



REGULAR MEETING OF THE FINANCE COMMITTEE

**Tuesday, April 6, 2021 – 1:30 p.m.
Laguna Woods Village Virtual Meeting
24351 El Toro Road
Laguna Woods, CA 92637**

AGENDA

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Approval of Meeting Report for March 2, 2021
5. Chair Remarks
6. Member Comments (Items Not on the Agenda)

At this time Members only may address the Committee regarding items not on the agenda and within the jurisdiction of this Committee. The Committee reserves the right to limit the total amount of time allotted for the Open Forum. Members can attend the meeting by joining the Zoom link <https://zoom.us/j/92081839160> or by calling (949) 268-2020 or email meeting@vmsinc.org to request to speak

7. Department Head Update

Reports

8. Preliminary Financial Statements dated February 28, 2021

Items for Discussion and Consideration

9. Investment Policy – Equity Position (SageView)
10. Other Endorsements from Standing Committees

Future Agenda Items

Concluding Business:

11. Committee Member Comments
12. Date of Next Meeting – Tuesday, May 4, 2021 at 1:30 p.m.
13. Recess to Closed Session

Robert Mutchnick, Chair
Betty Parker, Staff Officer
Telephone: 949-597-4201



FINANCE COMMITTEE MEETING REPORT OF THE REGULAR OPEN SESSION

Tuesday, March 2, 2021 – 1:30 p.m.
Virtual Meeting

MEMBERS PRESENT: Robert Mutchnick – Chair, Steve Parsons, Annie McCary, Ralph Engdahl, Lynn Jarrett, Cush Bhada. John Frankel, Reza Karimi, Craig Wayne, Debbie Dotson, Donna Rane-Szostak, Advisor: John Hess, Wei-Ming Tao

MEMBERS ABSENT: None

STAFF PRESENT: Betty Parker, Steve Hormuth, Jose Campos, Christopher Swanson

Call to Order

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

Approval of Meeting Agenda

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

Approval of Meeting Report for February 2, 2021

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

Chair Remarks

None.

Member Comments

Advisor Tao commented on a budget workshop.

Department Head Update

Betty Parker, Chief Financial Officer, provided updates on the 2020 Audit, 2022 Budgets and Insurance.

Preliminary Financial Statements dated January 31, 2021

Steve Hormuth, Controller, presented the Preliminary Financial Statements dated January 31, 2021 and questions were addressed from the committee.

Investment Policy

Director Mutchnick provided a verbal overview of the investment policy and asked for the committee input on including equities into the investment policy. Director Wayne commented on diversification of the investment portfolio and would like to discuss with SageView. Director Dotson commented on the need to see more information from SageView before moving forward. By

consensus, the committee requested that SageView present options at the next Third Finance Committee meeting for including equities into the investment policy. Betty Parker will coordinate conference call with Director Mutchnick and Director Wayne to speak with SageView regarding this topic before the next finance meeting.

Future Agenda Items

SageView Presentation – Equity Positions

Committee Member Comments

Director Wayne commented on the current investment policy and diversification of the portfolio.

Date of Next Meeting

Tuesday, April 6, 2021 at 1:30 p.m.

Recess to Closed Session

The meeting recessed at 2:34 p.m.

DRAFT

Robert Mutchnick, Chair



MEMORANDUM

To: Third Finance Committee
 From: Betty Parker, CFO
 Date: April 6, 2021
 Re: Department Head Update

Financial Highlights

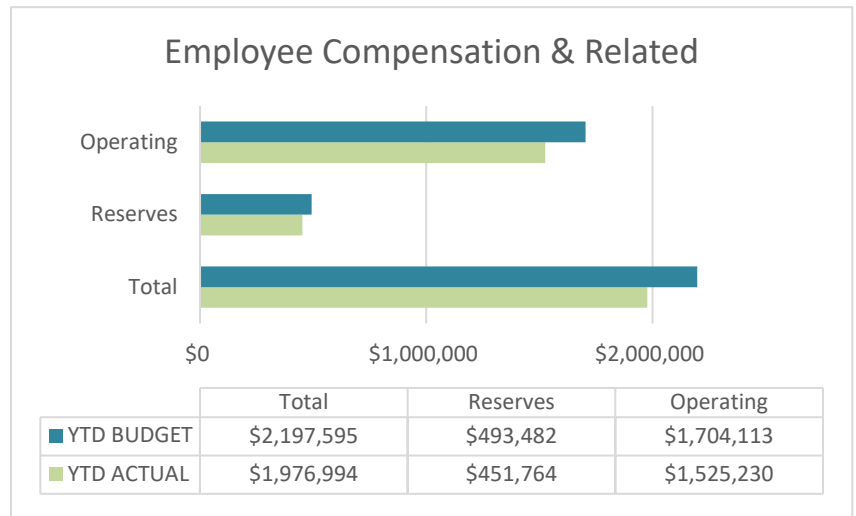
SUMMARY:

For the year-to-date period ending February 28, 2021, Third Mutual was better than budget by \$387K primarily due to timing of expenditures, affecting the areas of outside services, compensation, and materials.

INCOME STATEMENT (in Thousands)			
	Actual	Budget	Variance
Assessment Revenues	\$5,767	\$5,767	\$0
Other Revenues	(82)	360	(442)
Expenses	4,666	5,495	829
Revenue/(Expense)	\$1,019	\$632	\$387

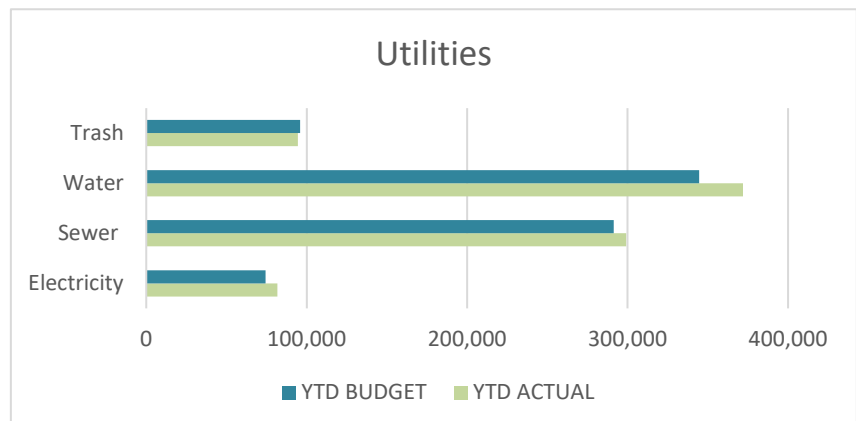
COMPENSATION:

Actual compensation and related costs came in at \$1,977K, with \$1,525K in operations and \$452K in reserves. Combined, this category is 10% favorable to budget. For Third, the most significant savings were in Maintenance and Landscape due to open positions and timing of programs.



UTILITIES:

In total, this category was unfavorable to budget by (\$41K) mainly due to water expenses coming in higher than budget. Water consumption was higher than a seasonally distributed budget due to less rainfall than prior years.



Discussions

Audit 2021: A fourth meeting of the Select Audit Task Force was held on April 1, 2021. KPMG presented a status update on the progress of the audit and answered questions from the task force. A final draft of the audit report is scheduled to be presented to all Boards on Monday, April 5, 2021 and accepted into the corporate record at a special Board meeting the same day.

Budget 2022: A workshop was held on February 10, 2021 to discuss the 2022 Business Planning Process. Members from all Boards within the Community were invited to attend. Held in the same manner as other board training workshops, the purpose of these preliminary budget meetings was to train and educate the Boards on the different Departments and their budget numbers and service levels, so we can be more efficient going into the 2022 budget process.

Insurance Update: On September 30, 2020 all lines of insurance for casualty, executive liability, and property were renewed and bound with Third's portion of the total cost coming in at \$4.98M compared to a budget of \$3.14M for the policy period. Effective March 18, 2021, the broker services agreement with Beecher Carlson was terminated and Arthur J. Gallagher & Co. was named the broker of record to service existing policies and begin reviewing renewal options.

Calendar

The following scheduled meetings will be held remotely during COVID-19 stay home orders:

- Apr 5, 2021 @ 11:00 a.m. Select Audit Task Force Meeting – KPMG Audit Report
- Apr 5, 2021 @ 3:00 p.m. Special Third Board Meeting – Acceptance of 2020 Audit Report
- Apr 6, 2021 @ 1:30 p.m. Third Finance Committee Meeting (February Financials)
- Apr 9, 2021 @ 9:30 a.m. Third Board Agenda Prep Meeting
- Apr 20, 2021 @ 9:30 a.m. Third Board Meeting
- May 4, 2021 @ 1:30 p.m. Third Finance Committee Meeting (March Financials)
- May 7, 2021 @ 9:30 a.m. Third Board Agenda Prep Meeting
- May 18, 2021 @ 9:30 a.m. Third Board Meeting

March 2021							April 2021							May 2021						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5					1	2	3							1
6	7	8	9	10	11	12	4	5	6	7	8	9	10	2	3	4	5	6	7	8
13	14	15	16	17	18	19	11	12	13	14	15	16	17	9	10	11	12	13	14	15
20	21	22	23	24	25	26	18	19	20	21	22	23	24	16	17	18	19	20	21	22
27	28	29	30	31			25	26	27	28	29	30		23	24	25	26	27	28	29
														30	31					

Third Laguna Hills Mutual
Statement of Revenues & Expenses - Preliminary
2/28/2021
(\$ IN THOUSANDS)

		CURRENT MONTH			YEAR TO DATE			PRIOR YEAR	TOTAL
		ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET
Revenues:									
Assessments:									
1	Operating	\$1,747	\$1,747		\$3,495	\$3,495		\$3,371	\$20,968
2	Additions to restricted funds	1,136	1,136		2,272	2,272		2,156	13,632
3	Total assessments	2,883	2,883		5,767	5,767		5,527	34,600
Non-assessment revenues:									
4	Fees and charges for services to residents	57	55	2	115	111	4	(30)	674
5	Laundry	23	20	3	23	40	(17)	41	240
6	Investment income	22	33	(11)	35	67	(32)	66	402
7	Unrealized gain/(loss) on AFS investments	(253)	35	(289)	(339)	35	(374)	407	213
8	Miscellaneous	37	53	(17)	84	107	(23)	95	640
9	Total non-assessment revenue	(113)	197	(311)	(82)	360	(442)	580	2,170
10	Total revenue	2,770	3,080	(311)	5,685	6,126	(442)	6,107	36,770
Expenses:									
11	Employee compensation and related	959	1,050	90	1,977	2,198	221	2,130	13,340
12	Materials and supplies	108	138	30	185	260	75	194	1,526
13	Utilities and telephone	380	394	14	847	806	(41)	734	5,685
14	Legal fees	51	42	(9)	106	83	(22)	75	500
15	Professional fees		9	8		17	17	4	150
16	Equipment rental	7	1	(6)	10	3	(8)	4	18
17	Outside services	317	600	284	393	1,116	723	809	11,122
18	Repairs and maintenance	24	29	5	48	58	10	56	353
19	Other Operating Expense	7	23	15	12	38	25	21	192
20	Insurance	432	328	(104)	863	656	(207)	354	3,936
21	Investment expense	4		(4)	4		(4)	3	21
22	Uncollectible Accounts	(14)		14	(20)		20	(14)	75
23	Depreciation and amortization	11	22	11	22	22		23	135
24	Net allocation to mutuals	109	112	3	217	238	21	245	1,426
25	Total expenses	2,398	2,748	350	4,666	5,495	829	4,638	38,479
26	Excess of revenues over expenses	\$372	\$333	\$40	\$1,019	\$632	\$387	\$1,469	(\$1,710)

**Third Laguna Hills Mutual
Operating Statement
2/28/2021
THIRD LAGUNA HILLS MUTUAL**

	<u>Actual</u>	<u>YEAR TO DATE Budget</u>	<u>VAR\$ B/(W)</u>	<u>VAR% B/(W)</u>	<u>TOTAL BUDGET</u>
Revenues:					
Assessments:					
Operating					
41001000 - Monthly Assessments	\$3,494,596	\$3,494,637	(\$40)	0.00%	\$20,967,820
Total Operating	3,494,596	3,494,637	(40)	0.00%	20,967,820
Additions To Restricted Funds					
41002000 - Monthly Assessments - Disaster Fund	305,100	305,100	0	0.00%	1,830,600
41003000 - Monthly Assessments - Unappropriated Expenditures Fund	97,632	97,632	0	0.00%	585,792
41003500 - Monthly Assessments - Replacement Fund	1,781,784	1,781,784	0	0.00%	10,690,704
41004000 - Monthly Assessments - Elevator Replacement Fund	61,020	61,020	0	0.00%	366,120
41004500 - Monthly Assessments - Laundry Replacement Fund	12,204	12,204	0	0.00%	73,224
41006000 - Monthly Assessments - Garden Villa Recreation Room Fund	14,283	14,283	0	0.00%	85,698
Total Additions To Restricted Funds	2,272,023	2,272,023	0	0.00%	13,632,138
Total Assessments	5,766,619	5,766,660	(40)	0.00%	34,599,958
Non-Assessment Revenues:					
Fees and Charges for Services to Residents					
46501000 - Permit Fee	54,820	26,601	28,219	106.08%	159,607
46501500 - Inspection Fee	20,484	12,753	7,731	60.62%	76,520
46502000 - Resident Maintenance Fee	39,550	71,180	(31,630)	(44.44%)	438,029
Total Fees and Charges for Services to Residents	114,855	110,534	4,321	3.91%	674,157
Laundry					
46005000 - Coin Op Laundry Machine	23,490	40,000	(16,510)	(41.27%)	240,000
Total Laundry	23,490	40,000	(16,510)	(41.27%)	240,000
Investment Income					
49001000 - Investment Income - Nondiscretionary	106	1,999	(1,893)	(94.69%)	12,000
49002000 - Investment Income - Discretionary	34,795	65,000	(30,205)	(46.47%)	390,000
Investment Interest Income	34,901	66,999	(32,098)	(47.91%)	402,000
Unrealized Gain/(Loss) On AFS Investments					
49008100 - Unrealized Gain/(Loss) On Available For Sale Investments	(338,920)	35,500	(374,420)	(1054.70%)	213,000
Total Unrealized Gain/(Loss) On AFS Investments	(338,920)	35,500	(374,420)	(1054.70%)	213,000
Miscellaneous					
46004500 - Resident Violations	(150)	5,000	(5,150)	(103.00%)	30,000
44501510 - Lease Processing Fee - Third	27,850	43,244	(15,394)	(35.60%)	259,475
44502500 - Non-Sale Transfer Fee - Third	150	250	(100)	(40.00%)	1,500
44503520 - Resale Processing Fee - Third	32,624	27,178	5,446	20.04%	163,072
44505500 - Hoa Certification Fee	1,895	1,300	595	45.77%	7,800
44507000 - Golf Cart Electric Fee	11,198	11,666	(468)	(4.01%)	70,000
44507200 - Electric Vehicle Plug-In Fee	1,870	1,834	36	1.96%	11,000
44507500 - Cartport/Carport Space Rental Fee	720	766	(46)	(6.01%)	4,600
47001500 - Late Fee Revenue	7,370	10,000	(2,630)	(26.30%)	60,000
47002020 - Collection Administrative Fee - Third	0	1,000	(1,000)	(100.00%)	6,000
47002500 - Collection Interest Revenue	0	4,166	(4,166)	(100.00%)	25,000
47501000 - Recycling	278	334	(56)	(16.73%)	2,000
49009000 - Miscellaneous Revenue	(2)	0	(2)	0.00%	0
Total Miscellaneous	83,804	106,738	(22,934)	(21.49%)	640,447
Total Non-Assessment Revenue	(81,870)	359,771	(441,641)	(122.76%)	2,169,604
Total Revenue	5,684,749	6,126,431	(441,681)	(7.21%)	36,769,562
Expenses:					
Employee Compensation					
51011000 - Salaries & Wages - Regular	387,865	456,394	68,529	15.02%	2,854,473
51021000 - Union Wages - Regular	706,693	877,051	170,358	19.42%	5,425,824
51041000 - Wages - Overtime	4,050	3,456	(594)	(17.18%)	20,749
51051000 - Union Wages - Overtime	9,509	5,876	(3,633)	(61.82%)	35,281
51061000 - Holiday & Vacation	144,248	112,401	(31,848)	(28.33%)	697,928
51071000 - Sick	57,629	45,848	(11,781)	(25.70%)	284,681

**Third Laguna Hills Mutual
Operating Statement
2/28/2021
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
51081000 - Sick - Part Time	5	43	38	88.23%	262
51091000 - Missed Meal Penalty	482	202	(280)	(138.27%)	1,236
51101000 - Temporary Help	13,037	3,232	(9,804)	(303.32%)	19,400
51981000 - Compensation Accrual	31,589	0	(31,589)	0.00%	0
Total Employee Compensation	1,355,106	1,504,504	149,398	9.93%	9,339,833
Compensation Related					
52411000 - F.I.C.A.	98,619	114,142	15,523	13.60%	702,023
52421000 - F.U.I.	6,265	7,404	1,140	15.39%	9,872
52431000 - S.U.I.	42,797	37,658	(5,138)	(13.64%)	50,211
52441000 - Union Medical	280,723	300,174	19,451	6.48%	1,801,043
52451000 - Workers' Compensation Insurance	56,807	82,465	25,659	31.11%	511,213
52461000 - Non Union Medical & Life Insurance	56,101	58,577	2,475	4.23%	351,459
52471000 - Union Retirement Plan	63,132	72,805	9,673	13.29%	450,404
52481000 - Non-Union Retirement Plan	10,434	19,865	9,431	47.47%	124,243
52981000 - Compensation Related Accrual	7,010	0	(7,010)	0.00%	0
Total Compensation Related	621,888	693,091	71,203	10.27%	4,000,469
Materials and Supplies					
53001000 - Materials & Supplies	76,532	95,426	18,894	19.80%	514,232
53003000 - Materials Direct	108,212	163,593	55,381	33.85%	1,007,648
53004000 - Freight	367	633	266	41.98%	3,816
Total Materials and Supplies	185,111	259,651	74,540	28.71%	1,525,696
Utilities and Telephone					
53301000 - Electricity	81,690	74,300	(7,390)	(9.95%)	365,300
53301500 - Sewer	299,201	291,400	(7,801)	(2.68%)	1,773,600
53302000 - Water	371,919	344,520	(27,399)	(7.95%)	2,971,182
53302500 - Trash	94,572	95,802	1,230	1.28%	574,820
Total Utilities and Telephone	847,382	806,022	(41,359)	(5.13%)	5,684,902
Legal Fees					
53401500 - Legal Fees	105,534	83,332	(22,203)	(26.64%)	499,985
Total Legal Fees	105,534	83,332	(22,203)	(26.64%)	499,985
Professional Fees					
53402020 - Audit & Tax Preparation Fees - Third	0	0	0	0.00%	45,400
53403500 - Consulting Fees	0	2,305	2,305	100.00%	15,780
53403520 - Consulting Fees - Third	0	14,736	14,736	100.00%	88,436
Total Professional Fees	0	17,041	17,041	100.00%	149,616
Equipment Rental					
53501500 - Equipment Rental/Lease Fees	10,422	2,752	(7,670)	(278.71%)	18,217
Total Equipment Rental	10,422	2,752	(7,670)	(278.71%)	18,217
Outside Services					
53601000 - Bank Fees	5,303	5,279	(25)	(0.47%)	31,679
53601500 - Credit Card Transaction Fees	1,340	0	(1,340)	0.00%	0
53604500 - Marketing Expense	1,240	834	(406)	(48.68%)	5,000
54603500 - Outside Services Cost Collection	363,202	1,093,686	730,484	66.79%	10,988,267
53704000 - Outside Services	22,055	15,892	(6,164)	(38.79%)	97,088
Total Outside Services	393,140	1,115,690	722,550	64.76%	11,122,035
Repairs and Maintenance					
53701000 - Equipment Repair & Maint	1,395	2,209	814	36.84%	15,968
53703000 - Elevator /Lift Maintenance	46,496	56,097	9,601	17.12%	336,584
Total Repairs and Maintenance	47,891	58,306	10,415	17.86%	352,552
Other Operating Expense					
53801000 - Mileage & Meal Allowance	222	2,406	2,184	90.77%	14,478
53801500 - Travel & Lodging	0	460	460	100.00%	2,764
53802000 - Uniforms	6,969	19,641	12,672	64.52%	87,700
53802500 - Dues & Memberships	392	372	(20)	(5.39%)	2,866
53803000 - Subscriptions & Books	442	385	(57)	(14.85%)	2,322
53803500 - Training & Education	173	3,861	3,688	95.52%	20,157
53903000 - Safety	0	167	167	100.00%	1,008
54001020 - Board Relations - Third	0	1,254	1,254	100.00%	7,525
54002000 - Postage	4,196	8,830	4,634	52.48%	52,980

Third Laguna Hills Mutual
Operating Statement
2/28/2021
THIRD LAGUNA HILLS MUTUAL

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
54002500 - Filing Fees / Permits	0	162	162	100.00%	503
Total Other Operating Expense	12,394	37,539	25,145	66.98%	192,303
Insurance					
54401000 - Hazard & Liability Insurance	140,889	119,405	(21,484)	(17.99%)	716,432
54401500 - D&O Liability	0	20,833	20,833	100.00%	125,000
54402000 - Property Insurance	721,826	514,607	(207,219)	(40.27%)	3,087,644
54403000 - General Liability Insurance	479	1,179	699	59.33%	7,072
Total Insurance	863,195	656,024	(207,170)	(31.58%)	3,936,148
Investment Expense					
54201000 - Investment Expense	4,476	0	(4,476)	0.00%	21,430
Total Investment Expense	4,476	0	(4,476)	0.00%	21,430
Uncollectible Accounts					
54602000 - Bad Debt Expense	(20,265)	0	20,265	0.00%	75,000
Total Uncollectible Accounts	(20,265)	0	20,265	0.00%	75,000
Depreciation and Amortization					
55001000 - Depreciation And Amortization	22,480	22,480	0	0.00%	134,880
Total Depreciation and Amortization	22,480	22,480	0	0.00%	134,880
Net Allocation to Mutuals					
54602500 - Allocated Expenses	217,412	238,398	20,986	8.80%	1,426,122
Total Net Allocation to Mutuals	217,412	238,398	20,986	8.80%	1,426,122
Total Expenses	4,666,165	5,494,830	828,664	15.08%	38,479,186
Excess of Revenues Over Expenses	\$1,018,584	\$631,601	\$386,983	61.27%	(\$1,709,624)

**Third Laguna Hills Mutual
Balance Sheet - Preliminary
2/28/2021**

		<u>Current Month End</u>	<u>Prior Year December 31</u>
	Assets		
1	Cash and cash equivalents	\$4,466,052	\$1,412,574
2	Non-discretionary investments		3,999,894
3	Discretionary investments	25,271,232	25,579,833
4	Receivable/(Payable) from mutuals	2,508,689	436,199
5	Accounts receivable and interest receivable	76,203	172,270
6	Prepaid expenses and deposits	2,554,975	3,290,394
7	Property and equipment	141,239	141,239
8	Accumulated depreciation property and equipment	(141,239)	(141,239)
9	Beneficial interest in GRF of Laguna Hills Trust	5,167,157	5,189,637
10	Non-controlling interest in GRF	39,877,908	39,877,908
11	Total Assets	<u>\$79,922,215</u>	<u>\$79,958,709</u>
	Liabilities and Fund Balances		
	Liabilities:		
12	Accounts payable and accrued expenses	\$2,715,099	\$3,654,600
13	Accrued compensation and related costs	548,292	548,292
14	Deferred income	713,427	829,005
15	Income tax payable	(290)	(290)
16	Total liabilities	<u>\$3,976,528</u>	<u>\$5,031,606</u>
	Fund balances:		
17	Fund balance prior years	74,927,104	72,543,822
18	Change in fund balance - current year	1,018,584	2,383,282
19	Total fund balances	<u>75,945,687</u>	<u>74,927,104</u>
20	Total Liabilities and Fund Balances	<u>\$79,922,215</u>	<u>\$79,958,709</u>

**Third Laguna Hills Mutual
Fund Balance Sheet - Preliminary
2/28/2021**

	<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>
Assets								
1 Cash and cash equivalents	\$1,213,333			\$3,245,758			\$6,961	\$4,466,052
2 Discretionary investments		3,715,835	6,453,691	13,065,313	1,597,260	361,966	77,166	25,271,232
3 Receivable/(Payable) from mutuals	2,508,689							2,508,689
4 Receivable/(Payable) from operating fund	(1,281,672)	667,006	(147,258)	125,727	579,635	35,385	21,177	
5 Accounts receivable and interest receivable	76,203							76,203
6 Prepaid expenses and deposits	2,554,975							2,554,975
7 Property and equipment	141,239							141,239
8 Accumulated depreciation property and equipment	(141,239)							(141,239)
9 Beneficial interest in GRF of Laguna Hills Trust	5,167,157							5,167,157
10 Non-controlling interest in GRF	39,877,908							39,877,908
11 Total Assets	<u>\$50,116,593</u>	<u>\$4,382,842</u>	<u>\$6,306,433</u>	<u>\$16,436,799</u>	<u>\$2,176,895</u>	<u>\$397,351</u>	<u>\$105,304</u>	<u>\$79,922,215</u>
Liabilities and Fund Balances								
Liabilities:								
12 Accounts payable and accrued expenses	\$2,231,057		\$6,839	\$488,104	(\$16,818)		\$5,917	\$2,715,099
13 Accrued compensation and related costs	548,292							548,292
14 Deferred income	713,427							713,427
15 Income tax payable	(290)							(290)
16 Total liabilities	<u>\$3,492,485</u>		<u>\$6,839</u>	<u>\$488,104</u>	<u>(\$16,818)</u>		<u>\$5,917</u>	<u>\$3,976,528</u>
Fund balances:								
17 Fund balance prior years	45,850,122	4,325,548	6,980,943	15,141,444	2,145,626	393,722	89,699	74,927,104
18 Change in fund balance - current year	<u>773,986</u>	<u>57,294</u>	<u>(681,349)</u>	<u>807,251</u>	<u>48,086</u>	<u>3,629</u>	<u>9,687</u>	<u>1,018,584</u>
19 Total fund balances	46,624,107	4,382,842	6,299,594	15,948,694	2,193,712	397,351	99,387	75,945,687
20 Total Liabilities and Fund Balances	<u>\$50,116,593</u>	<u>\$4,382,842</u>	<u>\$6,306,433</u>	<u>\$16,436,799</u>	<u>\$2,176,895</u>	<u>\$397,351</u>	<u>\$105,304</u>	<u>\$79,922,215</u>

**Third Laguna Hills Mutual
Changes in Fund Balances - Preliminary
2/28/2021**

	Operating Fund	Unappropriated Expenditures Fund	Disaster Fund	Replacement Fund	Elevator Replacement Fund	Laundry Replacement Fund	Garden Villa Rec Room Fund	Total
Revenues:								
Assessments:								
1 Operating	\$3,494,596							\$3,494,596
2 Additions to restricted funds		97,632	305,100	1,781,784	61,020	12,204	14,283	2,272,023
3 Total assessments	3,494,596	97,632	305,100	1,781,784	61,020	12,204	14,283	5,766,619
Non-assessment revenues:								
4 Fees and charges for services to residents	114,855							114,855
5 Laundry	23,490							23,490
6 Interest income		4,654	10,238	18,950	786	178	95	34,901
7 Unrealized gain/(loss) on AFS investments		(44,429)	(101,529)	(185,461)	(5,380)	(1,219)	(902)	(338,920)
8 Miscellaneous	83,804							83,804
9 Total non-assessment revenue	222,149	(39,775)	(91,290)	(166,511)	(4,594)	(1,041)	(807)	(81,870)
10 Total revenue	3,716,745	57,857	213,810	1,615,273	56,426	11,163	13,476	5,684,749
Expenses:								
11 Employee compensation and related	1,525,230		8,484	435,852		4,060	3,368	1,976,994
12 Materials and supplies	121,948		1,658	58,754		2,531	219	185,111
13 Utilities and telephone	845,881		70	1,424			7	847,382
14 Legal fees	105,534							105,534
15 Equipment rental	2,425		281	7,677			39	10,422
16 Outside services	93,030		20,215	270,856	8,340	700		393,140
17 Repairs and maintenance	47,565		2	322			2	47,891
18 Other Operating Expense	9,988		36	2,326		25	18	12,394
19 Insurance	479		862,715					863,195
20 Investment expense		563	1,407	2,495			11	4,476
21 Uncollectible Accounts	(20,265)							(20,265)
22 Depreciation and amortization	22,480							22,480
23 Net allocations to mutuals	188,464		290	28,315		218	125	217,412
24 Total expenses	2,942,759	563	895,159	808,022	8,340	7,534	3,789	4,666,165
25 Excess of revenues over expenses	\$773,986	\$57,294	(\$681,349)	\$807,251	\$48,086	\$3,629	\$9,687	\$1,018,584
26 Excluding unrealized gain/(loss) and depreciation	\$796,466	\$101,723	(\$579,820)	\$992,712	\$53,466	\$4,848	\$10,589	\$1,379,984

THIRD LAGUNA HILLS MUTUAL
Provision For Doubtful Accounts
As of February 28, 2021

Month	Delinquent Assessments ⁽¹⁾	Assessments Write-Offs ⁽²⁾	Bad Debt Small Claims ⁽³⁾	Delinquent Fines, Fees, and Chargeable Services ⁽⁴⁾	Chargeable Services Write-Offs ⁽⁵⁾	Change in Provision ⁽⁶⁾	Total Delinquent Units ⁽⁷⁾
December-20	187,773			500,499			16
January-21	187,810	-	-	494,545		(5,916)	15
February-21	175,422		-	492,584	-	(14,349)	15
March-21			-		-	-	
April-21			-		-	-	
May-21			-		-	-	
June-21			-		-	-	
July-21			-		-	-	
August-21			-		-	-	
September-21			-		-	-	
October-21			-		-	-	
November-21			-		-	-	
December-21		-	-		-	-	
YTD TOTAL						(20,265)	

(1) Delinquent Assessments: Represents the balance from the monthly Delinquency Report presented in the Closed Session of the Finance Committee and accounted for as a specific allowance against Accounts Receivable balance.

(2) Assessments Write-Offs: Represents write-off activities approved by the Third Board.

(3) Bad Debt Small Claims: Represents the change in the Small Claims Receivable account balance.

(4) Delinquent Fines, Fees and Chargeable Services: Balances represents a combination of a general allowance percentage and a specific allowance amount recorded for the purpose of reducing the Account Receivable balance to the amount the company anticipates to be collectible.

(5) Chargeable Services Write-Offs: Represents Chargeable Service write-off activities approved by the Third Board.

(6) Change in Provision: Calculated as the difference between the current and prior month Delinquent Assessments and Delinquent Fine, Fees and Chargeable Services balances plus current month activities from Assessment Write-Offs, Bad Debt Small Claims, and Chargeable Services Write-Offs.

(7) Total Delinquent Units: Units reported on the monthly Delinquency Reports - Assessments

INVESTMENT REPORT
February 1, 2021 - February 28, 2021



Envelope # BKPPHCBBBNGLL

THIRD LAGUNA HILLS MUTUAL
PO BOX 2220
LAGUNA HILLS CA 92654-2220

Brokerage THIRD LAGUNA HILLS MUTUAL

► **Account Number:**

Your Account Value: **\$25,271,231.77**

Change from Last Period: ▼ \$235,241.17

	This Period	Year-to-Date
Beginning Account Value	\$25,506,472.94	\$25,579,833.38
Subtractions	-4,476.47	-4,476.47
Change in Investment Value *	-230,764.70	-304,125.14
Ending Account Value **	\$25,271,231.77	\$25,271,231.77
Accrued Interest (AI)	0.00	
Ending Account Value Incl. AI	\$25,271,231.77	

Your Advisor/Agent

SAGEVIEW ADVISORY GROUP, LLC
RANDALL LONG
4000 MACARTHUR BLVD
SUITE 1050
NEWPORT BEACH CA 92660

Phone: (949) 955-1395

* Reflects appreciation or depreciation of your holdings due to price changes, transactions from Other Activity In or Out and Multi-currency transactions, plus any distribution and income earned during the statement period.

** Excludes unpriced securities.

Your Advisor is an independent organization and is not affiliated with Fidelity Investments. Brokerage services provided by **Fidelity Brokerage Services LLC (FBS)**, Member NYSE, SIPC (800) 544-6666. Brokerage accounts carried with National Financial Services LLC (NFS), Member NYSE, SIPC.





Account Summary

Account Value: **\$25,271,231.77**

Change in Account Value ▼ **\$235,241.17**

	This Period	Year-to-Date
Beginning Account Value	\$25,506,472.94	\$25,579,833.38
Subtractions	-4,476.47	-4,476.47
Transaction Costs, Fees & Charges	-4,476.47	-4,476.47
Change in Investment Value *	-230,764.70	-304,125.14
Ending Account Value	\$25,271,231.77	\$25,271,231.77
Accrued Interest (AI)	0.00	
Ending Account Value Incl. AI	\$25,271,231.77	

* Reflects appreciation or depreciation of your holdings due to price changes, transactions from Other Activity In or Out and Multi-currency transactions, plus any distribution and income earned during the statement period.

Income Summary

	This Period	Year-to-Date
Taxable	\$22,245.42	\$34,794.75
Dividends	22,245.42	34,794.75
Total	\$22,245.42	\$34,794.75

Top Holdings

Description	Value	Percent of Account
Fidelity Short Term Treasury Bond Index	\$7,527,176.17	30%
Fid Inter Treasury Bond Index Fund	6,255,801.94	25
Vanguard Backed Securities Indx Adm	6,018,671.02	24
Vanguard Short Term Corp Bd Index Admrl	1,911,355.69	8
Vanguard Intermediate Term Corporate Bond ETF	1,901,720.06	8
Vanguard Short Term Treasury Admiral	1,253,331.36	5
Fidelity Government Cash Reserves	403,175.53	2
Total	\$25,271,231.77	100%

Core Account and Credit Balance Cash Flow

Core Account: FIDELITY GOVERNMENT CASH RESERVES

	This Period	Year-to-Date
Beginning Balance	\$385,406.58	\$372,857.25
Investment Activity		
Dividends, Interest & Other Income ^D	22,245.42	34,794.75
Total Investment Activity	\$22,245.42	\$34,794.75
Cash Management Activity		
Fees & Charges	-4,476.47	-4,476.47
Total Cash Management Activity	-\$4,476.47	-\$4,476.47
Ending Balance	\$403,175.53	\$403,175.53

^D Includes dividend reinvestments.





Account Summary

- The minimum base rate for the purposes of determining interest to be applied under the terms of the Margin Account Agreement for any credit extended or maintained based on the Federal Funds Target or the Call Money rate shall not fall below 0.00% for Federal Funds target or 1.75% for the Call Money rate. All terms and conditions of the Margin Account Agreement shall continue to apply. 933933.1.0



Account Summary

Estimated Cash Flow

(Rolling as of February 28, 2021)

Month	Bond & CD Income	Bond & CD Principal	Stock Income	ETP Income	Mutual Fund Income	Other Income	Total Est. Cash Flow
March 2021	--	--	--	\$4,029	\$27,673	--	\$31,702
April	--	--	--	4,029	27,673	--	31,702
May	--	--	--	4,029	27,673	--	31,702
June	--	--	--	4,029	27,673	--	31,702
July	--	--	--	4,029	27,673	--	31,702
August	--	--	--	4,029	27,673	--	31,702
September	--	--	--	4,029	27,673	--	31,702
October	--	--	--	4,029	27,673	--	31,702
November	--	--	--	4,029	27,673	--	31,702
December	--	--	--	4,029	27,673	--	31,702
January 2022	--	--	--	4,029	27,673	--	31,702
February	--	--	--	4,029	27,673	--	31,702
Total	--	--	--	\$48,348	\$332,076	--	\$380,424

This table presents the estimated monthly interest and dividend income and return of principal that your current holdings may generate over the next rolling 12 months. The cash flows displayed are estimates provided for informational purposes only and there is no guarantee that you will actually receive any of the amounts displayed. These estimates should not be relied upon for making investment, trading or tax decisions. The estimates for fixed income are calculated using the security's coupon rate. The estimates for all other securities are calculated using an indicated annual dividend (IAD). The IAD is an estimate of a security's dividend payments for the next 12 months calculated based on prior and/or declared dividends for that security. IADs are sourced from third party vendors believed to be reliable, but no assurance can be made as to accuracy. There are circumstances in which these estimates will not be presented for a specific security you hold.

Bond & CD Income includes interest payments for fixed and variable rate bonds, international bonds that pay in USD, and Certificates of Deposit (CDs).

Bond & CD Principal includes maturing principal payments for fixed and variable rate bonds, international bonds that pay in USD, and Certificates of Deposit (CDs).

Stock Income includes estimated dividend payments for common stocks, preferred stocks, ADRs, closed-end mutual funds, and MLPs.

ETP Income includes estimated dividend payments for Exchange Traded Funds (ETFs) and Exchange Traded Notes (ETNs).

Mutual Fund Income includes estimated dividend payments for Fidelity and non-Fidelity mutual funds.

Other Income includes, but is not limited to estimated dividend payments for Unit Investment Trusts (UITs), REITs, and LPs.

This table does not include cash flow from foreign denominated fixed income.

-- not available





Holdings

Core Account

Description	Quantity	Price Per Unit	Total Market Value	Total Cost Basis	Unrealized Gain/Loss	Est. Annual Income (EAI)	Est. Yield (EY)
FIDELITY GOVERNMENT CASH RESERVES (FDRXX)	403,175.530	\$1.0000	\$403,175.53	not applicable	not applicable	\$667.79	0.170%
-- 7-day yield: 0.01%							
Total Core Account (2% of account holdings)			\$403,175.53			\$667.79	

Mutual Funds

Description	Quantity	Price Per Unit	Total Market Value	Total Cost Basis	Unrealized Gain/Loss	Est. Annual Income (EAI)	Est. Yield (EY)
Bond Funds							
FIDELITY SHORT TERM TREASURY BOND INDEX (FUMBX)	699,551.689	\$10.7600	\$7,527,176.17	\$7,385,638.68	\$141,537.49	\$89,913.11	1.190%
-- 30-day yield: 0.19%							
FID INTER TREASURY BOND INDEX FUND (FUAMX)	549,718.975	11.3800	6,255,801.94	6,405,463.86	-149,661.92	95,282.24	1.520
-- 30-day yield: 0.82%							
VANGUARD SHORT TERM TREASURY ADMIRAL (VFIRX)	116,697.520	10.7400	1,253,331.36	1,238,614.21	14,717.15	9,452.93	0.750
VANGUARD SHORT TERM CORP BD INDEX ADMRL (VSCSX)	84,949.142	22.5000	1,911,355.69	1,879,539.54	31,816.15	40,614.18	2.120
VANGUARD BACKED SECURITIES INDX ADM (VMBSX)	280,459.973	21.4600	6,018,671.02	5,979,304.08	39,366.94	96,141.68	1.600
Total Bond Funds (91% of account holdings)			\$22,966,336.18	\$22,888,560.37	\$77,775.81	\$331,404.14	
Total Mutual Funds (91% of account holdings)			\$22,966,336.18	\$22,888,560.37	\$77,775.81	\$331,404.14	





Holdings

Exchange Traded Products

Includes exchange-traded funds (ETFs), exchange-traded notes (ETNs), and other exchange-traded vehicles.

Description	Quantity	Price Per Unit	Total Market Value	Total Cost Basis	Unrealized Gain/Loss	Est. Annual Income (EAI)	Est. Yield (EY)
Fixed Income ETPs							
VANGUARD INTERMEDIATE TERM CORPORATE BOND ETF (VCIT)	20,107.000	\$94.5800	\$1,901,720.06	\$1,867,466.66	\$34,253.40	\$48,347.28	2.540%
Total Fixed Income ETPs(8% of account holdings)			1,901,720.06	1,867,466.66	34,253.40	48,347.28	
Total Exchange Traded Products (8% of account holdings)			\$1,901,720.06	\$1,867,466.66	\$34,253.40	\$48,347.28	
Total Holdings			\$25,271,231.77	\$24,756,027.03	\$112,029.21	\$380,419.21	

Cost Basis - the original amount paid for a security, including the amount of reinvested dividends and capital gains, plus or minus certain adjustments. See last page of statement for details.
Total Cost Basis does not include the cost basis on core, money market or other positions where cost basis is unknown or not applicable.

EAI **Estimated Annual Income (EAI) & Estimated Yield (EY)**- EAI is an estimate of annual income for a specific security position over the next rolling 12 months. EAI may be negative on short & EY positions. EY is calculated by dividing the current EAI for a security position by its statement closing date market value. EAI and EY are estimates only and may include return of principal and/or capital gains, which would render them overstated. Actual income and yield might be lower or higher than the estimated amounts. **For calculation details, refer to the "Additional Information and Endnotes" section.**

All positions held in cash account unless indicated otherwise.

Activity

Dividends, Interest & Other Income

(Includes dividend reinvestment)

Settlement Date	Security Name	Symbol/ CUSIP	Description	Quantity	Price	Amount
01/29	VANGUARD BACKED SECURITIES INDX ADM	92206C755	Dividend Received	-	-	\$4,851.96
01/29	VANGUARD SHORT TERM TREASURY ADMIRAL	922031851	Dividend Received	-	-	312.87





Activity

Dividends, Interest & Other Income (continued)

Settlement Date	Security Name	Symbol/ CUSIP	Description	Quantity	Price	Amount
01/29	VANGUARD SHORT TERM CORP BD INDEX ADMRL	92206C607	Dividend Received	-	-	2,837.30
02/04	VANGUARD INTERMEDIATE TERM CORPORATE BOND ETF	92206C870	Dividend Received	-	-	3,627.30
02/26	FID INTER TREASURY BOND INDEX FUND	31635V257	Dividend Received	-	-	5,848.78
02/26	FIDELITY GOVERNMENT CASH RESERVES	316067107	Dividend Received	-	-	3.01
02/26	FIDELITY SHORT TERM TREASURY BOND INDEX	31635V216	Dividend Received	-	-	4,764.20
Total Dividends, Interest & Other Income						\$22,245.42

Fees and Charges

Date	Description	Amount
02/03	Advisor Fee	-\$4,476.47
Total Fees and Charge		-\$4,476.47

Core Fund Activity

For more information about the operation of your core account, please refer to your Customer Agreement.

Settlement Date	Account Type	Transaction	Description	Quantity	Price	Amount	Balance
02/01	CASH	You Bought	FIDELITY GOVERNMENT CASH RESERVES @ 1	312.870	\$1.0000	\$312.87	\$385,719.45
02/01	CASH	You Bought	FIDELITY GOVERNMENT CASH RESERVES MORNING TRADE @ 1	7,689.260	1.0000	7,689.26	393,408.71
02/03	CASH	You Sold	FIDELITY GOVERNMENT CASH RESERVES @ 1	-4,476.470	1.0000	-4,476.47	388,932.24
02/04	CASH	You Bought	FIDELITY GOVERNMENT CASH RESERVES MORNING TRADE @ 1	3,627.300	1.0000	3,627.30	392,559.54
02/26	CASH	You Bought	FIDELITY GOVERNMENT CASH RESERVES @ 1	10,615.990	1.0000	10,615.99	403,175.53
Total Core Fund Activity						\$17,768.95	





Additional Information and Endnotes

A COPY OF YOUR INVESTMENT REPORT IS AVAILABLE TO:

SAGEVIEW ADVISORY GROUP, LLC
4000 MACARTHUR BLVD
SUITE 1050
NEWPORT BEACH CA 92660

STEVE HORMUTH
PO BOX 2220
LAGUNA HILLS CA 92654-2220

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- ▶ "Due to current events, mail may be delayed by circumstances beyond our control. You can always view your statements and other documents online. To learn more about paperless options please contact your Investment Advisor, Family Office, Authorized Agent or www.Fidelity.com/edelivery." 925785.1.0

Estimated Annual Income (EAI) & Estimated Yield (EY) - EAI for fixed income is calculated using the coupon rate. For all other securities, EAI is calculated using an indicated annual dividend (IAD). The IAD is an estimate of a security's dividend payments for the next 12 months calculated based on prior and/or declared dividends for that security. EY reflects only the income generated by an investment and not changes in its price which may fluctuate. Interest and dividend rates are subject to change at any time and may be affected by current and future economic, political and business conditions. EAI and EY are provided for informational purposes only and should not be used or relied on for making investment, trading or tax decisions. EAI and EY are based on data obtained from information providers believed to be reliable, but no assurance can be made as to accuracy, timeliness or completeness.

If you have a question about your account or require service, please call your investment advisor/authorized agent.

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Terms and Conditions of the Statement - Other than with respect to Fidelity-advised products and services, Fidelity does not endorse or recommend any particular investment, trading activity, or investment advisor/authorized agent, or have any responsibility for and will not review, monitor or supervise suitability of trading by any investment advisor/authorized agent. Fidelity has not verified the content of any logo or artwork on this statement identifying a firm other than Fidelity. The firm represented by such a logo or artwork is not an agent of or affiliated with Fidelity.

Changes in Portfolio Value and Account Summary - Shows activity in your portfolio and in each of your accounts for the statement period. To confirm that an authorized, direct deposit was made to your Fidelity Account, call Fidelity at 1-800-544-5555.

Value by Account - Shows the value of your account(s), for the current and previous statement periods.

Income Summary - Shows income by tax status for the statement and year-to-date periods. Except for interest earned on, or distributed by, tax-exempt securities, Fidelity reports dividends and capital gains held in taxable accounts as taxable income. A portion of this **tax-exempt** income may be subject to state and local taxes and the federal alternative minimum tax. Fidelity reports earnings on investments in Traditional IRAs, Rollover IRAs, SEP-IRAs and Keoghs as tax-deferred income. Earnings on Roth-IRAs are reported as tax-exempt income, since distributions may be tax-exempt after meeting the five-year aging requirement and certain other conditions.

Cost Basis, Gain/Loss, and Holding Period Information - NFS is required to report certain cost basis and holding period information to the IRS on Form 1099-B. Unless otherwise specified, NFS applies the average cost method for open-end mutual funds and the first-in, first-out (FIFO) method for all other securities. Cost basis is adjusted for wash sales on securities with the same CUSIP held in the same account (unless your account receives mark-to-market reporting). Your statement may not reflect all adjustments required for tax purposes. Customers should consult their tax advisors for further information.

Cost - Fidelity provides purchase cost information for securities held in retirement accounts. Such information may be adjusted for certain transactions and does not reflect reinvestments of dividends or capital gains. Fidelity reports transaction profit or loss information when securities are sold within a retirement account. Transaction profit or loss is calculated by subtracting purchase cost from sales proceeds using the FIFO method if shares were purchased at different times or prices.

Contributions/Distributions - Summarizes Traditional IRA and Roth IRA contributions, and taxable and non-taxable retirement distributions for these statement and year-to-date periods.

Total Value - The reported market value of an investment at the beginning or end of a statement period.

Unrealized Gain/Loss - For long positions, ending market value minus cost basis in non-retirement accounts and ending market value minus cost in retirement accounts. For short positions, proceeds minus ending market value. Unrealized gain/loss is calculated for pending sales because they are still in holdings. Unrealized gain/loss is not calculated for pending purchases because they are not in holdings.

Holding Type Percentage - Percentages by holding type only include long positions. Holding type percentages are rounded to the nearest percent and summed. If the sum is less than 100%, the difference between 100% and the sum is added to the holding type with the largest percentage.

Account Protection - Securities in accounts carried by NFS, a Fidelity Investments company, are protected in accordance with the Securities Investor Protection Corporation (SIPC) up to \$500,000 (including cash claims limited to \$250,000). For more information, including the SIPC brochure, please see www.sipc.org or call 1-202-371-8300. NFS has arranged for additional protection for cash and covered securities to supplement its SIPC coverage. Neither coverage protects against a decline in the market value of securities. Mutual funds and/or other securities are not backed or guaranteed by any bank, nor are they insured by the FDIC and involve investment risk including possible loss of principal. Bank deposits are not securities and are not covered by SIPC. Funds used to purchase or sweep to a bank deposit are SIPC protected until deposited to a Program Bank at which time funds may be eligible for FDIC insurance.

Information About Mutual Funds and Their Performance - Before investing consider the fund's or insurance product's investment objectives, risks, charges and expenses. Contact Fidelity or visit Fidelity.com for a prospectus containing this information. Read it carefully before investing. Performance data shown represents past performance, and is no guarantee of future results. Investment return and principal value will fluctuate, so you may have a loss or a gain when shares are sold. Current performance may be higher or lower than that quoted. Visit Fidelity.com/performance for most recent month-end performance. Each fund reserves the right to terminate or modify its exchange privilege. Foreign investment, especially those in emerging markets, may involve greater risks than U.S. investments. **Sales Loads and Fees**. In connection with (i) access to, purchase or redemption of, and/or maintenance of positions in mutual funds and other investment products such as alternative investments or private placements ("funds") or (ii) infrastructure needed to support such funds, some funds, or their investment

affiliates, pay FBS and/or NFS sales loads and 12b-1 fees described in the Offering Materials as well as additional compensation for shareholder services, start-up fees, infrastructure support and maintenance, and marketing, engagement and analytics programs. Additional information about the source(s) and amount(s) of compensation as well as other remuneration received by FBS or NFS will be furnished to you upon written request. At the time you purchase shares of funds those shares will be assigned either a load, transaction fee (TF) or no transaction fee (NTF) status. When you subsequently sell those shares, any fees applicable to your transaction will be assessed based on the status assigned to the shares at the time of purchase.

Customer Free Credit Balance - Free credit balances (FCB) are funds payable to you on demand. FCB are subject to open commitments such as uncleared checks and exclude proceeds from sales of certificated securities without delivery of the certificate. If your FCB is swept to a core position, you can liquidate the core position and have the proceeds sent to you or held in your account subject to the terms of your account agreement. Required rule 10b-10(a) information not contained herein will be provided on written request. Fidelity may use this free credit balance in connection with its business, subject to applicable law.

Assets Separate From Your Brokerage Account - Only securities in the margin portion of your brokerage account contribute to margin and maintenance requirements. Other Assets, that may be reported on your statement, maintained with Fidelity Investments Life Insurance Company and mutual fund only accounts held directly with the fund (Fidelity Mutual Fund Accounts) are not carried by NFS, not covered by the Securities Investor Protection Corporation (SIPC) and do not count toward your margin and maintenance requirements. Assets held in brokerage accounts managed by Fidelity Personal and Workplace Advisors LLC (FPWA) are carried by NFS and covered by SIPC but do not contribute to your margin and maintenance requirements.

Short Account Balances - Securities sold short are held in a segregated short account. These securities are marked-to-market for margin purposes and increase or decrease from the short sale price is transferred weekly to your margin account. Your short account balance is shown as of the last weekly mark-to-market, not statement end date.

Information About Your Option Transactions - Each transaction confirmation previously delivered to you contains full information about commissions and other charges, and such information is available promptly upon request. Assignments of American and European-style options are allocated among customer short positions pursuant to a random allocation procedure, a description is available upon request. Short positions in American-style options are liable for assignment anytime. The writer of a European-style option is subject to exercise assignment only during the exercise period. For more information about these, please call Fidelity at 800-544-6666.

Equity Dividend Reinvestment - Shares credited to your account resulted from transactions by FBS acting as agent for your account, or the Depository Trust Company (DTC).

Price Information/Total Market Value - The Total Market Value has been calculated to 9 decimal places; however, the individual unit price is displayed in 5 decimal places. The Total Market Value represents prices obtained from various sources, may be impacted by the frequency with which such prices are reported and such prices are not guaranteed. Prices received from pricing vendors are generally based on current market quotes, but when such quotes are not available pricing vendors use a variety of techniques to estimate value. These estimates, particularly for fixed income securities, may be based on certain minimum principal amounts (e.g. \$1 million) and may not reflect all factors that affect the value of the security, including liquidity risk. The prices provided are not firm bids or offers. Certain securities may reflect N/A or unavailable where the price for such security is generally not available from a pricing source. The Market Value of a security, including those priced at par value, may differ from its purchase price and may not closely reflect the value at which the security may be sold or purchased based on various market factors. The sale or redemption of any fixed income security prior to maturity may result in a loss. Prices for Certificates of Deposit (CDs) are generally estimates and are not based on actual market prices. The secondary market for CDs is generally illiquid. You should always request a current valuation for your securities prior to making a financial decision or placing an order. In executing orders on the Floor, the Floor broker may permit the Designated Market Maker to trade on parity with the order for some or all of the executions associated with filling that order, where such permission would not be inconsistent with the brokers best execution obligations.

Fidelity Investments - Fidelity Distributors Company LLC (FDC) is the distributor for Fidelity Funds with marketing and shareholder services provided by FBS or NFS. Brokerage services are provided by FBS, which clears all transactions through its affiliate NFS. NFS carries all brokerage accounts. FBS and NFS are members of the NYSE and SIPC. Upon written request, Fidelity will mail a NFS financial statement, which is also available at its office. Fidelity Investments (with pyramid logo) is a trademark of FMR LLC. Insurance products are distributed by FBS, Fidelity Insurance Agency, Inc., and Fidelity Investments Insurance Agency of Texas, Inc. **FPWA Services** - Fidelity Go®, Fidelity® Personalized Planning & Advice and Fidelity® Strategic Disciplines are advisory services offered by FPWA, a registered investment adviser. Fidelity® Strategic Disciplines includes the Breckinridge Intermediate Municipal Strategy, the Fidelity® Equity-Income Strategy, the Fidelity® U.S. Large Cap Equity Strategy, the Fidelity® Tax-Managed U.S. Equity Index Strategy, the Fidelity® International Equity Strategy, the Fidelity® Tax-Managed International Equity Index Strategy, the Fidelity® Intermediate Municipal Strategy and the Fidelity® Core Bond Strategy. Fidelity® Wealth Services are advisory services offered by FPWA or Fidelity Personal Trust Company, FSB (FPTC), a federal savings bank. Nondeposit investment products and trust services offered by FPTC and its affiliates are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, are not obligations of any bank, and are subject to risk, including possible loss of principal. **These advisory services are provided for a fee.** FBS, NFS, FDC, FPWA and FPTC are direct or indirect subsidiaries of FMR LLC.

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Third Laguna Hills Mutual
Supplemental Appropriation Schedule
Period Ending: 2/28/2021

Fund/Item	Resolution	BUDGET	EXPENDITURES I-T-D*			Remaining Ecumbrance
		Total Appropriations	2021	Prior Years	Total	
Disaster Fund						
Insurance Renewal	3-20-76	\$1,800,000	\$862,715	\$0	\$862,715	\$937,285
Moisture Intrusion Relandscaping at 3129-B		86,915	0	0	0	86,915
Total		\$1,886,915	\$862,715	\$0	\$862,715	\$1,024,200

*Incurred To Date

**THIRD LAGUNA HILLS MUTUAL
FUND EXPENDITURES REPORT
AS OF FEBRUARY 28, 2021**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET *	EXPENDED	\$	%
REPLACEMENT FUND - MAINTENANCE & CONSTRUCTION								
BUILDING NUMBERS	\$0	\$2,500	\$0	\$5,000	\$30,000	0%	\$5,000	100%
BUILDING STRUCTURES	49,119	188,206	84,574	378,588	3,599,789	2%	294,013	78%
ELECTRICAL SYSTEMS	0	4,957	0	9,914	59,495	0%	9,914	100%
EXTERIOR LIGHTING	0	6,249	0	12,498	75,000	0%	12,498	100%
FENCING	7,970	4,699	15,756	9,737	58,920	27%	(6,019)	(62%)
GARDEN VILLA LOBBY	2,684	12,500	2,684	12,500	112,500	2%	9,816	79%
GARDEN VILLA MAILROOM	24	35	49	72	439	11%	23	32%
GARDEN VILLA RECESSED AREA	0	5,637	0	5,637	65,000	0%	5,637	100%
GV REC ROOM WATER HEATER/HEAT PUMP	77	497	1,424	1,001	6,017	24%	(423)	(42%)
GUTTER REPLACEMENTS	2,455	6,245	4,934	12,657	76,206	6%	7,724	61%
MAILBOXES	1,371	4,246	3,305	8,620	51,899	6%	5,315	62%
PAINT PROGRAM - EXTERIOR	96,293	119,650	197,104	248,998	1,506,039	13%	51,893	21%
PRIOR TO PAINT	75,545	83,264	149,781	172,846	1,071,350	14%	23,065	13%
PAVING	0	0	0	0	694,149	0%	0	0%
ROOF REPLACEMENTS	13,519	78,251	13,519	89,917	1,439,294	1%	76,398	85%
WALL REPLACEMENTS	0	0	0	0	35,000	0%	0	0%
WASTE LINE REMEDIATION	143,147	83,333	143,147	166,666	1,000,000	14%	23,519	14%
WATER LINES - COPPER PIPE REMEDIATION	(370)	0	0	0	500,000	0%	0	0%
TOTAL	\$391,834	\$600,269	\$616,277	\$1,134,650	\$10,381,097	6%	\$518,374	46%
REPLACEMENT FUND - GENERAL SERVICES								
PRIOR TO PAINT	\$884	\$939	\$1,798	\$1,960	\$11,856	15%	\$162	8%
PAVING	5,609	6,275	11,412	13,061	79,002	14%	1,650	13%
EXTERIOR WALLS	11,200	4,095	11,200	8,190	49,147	23%	(3,010)	(37%)
TOTAL	\$17,693	\$11,309	\$24,410	\$23,211	\$140,005	17%	(\$1,198)	(5%)
REPLACEMENT FUND - LANDSCAPE SERVICES								
LANDSCAPE MODIFICATION	\$40,189	\$40,598	\$41,362	\$81,284	\$487,823	8%	\$39,922	49%
IMPROVEMENT & RESTORATION	9,434	10,121	19,883	20,997	126,524	16%	1,113	5%
TREE MAINTENANCE	65,685	75,112	103,594	152,845	920,872	11%	49,251	32%
TOTAL	\$115,307	\$125,831	\$164,840	\$255,126	\$1,535,219	11%	\$90,286	35%
ELEVATOR REPLACEMENT FUND								
ELEVATOR REPLACEMENT	\$0	\$0	\$8,340	\$0	\$255,000	3%	(\$8,340)	0%
TOTAL	\$0	\$0	\$8,340	\$0	\$255,000	3%	(\$8,340)	0%
LAUNDRY REPLACEMENT FUND								
LAUNDRY APPLIANCES	\$1,761	\$7,675	\$4,695	\$15,461	\$92,955	5%	\$10,766	70%
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	995	4,841	2,839	9,788	58,888	5%	6,949	71%
TOTAL	\$2,755	\$12,516	\$7,534	\$25,249	\$151,843	5%	\$17,715	70%
GARDEN VILLA RECREATION ROOM FUND								
GARDEN VILLA RECREATION ROOMS	\$1,832	\$5,816	\$3,777	\$11,799	\$71,831	5%	\$8,022	68%
TOTAL	\$1,832	\$5,816	\$3,777	\$11,799	\$71,831	5%	\$8,022	68%

**THIRD LAGUNA HILLS MUTUAL
FUND EXPENDITURES REPORT
AS OF FEBRUARY 28, 2021**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET *	EXPENDED	\$	%
OPERATING FUND - MAINTENANCE & CONSTRUCTION								
APPLIANCE REPAIRS	\$6,648	\$7,218	\$13,163	\$14,993	\$90,825	14%	\$1,831	12%
CARPENTRY SERVICE	34,038	36,273	68,706	75,311	455,942	15%	6,605	9%
ELECTRICAL SERVICE	9,161	10,685	18,943	22,315	135,290	14%	3,372	15%
FIRE PROTECTION	1,188	9,471	1,246	18,975	133,931	1%	17,729	93%
MISC REPAIRS BY OUTSIDE SERVICE	445	4,888	445	9,776	58,664	1%	9,331	95%
PEST CONTROL	4,810	2,500	4,895	4,500	645,800	1%	(395)	(9%)
PLUMBING SERVICE	45,327	54,084	94,384	111,842	676,492	14%	17,457	16%
SOLAR MAINTENANCE	12,553	2,083	12,553	4,166	25,000	50%	(8,387)	(201%)
TOTAL	\$114,170	\$127,202	\$214,336	\$261,880	\$2,221,944	10%	\$47,544	18%
OPERATING FUND - GENERAL SERVICES								
CONCRETE REPAIR/REPLACEMENT	\$31,467	\$30,318	\$59,389	\$62,860	\$379,831	16%	\$3,471	6%
JANITORIAL SERVICE	79,804	76,407	156,255	159,807	962,945	16%	3,552	2%
GUTTER CLEANING	3,040	14,813	6,186	29,903	179,758	3%	23,718	79%
TRAFFIC CONTROL	1,650	1,741	3,356	3,632	21,974	15%	275	8%
WELDING	8,475	9,125	17,266	19,017	115,027	15%	1,751	9%
TOTAL	\$124,435	\$132,402	\$242,451	\$275,218	\$1,659,535	15%	\$32,767	12%
OPERATING FUND - LANDSCAPE SERVICES								
LANDSCAPE ADMINISTRATION	\$23,367	\$25,877	\$48,044	\$54,094	\$332,008	14%	\$6,050	11%
NURSERY & COMPOSTING	30,988	23,277	53,080	47,922	290,340	18%	(5,158)	(11%)
GROUNDS MAINTENANCE	231,418	255,991	446,466	529,856	3,173,855	14%	83,390	16%
IRRIGATION	72,555	84,291	156,093	174,357	1,053,027	15%	18,264	10%
SMALL EQUIPMENT REPAIR	13,933	18,258	28,929	37,574	226,338	13%	8,644	23%
PEST CONTROL	27,716	25,292	53,508	52,290	316,113	17%	(1,219)	(2%)
TOTAL	\$399,976	\$432,988	\$786,121	\$896,092	\$5,391,681	15%	\$109,972	12%
DISASTER FUND - MAINTENANCE & CONSTRUCTION								
MOISTURE INTRUSION - RAIN LEAKS	\$0	\$19,792	\$1,009	\$39,584	\$237,513	0%	\$38,575	97%
MOISTURE INTRUSION - PLUMBING LEAKS	2,522	33,333	8,753	66,666	400,000	2%	57,913	87%
MOISTURE INTRUSION - PLUMBING STOPPAGES	(675)	4,166	0	8,332	50,000	0%	8,332	100%
MOISTURE INTRUSION - MISCELLANEOUS	(675)	3,879	0	7,758	46,548	0%	7,758	100%
DAMAGE RESTORATION SERVICES	10,866	18,087	21,275	36,618	220,370	10%	15,343	42%
TOTAL	\$12,038	\$79,257	\$31,036	\$158,958	\$954,431	3%	\$127,921	80%
DISASTER FUND - FINANCIAL SERVICES								
INSURANCE PREMIUMS	\$862,715	\$177,586	\$862,715	\$355,171	\$2,131,029	40%	(\$507,544)	(143%)
TOTAL	\$862,715	\$177,586	\$862,715	\$355,171	\$2,131,029	40%	(\$507,544)	(143%)
DISASTER FUND - LANDSCAPE SERVICES								
RISK FIRE MANAGEMENT	\$0	\$15,000	\$0	\$30,000	\$180,000	0%	\$30,000	100%
TOTAL	\$0	\$15,000	\$0	\$30,000	\$180,000	0%	\$30,000	100%

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF FEBRUARY 28, 2021**

DESCRIPTION	YTD TOTAL EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES
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RESERVE FUND - MAINTENANCE & CONSTRUCTION

BUILDING NUMBERS	\$0	\$0	\$0	\$0
BUILDING STRUCTURES	84,574	48,294	15,205	21,075
ELECTRICAL SYSTEMS	0	0	0	0
ENERGY PROJECTS	0	0	0	0
EXTERIOR LIGHTING	0	0	0	0
FENCING	15,756	7,525	8,231	0
GARDEN VILLA LOBBY	2,684	0	0	2,684
GARDEN VILLA MAILROOM	49	49	0	0
GARDEN VILLA RECESSED AREA	0	0	0	0
GV REC ROOM WATER HEATER/HEAT PUMP	1,424	156	380	888
GUTTER REPLACEMENTS	4,934	3,734	1,200	0
MAILBOXES	3,305	2,772	534	0
PAINT PROGRAM - EXTERIOR	197,104	194,833	2,271	0
PRIOR TO PAINT	149,781	140,509	9,272	0
PAVING	0	0	0	0
ROOF REPLACEMENTS	13,519	0	0	13,519
SUPPLEMENTAL APPROPRIATIONS	0	0	0	0
WALL REPLACEMENTS	0	0	0	0
WASTE LINE REMEDIATION	143,147	0	0	143,147
WATER LINES - COPPER PIPE REMEDIATION	0	0	0	0
TOTAL	\$616,277	\$397,871	\$37,093	\$181,312

RESERVE FUND - GENERAL SERVICES

PRIOR TO PAINT	\$1,798	\$1,798	\$0	\$0
PAVING	11,412	11,412	0	0
EXTERIOR WALLS	11,200	0	0	11,200
TOTAL	\$24,410	\$13,210	\$0	\$11,200

RESERVE FUND - LANDSCAPE

LANDSCAPE MODIFICATION	\$41,362	\$2,181	\$0	\$39,181
IMPROVEMENT & RESTORATION	19,883	19,883	0	0
TREE MAINTENANCE	103,594	64,525	0	39,069
TOTAL	\$164,840	\$86,589	\$0	\$78,251

RESERVE FUND - ELEVATOR

ELEVATOR REPLACEMENT	\$8,340	\$0	\$0	\$8,340
TOTAL	\$8,340	\$0	\$0	\$8,340

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF FEBRUARY 28, 2021**

DESCRIPTION	YTD TOTAL EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES
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RESERVE FUND - LAUNDRY

LAUNDRY APPLIANCES	\$4,695	\$2,486	\$2,209	\$0
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	2,839	2,139	0	700
TOTAL	\$7,534	\$4,624	\$2,209	\$700

GARDEN VILLA REC ROOM FUND - MAINTENANCE & CONSTRUCTION

GARDEN VILLA RECREATION ROOMS	\$3,777	\$3,777	\$0	\$0
TOTAL	\$3,777	\$3,777	\$0	\$0

OPERATING FUND - MAINTENANCE & CONSTRUCTION

APPLIANCE REPAIRS	\$13,163	\$10,427	\$2,737	\$0
CARPENTRY SERVICE	68,706	61,436	7,270	0
ELECTRICAL SERVICE	18,943	16,897	2,045	0
FIRE PROTECTION	1,246	583	0	663
MISC REPAIRS BY OUTSIDE SERVICE	445	0	0	445
PEST CONTROL	4,895	0	0	4,895
PLUMBING SERVICE	94,384	85,973	4,804	3,607
SOLAR MAINTENANCE	12,553	0	0	12,553
TOTAL	\$214,336	\$175,316	\$16,857	\$22,163

OPERATING FUND - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$59,389	\$54,563	\$4,826	\$0
JANITORIAL SERVICE	156,255	149,301	6,953	0
GUTTER CLEANING	6,186	6,186	0	0
TRAFFIC CONTROL	3,356	3,356	0	0
WELDING	17,266	17,118	148	0
TOTAL	\$242,451	\$230,524	\$11,927	\$0

OPERATING EXPENDITURES - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$48,044	\$48,044	\$0	\$0
NURSERY & COMPOSTING	53,080	53,080	0	0
GROUPS MAINTENANCE	446,466	421,099	486	24,881
IRRIGATION	156,093	140,981	15,111	0
SMALL EQUIPMENT REPAIR	28,929	28,929	0	0
PEST CONTROL	53,508	53,508	0	0
TOTAL	\$786,121	\$745,642	\$15,597	\$24,881

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF FEBRUARY 28, 2021**

DESCRIPTION	YTD TOTAL EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES
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DISASTER FUND - MAINTENANCE & CONSTRUCTION

MOISTURE INTRUSION - RAIN LEAKS	\$1,009	\$0	\$0	\$1,009
MOISTURE INTRUSION - PLUMBING LEAKS	8,753	0	0	8,753
MOISTURE INTRUSION - PLUMBING STOPPAGES	0	0	0	0
MOISTURE INTRUSION - MISCELLANEOUS	0	0	0	0
DAMAGE RESTORATION SERVICES	21,275	9,880	941	10,453
TOTAL	\$31,036	\$9,880	\$941	\$20,215

DISASTER FUND - FINANCIAL SERVICES

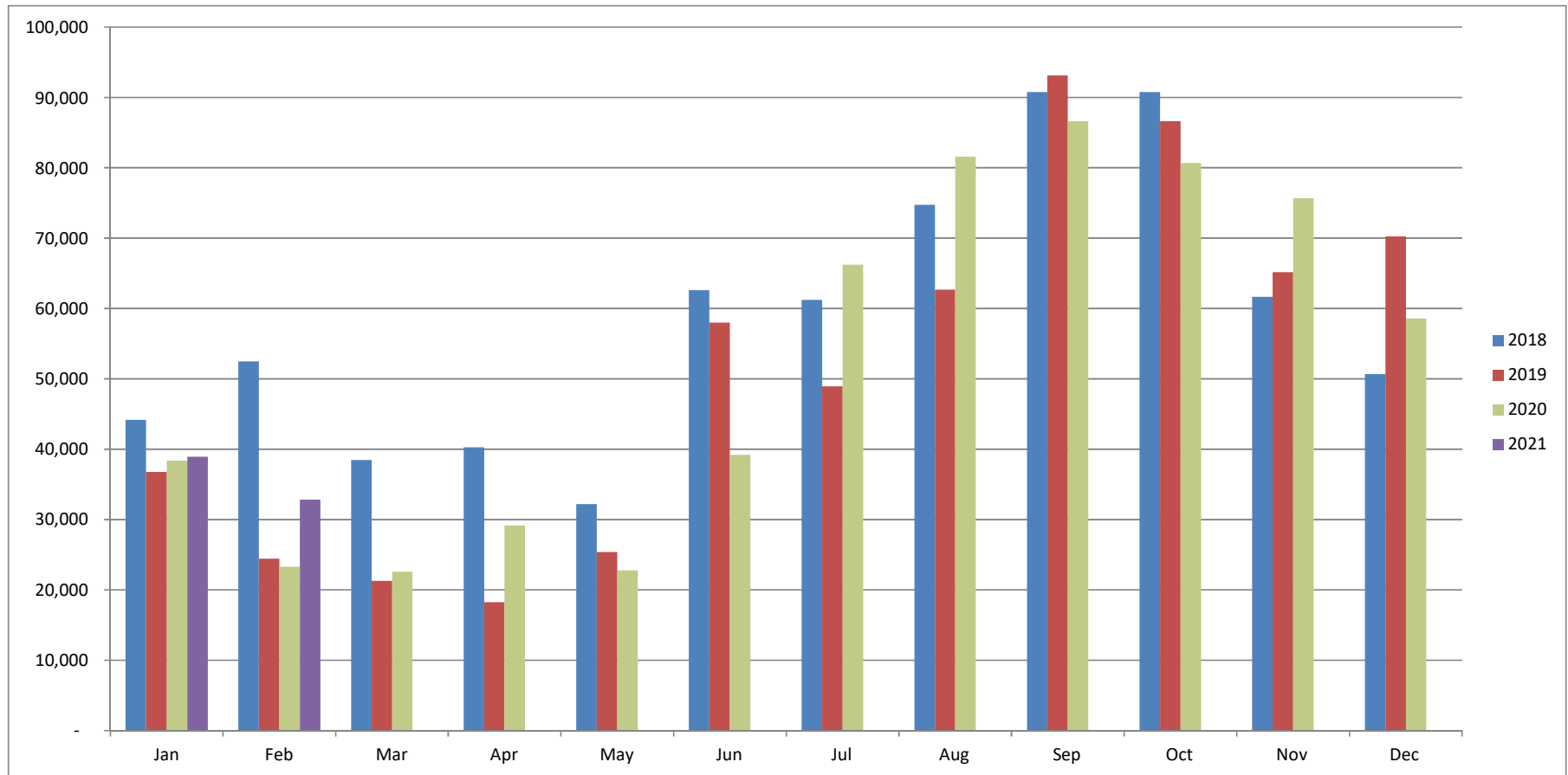
INSURANCE PREMIUMS	\$862,715	\$0	\$0	\$0
TOTAL	\$862,715	\$0	\$0	\$0

DISASTER FUND - MAINTENANCE & CONSTRUCTION

RISK FIRE MANAGEMENT	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0

Third Mutual Water Usage in 100 cubic feet units

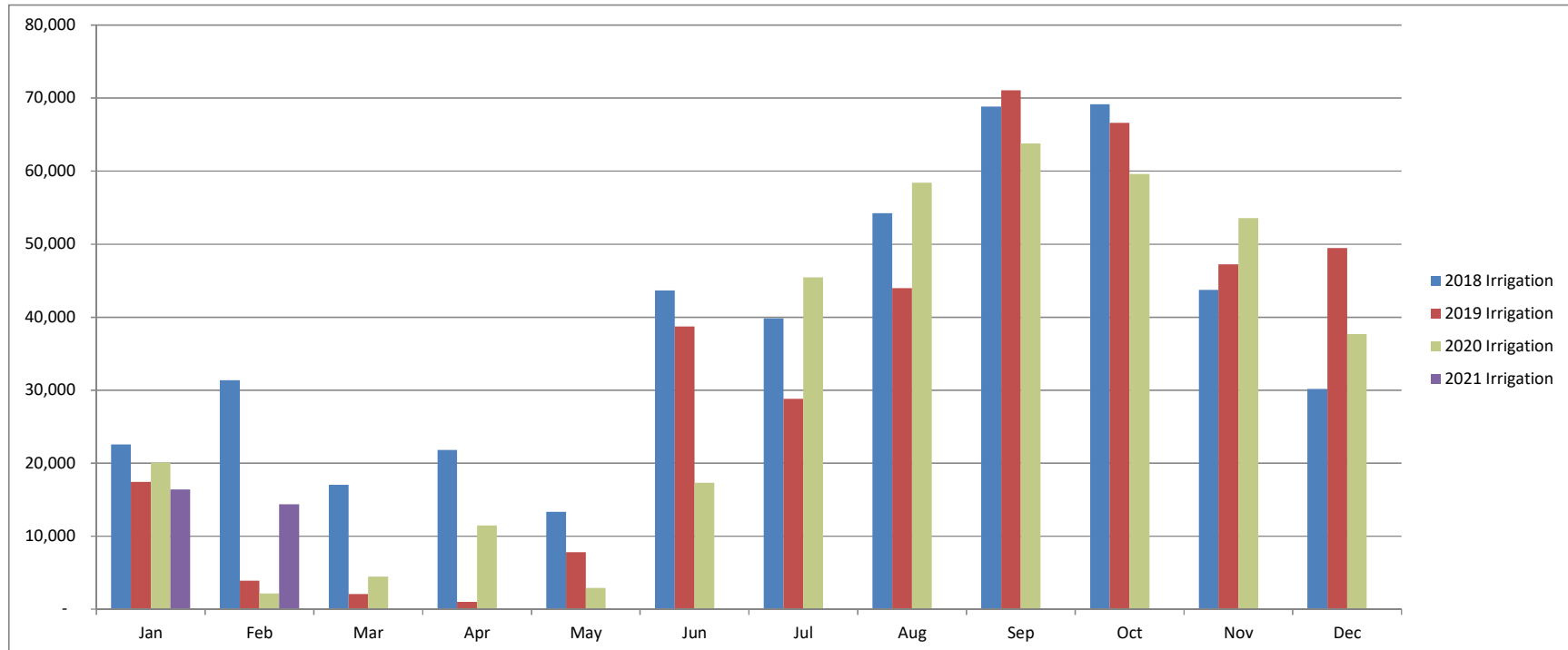
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Total
2018	44,191	52,495	38,446	40,263	32,183	62,631	61,214	74,756	90,767	90,776	61,661	50,693	96,686	700,076
2019	36,777	24,432	21,298	18,269	25,378	58,015	48,914	62,672	93,135	86,655	65,159	70,254	61,209	610,958
2020	38,350	23,285	22,570	29,169	22,804	39,197	66,203	81,581	86,612	80,664	75,700	58,608	61,635	624,743
2021	38,929	32,844	-	-	-	-	-	-	-	-	-	-	71,773	71,773



Third Mutual

Irrigation Water Usage in 100 cubic feet units

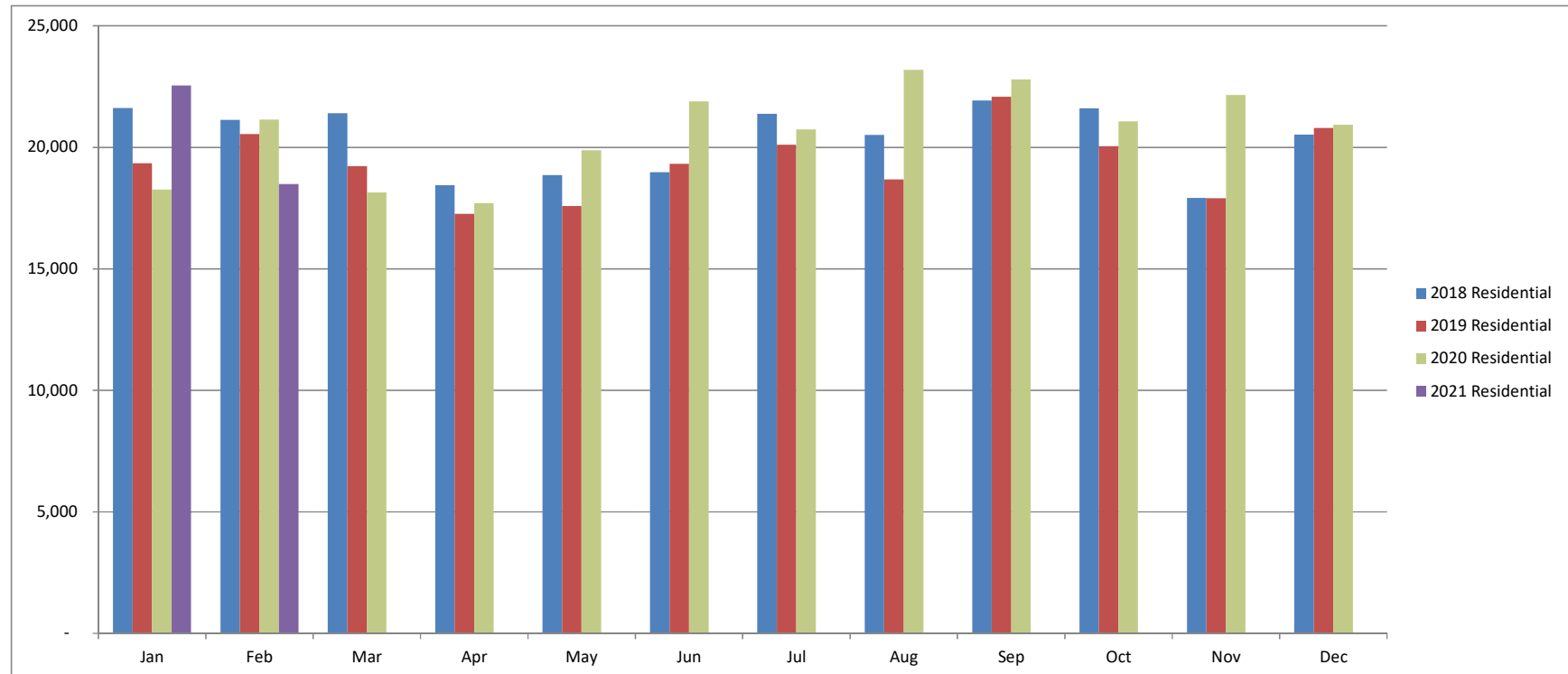
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Total
2018 Irrigation	22,567	31,368	17,039	21,814	13,332	43,653	39,833	54,254	68,843	69,176	43,741	30,171	53,935	455,791
2019 Irrigation	17,434	3,892	2,081	1,000	7,803	38,696	28,811	43,994	71,052	66,612	47,254	49,451	21,326	378,080
2020 Irrigation	20,096	2,146	4,430	11,464	2,923	17,310	45,463	58,399	63,816	59,592	53,554	37,681	22,242	376,874
2021 Irrigation	16,390	14,356	-	-	-	-	-	-	-	-	-	-	30,746	30,746



Third Mutual

Residential Water Usage in 100 cubic feet units

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Total
2018 Residential	21,624	21,127	21,407	18,449	18,851	18,978	21,381	20,502	21,924	21,600	17,920	20,522	42,751	244,285
2019 Residential	19,343	20,540	19,217	17,269	17,575	19,319	20,103	18,678	22,083	20,043	17,905	20,803	39,883	232,878
2020 Residential	18,254	21,139	18,140	17,705	19,881	21,887	20,740	23,182	22,796	21,072	22,146	20,927	39,393	247,869
2021 Residential	22,539	18,488	-	-	-	-	-	-	-	-	-	-	41,027	41,027





RESOLUTION 03-19-120

THIRD LAGUNA HILLS MUTUAL INVESTMENT POLICY

RESOLVED, November 19, 2019 that the Managing Agent of this corporation, and an outside Investment Manager are hereby authorized to invest the funds of the corporation which, in the opinion of said managing agent are not required within a reasonable time to pay obligations of the corporation; and

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby authorizes the Managing Agent of this corporation, to retain an Investment Manager and to give that Manager discretion to transact purchases and sales of investments for Third Laguna Hills Mutual's account. Such discretion is subject to the underlying conditions as stated below. The Board will determine the amount to be managed in this discretionary account; and

RESOLVED FURTHER, that all investments on behalf of this corporation must be made with the underlying principles in the following order of priority:
(1) safety,
(2) liquidity, where applicable, and (3) yield, and are subject to the following conditions:

1. Notification of confirmation shall be given to the managing agent and treasurer of this corporation upon completion of each investment transaction;
2. For funds administered by the Managing Agent in a non-discretionary account, no investment may be sold, withdrawn, redeemed or otherwise converted to cash prior to maturity without a demonstrated immediate need for the funds and the consent of any two of the following: the Treasurer, the President or the 1st or 2nd Vice President of this corporation. Furthermore, if there is a request that an investment be sold, withdrawn or otherwise converted to cash prior to maturity where there has been no demonstrated immediate need, approval must be received from the Board of Directors of this corporation;
3. Funds shall be invested only in authorized investments as provided herein. Authorized investments are limited to:
 - a. Obligations of, or fully guaranteed as to principal by, the



United States of America;

- b. Up to 30% of the portfolio may be invested in Corporate Bonds rated BBB through AAA; specifically, Baa3/BBB-/BBB- or better by Moody's/S&P/Fitch. A bond is only required to meet the criteria of one rating service. If a bond does not meet these minimum credit quality criteria in at least one of the above-mentioned rating services, the bond may not be purchased or if owned, must be removed from the portfolio within 30 days. This removal criteria will not apply to bond mutual funds that have a stated objective of investing in investment grade rated bonds. Removal of downgraded bonds that fall below the investment grade rating will be determined by the fund manager.
 - c. No more than 3% of portfolio is to be invested in any one corporate bond issuer; and
 - d. Up to 25% of the portfolio may be invested in Government Sponsored Federal Agencies, namely FNMA (Federal National Mortgage Association – Fannie Mae), FHLMC (Federal Home Loan Mortgage Corporation – Freddie Mac, and FHLB (Federal Home Loan Bank).
4. Investments on behalf of this corporation may be made concurrently with investments made on behalf of other corporations at Laguna Woods Village. However, separate investment receipts will be held in the name of this corporation. Any such investments may be held for the account of the corporation in book-entry form;
5. Any authorized investments, as defined in Item 3 above, previously made by said Managing Agent or Investment Manager, are hereby ratified; and

RESOLVED FURTHER, that Resolution 03-16-54 adopted on May 17, 2016, is hereby superseded and cancelled.