McCary and Ryna Rothberg; Advisors Theresa Frost, Tom Nash, Carmen Pacella, Lucy Parker and Juanita Skillman; Alternates Bunny Carpenter and Deborah Dotson

Members Absent: None

Others Present: Egon Garthoffner and Norman Kahn

Staff Present: Eileen Paulin, Paul Ortiz, Ellyce Rothrock and Susan Logan-McCracken

1. Call to Order

Meeting was called to order at 1:30 p.m. and a quorum was established by Chair Milliman.

2. Acknowledgement of Media

None present.

3. Approval of the Agenda

Approved by unanimous consent.

4. Report

Approved by unanimous consent.

5. Chair's Remarks

Chair Milliman discussed where to go for accurate information and answers. She read through and highlighted information from the "Got (the Right) Info?" fact sheet that was included in the agenda packet.

6. Member Comments (Items Not on the Agenda)

Parviz Riazi inquired about the discontinuation of standard-definition programming and when this decision was approved by the GRF board of directors. He articulated that

residents without the right equipment will not be able to receive CBS, NBC and ABC.

7. Director and Staff Responses to Member Comments

In response to Mr. Riazzi's comments, Mr. Ortiz discussed the GRF initiative to transition from standard definition to high definition.

- These channels have not been taken away, but rather moved to high-definition channels 402, 404 and 407.
- Most one- or two-year-old televisions can receive every channel listed on the channel card.
- GRF cannot support every piece of equipment, that's why we encourage residents to use a set-top box.
- Residents who don't want to pay the monthly fee for a set-top box can purchase a new TV, which would be able to receive all 150 channels listed on the card.
- The GRF initiative to transition to a high-definition cable network occurred over the past three years and it was done incrementally, 10 channels at a time.
- This initiative saves bandwidth, electricity and costs.

Chair Milliman reiterated that the channels were moved incrementally by one group at a time.

Ms. Paulin added that the gentleman is a relatively new resident and wasn't privy to the last three years of planning that went into this decision.

REPORTS

8. Media and Communications Report - Eileen Paulin

Ms. Paulin updated the committee on the website, which is still in next year's GRF budget pending final approval. Focus groups to discuss the needs of the website will not commence until the budget has passed, but the plan is to hold several small focus groups rather than one large one.

Ms. Paulin displayed the August/September Village Breeze that had been delivered to the Community Center. She anticipated that resident copies are likely in the mail. She highlighted from the issue:

- Questions for the Q&A column on page 26 taken from actual phone calls
- How Landscaping Services maintains and environmentally protects Aliso Creek on page 28
- Information about water conservation on page 59
- The cover, which features a photo of Laguna Beach taken just down the road from this community

Ms. Paulin announced that the contract with The Broadband Group (TBG) was approved by GRF.

She highlighted from the staff report that website traffic continues to be high and open rates on email continue to be strong.

She expressed appreciation for continued efforts of the committee on the important initiative to direct residents to where they can go for the right answers.

She mentioned that the Centers for Disease Control and Prevention recommended a COVID-19 booster shot for people who are immunosuppressed. She referred to the California Department of Public Health and the Orange County Health Care Agency for information and direction.

Since Village Television appearances have resumed, Ms. Paulin mentioned the department has been busy working on presentations and messaging. She also mentioned year-in-review presentation preparations are underway.

Advisor Pacella stated that the "Got (the Right) Info?" fact sheet that was included in the agenda packet is excellent. He suggested adding a button to the website homepage that leads directly to it. Ms. Paulin stated it was a great suggestion and that it is possible with the microsite. Chair Milliman concurred.

Referring to the staff report, Director McCary commended the incredible amount of work accomplished by the Department of Media and Communications. She reiterated Advisor Pacella's suggestion. She stated that she and other board members are working on the year-in-review reports. She commended and thanked the Media and Communications department for working with all the boards to get their year-in-review presentations ready.

Chair Milliman stated that the annual meetings are coming up.

Advisor Nash reiterated the importance of promoting on multiple platforms where residents can go for correct information. He mentioned monitoring social media and a discussion ensued.

9. Broadband Services Report - Paul Ortiz

Mr. Ortiz highlighted from the Broadband Services report:

- Expiring programming contracts
- Broadband subscriber count report
- Broadband Services fee report
- High-speed internet subscriber counts

Ms. Paulin commended Mr. Ortiz for his work to find efficiencies and save costs.

ITEMS FOR DISCUSSION AND CONSIDERATION

ITEMS FOR FUTURE AGENDAS

11. Focus Groups for Website

12. Review and Revise the Village Website Usage Policy

13. Community Survey

CONCLUDING BUSINESS

14. Committee Member Comments

Director McCary mentioned that her email address was hacked over the weekend by a phishing scam that asked contacts in her network to send funds via gift cards. She asked the committee for ideas to warn people about this type of cyberattack.

Director Dotson added that this was a sophisticated cyberattack and, after right clicking on the email address to show that her email was correct, she clicked on the email. When she realized it was a scam, she changed her password immediately, recommending others do the same if they get tricked. She advised changing passwords often and right clicking on the sender's email address. She will write about this topic in every issue of the Village Breeze and talk about it on a new Village Television show. Further discussion ensued.

Director Dotson requested adding community surveys as a future agenda item.

Director Ardani mentioned Fanny Mae's decision to suspend new NCB loan applications in United Mutual. Ms. Paulin stated this information went out in an email blast to realtors as well as to residents in the Friday "What's Up in the Village" email blast. Director Ardani requested that this continue to receive as much coverage as possible.

Advisor Skillman suggested coverage for all the different types of scams. She had received a phone call scam yesterday. She also suggested publishing an article on the demographics and statistics obtained about the Village from the 2020 census for the Village Breeze.

Advisor Parker suggested producing a couple of new videos on scams, possibly including personal examples like Director McCary's. She thanked Director Dotson for her efforts to inform residents about protecting themselves from scams. She commended the Department of Media and Communications for doing an excellent job.

Director Jarrett commended and thanked Ms. Paulin and Mr. Ortiz regarding the information they provided today.

Chair Milliman commended them for a fine job every time and that print media and video media were fantastic.

Ms. Paulin referred to a recently published article about HO-6 insurance that pertains to United Mutual. Director Ardani acknowledged the coverage and continuing to cover this very important topic.

Chair Milliman mentioned possibly sending an email blast to all United residents, encouraging them to talk to their board of directors.

Director Addington referred to an article she wrote on HO-6 insurance. Chair Milliman asked her to share it with Ms. Paulin.

15. Date of Next Meeting - September 20, 2021, at 1:30 p.m.

16. Adjournment

2:55 p.m.

p.p. Joan Milliman / SLM

Joan Milliman, Chair
Media and Communications Committee

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REPORT OF THE REGULAR MEETING OF THE
GOLDEN RAIN FOUNDATION OF LAGUNA WOODS
SECURITY AND COMMUNITY ACCESS COMMITTEE

The Regular Meeting of the Security and Community Access Committee was held on Monday, August 30, 2021 at 1:30 p.m. 24351 El Toro Road, Laguna Woods, California.

MEMBERS PRESENT: Don Tibbetts (Chair), Maggie Blackwell, Cush Bhada, Margaret Bennett

OTHERS PRESENT: Bunny Carpenter

STAFF PRESENT: Carlos Rojas, Tom Siviglia, and Jayanna Hendley

CALL TO ORDER

Don Tibbetts, Chair, called the meeting to order at 1:33 p.m.

ACKNOWLEDGEMENT OF PRESS

The Media was not present.

APPROVAL OF AGENDA

By way of consensus, the Committee approved the agenda as presented.

APPROVAL OF MEETING REPORT

The Committee will determine approval of the July 27, 2021 meeting report at the next committee meeting.

CHAIRMAN'S REMARKS

Chair Tibbetts had no comments.

MEMBER COMMENTS ON NON-AGENDA ITEMS

No member comments were received

RESPONSE TO MEMBER COMMENTS ON NON-AGENDA ITEMS

None

REPORTS

Disaster Preparedness Task Force Report Security Director, Carlos Rojas, reported that the Great CA Shakeout is coming up in October and that it will be a bit more active than last year's drill. Rojas also stated that we are waiting on the Fire Avert Devices to be delivered. Additionally, Tom Soule has re-opened the DPTF Office with emergency items for sale.

RV Update Carlos Rojas discussed the RV Lot vacancies listed on the document provided for this update. Carlos also advised the committee that the vacant spaces were in the process of being filled by residents on the waiting list.

Noteworthy Incidents Carlos Rojas reported that our officers have assisted in admonishing several individuals for trespassing over the past two months.

Security Statistics Carlos Rojas reported details and insights on these statistics. Members made comments and asked questions.

ITEMS FOR DISCUSSION AND CONSIDERATION

Security and Safety at the Equestrian Center Carlos Rojas explained the document in the packet pertaining to this matter. Bunny Carpenter spoke and is questioning whether or not the gate at the Equestrian Center should be replaced. Cush Bhada recommended additional cameras to be installed at the Equestrian Center. Carlos Rojas suggested that Security conducts further investigation into the current camera situation, and report back to the committee with a Staff Report.

Golf Cart Path Safety Carlos Rojas discussed the document in the packet pertaining to this matter. Carlos asked for comments or questions regarding the issue. Maggie Blackwell commented that she would like to see taller signs posted at the golf course. Carlos suggested that educational material regarding Golf Course Safety be put together and advertised in the Village Breeze. Committee members agreed.

Stop Signs and Pedestrians in Intersections Carlos Rojas discussed the document in the packet pertaining to this matter. Carlos also explained that he believes this matter should be looked into further, and asked for direction to be given from the committee. Director Cush Bhada agreed that something does need to be done. Carlos Rojas stated that Security will work with Maintenance to determine what the engineering and costs of this project would look like.

Monetary Penalty Increase for Speeding Violations Carlos Rojas discussed the document attached in the packet pertaining to this item. Cush Bhada and Maggie Blackwell both agreed and verbalized that the current fines are justifiably appropriate and should not be increased.

ITEMS FOR FUTURE AGENDAS

None

CONCLUDING BUSINESS

DATE OF THE NEXT MEETING

The next meeting is scheduled for Monday, October 25, 2021, at 1:30 p.m. in a virtual model meeting on Zoom.

ADJOURNMENT

There being no further business to come before the Committee, Chair Tibbetts adjourned the meeting at 2:13 p.m.

Don G Tibbetts

[Don G Tibbetts \(Aug 31, 2021 14:27 PDT\)](#)

Don Tibbetts, Chair

Aug 31, 2021

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REPORT OF THE LAGUNA WOODS VILLAGE
TRAFFIC HEARINGS COMMITTEE

August 18, 2021

The Regular Meeting of the Laguna Woods Village Traffic Hearings Committee was held on Wednesday August 18, 2021 at 9:00 A.M., Virtual

MEMBERS PRESENT: Chair: John Frankel, Neda Ardani, Debbie Dotson, Cush Bhada, Yvonne Horton

STAFF PRESENT: Jayanna Hendley, Vanessa Ayala, Eulalio Diaz, Carlos Rojas

Call to Order

John Frankel, Chair, called the meeting to order at 9:09 A.M.

Approval of Agenda

Chair Frankel made a motion to approve agenda as presented.
By unanimous consent, the motion passed.

Approval of Meeting Reports

Chair Frankel made a motion to approve the meeting report from July 21, 2021.
By unanimous consent, the motion passed.

Traffic Hearings

- a. 9:15 a.m. Traffic Violation # 2109376 (Failure to Obey Stop Sign) – No Show, Guilty
- b. 9:30 a.m. Traffic Violation # 2109424 (Failure to Obey Stop Sign) – Rescheduled
- c. 9:45 a.m. Traffic Violation # 2112323 (Parked in Wrong Direction) – Guilty, No Fine
- d. 10:00 a.m. Traffic Violation # 2110046 (Speeding 11-15 MPH Over Limit) – No Show, Guilty
- e. 10:15 a.m. Traffic Violation # 2110075 (Parked on Sidewalk or Grass) – Guilty, No Fine
- f. 10:30 a.m. Traffic Violation # 2110077 (Parked on Sidewalk or Grass) – Guilty, No Fine
- g. 10:45 a.m. Traffic Violation # 2111985 (Speeding 16 MPH and Over) – Guilty, \$100 Fine

Date of Next Meeting

The next meeting is scheduled for Wednesday September 15, 2021, at 9:00 A.M., via virtualmeeting.

Adjournment

With no further business before the Committee, the meeting was adjourned at 11:11 A.M.

John Frankel

John Frankel (Aug 24, 2021 12:07 PDT)

Aug 24, 2021

John Frankel, Chair

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