



OPEN MEETING

REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL FINANCE COMMITTEE*

**Tuesday, November 1, 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 October 4, 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 September 30, 2022
 - b. Highlights – Solar Update
 - c. 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.*
 - a. Education - Annual Financial Services Review
 - b. Discretionary Investments – Treasury Bill Reinvestment (Dec 6, 2022 recommendation)
10. Committee Member Comments
11. Date of Next Meeting – Tuesday, December 6, 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.

Third Laguna Hills Mutual
Finance Committee
Regular Open Session
November 1, 2022
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Closed Session Agenda

Approval of the Agenda
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, October 4, 2022 – 1:30 p.m.
Hybrid Meeting

DIRECTORS PRESENT: Mark Laws – Chair (Substitute for Donna Rane-Szostak), Annie McCary, Ralph Engdahl, Cris Prince, Cush Bhada, Jim Cook, Ira Lewis, Jules Zalon
DIRECTORS ABSENT: Donna Rane-Szostak (excused)
ADVISORS PRESENT: Wei-Ming Tao
STAFF PRESENT: Steve Hormuth, Jose Campos, Manuel Gomez, Erika Hernandez

Call to Order

Director Mark Laws, President, chaired and called the meeting to order at 1:30 p.m.

Approval of Meeting Agenda

A motion was made and the agenda was approved as presented by consent.

Approval of Meeting Report for September 6, 2022

A motion was made to approve the meeting report as presented; no changes were requested, and the report was approved by consent.

Chair Remarks

None.

Member Comments (Items Not on the Agenda)

None.

Department Head Update

Steve Hormuth, Director of Financial Services, provided a brief summary of the 2023 Business Plan adoption that occurred at the September Third Board meeting.

Preliminary Financial Statements dated August 31, 2022

Jose Campos, Assistant Director of Financials Services, presented the Preliminary Financial Statements dated August 31, 2022.

2023 Collection and Lien Enforcement Policy

The 2022 Collection and Lien Enforcement Policy was provided by legal with minor redline changes for year 2023. The committee reviewed the changes and a motion was made and seconded. By unanimous decision, the motion passed to accept the 2023 Collection and Lien Enforcement Policy. It will be presented at the next Board meeting and will be placed on the Consent Calendar.

Endorsements from Standing Committees

Maintenance and Construction Committee – Request for Supplemental Appropriation for Shepherd's Crook Conditional Use Permit Amendment. Manuel Gomez, Director of Maintenance and Construction, presented a staff report requesting the committee not to discuss the merits of the higher shepherd's crook but simply to approve and endorse a supplemental appropriation in the amount of \$10K from the Replacement Reserve Fund for the Conditional Use Permit application to be processed with the City of Laguna Woods to revise the Shepherd's Crook height restriction contained in CUP-1135 from 7 feet to 11 feet. A motion was made by Director Ralph Engdahl and seconded by Director Annie McCary to accept the request.

The motion passed unanimously to approve and endorse the recommendation and present at the next board meeting.

Future Agenda Items

None.

Committee Member Comments

None.

Date of Next Meeting

Tuesday, November 1, 2022 at 1:30 p.m.

Recess to Closed Session

The meeting recessed at 2:32 p.m.



Mark Laws, Chair (Substitute for Donna Rane-Szostak)



MEMORANDUM

To: Third Finance Committee
 From: Steve Hormuth, Director of Financial Services
 Date: November 1, 2022
 Re: Department Head Update

Financial Highlights

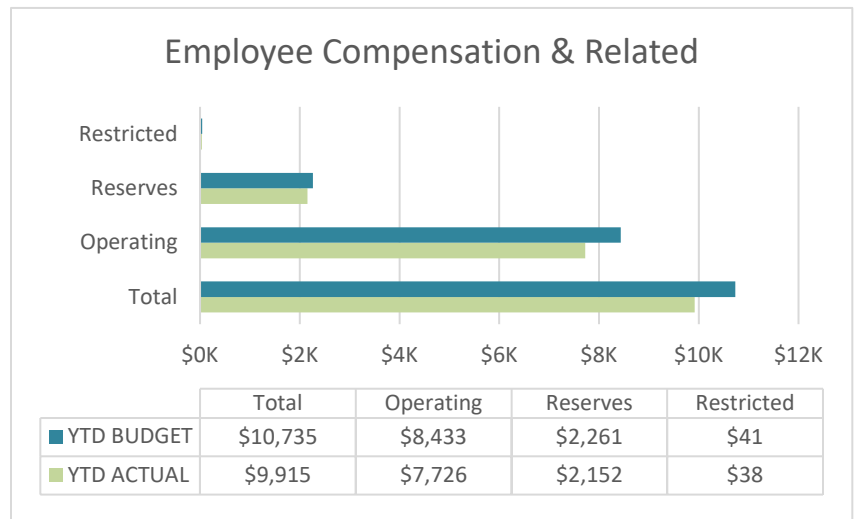
SUMMARY:

For the year-to-date period ending September 30, 2022, Third Laguna Hills Mutual was better than budget by \$3,447K primarily due to late start of programs affecting the areas of outside services and materials. Furthermore, favorable variance in compensation and related amounted to \$820K due to open positions.

INCOME STATEMENT (in Thousands)			
	Actual	Budget	Variance
Assessment Revenues	\$31,060	\$31,061	(\$1)
Other Revenues	\$1,568	\$1,571	(\$4)
Expenses	\$28,455	\$31,907	\$3,452
Revenue/(Expense)	\$4,173	\$725	\$3,447

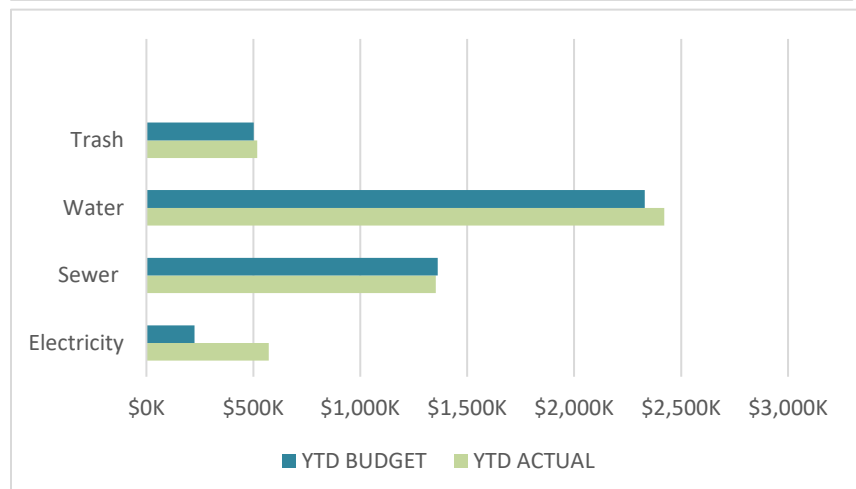
COMPENSATION:

Actual compensation and related costs came in at \$9,915K with \$7,726K in operations, \$2,152K in reserves, and \$38K in restricted. Combined, this category is 7.6% favorable to budget. For Third, the most significant savings were due to open positions in Maintenance & Construction as well as Landscape.



UTILITIES:

In total, this category was unfavorable to budget by (\$446K) due to water and electricity. At the end of 2021, SCE implemented a system change. This resulted in Third not receiving invoices for an extended period. Expenses were accrued based on past experience however actuals bills received in 2022 were unfavorable. Water expense was budgeted based on a five-year average of consumption, which was 1.5% below the budgeted usage. The variance was partially offset by an 8.0% lower real rate per CCF than anticipated at the time of budget preparation.



Discussions

Investment Update: Third's Discretionary Investments are held in US Treasury Bills maturing on February 23, 2023. Due to rising interest rates, treasury bills are returning higher yields with current offerings ranging from 2.0% for one-week maturities to over 4% for 12-month maturities. Staff will present an investment recommendation to be voted on by the Finance Committee at the next regularly scheduled meeting on December 6th. The board will then vote on the recommendation at the December 20th meeting and staff will follow the board's direction when the treasury bills mature.

Calendar

Nov 1, 2022 @ 1:30 p.m. Third Finance Committee Meeting (September Financials)

Nov 4, 2022 @ 9:30 a.m. Third Board Agenda Prep meeting

Nov 15, 2022 @ 9:30 a.m. Third Board Meeting

Dec 2, 2022 @ 9:30 a.m. Third Board Agenda Prep

Dec 6, 2022 @ 1:30 p.m. Third Finance Committee Meeting (October Financials)

Dec 20, 2022 @ 9:30 a.m. Third Board Meeting

Jan 3, 2022 @ 1:30 p.m. Third Finance Committee (November Financials)

Jan 6, 2022 @ 9:30 a.m. Third Board Agenda Prep

Jan 17, 2022 @ 9:30 a.m. Third Board Meeting

November 2022							December 2022							January 2023						
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	2	3	4	5	6	7
6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14
13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21
20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28
27	28	29	30				25	26	27	28	29	30	31	29	30	31				

Third Laguna Hills Mutual
Statement of Revenues & Expenses - Preliminary
9/30/2022
(\$ 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		\$21,452	\$21,453	(\$1)	\$15,726	\$28,603
2 Additions to restricted funds	1,068	1,068		9,609	9,609		10,224	12,811
3 Total assessments	3,451	3,451		31,060	31,061	(1)	25,950	41,415
Non-assessment revenues:								
4 Fees and charges for services to residents	58	80	(22)	738	719	20	550	960
5 Laundry	20	18	2	166	158	8	161	210
6 Investment income	19	20	(2)	140	183	(43)	81	244
7 Miscellaneous	49	57	(8)	524	512	12	432	683
8 Total non-assessment revenue	146	175	(29)	1,568	1,571	(4)	1,224	2,097
9 Total revenue	3,597	3,626	(29)	32,628	32,633	(5)	27,173	43,512
Expenses:								
10 Employee compensation and related	1,088	1,175	87	9,915	10,735	820	9,461	14,324
11 Materials and supplies	136	117	(18)	1,067	1,055	(12)	1,099	1,411
12 Utilities and telephone	718	575	(143)	4,864	4,419	(446)	4,485	5,968
13 Legal fees	19	44	24	165	383	218	284	527
14 Professional fees	17	10	(7)	105	122	18	50	155
15 Equipment rental	1	4	3	16	34	17	39	45
16 Outside services	862	1,200	338	4,532	6,718	2,186	4,800	8,624
17 Repairs and maintenance	28	29	1	239	261	22	215	349
18 Other Operating Expense	13	15	2	88	140	52	95	193
19 Property and sales tax							2	
20 Insurance	737	754	17	6,111	6,787	676	4,601	9,049
21 Investment expense		2	2		16	16	21	21
22 Uncollectible Accounts		5	6	107	49	(58)	24	65
23 (Gain)/loss on sale or trade				4		(4)	15	
24 Depreciation and amortization	11	11		101	101		101	134
25 Net allocation to mutuals	130	119	(11)	1,141	1,088	(53)	1,014	1,449
26 Total expenses	3,762	4,061	300	28,455	31,907	3,452	26,305	42,314
27 Excess of revenues over expenses	(\$165)	(\$435)	\$270	\$4,173	\$726	\$3,447	\$868	\$1,198

Third Laguna Hills Mutual
Statement of Revenues & Expenses - By Fund Type - Preliminary
9/30/2022
(\$ 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	\$21,452	\$21,453	(\$1)							\$21,452	\$21,453	(\$1)
2 Additions to restricted funds				8,348	8,348		1,261	1,261		9,609	9,609	
3 Total assessments	21,452	21,453	(1)	8,348	8,348		1,261	1,261		31,060	31,061	(1)
Non-assessment revenues:												
4 Fees and charges for services to residents	738	719	20							738	719	20
5 Laundry	166	158	8							166	158	8
6 Investment income				101	104	(2)	38	79	(41)	140	183	(43)
7 Miscellaneous	524	512	12							524	512	12
8 Total non-assessment revenue	1,428	1,388	40	101	104	(2)	38	79	(41)	1,568	1,571	(4)
9 Total revenue	22,880	22,841	39	8,449	8,451	(2)	1,299	1,340	(41)	32,628	32,633	(5)
Expenses:												
10 Employee compensation and related	7,726	8,433	707	2,152	2,261	109	38	41	3	9,915	10,735	820
11 Materials and supplies	635	578	(58)	414	463	49	18	14	(4)	1,067	1,055	(12)
12 Utilities and telephone	4,857	4,408	(449)	7	11	4				4,864	4,419	(446)
13 Legal fees	165	383	218							165	383	218
14 Professional fees	99	122	24	2		(2)	4		(4)	105	122	18
15 Equipment rental	4	6	2	12	28	15				16	34	17
16 Outside services	1,276	637	(638)	2,658	5,255	2,598	599	826	227	4,532	6,718	2,186
17 Repairs and maintenance	236	257	20	2	4	2				239	261	22
18 Other Operating Expense	73	121	47	14	19	5				88	140	52
19 Property and sales tax												
20 Insurance	6,111	6,787	676							6,111	6,787	676
21 Investment expense					9	9		7	7		16	16
22 Uncollectible Accounts	107	49	(58)							107	49	(58)
23 (Gain)/loss on sale or trade				3		(3)	1		(1)	4		(4)
24 Depreciation and amortization	101	101								101	101	
25 Net allocation to mutuals	942	916	(25)	198	170	(28)	2	2		1,141	1,088	(53)
26 Total expenses	22,331	22,796	466	5,462	8,220	2,758	663	890	228	28,455	31,907	3,452
27 Excess of revenues over expenses	\$549	\$45	\$504	\$2,987	\$231	\$2,756	\$637	\$450	\$187	\$4,173	\$726	\$3,447

**Third Laguna Hills Mutual
Operating Statement
9/30/2022
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Revenues:					
Assessments:					
Operating					
41001000 - Monthly Assessments	\$21,451,601	\$21,452,620	(\$1,019)	0.00%	\$28,603,493
Total Operating	21,451,601	21,452,620	(1,019)	0.00%	28,603,493
Additions To Restricted Funds					
41002000 - Monthly Assessments - Disaster Fund	1,193,917	1,193,918	0	0.00%	1,591,890
41003500 - Monthly Assessments - Replacement Fund	8,018,028	8,018,028	0	0.00%	10,690,704
41004000 - Monthly Assessments - Elevator Replacement Fund	274,590	274,590	0	0.00%	366,120
41004500 - Monthly Assessments - Laundry Replacement Fund	54,918	54,918	0	0.00%	73,224
41006000 - Monthly Assessments - Garden Villa Recreation Room Fund	67,068	67,068	0	0.00%	89,424
Total Additions To Restricted Funds	9,608,521	9,608,522	0	0.00%	12,811,362
Total Assessments	31,060,122	31,061,141	(1,019)	0.00%	41,414,855
Non-Assessment Revenues:					
Fees and Charges for Services to Residents					
46501000 - Permit Fee	221,729	178,665	43,064	24.10%	238,222
46501500 - Inspection Fee	66,876	55,151	11,725	21.26%	73,537
46502000 - Resident Maintenance Fee	449,666	484,810	(35,143)	(7.25%)	648,636
Total Fees and Charges for Services to Residents	738,272	718,626	19,646	2.73%	960,396
Laundry					
46005000 - Coin Op Laundry Machine	165,869	157,500	8,369	5.31%	210,000
Total Laundry	165,869	157,500	8,369	5.31%	210,000
Investment Income					
49001000 - Investment Income - Nondiscretionary	2,805	2,994	(189)	(6.30%)	4,000
49002000 - Investment Income - Discretionary	136,706	180,000	(43,294)	(24.05%)	240,000
Investment Interest Income	139,511	182,994	(43,483)	(23.76%)	244,000
Miscellaneous					
46004500 - Resident Violations	17,200	40,646	(23,446)	(57.68%)	54,198
44501000 - Additional Occupant Fee	21,350	0	21,350	0.00%	0
44501510 - Lease Processing Fee - Third	198,310	194,598	3,712	1.91%	259,475
44502000 - Variance Processing Fee	2,550	11,912	(9,362)	(78.59%)	15,888
44502500 - Non-Sale Transfer Fee - Third	1,350	1,242	108	8.70%	1,666
44503520 - Resale Processing Fee - Third	140,880	143,802	(2,922)	(2.03%)	191,740
44505500 - Hoa Certification Fee	9,455	9,000	455	5.06%	12,000
44507000 - Golf Cart Electric Fee	45,914	52,497	(6,583)	(12.54%)	70,000
44507200 - Electric Vehicle Plug-In Fee	10,925	8,253	2,672	32.37%	11,000
44507500 - Cartport/Carport Space Rental Fee	2,520	3,303	(783)	(23.71%)	4,400
47001500 - Late Fee Revenue	69,780	38,250	31,530	82.43%	51,000
47002020 - Collection Administrative Fee - Third	0	2,025	(2,025)	(100.00%)	2,700
47002500 - Collection Interest Revenue	(413)	3,753	(4,166)	(111.01%)	5,000
47501000 - Recycling	4,056	2,997	1,059	35.33%	4,000
49009000 - Miscellaneous Revenue	11	0	11	0.00%	0
Total Miscellaneous	523,887	512,277	11,610	2.27%	683,067
Total Non-Assessment Revenue	1,567,538	1,571,397	(3,859)	(0.25%)	2,097,463
Total Revenue	32,627,661	32,632,539	(4,878)	(0.01%)	43,512,318
Expenses:					
Employee Compensation					
51011000 - Salaries & Wages - Regular	2,136,615	2,383,530	246,915	10.36%	3,188,996
51021000 - Union Wages - Regular	3,717,203	4,174,915	457,713	10.96%	5,581,847
51041000 - Wages - Overtime	30,047	18,915	(11,132)	(58.85%)	25,234
51051000 - Union Wages - Overtime	53,619	37,561	(16,059)	(42.75%)	50,106
51061000 - Holiday & Vacation	602,085	553,778	(48,307)	(8.72%)	740,584
51071000 - Sick	217,797	225,883	8,086	3.58%	302,080
51091000 - Missed Meal Penalty	3,297	2,656	(640)	(24.10%)	3,572
51101000 - Temporary Help	51,155	82,198	31,043	37.77%	109,606
51981000 - Compensation Accrual	168,131	0	(168,131)	0.00%	0

**Third Laguna Hills Mutual
Operating Statement
9/30/2022
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Total Employee Compensation	6,979,950	7,479,437	499,487	6.68%	10,002,024
Compensation Related					
52411000 - F.I.C.A.	508,523	558,450	49,927	8.94%	742,748
52421000 - F.U.I.	7,817	10,220	2,403	23.51%	10,220
52431000 - S.U.I.	35,178	51,947	16,769	32.28%	51,947
52441000 - Union Medical	1,347,024	1,429,778	82,754	5.79%	1,906,370
52451000 - Workers' Compensation Insurance	348,493	396,873	48,380	12.19%	530,688
52461000 - Non Union Medical & Life Insurance	268,709	324,644	55,934	17.23%	432,813
52471000 - Union Retirement Plan	344,690	379,483	34,793	9.17%	507,367
52481000 - Non-Union Retirement Plan	53,507	104,473	50,966	48.78%	139,778
52981000 - Compensation Related Accrual	21,605	0	(21,605)	0.00%	0
Total Compensation Related	2,935,546	3,255,868	320,321	9.84%	4,321,933
Materials and Supplies					
53001000 - Materials & Supplies	340,662	375,730	35,068	9.33%	503,088
53003000 - Materials Direct	724,105	674,950	(49,155)	(7.28%)	902,417
53004000 - Freight	2,591	4,198	1,608	38.29%	5,630
Total Materials and Supplies	1,067,358	1,054,878	(12,480)	(1.18%)	1,411,135
Utilities and Telephone					
53301000 - Electricity	572,312	224,737	(347,575)	(154.66%)	372,829
53301500 - Sewer	1,352,947	1,361,700	8,753	0.64%	1,829,400
53302000 - Water	2,421,582	2,329,812	(91,770)	(3.94%)	3,095,794
53302500 - Trash	517,591	502,493	(15,098)	(3.00%)	669,993
Total Utilities and Telephone	4,864,432	4,418,742	(445,690)	(10.09%)	5,968,016
Legal Fees					
53401500 - Legal Fees	235,568	382,769	147,201	38.46%	526,652
53401550 - Legal Fees Contra	(70,655)	0	70,655	0.00%	0
Total Legal Fees	164,913	382,769	217,856	56.92%	526,652
Professional Fees					
53402020 - Audit & Tax Preparation Fees - Third	42,500	42,465	(35)	(0.08%)	47,670
53403500 - Consulting Fees	22,643	10,661	(11,982)	(112.38%)	13,597
53403520 - Consulting Fees - Third	39,389	69,107	29,718	43.00%	93,500
Total Professional Fees	104,531	122,233	17,702	14.48%	154,767
Equipment Rental					
53501500 - Equipment Rental/Lease Fees	16,389	33,803	17,415	51.52%	45,077
Total Equipment Rental	16,389	33,803	17,415	51.52%	45,077
Outside Services					
53601000 - Bank Fees	28,646	31,738	3,092	9.74%	42,322
53601500 - Credit Card Transaction Fees	10,525	0	(10,525)	0.00%	0
53604500 - Marketing Expense	0	3,753	3,753	100.00%	5,000
54603500 - Outside Services Cost Collection	4,399,456	6,627,770	2,228,313	33.62%	8,470,258
53704000 - Outside Services	93,798	55,218	(38,580)	(69.87%)	106,430
Total Outside Services	4,532,426	6,718,479	2,186,053	32.54%	8,624,010
Repairs and Maintenance					
53701000 - Equipment Repair & Maint	3,553	9,234	5,680	61.52%	12,340
53703000 - Elevator /Lift Maintenance	235,079	251,397	16,318	6.49%	336,584
Total Repairs and Maintenance	238,633	260,631	21,998	8.44%	348,924
Other Operating Expense					
53801000 - Mileage & Meal Allowance	2,165	7,879	5,714	72.52%	10,540
53801500 - Travel & Lodging	9	1,881	1,872	99.50%	2,511
53802000 - Uniforms	45,366	66,751	21,385	32.04%	89,998
53802500 - Dues & Memberships	1,086	1,994	908	45.53%	2,683
53803000 - Subscriptions & Books	162	1,441	1,278	88.74%	1,931
53803500 - Training & Education	2,613	16,263	13,650	83.93%	21,162
53903000 - Safety	474	1,114	640	57.45%	1,489
54001020 - Board Relations - Third	2,938	5,643	2,705	47.93%	7,525
54001500 - Public Relations	(3)	0	3	0.00%	0
54002000 - Postage	32,563	36,163	3,601	9.96%	54,488
54002500 - Filing Fees / Permits	196	372	176	47.44%	510
Total Other Operating Expense	87,570	139,500	51,930	37.23%	192,837

**Third Laguna Hills Mutual
Operating Statement
9/30/2022**
THIRD LAGUNA HILLS MUTUAL

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Insurance					
54401000 - Hazard & Liability Insurance	642,132	640,321	(1,812)	(0.28%)	853,762
54401500 - D&O Liability	64,541	66,566	2,024	3.04%	88,758
54402000 - Property Insurance	5,396,703	6,074,635	677,932	11.16%	8,099,520
54403000 - General Liability Insurance	7,609	5,393	(2,217)	(41.11%)	7,190
Total Insurance	6,110,986	6,786,914	675,928	9.96%	9,049,230
Investment Expense					
54201000 - Investment Expense	30	15,840	15,810	99.81%	21,120
Total Investment Expense	30	15,840	15,810	99.81%	21,120
Uncollectible Accounts					
54602000 - Bad Debt Expense	106,553	48,753	(57,800)	(118.56%)	65,000
Total Uncollectible Accounts	106,553	48,753	(57,800)	(118.56%)	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	100,872	100,872	0	0.00%	134,496
Total Depreciation and Amortization	100,872	100,872	0	0.00%	134,496
Net Allocation to Mutuals					
54602500 - Allocated Expenses	1,141,218	1,088,018	(53,200)	(4.89%)	1,449,122
Total Net Allocation to Mutuals	1,141,218	1,088,018	(53,200)	(4.89%)	1,449,122
Total Expenses	28,455,105	31,906,738	3,451,633	10.82%	42,314,341
Excess of Revenues Over Expenses	\$4,172,555	\$725,801	\$3,446,755	474.89%	\$1,197,976

**Third Laguna Hills Mutual
Balance Sheet - Preliminary
9/30/2022**

		<u>Current Month End</u>	<u>Prior Year December 31</u>
	Assets		
1	Cash and cash equivalents	\$4,123,652	\$3,967,068
2	Discretionary investments	25,182,483	25,180,400
3	Receivable/(Payable) from mutuals	1,158,002	532,799
4	Accounts receivable and interest receivable	198,653	218,076
5	Prepaid expenses and deposits	5,187,420	2,818,713
6	Property and equipment	141,239	141,239
7	Accumulated depreciation property and equipment	(141,239)	(141,239)
8	Beneficial interest in GRF of Laguna Hills Trust	4,954,268	5,055,140
9	Non-controlling interest in GRF	41,073,262	41,073,262
10	Total Assets	<u>\$81,877,740</u>	<u>\$78,845,457</u>
	Liabilities and Fund Balances		
	Liabilities:		
11	Accounts payable and accrued expenses	\$2,357,088	\$3,429,790
12	Accrued compensation and related costs	596,103	596,103
13	Deferred income	669,605	737,176
14	Income tax payable	(26,005)	(26,005)
15	Total liabilities	<u>\$3,596,791</u>	<u>\$4,737,064</u>
	Fund balances:		
16	Fund balance prior years	74,108,394	74,218,083
17	Change in fund balance - current year	4,172,555	(109,690)
18	Net fund balances	<u>78,280,949</u>	<u>74,108,394</u>
19	Total fund balances	<u>78,280,949</u>	<u>74,108,394</u>
20	Total Liabilities and Fund Balances	<u>\$81,877,740</u>	<u>\$78,845,457</u>

**Third Laguna Hills Mutual
Fund Balance Sheet - Preliminary
9/30/2022**

	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	\$1,137,704	\$341,646	\$724,348	\$87,962	\$44,239	\$951,933	\$835,819	\$4,123,652
2 Discretionary investments		19,761,697	1,916,571	262,032	71,062	2,650,302	520,819	25,182,483
3 Receivable/(Payable) from mutuals	1,158,002							1,158,002
4 Receivable/(Payable) from operating fund	(5,000,000)					2,500,000	2,500,000	
5 Accounts receivable and interest receivable	198,653							198,653
6 Prepaid expenses and deposits	5,187,420							5,187,420
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	4,954,268							4,954,268
10 Non-controlling interest in GRF	41,073,262							41,073,262
11 Total Assets	<u>\$48,709,309</u>	<u>\$20,103,344</u>	<u>\$2,640,920</u>	<u>\$349,994</u>	<u>\$115,300</u>	<u>\$6,102,235</u>	<u>\$3,856,637</u>	<u>\$81,877,740</u>
Liabilities and Fund Balances								
Liabilities:								
12 Accounts payable and accrued expenses	\$1,273,966	\$1,038,028			\$19,761	\$25,333		\$2,357,088
13 Accrued compensation and related costs	596,103							596,103
14 Deferred income	669,605							669,605
15 Income tax payable	(26,005)							(26,005)
16 Total liabilities	<u>\$2,513,670</u>	<u>\$1,038,028</u>			<u>\$19,761</u>	<u>\$25,333</u>		<u>\$3,596,791</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>548,982</u>	<u>2,716,701</u>	<u>284,937</u>	<u>(14,576)</u>	<u>(8,692)</u>	<u>635,270</u>	<u>9,934</u>	<u>4,172,555</u>
19 Net fund balances	46,195,639	19,065,316	2,640,920	349,994	95,540	6,076,903	3,856,637	78,280,949
20 Total fund balances	<u>46,195,639</u>	<u>19,065,316</u>	<u>2,640,920</u>	<u>349,994</u>	<u>95,540</u>	<u>6,076,903</u>	<u>3,856,637</u>	<u>78,280,949</u>
21 Total Liabilities and Fund Balances	<u>\$48,709,309</u>	<u>\$20,103,344</u>	<u>\$2,640,920</u>	<u>\$349,994</u>	<u>\$115,300</u>	<u>\$6,102,235</u>	<u>\$3,856,637</u>	<u>\$81,877,740</u>

**Third Laguna Hills Mutual
Changes in Fund Balances - Preliminary
9/30/2022**

	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	\$21,451,601							\$21,451,601
2 Additions to restricted funds		8,018,028	274,590	54,918	67,068	1,193,917		9,608,521
3 Total assessments	21,451,601	8,018,028	274,590	54,918	67,068	1,193,917		31,060,122
Non-assessment revenues:								
4 Fees and charges for services to residents	738,272							738,272
5 Laundry	165,869							165,869
6 Interest income		88,767	10,632	2,008	394	27,290	10,420	139,511
7 Miscellaneous	523,887							523,887
8 Total non-assessment revenue	1,428,027	88,767	10,632	2,008	394	27,290	10,420	1,567,538
9 Total revenue	22,879,628	8,106,795	285,222	56,926	67,462	1,221,208	10,420	32,627,661
Expenses:								
10 Employee compensation and related	7,725,641	2,132,105		19,953	16,635	21,161		9,915,496
11 Materials and supplies	635,268	364,266		49,887	10,871	7,065		1,067,358
12 Utilities and telephone	4,857,028	7,191			36	177		4,864,432
13 Legal fees	164,913							164,913
14 Professional fees	98,526	1,954				4,052		104,531
15 Equipment rental	3,784	12,364			66	174		16,389
16 Outside services	1,275,731	2,657,506		28	47,525	551,428	207	4,532,426
17 Repairs and maintenance	236,476	2,134			12	11		238,633
18 Other Operating Expense	73,352	13,867		126	105	120		87,570
19 Insurance	6,110,986							6,110,986
20 Investment expense		19	2			6	2	30
21 Uncollectible Accounts	106,553							106,553
22 (Gain)/loss on sale or trade		2,354	282	53	10	723	276	3,699
23 Depreciation and amortization	100,872							100,872
24 Net allocations to mutuals	941,516	196,335		1,454	894	1,019		1,141,218
25 Total expenses	22,330,646	5,390,095	284	71,503	76,154	585,938	486	28,455,105
26 Excess of revenues over expenses	\$548,982	\$2,716,701	\$284,937	(\$14,576)	(\$8,692)	\$635,270	\$9,934	\$4,172,555
27 Excluding unrealized gain/(loss) and depreciation	\$649,854	\$2,716,701	\$284,937	(\$14,576)	(\$8,692)	\$635,270	\$9,934	\$4,273,427



Bank of America, N.A.
P.O. Box 2010
Lakewood, NJ 08071

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

**Account
Representative:**
JULIE
ERICKSON

JULIA.A.ERICKSON@BOFA.COM
Office Servicing Your Account:
901 MAIN ST
63RD FLOOR
TX1-492-63-05
DALLAS TX 75202-3714
Fax: 980.233.7103

Account Summary

Current Period Ending Value		\$25,051,302.00
Portfolio Holdings	Quantity as of 09/30/2022	Market Value as of 09/30/2022
.....		
Treasuries	25,407,000	\$25,051,302.00
Total Portfolio Value		\$25,051,302.00



Maturity Schedule

Security	CUSIP/ Security #	Coupon	Maturity	Quantity	Market Value	Next Coupon Date	Next Coupon Amount	Pledge	Pledge Units
U.S. TREASURY BILL TREASURY	912796T33	0.00%	02/23/2023	1,000,000	\$986,000.00	02/23/2023	\$0.00	N	0
U.S. TREASURY BILL TREASURY	912796T33	0.00%	02/23/2023	1,000,000	\$986,000.00	02/23/2023	\$0.00	N	0
U.S. TREASURY BILL TREASURY	912796T33	0.00%	02/23/2023	1,000,000	\$986,000.00	02/23/2023	\$0.00	N	0
U.S. TREASURY BILL TREASURY	912796T33	0.00%	02/23/2023	1,000,000	\$986,000.00	02/23/2023	\$0.00	N	0
U.S. TREASURY BILL TREASURY	912796T33	0.00%	02/23/2023	1,000,000	\$986,000.00	02/23/2023	\$0.00	N	0
U.S. TREASURY BILL TREASURY	912796T33	0.00%	02/23/2023	1,000,000	\$986,000.00	02/23/2023	\$0.00	N	0
U.S. TREASURY BILL TREASURY	912796T33	0.00%	02/23/2023	1,000,000	\$986,000.00	02/23/2023	\$0.00	N	0
U.S. TREASURY BILL TREASURY	912796T33	0.00%	02/23/2023	1,000,000	\$986,000.00	02/23/2023	\$0.00	N	0
U.S. TREASURY BILL TREASURY	912796T33	0.00%	02/23/2023	15,000,000	\$14,790,000.00	02/23/2023	\$0.00	N	0
U.S. TREASURY BILL TREASURY	912796T33	0.00%	02/23/2023	407,000	\$401,302.00	02/23/2023	\$0.00	N	0



Portfolio Holdings

Securities positions are valued at or about the close of the statement period if prices are available from reference sources deemed reliable. For money market positions, if price is shown as N/A, a derived valuation (unadjusted for the credit quality) is provided based on the original cost basis reported to the Bank and adjusted by the amount of any accrued discount from the purchase date to the end of the statement period. The month-end valuations of your portfolio are for guidance only and do not necessarily reflect prices at which each position could be sold or, if short, covered on the valuation date, particularly in the case of inactivity or infrequently traded securities. Bank cannot guarantee the accuracy of such information. N/A=Information not applicable or available at the time of statement creation.

PENDING STABILIZATION OF THE AUCTION RATE SECURITIES MARKET, BANK OF AMERICA, N.A. ("BANA") HAS CEASED PROVIDING MARKET VALUES AND MARKET PRICE INFORMATION WITH RESPECT TO AUCTION RATE SECURITIES ON CLIENT STATEMENTS. UNTIL BANA RESUMES PROVIDING THIS INFORMATION, NO VALUE WILL BE GIVEN TO AUCTION RATE SECURITIES IN CALCULATING PORTFOLIO VALUE. THIS RESULTS FROM THE "CLOSING MARKET PRICE" AND "MARKET VALUE" FIELDS BEING INPUT AS "N/A"; IT DOES NOT IMPLY THAT YOUR AUCTION RATE SECURITIES HAVE NO VALUE.

Security Description	CUSIP/ Security #	Acquired Ticket #	Quantity	Original Price Market Price	Original Cost Basis	Market Value	Next Coupon Date	Next Coupon Amount
U.S. TREASURY BILL TREASURY Coupon 0% Maturity 02/23/2023	912796T33	03/04/2022 334158341	1,000,000	99.11 98.60	991,100.00	\$986,000.00	02/23/2023	\$0.00
U.S. TREASURY BILL TREASURY Coupon 0% Maturity 02/23/2023	912796T33	03/04/2022 334158342	1,000,000	99.11 98.60	991,100.00	\$986,000.00	02/23/2023	\$0.00
U.S. TREASURY BILL TREASURY Coupon 0% Maturity 02/23/2023	912796T33	03/04/2022 334158343	1,000,000	99.11 98.60	991,100.00	\$986,000.00	02/23/2023	\$0.00
U.S. TREASURY BILL TREASURY Coupon 0% Maturity 02/23/2023	912796T33	03/04/2022 334158344	1,000,000	99.11 98.60	991,100.00	\$986,000.00	02/23/2023	\$0.00
U.S. TREASURY BILL TREASURY Coupon 0% Maturity 02/23/2023	912796T33	03/07/2022 334158350	1,000,000	99.1175 98.60	991,175.00	\$986,000.00	02/23/2023	\$0.00
U.S. TREASURY BILL TREASURY Coupon 0% Maturity 02/23/2023	912796T33	03/07/2022 334158351	1,000,000	99.1175 98.60	991,175.00	\$986,000.00	02/23/2023	\$0.00
U.S. TREASURY BILL TREASURY Coupon 0% Maturity 02/23/2023	912796T33	03/07/2022 334158352	1,000,000	99.1175 98.60	991,175.00	\$986,000.00	02/23/2023	\$0.00
U.S. TREASURY BILL TREASURY Coupon 0% Maturity 02/23/2023	912796T33	03/07/2022 334158353	1,000,000	99.1175 98.60	991,175.00	\$986,000.00	02/23/2023	\$0.00
U.S. TREASURY BILL TREASURY Coupon 0% Maturity 02/23/2023	912796T33	03/07/2022 334158354	1,000,000	99.1175 98.60	991,175.00	\$986,000.00	02/23/2023	\$0.00
U.S. TREASURY BILL TREASURY Coupon 0% Maturity 02/23/2023	912796T33	03/07/2022 334158368	1,000,000	99.1175 98.60	991,175.00	\$986,000.00	02/23/2023	\$0.00
U.S. TREASURY BILL TREASURY Coupon 0% Maturity 02/23/2023	912796T33	03/07/2022 334158355	15,000,000	99.1175 98.60	14,867,625.00	\$14,790,000.00	02/23/2023	\$0.00
U.S. TREASURY BILL TREASURY Coupon 0% Maturity 02/23/2023	912796T33	03/07/2022 334158367	407,000	99.1175 98.60	403,408.23	\$401,302.00	02/23/2023	\$0.00

Total Portfolio Holdings

\$25,051,302.00

Announcements:

USA PATRIOT ACT DISCLOSURE

BANA, like all financial institutions, is required by Federal law to obtain, verify and record information that identifies each customer who opens an account with us. When you open an account, we will ask for your name, address and government-issued identification number and other information that will allow us to form a reasonable belief as to your identity, such as documents that establish legal status.

YOU MAY HAVE NOTICED.....

Beginning with your January 2014 statement, some information on your statement has been modified and new fields have been added. The new fields are:

Acquired (the date of purchase/transfer of the security)

Ticket # (the ticket number assigned to your security on our system of record)

Original Price (the price paid for the security*)

**THIRD LAGUNA HILLS MUTUAL
FUND EXPENDITURES REPORT
AS OF SEPTEMBER 30, 2022**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET *	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
OPERATING FUND - MAINTENANCE & CONSTRUCTION								
APPLIANCE REPAIRS	\$7,181	\$7,677	\$63,942	\$69,883	\$93,270	69%	\$5,941	9%
CARPENTRY SERVICE	51,989	41,997	345,809	382,193	510,004	68%	36,384	10%
ELECTRICAL SERVICE	8,677	9,535	90,046	86,873	115,944	78%	(3,172)	(4%)
FIRE PROTECTION	8,341	15,444	77,565	102,346	144,380	54%	24,781	24%
MISC REPAIRS BY OUTSIDE SERVICE	257	4,888	8,229	43,992	58,664	14%	35,763	81%
PEST CONTROL	15,539	22,645	130,842	118,805	174,633	75%	(12,037)	(10%)
PLUMBING SERVICE	60,132	58,087	509,974	527,970	704,474	72%	17,996	3%
SOLAR MAINTENANCE	3,574	2,083	18,178	18,747	25,000	73%	569	3%
TOTAL	\$155,690	\$162,357	\$1,244,585	\$1,350,811	\$1,826,369	68%	\$106,226	8%
OPERATING FUND - GENERAL SERVICES								
CONCRETE REPAIR/REPLACEMENT	\$36,294	\$30,415	\$245,072	\$276,934	\$369,462	66%	\$31,863	12%
JANITORIAL SERVICE	84,127	80,270	740,854	733,227	977,822	76%	(7,627)	(1%)
GUTTER CLEANING	11,034	10,170	84,002	92,760	160,758	52%	8,758	9%
TRAFFIC CONTROL	1,932	1,814	14,712	16,542	22,074	67%	1,830	11%
WELDING	10,108	10,401	76,845	94,709	126,349	61%	17,865	19%
TOTAL	\$143,495	\$133,070	\$1,161,484	\$1,214,173	\$1,656,465	70%	\$52,689	4%
OPERATING FUND - LANDSCAPE SERVICES								
LANDSCAPE ADMINISTRATION	\$29,343	\$28,039	\$248,600	\$255,906	\$341,287	73%	\$7,306	3%
NURSERY & COMPOSTING	21,171	23,890	194,780	217,887	290,925	67%	23,107	11%
GROUPS MAINTENANCE	299,469	263,647	2,546,394	2,407,488	3,211,030	79%	(138,906)	(6%)
IRRIGATION	75,459	85,498	777,013	779,552	1,040,845	75%	2,539	0%
SMALL EQUIPMENT REPAIR	18,883	18,710	173,486	170,237	227,135	76%	(3,249)	(2%)
PEST CONTROL	32,030	31,552	308,596	287,287	383,391	80%	(21,310)	(7%)
TOTAL	\$476,355	\$451,335	\$4,248,869	\$4,118,358	\$5,494,612	77%	(\$130,511)	(3%)

**THIRD LAGUNA HILLS MUTUAL
FUND EXPENDITURES REPORT
AS OF SEPTEMBER 30, 2022**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET *	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
REPLACEMENT FUND - MAINTENANCE & CONSTRUCTION								
ALARM SYSTEMS	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%
BUILDING NUMBERS	\$0	\$0	\$0	\$0	\$0	0%	\$0	0%
BUILDING STRUCTURES	141,184	213,949	1,138,927	1,858,737	2,502,042	46%	719,809	39%
ELECTRICAL SYSTEMS	0	3,000	0	21,000	30,000	0%	21,000	100%
ENERGY PROJECTS	0	0	0	0	0	0%	(1)	0%
EXTERIOR LIGHTING	998	2,082	11,129	18,738	25,000	45%	7,609	41%
FENCING	5,417	5,273	46,359	47,957	63,996	72%	1,597	3%
GARDEN VILLA LOBBY	0	0	1,828	12,000	12,000	15%	10,172	85%
GARDEN VILLA MAILROOM	24	34	214	306	412	52%	92	30%
GARDEN VILLA RECESSED AREA	0	0	0	0	0	0%	0	0%
GV REC ROOM WATER HEATER/HEAT PUMP	74	247	3,011	2,234	2,984	101%	(777)	(35%)
GUTTER REPLACEMENTS	3,100	6,546	21,926	59,164	78,926	28%	37,238	63%
MAILBOXES	227	758	2,054	6,853	9,143	22%	4,798	70%
PAINT PROGRAM - EXTERIOR	121,772	130,562	1,069,858	1,188,695	1,586,079	67%	118,837	10%
PRIOR TO PAINT	86,667	97,417	780,252	870,116	1,166,430	67%	89,864	10%
PAVING	0	433,960	0	433,960	433,960	0%	433,960	100%
ROOF REPLACEMENTS	90,454	227,053	641,729	1,230,466	1,461,792	44%	588,737	48%
SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0%	0	0%
WALL REPLACEMENTS	0	0	29,994	35,000	35,000	86%	5,006	14%
WASTE LINE REMEDIATION	114,567	70,000	469,147	490,000	700,000	67%	20,853	4%
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	\$564,485	\$1,190,881	\$4,216,429	\$6,775,225	\$8,607,764	49%	\$2,558,797	38%
REPLACEMENT FUND - GENERAL SERVICES								
PRIOR TO PAINT	\$1,106	\$1,045	\$8,422	\$9,529	\$12,712	66%	\$1,106	12%
PAVING	5,782	5,558	51,419	50,664	67,606	76%	(755)	(1%)
EXTERIOR WALLS	0	2,012	0	18,108	24,150	0%	18,108	100%
TOTAL	\$6,889	\$8,615	\$59,841	\$78,300	\$104,469	57%	\$18,459	24%
REPLACEMENT FUND - LANDSCAPE SERVICES								
LANDSCAPE MODIFICATION	\$41,485	\$68,629	\$390,274	\$617,753	\$823,702	47%	\$227,479	37%
IMPROVEMENT & RESTORATION	9,851	10,580	83,668	96,763	129,214	65%	13,096	14%
TREE MAINTENANCE	27,560	78,046	637,511	707,035	943,424	68%	69,524	10%
TOTAL	\$78,896	\$157,254	\$1,111,452	\$1,421,551	\$1,896,339	59%	\$310,099	22%
ELEVATOR REPLACEMENT FUND								
ELEVATOR REPLACEMENT	\$0	\$8,750	\$0	\$78,750	\$105,000	0%	\$78,750	100%
TOTAL	\$0	\$8,750	\$0	\$78,750	\$105,000	0%	\$78,750	100%

**THIRD LAGUNA HILLS MUTUAL
FUND EXPENDITURES REPORT
AS OF SEPTEMBER 30, 2022**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET *	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
LAUNDRY REPLACEMENT FUND								
LAUNDRY APPLIANCES	\$15,642	\$7,789	\$60,457	\$70,257	\$93,712	65%	\$9,800	14%
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	1,309	1,318	10,992	12,010	16,028	69%	1,018	8%
SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0%	0	0%
TOTAL	\$16,951	\$9,106	\$71,449	\$82,267	\$109,740	65%	\$10,818	13%
DISASTER FUND - MAINTENANCE & CONSTRUCTION								
MOISTURE INTRUSION - RAIN LEAKS	\$16,816	\$19,792	\$63,557	\$178,128	\$237,513	27%	\$114,571	64%
MOISTURE INTRUSION - PLUMBING LEAKS	(41,265)	33,333	167,061	299,997	400,000	42%	132,936	44%
MOISTURE INTRUSION - PLUMBING STOPPAGES	23,783	4,166	66,478	37,494	50,000	133%	(28,984)	(77%)
MOISTURE INTRUSION - MISCELLANEOUS	190,426	3,879	204,249	34,911	46,548	439%	(169,338)	(485%)
DAMAGE RESTORATION SERVICES	17,326	15,871	51,174	143,164	190,935	27%	91,991	64%
SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0%	0	0%
TOTAL	\$207,086	\$77,041	\$552,519	\$693,694	\$924,996	60%	\$141,175	20%
DISASTER FUND - LANDSCAPE SERVICES								
RISK FIRE MANAGEMENT	\$21,163	\$15,000	\$32,690	\$135,000	\$180,000	18%	\$102,310	76%
SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0%	0	0%
TOTAL	\$21,163	\$15,000	\$32,690	\$135,000	\$180,000	18%	\$102,310	76%

**RESERVE EXPENDITURES COMPARED TO RESERVE STUDY
AS PRESENTED IN THE 2022 BUSINESS PLAN
AS OF SEPTEMBER 30, 2022**

	2022	2022	2022	2022	2022
	YTD Actual	YTD Budget	YTD Variance	Annual Budget	% Expended
Paved Surfaces	\$51,419	\$484,624	\$433,204	\$501,566	10%
Roofing & Gutters	\$663,655	\$1,289,630	\$625,975	\$1,540,718	43%
Building Structures	\$1,138,927	\$1,858,737	\$719,810	\$2,502,043	46%
Decking Projects	\$283,094	\$325,816	\$42,723	\$436,454	65%
Prior to Painting & Painting Projects	\$1,575,439	\$1,742,524	\$167,085	\$2,328,768	68%
Elevators	\$0	\$78,750	\$78,750	\$105,000	0%
Garden Villas	\$5,053	\$14,540	\$9,487	\$15,396	33%
Lighting Replacement Projects	\$11,129	\$18,738	\$7,609	\$25,000	45%
Walls, Fencing, and Railings	\$76,354	\$103,162	\$26,808	\$125,952	61%
Laundry Facilities	\$71,449	\$80,170	\$8,721	\$106,934	67%
Sewer Lines, Water Lines and Elect	\$469,147	\$1,011,000	\$541,853	\$1,230,000	38%
Grounds & Miscellaneous	\$2,054	\$6,853	\$4,798	\$9,143	22%
Landscape Projects	\$1,111,452	\$1,421,551	\$310,099	\$1,896,339	59%
Total	\$5,459,171	\$8,436,093	\$2,976,922	\$10,823,313	50%

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF SEPTEMBER 30, 2022**

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

APPLIANCE REPAIRS	\$63,942	\$55,135	\$8,807	\$0
CARPENTRY SERVICE	345,809	306,971	38,838	0
ELECTRICAL SERVICE	90,046	76,497	8,294	5,255
FIRE PROTECTION	77,565	3,480	1,003	73,082
MISC REPAIRS BY OUTSIDE SERVICE	8,229	0	0	8,229
PEST CONTROL	130,842	0	0	130,842
PLUMBING SERVICE	509,974	375,735	43,816	90,423
SOLAR MAINTENANCE	18,178	0	0	18,178
TOTAL	\$1,244,585	\$817,818	\$100,758	\$326,008

OPERATING FUND - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$245,072	\$225,333	\$18,783	\$956
JANITORIAL SERVICE	740,854	719,890	20,964	0
GUTTER CLEANING	84,002	84,002	0	0
TRAFFIC CONTROL	14,712	14,712	0	0
WELDING	76,845	75,579	1,265	0
TOTAL	\$1,161,484	\$1,119,516	\$41,012	\$956

OPERATING EXPENDITURES - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$248,600	\$248,600	\$0	\$0
NURSERY & COMPOSTING	194,780	194,780	0	0
GROUNDS MAINTENANCE	2,546,394	2,200,171	1,692	344,531
IRRIGATION	777,013	664,406	112,606	0
SMALL EQUIPMENT REPAIR	173,486	173,486	0	0
PEST CONTROL	308,596	308,596	0	0
TOTAL	\$4,248,869	\$3,790,040	\$114,298	\$344,531

OPERATING - CHARGEABLE SERVICES

CHARGEABLE SERVICES	\$712,729	\$103,608	\$125,768	\$483,283
TOTAL	\$712,729	\$103,608	\$125,768	\$483,283

RESERVE FUND - MAINTENANCE & CONSTRUCTION

BUILDING NUMBERS	\$0	\$0	\$0	\$0
BUILDING STRUCTURES	1,138,927	234,902	36,711	867,313
ELECTRICAL SYSTEMS	0	0	0	0
EXTERIOR LIGHTING	11,129	0	0	11,129
FENCING	46,359	36,461	9,898	0
GARDEN VILLA LOBBY	1,828	0	410	1,418
GARDEN VILLA MAILROOM	214	214	0	0
GARDEN VILLA RECESSED AREA	0	0	0	0
GV REC ROOM WATER HEATER/HEAT PUMP	3,011	681	2,330	0
GUTTER REPLACEMENTS	21,926	18,231	3,695	0
MAILBOXES	2,054	2,054	0	0
PAINT PROGRAM - EXTERIOR	1,069,858	943,484	123,431	2,944
PRIOR TO PAINT	780,252	682,233	92,938	5,082
PAVING	0	0	0	0
ROOF REPLACEMENTS	641,729	0	0	641,729
WALL REPLACEMENTS	29,994	0	0	29,994
WASTE LINE REMEDIATION	469,147	0	0	469,147
WATER LINES - COPPER PIPE REMEDIATION	0	0	0	0
PLUMBING REPLACEMENT	0	0	0	0
TOTAL	\$4,216,429	\$1,918,260	\$269,413	\$2,028,756

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF SEPTEMBER 30, 2022**

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

PRIOR TO PAINT	\$8,422	\$8,422	\$0	\$0
PAVING	51,419	44,023	7,397	0
EXTERIOR WALLS	0	0	0	0
TOTAL	\$59,841	\$52,445	\$7,397	\$0

RESERVE FUND - LANDSCAPE

LANDSCAPE MODIFICATION	\$390,274	\$6,203	\$0	\$384,071
IMPROVEMENT & RESTORATION	83,668	83,668	0	0
TREE MAINTENANCE	637,511	393,490	0	244,021
TOTAL	\$1,111,452	\$483,360	\$0	\$628,092

RESERVE FUND - ELEVATOR

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

RESERVE FUND - LAUNDRY

LAUNDRY APPLIANCES	\$60,457	\$11,354	\$49,103	\$0
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	10,992	10,992	0	0
TOTAL	\$71,449	\$22,346	\$49,103	\$0

DISASTER FUND - MAINTENANCE & CONSTRUCTION

MOISTURE INTRUSION - RAIN LEAKS	\$63,557	\$0	\$0	\$63,557
MOISTURE INTRUSION - PLUMBING LEAKS	167,061	0	0	167,061
MOISTURE INTRUSION - PLUMBING STOPPAGES	66,478	0	0	66,478
MOISTURE INTRUSION - MISCELLANEOUS	204,249	0	0	204,249
DAMAGE RESTORATION SERVICES	51,174	23,879	5,857	21,437
TOTAL	\$552,519	\$23,879	\$5,857	\$522,782

DISASTER FUND - LANDSCAPE SERVICES

RISK FIRE MANAGEMENT	\$32,690	\$4,052	\$0	\$28,638
SUPPLEMENTAL APPROPRIATIONS	\$0	\$0	\$0	\$0
TOTAL	\$32,690	\$4,052	\$0	\$28,638

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF SEPTEMBER 30, 2022**

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

APPLIANCE REPAIRS	\$0	\$0	\$0
CARPENTRY SERVICE	0	13,122	13,122
ELECTRICAL SERVICE	5,255	1,872	(3,383)
FIRE PROTECTION	73,082	97,679	24,597
MISC REPAIRS BY OUTSIDE SERVICE	8,229	43,992	35,763
PEST CONTROL	130,842	118,805	(12,037)
PLUMBING SERVICE	90,423	71,244	(19,179)
SOLAR MAINTENANCE	18,178	18,747	569
TOTAL	\$326,008	\$365,461	\$39,454

OPERATING FUND - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$956	\$0	(\$956)
JANITORIAL SERVICE	0	0	0
GUTTER CLEANING	0	0	(0)
TRAFFIC CONTROL	0	0	0
WELDING	0	11,250	11,250
TOTAL	\$956	\$11,250	\$10,294

OPERATING EXPENDITURES - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$0	\$0	\$0
NURSERY & COMPOSTING	0	0	0
GROUNDS MAINTENANCE	344,531	0	(344,531)
IRRIGATION	0	0	0
SMALL EQUIPMENT REPAIR	0	0	0
PEST CONTROL	0	0	0
TOTAL	\$344,531	\$0	(\$344,531)

OPERATING - CHARGEABLE SERVICES

CHARGEABLE SERVICES	\$483,283	\$175,179	(308,104)
TOTAL	\$483,283	\$175,179	(308,104)

OPERATING - SECURITY SERVICES

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

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF SEPTEMBER 30, 2022**

DESCRIPTION	OS Actuals	OS Budget	OS Variance
RESERVE FUND - MAINTENANCE & CONSTRUCTION			
BUILDING NUMBERS	\$0	\$0	\$0
BUILDING STRUCTURES	867,313	1,527,122	659,809
ELECTRICAL SYSTEMS	0	21,000	21,000
ENERGY PROJECTS	0	0	0
EXTERIOR LIGHTING	11,129	18,738	7,609
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	37,494	37,494
MAILBOXES	0	0	0
PAINT PROGRAM - EXTERIOR	2,944	43,110	40,166
PRIOR TO PAINT	5,082	38,500	33,419
PAVING	0	433,960	433,960
ROOF REPLACEMENTS	641,729	1,230,466	588,737
SUPPLEMENTAL APPROPRIATIONS	0	0	0
WALL REPLACEMENTS	29,994	35,000	5,006
WASTE LINE REMEDIATION	469,147	490,000	20,853
WATER LINES - COPPER PIPE REMEDIATION	0	500,000	500,000
PLUMBING REPLACEMENT	0	0	0
TOTAL	\$2,028,756	\$4,387,390	\$2,358,634

RESERVE FUND - GENERAL SERVICES

PRIOR TO PAINT	\$0	\$0	\$0
PAVING	0	0	0
EXTERIOR WALLS	0	18,108	18,108
TOTAL	\$0	\$18,108	\$18,108

RESERVE FUND - LANDSCAPE

LANDSCAPE MODIFICATION	\$384,071	\$386,361	\$2,290
IMPROVEMENT & RESTORATION	0	0	0
TREE MAINTENANCE	244,021	377,334	133,313
TOTAL	\$628,092	\$763,695	\$135,603

RESERVE FUND - ELEVATOR

ELEVATOR REPLACEMENT	\$0	\$78,750	\$78,750
TOTAL	\$0	\$78,750	\$78,750

RESERVE FUND - LAUNDRY

LAUNDRY APPLIANCES	\$0	\$2,097	\$2,097
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	0	0	0
TOTAL	\$0	\$2,097	\$2,097

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF SEPTEMBER 30, 2022**

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

MOISTURE INTRUSION - RAIN LEAKS	\$63,557	\$178,128	\$114,571
MOISTURE INTRUSION - PLUMBING LEAKS	167,061	299,997	132,936
MOISTURE INTRUSION - PLUMBING STOPPAGES	66,478	37,494	(28,984)
MOISTURE INTRUSION - MISCELLANEOUS	204,249	34,911	(169,338)
DAMAGE RESTORATION SERVICES	21,437	116,244	94,807
TOTAL	\$522,782	\$666,774	\$143,992

DISASTER FUND - LANDSCAPE SERVICES

RISK FIRE MANAGEMENT	\$28,638	\$135,000	\$106,362
SUPPLEMENTAL APPROPRIATIONS	\$0	\$0	\$0
TOTAL	\$28,638	\$135,000	\$106,362

DISASTER FUND - FINANCIAL SERVICES

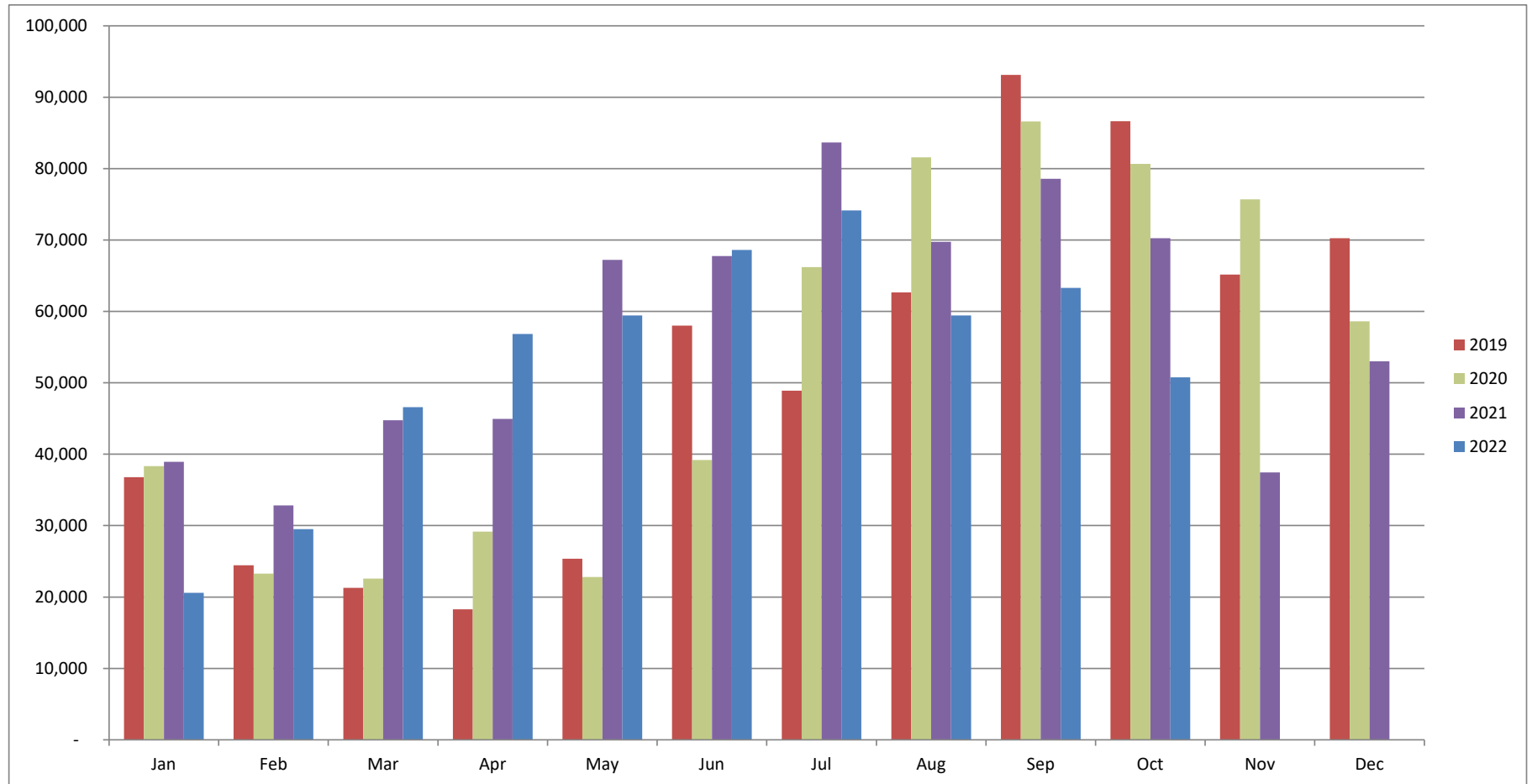
INSURANCE PREMIUMS	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0

GARDEN VILLA REC ROOM FUND - MAINTENANCE & CONSTRUCTION

GARDEN VILLA RECREATION ROOMS	\$47,505	\$24,066	(\$23,439)
TOTAL	\$47,505	\$24,066	(\$23,439)

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	\$1,586,176	388,890	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	\$1,702,234	409,771	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	\$1,977,694	528,430	689,149
2022	20,573	29,523	46,594	56,831	59,443	68,617	74,150	59,427	63,281	50,772	-	-	\$1,931,860	478,439	529,211

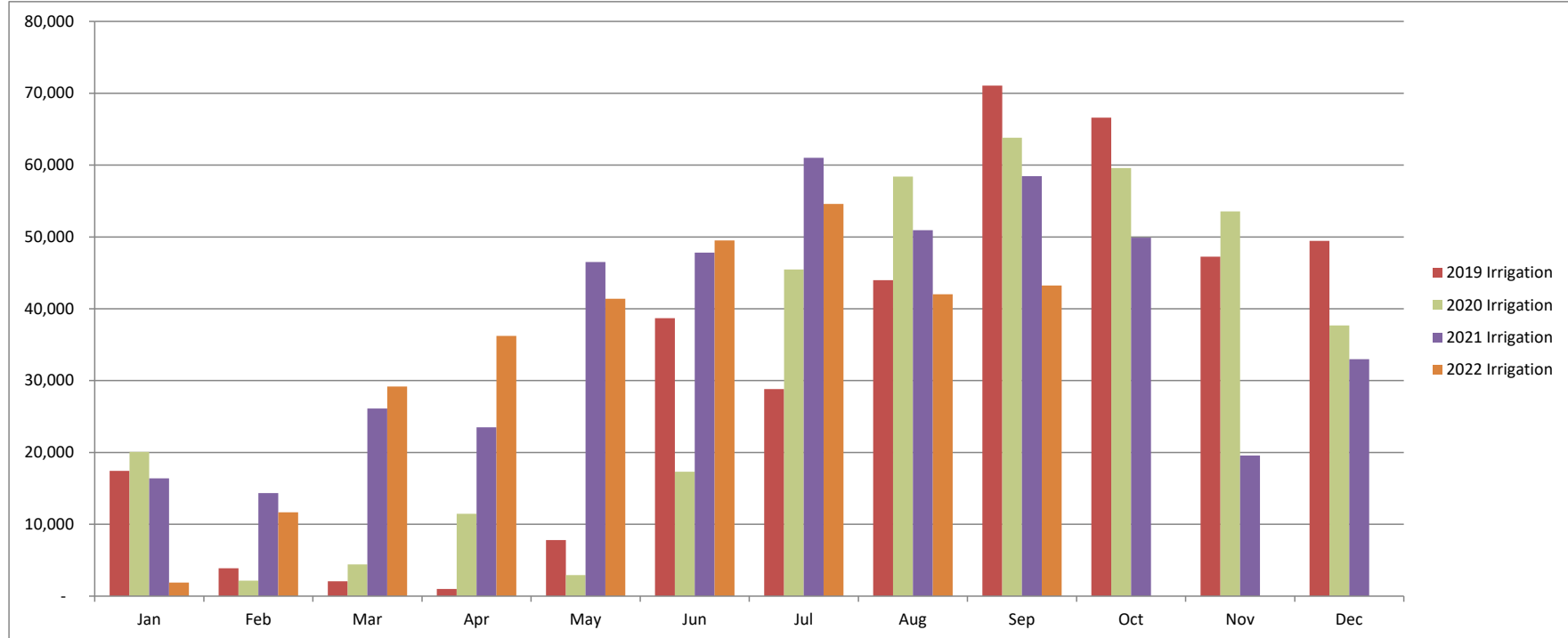


*Derived From ETWD Billing Statements

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	\$786,314	214,763	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	\$831,655	226,047	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	\$1,079,411	345,096	447,541
2022 Irrigation	1,884	11,681	29,185	36,237	41,399	49,498	54,596	42,026	43,231	-	-	-	\$1,048,837	309,737	309,737

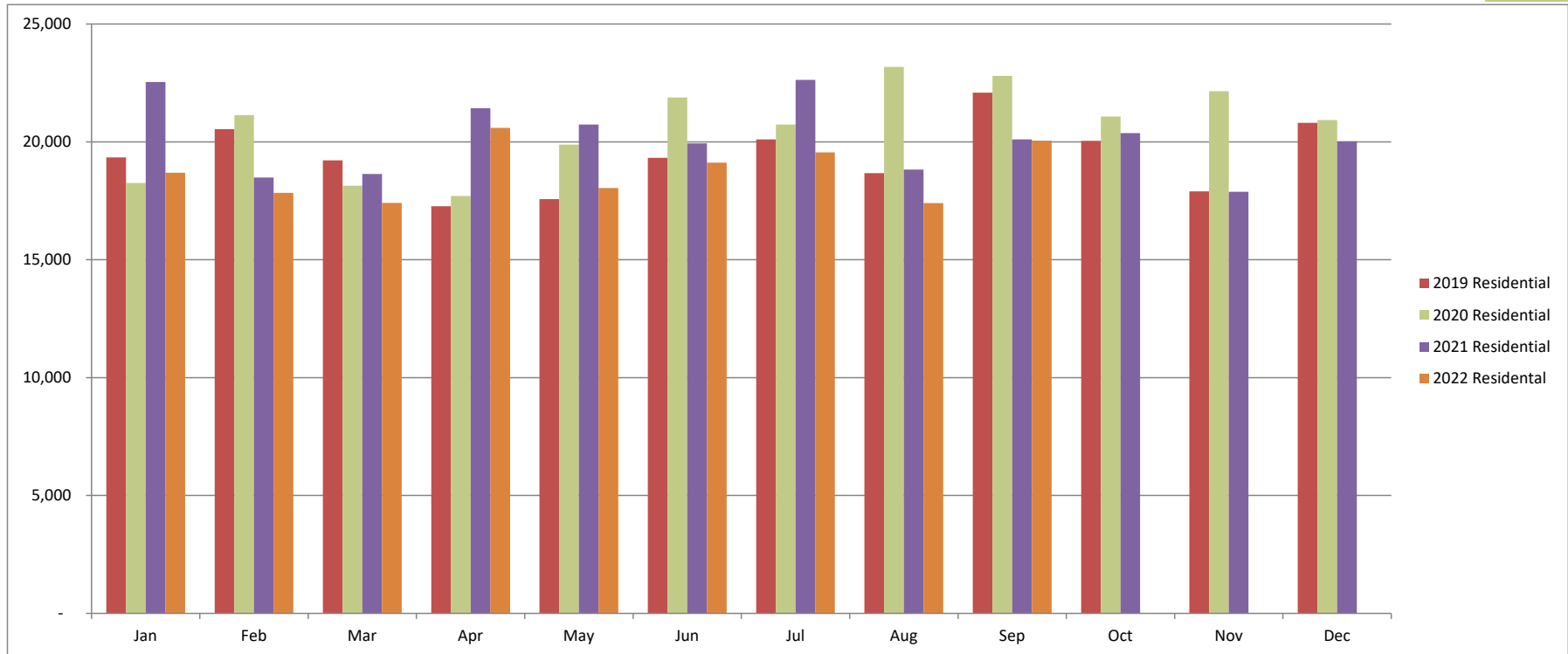


*Derived From ETWD Billing Statements

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	\$799,865	174,127	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	\$870,579	183,724	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	\$898,284	183,334	241,608
2022 Residential	18,689	17,842	17,409	20,594	18,044	19,119	19,554	17,401	20,050	-	-	-	\$883,023	168,702	168,702



*Derived From ETWD Billing Statements

THIRD LAGUNA HILLS MUTUAL
Provision For Doubtful Accounts
As of September, 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	340,452		-	66,537	-	8,518	23
September-22	345,063		-	61,435	-	(491)	26
October-22			-		-	-	
November-22			-		-	-	
December-22		-	-		-	-	
YTD TOTAL						106,553	

(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



Agenda Item # 8b - Highlights - Solar Update
Will be distributed under separate cover