



**REGULAR MEETING OF THE FINANCE COMMITTEE**

**Tuesday, February 5, 2019 – 1:30 p.m.  
Laguna Woods Village Community Center Board Room  
24351 El Toro Road**

**AGENDA**

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Approval of Meeting Report for January 8, 2019
5. Chair Remarks
6. Member Comments (Items Not on the Agenda)
7. Department Head Update

**Reports:**

8. Preliminary Financial Statements dated December 31, 2018

**Items for Discussion and Consideration:**

9. 2018 Solar System Update
10. Other Endorsements from Standing Committees

**Future Agenda Items:**

2019 Reserve Study (March)

**Concluding Business:**

11. Committee Member Comments
12. Date of Next Meeting – Tuesday, March 5, 2019 at 1:30 p.m.
13. Recess to Closed Session

Jack Connelly, Chair  
Betty Parker, Staff Officer  
Telephone: 949-597-4201



## **REPORT OF THE REGULAR OPEN MEETING OF THE THIRD LAGUNA HILLS MUTUAL FINANCE COMMITTEE**

Tuesday, January 8, 2019 – 1:30 p.m.  
Laguna Woods Village Community Center Sycamore Room, 24351 El Toro Road

**MEMBERS PRESENT:** Jack Connelly – Chair, Rosemarie diLorenzo, James Tung, Roy Bruninghaus, Cush Bhada, John Frankel, Jon Pearlstone, Lynn Jarrett, Advisors: Wei-Ming Tao, John Hess, Michael Cunningham

**MEMBERS ABSENT:** Steve Parsons, Bunny Carpenter, Paul Chao

**STAFF PRESENT:** Betty Parker, Steve Hormuth, Christopher Swanson

### **Call to Order**

Director Jack Connelly, Treasurer, chaired the meeting and called it to order at 1:33 p.m.

### **Approval of Meeting Agenda**

A motion was made and carried unanimously to approve the agenda with the following additions:

- Defined policy for overspent landscape modernization
- Improvements in Landscape Reporting

### **Approval of Meeting Report for December 4, 2018**

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

### **Department Head Update**

Betty Parker, Chief Financial Officer, advised of the BlackRock portfolio review scheduled at the upcoming GRF Finance Committee meeting in February.

### **Preliminary Financial Statements Dated November 30, 2018**

The Committee reviewed financials and questions were addressed.

### **Future Agenda Items**

2019 Reserve Study (February Agenda)  
Solar Updates

### **Committee Member Comments**

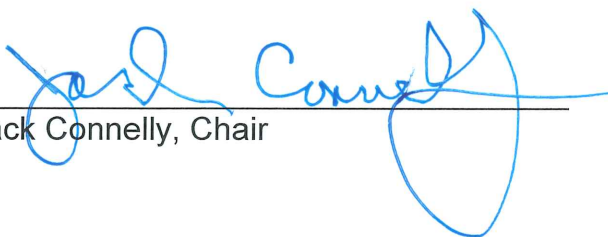
Director Frankel commented on the use of Round-Up.

### **Date of Next Meeting**

Tuesday, February 5, 2019 at 1:30 p.m. in the Board Room.

**Recess to Closed Session**

The meeting recessed at 2:38 p.m.



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Jack Connelly, Chair

**Third Laguna Hills Mutual**  
**Statement of Revenues & Expenses - Preliminary**  
**12/31/2018**  
(\$ IN THOUSANDS)

	CURRENT MONTH			YEAR TO DATE			YTD 2017 ACTUAL	ANNUAL BUDGET
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE		
<b>Revenues:</b>								
<b>Assessments:</b>								
1	Operating	\$1,573	\$1,573		\$18,879	\$18,879	\$18,409	\$18,879
2	Additions to restricted funds	1,096	1,096		13,154	13,154	13,396	13,154
3	<b>Total assessments</b>	<b>2,669</b>	<b>2,669</b>		<b>32,034</b>	<b>32,034</b>	<b>31,806</b>	<b>32,034</b>
<b>Non-assessment revenues:</b>								
4	Fees and charges for services to residents	302	47	255	905	563	342	563
5	Laundry	10	9	1	133	108	25	108
6	Interest income	42	31	11	486	369	117	369
7	Miscellaneous	75	48	26	672	581	91	581
8	<b>Total non-assessment revenue</b>	<b>429</b>	<b>135</b>	<b>294</b>	<b>2,196</b>	<b>1,621</b>	<b>575</b>	<b>1,621</b>
9	<b>Total revenue</b>	<b>3,098</b>	<b>2,805</b>	<b>294</b>	<b>34,229</b>	<b>33,655</b>	<b>33,091</b>	<b>33,655</b>
<b>Expenses:</b>								
10	Employee compensation and related	998	1,057	59	13,053	12,550	(502)	12,550
11	Materials and supplies	116	131	15	1,351	1,559	208	1,559
12	Utilities and telephone	431	381	(50)	5,530	5,065	(465)	5,065
13	Legal fees	(65)	24	89	249	290	41	290
14	Professional fees	21	13	(8)	133	157	24	157
15	Equipment rental	4	2	(2)	22	25	3	25
16	Outside services	2,679	721	(1,957)	9,696	10,459	764	10,459
17	Repairs and maintenance	43	27	(16)	341	333	(8)	333
18	Other Operating Expense	13	20	8	148	159	11	159
19	Insurance	109	110	1	1,267	1,316	49	1,316
20	Investment expense				42	42		42
21	Uncollectible Accounts	106	8	(98)	163	100	(63)	100
22	(Gain)/loss on sale or trade	12		(12)	13		(13)	
23	Depreciation and amortization	9	12	3	143	146	3	146
24	Net allocation to mutuals	106	105	(1)	1,218	1,279	61	1,279
25	<b>Total expenses</b>	<b>4,581</b>	<b>2,612</b>	<b>(1,969)</b>	<b>33,369</b>	<b>33,481</b>	<b>112</b>	<b>33,481</b>
26	<b>Excess of revenues over expenses</b>	<b>(\$1,483)</b>	<b>\$193</b>	<b>(\$1,676)</b>	<b>\$861</b>	<b>\$174</b>	<b>\$687</b>	<b>\$174</b>

**Third Laguna Hills Mutual  
Operating Statement  
12/31/2018  
THIRD LAGUNA HILLS MUTUAL**

	YEAR TO DATE			VAR% B/(W)	ANNUAL BUDGET
	Actual	Budget	VAR\$ B/(W)		
Revenues:					
Assessments:					
<b>Operating</b>					
41001000 - Monthly Assessments	\$18,879,237	\$18,879,302	(\$65)	0.00%	\$18,879,302
<b>Total Operating</b>	<b>18,879,237</b>	<b>18,879,302</b>	<b>(65)</b>	<b>0.00%</b>	<b>18,879,302</b>
<b>Additions To Restricted Funds</b>					
41002000 - Monthly Assessments - Disaster Fund	2,028,305	2,028,305	0	0.00%	2,028,305
41003000 - Monthly Assessments - Unappropriated Expenditures Fund	732,240	732,240	0	0.00%	732,240
41003500 - Monthly Assessments - Replacement Fund	9,885,240	9,885,240	0	0.00%	9,885,240
41004000 - Monthly Assessments - Elevator Replacement Fund	366,120	366,120	0	0.00%	366,120
41004500 - Monthly Assessments - Laundry Replacement Fund	82,896	82,896	0	0.00%	82,896
41006000 - Monthly Assessments - Garden Villa Recreation Room Fund	59,616	59,616	0	0.00%	59,616
<b>Total Additions To Restricted Funds</b>	<b>13,154,417</b>	<b>13,154,417</b>	<b>0</b>	<b>0.00%</b>	<b>13,154,417</b>
<b>Total Assessments</b>	<b>32,033,653</b>	<b>32,033,719</b>	<b>(66)</b>	<b>0.00%</b>	<b>32,033,719</b>
Non-Assessment Revenues:					
<b>Fees and Charges for Services to Residents</b>					
46501000 - Permit Fee	107,788	67,500	40,288	59.69%	67,500
46501500 - Inspection Fee	71,304	57,161	14,143	24.74%	57,161
46502000 - Resident Maintenance Fee	725,791	438,577	287,214	65.49%	438,577
<b>Total Fees and Charges for Services to Residents</b>	<b>904,882</b>	<b>563,238</b>	<b>341,644</b>	<b>60.66%</b>	<b>563,238</b>
<b>Laundry</b>					
46005000 - Coin Op Laundry Machine	132,633	108,000	24,633	22.81%	108,000
<b>Total Laundry</b>	<b>132,633</b>	<b>108,000</b>	<b>24,633</b>	<b>22.81%</b>	<b>108,000</b>
<b>Interest Income</b>					
49001000 - Interest Income - Treasury Notes	136,438	82,195	54,243	65.99%	82,195
49001500 - Interest Income - Treasury Notes - Discretionary	258,728	222,498	36,230	16.28%	222,498
49002000 - Interest Income - Money Market	6,925	2,918	4,007	137.30%	2,918
49002500 - Interest Income - Gnma Securities - Discretionary	84,032	61,068	22,964	37.60%	61,068
<b>Total Interest Income</b>	<b>486,123</b>	<b>368,679</b>	<b>117,444</b>	<b>31.86%</b>	<b>368,679</b>
<b>Miscellaneous</b>					
46002000 - Traffic Violation	(25)	0	(25)	0.00%	0
46004500 - Resident Violations	75,975	0	75,975	0.00%	0
44501510 - Lease Processing Fee - Third	247,699	204,000	43,699	21.42%	204,000
44502000 - Variance Processing Fee	(150)	0	(150)	0.00%	0
44502500 - Non-Sale Transfer Fee - Third	2,050	13,000	(10,950)	(84.23%)	13,000
44503520 - Resale Processing Fee - Third	153,086	193,901	(40,815)	(21.05%)	193,901
44505500 - Hoa Certification Fee	7,290	6,000	1,290	21.50%	6,000
44507000 - Golf Cart Electric Fee	69,077	68,000	1,077	1.58%	68,000
44507200 - Electric Vehicle Plug-In Fee	6,824	12,000	(5,176)	(43.13%)	12,000
44507500 - Cartport/Carport Space Rental Fee	5,536	3,000	2,536	84.55%	3,000
47001000 - Cash Discounts - Accounts Payable	11	0	11	0.00%	0
47001500 - Late Fee Revenue	56,148	48,000	8,148	16.97%	48,000
47002020 - Collection Administrative Fee - Third	3,500	9,000	(5,500)	(61.11%)	9,000
47002500 - Collection Interest Revenue	7,586	22,000	(14,414)	(65.52%)	22,000
47501000 - Recycling	6,070	2,400	3,670	152.91%	2,400
49009000 - Miscellaneous Revenue	31,497	0	31,497	0.00%	0
<b>Total Miscellaneous</b>	<b>672,174</b>	<b>581,301</b>	<b>90,873</b>	<b>15.63%</b>	<b>581,301</b>
<b>Total Non-Assessment Revenue</b>	<b>2,195,812</b>	<b>1,621,218</b>	<b>574,594</b>	<b>35.44%</b>	<b>1,621,218</b>
<b>Total Revenue</b>	<b>34,229,465</b>	<b>33,654,937</b>	<b>574,529</b>	<b>1.71%</b>	<b>33,654,937</b>
Expenses:					
<b>Employee Compensation</b>					
51011000 - Salaries & Wages - Regular	2,239,371	2,276,484	37,113	1.63%	2,276,484
51021000 - Union Wages - Regular	5,513,054	5,684,742	171,687	3.02%	5,684,742
51041000 - Wages - Overtime	33,060	40,308	7,248	17.98%	40,308
51051000 - Union Wages - Overtime	72,283	37,449	(34,834)	(93.02%)	37,449
51061000 - Holiday	850,889	321,801	(529,088)	(164.41%)	321,801

**Third Laguna Hills Mutual  
Operating Statement  
12/31/2018  
THIRD LAGUNA HILLS MUTUAL**

	YEAR TO DATE				ANNUAL BUDGET
	Actual	Budget	VAR\$ B/(W)	VAR% B/(W)	
51071000 - Sick	268,934	262,522	(6,412)	(2.44%)	262,522
51091000 - Missed Meal Penalty	2,396	1,758	(638)	(36.27%)	1,758
51101000 - Temporary Help	107,647	53,884	(53,764)	(99.78%)	53,884
51981000 - Compensation Accrual	(76,517)	0	76,517	0.00%	0
<b>Total Employee Compensation</b>	<b>9,011,117</b>	<b>8,678,947</b>	<b>(332,170)</b>	<b>(3.83%)</b>	<b>8,678,947</b>
<b>Compensation Related</b>					
52411000 - F.I.C.A.	674,629	647,182	(27,447)	(4.24%)	647,182
52421000 - F.U.I.	8,585	9,719	1,134	11.66%	9,719
52431000 - S.U.I.	75,836	48,533	(27,303)	(56.26%)	48,533
52441000 - Union Medical	1,868,879	1,902,800	33,921	1.78%	1,902,800
52451000 - Workers' Compensation Insurance	663,184	623,917	(39,267)	(6.29%)	623,917
52461000 - Non Union Medical & Life Insurance	282,024	233,653	(48,371)	(20.70%)	233,653
52461500 - VUL Premium	18,337	0	(18,337)	0.00%	0
52461550 - VUL Interest	(579)	0	579	0.00%	0
52471000 - Union Retirement Plan	331,261	310,962	(20,300)	(6.53%)	310,962
52481000 - Non-Union Retirement Plan	52,766	94,496	41,730	44.16%	94,496
52981000 - Compensation Related Accrual	66,528	0	(66,528)	0.00%	0
<b>Total Compensation Related</b>	<b>4,041,450</b>	<b>3,871,261</b>	<b>(170,189)</b>	<b>(4.40%)</b>	<b>3,871,261</b>
<b>Materials and Supplies</b>					
53001000 - Materials & Supplies	472,139	358,452	(113,687)	(31.72%)	358,452
53002500 - Printed Membership Materials	0	194	194	100.00%	194
53003000 - Materials Direct	878,328	1,200,324	321,996	26.83%	1,200,324
53004000 - Freight	231	0	(231)	0.00%	0
<b>Total Materials and Supplies</b>	<b>1,350,698</b>	<b>1,558,970</b>	<b>208,272</b>	<b>13.36%</b>	<b>1,558,970</b>
<b>Utilities and Telephone</b>					
53301000 - Electricity	478,675	325,000	(153,675)	(47.28%)	325,000
53301500 - Sewer	1,695,720	1,677,000	(18,720)	(1.12%)	1,677,000
53302000 - Water	2,809,708	2,532,507	(277,201)	(10.95%)	2,532,507
53302500 - Trash	545,960	530,455	(15,505)	(2.92%)	530,455
<b>Total Utilities and Telephone</b>	<b>5,530,064</b>	<b>5,064,962</b>	<b>(465,101)</b>	<b>(9.18%)</b>	<b>5,064,962</b>
<b>Legal Fees</b>					
53401500 - Legal Fees	248,867	290,000	41,133	14.18%	290,000
<b>Total Legal Fees</b>	<b>248,867</b>	<b>290,000</b>	<b>41,133</b>	<b>14.18%</b>	<b>290,000</b>
<b>Professional Fees</b>					
53402000 - Audit & Tax Preparation Fees	42,056	48,000	5,944	12.38%	48,000
53403500 - Consulting Fees	5,313	34,614	29,301	84.65%	34,614
53403520 - Consulting Fees - Third	85,463	74,300	(11,163)	(15.02%)	74,300
<b>Total Professional Fees</b>	<b>132,831</b>	<b>156,914</b>	<b>24,083</b>	<b>15.35%</b>	<b>156,914</b>
<b>Equipment Rental</b>					
53501500 - Equipment Rental/Lease Fees	22,377	25,462	3,085	12.12%	25,462
<b>Total Equipment Rental</b>	<b>22,377</b>	<b>25,462</b>	<b>3,085</b>	<b>12.12%</b>	<b>25,462</b>
<b>Outside Services</b>					
53601000 - Bank Fees	20,026	3,929	(16,097)	(409.70%)	3,929
53604500 - Marketing Expense	5,940	0	(5,940)	0.00%	0
54603500 - Outside Services CC	9,585,809	10,377,739	791,930	7.63%	10,377,739
53704000 - Outside Services	83,773	77,476	(6,297)	(8.13%)	77,476
<b>Total Outside Services</b>	<b>9,695,548</b>	<b>10,459,144</b>	<b>763,596</b>	<b>7.30%</b>	<b>10,459,144</b>
<b>Repairs and Maintenance</b>					
53701000 - Equipment Repair & Maint	6,840	12,108	5,267	43.50%	12,108
53702500 - Building Repair & Maint	14,508	0	(14,508)	0.00%	0
53703000 - Elevator /Lift Maintenance	319,531	320,480	949	0.30%	320,480
<b>Total Repairs and Maintenance</b>	<b>340,879</b>	<b>332,588</b>	<b>(8,291)</b>	<b>(2.49%)</b>	<b>332,588</b>
<b>Other Operating Expense</b>					
53801000 - Mileage & Meal Allowance	5,787	7,694	1,907	24.78%	7,694
53801500 - Travel & Lodging	404	1,574	1,169	74.30%	1,574
53802000 - Uniforms	75,790	70,674	(5,116)	(7.24%)	70,674
53802500 - Dues & Memberships	824	3,204	2,380	74.28%	3,204
53803000 - Subscriptions & Books	1,160	1,851	691	37.35%	1,851
53803500 - Training & Education	4,887	11,016	6,129	55.64%	11,016

**Third Laguna Hills Mutual  
Operating Statement  
12/31/2018  
THIRD LAGUNA HILLS MUTUAL**

	YEAR TO DATE				ANNUAL
	Actual	Budget	VAR\$ B/(W)	VAR% B/(W)	BUDGET
53901500 - Volunteer Support	0	1,175	1,175	100.00%	1,175
53903000 - Safety	0	41	41	100.00%	41
54001000 - Board Relations	3,980	5,000	1,019	20.39%	5,000
54001020 - Board Relations - Third	3,883	4,000	117	2.92%	4,000
54001500 - Public Relations	(29)	0	29	0.00%	0
54002000 - Postage	51,402	51,712	310	0.60%	51,712
54002500 - Filing Fees / Permits	409	1,497	1,088	72.70%	1,497
<b>Total Other Operating Expense</b>	<b>148,497</b>	<b>159,438</b>	<b>10,941</b>	<b>6.86%</b>	<b>159,438</b>
<b>Income Taxes</b>					
54301000 - State & Federal Income Taxes	10	0	(10)	0.00%	0
<b>Total Income Taxes</b>	<b>10</b>	<b>0</b>	<b>(10)</b>	<b>0.00%</b>	<b>0</b>
<b>Insurance</b>					
54401000 - Hazard & Liability Insurance	391,239	403,965	12,725	3.15%	403,965
54401500 - D&O Liability	46,761	47,514	752	1.58%	47,514
54402000 - Property Insurance	822,241	857,745	35,504	4.14%	857,745
54403000 - General Liability Insurance	6,898	7,072	174	2.46%	7,072
<b>Total Insurance</b>	<b>1,267,140</b>	<b>1,316,295</b>	<b>49,156</b>	<b>3.73%</b>	<b>1,316,295</b>
<b>Investment Expense</b>					
54201000 - Investment Expense	41,724	41,724	0	0.00%	41,724
<b>Total Investment Expense</b>	<b>41,724</b>	<b>41,724</b>	<b>0</b>	<b>0.00%</b>	<b>41,724</b>
<b>Uncollectible Accounts</b>					
54602000 - Bad Debt Expense	163,097	100,000	(63,097)	(63.10%)	100,000
<b>Total Uncollectible Accounts</b>	<b>163,097</b>	<b>100,000</b>	<b>(63,097)</b>	<b>(63.10%)</b>	<b>100,000</b>
<b>(Gain)/Loss on Sale or Trade</b>					
54101500 - (Gain)/Loss On Investments	13,470	0	(13,470)	0.00%	0
<b>Total (Gain)/Loss on Sale or Trade</b>	<b>13,470</b>	<b>0</b>	<b>(13,470)</b>	<b>0.00%</b>	<b>0</b>
<b>Depreciation and Amortization</b>					
55001000 - Depreciation And Amortization	143,049	145,968	2,919	2.00%	145,968
<b>Total Depreciation and Amortization</b>	<b>143,049</b>	<b>145,968</b>	<b>2,919</b>	<b>2.00%</b>	<b>145,968</b>
<b>Net Allocation to Mutuals</b>					
54602500 - Allocated Expenses	1,217,840	1,279,046	61,205	4.79%	1,279,046
<b>Total Net Allocation to Mutuals</b>	<b>1,217,840</b>	<b>1,279,046</b>	<b>61,205</b>	<b>4.79%</b>	<b>1,279,046</b>
<b>Total Expenses</b>	<b>33,368,656</b>	<b>33,480,719</b>	<b>112,063</b>	<b>0.33%</b>	<b>33,480,719</b>
<b>Excess of Revenues Over Expenses</b>	<b>\$860,809</b>	<b>\$174,217</b>	<b>\$686,592</b>	<b>394.10%</b>	<b>\$174,217</b>

**Third Laguna Hills Mutual  
Balance Sheet - Preliminary  
12/31/2018**

		<u>Current Month End</u>	<u>Prior Year December 31</u>
<b>Assets</b>			
1	Cash and cash equivalents	\$3,321,543	\$997,829
2	Non-discretionary investments	11,831,351	12,920,190
3	Discretionary investments	16,831,676	16,497,360
4	Receivable/(Payable) from mutuals	1,496,936	1,786,681
5	Accounts receivable and interest receivable	(17,774)	(39,341)
6	Prepaid expenses and deposits	195,117	260,788
7	Property and equipment	187,996	141,239
8	Accumulated depreciation property and equipment	(141,239)	(141,239)
9	Beneficial interest in GRF of Laguna Hills Trust	5,460,742	5,603,791
10	Non-controlling interest in GRF	36,657,849	36,657,849
<b>11</b>	<b>Total Assets</b>	<u><b>\$75,824,197</b></u>	<u><b>\$74,685,147</b></u>
<b>Liabilities and Fund Balances</b>			
Liabilities:			
12	Accounts payable and accrued expenses	\$2,620,578	\$2,385,412
13	Accrued compensation and related costs	646,315	677,476
14	Deferred income	1,020,461	946,225
15	Total liabilities	<u>\$4,287,354</u>	<u>\$4,009,113</u>
Fund balances:			
16	Fund balance prior years	70,676,034	67,486,563
17	Change in fund balance - current year	860,809	3,189,471
18	Total fund balances	<u>71,536,843</u>	<u>70,676,034</u>
<b>19</b>	<b>Total Liabilities and Fund Balances</b>	<u><b>\$75,824,197</b></u>	<u><b>\$74,685,147</b></u>



**Third Laguna Hills Mutual  
Fund Balance Sheet - Preliminary  
12/31/2018**

	<u>Operating Fund</u>	<u>Unappropriated Expenditures Fund</u>	<u>Disaster Fund</u>	<u>Replacement Fund</u>	<u>Elevator Replacement Fund</u>	<u>Laundry Replacement Fund</u>	<u>Garden Villa Rec Room Fund</u>	<u>Total</u>	
<b>Assets</b>									
1	Cash and cash equivalents	\$3,321,543						\$3,321,543	
2	Non-discretionary investments	11,831,351						11,831,351	
3	Discretionary investments	16,831,676						16,831,676	
4	Receivable/(Payable) from mutuals	1,496,936						1,496,936	
5	Receivable/(Payable) from operating fund	(30,138,494)	3,277,700	9,242,564	15,130,847	1,708,605	713,855	64,924	
6	Accounts receivable and interest receivable	(17,777)						(17,777)	
7	Prepaid expenses and deposits	195,117						195,117	
8	Property and equipment	141,239			46,757			187,996	
9	Accumulated depreciation property and equipment	(141,239)						(141,239)	
10	Beneficial interest in GRF of Laguna Hills Trust	5,460,742						5,460,742	
11	Non-controlling interest in GRF	36,657,849						36,657,849	
<b>12</b>	<b>Total Assets</b>	<b><u>\$45,638,943</u></b>	<b><u>\$3,277,700</u></b>	<b><u>\$9,242,564</u></b>	<b><u>\$15,177,604</u></b>	<b><u>\$1,708,605</u></b>	<b><u>\$713,855</u></b>	<b><u>\$64,924</u></b>	<b><u>\$75,824,195</u></b>
<b>Liabilities and Fund Balances</b>									
Liabilities:									
13	Accounts payable and accrued expenses	\$1,748,415	\$64,729	\$28,291	\$775,483		\$3,656	\$2,620,574	
14	Accrued compensation and related costs	646,315						646,315	
15	Deferred income	1,020,461						1,020,461	
16	Total liabilities	<u>\$3,415,191</u>	<u>\$64,729</u>	<u>\$28,291</u>	<u>\$775,483</u>		<u>\$3,656</u>	<u>\$4,287,350</u>	
Fund balances:									
17	Fund balance prior years	42,582,338	2,762,889	8,728,230	14,097,025	1,627,889	814,024	63,639	
18	Change in fund balance - current year	(358,586)	450,082	486,042	305,095	80,715	(100,169)	(2,371)	
19	Total fund balances	<u>42,223,752</u>	<u>3,212,971</u>	<u>9,214,273</u>	<u>14,402,121</u>	<u>1,708,605</u>	<u>713,855</u>	<u>61,268</u>	
<b>20</b>	<b>Total Liabilities and Fund Balances</b>	<b><u>\$45,638,943</u></b>	<b><u>\$3,277,700</u></b>	<b><u>\$9,242,564</u></b>	<b><u>\$15,177,604</u></b>	<b><u>\$1,708,605</u></b>	<b><u>\$713,855</u></b>	<b><u>\$64,924</u></b>	<b><u>\$75,824,195</u></b>

**Third Laguna Hills Mutual  
Changes in Fund Balances - Preliminary  
12/31/2018**

	<u>Operating Fund</u>	<u>Unappropriated Expenditures Fund</u>	<u>Disaster Fund</u>	<u>Replacement Fund</u>	<u>Elevator Replacement Fund</u>	<u>Laundry Replacement Fund</u>	<u>Garden Villa Rec Room Fund</u>	<u>Total</u>
Revenues:								
Assessments:								
1	\$18,879,237							\$18,879,237
2	178	732,230	2,028,277	9,885,105	366,115	82,896	59,616	13,154,417
3	<u>18,879,414</u>	<u>732,230</u>	<u>2,028,277</u>	<u>9,885,105</u>	<u>366,115</u>	<u>82,896</u>	<u>59,616</u>	<u>32,033,653</u>
Non-assessment revenues:								
4	904,882							904,882
5	132,633							132,633
6		49,522	151,221	243,490	27,614	12,618	1,658	486,123
7	672,163			11				672,174
8	<u>1,709,678</u>	<u>49,522</u>	<u>151,221</u>	<u>243,501</u>	<u>27,614</u>	<u>12,618</u>	<u>1,658</u>	<u>2,195,812</u>
9	<u>20,589,092</u>	<u>781,752</u>	<u>2,179,498</u>	<u>10,128,606</u>	<u>393,729</u>	<u>95,514</u>	<u>61,274</u>	<u>34,229,465</u>
Expenses:								
10	9,806,263		7,229	3,195,468		20,542	23,064	13,052,566
11	792,657		499	496,065		44,585	16,892	1,350,698
12	5,498,861		(4)	31,207				5,530,064
13	248,867							248,867
14	110,202			22,629				132,831
15	7,634		47	14,437			258	22,377
16	1,384,635	326,028	1,668,215	5,856,915	309,899	127,953	21,904	9,695,548
17	339,140		6	1,718		14	2	340,879
18	126,693		46	21,418		151	189	148,497
19	10							10
20	1,267,140							1,267,140
21		4,255	12,952	20,920	2,377	1,080	140	41,724
22	163,097							163,097
23		1,387	4,188	6,771	738	341	45	13,470
24	143,049							143,049
25	1,059,431		279	155,963		1,017	1,151	1,217,840
26	<u>20,947,679</u>	<u>331,670</u>	<u>1,693,455</u>	<u>9,823,510</u>	<u>313,014</u>	<u>195,683</u>	<u>63,645</u>	<u>33,368,656</u>
27	(\$358,586)	\$450,082	\$486,042	\$305,095	\$80,715	(\$100,169)	(\$2,371)	\$860,809
28	(\$215,538)	\$450,082	\$486,042	\$305,095	\$80,715	(\$100,169)	(\$2,371)	\$1,003,858

**THIRD LAGUNA HILLS MUTUAL  
Provision For Doubtful Accounts  
As of December 31, 2018**

Month	Delinquent Assessments	Assessments Write-Offs	Bad Debt Small Claims	Delinquent Fines, Fees, and Chargeable Services	Chargeable Services Write-Offs	Change in Provision	Total Delinquent Units *
December-17	304,394			45,324			44
January-18	311,578	1,000	-	45,324		6,184	32
February-18	311,696	(2,643)	-	49,141	-	6,578	35
March-18	305,389	-	-	76,605	-	21,157	27
April-18	306,918	11,676	-	78,070	-	(8,682)	29
May-18	327,234	-	-	81,210	-	23,456	35
June-18	291,738	(48,904)	-	75,466	-	7,664	32
July-18	226,998	(17,258)	20,830	71,019	-	(31,099)	23
August-18	233,972	(4,242)	-	68,789	-	8,986	21
September-18	220,977	-	-	63,271	-	(18,514)	18
October-18	222,624	-	-	82,195	-	20,571	16
November-18	236,032	-	-	89,366	-	20,579	17
December-18	258,868	(86,426)	-	84,233	(2,087)	106,216	19
<b>YTD TOTAL</b>						<b>163,097</b>	

\* units reported on the Assessments - Monthly Delinquency Report

**THIRD LAGUNA HILLS MUTUAL  
NON-DISCRETIONARY ACCOUNT HELD BY BANK OF AMERICA  
SCHEDULE OF INVESTMENTS  
12/31/18**

I.D. NO.	DESCRIPTION	STATED RATE	SETTLEMENT DATE	MATURITY DATE	PAR VALUE	EFFECTIVE YIELD	ORIGINAL COST	ANNUALIZED YTD YIELD *
912796QT9	U.S. TREASURY BILL	0.00%	07-30-18	01-17-19	2,000,000.00	2.04%	1,980,995.25	
912796PT0	U.S. TREASURY BILL	0.00%	07-30-18	02-28-19	2,000,000.00	2.06%	1,976,191.33	
912796QH5	U.S. TREASURY BILL	0.00%	11-30-18	05-23-19	3,000,000.00	2.42%	2,965,693.00	
912796RA9	U.S. TREASURY BILL	0.00%	11-30-18	09-12-19	3,000,000.00	2.47%	2,942,645.08	
912796RA9	U.S. TREASURY BILL	0.00%	12-27-18	09-12-19	2,000,000.00	2.44%	1,965,826.39	
<b>TOTAL FOR NON-DISCRETIONARY INVESTMENTS</b>					<b>\$ 12,000,000.00</b>		<b>\$ 11,831,351.05</b>	<b>1.46%</b>

\*Yield is based on all investments held during the year

**THIRD LAGUNA HILLS MUTUAL  
DISCRETIONARY ACCOUNT - BLACKROCK/MERRILL LYNCH  
SCHEDULE OF INVESTMENTS  
12/31/18**

I.D. NO.	DESCRIPTION	STATED RATE	SETTLEMENT DATE	MATURITY DATE	PAR VALUE	EFFECTIVE YIELD	ORIGINAL COST	ANNUALIZED YTD YIELD *
	M.L. MONEY MARKET				\$ 67,574.71		\$ 67,574.71	
912796UK3	U.S. TREASURY BILL	0.00%	12-26-18	01-22-19	650,000.00	2.38%	648,853.40	
46625HJR2	CorpBond-JP Morgan Chase & Co	2.35%	07-09-14	01-28-19	200,000.00	2.14%	201,734.00	
494974BFU9	CorpBond-Wells Fargo Company	2.13%	07-09-14	04-22-19	200,000.00	2.15%	199,726.00	
912828KQ2	U.S. TREASURY NOTE	3.13%	06-24-09	05-15-19	769,000.00	3.77%	727,847.11	
912828KQ2	U.S. TREASURY NOTE	3.13%	07-15-10	05-15-19	216,000.00	2.93%	219,181.80	
02665WBEO	CorpBond-American Honda Finance	1.20%	08-01-17	07-12-19	100,000.00	1.57%	99,280.00	
822582AJ1	CorpBond-Shell International Fin	4.30%	08-06-18	09-22-19	150,000.00	2.63%	152,746.50	
9128283N8	U.S. TREASURY NOTE	1.88%	01-02-18	12-31-19	400,000.00	1.90%	399,766.30	
05565QCX4	CorpBond-BP Capital Markets PLC Cor	2.32%	08-21-18	02-13-20	100,000.00	2.84%	99,239.00	
9128284C1	U.S. TREASURY NOTE	2.25%	04-20-18	03-31-20	250,000.00	2.43%	249,141.05	
912828K33	U.S. TIP NOTE	0.13%	03-08-17	04-15-20	300,000.00	0.12%	314,668.58	
912828ND8	U.S. TREASURY NOTE	3.50%	07-15-10	05-15-20	660,000.00	3.02%	686,557.33	
912828XE5	U.S. TREASURY NOTE	1.50%	06-08-15	05-31-20	350,000.00	1.73%	346,117.78	
437076BQ4	CorpBond-Home Depot Inc	1.80%	08-21-18	06-05-20	75,000.00	2.68%	73,851.00	
17275RAX0	CorpBond-Cisco System Inc	2.45%	08-21-17	06-15-20	150,000.00	1.73%	152,925.00	
912828XY1	U.S. TREASURY NOTE	2.50%	08-06-18	06-30-20	300,000.00	2.66%	299,109.88	
912828NT3	U.S. TREASURY NOTE	2.63%	10-28-10	08-15-20	285,000.00	2.68%	283,542.74	
912828NT3	U.S. TREASURY NOTE	2.63%	11-29-11	08-15-20	100,000.00	1.75%	106,996.49	
06406HDD8	CorpBond-Bank of NY Mellon Corp	2.60%	12-08-15	08-17-20	200,000.00	2.39%	201,800.00	
857477AS2	CorpBond-State Street Corp	2.55%	12-31-15	08-18-20	150,000.00	2.26%	151,875.00	
06051GFT1	CorpBond-Bank of America Corp	2.63%	04-23-18	10-19-20	100,000.00	2.95%	99,216.00	
9128285G1	U.S. TREASURY NOTE	2.88%	11-02-18	10-31-20	250,000.00	2.87%	249,990.65	
912828M98	U.S. TREASURY NOTE	1.63%	12-15-15	11-30-20	250,000.00	1.69%	249,199.64	
912828M98	U.S. TREASURY NOTE	1.63%	12-24-15	11-30-20	300,000.00	1.72%	298,559.10	
931142EA7	CorpBond-Wal-Mart Stores Inc	1.90%	08-21-18	12-15-20	75,000.00	2.75%	73,575.75	
035242AJ5	CorpBond-Anheuser-Busch Inbev Fin	2.65%	08-18-17	02-01-21	100,000.00	2.17%	86,293.70	
035242AJ5	CorpBond-Anheuser-Busch Inbev Fin	2.65%	10-24-17	02-01-21	25,000.00	2.20%	25,342.50	
05531FAZ6	CorpBond-BB&T Corporation Ser Mtn	2.15%	08-21-18	02-01-21	150,000.00	3.10%	146,644.50	
63946BAE0	CorpBond-BC Universal Media LLC	4.38%	12-08-15	04-01-21	100,000.00	2.50%	109,238.00	
9128284G2	U.S. TREASURY NOTE	2.38%	04-20-18	04-15-21	250,000.00	2.57%	248,594.17	
0258M0EB1	CorpBond-American Express Credit	2.25%	04-23-18	05-05-21	150,000.00	2.25%	146,322.00	
037833AR1	CorpBond-Apple Inc	2.85%	10-23-17	05-06-21	75,000.00	2.06%	76,986.75	
857477AV5	CorpBond-State Street Corp	1.95%	10-23-17	05-19-21	50,000.00	2.06%	49,801.00	
38141GGQ1	CorpBond-Goldman Sachs Group Inc	5.25%	12-27-18	07-27-21	300,000.00	3.80%	310,530.00	
594918BP8	CorpBond-Microsoft Corp	1.55%	11-01-16	08-08-21	100,000.00	1.79%	98,911.00	
912828RC6	U.S. TREASURY NOTE	2.13%	11-09-11	08-15-21	1,000,000.00	2.04%	1,007,269.63	
91324PBT8	CorpBond-Unitedhealth Group Inc	3.38%	01-05-16	11-15-21	150,000.00	2.64%	155,676.00	

**THIRD LAGUNA HILLS MUTUAL  
DISCRETIONARY ACCOUNT - BLACKROCK/MERRILL LYNCH  
SCHEDULE OF INVESTMENTS**

12/31/18

I.D. NO.	DESCRIPTION	STATED RATE	SETTLEMENT DATE	MATURITY DATE	PAR VALUE	EFFECTIVE YIELD	ORIGINAL COST	ANNUALIZED YTD YIELD *
375558AU7	CorpBond-Gilead Sciences Inc	4.40%	12-29-15	12-01-21	150,000.00	2.85%	162,072.00	
585055BR6	CorpBond-Medtronic Inc	3.15%	12-16-15	03-15-22	150,000.00	3.15%	151,413.00	
585055BR6	CorpBond-Medtronic Inc	3.15%	07-19-16	03-15-22	100,000.00	1.82%	107,149.00	
747525AE3	CorpBond-QualComm Inc	3.00%	08-21-18	05-20-22	150,000.00	3.38%	147,984.00	
20030NBD2	CorpBond-Comcast Corp	3.13%	07-09-14	07-15-22	100,000.00	2.97%	101,063.00	
911159JAA4	CorpBond-US Bancorp	2.95%	12-08-15	07-15-22	200,000.00	1.82%	200,306.00	
91324PCN0	CorpBond-UnitedHealth Group	3.35%	12-04-17	07-15-22	150,000.00	1.82%	154,786.50	
912828L24	U.S. TREASURY NOTE	1.88%	11-06-15	08-31-22	300,000.00	2.08%	296,098.26	
375558BC6	CorpBond-Gilead Sciences Inc	3.25%	07-20-16	09-01-22	100,000.00	2.04%	106,727.00	
375558BC6	CorpBond-Gilead Sciences Inc	3.25%	10-23-17	09-01-22	50,000.00	2.38%	51,901.00	
912828M80	U.S. TREASURY NOTE	2.00%	12-08-15	11-30-22	500,000.00	1.99%	500,215.84	
912828M80	U.S. TREASURY NOTE	2.00%	12-15-15	11-30-22	200,000.00	2.05%	199,258.21	
48128BAB7	CorpBond-JP Morgan Chase & Co	2.97%	10-23-17	01-15-23	50,000.00	2.58%	50,769.00	
912828P38	U.S. TREASURY NOTE	1.75%	02-22-16	01-31-23	250,000.00	1.58%	252,637.22	
035242AL0	CorpBond-Anheuser-Busch Inbev Fin	3.30%	04-01-16	02-01-23	150,000.00	2.69%	155,475.00	
037833AK6	CorpBond-Apple Inc	2.40%	01-10-17	05-03-23	200,000.00	2.75%	195,862.00	
912828S35	U.S. TREASURY NOTE	1.38%	07-19-16	06-30-23	200,000.00	1.35%	200,328.53	
68389XBL8	CorpBond-Oracle Corp	2.40%	07-12-16	09-15-23	150,000.00	2.16%	152,296.50	
59156RBH0	CorpBond-Metlife Inc	3.60%	12-04-17	04-10-24	150,000.00	2.82%	156,720.00	
94974BGA2	CorpBond-Wells Fargo Company	3.30%	12-04-17	09-09-24	150,000.00	3.01%	152,575.50	
36225B3R7/P781708	GNMA SECURITIES	5.00%	05-18-04	05-15-19	166.28	0.32%	2,627.48	
36290YBU1/P621151	GNMA SECURITIES	5.50%	05-29-07	05-15-22	37,110.15	5.50%	37,110.15	
36296DDR6/P687812	GNMA SECURITIES	5.50%	09-22-08	08-15-23	33,756.31	3.68%	50,413.80	
36202FD78/P004626	GNMA SECURITIES	4.50%	02-24-10	02-20-25	97,405.46	3.16%	138,608.59	
36202FD78/P004626	GNMA SECURITIES	4.50%	09-17-13	02-20-25	108,325.67	3.51%	138,984.68	
36202FJC1/P004759	GNMA SECURITIES	4.00%	02-16-12	08-20-25	89,416.87	2.53%	141,392.50	
36202FJC1/P004759	GNMA SECURITIES	4.00%	03-19-12	08-20-25	37,615.10	2.54%	59,164.07	
3620AS6G9/P738971X	GNMA SECURITIES	3.00%	04-29-15	11-15-26	159,763.80	2.67%	179,816.55	
36202F2H8/P005276M	GNMA SECURITIES	3.00%	11-12-14	01-20-27	76,689.23	2.64%	87,011.17	
36179MAG5/PMA0007M	GNMA SECURITIES	3.00%	08-20-12	04-20-27	158,976.23	2.37%	200,999.19	
36179MGN4/PMA0205M	GNMA SECURITIES	3.00%	07-31-12	07-20-27	172,452.63	2.40%	215,714.35	
36179MP53/PMA0444M	GNMA SECURITIES	3.00%	12-18-12	10-20-27	258,292.18	2.43%	319,224.96	
36179MSB7/PMA0514M	GNMA SECURITIES	3.00%	05-14-14	11-20-27	191,825.23	2.66%	216,239.62	
36179MU32/PMA0602M	GNMA SECURITIES	3.00%	01-17-13	12-20-27	396,618.59	2.47%	481,933.99	
36179MZW3/PMA0757M	GNMA SECURITIES	3.00%	04-16-13	02-20-28	180,646.02	2.49%	217,843.16	
36179NMP0/PMA1266M	GNMA SECURITIES	3.50%	10-21-13	09-20-28	95,344.17	2.94%	113,455.68	
36179TY90/PMA5236M	GNMA SECURITIES	3.50%	06-13-18	06-20-33	301,346.69	3.41%	309,098.64	
36202T7B6/P609390x	GNMA SECURITIES	5.50%	09-22-03	09-15-33	32,140.92	3.69%	47,891.77	
36213CZ52/P550764	GNMA SECURITIES	5.50%	09-19-07	09-15-35	36,492.90	6.72%	29,868.39	
36202EYL7/P004315	GNMA SECURITIES	5.50%	11-18-10	11-18-38	89,372.82	2.39%	205,914.68	
36297F6L1/P711075	GNMA SECURITIES	4.50%	09-21-10	09-15-40	159,096.85	3.39%	211,260.04	
36179QJT9/PMA2074M	GNMA SECURITIES	4.00%	11-13-17	07-20-44	142,324.43	3.72%	152,923.73	
36179QL74/PMA2150M	GNMA SECURITIES	4.50%	09-11-14	08-20-44	65,888.45	3.35%	88,477.81	
36179QT50/PMA2372M	GNMA SECURITIES	4.00%	12-22-14	11-20-44	136,573.63	3.20%	170,534.29	
36179RTA7/PMA3245m	GNMA SECURITIES	4.00%	12-17-15	11-20-45	171,039.59	3.48%	196,662.55	
36179SUV7/PMA4196m	GNMA SECURITIES	3.50%	02-28-17	01-20-47	197,193.95	3.32%	208,182.11	
<b>TOTAL FOR DISCRETIONARY INVESTMENTS</b>					<b>15,973,448.86</b>		<b>16,831,675.57</b>	<b>2.35%</b>
<b>TOTAL INVESTMENTS</b>					<b>\$ 27,973,448.86</b>		<b>\$ 28,663,026.62</b>	<b>2.03%</b>

\*Yield is based on all investments held during the year

**Third Laguna Hills Mutual  
Supplemental Appropriation Schedule  
Period Ending: 12/31/2018**

ITEM	RESOLUTION #	BUDGET	EXPENDITURES		
		TOTAL Appropriations	I,T,D*	REMAINING Encumbrance	CURRENT STATUS
<b>Replacement Fund</b>					
Garden Villa Breezeway Recessed Areas	03,17,54	\$150,000	147,152	\$0	Completed
Shepherds Crook Fencing on Ridge Route	03,18,46	\$175,335	0	\$0	Closed
Walkway Lighting Upgrades Gates 5,6,7 & 8	03-18-83	\$125,000	126,007	\$0	Completed
Ridge Route Perimeter Wall Improvements	03-18-84	\$330,000	84,400	\$245,600	In Progress
Tree Trimming	03-18-147	\$150,000	0	\$150,000	Open
	<b>Totals</b>	<b>\$930,335</b>	<b>\$357,559</b>	<b>\$395,600</b>	
<b>Laundry Replacement Fund</b>					
Coin-Operated Dryers and Laundry Pedestals	03-18-171	\$377,000	97,353	\$279,647	Open
	<b>Totals</b>	<b>\$377,000</b>	<b>\$97,353</b>	<b>\$279,647</b>	
<b>Unappropriated Expenditures Fund</b>					
3-Story Building Trash Chute Repairs	03-18-36	336,680	227,208	109,472	In Progress
OCFA Fire Fuel Risk Reduction	03-18-96	200,000	98,820	101,180	In Progress
		<b>\$536,680</b>	<b>\$326,028</b>	<b>\$210,652</b>	
<b>Disaster Fund</b>					
Monte Hermosa Slope Repair	03-18-67	\$20,652	18,773	\$0	Completed
	<b>Totals</b>	<b>\$20,652</b>	<b>\$18,773</b>	<b>\$0</b>	

\*Incurred To Date

**THIRD LAGUNA HILLS MUTUAL  
FUND EXPENDITURES REPORT  
AS OF DECEMBER 31, 2018**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
<b>REPLACEMENT FUND</b>								
ALARM SYSTEMS	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%
BUILDING NUMBERS	14,282	2,840	32,797	33,970	33,970	97%	1,173	3%
BUILDING STRUCTURES	706,172	263,001	2,055,270	3,152,327	3,152,327	65%	1,097,057	35%
ELECTRICAL SYSTEMS	415	4,600	50,907	55,046	55,046	92%	4,139	8%
ENERGY PROJECTS	0	4,174	(1,554)	50,000	50,000	-3%	51,554	103%
EXTERIOR LIGHTING	257,178	41,674	302,074	500,000	500,000	60%	197,926	40%
FENCING	0	0	21,576	0	0	0%	(21,576)	0%
GARDEN VILLA LOBBY	0	9,530	114,664	114,126	114,126	100%	(538)	(0%)
GARDEN VILLA MAILROOM	0	1,987	52,618	23,649	23,649	222%	(28,969)	(122%)
GARDEN VILLA RECESSED AREA	0	16,250	71,111	195,000	195,000	36%	123,889	64%
GV REC ROOM WATER HEATER/HEAT PUMP	0	1,500	15,546	18,000	18,000	86%	2,454	14%
GUTTER REPLACEMENTS	228	11,449	136,467	137,118	137,118	100%	651	0%
LANDSCAPE MODERNIZATION	130,004	20,833	130,004	250,000	250,000	52%	119,996	48%
MAILBOXES	0	1,648	6,701	19,389	19,389	35%	12,688	65%
PAINT PROGRAM - EXTERIOR	140,945	134,769	1,484,862	1,602,744	1,602,744	93%	117,882	7%
PRIOR TO PAINT	106,080	72,135	1,062,705	857,243	857,243	124%	(205,463)	(24%)
PAVING	0	0	518,479	597,000	597,000	87%	78,521	13%
ROOF REPLACEMENTS	285,868	0	1,576,174	1,598,050	1,598,050	99%	21,876	1%
SUPPLEMENTAL APPROPRIATIONS	22,000	22,000	357,559	357,559	357,559	100%	0	0%
TREE MAINTENANCE	11,091	69,453	929,642	826,476	826,476	112%	(103,166)	(12%)
WALL REPLACEMENTS	50,000	6,254	50,000	75,000	75,000	67%	25,000	33%
WASTE LINE REMEDIATION	267,713	62,500	723,670	750,000	750,000	96%	26,330	4%
WATER LINES - COPPER PIPE REMEDIATION	0	8,337	104,547	100,000	100,000	105%	(4,547)	(5%)
OTHER - INVESTMENT EXPENSE	6,275	6,275	27,691	27,691	27,691	100%	0	0%
<b>TOTAL REPLACEMENT FUND</b>	<b>\$1,998,250</b>	<b>\$761,210</b>	<b>\$9,823,510</b>	<b>\$11,340,388</b>	<b>\$11,340,388</b>	<b>87%</b>	<b>\$1,516,877</b>	<b>13%</b>
<b>ELEVATOR REPLACEMENT FUND</b>								
ELEVATOR REPLACEMENT	\$30,792	\$27,524	\$309,899	\$330,189	\$330,189	94%	\$20,290	6%
OTHER - INVESTMENT EXPENSE	682	682	3,114	3,114	3,114	100%	0	0%
<b>TOTAL ELEVATOR REPLACEMENT FUND</b>	<b>\$31,474</b>	<b>\$28,206</b>	<b>\$313,014</b>	<b>\$333,303</b>	<b>\$333,303</b>	<b>94%</b>	<b>\$20,290</b>	<b>6%</b>
<b>LAUNDRY REPLACEMENT FUND</b>								
LAUNDRY APPLIANCES	\$0	\$2,086	\$46,529	\$24,714	\$24,714	188%	(\$21,814)	(88%)
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	0	2,914	50,380	34,688	34,688	145%	(15,692)	(45%)
SUPPLEMENTAL APPROPRIATIONS	97,353	97,353	97,353	97,353	97,353	100%	0	0%
OTHER - INVESTMENT EXPENSE	316	316	1,421	1,421	1,421	100%	0	0%
<b>TOTAL LAUNDRY REPLACEMENT FUND</b>	<b>\$97,668</b>	<b>\$102,669</b>	<b>\$195,683</b>	<b>\$158,176</b>	<b>\$158,176</b>	<b>124%</b>	<b>(\$37,507)</b>	<b>(24%)</b>
<b>GARDEN VILLA RECREATION ROOM FUND</b>								
GARDEN VILLA RECREATION ROOMS	\$6,778	\$5,867	\$63,460	\$69,139	\$69,139	92%	\$5,679	8%
OTHER - INVESTMENT EXPENSE	41	41	185	185	185	100%	0	0%
<b>TOTAL GARDEN VILLA REC ROOMS FUND</b>	<b>\$6,819</b>	<b>\$5,908</b>	<b>\$63,645</b>	<b>\$69,324</b>	<b>\$69,324</b>	<b>92%</b>	<b>\$5,679</b>	<b>8%</b>

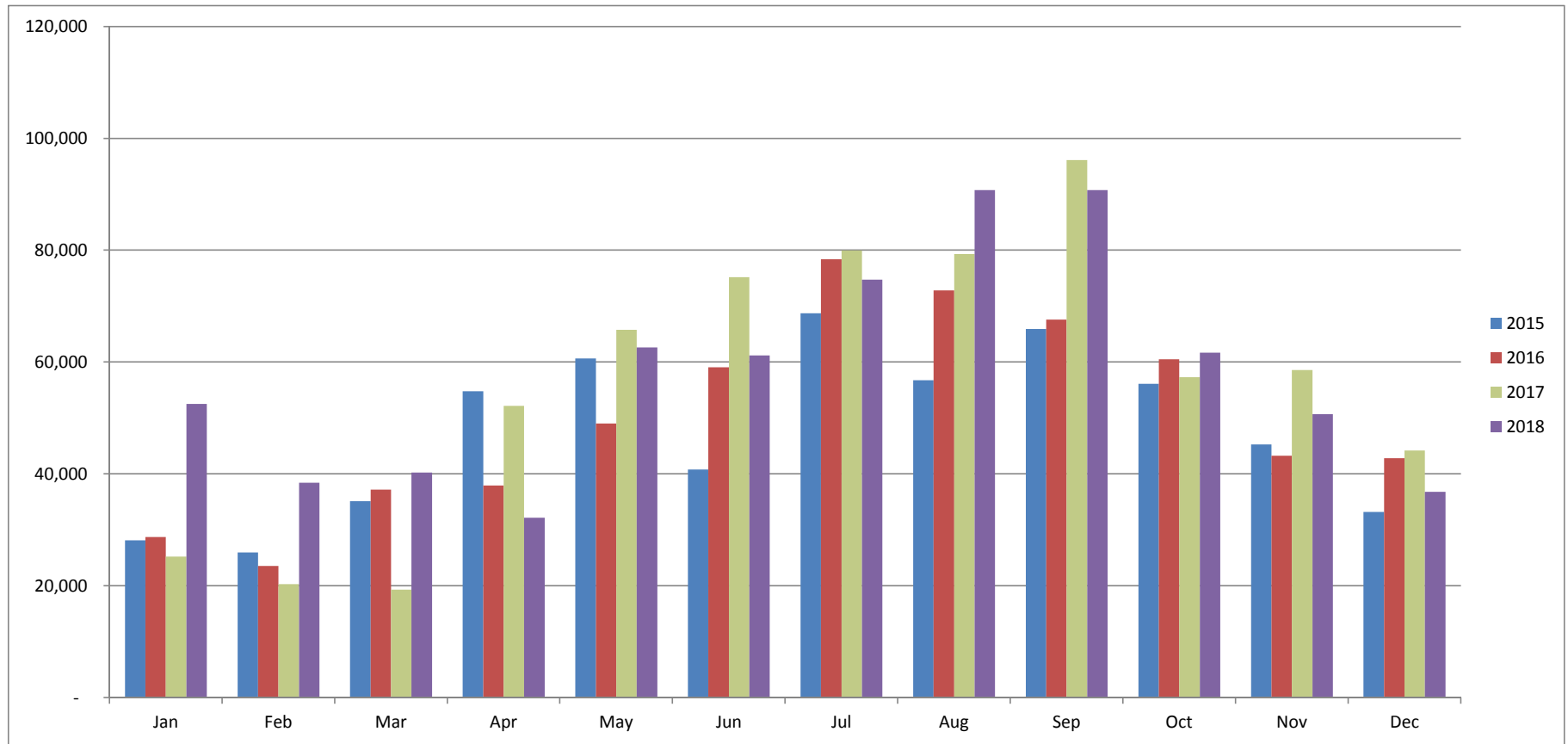
**THIRD LAGUNA HILLS MUTUAL  
FUND EXPENDITURES REPORT  
AS OF DECEMBER 31, 2018**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
<b>OPERATING FUND</b>								
APPLIANCE REPAIRS	\$9,349	\$7,933	\$106,508	\$93,901	\$93,901	113%	(\$12,606)	(13%)
BALCONY/BREEZEWAY RESURFACING	18,636	34,599	478,139	411,008	411,008	116%	(67,132)	(16%)
BUILDING REHAB/DRY ROT	36,265	26,960	198,510	320,666	320,666	62%	122,155	38%
CARPENTRY SERVICE	44,008	31,176	427,944	370,816	370,816	115%	(57,128)	(15%)
CONCRETE REPAIR/REPLACEMENT	28,734	23,346	377,307	277,636	277,636	136%	(99,671)	(36%)
CURB CUT/SIDEWALK RAMPS	0	1,674	0	20,000	20,000	0%	20,000	100%
ELECTRICAL SERVICE	6,596	11,993	93,744	142,279	142,279	66%	48,535	34%
FIRE PROTECTION	7,977	8,442	82,141	100,820	100,820	81%	18,679	19%
GUTTER CLEANING	78,008	37,151	142,737	166,799	166,799	86%	24,062	14%
GV MAILROOM RENOVATIONS	929	0	1,405	0	0	0%	(1,405)	0%
JANITORIAL SERVICE	75,862	65,913	874,491	785,925	785,925	111%	(88,566)	(11%)
MISC REPAIRS BY OUTSIDE SERVICE	5,289	5,505	55,870	66,061	66,061	85%	10,191	15%
PAINT - TOUCH UP	20,726	9,949	245,274	118,034	118,034	208%	(127,239)	(108%)
PAVING MAINTENANCE & REPAIRS	879	13,764	48,639	163,751	163,751	30%	115,112	70%
PEST CONTROL	4,274	24,936	281,908	298,968	298,968	94%	17,060	6%
PLUMBING SERVICE	51,677	47,310	737,193	562,159	562,159	131%	(175,035)	(31%)
ROOF REPAIRS	93,980	24,174	274,541	290,000	290,000	95%	15,459	5%
SOLAR MAINTENANCE	0	3,333	15,911	40,000	40,000	40%	24,089	60%
STAIR TREAD REPLACEMENTS	0	707	2,753	8,431	8,431	33%	5,678	67%
TRAFFIC CONTROL	4,277	2,494	28,348	29,721	29,721	95%	1,373	5%
WELDING	7,715	5,616	68,963	66,615	66,615	104%	(2,347)	(4%)
<b>TOTAL MAINTENANCE PROGRAMS</b>	<b>\$495,181</b>	<b>\$386,976</b>	<b>\$4,542,327</b>	<b>\$4,333,590</b>	<b>\$4,333,590</b>	<b>105%</b>	<b>(\$208,736)</b>	<b>(5%)</b>
<b>DISASTER FUND</b>								
MOISTURE INTRUSION - RAIN LEAKS	\$85,857	\$25,837	\$208,073	\$310,000	\$310,000	67%	\$101,927	33%
MOISTURE INTRUSION - PLUMBING LEAKS	252,019	62,500	796,702	750,000	750,000	106%	(46,702)	(6%)
MOISTURE INTRUSION - PLUMBING STOPPAGES	55,285	20,454	153,986	245,338	245,338	63%	91,352	37%
MOISTURE INTRUSION - MISCELLANEOUS	59,283	5,914	161,029	70,869	70,869	227%	(90,160)	(127%)
DAMAGE RESTORATION SERVICES	104,369	30,998	337,753	371,113	371,133	91%	33,359	9%
SUPPELMENTAL APPROPRIATIONS	\$0	\$0	\$18,773	\$18,773	\$18,773	100%	\$0	0%
OTHER - INVESTMENT EXPENSE	3,878	3,878	17,140	17,140	17,140	100%	0	0%
<b>TOTAL DISASTER FUND</b>	<b>\$560,691</b>	<b>\$149,581</b>	<b>\$1,693,456</b>	<b>\$1,783,232</b>	<b>\$1,783,252</b>	<b>95%</b>	<b>\$89,777</b>	<b>5%</b>
<b>UNAPPROPRIATED EXPENDITURES FUND</b>								
SUPPELMENTAL APPROPRIATIONS	\$70,391	\$70,391	\$326,028	\$326,028	\$326,028	100%	\$0	0%
OTHER - INVESTMENT EXPENSES	1,286	1,286	5,642	5,642	5,642	100%	0	0%
<b>TOTAL UNAPPROPRIATED EXPENDITURES FL</b>	<b>\$71,677</b>	<b>\$71,677</b>	<b>\$331,670</b>	<b>\$331,670</b>	<b>\$331,670</b>	<b>100%</b>	<b>\$0</b>	<b>0%</b>



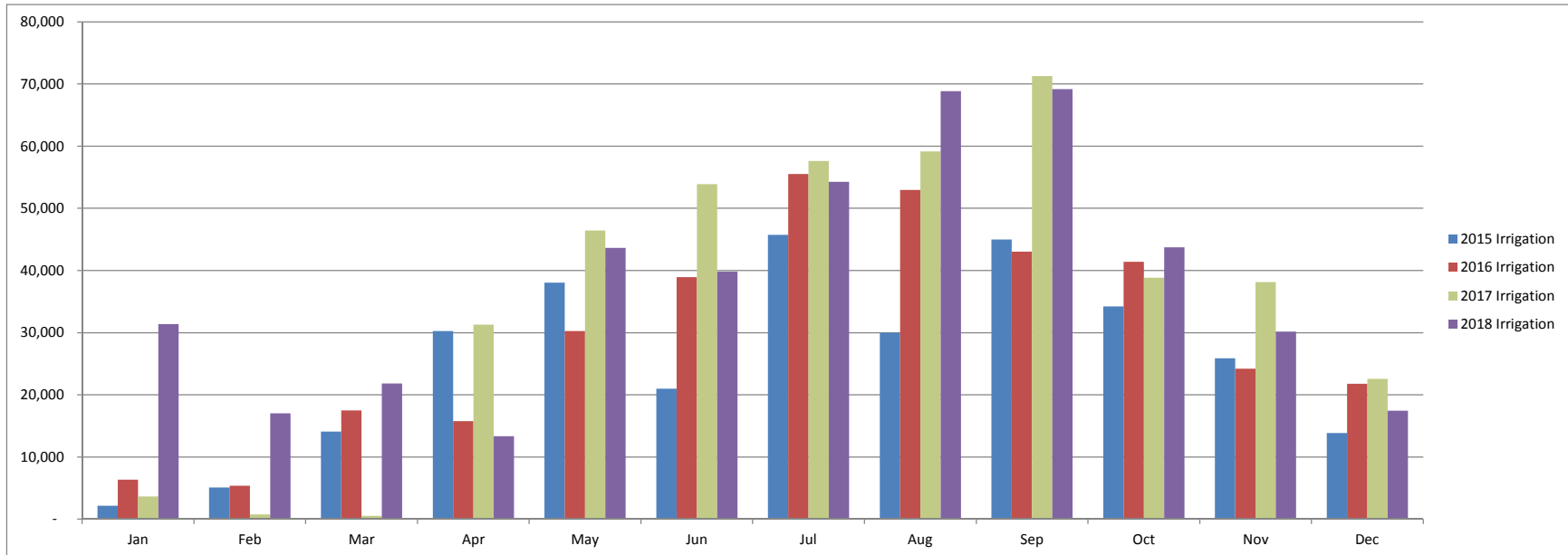
### Third Mutual Water Usage in 100 cubic feet units

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Total
2015	28,102	25,962	35,102	54,767	60,673	40,766	68,724	56,774	65,900	56,100	45,293	33,217	571,380	<b>571,380</b>
2016	28,692	23,565	37,198	37,935	49,039	59,069	78,415	72,805	67,591	60,506	43,261	42,786	600,862	<b>600,862</b>
2017	25,226	20,286	19,299	52,174	65,796	75,181	79,992	79,315	96,121	57,296	58,557	44,191	673,434	<b>673,434</b>
2018	52,495	38,446	40,263	32,183	62,631	61,214	74,756	90,767	90,776	61,661	50,693	36,777	692,662	<b>692,662</b>



**Third Mutual  
Irrigation Water Usage in 100 cubic feet units**

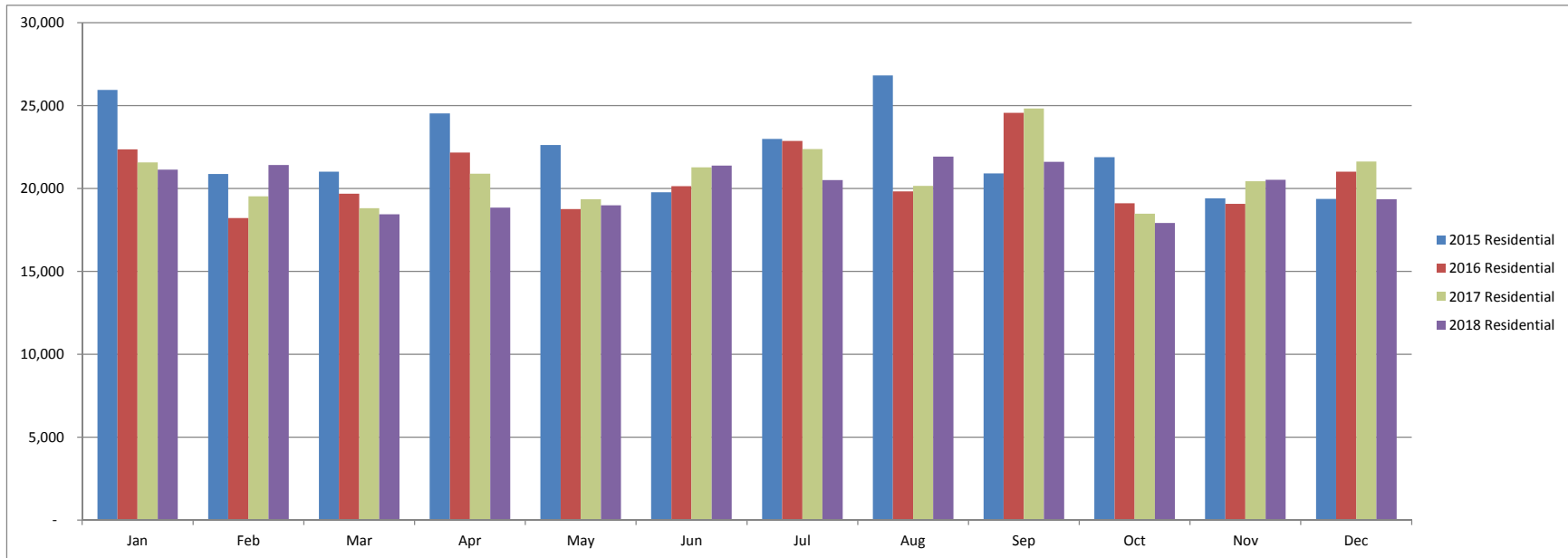
Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Total
2015 Irrigation	2,158	5,098	14,089	30,250	38,046	21,002	45,731	29,957	44,995	34,212	25,883	13,854	305,275	305,275
2016 Irrigation	6,329	5,349	17,506	15,776	30,280	38,926	55,543	52,976	43,024	41,402	24,192	21,779	353,082	353,082
2017 Irrigation	3,646	766	494	31,291	46,437	53,911	57,625	59,166	71,293	38,819	38,114	22,567	424,129	424,129
2018 Irrigation	31,368	17,039	21,814	13,332	43,653	39,833	54,254	68,843	69,176	43,741	30,171	17,434	450,658	450,658



**Third Mutual**

**Residential Water Usage in 100 cubic feet units**

Date	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Total
2015 Residential	25,944	20,864	21,013	24,517	22,627	19,764	22,993	26,817	20,905	21,888	19,410	19,363	266,105	<b>266,105</b>
2016 Residential	22,363	18,216	19,692	22,159	18,759	20,143	22,872	19,829	24,567	19,104	19,069	21,007	247,780	<b>247,780</b>
2017 Residential	21,580	19,520	18,805	20,883	19,359	21,270	22,367	20,149	24,828	18,477	20,443	21,624	249,305	<b>249,305</b>
2018 Residential	21,127	21,407	18,449	18,851	18,978	21,381	20,502	21,924	21,600	17,920	20,522	19,343	242,004	<b>242,004</b>



Solar System First-Year Charges  
 Building 2381 - PTO March 7, 2017

	ENERGY CHARGES			FIXED CHARGES			TOTAL
	SCE Credits	SCE Charge	Net Charge	NEM-A Fee	Service Fees	Total Fixed	Net Billing
2017 March	\$179.11	\$190.15	\$369.26	\$300.00	\$130.57	\$430.57	\$799.83
2017 April	(\$1,821.58)	\$1,861.43	\$39.85	\$110.00	\$301.32	\$411.32	\$451.17
2017 May	(\$1,739.19)	\$1,718.90	(\$20.29)	\$95.00	\$311.36	\$406.36	\$386.07
2017 June	(\$1,883.63)	\$1,817.65	(\$65.98)	\$80.00	\$301.32	\$381.32	\$315.34
2017 July	(\$2,496.66)	\$2,089.59	(\$407.07)	\$65.00	\$301.32	\$366.32	(\$40.75)
2017 August	(\$2,085.76)	\$1,983.09	(\$102.67)	\$25.00	\$311.36	\$336.36	\$233.69
2017 September	(\$1,835.99)	\$1,978.18	\$142.19	\$25.00	\$301.32	\$326.32	\$468.51
2017 October	(\$1,347.54)	\$2,006.00	\$658.46	\$40.00	\$291.28	\$331.28	\$989.74
2017 November	(\$697.44)	\$1,632.55	\$935.11	\$55.00	\$301.32	\$356.32	\$1,291.43
2017 December	(\$611.09)	\$1,812.82	\$1,201.73	\$70.00	\$311.36	\$381.36	\$1,583.09
2018 January	(\$775.77)	\$2,058.65	\$1,282.88	\$85.00	\$332.54	\$417.54	\$1,700.42
2018 February	(\$570.45)	\$2,006.17	\$1,435.72	\$100.00	\$322.15	\$422.15	\$1,857.87
<b>Totals</b>	<b>(\$15,685.99)</b>	<b>\$21,155.18</b>	<b>\$5,469.19</b>	<b>\$1,050.00</b>	<b>\$3,517.24</b>	<b>\$4,567.24</b>	<b>\$10,036.43</b>

Solar System First-Year Charges  
Building 3242 - PTO March 15, 2017

	ENERGY CHARGES			FIXED CHARGES			TOTAL
	SCE Credits	SCE Charge	Net Charge	NEM-A Fee	Service Fees	Total Fixed	Net Billing
2017 April	\$0.97	\$1,053.04	\$1,054.01	\$500.00	\$757.29	\$1,257.29	\$2,311.30
2017 May	(\$1,187.59)	\$1,221.95	\$34.36	\$980.00	\$4,896.45	\$5,876.45	\$5,910.81
2017 June	(\$1,553.97)	\$1,358.05	(\$195.92)	\$980.00	\$5,247.99	\$6,227.99	\$6,032.07
2017 July	(\$2,149.79)	\$1,527.87	(\$621.92)	\$980.00	\$4,760.02	\$5,740.02	\$5,118.10
2017 August	(\$1,740.03)	\$1,420.28	(\$319.75)	\$980.00	\$4,920.72	\$5,900.72	\$5,580.97
2017 September	(\$1,478.06)	\$1,443.22	(\$34.84)	\$980.00	\$4,758.35	\$5,738.35	\$5,703.51
2017 October	(\$1,067.34)	\$1,267.86	\$200.52	\$3,920.00	\$5,247.15	\$9,167.15	\$9,367.67
2017 November	(\$712.86)	\$1,206.93	\$494.07	\$3,920.00	\$4,923.23	\$8,843.23	\$9,337.30
2017 December	(\$542.51)	\$1,164.41	\$621.90	\$3,920.00	\$5,411.21	\$9,331.21	\$9,953.11
2018 January	(\$638.97)	\$1,318.40	\$679.43	\$3,920.00	\$4,682.47	\$8,602.47	\$9,281.90
2018 February	(\$732.60)	\$1,193.28	\$460.68	\$3,920.00	\$5,089.97	\$9,009.97	\$9,470.65
2018 March	(\$1,010.15)	\$1,330.82	\$320.67	\$3,920.00	\$5,260.95	\$9,180.95	\$9,501.62
Totals	(\$12,812.90)	\$15,506.11	\$2,693.21	\$28,920.00	\$55,955.80	\$84,875.80	\$87,569.01

Solar System First-Year Charges  
Building 5510 - PTO March 17, 2017

	ENERGY CHARGES			FIXED CHARGES			TOTAL
	SCE Credits	SCE Charge	Net Charge	NEM-A Fee	Service Fees	Total Fixed	Net Billing
2017 April	(\$814.71)	\$1,523.22	\$708.51	\$220.00	\$1,068.01	\$1,288.01	\$1,996.52
2017 May	(\$927.24)	\$1,379.10	\$451.86	\$220.00	\$1,104.84	\$1,324.84	\$1,776.70
2017 June	(\$1,047.86)	\$1,550.96	\$503.10	\$220.00	\$1,178.50	\$1,398.50	\$1,901.60
2017 July	(\$1,448.48)	\$1,725.21	\$276.73	\$220.00	\$1,068.01	\$1,288.01	\$1,564.74
2017 August	(\$1,196.99)	\$1,627.39	\$430.40	\$220.00	\$1,104.84	\$1,324.84	\$1,755.24
2017 September	(\$1,040.49)	\$1,729.43	\$688.94	\$220.00	\$1,068.01	\$1,288.01	\$1,976.95
2017 October	(\$749.69)	\$1,546.76	\$797.07	\$880.00	\$1,178.50	\$2,058.50	\$2,855.57
2017 November	(\$488.83)	\$1,575.75	\$1,086.92	\$880.00	\$1,104.84	\$1,984.84	\$3,071.76
2017 December	(\$373.17)	\$1,619.54	\$1,246.37	\$880.00	\$1,215.32	\$2,095.32	\$3,341.69
2018 January	(\$403.51)	\$1,808.37	\$1,404.86	\$880.00	\$1,018.60	\$1,898.60	\$3,303.46
2018 February	(\$490.10)	\$1,582.27	\$1,092.17	\$880.00	\$1,143.12	\$2,023.12	\$3,115.29
2018 March	(\$682.76)	\$1,739.41	\$1,056.65	\$880.00	\$1,181.22	\$2,061.22	\$3,117.87
Totals	(\$9,663.83)	\$19,407.41	\$9,743.58	\$6,600.00	\$13,433.82	\$20,033.82	\$29,777.40

Solar System First-Year Charges  
Building 2394 - PTO April 22, 2017

	ENERGY CHARGES			FIXED CHARGES			TOTAL
	SCE Credits	SCE Charge	Net Charge	NEM-A Fee	Service Fees	Total Fixed	Net Billing
2017 May	\$939.87	\$787.16	\$1,727.03	\$100.00	\$451.98	\$551.98	\$2,279.01
2017 June	(\$1,695.96)	\$1,370.14	(\$325.82)	\$100.00	\$502.20	\$602.20	\$276.38
2017 July	(\$2,132.81)	\$1,569.44	(\$563.37)	\$100.00	\$535.68	\$635.68	\$72.31
2017 August	(\$1,968.62)	\$1,436.37	(\$532.25)	\$100.00	\$485.46	\$585.46	\$53.21
2017 September	(\$2,022.50)	\$1,467.84	(\$554.66)	\$100.00	\$502.20	\$602.20	\$47.54
2017 October	(\$643.87)	\$1,465.13	\$821.26	\$100.00	\$485.46	\$585.46	\$1,406.72
2017 November	(\$945.26)	\$1,240.01	\$294.75	\$100.00	\$535.68	\$635.68	\$930.43
2017 December	(\$833.42)	\$1,505.45	\$672.03	\$400.00	\$502.20	\$902.20	\$1,574.23
2018 January	(\$794.04)	\$1,652.06	\$858.02	\$400.00	\$571.56	\$971.56	\$1,829.58
2018 February	(\$940.37)	\$1,510.54	\$570.17	\$400.00	\$484.96	\$884.96	\$1,455.13
2018 March	(\$1,395.59)	\$1,602.43	\$206.84	\$400.00	\$536.92	\$936.92	\$1,143.76
2018 April	(\$1,729.03)	\$1,634.41	(\$94.62)	\$400.00	\$0.00	\$400.00	\$305.38
2018 May	(\$1,978.13)	\$1,366.75	(\$611.38)	\$400.00	\$0.00	\$400.00	(\$211.38)
Totals	(\$16,139.73)	\$18,607.73	\$2,468.00	\$3,100.00	\$5,594.30	\$8,694.30	\$11,162.30

Solar System First-Year Charges  
 Building 2353/2391 - PTO July 17, 2017

	ENERGY CHARGES			FIXED CHARGES			TOTAL
	SCE Credits	SCE Charge	Net Charge	NEM-A Fee	Service Fees	Total Fixed	Net Billing
2017 July	(\$189.73)	\$116.37	(\$73.36)	\$125.00	\$146.48	\$271.48	\$198.12
2017 August	(\$1,842.57)	\$1,466.64	(\$375.93)	\$175.00	\$251.10	\$426.10	\$50.17
2017 September	(\$1,780.74)	\$1,587.00	(\$193.74)	\$55.00	\$267.84	\$322.84	\$129.10
2017 October	(\$1,406.28)	\$1,420.63	\$14.35	\$130.00	\$275.37	\$405.37	\$419.72
2017 November	(\$821.05)	\$1,265.39	\$444.34	\$220.00	\$284.58	\$504.58	\$948.92
2017 December	(\$770.23)	\$1,408.31	\$638.08	\$220.00	\$293.79	\$513.79	\$1,151.87
2018 January	(\$764.99)	\$1,651.81	\$886.82	\$220.00	\$286.25	\$506.25	\$1,393.07
2018 February	(\$923.43)	\$1,630.89	\$707.46	\$220.00	\$268.68	\$488.68	\$1,196.14
2018 March	(\$1,246.32)	\$1,615.98	\$369.66	\$220.00	\$275.37	\$495.37	\$865.03
2018 April	(\$1,569.12)	\$1,592.33	\$23.21	\$220.00	\$293.57	\$513.57	\$536.78
2018 May	(\$1,692.29)	\$1,419.67	(\$272.62)	\$220.00	\$286.65	\$506.65	\$234.03
2018 June	(\$1,924.90)	\$1,574.78	(\$350.12)	\$220.00	\$285.78	\$505.78	\$155.66
2018 July	(\$2,537.67)	\$1,726.15	(\$811.52)	\$220.00	\$259.80	\$479.80	(\$331.72)
Totals	(\$17,469.32)	\$18,475.95	\$1,006.63	\$2,465.00	\$3,475.26	\$5,940.26	\$6,946.89