



REGULAR MEETING OF THE FINANCE COMMITTEE

**Tuesday, July 5, 2022 – 1:30 p.m.
Laguna Woods Village Board Room/Virtual
24351 El Toro Road
Laguna Woods, CA 92637**

NOTICE and AGENDA

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Approval of Meeting Report for June 7, 2022
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://us06web.zoom.us/j/81161366511> or by calling (669) 900-6833 and enter the meeting ID 81161366511# or email meeting@vmsinc.org to request to speak.

7. Department Head Update

Reports

8. Preliminary Financial Statements dated May 31, 2022

Items for Discussion and Consideration

9. Cash Flow Chart
10. Endorsements from Standing Committee

Highlights

Future Agenda Items

Concluding Business:

11. Committee Member Comments
12. Date of Next Meeting – Tuesday, August 2, 2022 at 1:30 p.m.
13. Recess to Closed Session

Donna Rane-Szostak, Chair
Steve Hormuth, Staff Officer
Telephone: 949-597-4201



FINANCE COMMITTEE MEETING REPORT OF THE REGULAR OPEN SESSION

Tuesday, June 7, 2022 – 1:30 p.m.
Hybrid Meeting

DIRECTORS PRESENT: Donna Rane-Szostak, Ralph Engdahl, Jim Cook, John Frankel, Annie McCary, Ira Lewis, Cush Bhada, Mark Laws, Craig Wayne, Cris Prince

DIRECTORS ABSENT: Jules Zalon

ADVISORS PRESENT: Wei-Ming Tao, John Hess

STAFF PRESENT: Steve Hormuth, Jose Campos, Erika Hernandez

Call to Order

Director Donna Rane-Szostak chaired and called the meeting to order at 1:30pm.

Acknowledgement of Media

The meeting was streamed through Granicus and made available via Zoom for members of the community to participate virtually.

Approval of Meeting Agenda

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

Approval of Meeting Report for May 3, 2022

A motion was made and by consensus, the meeting report was approved as presented (Director Rane-Szostak abstained).

Chair Remarks

Director Rane-Szostak welcomed the new Directors Cris Prince and Jules Zalon to the board, and thanked Director Robert Mutchnick and Director Lynn Jarrett for their years of service on the Board.

Member Comments (Items Not on the Agenda)

None.

Department Head Update

Steve Hormuth, Director of Financial Services, summarized the purpose of the 2023 reoccurring budget meetings and the acceptance of a \$1,000 donation from the Judy Saxon Trust for landscape services. A staff report will be presented at the June 21st board meeting where the board will adopt a resolution and acknowledge the donation. Lastly, Steve briefly discussed tax exemption specifically related to HOAs.

Preliminary Financial Statements dated April 30, 2022

Jose Campos, Assistant Director of Financial Services, presented the Preliminary Financial Statements dated April 30, 2022. Questions were addressed.

Endorsements from Standing Committees

None.

Paint Cycle

Director Rane-Szostak gave a presentation summarizing the previously reviewed result from the 10-year paint program changing to 15 years and the Prior to Paint program from 5 years to 7.5 years to address concerns from community members.

2022 HOA Assessment Breakdown

During a previous committee meeting held March 1st, Director Rane-Szostak presented an info graph displaying how Third Mutual HOA monthly assessment fees are allocated. The same graph was presented to address questions from community members.

Future Agenda Items

Forecast

Committee Member Comments

Steve Hormuth thanked the committee members for their participation through out the budget process and looks forward to continuing the year working with all Directors.

Date of Next Meeting

Tuesday, July 5, 2022 at 1:30 p.m.

Recess to Closed Session

The meeting recessed at 2:47 p.m.

Donna Rane-Szostak

Donna Rane-Szostak (Jul 1, 2022 09:15 PDT)

Donna Rane-Szostak, Chair



MEMORANDUM

To: Third Finance Committee
 From: Steve Hormuth, Director of Financial Services
 Date: July 5, 2022
 Re: Department Head Update

Financial Highlights

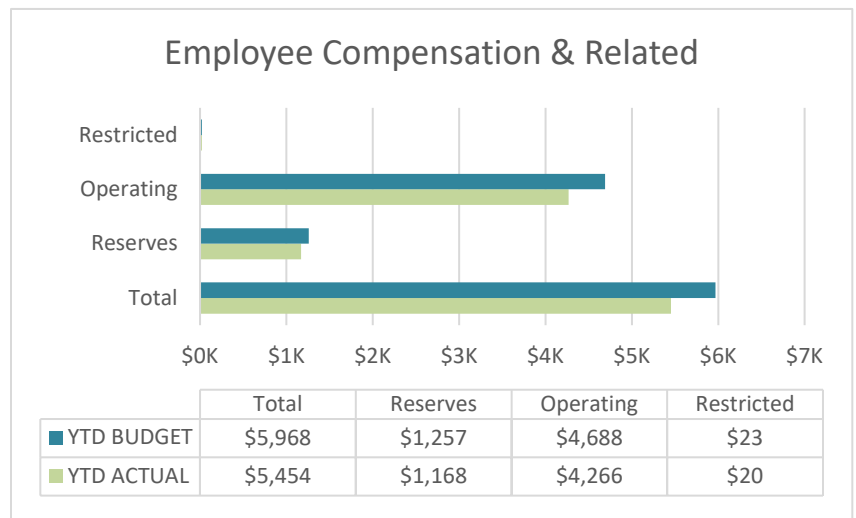
SUMMARY:

For the year-to-date period ending May 31, 2022, Third Laguna Hills Mutual was better than budget by \$3,152K primarily due to late start of programs due to COVID-19 pandemic, affecting the areas of outside services, compensation, and materials.

INCOME STATEMENT (in Thousands)			
	Actual	Budget	Variance
Assessment Revenues	\$17,256	\$17,256	\$0
Other Revenues	\$837	\$870	(\$33)
Expenses	\$13,665	\$16,850	\$3,185
Revenue/(Expense)	\$4,428	\$1,276	\$3,152

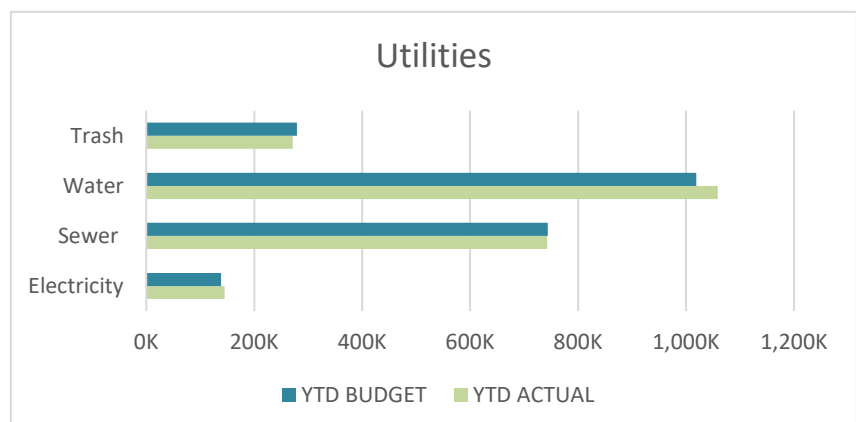
COMPENSATION:

Actual compensation and related costs came in at \$5,454K with \$4,266K in operations, \$1,168K in reserves, and \$20K in restricted. Combined, this category is 8.6% favorable to budget. For Third, the most significant savings were due to outsourcing of 8 Landscape staff and open positions in Maintenance & Constructions.



UTILITIES:

In total, this category was unfavorable to budget by (\$38K) mainly due to water coming in higher than budget. Budget was based on a five-year average of water consumption, which was 19% over the budgeted usage. The variance was partially offset by a lower rate than anticipated at the time of budget preparation.



Discussions

2023 Business Plan: Third kicked off the 2023 Business Plan development in March by holding a meeting to review 2022 service levels. Third conducted a Maintenance review on May 31 and Landscape reviews on June 2. Further, the Third Board held a workshop to provide direction on what will be presented at the July 15 meeting.

Calendar

Jul 1, 2022 @ 9:30 a.m. Third Board Agenda Prep Meeting
Jul 5, 2022 @ 1:30 p.m. Third Finance Committee Meeting (May Financials)
Jul 15, 2022 @ 9:30 a.m. Third Budget – Business Plan Review
Jul 19, 2022 @ 9:30 a.m. Third Board Meeting
Aug 2, 2022 @ 1:30 p.m. Third Finance Committee Meeting (June Financials)
Aug 5, 2022 @ 9:30 a.m. Third Board Agenda Prep Meeting
Aug 12, 2022 @ 9:30 a.m. Third Budget – Business Plan Review
Aug 16, 2022 @ 9:30 a.m. Third Board Meeting
Sep 2, 2022 @ 9:30 a.m. Third Board Agenda Prep Meeting
Sep 6, 2022 @ 1:30 p.m. Third Finance Committee Meeting (July Financials)
Sep 20, 2022 @ 9:30 a.m. Third Board Meeting

July 2022							August 2022							September 2022						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
					1	2		1	2	3	4	5	6					1	2	3
3	4	5	6	7	8	9	7	8	9	10	11	12	13	4	5	6	7	8	9	10
10	11	12	13	14	15	16	14	15	16	17	18	19	20	11	12	13	14	15	16	17
17	18	19	20	21	22	23	21	22	23	24	25	26	27	18	19	20	21	22	23	24
24	25	26	27	28	29	30	28	29	30	31				25	26	27	28	29	30	
31																				

Third Laguna Hills Mutual
Statement of Revenues & Expenses - Preliminary
5/31/2022
(\$ IN THOUSANDS)

		CURRENT MONTH			YEAR TO DATE			PRIOR YEAR	TOTAL
		ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET
Revenues:									
Assessments:									
1	Operating	\$2,384	\$2,384		\$11,918	\$11,918	(\$1)	\$8,736	\$28,603
2	Additions to restricted funds	1,068	1,068		5,338	5,338		5,680	12,811
3	Total assessments	3,451	3,451		17,256	17,256	(1)	14,417	41,415
Non-assessment revenues:									
4	Fees and charges for services to residents	89	81	8	403	397	7	289	960
5	Laundry	19	18	2	93	88	5	88	210
6	Investment income	19	20	(1)	63	102	(39)	78	244
7	Miscellaneous	60	57	3	278	285	(6)	224	683
8	Total non-assessment revenue	187	175	12	837	870	(33)	680	2,097
9	Total revenue	3,638	3,627	12	18,093	18,127	(34)	15,097	43,512
Expenses:									
10	Employee compensation and related	1,128	1,209	81	5,454	5,968	514	5,178	14,324
11	Materials and supplies	126	117	(8)	553	582	29	620	1,411
12	Utilities and telephone	517	492	(25)	2,218	2,180	(38)	2,351	5,968
13	Legal fees	18	44	26	45	207	162	219	527
14	Professional fees	56	12	(44)	69	79	10	37	155
15	Equipment rental	7	4	(3)	11	19	8	20	45
16	Outside services	463	861	398	1,273	3,125	1,852	1,350	8,624
17	Repairs and maintenance	28	29	1	127	145	18	119	349
18	Other Operating Expense	5	14	8	40	79	39	49	193
19	Property and sales tax							2	
20	Insurance	643	754	111	3,158	3,771	612	2,207	9,049
21	Investment expense		2	2		9	9	9	21
22	Uncollectible Accounts	16	5	(10)	64	27	(36)	(15)	65
23	(Gain)/loss on sale or trade				4		(4)	15	
24	Depreciation and amortization	11	11		56	56		56	134
25	Net allocation to mutuals	132	122	(9)	594	603	10	546	1,449
26	Total expenses	3,150	3,676	526	13,665	16,850	3,184	12,764	42,314
27	Excess of revenues over expenses	\$489	(\$49)	\$538	\$4,428	\$1,277	\$3,151	\$2,333	\$1,198

Third Laguna Hills Mutual
Statement of Revenues & Expenses - By Fund Type - Preliminary
5/31/2022
(\$ IN THOUSANDS)

	OPERATING YEAR TO DATE			RESERVE: YEAR TO DATE			RESTRICTED: YEAR TO DATE			COMBINED: YEAR TO DATE		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
Revenues:												
Assessments:												
1 Operating	\$11,918	\$11,918	(\$1)							\$11,918	\$11,918	(\$1)
2 Additions to restricted funds				4,638	4,638		701	701		5,338	5,338	
3 Total assessments	11,918	11,918	(1)	4,638	4,638		701	701		17,256	17,256	(1)
Non-assessment revenues:												
4 Fees and charges for services to residents	403	397	7							403	397	7
5 Laundry	93	88	5							93	88	5
6 Investment income				46	58	(12)	17	44	(27)	63	102	(39)
7 Miscellaneous	278	285	(6)							278	285	(6)
8 Total non-assessment revenue	775	769	6	46	58	(12)	17	44	(27)	837	870	(33)
9 Total revenue	12,692	12,687	5	4,683	4,695	(12)	718	745	(27)	18,093	18,127	(34)
Expenses:												
10 Employee compensation and related	4,266	4,688	423	1,168	1,257	89	20	23	3	5,454	5,968	514
11 Materials and supplies	348	320	(28)	201	255	54	3	6	3	553	582	29
12 Utilities and telephone	2,215	2,174	(40)	3	6	3				2,218	2,180	(38)
13 Legal fees	45	207	162							45	207	162
14 Professional fees	63	79	16	2		(2)	4		(4)	69	79	10
15 Equipment rental	2	3	1	8	15	7				11	19	8
16 Outside services	405	301	(104)	933	2,365	1,432	(65)	459	524	1,273	3,125	1,852
17 Repairs and maintenance	126	143	16	1	2	1				127	145	18
18 Other Operating Expense	34	68	34	6	11	5				40	79	39
19 Property and sales tax												
20 Insurance	3,158	3,771	612							3,158	3,771	612
21 Investment expense					5	5		4	4		9	9
22 Uncollectible Accounts	64	27	(36)							64	27	(36)
23 (Gain)/loss on sale or trade				3		(3)	1		(1)	4		(4)
24 Depreciation and amortization	56	56								56	56	
25 Net allocation to mutuals	491	508	17	101	94	(7)	1	1		594	603	10
26 Total expenses	11,274	12,346	1,072	2,427	4,011	1,584	(35)	493	528	13,665	16,850	3,184
27 Excess of revenues over expenses	\$1,418	\$341	\$1,077	\$2,256	\$684	\$1,572	\$753	\$251	\$501	\$4,428	\$1,277	\$3,151

**Third Laguna Hills Mutual
Operating Statement
5/31/2022
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Revenues:					
Assessments:					
Operating					
41001000 - Monthly Assessments	\$11,917,556	\$11,918,122	(\$566)	0.00%	\$28,603,493
Total Operating	11,917,556	11,918,122	(566)	0.00%	28,603,493
Additions To Restricted Funds					
41002000 - Monthly Assessments - Disaster Fund	663,287	663,288	0	0.00%	1,591,890
41003500 - Monthly Assessments - Replacement Fund	4,454,460	4,454,460	0	0.00%	10,690,704
41004000 - Monthly Assessments - Elevator Replacement Fund	152,550	152,550	0	0.00%	366,120
41004500 - Monthly Assessments - Laundry Replacement Fund	30,510	30,510	0	0.00%	73,224
41006000 - Monthly Assessments - Garden Villa Recreation Room Fund	37,260	37,260	0	0.00%	89,424
Total Additions To Restricted Funds	5,338,067	5,338,068	0	0.00%	12,811,362
Total Assessments	17,255,623	17,256,190	(566)	0.00%	41,414,855
Non-Assessment Revenues:					
Fees and Charges for Services to Residents					
46501000 - Permit Fee	119,715	99,258	20,457	20.61%	238,222
46501500 - Inspection Fee	38,824	30,639	8,184	26.71%	73,537
46502000 - Resident Maintenance Fee	244,748	266,707	(21,959)	(8.23%)	648,636
Total Fees and Charges for Services to Residents	403,286	396,604	6,682	1.68%	960,396
Laundry					
46005000 - Coin Op Laundry Machine	92,993	87,500	5,493	6.28%	210,000
Total Laundry	92,993	87,500	5,493	6.28%	210,000
Investment Income					
49001000 - Investment Income - Nondiscretionary	755	1,663	(908)	(54.59%)	4,000
49002000 - Investment Income - Discretionary	61,867	100,000	(38,133)	(38.13%)	240,000
Investment Interest Income	62,622	101,663	(39,041)	(38.40%)	244,000
Miscellaneous					
46004500 - Resident Violations	3,450	22,581	(19,131)	(84.72%)	54,198
44501000 - Additional Occupant Fee	5,200	0	5,200	0.00%	0
44501510 - Lease Processing Fee - Third	108,180	108,110	70	0.06%	259,475
44502000 - Variance Processing Fee	0	6,618	(6,618)	(100.00%)	15,888
44502500 - Non-Sale Transfer Fee - Third	850	690	160	23.19%	1,666
44503520 - Resale Processing Fee - Third	79,296	79,890	(594)	(0.74%)	191,740
44505500 - Hoa Certification Fee	6,130	5,000	1,130	22.60%	12,000
44507000 - Golf Cart Electric Fee	25,455	29,165	(3,710)	(12.72%)	70,000
44507200 - Electric Vehicle Plug-In Fee	7,116	4,585	2,531	55.19%	11,000
44507500 - Cartport/Carport Space Rental Fee	1,400	1,835	(435)	(23.71%)	4,400
47001500 - Late Fee Revenue	38,840	21,250	17,590	82.77%	51,000
47002020 - Collection Administrative Fee - Third	0	1,125	(1,125)	(100.00%)	2,700
47002500 - Collection Interest Revenue	(413)	2,085	(2,498)	(119.82%)	5,000
47501000 - Recycling	2,842	1,665	1,177	70.66%	4,000
49009000 - Miscellaneous Revenue	9	0	9	0.00%	0
Total Miscellaneous	278,353	284,599	(6,245)	(2.19%)	683,067
Total Non-Assessment Revenue	837,255	870,366	(33,111)	(3.80%)	2,097,463
Total Revenue	18,092,878	18,126,556	(33,677)	(0.19%)	43,512,318
Expenses:					
Employee Compensation					
51011000 - Salaries & Wages - Regular	1,139,913	1,315,413	175,499	13.34%	3,188,996
51021000 - Union Wages - Regular	1,942,518	2,309,202	366,684	15.88%	5,581,847
51041000 - Wages - Overtime	17,432	10,508	(6,924)	(65.89%)	25,234
51051000 - Union Wages - Overtime	32,135	20,867	(11,268)	(54.00%)	50,106
51061000 - Holiday & Vacation	294,897	306,056	11,159	3.65%	740,584
51071000 - Sick	120,871	124,839	3,967	3.18%	302,080
51091000 - Missed Meal Penalty	1,876	1,476	(400)	(27.11%)	3,572
51101000 - Temporary Help	33,580	45,666	12,086	26.47%	109,606
51981000 - Compensation Accrual	243,465	0	(243,465)	0.00%	0

**Third Laguna Hills Mutual
Operating Statement
5/31/2022
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Total Employee Compensation	3,826,687	4,134,027	307,340	7.43%	10,002,024
Compensation Related					
52411000 - F.I.C.A.	267,301	310,246	42,945	13.84%	742,748
52421000 - F.U.I.	7,338	10,220	2,882	28.20%	10,220
52431000 - S.U.I.	33,024	51,947	18,924	36.43%	51,947
52441000 - Union Medical	744,753	794,321	49,568	6.24%	1,906,370
52451000 - Workers' Compensation Insurance	182,852	219,423	36,572	16.67%	530,688
52461000 - Non Union Medical & Life Insurance	150,495	180,390	29,894	16.57%	432,813
52471000 - Union Retirement Plan	180,499	209,897	29,399	14.01%	507,367
52481000 - Non-Union Retirement Plan	29,011	57,656	28,645	49.68%	139,778
52981000 - Compensation Related Accrual	31,693	0	(31,693)	0.00%	0
Total Compensation Related	1,626,966	1,834,101	207,135	11.29%	4,321,933
Materials and Supplies					
53001000 - Materials & Supplies	189,854	207,956	18,102	8.70%	503,088
53003000 - Materials Direct	361,778	371,286	9,508	2.56%	902,417
53004000 - Freight	1,021	2,332	1,311	56.22%	5,630
Total Materials and Supplies	552,654	581,575	28,921	4.97%	1,411,135
Utilities and Telephone					
53301000 - Electricity	144,956	138,547	(6,409)	(4.63%)	372,829
53301500 - Sewer	742,836	744,000	1,164	0.16%	1,829,400
53302000 - Water	1,058,972	1,018,750	(40,222)	(3.95%)	3,095,794
53302500 - Trash	271,218	279,163	7,945	2.85%	669,993
Total Utilities and Telephone	2,217,982	2,180,460	(37,522)	(1.72%)	5,968,016
Legal Fees					
53401500 - Legal Fees	115,745	207,218	91,473	44.14%	526,652
53401550 - Legal Fees Contra	(70,655)	0	70,655	0.00%	0
Total Legal Fees	45,091	207,218	162,127	78.24%	526,652
Professional Fees					
53402020 - Audit & Tax Preparation Fees - Third	38,500	35,525	(2,975)	(8.37%)	47,670
53403500 - Consulting Fees	14,044	6,754	(7,290)	(107.94%)	13,597
53403520 - Consulting Fees - Third	16,729	36,615	19,886	54.31%	93,500
Total Professional Fees	69,272	78,894	9,622	12.20%	154,767
Equipment Rental					
53501500 - Equipment Rental/Lease Fees	10,596	18,505	7,909	42.74%	45,077
Total Equipment Rental	10,596	18,505	7,909	42.74%	45,077
Outside Services					
53601000 - Bank Fees	16,310	17,632	1,322	7.50%	42,322
53601500 - Credit Card Transaction Fees	5,382	0	(5,382)	0.00%	0
53604500 - Marketing Expense	0	2,085	2,085	100.00%	5,000
54603500 - Outside Services Cost Collection	1,196,579	3,070,860	1,874,281	61.03%	8,470,258
53704000 - Outside Services	54,944	34,681	(20,263)	(58.43%)	106,430
Total Outside Services	1,273,215	3,125,258	1,852,043	59.26%	8,624,010
Repairs and Maintenance					
53701000 - Equipment Repair & Maint	1,730	5,130	3,400	66.28%	12,340
53703000 - Elevator /Lift Maintenance	125,519	139,665	14,146	10.13%	336,584
Total Repairs and Maintenance	127,249	144,795	17,546	12.12%	348,924
Other Operating Expense					
53801000 - Mileage & Meal Allowance	925	4,380	3,455	78.88%	10,540
53801500 - Travel & Lodging	9	1,045	1,036	99.10%	2,511
53802000 - Uniforms	18,713	38,096	19,383	50.88%	89,998
53802500 - Dues & Memberships	367	1,131	763	67.51%	2,683
53803000 - Subscriptions & Books	135	800	665	83.13%	1,931
53803500 - Training & Education	886	8,135	7,249	89.11%	21,162
53903000 - Safety	310	619	309	49.88%	1,489
54001020 - Board Relations - Third	896	3,135	2,239	71.42%	7,525
54001500 - Public Relations	(3)	0	3	0.00%	0
54002000 - Postage	17,899	21,482	3,583	16.68%	54,488
54002500 - Filing Fees / Permits	196	207	11	5.39%	510
Total Other Operating Expense	40,334	79,029	38,696	48.96%	192,837

**Third Laguna Hills Mutual
Operating Statement
5/31/2022
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>
Insurance					
54401000 - Hazard & Liability Insurance	340,138	355,734	15,595	4.38%	853,762
54401500 - D&O Liability	35,856	36,981	1,125	3.04%	88,758
54402000 - Property Insurance	2,779,393	3,374,797	595,404	17.64%	8,099,520
54403000 - General Liability Insurance	3,107	2,996	(111)	(3.70%)	7,190
Total Insurance	3,158,494	3,770,508	612,013	16.23%	9,049,230
Investment Expense					
54201000 - Investment Expense	30	8,800	8,770	99.66%	21,120
Total Investment Expense	30	8,800	8,770	99.66%	21,120
Uncollectible Accounts					
54602000 - Bad Debt Expense	63,517	27,085	(36,432)	(134.51%)	65,000
Total Uncollectible Accounts	63,517	27,085	(36,432)	(134.51%)	65,000
(Gain)/Loss on Sale or Trade					
54101500 - (Gain)/Loss On Investments	3,699	0	(3,699)	0.00%	0
Total (Gain)/Loss on Sale or Trade	3,699	0	(3,699)	0.00%	0
Depreciation and Amortization					
55001000 - Depreciation And Amortization	56,040	56,040	0	0.00%	134,496
Total Depreciation and Amortization	56,040	56,040	0	0.00%	134,496
Net Allocation to Mutuals					
54602500 - Allocated Expenses	593,531	603,452	9,921	1.64%	1,449,122
Total Net Allocation to Mutuals	593,531	603,452	9,921	1.64%	1,449,122
Total Expenses	13,665,357	16,849,746	3,184,389	18.90%	42,314,341
Excess of Revenues Over Expenses	\$4,427,521	\$1,276,810	\$3,150,712	246.76%	\$1,197,976

**Third Laguna Hills Mutual
Balance Sheet - Preliminary
5/31/2022**

		<u>Current Month End</u>	<u>Prior Year December 31</u>
	Assets		
1	Cash and cash equivalents	\$2,383,662	\$3,967,068
2	Non-discretionary investments	6,497,250	
3	Discretionary investments	25,182,483	25,180,400
4	Receivable/(Payable) from mutuals	1,149,979	532,799
5	Accounts receivable and interest receivable	257,348	218,076
6	Prepaid expenses and deposits	268,130	2,818,713
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	4,999,100	5,055,140
10	Non-controlling interest in GRF	41,073,262	41,073,262
11	Total Assets	<u>\$81,811,213</u>	<u>\$78,845,457</u>
	Liabilities and Fund Balances		
	Liabilities:		
12	Accounts payable and accrued expenses	\$1,917,828	\$3,429,790
13	Accrued compensation and related costs	596,103	596,103
14	Deferred income	787,371	737,176
15	Income tax payable	(26,005)	(26,005)
16	Total liabilities	<u>\$3,275,298</u>	<u>\$4,737,064</u>
	Fund balances:		
17	Fund balance prior years	74,108,394	74,218,083
18	Change in fund balance - current year	4,427,521	(109,690)
19	Net fund balances	<u>78,535,915</u>	<u>74,108,394</u>
20	Total fund balances	<u>78,535,915</u>	<u>74,108,394</u>
21	Total Liabilities and Fund Balances	<u>\$81,811,213</u>	<u>\$78,845,457</u>

**Third Laguna Hills Mutual
Fund Balance Sheet - Preliminary
5/31/2022**

	Operating Fund	Replacement Fund	Elevator Replacement Fund	Laundry Replacement Fund	Garden Villa Rec Room Fund	Disaster Fund	Unappropriated Expenditures Fund	Total
Assets								
1 Cash and cash equivalents	\$1,734,277	\$93,123	\$101,308	\$4,889	\$48,184	\$57,068	\$344,812	\$2,383,662
2 Non-discretionary investments		4,134,136	495,141	93,537	18,354	1,270,818	485,264	6,497,250
3 Discretionary investments		15,061,697	1,916,571	262,032	71,062	4,850,302	3,020,819	25,182,483
4 Receivable/(Payable) from mutuals	1,149,979							1,149,979
5 Accounts receivable and interest receivable	257,348							257,348
6 Prepaid expenses and deposits	268,130							268,130
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	4,999,100							4,999,100
10 Non-controlling interest in GRF	41,073,262							41,073,262
11 Total Assets	<u>\$49,482,095</u>	<u>\$19,288,957</u>	<u>\$2,513,020</u>	<u>\$360,459</u>	<u>\$137,600</u>	<u>\$6,178,188</u>	<u>\$3,850,895</u>	<u>\$81,811,213</u>
Liabilities and Fund Balances								
Liabilities:								
12 Accounts payable and accrued expenses	\$1,059,525	\$837,022			\$14,425	\$6,856		\$1,917,828
13 Accrued compensation and related costs	596,103							596,103
14 Deferred income	787,371							787,371
15 Income tax payable	(26,005)							(26,005)
16 Total liabilities	<u>\$2,416,995</u>	<u>\$837,022</u>			<u>\$14,425</u>	<u>\$6,856</u>		<u>\$3,275,298</u>
Fund balances:								
17 Fund balance prior years	45,646,657	16,348,615	2,355,983	364,571	104,231	5,441,633	3,846,704	74,108,394
18 Change in fund balance - current year	<u>1,418,442</u>	<u>2,103,319</u>	<u>157,038</u>	<u>(4,112)</u>	<u>18,944</u>	<u>729,699</u>	<u>4,191</u>	<u>4,427,521</u>
19 Net fund balances	47,065,100	18,451,935	2,513,020	360,459	123,175	6,171,332	3,850,895	78,535,915
20 Total fund balances	<u>47,065,100</u>	<u>18,451,935</u>	<u>2,513,020</u>	<u>360,459</u>	<u>123,175</u>	<u>6,171,332</u>	<u>3,850,895</u>	<u>78,535,915</u>
21 Total Liabilities and Fund Balances	<u>\$49,482,095</u>	<u>\$19,288,957</u>	<u>\$2,513,020</u>	<u>\$360,459</u>	<u>\$137,600</u>	<u>\$6,178,188</u>	<u>\$3,850,895</u>	<u>\$81,811,213</u>

**Third Laguna Hills Mutual
Changes in Fund Balances - Preliminary
5/31/2022**

	Operating Fund	Replacement Fund	Elevator Replacement Fund	Laundry Replacement Fund	Garden Villa Rec Room Fund	Disaster Fund	Unappropriated Expenditures Fund	Total
Revenues:								
Assessments:								
1 Operating	\$11,917,556							\$11,917,556
2 Additions to restricted funds		4,454,460	152,550	30,510	37,260	663,287		5,338,067
3 Total assessments	<u>11,917,556</u>	<u>4,454,460</u>	<u>152,550</u>	<u>30,510</u>	<u>37,260</u>	<u>663,287</u>		<u>17,255,623</u>
Non-assessment revenues:								
4 Fees and charges for services to residents	403,286							403,286
5 Laundry	92,993							92,993
6 Interest income		39,843	4,772	901	177	12,251	4,677	62,622
7 Miscellaneous	<u>278,353</u>							<u>278,353</u>
8 Total non-assessment revenue	<u>774,633</u>	<u>39,843</u>	<u>4,772</u>	<u>901</u>	<u>177</u>	<u>12,251</u>	<u>4,677</u>	<u>837,255</u>
9 Total revenue	<u>12,692,189</u>	<u>4,494,303</u>	<u>157,322</u>	<u>31,411</u>	<u>37,437</u>	<u>675,539</u>	<u>4,677</u>	<u>18,092,878</u>
Expenses:								
10 Employee compensation and related	4,265,622	1,157,145		10,822	8,990	11,073		5,453,653
11 Materials and supplies	348,236	177,449		23,830	2,261	878		552,654
12 Utilities and telephone	2,214,642	3,243			16	80		2,217,982
13 Legal fees	45,091							45,091
14 Professional fees	63,267	1,954				4,052		69,272
15 Equipment rental	2,246	8,179			43	127		10,596
16 Outside services	404,847	933,132		11	6,670	(71,653)	207	1,273,215
17 Repairs and maintenance	126,421	820			4	4		127,249
18 Other Operating Expense	34,228	5,929		73	54	50		40,334
19 Insurance	3,158,494							3,158,494
20 Investment expense		19	2			6	2	30
21 Uncollectible Accounts	63,517							63,517
22 (Gain)/loss on sale or trade		2,354	282	53	10	723	276	3,699
23 Depreciation and amortization	56,040							56,040
24 Net allocations to mutuals	<u>491,095</u>	<u>100,762</u>		<u>732</u>	<u>444</u>	<u>499</u>		<u>593,531</u>
25 Total expenses	<u>11,273,746</u>	<u>2,390,984</u>	<u>284</u>	<u>35,523</u>	<u>18,493</u>	<u>(54,160)</u>	<u>486</u>	<u>13,665,357</u>
26 Excess of revenues over expenses	<u>\$1,418,442</u>	<u>\$2,103,319</u>	<u>\$157,038</u>	<u>(\$4,112)</u>	<u>\$18,944</u>	<u>\$729,699</u>	<u>\$4,191</u>	<u>\$4,427,521</u>
27 Excluding unrealized gain/(loss) and depreciation	<u>\$1,474,482</u>	<u>\$2,103,319</u>	<u>\$157,038</u>	<u>(\$4,112)</u>	<u>\$18,944</u>	<u>\$729,699</u>	<u>\$4,191</u>	<u>\$4,483,561</u>

Bank of America, N.A.
P.O. Box 2010
Lakewood, NJ 08701



TABLE OF CONTENTS
Account Summary 1

Office Servicing Your Account:
901 MAIN ST
63RD FLOOR
TX1-492-63-05
DALLAS, TX 75202-3714
Fax: 980.233.7103

Account Representative:
JULIE ERICKSON
.
JULIA.A.ERICKSON@BOFA.COM

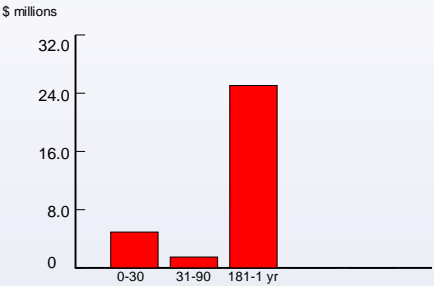
THIRD LAGUNA HILLS MUTUAL
ATTN: STEVE HORMUTH
P O BOX 2220
LAGUNA WOODS, CA 92637

Account Summary

Current Period Ending Value	\$31,580,677.01
Receipts (Cash and Securities)	\$(4,497,950.00)

Portfolio Holdings	Quantity as of 05/31/2022	Market Value as of 05/31/2022	% of Portfolio
Treasuries	31,907,000	\$31,580,677.01	100.00
Total Portfolio Value	31,907,000	\$31,580,677.01	

MATURITY SCHEDULE



**THIRD LAGUNA HILLS MUTUAL
FUND EXPENDITURES REPORT
AS OF MAY 31, 2022**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET *	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
OPERATING FUND - MAINTENANCE & CONSTRUCTION								
APPLIANCE REPAIRS	\$7,297	\$7,846	\$35,867	\$38,836	\$93,270	38%	\$2,970	8%
CARPENTRY SERVICE	36,833	42,900	174,082	212,398	510,004	34%	38,316	18%
ELECTRICAL SERVICE	10,818	9,762	48,878	48,280	115,944	42%	(599)	(1%)
FIRE PROTECTION	231	10,455	7,174	40,549	144,380	5%	33,375	82%
MISC REPAIRS BY OUTSIDE SERVICE	9,117	4,888	1,154	24,440	58,664	2%	23,286	95%
PEST CONTROL	1,914	5,645	13,759	28,225	174,633	8%	14,466	51%
PLUMBING SERVICE	52,953	59,196	251,529	293,404	704,474	36%	41,875	14%
SOLAR MAINTENANCE	0	2,083	6,940	10,415	25,000	28%	3,475	33%
TOTAL	\$119,162	\$142,775	\$539,383	\$696,548	\$1,826,369	30%	\$157,164	23%
OPERATING FUND - GENERAL SERVICES								
CONCRETE REPAIR/REPLACEMENT	\$27,581	\$31,060	\$136,121	\$153,943	\$369,462	37%	\$17,822	12%
JANITORIAL SERVICE	80,044	82,235	408,252	407,995	977,822	42%	(257)	(0%)
GUTTER CLEANING	10,431	10,418	46,480	51,568	160,758	29%	5,088	10%
TRAFFIC CONTROL	1,827	1,857	8,140	9,196	22,074	37%	1,056	11%
WELDING	9,429	10,623	42,705	52,647	126,349	34%	9,942	19%
TOTAL	\$129,312	\$136,193	\$641,699	\$675,349	\$1,656,465	39%	\$33,650	5%
OPERATING FUND - LANDSCAPE SERVICES								
LANDSCAPE ADMINISTRATION	\$25,933	\$28,905	\$133,333	\$141,594	\$341,287	39%	\$8,261	6%
NURSERY & COMPOSTING	20,064	24,436	100,583	121,210	290,925	35%	20,627	17%
GROUNDS MAINTENANCE	299,979	270,012	1,353,084	1,339,981	3,211,030	42%	(13,104)	(1%)
IRRIGATION	89,790	87,476	438,320	433,502	1,040,845	42%	(4,818)	(1%)
SMALL EQUIPMENT REPAIR	22,032	19,093	96,308	94,610	227,135	42%	(1,698)	(2%)
PEST CONTROL	32,847	32,265	170,283	159,627	383,391	44%	(10,656)	(7%)
TOTAL	\$490,646	\$462,186	\$2,291,911	\$2,290,524	\$5,494,612	42%	(\$1,387)	(0%)

**THIRD LAGUNA HILLS MUTUAL
FUND EXPENDITURES REPORT
AS OF MAY 31, 2022**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET *	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
REPLACEMENT FUND - MAINTENANCE & CONSTRUCTION								
BUILDING NUMBERS	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%
BUILDING STRUCTURES	83,550	214,634	486,426	1,001,572	2,502,042	19%	515,146	51%
ELECTRICAL SYSTEMS	0	3,000	0	9,000	30,000	0%	9,000	100%
ENERGY PROJECTS	0	0	0	0	0	0%	(1)	0%
EXTERIOR LIGHTING	2,836	2,082	4,391	10,410	25,000	18%	6,019	58%
FENCING	4,825	5,380	23,124	26,651	63,996	36%	3,526	13%
GARDEN VILLA LOBBY	0	0	0	0	12,000	0%	0	0%
GARDEN VILLA MAILROOM	25	34	119	170	412	29%	51	30%
GARDEN VILLA RECESSED AREA	0	0	0	0	0	0%	0	0%
GV REC ROOM WATER HEATER/HEAT PUMP	82	249	1,877	1,241	2,984	63%	(636)	(51%)
GUTTER REPLACEMENTS	2,406	6,600	11,831	32,873	78,926	15%	21,042	64%
MAILBOXES	228	764	1,075	3,807	9,143	12%	2,732	72%
PAINT PROGRAM - EXTERIOR	120,431	133,377	584,633	660,816	1,586,079	37%	76,183	12%
PRIOR TO PAINT	89,740	99,423	389,938	476,437	1,166,430	33%	86,499	18%
PAVING	0	0	0	0	433,960	0%	0	0%
SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0%	0	0%
WALL REPLACEMENTS	0	0	0	0	35,000	0%	0	0%
WASTE LINE REMEDIATION	143,938	70,000	179,044	210,000	700,000	26%	30,956	15%
WATER LINES - COPPER PIPE REMEDIATION	0	166,667	0	333,334	500,000	0%	333,334	100%
PLUMBING REPLACEMENT	0	0	0	0	0	0%	0	0%
TOTAL	\$489,088	\$869,567	\$1,975,804	\$3,207,957	\$8,607,764	23%	\$1,232,153	38%
REPLACEMENT FUND - GENERAL SERVICES								
PRIOR TO PAINT	\$1,046	\$1,070	\$4,660	\$5,297	\$12,712	37%	\$637	12%
PAVING	5,766	5,687	29,850	28,164	67,606	44%	(1,685)	(6%)
EXTERIOR WALLS	0	2,012	0	10,060	24,150	0%	10,060	100%
TOTAL	\$6,812	\$8,769	\$34,510	\$43,522	\$104,469	33%	\$9,011	21%
REPLACEMENT FUND - LANDSCAPE SERVICES								
LANDSCAPE MODIFICATION	\$77,943	\$43,647	\$80,691	\$218,200	\$523,702	15%	\$137,509	63%
IMPROVEMENT & RESTORATION	6,470	10,859	52,654	53,855	129,214	41%	1,201	2%
TREE MAINTENANCE	65,931	78,986	244,952	392,923	943,424	26%	147,971	38%
TOTAL	\$150,343	\$133,492	\$378,297	\$664,978	\$1,596,339	24%	\$286,681	43%
ELEVATOR REPLACEMENT FUND								
ELEVATOR REPLACEMENT	\$0	\$8,750	\$0	\$43,750	\$105,000	0%	\$43,750	100%
TOTAL	\$0	\$8,750	\$0	\$43,750	\$105,000	0%	\$43,750	100%

**THIRD LAGUNA HILLS MUTUAL
FUND EXPENDITURES REPORT
AS OF MAY 31, 2022**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET *	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
LAUNDRY REPLACEMENT FUND								
LAUNDRY APPLIANCES	\$2,980	\$7,823	\$29,687	\$39,034	\$93,712	32%	\$9,347	24%
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	1,133	1,350	5,782	6,675	16,028	36%	892	13%
SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0%	0	0%
TOTAL	\$4,113	\$9,173	\$35,470	\$45,709	\$109,740	32%	\$10,239	22%
DISASTER FUND - MAINTENANCE & CONSTRUCTION								
MOISTURE INTRUSION - RAIN LEAKS	\$16,891	\$19,792	\$35,229	\$98,960	\$237,513	15%	\$63,731	64%
MOISTURE INTRUSION - PLUMBING LEAKS	62,608	33,333	(139,008)	166,665	400,000	-35%	305,673	183%
MOISTURE INTRUSION - PLUMBING STOPPAGES	563	4,166	12,733	20,830	50,000	25%	8,097	39%
MOISTURE INTRUSION - MISCELLANEOUS	0	3,879	13,671	19,395	46,548	29%	5,724	30%
DAMAGE RESTORATION SERVICES	2,497	15,941	10,959	79,541	190,935	6%	68,582	86%
TOTAL	\$82,558	\$77,111	(\$66,416)	\$385,391	\$924,996	-7%	\$451,807	117%
DISASTER FUND - LANDSCAPE SERVICES								
RISK FIRE MANAGEMENT	(\$3,645)	\$15,000	\$11,527	\$75,000	\$180,000	6%	\$63,473	85%
SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0%	0	0%
TOTAL	(\$3,645)	\$15,000	\$11,527	\$75,000	\$180,000	6%	\$63,473	85%

**RESERVE EXPENDITURES COMPARED TO RESERVE STUDY
AS PRESENTED IN THE 2022 BUSINESS PLAN
AS OF MAY 31, 2022**

	2022	2022	2022	2022	2022
	YTD Actual	YTD Budget	YTD Variance	Annual Budget	% Expended
Paved Surfaces	\$29,850	\$28,164	(\$1,686)	\$501,566	6%
Roofing & Gutters	\$305,177	\$474,519	\$169,342	\$1,540,718	20%
Building Structures	\$486,426	\$1,001,572	\$515,147	\$2,502,043	19%
Decking Projects	\$144,567	\$178,845	\$34,278	\$436,454	33%
Prior to Painting & Painting Projects	\$834,664	\$963,705	\$129,041	\$2,328,768	36%
Elevators	\$0	\$43,750	\$43,750	\$105,000	0%
Garden Villas	\$1,996	\$1,411	(\$585)	\$15,396	13%
Lighting Replacement Projects	\$4,391	\$10,410	\$6,019	\$25,000	18%
Walls, Fencing, and Railings	\$23,124	\$37,876	\$14,751	\$125,952	18%
Laundry Facilities	\$35,470	\$44,544	\$9,074	\$106,934	33%
Sewer Lines, Water Lines and Elect	\$179,044	\$552,334	\$373,289	\$1,230,000	15%
Grounds & Miscellaneous	\$1,075	\$3,807	\$2,732	\$9,143	12%
Landscape Projects	\$378,297	\$664,978	\$286,681	\$1,596,339	24%
Total	\$2,424,081	\$4,005,916	\$1,581,835	\$10,523,313	23%

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF MAY 31, 2022**

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

APPLIANCE REPAIRS	\$35,867	\$31,234	\$4,633	\$0
CARPENTRY SERVICE	174,082	160,852	13,230	0
ELECTRICAL SERVICE	48,878	41,427	3,882	3,570
FIRE PROTECTION	7,174	1,885	802	4,488
MISC REPAIRS BY OUTSIDE SERVICE	1,154	0	0	1,154
PEST CONTROL	13,759	0	0	13,759
PLUMBING SERVICE	251,529	203,111	24,185	24,233
SOLAR MAINTENANCE	6,940	0	0	6,940
TOTAL	\$539,383	\$438,509	\$46,731	\$54,143

OPERATING FUND - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$136,121	\$126,846	\$9,275	\$0
JANITORIAL SERVICE	408,252	397,389	10,863	0
GUTTER CLEANING	46,480	46,480	0	0
TRAFFIC CONTROL	8,140	8,140	0	0
WELDING	42,705	41,820	885	0
TOTAL	\$641,699	\$620,675	\$21,023	\$0

OPERATING EXPENDITURES - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$133,333	\$133,333	\$0	\$0
NURSERY & COMPOSTING	100,583	100,583	0	0
GROUNDS MAINTENANCE	1,353,084	1,188,530	192	164,363
IRRIGATION	438,320	366,201	72,120	0
SMALL EQUIPMENT REPAIR	96,308	96,308	0	0
PEST CONTROL	170,283	170,283	0	0
TOTAL	\$2,291,911	\$2,055,237	\$72,311	\$164,363

OPERATING - CHARGEABLE SERVICES

CHARGEABLE SERVICES	\$247,085	\$55,293	\$70,715	\$121,078
TOTAL	\$247,085	\$55,293	\$70,715	\$121,078

RESERVE FUND - MAINTENANCE & CONSTRUCTION

BUILDING NUMBERS	\$0	\$0	\$0	\$0
BUILDING STRUCTURES	486,426	123,940	21,970	340,516
ELECTRICAL SYSTEMS	0	0	0	0
EXTERIOR LIGHTING	4,391	0	0	4,391
FENCING	23,124	19,087	4,037	0
GARDEN VILLA LOBBY	0	0	0	0
GARDEN VILLA MAILROOM	119	119	0	0
GARDEN VILLA RECESSED AREA	0	0	0	0
GV REC ROOM WATER HEATER/HEAT PUMP	1,877	368	1,509	0
GUTTER REPLACEMENTS	11,831	9,544	2,287	0
MAILBOXES	1,075	1,075	0	0
PAINT PROGRAM - EXTERIOR	584,633	526,102	58,530	0
PRIOR TO PAINT	389,938	357,149	32,789	0
PAVING	0	0	0	0
ROOF REPLACEMENTS	293,346	0	0	293,346
WALL REPLACEMENTS	0	0	0	0
WASTE LINE REMEDIATION	179,044	0	0	179,044
WATER LINES - COPPER PIPE REMEDIATION	0	0	0	0
PLUMBING REPLACEMENT	0	0	0	0
TOTAL	\$1,975,804	\$1,037,385	\$121,122	\$817,297

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF MAY 31, 2022**

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

PRIOR TO PAINT	\$4,660	\$4,660	\$0	\$0
PAVING	29,850	24,359	5,491	0
EXTERIOR WALLS	0	0	0	0
TOTAL	\$34,510	\$29,019	\$5,491	\$0

RESERVE FUND - LANDSCAPE

LANDSCAPE MODIFICATION	\$80,691	\$3,419	\$0	\$77,272
IMPROVEMENT & RESTORATION	52,654	52,654	0	0
TREE MAINTENANCE	244,952	206,856	0	38,096
TOTAL	\$378,297	\$262,929	\$0	\$115,368

RESERVE FUND - ELEVATOR

ELEVATOR REPLACEMENT	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0

RESERVE FUND - LAUNDRY

LAUNDRY APPLIANCES	\$29,687	\$6,212	\$23,476	\$0
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	5,782	5,782	0	0
TOTAL	\$35,470	\$11,994	\$23,476	\$0

DISASTER FUND - MAINTENANCE & CONSTRUCTION

MOISTURE INTRUSION - RAIN LEAKS	\$35,229	\$0	\$0	\$35,229
MOISTURE INTRUSION - PLUMBING LEAKS	(139,008)	0	0	(139,008)
MOISTURE INTRUSION - PLUMBING STOPPAGES	12,733	0	0	12,733
MOISTURE INTRUSION - MISCELLANEOUS	13,671	0	0	13,671
DAMAGE RESTORATION SERVICES	10,959	12,501	217	(1,759)
TOTAL	(\$66,416)	\$12,501	\$217	(\$79,134)

DISASTER FUND - LANDSCAPE SERVICES

RISK FIRE MANAGEMENT	\$11,527	\$4,052	\$0	\$7,475
SUPPLEMENTAL APPROPRIATIONS	\$0	\$0	\$0	\$0
TOTAL	\$11,527	\$4,052	\$0	\$7,475

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF MAY 31, 2022**

DESCRIPTION	OS Actuals	OS Budget	OS Variance
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OPERATING FUND - MAINTENANCE & CONSTRUCTION

APPLIANCE REPAIRS	\$0	\$0	\$0
CARPENTRY SERVICE	0	7,290	7,290
ELECTRICAL SERVICE	3,570	1,040	(2,530)
FIRE PROTECTION	4,488	37,955	33,468
MISC REPAIRS BY OUTSIDE SERVICE	1,154	24,440	23,286
PEST CONTROL	13,759	28,225	14,466
PLUMBING SERVICE	24,233	39,580	15,347
SOLAR MAINTENANCE	6,940	10,415	3,475
TOTAL	\$54,143	\$148,945	\$94,803

OPERATING FUND - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$0	\$0	\$0
JANITORIAL SERVICE	0	0	0
GUTTER CLEANING	0	0	(0)
TRAFFIC CONTROL	0	0	0
WELDING	0	6,250	6,250
TOTAL	\$0	\$6,250	\$6,250

OPERATING EXPENDITURES - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$0	\$0	\$0
NURSERY & COMPOSTING	0	0	0
GROUNDS MAINTENANCE	164,363	0	(164,363)
IRRIGATION	0	0	0
SMALL EQUIPMENT REPAIR	0	0	0
PEST CONTROL	0	0	0
TOTAL	\$164,363	\$0	(\$164,363)

OPERATING - CHARGEABLE SERVICES

CHARGEABLE SERVICES	\$121,078	\$94,655	(26,423)
TOTAL	\$121,078	\$94,655	(26,423)

OPERATING - SECURITY SERVICES

Smoke Detector Services	\$0	\$0	0
TOTAL	\$0	\$0	0

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF MAY 31, 2022**

DESCRIPTION	OS Actuals	OS Budget	OS Variance
RESERVE FUND - MAINTENANCE & CONSTRUCTION			
BUILDING NUMBERS	\$0	\$0	\$0
BUILDING STRUCTURES	340,516	817,290	476,774
ELECTRICAL SYSTEMS	0	9,000	9,000
ENERGY PROJECTS	0	0	0
EXTERIOR LIGHTING	4,391	10,410	6,019
FENCING	0	0	0
GARDEN VILLA LOBBY	0	0	0
GARDEN VILLA MAILROOM	0	0	0
GARDEN VILLA RECESSED AREA	0	0	0
GV REC ROOM WATER HEATER/HEAT PUMP	0	0	0
GUTTER REPLACEMENTS	0	20,830	20,830
MAILBOXES	0	0	0
PAINT PROGRAM - EXTERIOR	0	23,950	23,950
PRIOR TO PAINT	0	16,500	16,500
PAVING	0	0	0
ROOF REPLACEMENTS	293,346	441,646	148,300
SUPPLEMENTAL APPROPRIATIONS	0	0	0
WALL REPLACEMENTS	0	0	0
WASTE LINE REMEDIATION	179,044	210,000	30,956
WATER LINES - COPPER PIPE REMEDIATION	0	333,334	333,334
PLUMBING REPLACEMENT	0	0	0
TOTAL	\$817,297	\$1,882,960	\$1,065,662

RESERVE FUND - GENERAL SERVICES

PRIOR TO PAINT	\$0	\$0	\$0
PAVING	0	0	0
EXTERIOR WALLS	0	10,060	10,060
TOTAL	\$0	\$10,060	\$10,060

RESERVE FUND - LANDSCAPE

LANDSCAPE MODIFICATION	\$77,272	\$214,645	\$137,373
IMPROVEMENT & RESTORATION	0	0	0
TREE MAINTENANCE	38,096	209,630	171,534
TOTAL	\$115,368	\$424,275	\$308,907

RESERVE FUND - ELEVATOR

ELEVATOR REPLACEMENT	\$0	\$43,750	\$43,750
TOTAL	\$0	\$43,750	\$43,750

RESERVE FUND - LAUNDRY

LAUNDRY APPLIANCES	\$0	\$1,165	\$1,165
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	0	0	0
TOTAL	\$0	\$1,165	\$1,165

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF MAY 31, 2022**

DESCRIPTION	OS Actuals	OS Budget	OS Variance
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DISASTER FUND - MAINTENANCE & CONSTRUCTION

MOISTURE INTRUSION - RAIN LEAKS	\$35,229	\$98,960	\$63,731
MOISTURE INTRUSION - PLUMBING LEAKS	(139,008)	166,665	305,673
MOISTURE INTRUSION - PLUMBING STOPPAGES	12,733	20,830	8,097
MOISTURE INTRUSION - MISCELLANEOUS	13,671	19,395	5,724
DAMAGE RESTORATION SERVICES	(1,759)	64,580	66,339
TOTAL	(\$79,134)	\$370,430	\$449,564

DISASTER FUND - LANDSCAPE SERVICES

RISK FIRE MANAGEMENT	\$7,475	\$75,000	\$67,525
SUPPLEMENTAL APPROPRIATIONS	\$0	\$0	\$0
TOTAL	\$7,475	\$75,000	\$67,525

DISASTER FUND - FINANCIAL SERVICES

INSURANCE PREMIUMS	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0

GARDEN VILLA REC ROOM FUND - MAINTENANCE & CONSTRUCTION

GARDEN VILLA RECREATION ROOMS	\$6,664	\$13,370	\$6,706
TOTAL	\$6,664	\$13,370	\$6,706

THIRD LAGUNA HILLS MUTUAL
Provision For Doubtful Accounts
As of May 31, 2022

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-21	241,289			56,026			16
January-22	245,082	-	-	60,563	-	8,330	14
February-22	269,247		-	55,971	-	19,574	14
March-22	253,843		(2,630)	61,153	-	(12,852)	13
April-22	277,196		-	70,749	-	32,949	19
May-22	290,924		-	72,539	-	15,517	20
June-22			-		-	-	
July-22			-		-	-	
August-22			-		-	-	
September-22			-		-	-	
October-22			-		-	-	
November-22			-		-	-	
December-22		-	-		-	-	
YTD TOTAL						63,517	

(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.

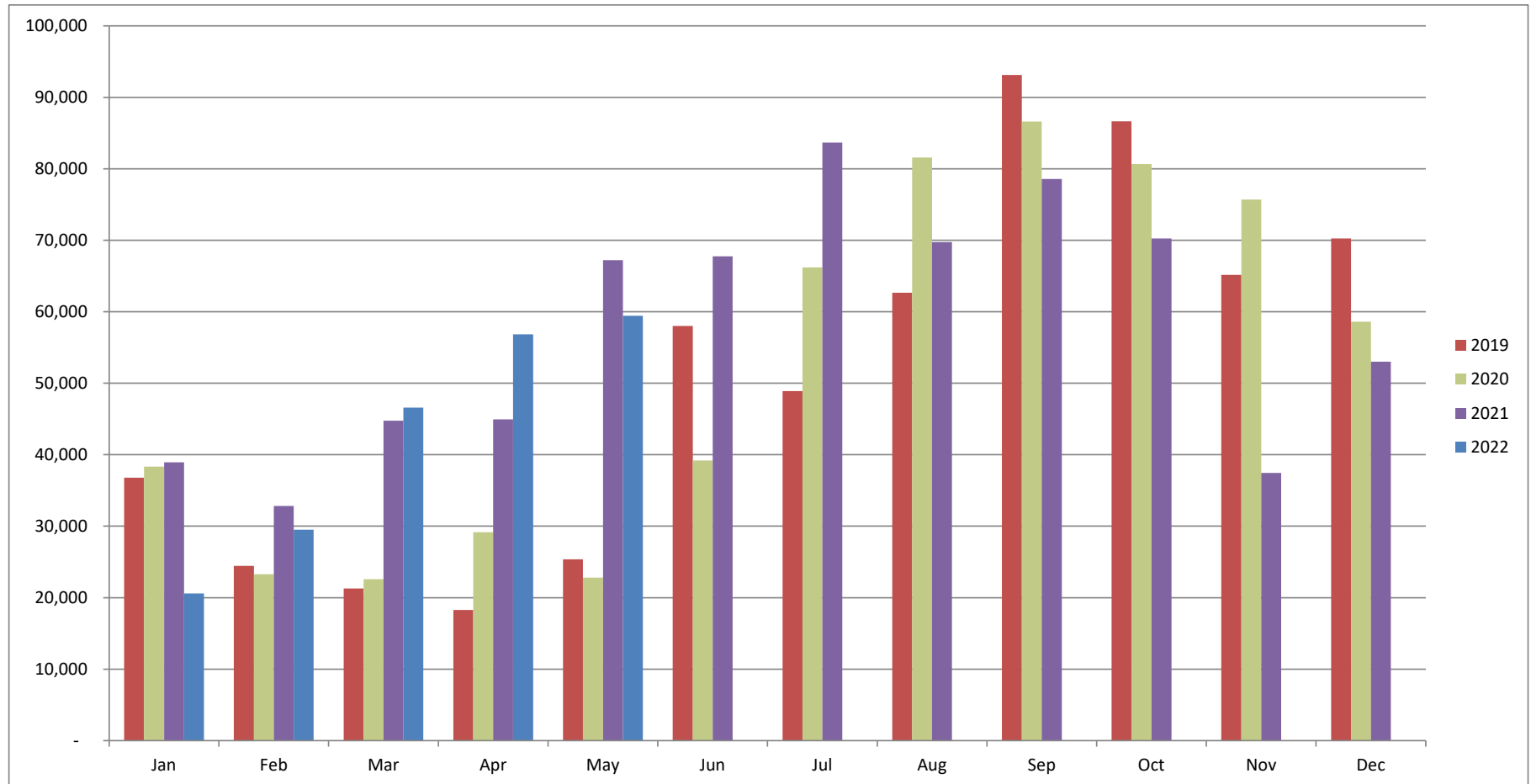
(5) Chargeable Services Write-Offs: Represents Chargeable Service write-off activities approved by the Third Board.

(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

Third Mutual Water Usage in 100 cubic feet units

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD \$*	YTD ccf	Total
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	\$784,833	126,154	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	\$794,087	136,178	624,743
2021	38,929	32,844	44,745	44,946	67,232	67,759	83,660	69,752	78,563	70,259	37,446	53,014	\$1,083,692	228,696	689,149
2022	20,573	29,523	46,594	56,831	59,443	-	-	-	-	-	-	-	\$1,074,955	212,964	212,964

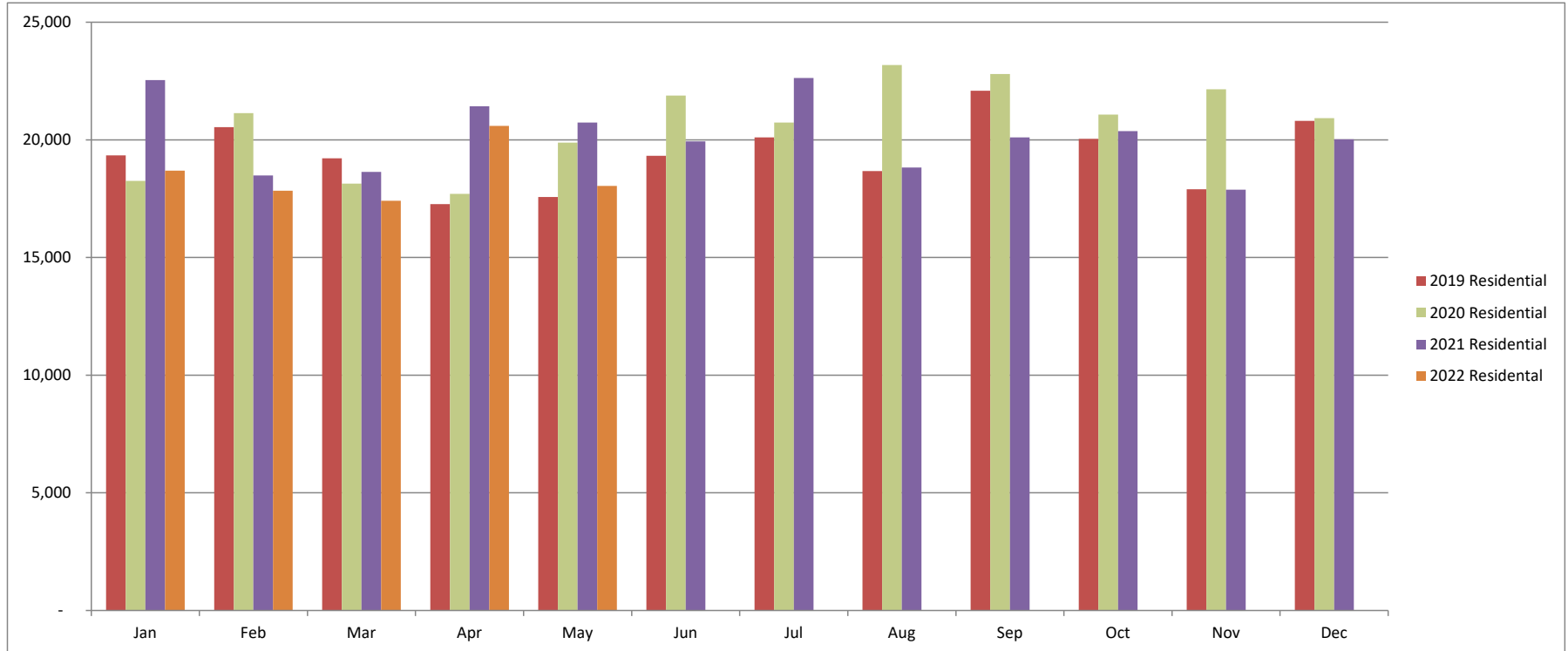


*Derived From ETWD Billing Statements

Third Mutual

Residential Water Usage in 100 cubic feet units

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD \$*	YTD ccf	Total
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	\$488,526	93,944	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	\$527,220	95,119	247,869
2021 Residential	22,539	18,488	18,641	21,433	20,735	19,937	22,631	18,823	20,107	20,369	17,883	20,022	\$557,222	101,836	241,608
2022 Residential	18,689	17,842	17,409	20,594	18,044	-	-	-	-	-	-	-	\$551,110	92,578	92,578

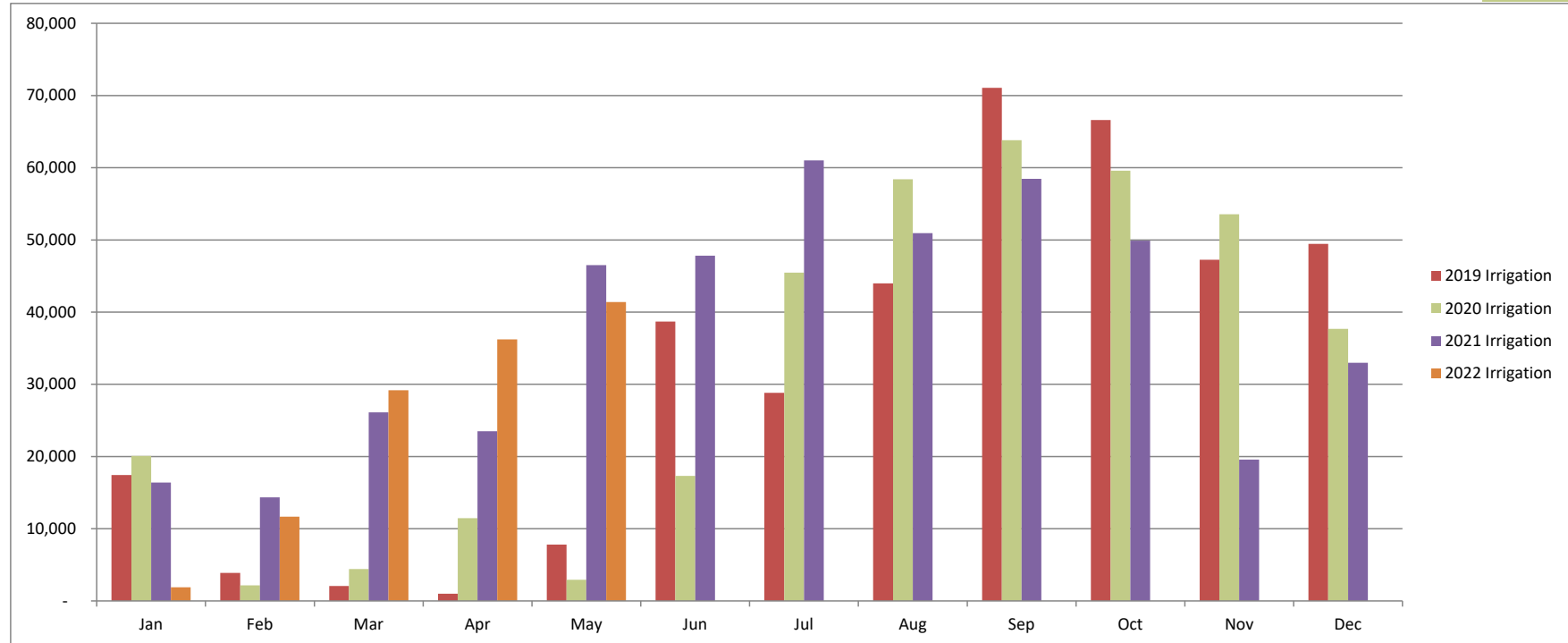


*Derived From ETWD Billing Statements

Third Mutual

Irrigation Water Usage in 100 cubic feet units

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD \$*	YTD ccf	Total
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	\$296,307	32,210	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	\$266,867	41,059	376,874
2021 Irrigation	16,390	14,356	26,104	23,513	46,497	47,822	61,029	50,929	58,456	49,890	19,563	32,992	\$526,470	126,860	447,541
2022 Irrigation	1,884	11,681	29,185	36,237	41,399	-	-	-	-	-	-	-	\$523,845	120,386	120,386



*Derived From ETWD Billing Statements



AGENDA ITEM # 9 - CASH FLOW CHART
WILL BE DISTRIBUTED UNDER SEPARATE COVER