



OPEN MEETING

REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL FINANCE COMMITTEE*

**Tuesday, September 6, 2022 – 1:30 p.m.
24351 El Toro Road, Laguna Woods, CA 92637
Board Room and Virtual with Zoom**

Laguna Woods Village owners/residents are welcome to participate in all open committee meetings in-person and virtually. To submit comments or questions virtually for committee meetings, please use one of the following options:

1. Join the committee meeting via Zoom by clicking this link:
<https://us06web.zoom.us/j/81161366511> or by calling 1-669-900-6833, Webinar ID: 81161366511.
2. Via email to meeting@vmsinc.org any time before the meeting is scheduled to begin or during the meeting. Please use the name of the committee in the subject line of the email. Name and unit number must be included.

NOTICE AND AGENDA

This Meeting May Be Recorded

1. Call Meeting to Order
2. Approval of the Agenda
3. Approval of the Meeting Report for August 2, 2022
4. Remarks of the Chair
5. Member Comments - (Items Not on the Agenda)
6. Response to Member Comments
7. Department Head Update
8. Items for Discussion and Consideration
 - a. Preliminary Financial Statements dated July 31, 2022
 - b. Endorsements from Standing Committee
9. Future Agenda Items: *All matters listed under Future Agenda Items are items for a future committee meeting. No action will be taken by the committee on these agenda items at this meeting.*
10. Committee Member Comments
11. Date of Next Meeting – Tuesday, October 4, 2022 at 1:30 p.m.
12. Recess to Closed Session – At this time, the meeting will recess for a short break and reconvene to Closed Session to discuss the following matters.

Closed Session Agenda

Approval of the Agenda

Third Laguna Hills Mutual
Finance Committee
Regular Open Session
September 6, 2022
Page 2 of 2

Approval of the Meeting Report
Remarks of the Chair
Review Legal Tracker Analysis
Review Delinquency Reports
Adjournment

*A quorum of the Third Board or more may also be present at the meeting.

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



FINANCE COMMITTEE MEETING REPORT OF THE REGULAR OPEN SESSION

Tuesday, August 2, 2022 – 1:30 p.m.
Hybrid Meeting

DIRECTORS PRESENT: Donna Rane-Szostak, Ralph Engdahl, John Frankel, Annie McCary, Cush Bhada, Mark Laws, Cris Prince

DIRECTORS ABSENT: Jules Zalon (excused), Ira Lewis (excused), Jim Cook (excused)

ADVISORS PRESENT: Wei-Ming Tao

STAFF PRESENT: Steve Hormuth, Jose Campos, Erika Hernandez

Call to Order

Director Donna Rane-Szostak, Treasurer, chaired and called the meeting to order at 1:32pm.

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 July 5, 2022

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

Chair Remarks

Director Rane-Szostak welcomed the community and stated that the committee and finance department is making great effort to maintain assessments as low as possible and briefly shared the importance of preventative maintenance within the community.

Member Comments (Items Not on the Agenda)

None.

Department Head Update

Steve Hormuth, Director of Financial Services, briefly summarized the Third Mutual 2023 Business Plan upcoming agenda.

Preliminary Financial Statements dated June 30, 2022

Jose Campos, Assistant Director of Financial Services, presented the Preliminary Financial Statements dated June 30, 2022. In addition to the standard Preliminary Financial Statement presentation given, Steve Hormuth and Jose Campos provided and discussed a year-end forecast

for both operating and reserve funds. Lastly, a 12-month detail of 2022 insurance expenses was shared with the committee. Questions were addressed and noted by staff.

2022 Collections and Lien Policy

Steve Hormuth presented the current 2022 Collections and Lien Policy and recommend sending it to legal counsel to be updated for the 2023 version. A motion was made and seconded to approve the recommendation. The motion was passed unanimously.

2021 Operating Surplus/Deficit

Steve Hormuth presented a staff report recommending the board approve a \$1,276,497 transfer from the Unappropriated Expenditure Fund to the Operating Fund due to the 2021 operating deficit. A motion was made and seconded to approve the recommendation. The motion passed by unanimous decision to accept this recommendation and present at the next Board meeting.

Endorsements from Standing Committees

None.

Future Agenda Items

None.

Committee Member Comments

None.

Date of Next Meeting

Tuesday, September 6, 2022 at 1:30 p.m.

Recess to Closed Session

The meeting recessed at 2:30 p.m.

Donna Rane-Szostak

Donna Rane-Szostak (Aug 11, 2022 14:24 PDT)

Donna Rane-Szostak, Chair



MEMORANDUM

To: Third Finance Committee
 From: Steve Hormuth, Director of Financial Services
 Date: Sep 6, 2022
 Re: Department Head Update

Financial Highlights

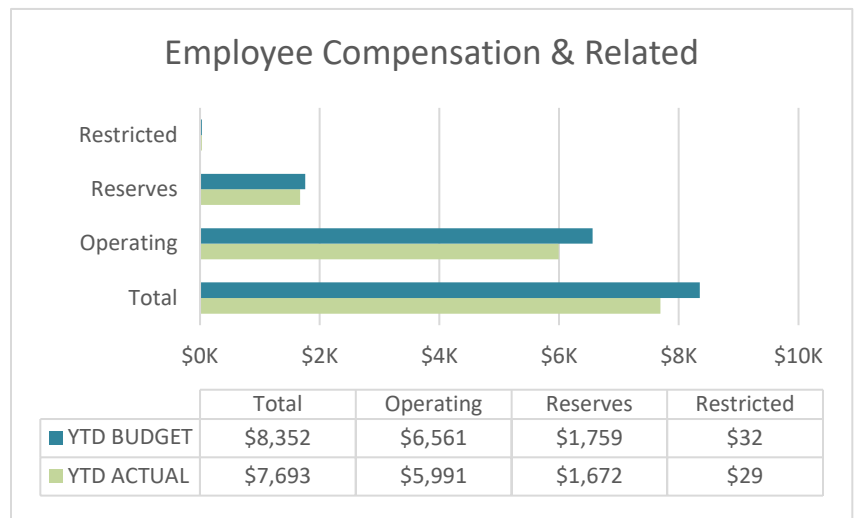
SUMMARY:

For the year-to-date period ending July 31, 2022, Third Laguna Hills Mutual was better than budget by \$3,818K 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	\$24,158	\$24,158	\$0
Other Revenues	\$1,264	\$1,221	\$43
Expenses	\$20,394	\$24,169	\$3,776
Revenue/(Expense)	\$5,028	\$1,210	\$3,818

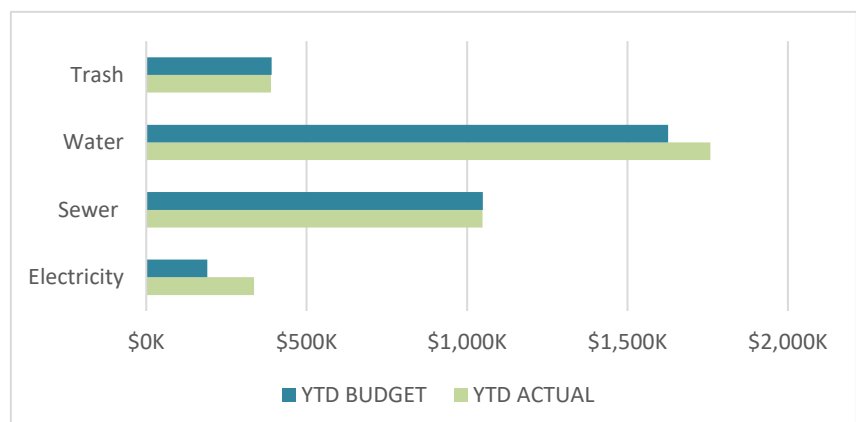
COMPENSATION:

Actual compensation and related costs came in at \$7,693K with \$5,991K in operations, \$1,672K in reserves, and \$29K in restricted. Combined, this category is 7.9% 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 (\$274K) mainly due to water and electricity. coming in higher than budget. Budget was based on a five-year average of water consumption, which was 12.2% over the budgeted usage. The variance was partially offset by an 8.5% lower real rate per CCF than anticipated at the time of budget preparation. Electricity Kilowatt Per Hour (kWh) consumption is greater than budgeted.



Discussions

2023 Business Plan: Third kicked off the 2023 Business Plan development in March. The board met several times to review various iterations of the budget. Most recently, the Third Board met on August 12, 2022 to review Version 3 of the 2023 Business Plan. The Mutual portion of the final version of the 2023 Business Plan shows no assessment change compared to 2022. Including the GRF portion, total basic assessment contains an increase of \$3.81 PMPM compared to the current year. The Business Plan will be presented to the Board for adoption on September 20, 2022.

Collection & Lien Enforcement Policy: The 2022 policy was sent to legal counsel on Sept 1, 2022 for review. A return date with proposed 2023 edits was requested for Friday, Sept 9. The Finance Committee will review the red-line document at a future meeting and the Board will be asked to adopt the recommended 2023 policy at or before the November 15th board meeting.

Discretionary Investments: Maturity date for discretionary investments is February 23, 2023. The full \$25M will be deposited to cash on the maturity date and staff will reinvest the monies immediately based on the Board's direction. Staff will make a recommendation to the Finance Committee at the December 6, 2022 Finance Committee meeting.

Calendar

Sep 6, 2022 @ 1:30 p.m. Third Finance Committee Meeting (July Financials)
Sep 20, 2022 @ 9:30 a.m. Third Board Meeting (Business Plan Adoption)
Oct 4, 2022 @ 1:30 p.m. Third Finance Committee (September Financials)
Oct 7, 2022 @ 9:30 a.m. Third Board Agenda Prep Meeting
Oct 18, 2022 @ 9:30 a.m. Third Board Meeting
Nov 1, 2022 @ 1:30 p.m. Third Finance Committee Meeting (October Financials)
Nov 4, 2022 @ 9:30 a.m. Third Board Agenda Prep meeting
Nov 15, 2022 @ 9:30 a.m. Third Board Meeting

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

Third Laguna Hills Mutual
Statement of Revenues & Expenses - Preliminary
7/31/2022
(\$ 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		\$16,685	\$16,685	(\$1)	\$12,231	\$28,603
2	Additions to restricted funds	1,068	1,068		7,473	7,473		7,952	12,811
3	Total assessments	3,451	3,451		24,158	24,159	(1)	20,183	41,415
Non-assessment revenues:									
4	Fees and charges for services to residents	92	81	11	611	558	53	410	960
5	Laundry	25	18	7	130	123	8	126	210
6	Investment income	19	20	(1)	102	142	(40)	79	244
7	Miscellaneous	62	57	5	421	398	23	337	683
8	Total non-assessment revenue	197	175	22	1,264	1,221	44	952	2,097
9	Total revenue	3,649	3,627	22	25,422	25,380	43	21,135	43,512
Expenses:									
10	Employee compensation and related	1,078	1,208	130	7,693	8,352	660	7,235	14,324
11	Materials and supplies	115	118	3	796	820	24	842	1,411
12	Utilities and telephone	760	560	(199)	3,531	3,257	(274)	3,439	5,968
13	Legal fees	15	44	28	100	295	195	255	527
14	Professional fees	16	12	(4)	86	101	15	47	155
15	Equipment rental	1	4	3	11	26	15	29	45
16	Outside services	658	731	74	2,261	4,752	2,491	2,872	8,624
17	Repairs and maintenance	25	29	4	179	203	23	166	349
18	Other Operating Expense	8	16	8	60	108	48	74	193
19	Property and sales tax							2	
20	Insurance	742	754	12	4,637	5,279	642	3,678	9,049
21	Investment expense		2	2		12		9	21
22	Uncollectible Accounts	(7)	5	12	99	38	(61)	3	65
23	(Gain)/loss on sale or trade				4		(4)	15	
24	Depreciation and amortization	11	11		78	78		79	134
25	Net allocation to mutuals	131	124	(7)	859	848	(11)	785	1,449
26	Total expenses	3,551	3,617	66	20,394	24,169	3,776	19,530	42,314
27	Excess of revenues over expenses	\$97	\$9	\$88	\$5,029	\$1,210	\$3,818	\$1,605	\$1,198

Third Laguna Hills Mutual
Statement of Revenues & Expenses - By Fund Type - Preliminary
7/31/2022
(\$ 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	\$16,685	\$16,685	(\$1)							\$16,685	\$16,685	(\$1)
2 Additions to restricted funds				6,493	6,493		981	981		7,473	7,473	
3 Total assessments	16,685	16,685	(1)	6,493	6,493		981	981		24,158	24,159	(1)
Non-assessment revenues:												
4 Fees and charges for services to residents	611	558	53							611	558	53
5 Laundry	130	123	8							130	123	8
6 Investment income				74	81	(6)	28	62	(34)	102	142	(40)
7 Miscellaneous	421	398	23							421	398	23
8 Total non-assessment revenue	1,162	1,079	84	74	81	(6)	28	62	(34)	1,264	1,221	44
9 Total revenue	17,847	17,764	83	6,567	6,573	(6)	1,009	1,042	(34)	25,422	25,380	43
Expenses:												
10 Employee compensation and related	5,991	6,561	570	1,672	1,759	87	29	32	3	7,693	8,352	660
11 Materials and supplies	484	451	(34)	301	359	58	11	10	(1)	796	820	24
12 Utilities and telephone	3,527	3,248	(278)	4	8	4				3,531	3,257	(274)
13 Legal fees	100	295	195							100	295	195
14 Professional fees	80	101	21	2		(2)	4		(4)	86	101	15
15 Equipment rental	2	4	2	9	22	13				11	26	15
16 Outside services	722	470	(252)	1,376	3,640	2,265	163	642	479	2,261	4,752	2,491
17 Repairs and maintenance	178	200	22	1	3	2				179	203	23
18 Other Operating Expense	51	94	42	9	15	6				60	108	48
19 Property and sales tax												
20 Insurance	4,637	5,279	642							4,637	5,279	642
21 Investment expense					7	7		6	6		12	12
22 Uncollectible Accounts	99	38	(61)							99	38	(61)
23 (Gain)/loss on sale or trade				3		(3)	1		(1)	4		(4)
24 Depreciation and amortization	78	78								78	78	
25 Net allocation to mutuals	707	714	7	151	132	(19)	1	1		859	848	(11)
26 Total expenses	16,656	17,532	877	3,527	5,946	2,418	211	692	481	20,394	24,169	3,776
27 Excess of revenues over expenses	\$1,191	\$232	\$959	\$3,039	\$628	\$2,412	\$798	\$351	\$447	\$5,029	\$1,210	\$3,818

**Third Laguna Hills Mutual
Operating Statement
7/31/2022
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Revenues:					
Assessments:					
Operating					
41001000 - Monthly Assessments	\$16,684,578	\$16,685,371	(\$793)	0.00%	\$28,603,493
Total Operating	16,684,578	16,685,371	(793)	0.00%	28,603,493
Additions To Restricted Funds					
41002000 - Monthly Assessments - Disaster Fund	928,602	928,603	0	0.00%	1,591,890
41003500 - Monthly Assessments - Replacement Fund	6,236,244	6,236,244	0	0.00%	10,690,704
41004000 - Monthly Assessments - Elevator Replacement Fund	213,570	213,570	0	0.00%	366,120
41004500 - Monthly Assessments - Laundry Replacement Fund	42,714	42,714	0	0.00%	73,224
41006000 - Monthly Assessments - Garden Villa Recreation Room Fund	52,164	52,164	0	0.00%	89,424
Total Additions To Restricted Funds	7,473,294	7,473,295	0	0.00%	12,811,362
Total Assessments	24,157,873	24,158,665	(793)	0.00%	41,414,855
Non-Assessment Revenues:					
Fees and Charges for Services to Residents					
46501000 - Permit Fee	184,814	138,962	45,852	33.00%	238,222
46501500 - Inspection Fee	54,021	42,895	11,126	25.94%	73,537
46502000 - Resident Maintenance Fee	372,268	375,760	(3,492)	(0.93%)	648,636
Total Fees and Charges for Services to Residents	611,103	557,617	53,486	9.59%	960,396
Laundry					
46005000 - Coin Op Laundry Machine	130,064	122,500	7,564	6.17%	210,000
Total Laundry	130,064	122,500	7,564	6.17%	210,000
Investment Income					
49001000 - Investment Income - Nondiscretionary	2,805	2,329	477	20.47%	4,000
49002000 - Investment Income - Discretionary	99,287	140,000	(40,713)	(29.08%)	240,000
Investment Interest Income	102,092	142,329	(40,237)	(28.27%)	244,000
Miscellaneous					
46004500 - Resident Violations	14,700	31,614	(16,914)	(53.50%)	54,198
44501000 - Additional Occupant Fee	15,000	0	15,000	0.00%	0
44501510 - Lease Processing Fee - Third	159,300	151,354	7,946	5.25%	259,475
44502000 - Variance Processing Fee	0	9,265	(9,265)	(100.00%)	15,888
44502500 - Non-Sale Transfer Fee - Third	1,100	966	134	13.87%	1,666
44503520 - Resale Processing Fee - Third	113,120	111,846	1,274	1.14%	191,740
44505500 - Hoa Certification Fee	7,620	7,000	620	8.86%	12,000
44507000 - Golf Cart Electric Fee	36,156	40,831	(4,675)	(11.45%)	70,000
44507200 - Electric Vehicle Plug-In Fee	9,743	6,419	3,324	51.79%	11,000
44507500 - Cartport/Carport Space Rental Fee	1,960	2,569	(609)	(23.71%)	4,400
47001500 - Late Fee Revenue	59,465	29,750	29,715	99.88%	51,000
47002020 - Collection Administrative Fee - Third	0	1,575	(1,575)	(100.00%)	2,700
47002500 - Collection Interest Revenue	(413)	2,919	(3,332)	(114.16%)	5,000
47501000 - Recycling	3,376	2,331	1,045	44.81%	4,000
49009000 - Miscellaneous Revenue	12	0	12	0.00%	0
Total Miscellaneous	421,139	398,438	22,701	5.70%	683,067
Total Non-Assessment Revenue	1,264,397	1,220,884	43,514	3.56%	2,097,463
Total Revenue	25,422,270	25,379,549	42,721	0.17%	43,512,318
Expenses:					
Employee Compensation					
51011000 - Salaries & Wages - Regular	1,692,062	1,849,471	157,410	8.51%	3,188,996
51021000 - Union Wages - Regular	2,939,225	3,242,059	302,834	9.34%	5,581,847
51041000 - Wages - Overtime	26,029	14,712	(11,317)	(76.93%)	25,234
51051000 - Union Wages - Overtime	43,836	29,214	(14,622)	(50.05%)	50,106
51061000 - Holiday & Vacation	482,341	429,917	(52,424)	(12.19%)	740,584
51071000 - Sick	173,395	175,361	1,966	1.12%	302,080
51091000 - Missed Meal Penalty	2,810	2,066	(744)	(36.01%)	3,572
51101000 - Temporary Help	43,212	63,932	20,720	32.41%	109,606
51981000 - Compensation Accrual	(4,996)	0	4,996	0.00%	0

**Third Laguna Hills Mutual
Operating Statement
7/31/2022
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Total Employee Compensation	5,397,913	5,806,732	408,819	7.04%	10,002,024
Compensation Related					
52411000 - F.I.C.A.	403,968	435,037	31,068	7.14%	742,748
52421000 - F.U.I.	7,665	10,220	2,555	25.00%	10,220
52431000 - S.U.I.	34,495	51,947	17,452	33.60%	51,947
52441000 - Union Medical	1,048,545	1,112,049	63,504	5.71%	1,906,370
52451000 - Workers' Compensation Insurance	276,019	308,148	32,129	10.43%	530,688
52461000 - Non Union Medical & Life Insurance	210,096	252,517	42,421	16.80%	432,813
52471000 - Union Retirement Plan	272,216	294,690	22,474	7.63%	507,367
52481000 - Non-Union Retirement Plan	42,674	81,064	38,390	47.36%	139,778
52981000 - Compensation Related Accrual	(930)	0	930	0.00%	0
Total Compensation Related	2,294,748	2,545,673	250,925	9.86%	4,321,933
Materials and Supplies					
53001000 - Materials & Supplies	265,314	293,511	28,196	9.61%	503,088
53003000 - Materials Direct	528,990	523,118	(5,872)	(1.12%)	902,417
53004000 - Freight	2,010	3,265	1,256	38.45%	5,630
Total Materials and Supplies	796,314	819,894	23,580	2.88%	1,411,135
Utilities and Telephone					
53301000 - Electricity	335,882	190,449	(145,433)	(76.36%)	372,829
53301500 - Sewer	1,047,891	1,049,100	1,209	0.12%	1,829,400
53302000 - Water	1,757,915	1,626,508	(131,407)	(8.08%)	3,095,794
53302500 - Trash	389,141	390,828	1,687	0.43%	669,993
Total Utilities and Telephone	3,530,829	3,256,885	(273,944)	(8.41%)	5,968,016
Legal Fees					
53401500 - Legal Fees	170,198	294,994	124,796	42.30%	526,652
53401550 - Legal Fees Contra	(70,655)	0	70,655	0.00%	0
Total Legal Fees	99,544	294,994	195,450	66.26%	526,652
Professional Fees					
53402020 - Audit & Tax Preparation Fees - Third	38,500	38,995	495	1.27%	47,670
53403500 - Consulting Fees	14,044	8,708	(5,336)	(61.28%)	13,597
53403520 - Consulting Fees - Third	33,174	52,861	19,687	37.24%	93,500
Total Professional Fees	85,717	100,564	14,846	14.76%	154,767
Equipment Rental					
53501500 - Equipment Rental/Lease Fees	11,461	26,154	14,693	56.18%	45,077
Total Equipment Rental	11,461	26,154	14,693	56.18%	45,077
Outside Services					
53601000 - Bank Fees	22,254	24,685	2,431	9.85%	42,322
53601500 - Credit Card Transaction Fees	8,355	0	(8,355)	0.00%	0
53604500 - Marketing Expense	0	2,919	2,919	100.00%	5,000
54603500 - Outside Services Cost Collection	2,140,580	4,679,472	2,538,891	54.26%	8,470,258
53704000 - Outside Services	90,040	45,412	(44,627)	(98.27%)	106,430
Total Outside Services	2,261,229	4,752,488	2,491,259	52.42%	8,624,010
Repairs and Maintenance					
53701000 - Equipment Repair & Maint	2,505	7,182	4,677	65.12%	12,340
53703000 - Elevator /Lift Maintenance	176,907	195,531	18,624	9.53%	336,584
Total Repairs and Maintenance	179,411	202,713	23,301	11.49%	348,924
Other Operating Expense					
53801000 - Mileage & Meal Allowance	1,827	6,129	4,302	70.19%	10,540
53801500 - Travel & Lodging	9	1,463	1,454	99.36%	2,511
53802000 - Uniforms	26,822	52,423	25,601	48.84%	89,998
53802500 - Dues & Memberships	417	1,514	1,097	72.45%	2,683
53803000 - Subscriptions & Books	162	1,120	958	85.52%	1,931
53803500 - Training & Education	1,740	11,449	9,709	84.80%	21,162
53903000 - Safety	425	866	441	50.95%	1,489
54001020 - Board Relations - Third	1,817	4,389	2,572	58.60%	7,525
54001500 - Public Relations	(3)	0	3	0.00%	0
54002000 - Postage	26,738	28,823	2,084	7.23%	54,488
54002500 - Filing Fees / Permits	196	289	94	32.42%	510
Total Other Operating Expense	60,151	108,467	48,315	44.54%	192,837

**Third Laguna Hills Mutual
Operating Statement
7/31/2022
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Insurance					
54401000 - Hazard & Liability Insurance	492,791	498,027	5,236	1.05%	853,762
54401500 - D&O Liability	50,199	51,773	1,575	3.04%	88,758
54402000 - Property Insurance	4,088,048	4,724,716	636,668	13.48%	8,099,520
54403000 - General Liability Insurance	5,812	4,194	(1,618)	(38.57%)	7,190
Total Insurance	4,636,850	5,278,711	641,861	12.16%	9,049,230
Investment Expense					
54201000 - Investment Expense	30	12,320	12,290	99.76%	21,120
Total Investment Expense	30	12,320	12,290	99.76%	21,120
Uncollectible Accounts					
54602000 - Bad Debt Expense	98,526	37,919	(60,607)	(159.83%)	65,000
Total Uncollectible Accounts	98,526	37,919	(60,607)	(159.83%)	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	78,456	78,456	0	0.00%	134,496
Total Depreciation and Amortization	78,456	78,456	0	0.00%	134,496
Net Allocation to Mutuals					
54602500 - Allocated Expenses	858,830	847,504	(11,326)	(1.34%)	1,449,122
Total Net Allocation to Mutuals	858,830	847,504	(11,326)	(1.34%)	1,449,122
Total Expenses	20,393,708	24,169,473	3,775,765	15.62%	42,314,341
Excess of Revenues Over Expenses	\$5,028,562	\$1,210,076	\$3,818,485	315.56%	\$1,197,976

**Third Laguna Hills Mutual
Balance Sheet - Preliminary
7/31/2022**

		<u>Current Month End</u>	<u>Prior Year December 31</u>
	Assets		
1	Cash and cash equivalents	\$3,264,858	\$3,967,068
2	Non-discretionary investments		
3	Discretionary investments	25,182,483	25,180,400
4	Receivable/(Payable) from mutuals	1,147,814	532,799
5	Accounts receivable and interest receivable	170,541	218,076
6	Prepaid expenses and deposits	6,524,739	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	4,976,684	5,055,140
10	Non-controlling interest in GRF	41,073,262	41,073,262
11	Total Assets	<u>\$82,340,381</u>	<u>\$78,845,457</u>
	Liabilities and Fund Balances		
	Liabilities:		
12	Accounts payable and accrued expenses	\$2,011,001	\$3,429,790
13	Accrued compensation and related costs	596,103	596,103
14	Deferred income	622,327	737,176
15	Income tax payable	(26,005)	(26,005)
16	Total liabilities	<u>\$3,203,426</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	5,028,562	(109,690)
19	Net fund balances	<u>79,136,955</u>	<u>74,108,394</u>
20	Total fund balances	<u>79,136,955</u>	<u>74,108,394</u>
21	Total Liabilities and Fund Balances	<u>\$82,340,381</u>	<u>\$78,845,457</u>

**Third Laguna Hills Mutual
Fund Balance Sheet - Preliminary
7/31/2022**

	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	\$203,106	\$21,736	\$660,477	\$103,586	\$35,370	\$1,407,559	\$833,024	\$3,264,858
2 Discretionary investments		15,061,697	1,916,571	262,032	71,062	4,850,302	3,020,819	25,182,483
3 Receivable/(Payable) from mutuals	1,147,814							1,147,814
4 Receivable/(Payable) from operating fund	(5,000,000)	5,000,000						
5 Accounts receivable and interest receivable	170,541							170,541
6 Prepaid expenses and deposits	6,524,739							6,524,739
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	4,976,684							4,976,684
10 Non-controlling interest in GRF	41,073,262							41,073,262
11 Total Assets	<u>\$49,096,146</u>	<u>\$20,083,433</u>	<u>\$2,577,048</u>	<u>\$365,619</u>	<u>\$106,432</u>	<u>\$6,257,861</u>	<u>\$3,853,843</u>	<u>\$82,340,381</u>
Liabilities and Fund Balances								
Liabilities:								
12 Accounts payable and accrued expenses	\$1,065,745	\$917,681			\$19,720	\$7,855		\$2,011,001
13 Accrued compensation and related costs	596,103							596,103
14 Deferred income	622,327							622,327
15 Income tax payable	(26,005)							(26,005)
16 Total liabilities	<u>\$2,258,170</u>	<u>\$917,681</u>			<u>\$19,720</u>	<u>\$7,855</u>		<u>\$3,203,426</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>1,191,319</u>	<u>2,817,137</u>	<u>221,066</u>	<u>1,048</u>	<u>(17,520)</u>	<u>808,373</u>	<u>7,139</u>	<u>5,028,562</u>
19 Net fund balances	46,837,976	19,165,752	2,577,048	365,619	86,712	6,250,006	3,853,843	79,136,955
20 Total fund balances	<u>46,837,976</u>	<u>19,165,752</u>	<u>2,577,048</u>	<u>365,619</u>	<u>86,712</u>	<u>6,250,006</u>	<u>3,853,843</u>	<u>79,136,955</u>
21 Total Liabilities and Fund Balances	<u>\$49,096,146</u>	<u>\$20,083,433</u>	<u>\$2,577,048</u>	<u>\$365,619</u>	<u>\$106,432</u>	<u>\$6,257,861</u>	<u>\$3,853,843</u>	<u>\$82,340,381</u>

**Third Laguna Hills Mutual
Changes in Fund Balances - Preliminary
7/31/2022**

	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	\$16,684,578							\$16,684,578
2 Additions to restricted funds		6,236,244	213,570	42,714	52,164	928,602		7,473,294
3 Total assessments	16,684,578	6,236,244	213,570	42,714	52,164	928,602		24,157,873
Non-assessment revenues:								
4 Fees and charges for services to residents	611,103							611,103
5 Laundry	130,064							130,064
6 Interest income		64,958	7,780	1,470	288	19,971	7,625	102,092
7 Miscellaneous	421,139							421,139
8 Total non-assessment revenue	1,162,305	64,958	7,780	1,470	288	19,971	7,625	1,264,397
9 Total revenue	17,846,884	6,301,202	221,350	44,184	52,452	948,574	7,625	25,422,270
Expenses:								
10 Employee compensation and related	5,991,044	1,657,146		15,339	12,819	16,314		7,692,661
11 Materials and supplies	484,195	274,370		26,522	9,106	2,121		796,314
12 Utilities and telephone	3,526,763	3,948			20	97		3,530,829
13 Legal fees	99,544							99,544
14 Professional fees	79,712	1,954				4,052		85,717
15 Equipment rental	2,374	8,905			47	136		11,461
16 Outside services	722,300	1,375,573		25	47,218	115,906	207	2,261,229
17 Repairs and maintenance	177,939	1,457			8	6		179,411
18 Other Operating Expense	51,347	8,555		97	73	80		60,151
19 Insurance	4,636,850							4,636,850
20 Investment expense		19	2			6	2	30
21 Uncollectible Accounts	98,526							98,526
22 (Gain)/loss on sale or trade		2,354	282	53	10	723	276	3,699
23 Depreciation and amortization	78,456							78,456
24 Net allocations to mutuals	706,516	149,784		1,099	671	760		858,830
25 Total expenses	16,655,565	3,484,064	284	43,136	69,972	140,201	486	20,393,708
26 Excess of revenues over expenses	\$1,191,319	\$2,817,137	\$221,066	\$1,048	(\$17,520)	\$808,373	\$7,139	\$5,028,562
27 Excluding unrealized gain/(loss) and depreciation	\$1,269,775	\$2,817,137	\$221,066	\$1,048	(\$17,520)	\$808,373	\$7,139	\$5,107,018

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

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET *	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
OPERATING FUND - MAINTENANCE & CONSTRUCTION								
APPLIANCE REPAIRS	\$6,043	\$7,846	\$49,482	\$54,360	\$93,270	53%	\$4,878	9%
CARPENTRY SERVICE	35,427	42,900	253,245	297,296	510,004	50%	44,051	15%
ELECTRICAL SERVICE	10,421	9,762	68,785	67,577	115,944	59%	(1,209)	(2%)
FIRE PROTECTION	25,745	15,455	44,499	71,447	144,380	31%	26,948	38%
MISC REPAIRS BY OUTSIDE SERVICE	0	4,888	4,388	34,216	58,664	7%	29,828	87%
PEST CONTROL	5,365	22,645	21,424	73,515	174,633	12%	52,091	71%
PLUMBING SERVICE	73,621	59,196	390,418	410,687	704,474	55%	20,269	5%
SOLAR MAINTENANCE	0	2,083	8,985	14,581	25,000	36%	5,596	38%
TOTAL	\$156,622	\$164,775	\$841,227	\$1,023,679	\$1,826,369	46%	\$182,452	18%

OPERATING FUND - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$23,590	\$31,084	\$187,505	\$215,467	\$369,462	51%	\$27,963	13%
JANITORIAL SERVICE	85,444	82,360	576,737	570,762	977,822	59%	(5,975)	(1%)
GUTTER CLEANING	9,028	10,427	65,256	72,175	160,758	41%	6,919	10%
TRAFFIC CONTROL	1,581	1,859	11,429	12,871	22,074	52%	1,442	11%
WELDING	8,158	10,631	59,785	73,688	126,349	47%	13,903	19%
TOTAL	\$127,801	\$136,360	\$900,712	\$944,964	\$1,656,465	54%	\$44,251	5%

OPERATING FUND - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$25,997	\$29,111	\$188,910	\$199,047	\$341,287	55%	\$10,138	5%
NURSERY & COMPOSTING	8,334	24,449	151,397	169,567	290,925	52%	18,170	11%
GROUNDS MAINTENANCE	305,382	270,104	1,924,177	1,873,867	3,211,030	60%	(50,310)	(3%)
IRRIGATION	85,337	87,526	608,718	606,599	1,040,845	58%	(2,119)	(0%)
SMALL EQUIPMENT REPAIR	16,922	19,104	133,359	132,440	227,135	59%	(920)	(1%)
PEST CONTROL	39,761	32,277	248,011	223,475	383,391	65%	(24,535)	(11%)
TOTAL	\$481,733	\$462,570	\$3,254,571	\$3,204,995	\$5,494,612	59%	(\$49,576)	(2%)

REPLACEMENT FUND - MAINTENANCE & CONSTRUCTION

BUILDING NUMBERS	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%
BUILDING STRUCTURES	164,238	214,634	730,856	1,430,155	2,502,042	29%	699,298	49%
ELECTRICAL SYSTEMS	0	3,000	0	15,000	30,000	0%	15,000	100%
ENERGY PROJECTS	0	0	0	0	0	0%	(1)	0%
EXTERIOR LIGHTING	4,952	2,082	9,343	14,574	25,000	37%	5,231	36%
FENCING	5,032	5,380	34,365	37,304	63,996	54%	2,938	8%
GARDEN VILLA LOBBY	1,418	0	1,828	12,000	12,000	15%	10,172	85%
GARDEN VILLA MAILROOM	23	34	166	238	412	40%	72	30%
GARDEN VILLA RECESSED AREA	0	0	0	0	0	0%	0	0%
GV REC ROOM WATER HEATER/HEAT PUMP	77	249	2,846	1,738	2,984	95%	(1,108)	(64%)
GUTTER REPLACEMENTS	2,047	6,600	16,482	46,018	78,926	21%	29,537	64%

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

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET *	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
MAILBOXES	231	764	1,575	5,330	9,143	17%	3,755	70%
PAINT PROGRAM - EXTERIOR	121,121	133,377	824,910	924,755	1,586,079	52%	99,845	11%
PRIOR TO PAINT	89,030	99,423	594,375	673,277	1,166,430	51%	78,901	12%
PAVING	0	0	0	0	433,960	0%	0	0%
ROOF REPLACEMENTS	152,560	167,357	445,906	776,360	1,461,792	31%	330,454	43%
SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0%	0	0%
WALL REPLACEMENTS	0	25,000	0	35,000	35,000	0%	35,000	100%
WASTE LINE REMEDIATION	64,200	70,000	260,204	350,000	700,000	37%	89,796	26%
WATER LINES - COPPER PIPE REMEDIATION	0	0	0	500,000	500,000	0%	500,000	100%
PLUMBING REPLACEMENT	0	0	0	0	0	0%	0	0%
TOTAL	\$604,928	\$727,900	\$2,922,855	\$4,821,748	\$8,607,764	34%	\$1,898,894	39%

REPLACEMENT FUND - GENERAL SERVICES

PRIOR TO PAINT	\$905	\$1,071	\$6,543	\$7,414	\$12,712	51%	\$871	12%
PAVING	4,751	5,692	41,074	39,420	67,606	61%	(1,654)	(4%)
EXTERIOR WALLS	0	2,012	0	14,084	24,150	0%	14,084	100%
TOTAL	\$5,656	\$8,775	\$47,617	\$60,918	\$104,469	46%	\$13,301	22%

REPLACEMENT FUND - LANDSCAPE SERVICES

LANDSCAPE MODIFICATION	\$702	\$43,648	\$82,092	\$305,477	\$523,702	16%	\$223,385	73%
IMPROVEMENT & RESTORATION	5,215	10,874	63,522	75,331	129,214	49%	11,809	16%
TREE MAINTENANCE	64,278	79,010	365,606	550,013	943,424	39%	184,408	34%
TOTAL	\$70,195	\$133,531	\$511,220	\$930,821	\$1,596,339	32%	\$419,601	45%

ELEVATOR REPLACEMENT FUND

ELEVATOR REPLACEMENT	\$0	\$8,750	\$0	\$61,250	\$105,000	0%	\$61,250	100%
TOTAL	\$0	\$8,750	\$0	\$61,250	\$105,000	0%	\$61,250	100%

LAUNDRY REPLACEMENT FUND

LAUNDRY APPLIANCES	\$1,213	\$7,823	\$34,779	\$54,645	\$93,712	37%	\$19,866	36%
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	1,327	1,350	8,303	9,342	16,028	52%	1,040	11%
SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0%	0	0%
TOTAL	\$2,540	\$9,173	\$43,082	\$63,988	\$109,740	39%	\$20,906	33%

DISASTER FUND - MAINTENANCE & CONSTRUCTION

MOISTURE INTRUSION - RAIN LEAKS	\$23,765	\$19,792	\$99,234	\$138,544	\$237,513	42%	\$39,310	28%
MOISTURE INTRUSION - PLUMBING LEAKS	55,963	33,333	(51,761)	233,331	400,000	-13%	285,092	122%
MOISTURE INTRUSION - PLUMBING STOPPAGES	13,398	4,166	32,533	29,162	50,000	65%	(3,371)	(12%)
MOISTURE INTRUSION - MISCELLANEOUS	6,936	3,879	22,155	27,153	46,548	48%	4,998	18%

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

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET *	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
DAMAGE RESTORATION SERVICES	2,716	15,941	25,784	111,353	190,935	14%	85,569	77%
TOTAL	\$102,777	\$77,111	\$127,945	\$539,543	\$924,996	14%	\$411,598	76%

DISASTER FUND - LANDSCAPE SERVICES

RISK FIRE MANAGEMENT	\$0	\$15,000	\$11,527	\$105,000	\$180,000	6%	\$93,473	89%
TOTAL	\$0	\$15,000	\$11,527	\$105,000	\$180,000	6%	\$93,473	89%

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

	2022	2022	2022	2022	2022
	YTD Actual	YTD Budget	YTD Variance	Annual Budget	% Expended
Paved Surfaces	\$41,074	\$39,420	(\$1,655)	\$501,566	8%
Roofing & Gutters	\$462,388	\$822,378	\$359,991	\$1,540,718	30%
Building Structures	\$728,499	\$1,430,155	\$701,655	\$2,502,043	29%
Decking Projects	\$216,035	\$252,331	\$36,296	\$436,454	49%
Prior to Painting & Painting Projects	\$1,209,793	\$1,353,116	\$143,323	\$2,328,768	52%
Elevators	\$0	\$61,250	\$61,250	\$105,000	0%
Garden Villas	\$4,839	\$13,976	\$9,137	\$15,396	31%
Lighting Replacement Projects	\$9,343	\$14,574	\$5,231	\$25,000	37%
Walls, Fencing, and Railings	\$34,365	\$88,019	\$53,653	\$125,952	27%
Laundry Facilities	\$43,082	\$62,357	\$19,275	\$106,934	40%
Sewer Lines, Water Lines and Elect	\$260,204	\$865,000	\$604,796	\$1,230,000	21%
Grounds & Miscellaneous	\$1,575	\$5,330	\$3,755	\$9,143	17%
Landscape Projects	\$511,220	\$930,821	\$419,601	\$1,596,339	32%
Total	\$3,522,417	\$5,938,725	\$2,416,308	\$10,523,313	33%

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

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

APPLIANCE REPAIRS	\$49,482	\$42,878	\$6,604	\$0
CARPENTRY SERVICE	253,245	235,321	17,924	0
ELECTRICAL SERVICE	68,785	58,222	6,214	4,350
FIRE PROTECTION	44,499	2,649	802	41,049
MISC REPAIRS BY OUTSIDE SERVICE	4,388	0	0	4,388
PEST CONTROL	21,424	0	0	21,424
PLUMBING SERVICE	390,418	291,133	32,625	66,660
SOLAR MAINTENANCE	8,985	0	0	8,985
TOTAL	\$841,227	\$630,203	\$64,168	\$146,855

OPERATING FUND - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$187,505	\$176,414	\$11,090	\$0
JANITORIAL SERVICE	576,737	559,214	17,523	0
GUTTER CLEANING	65,256	65,256	0	0
TRAFFIC CONTROL	11,429	11,429	0	0
WELDING	59,785	58,713	1,072	0
TOTAL	\$900,712	\$871,027	\$29,686	\$0

OPERATING EXPENDITURES - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$188,910	\$188,910	\$0	\$0
NURSERY & COMPOSTING	151,397	151,397	0	0
GROUNDS MAINTENANCE	1,924,177	1,672,622	1,692	249,863
IRRIGATION	608,718	516,290	92,428	0
SMALL EQUIPMENT REPAIR	133,359	133,359	0	0
PEST CONTROL	248,011	248,011	0	0
TOTAL	\$3,254,571	\$2,910,589	\$94,120	\$249,863

OPERATING - CHARGEABLE SERVICES

CHARGEABLE SERVICES	\$393,715	\$79,756	\$98,762	\$215,197
TOTAL	\$393,715	\$79,756	\$98,762	\$215,197

RESERVE FUND - MAINTENANCE & CONSTRUCTION

BUILDING NUMBERS	\$0	\$0	\$0	\$0
BUILDING STRUCTURES	730,856	180,497	29,942	520,417
ELECTRICAL SYSTEMS	0	0	0	0
EXTERIOR LIGHTING	9,343	0	0	9,343
FENCING	34,365	27,950	6,415	0
GARDEN VILLA LOBBY	1,828	0	410	1,418
GARDEN VILLA MAILROOM	166	166	0	0
GARDEN VILLA RECESSED AREA	0	0	0	0
GV REC ROOM WATER HEATER/HEAT PUMP	2,846	528	2,318	0
GUTTER REPLACEMENTS	16,482	13,975	2,507	0
MAILBOXES	1,575	1,575	0	0
PAINT PROGRAM - EXTERIOR	824,910	731,148	91,362	2,400
PRIOR TO PAINT	594,375	522,984	66,310	5,082
PAVING	0	0	0	0
ROOF REPLACEMENTS	445,906	0	0	445,906
WALL REPLACEMENTS	0	0	0	0
WASTE LINE REMEDIATION	260,204	0	0	260,204
WATER LINES - COPPER PIPE REMEDIATION	0	0	0	0
PLUMBING REPLACEMENT	0	0	0	0
TOTAL	\$2,922,855	\$1,478,822	\$199,263	\$1,244,769

RESERVE FUND - GENERAL SERVICES

PRIOR TO PAINT	\$6,543	\$6,543	\$0	\$0
PAVING	41,074	34,199	6,876	0
EXTERIOR WALLS	0	0	0	0

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

DESCRIPTION	YTD TOTAL EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES
TOTAL	\$47,617	\$40,741	\$6,876	\$0

RESERVE FUND - LANDSCAPE

LANDSCAPE MODIFICATION	\$82,092	\$4,820	\$0	\$77,272
IMPROVEMENT & RESTORATION	63,522	63,522	0	0
TREE MAINTENANCE	365,606	312,628	0	52,978
TOTAL	\$511,220	\$380,970	\$0	\$130,250

RESERVE FUND - ELEVATOR

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

RESERVE FUND - LAUNDRY

LAUNDRY APPLIANCES	\$34,779	\$8,806	\$25,973	\$0
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	8,303	8,303	0	0
TOTAL	\$43,082	\$17,109	\$25,973	\$0

DISASTER FUND - MAINTENANCE & CONSTRUCTION

MOISTURE INTRUSION - RAIN LEAKS	\$99,234	\$0	\$0	\$99,234
MOISTURE INTRUSION - PLUMBING LEAKS	(51,761)	0	0	(51,761)
MOISTURE INTRUSION - PLUMBING STOPPAGES	32,533	0	0	32,533
MOISTURE INTRUSION - MISCELLANEOUS	22,155	0	0	22,155
DAMAGE RESTORATION SERVICES	25,784	18,305	1,216	6,263
TOTAL	\$127,945	\$18,305	\$1,216	\$108,423

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 JULY 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	10,206	10,206
ELECTRICAL SERVICE	4,350	1,456	(2,894)
FIRE PROTECTION	41,049	67,817	26,768
MISC REPAIRS BY OUTSIDE SERVICE	4,388	34,216	29,828
PEST CONTROL	21,424	73,515	52,091
PLUMBING SERVICE	66,660	55,412	(11,248)
SOLAR MAINTENANCE	8,985	14,581	5,596
TOTAL	\$146,855	\$257,203	\$110,349

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	8,750	8,750
TOTAL	\$0	\$8,750	\$8,750

OPERATING EXPENDITURES - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$0	\$0	\$0
NURSERY & COMPOSTING	0	0	0
GROUNDS MAINTENANCE	249,863	0	(249,863)
IRRIGATION	0	0	0
SMALL EQUIPMENT REPAIR	0	0	0
PEST CONTROL	0	0	0
TOTAL	\$249,863	\$0	(\$249,863)

OPERATING - CHARGEABLE SERVICES

CHARGEABLE SERVICES	\$215,197	\$134,917	(80,280)
TOTAL	\$215,197	\$134,917	(80,280)

OPERATING - SECURITY SERVICES

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

RESERVE FUND - MAINTENANCE & CONSTRUCTION

BUILDING NUMBERS	\$0	\$0	\$0
BUILDING STRUCTURES	520,417	1,172,206	651,789
ELECTRICAL SYSTEMS	0	15,000	15,000
ENERGY PROJECTS	0	0	0
EXTERIOR LIGHTING	9,343	14,574	5,231
FENCING	0	0	0
GARDEN VILLA LOBBY	1,418	12,000	10,582
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	29,162	29,162
MAILBOXES	0	0	0

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

DESCRIPTION	OS Actuals	OS Budget	OS Variance
PAINT PROGRAM - EXTERIOR	2,400	33,530	31,130
PRIOR TO PAINT	5,082	27,500	22,419
PAVING	0	0	0
ROOF REPLACEMENTS	445,906	776,360	330,454
SUPPLEMENTAL APPROPRIATIONS	0	0	0
WALL REPLACEMENTS	0	35,000	35,000
WASTE LINE REMEDIATION	260,204	350,000	89,796
WATER LINES - COPPER PIPE REMEDIATION	0	500,000	500,000
PLUMBING REPLACEMENT	0	0	0
TOTAL	\$1,244,769	\$2,965,332	\$1,720,562

RESERVE FUND - GENERAL SERVICES

PRIOR TO PAINT	\$0	\$0	\$0
PAVING	0	0	0
EXTERIOR WALLS	0	14,084	14,084
TOTAL	\$0	\$14,084	\$14,084

RESERVE FUND - LANDSCAPE

LANDSCAPE MODIFICATION	\$77,272	\$300,503	\$223,231
IMPROVEMENT & RESTORATION	0	0	0
TREE MAINTENANCE	52,978	293,482	240,504
TOTAL	\$130,250	\$593,985	\$463,735

RESERVE FUND - ELEVATOR

ELEVATOR REPLACEMENT	\$0	\$61,250	\$61,250
TOTAL	\$0	\$61,250	\$61,250

RESERVE FUND - LAUNDRY

LAUNDRY APPLIANCES	\$0	\$1,631	\$1,631
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	0	0	0
TOTAL	\$0	\$1,631	\$1,631

DISASTER FUND - MAINTENANCE & CONSTRUCTION

MOISTURE INTRUSION - RAIN LEAKS	\$99,234	\$138,544	\$39,310
MOISTURE INTRUSION - PLUMBING LEAKS	(51,761)	233,331	285,092
MOISTURE INTRUSION - PLUMBING STOPPAGES	32,533	29,162	(3,371)
MOISTURE INTRUSION - MISCELLANEOUS	22,155	27,153	4,998
DAMAGE RESTORATION SERVICES	6,263	90,412	84,149
TOTAL	\$108,423	\$518,602	\$410,179

DISASTER FUND - LANDSCAPE SERVICES

RISK FIRE MANAGEMENT	\$7,475	\$105,000	\$97,525
SUPPLEMENTAL APPROPRIATIONS	\$0	\$0	\$0
TOTAL	\$7,475	\$105,000	\$97,525

DISASTER FUND - FINANCIAL SERVICES

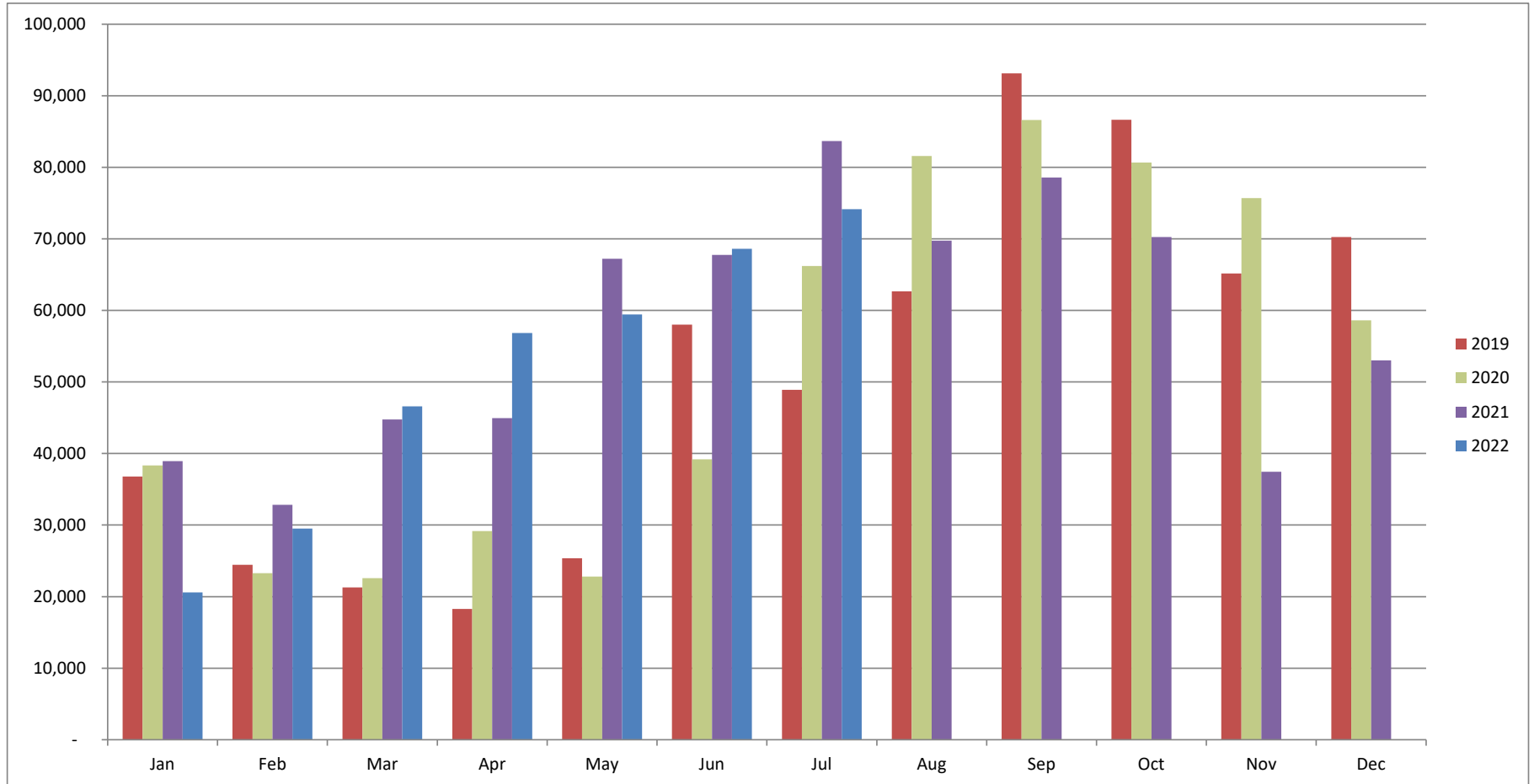
INSURANCE PREMIUMS	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0

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

DESCRIPTION	OS Actuals	OS Budget	OS Variance
<i>GARDEN VILLA REC ROOM FUND - MAINTENANCE & CONSTRUCTION</i>			
GARDEN VILLA RECREATION ROOMS	\$47,205	\$18,718	(\$28,487)
TOTAL	\$47,205	\$18,718	(\$28,487)

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	\$1,243,176	233,083	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	\$1,375,027	241,578	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	\$1,684,116	380,115	689,149
2022	20,573	29,523	46,594	56,831	59,443	68,617	74,150	-	-	-	-	-	\$1,668,461	355,731	355,731

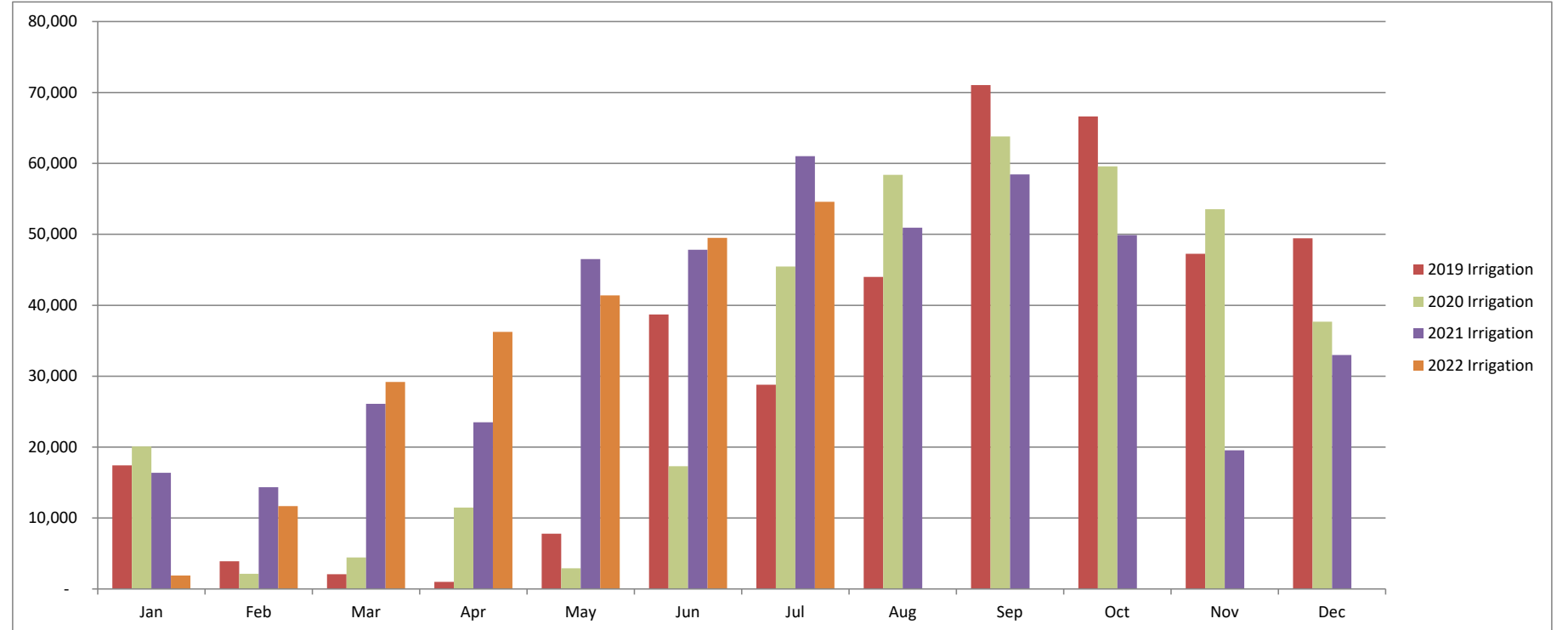


*Derived From ETWD Billing Statements

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	\$555,489	99,717	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	\$621,331	103,832	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	\$898,000	235,711	447,541
2022 Irrigation	1,884	11,681	29,185	36,237	41,399	49,498	54,596	-	-	-	-	-	\$892,976	224,480	224,480

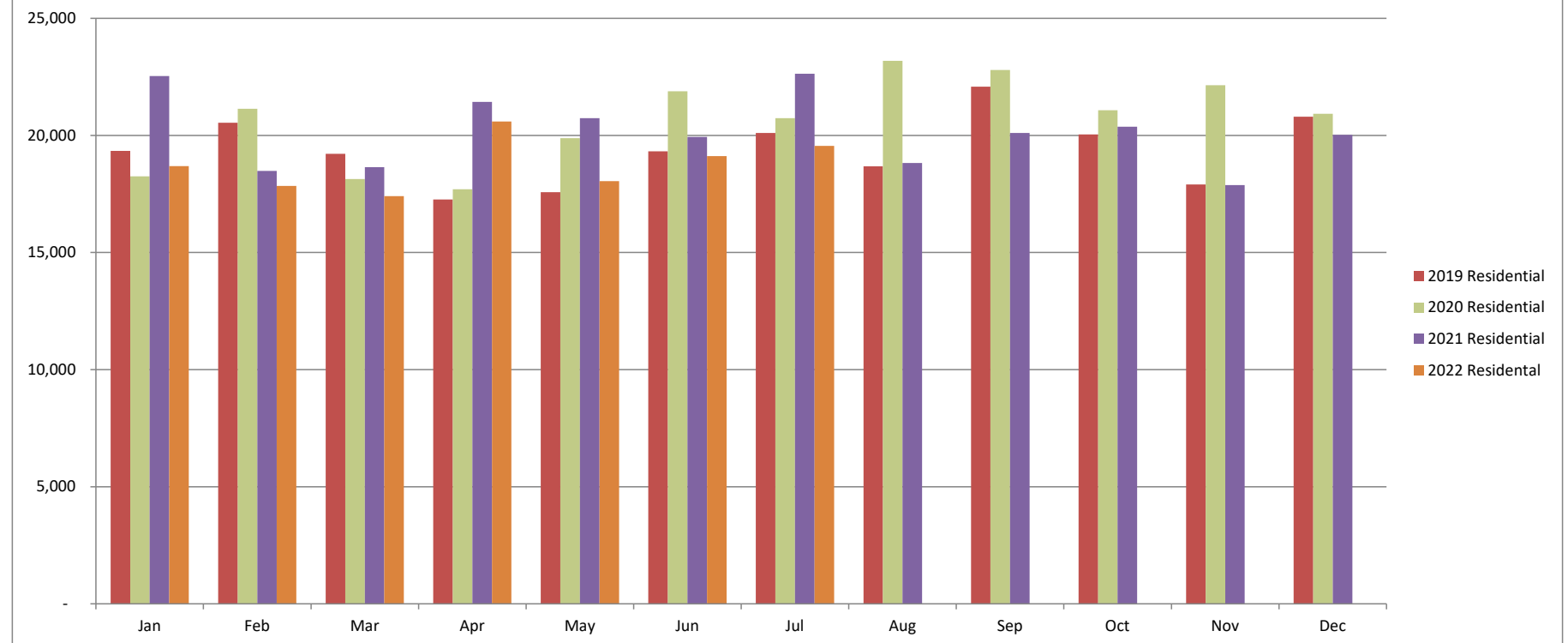


*Derived From ETWD Billing Statements

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	\$687,687	133,366	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	\$753,696	137,746	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	\$786,117	144,404	241,608
2022 Residential	18,689	17,842	17,409	20,594	18,044	19,119	19,554	-	-	-	-	-	\$775,486	131,251	131,251



*Derived From ETWD Billing Statements

THIRD LAGUNA HILLS MUTUAL
Provision For Doubtful Accounts
As of July 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	328,687		-	76,854	-	42,079	29
July-22	326,027		-	72,444	-	(7,070)	26
August-22			-		-	-	
September-22			-		-	-	
October-22			-		-	-	
November-22			-		-	-	
December-22		-	-		-	-	
YTD TOTAL						98,526	

(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