



## **OPEN MEETING**

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

**Tuesday, December 5, 2023 – 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](mailto: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 3, 2023
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. Approve and Endorse the Purchasing Policy
  - b. Preliminary Financial Statements dated October 31, 2023
  - c. Financial Statement and Budget Training
  - d. 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, February 6, 2024 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  
December 5, 2023  
Page 2 of 2

*Closed Session Agenda*

*Approval of the Agenda*

*Approval of the Meeting*

*Report Remarks of the Chair*

*Discuss legal Matters Discuss*

*Contractual Matters*

*Adjournment*

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

Andy Ginocchio, Chair  
Steve Hormuth, Staff Officer  
Telephone: 949-597-4201



## **FINANCE COMMITTEE MEETING REPORT OF THE REGULAR OPEN SESSION**

Tuesday, October 3, 2023 – 1:30 p.m.  
Hybrid Meeting

**DIRECTORS PRESENT:** Donna Rane-Szostak – Chair, Mark Laws, Jim Cook, Ralph Engdahl, Cris Prince, Cush Bhada, Ira Lewis, Moon Yun, S.K. Park, Andy Ginocchio

**DIRECTORS ABSENT:** Jules Zalon

**ADVISORS PRESENT:** Wei Ming Tao

**STAFF PRESENT:** Steve Hormuth, Jose Campos, Kurt Wiemann, Francis Gomez, Erika Hernandez

### **Call to Order**

Director Donna Rane-Szostak, Treasurer, chaired and called the meeting to order at 1:30 p.m.

### **Approval of Meeting Agenda**

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

### **Approval of Meeting Report for August 1, 2023**

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

### **Chair Remarks**

Director Rane-Szostak thanked the Board, the Village and the community for allowing her to serve as the Treasurer. In addition, she briefly discussed the Investment Policy and current investments.

### **Member Comments (Items Not on the Agenda)**

None.

### **Department Head Update**

Steve Hormuth, Director of Financial Services, provided an update of the 2024 Business Plan adoption that took place on September 19 and the implementation process of the ERP.

### **Preliminary Financial Statements dated August 31, 2023**

Jose Campos, Assistant Director of Financials Services, presented the Preliminary Financial Statements dated August 31, 2023. Questions and comments were noted by staff.

### **2024 Collections and Lien Enforcement Policy**

The 2023 Collection and Lien Enforcement Policy was provided to legal counsel for review. Legal provided a revised 2024 policy to be reviewed and discussed for approval. A motion was made to accept and endorse the 2024 Collections and Lien Enforcement Policy as provided by legal. Hearing no objection, the motion passed unanimously and will be presented at the next board meeting and be placed on the Consent Calendar and 28-day notice.

### **Endorsements from Standing Committees**

Resident Policy & Compliance Committee – Amend Schedule of Monetary Penalties. Francis Gomez, Operations Manager, presented a staff report recommending an increase to the penalty schedule ranging from \$50-\$2,000. A motion was made and moved by President Mark Laws to accept staff's recommendation of the amended Monetary Penalty schedule as presented. Director Cris Prince seconded. Discussion ensued. By Unanimous decision, the motion passed and will be presented at the subsequent Board meeting.

Director Jim Cook left the meeting at 3:00PM.

Landscape Services Committee – Approve and Endorse an Unbudgeted Expense for Landscape Projects. Kurt Wiemann, Director of Landscape Services, presented a staff report requesting approval for a supplemental expenditure in the amount of \$314,900 to be funded from the 2023 Operating Fund. The motion was made and moved by Director Ira Lewis and seconded by President Mark Laws. Hearing no objection, the motion passed unanimously and will be presented at the next scheduled board meeting.

### **Future Agenda Items**

Self-Insurance: Joint Powers Insurance Authority (JPIA)

### **Committee Member Comments**

Multiple members of the committee shared their gratitude towards Director Rane-Szostak and thanked her for her years as Treasurer of Third Mutual.

### **Date of Next Meeting**

Tuesday, December 5, 2023 at 1:30 p.m.

### **Recess to Closed Session**

The meeting recessed at 3:17 p.m.

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

*Donna Rane-Szostak*

Donna Rane-Szostak (Oct 12, 2023 14:09 PDT)

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Donna Rane-Szostak, Chair

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



## MEMORANDUM

To: Third Finance Committee  
 From: Steve Hormuth, Director of Financial Services  
 Date: December 5, 2023  
 Re: Department Head Update

### Financial Highlights

#### SUMMARY:

For the year-to-date period ending October 31, 2023, Third Laguna Hills Mutual was better than budget by \$1,173K primarily due to open positions and more investment income than planned.

Assessment Revenues  
 Other Revenues  
 Expenses  
**Revenue/(Expense)**

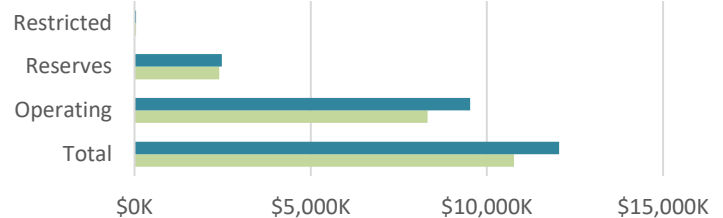
#### INCOME STATEMENT (in Thousands)

	Actual	Budget	Variance
Assessment Revenues	\$34,531	\$34,531	\$0
Other Revenues	\$2,624	\$2,049	\$575
Expenses	\$35,139	\$35,737	\$598
<b>Revenue/(Expense)</b>	<b>\$2,016</b>	<b>\$843</b>	<b>\$1,173</b>

#### COMPENSATION:

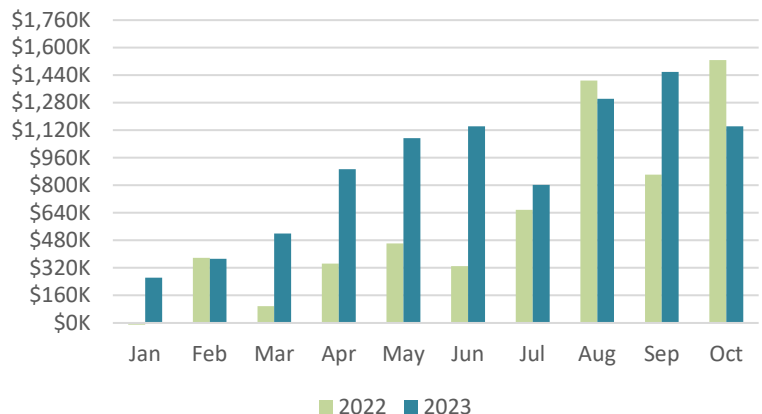
Actual compensation and related costs came in at \$10,771K with \$8,321K in operations, \$2,403K in reserves, and \$47K in restricted. Combined, this category is 10.6% favorable to budget. The most significant impacts were in Landscape and Maintenance & Construction due to open positions.

#### Employee Compensation & Related



	Total	Operating	Reserves	Restricted
YTD BUDGET	\$12,052,446	\$9,524,942	\$2,479,212	\$48,292
YTD ACTUAL	\$10,771,040	\$8,321,457	\$2,402,760	\$46,823

- OUTSIDE SERVICES:** In total, this category was unfavorable to budget by (\$1,122K) as a result of more moisture intrusion events than anticipated caused by rain, outsourcing of open Landscape positions, particularly for shrub bed maintenance (offset in employee compensation), and timing of the epoxy waste line remediation program compared to budget. Rainfall in 2023 is 136% higher year to date than prior years.



## Discussions

**2024 Annual Budget Report and Annual Policy Statement:** During November 2023, staff mailed out the 2024 Business Plan to owners. The Third portion of the basic assessment will increase by \$27.98 compared to compared to current year primarily due to increased restricted fund contributions. Including the assessment for Golden Rain Foundation, total basic assessment will increase by \$34.89 or 4.5% compared to current year. The 2024 Annual Assessment packet is available on the [lagunawoodsvillage.com](http://lagunawoodsvillage.com) website. Additionally, coupon books will be mailed out in early December to those not currently enrolled in EZ pay.

## Calendar

- Dec 1, 2023 @ 9:30 a.m. Third Board Agenda Prep
- Dec 1, 2023 @ 10:30 a.m. Third Appointment to VMS Board Special Open Meeting
- Dec 5, 2023 @ 1:30 p.m. Third Finance Committee (October Financials)
- Dec 6, 2023 @ 1:30 p.m. Third Special Open Meeting – Fill Vacancy
- Dec 19, 2023 @ 9:30 a.m. Third Board Meeting
- Jan 5, 2024 @ 9:30 a.m. Third Board Agenda Prep
- Jan 16, 2024 @ 9:30 a.m. Third Board Meeting
- Feb 2, 2024 @ 9:30 a.m. Third Board Agenda Prep
- Feb 6, 2024 @ 1:30 p.m. Third Finance Committee (December Financials)
- Feb 20, 2024 @ 9:30 a.m. Third Board Meeting

December 2023							January 2024							February 2024						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
					1	2		1	2	3	4	5	6					1	2	3
3	4	5	6	7	8	9	7	8	9	10	11	12	13	4	5	6	7	8	9	10
10	11	12	13	14	15	16	14	15	16	17	18	19	20	11	12	13	14	15	16	17
17	18	19	20	21	22	23	21	22	23	24	25	26	27	18	19	20	21	22	23	24
24	25	26	27	28	29	30	28	29	30	31				25	26	27	28	29		
31																				



## STAFF REPORT

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**DATE:** December 5, 2023  
**FOR:** Finance Committee  
**SUBJECT:** Revised Purchasing Policy

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### **RECOMMENDATION**

Staff recommends that the committee approve and endorse the revised Purchasing Policy as presented.

### **BACKGROUND**

The formation of the Purchasing Task Force aimed to assess purchasing controls, enhance internal procurement processes and streamline contracting procedures. The task force convened multiple times throughout 2023 focusing on incorporating necessary revisions for the upcoming Enterprise Resources Planning (ERP) implementation, clarifying items identified by members of the task force, and conducting a review of authority limits.

On October 23, 2023 the Purchasing Task Force held a special open meeting extending an invitation to all boards and all directors providing an opportunity to present and discuss the revised Purchasing Policy. During this session, the individual Boards of Directors for each corporation convened in separate groups to adopt the Purchasing Policy.

### **DISCUSSION**

The Third Mutual did not reach a quorum leading to the absence of an official meeting. Subsequently, the Third Board of Directors provided additional comments and suggestions for further revisions to the Purchasing Policy. A redline version of the updated Purchasing Policy is now presented for thorough review and approval as outlined in Attachment 1.

**Prepared By:** Erika Hernandez, Finance Department Administrative Assistant  
**Reviewed By:** Jose Campos, Assistant Director of Financials Services  
Ada Montesinos, Senior Financial Analyst  
**Attachment(s):**  
**Attachment 1:** Revised Purchasing Policy  
**Attachment 2:** Resolution 03-23-XX



# PURCHASING POLICY

## 1. PURPOSE

To establish guidelines and rules to procure a service, project or product/equipment for capital and operating requirements. The Purchasing Policy will outline the approval process for purchases of certain expenditures that require Corporation approval. The VMS Purchasing Division's goal is to obtain the product or service that best meets the needs of the corporation at the best possible value and interest of Laguna Woods Village.

## 2. CODE OF CONDUCT

Corporation or VMS shall not participate in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when Corporation or VMS, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. VMS shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to sub agreements except for where the financial interest is not substantial or the gift is an unsolicited item of nominal value. VMS shall never intentionally be involved in bid splitting to break down proposals to evade or circumvent the requirements for signature authorization levels. Members of the Corporation shall comply with all relevant fiduciary duties, including those governing conflicts of interest, when they vote upon matters related to procurement contracts in which they have a direct or indirect financial or personal interest. The Corporation shall be subject to disciplinary actions for violations of these standards as identified by the Corporation.

## 3. FUNDS

Funding for all procurement activities is approved by the Corporation through the capital plan, a supplemental appropriation or the operating budgets of each VMS Division, prior to procurement of goods or services.

## 4. COMPETITIVE BIDDING PROCESS

The VMS Purchasing Division carries out a bidding process whether the request is for a service, project or product/equipment. The following steps are taken:

- a. A Purchase Requisition (PR) and a detailed Scope of Work (SOW) are submitted by the requesting VMS Division. The VMS Purchasing Division reviews the SOW and if it requires more detail, it is returned to the requesting VMS Division with questions and comments
- b. The VMS Purchasing Division will incorporate the final SOW into a request for quote (RFQ) for a product, professional services or construction services, together with brief information about the Laguna Woods Village, insurance requirements, a pre-bid meeting date and the deadline for submitting proposals/bids. The RFQ is sent to a minimum of three (3) qualified vendors/contractors or may be widely advertised to obtain bids. Vendors shall be qualified by a process which will include researching the company for history, size, licensing, and references.

- c. When the proposal/bids are received, VMS will evaluate them to ensure that each bidder meets the SOW and will recommend to the Corporations Committee the best qualified and competitive proposal/bid. If a proposal is submitted late, the VMS Purchasing & Supply Manager along with the requesting VMS Division will determine if the proposal should be accepted in the best interest of the Corporation, and this shall be put in writing.

Exceptions to carrying out the bidding process are when:

- **Single Source (Form)**  
A Single Source procurement is one in which two or more vendors can supply the commodity, technology or perform the services required, but staff recommends one vendor over the others for reasons such as expertise or previous experience with similar contracts.  
  
Upon receipt of a justification which includes price justification to use a single source, Purchasing shall confirm, through a review of the material and appropriate market research, if a single source contract is appropriate. This form shall be signed by the VMS Department Director, the CEO, and the VMS Purchasing & Supply Manager.
- **Sole Source (Form)**  
A Sole Source procurement is one in which only one vendor can supply the product, commodities, technology or perform the services required by an agency.  
  
Upon receipt of a justification to use a sole source, Purchasing shall confirm, through a review of the material and appropriate market research, if a sole source contract is appropriate. This form shall be signed by the VMS Department Director, the CEO, and the VMS Purchasing & Supply Manager.
- The cost of an item, service or project does not exceed the Minor Project Limit amount listed in the Appendix, unless required by the VMS Purchasing & Supply Manager.
- A current material trade agreement or annual service contract is expiring using a proven vendor/contractor and their pricing will not increase and their products will not substantially change. In this case a new contract shall be drafted that addresses the new effective dates.
- Blanket purchase orders: (PO indicates a not-to-exceed amount that does not specify product, quantity or delivery date. Standard Terms and Conditions apply.) Purchase orders that supply products on an as needed or emergency schedule. Blanket orders shall be established with vendors that allow a 30-day payment schedule. The approval ~~levels~~ amounts are per the Appendix.

- Emergency repairs: (1) involving manifest danger to life or property, (2) immediately necessary for the preservation and safety of the physical assets of the Village (3) for the safety of the members and residents or (4) as may be required to avoid the suspension of any necessary services to the residents, may be made irrespective of whether included in the Budget. Notwithstanding the foregoing authority, if at all possible, VMS shall confer immediately with the applicable Corporation and attempt to gain prior written approval regarding every such unbudgeted expenditure and suspension of service and in any event shall provide a written report regarding the same within forty-eight (48) hours of such emergency expenditures. The responsible VMS Division with the input from the VMS Purchasing & Supply Manager shall negotiate a price with vendor and that price shall be agreed to in advance of purchases, in writing signed by both parties, in order to have an order of magnitude understanding of the cost associated with that purchase. After damage control is finalized, and further work needed to address the repair that is beyond damage control shall be worked via a bid process or a Single/Sole source justification with the appropriate approval signatures.
- Change Order to an existing contract, shall be made per the Corporations-adopted Contract Change Order Policy attached hereto and made a part hereof.

## 5. AWARD PROCESS

- After proposal/bids are received for One-Time Large and Annual Program Projects, they shall be opened, and analyzed by VMS, a detailed Contract Award report will be prepared for the appropriate Corporation and Committee as outlined in the Corporations Contracts Responsibility Matrix. The Contract Award report will be prepared by the VMS Division overseeing the services to be contracted for, and shall include a comparison spreadsheet listing all the proposals/bidders; a description of the services to be contracted for; and VMS's recommendations.
- After proposal/bids are received for Annual Maintenance and Small Projects, they shall be opened, and analyzed by VMS, a detailed Contract Award report will be prepared for the appropriate VMS Division review and recommendation for award.
- Third party agreements for goods and services shall be for a term for ~~one~~ up to three years, unless the contract is terminable by any party at the end of any one year period or unless such a contact has been authorized by the board.

## 6. CONTRACTS

Following the competitive bidding process, the parties enter into an agreement or Contract. The process and documents differ between product and services:

- Trade Agreements

- Supply item:

VMS Purchasing Division uses the Purchase Requisition (PR) to create a Purchase Order (PO) and then forwards it to the vendor. A detailed description, quantity and unit price for each product being ordered is required.

- Stock item:

A Trade Agreement is written and after execution the VMS Warehouse Division creates purchase requisitions when the stock items are required. The requisitions are approved by the VMS Warehouse Supervisor and the items ordered by the VMS Purchasing Division.

- b. Annual service:

An annual contract is written for the service and when executed a Purchase Order from the requisition is generated to enable payment through the accounting system. The Purchase Orders shall not exceed the total amount listed in the approved annual contract. Annual contracts are not-to-exceed contract amounts and do not require a requisition to establish a contract with the vendor.

Annual contracts may be for one or more years in duration, and unit prices must be competitively verified at least every three years. A detailed description, quantity and unit price for each product or service being ordered is required with the Annual Terms and Conditions and other applicable exhibits made a part of.

- An **Annual Program Contract** is a contract between the Corporation and a vendor for one or more years to provide services on an on-going basis that is for a program that VMS has received direction to accomplish from the Corporations. Program contracts can exist for Architects, Engineers, Sidewalks, Roofing, Plumbing programs such as waste lines; water lines; water heaters, etc.. This type of contract requires Committee and Board review. The completed contract is sent to the contractor and then to the Corporation for signature by two officers.
- An **Annual Maintenance Contract** is a contract between the Corporation and a vendor for one or more years to provide services on an on-going, on-call, urgent or emergency basis that is for the maintenance of the facilities within Laguna Woods Village. Maintenance contracts can exist for Architects, Engineers, Title Search, Concrete, Asphalt, Locksmith, Towing, Hotels, Catering, Portable Toilets, Trash Bins, Vehicle Repairs, Pest Contractor, Pool Maintenance, Landscaping, Information Technologies and building repairs, etc. This type of contract does not require Committee or Board review. Staff never spends more than budget amounts. The completed contract is sent to the contractor and then to the Corporation for signature by two officers.

Common parts of an annual contract span across all needs. A program or maintenance contract shall show the expectations, requirements and hourly/unit prices for the duration of that contract as defined by the dates shown in the contract. A Purchase Order (Work Order) will be generated by the Work Center that will direct the vendors to proceed with the work under Annual Contracts. The PO/Work Order shall reference the scope of work, the annual contract, the unit prices or the bidding for the intended work. The PO amount shall not exceed the total amount listed in the approved annual contract. If the cumulative amount of the contract is ~~needed~~exceeded, a change order is required to be approved by the Corporation.

- c. Equipment: Equipment for new, repair or replacement is processed in the ERP system except when installation is required. Installation by a vendor who performs work on Laguna Woods Village property must meet the Insurance requirement and therefore requires a contract for the work with the Standard Terms and Conditions and other applicable exhibits made a part of.
- d. A One-Time Contract is based on a specific project that is as directed by the responsible Corporation. Processed from the Scope of Work to the Request for Quote, to the award and finally to the contract. The one-time contracts cover all items requiring installation where the vendor is required to come on Village property to perform the work. Standard Terms and Conditions apply and other applicable exhibits made a part thereof. Signature limits are applicable as defined in the Purchasing Policy Appendix.
- e. Projects
  - Minor project:
 

The VMS Purchasing Division obtains, from the requesting VMS Division, approval of the contractor and its value. The VMS Purchasing & Supply Manager then adds conditions to the purchase requisition, then approves the Purchase Requisition and the VMS Purchasing Division generates a Purchase Order after all requirements are met. The final PO is forwarded to the contractor. Amount is defined in the Purchasing Policy Appendix.
  - Small Project:
 

The VMS Purchasing Division obtains approval of the contractor and value from the requesting VMS Division in writing and a contract is written for the work. The contract SOW is copied from the RFQ with any changes that occurred during the proposal/bidding process. The completed contract is signed by the contractor then by the VMS CEO, or the designated VMS Department Director, or the VMS Purchasing & Supply Manager. Amount is defined in the Purchasing Policy Appendix.
  - Large Project:
 

The VMS Purchasing Division obtains approval of the contractor and value from the applicable Corporation Committee and Corporation via the requesting VMS Division and a contract is written for the work. The contract SOW is copied from

the RFQ with any changes that occurred during the proposal/bidding process. The completed contract is signed by the contractor then by two Officers of the applicable Corporation. Amount is defined in the Purchasing Policy Appendix.

- Very Large and Special Projects

The VMS Purchasing Division obtains approval of the contractor and value from the applicable Corporations via the requesting VMS Division and a contract is written for the work. The contract SOW is copied from the RFQ with any changes that occurred during the proposal/ bidding process. The completed contract is signed by the contractor and then by two Officers of the applicable Corporation. Amount is defined in the Purchasing Policy Appendix.

Any GRF purchases per the Trust Agreement for Very Large Projects require Corporate Member approval. The completed contract is signed by the contractor then by two GRF Officers.

- f. Leasing;

A GRF Leasing Agreement for property is for one year per the Trust Agreement and forwarded to GRF for signature by two officers.

Other Leasing Agreements may be made for more than one year and will be forwarded to the Corporation for signature. Examples are Copier Equipment, Golf Carts and other agreements that the leasing Vendor requires to be executed on their forms. Leases shall be signed by the applicable Corporation President.

- g. ~~The VMS Purchasing Division will assist the requesting VMS Division to cancel a contract or produce written warnings to a contractor. Contracts that require warnings or early termination will be coordinated by the VMS Purchasing Division.~~
- h. Legal Review. Non-standard contracts will be forwarded by the VMS Purchasing & Supply Manager to Corporation legal counsel for their legal review and advice. ~~Legal review is required for specialty contracts related to the streaming industry to ensure compliance with industry practices and applicable law.~~ Results to be forwarded by the VMS Purchasing & Supply Manager to the Corporation President for disposition.

Legal Review Checklist: Verify the following as a minimum;

- i. Parties: Legal names and addresses
- ~~ii. Purpose of Scope: Covers all aspects of the work to be performed~~
- ~~iii.ii.~~ Definitions: Ensure consistency and clarity
- ~~iv.iii.~~ Terms and Conditions: Evaluate the specific terms and conditions of the contract including payment terms, delivery schedules, performance obligations, and any specific provisions related to termination, renewal, or amendment.
- ~~v.iv.~~ Consideration: Confirm each party is providing something of value in exchange for the obligations outlined in the agreement.
- ~~vi.v.~~ Legal compliance: Complies with all relevant laws
- ~~vii.vi.~~ Representations and Warranties
- ~~viii.vii.~~ Indemnification and Liability

- ~~ix-viii.~~ Confidentiality and Non-disclosure
- ~~x-ix.~~ Intellectual Properties
- ~~xi-x.~~ Dispute Resolutions
- ~~xii-xi.~~ Governing Law and Jurisdiction
- ~~xiii-xii.~~ Force Majeure

- i. Standard Terms and Conditions included in the contracts have been approved by legal counsel and are identified as follows;
  - i. Standard Terms and Conditions
  - ii. Annual Contract Terms and Conditions
  - iii. Consultant Contract Terms and Conditions
- j. Industry specific television programming contracts are exceptions to this Purchasing Policy, however, specialty contracts written to facilitate the operations and relationships within the streaming industry are not exempt from this policy.
- k. Standard or Capital purchases are submitted to the Corporation for approval per the attached Appendix.

- 7. Certain purchases made by VMS ~~are considered employee related and~~ are appropriate for DIRECT PAYMENT and may be excluded from competitive sourcing, requisition and purchase order requirements. Appropriations needed for these services have already been allocated through the annual budgeting process. These include the following:

Casualty and Property Insurance (approved by Corporation)  
 Community Sponsored Functions (entertainers, caterers)  
 Debt Service Payments  
 Employee Benefits/Contracts with Third Parties for Payroll Deductions i.e. Life, Health and Dental Insurance, 401K contributions, Pension payments, EAP  
 Investments (approved by Corporation)  
 Legal Fees (approved by Corporation)  
 Memberships, Dues, Subscriptions, Publications  
 Permits  
 Postage  
 Recording Fees  
 Recreation Services (instructors, entertainers, caterers)  
 Retirement Plan Contributions  
 Section 457 (Deferred Compensation) Contributions  
 Services Procured with non-Corporation Funds (Developer Deposits, etc.)  
 Staff Support  
 Tax Withholding Payments  
 Training, Seminars and Travel Expenses  
 Unemployment Compensation  
 Utilities  
 Vehicle Licensing

## 8. CHANGE ORDERS TO CONTRACTS

Per the Corporations-adopted Change Order Policy. Attached hereto and made a part hereof.



## 9. VEHICLE PURCHASES

The Mobility & Vehicles Committee will approve the specifications annually for all vehicles intended for purchase throughout the year. Upon approval, the VMS Transportation Division will submit requisitions for the Vehicle purchases in the ERP system. Upon electronic approval, vehicles may be purchased by way of a cooperative purchasing program that manages the specification requirements and offers VMS easy access to an established network which offers competitive rates and faster procurement or other more competitive resources. The VMS Transportation Division Director will keep the Mobility & Vehicles Committee updated on fleet status.



## 10. GLOSSARY

### Definitions of words used in this Policy

**Contractor:** This references entities with contracts that include labor and materials to be provided to the Corporation

**Corporation:** Includes one or more of the managing entities for Laguna Woods Village;

- The Golden Rain Foundation of Laguna Woods, Inc. as acting Trustee of the Golden Rain Foundation Trust, established March 2, 1964 as amended
- Third Laguna Hills Mutual
- United Laguna Woods Mutual

**ERP:** Enterprise Resource Planning

**GRF:** Golden Rain Foundation

**Non-standard Terms and Conditions:** Any contract that contains terms and conditions which are not included under the Corporations standard form contracts

**PR:** Purchasing Request

**PO:** Purchase Order

**RFQ:** Request for Quote

**SOW:** Scope of Work

**Vendor:** Any entity with a vendor number in the ERP. Includes, but not limited to, material suppliers, contractors, delivery companies, engineers and professional services, service companies.

**VMS:** Village Management Services, Inc., an Agent of the Corporation

**Work Order:** Authorization to proceed with work in the Village.

## PURCHASING POLICY APPENDIX

Minor Project .....	Under \$10,000
Small Project .....	\$10,000-\$35,000
Large Project .....	\$35,000-\$500,000
Very Large and Special Projects .....	Over \$500,000
Standard or Capital Purchases GRF Board ...	Over \$35,000
Blanket PO Authority .....	Up to \$10,000
Blanket PO Authority VMS Director .....	Over \$10,000

## **CHANGE ORDER POLICY**

### **BACKGROUND**

When unforeseen circumstances occur on capital projects, Change Orders are required. These Change Orders can be the result of additions or deletions to the project, revisions to the project, and omissions or errors in the original project plans and/or specifications.

### **PURPOSE**

The purpose of this Policy is to provide addendum to an existing contract after the effective date that alters the work, the contract sum, or the contract time.

### **POLICY**

The following Policy has been adopted by the Corporation for the processing of Change Orders:

1. Approval of all Change Orders is contingent upon funds being budgeted and available for the specific project. Where funds are not available, a Supplemental Appropriation must first be approved by the Corporation.
2. No Change Order can be processed without the written approval of the VMS Department Director responsible for the project or his/her designee.
3. VMS Department Director approval is required for any Change Order up to 10% (or as specified \*) of the original contract price, or up to \$35,000, whichever is greater. However, the sum of all Change Orders must not exceed 10% of the original contract amount. (see No. 6 below).
4. Corporation Committee approval is required for any Change Order up to 10% (or as specified \*) of the original contract price, over \$35,000 and up to \$100,000 of the original contract price. However, the sum of all Change Orders must not exceed 10% of the original contract amount (see No. 6 below).
5. Corporation Board approval is required for any Change Order over 10% (or as specified \*) of the original contract price or over \$100,000, whichever is greater. A request for approval of this Change Order will appear under the New Business item on the agenda.
6. Corporation Board shall review for approval all Change Orders, regardless of amount, when the sum of all Change Orders on the project exceeds 10% of the original award bid. All requests submitted to the Corporation for approval above 10% of original bid shall include findings that the proposed additions to the scope of the work are needed in the best interest of the Community, or that rebidding is unlikely to result in a lower unit price. Requests for approval of such Change Orders must include the following information: amount budgeted for the capital project, amount expended thus far, status of project, and previously approved Change Orders. In addition, the VMS staff member responsible for the day-to-day oversight of the project, or his/her designee, shall be present at the Corporation meeting at which the request for Change Order approval is considered. A request for approval of this Change Order will appear under the New Business item on the Corporation Board agenda.

7. In addition to the above approvals, Corporation approval of Contract Change Orders will be required when the scope of the project is materially changed. Requests for approval of such Change Orders must include the following information: amount budgeted for the project, amount expended thus far, status of project, and previously approved Changed Orders. In addition, the VMS staff member responsible for the day-to-day oversight of the project, or his/her designee, shall present a comprehensive report at the Corporation meeting in which the request for Change Order approval is considered. A request for approval of this Change Order will appear under the New Business item on the agenda.
  8. The Corporation shall be kept informed by the VMS Department Director under whose oversight the project is being executed of all Change Orders, regardless of size, through periodic status reports. These reports shall be presented informally, and may be presented as "Receive and File" consent items at the Corporation meeting.
  9. At the completion of all contracts exceeding \$100,000 in final cost, the VMS Department Director shall submit a final report to the Corporation detailing the contract amount and all approved Change Orders.
  10. In the event that during the course of a construction contract an emergency exists in which there is immediate danger to the health and/or safety of the Community, the CEO is authorized to take immediate and appropriate action which is necessary to eliminate that danger, regardless of cost. If, in the event this Change Order exceeds the normal approval limits as specified in this Policy, VMS staff will provide all backup information to the Corporation at the next available meeting.
- \* Or as specified. The percentage may be changed or eliminated as directed by the Corporation. If percentage is removed, then all change orders will be sent to the Corporation for approval.

1	<b>CONTRACTS - RESPONSIBILITY MATRIX</b>				
2					
3		<b>Organization</b>			
4	Delegation of the Initiation, Authorization and Performance of Actions and Comments that are Within the Responsibility Scope of the Organization	Corporation Board of Directors	Chair Committee Corporation	VMS	All Corporate Members
5	1. Request for Analysis - Determination of Objectives-Project Request Form	I	I <sup>(1)</sup>		
6	2. Analysis Review			P	
7	3. Approval to fund Analysis	A			
8	4. GRF Capital Improvements Greater than \$500,000	A		P	A
9	5. Scope of Work /Specifications		O	P	
10	6. Request for Quote (RFQ)/Bid Solicitation-Preparation/Delivery			P	
11	7. Consultant/Bidders List- Preparation			P	
12	8. Consultant Interviews/Pre-Bid Meeting		O	P	
13	9. Bid Opening			P	
14	10. Bid Review & Price & Cost Analysis			P	
15	11. Contract Award- \$35,000 to \$100,000	A	R	P	
16	12. Contract Award- Approval Greater than \$100,000	A	O	P	
17	13. Change Orders-Per Adopted Contract Change Order Policy			P	
18	14. Administration of Contract and/or Work			P	
19	15. Project Acceptance (Projects over \$100,000)			P	
20	<b>Key</b>				
21	I= Initiate an Activity, directive may come from either, but the directive is required				
22	I <sup>(1)</sup> = Initiate activity within Corporation Committee Charter and with objective parameters				
23	A= Authorize an activity that is within the Governing Documents				
24	O= The Corporation Committee or Board may choose to exercise participation at this level.				
25	R= Review reports and/or for Approval, where necessary and appropriate				
26	P= Performed by VMS				

# GOLDEN RAIN FOUNDATION

## SOLE SOURCE JUSTIFICATION

Sole Source as defined in the Purchasing Policy

*A Sole Source procurement is one in which only one vendor can supply the product, commodities, technology or perform the services required by an agency.*

Vendor:

Name

Address, Phone number

Contractors License # (if contractor)

Valid dates (if contractor)

President/CEO/VP

This request for a Sole Source vendor is based on the following:

- \_\_\_\_\_
- \_\_\_\_\_

**FOR VILLAGE MANAGEMENT SERVICES, INC.:**

By: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

\_\_\_\_\_  
Print Name and Title

**FOR VILLAGE MANAGEMENT SERVICES, INC.:**

By: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

\_\_\_\_\_  
Print Name and Title

**FOR PURCHASING:**

By: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Daniel M. Hoxie, Purchasing Manager

# GOLDEN RAIN FOUNDATION

## SINGLE SOURCE JUSTIFICATION

Single Source as defined in the Purchasing Policy

*A Single Source procurement is one in which two or more vendors can supply the commodity, technology or perform the services required, but staff selects one vendor over the others for reasons such as expertise or previous experience with similar contracts.*

Vendor:

Name

Address, Phone number

Contractors License # (if contractor)

Valid dates (if contractor)

President/CEO/VP

This request for a Single Source vendor is based on the following:

- \_\_\_\_\_
- \_\_\_\_\_

**FOR VILLAGE MANAGEMENT SERVICES, INC.:**

By: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

\_\_\_\_\_  
Print Name and Title

**FOR VILLAGE MANAGEMENT SERVICES, INC.:**

By: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

\_\_\_\_\_  
Print Name and Title

**FOR PURCHASING:**

By: \_\_\_\_\_ Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Daniel M. Hoxie, Purchasing Manager



**RESOLUTION 03-23-XX**

**Revised Purchasing Policy**

**WHEREAS**, the Purchasing Task Force is aimed to establish robust purchasing controls to optimize the internal procurement and contracting procedures. The primary objective is to enhance transparency and to institute a professional, competitive approach to the acquisition of products and services; and

**WHEREAS**, the task force met numerous times during 2023 to: 1) incorporate revisions necessary for the upcoming ERP (Enterprise Resources Planning) implementation, 2) clarify items identified by members of the task force, and 3) review authority limits; and

**NOW THEREFORE BE IT RESOLVED**, December 19, 2023, that the Board of Directors of this Corporation hereby approves the Purchasing Policy, Purchasing Matrix, Change Order Policy, Sole Source Form, and Single Source Form as presented; and

**RESOLVED FURTHER**, that Resolution 03-16-100 adopted September 20, 2016, is hereby superseded and canceled.

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution as written.



**Third Laguna Hills Mutual**  
**Statement of Revenues & Expenses - Preliminary**  
**10/31/2023**  
(\$ IN THOUSANDS)

		CURRENT MONTH			YEAR TO DATE			PRIOR YEAR	TOTAL
		ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET
Revenues:									
Assessments:									
1	Operating	\$2,388	\$2,388		\$23,881	\$23,881	(\$1)	\$23,835	\$28,657
2	Additions to restricted funds	1,065	1,065		10,650	10,650		10,676	12,780
3	Total assessments	3,453	3,453		34,531	34,531	(1)	34,511	41,437
Non-assessment revenues:									
4	Fees and charges for services to residents	87	90	(3)	967	897	71	863	1,075
5	Laundry	17	18	(1)	179	175	4	180	210
6	Investment income	112	35	77	932	350	582	159	420
7	Miscellaneous	54	63	(8)	546	627	(82)	583	753
8	Total non-assessment revenue	270	206	64	2,624	2,049	575	1,786	2,458
9	Total revenue	3,723	3,659	64	37,154	36,580	574	36,297	43,895
Expenses:									
10	Employee compensation and related	1,068	1,220	152	10,771	12,052	1,281	10,956	14,458
11	Materials and supplies	155	115	(40)	1,299	1,151	(149)	1,197	1,382
12	Utilities and telephone	491	538	47	4,808	4,975	167	5,107	5,977
13	Legal fees	46	34	(12)	372	329	(43)	169	393
14	Professional fees	5	12	7	71	124	54	114	149
15	Equipment rental	2	4	2	21	37	16	27	45
16	Outside services	1,144	762	(382)	8,974	7,852	(1,122)	6,060	9,390
17	Repairs and maintenance	45	32	(14)	306	316	10	267	379
18	Other Operating Expense	4	14	10	104	144	40	98	182
19	Insurance	701	744	43	7,172	7,436	264	6,841	8,923
20	Uncollectible Accounts	(21)	5	26	(6)	54	61	137	65
21	(Gain)/loss on sale or trade							4	
22	Depreciation and amortization	9	9		87	87		112	105
23	Net allocation to mutuals	116	119	3	1,159	1,177	18	1,258	1,412
24	Total expenses	3,765	3,607	(158)	35,139	35,737	598	32,346	42,861
25	Excess of revenues over expenses	(\$42)	\$52	(\$94)	\$2,015	\$843	\$1,172	\$3,951	\$1,034

**Third Laguna Hills Mutual**  
**Statement of Revenues & Expenses - By Fund Type - Preliminary**  
**10/31/2023**  
(\$ 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	\$23,881	\$23,881	(\$1)							\$23,881	\$23,881	(\$1)
2 Additions to restricted funds				9,824	9,824		826	826		10,650	10,650	
3 Total assessments	23,881	23,881	(1)	9,824	9,824		826	826		34,531	34,531	(1)
Non-assessment revenues:												
4 Fees and charges for services to residents	965	897	68	2		2				967	897	71
5 Laundry	179	175	4							179	175	4
6 Investment income				753	350	403	179		179	932	350	582
7 Miscellaneous	546	627	(81)							546	627	(82)
8 Total non-assessment revenue	1,689	1,699	(9)	755	350	405	179		179	2,624	2,049	575
9 Total revenue	25,570	25,580	(10)	10,580	10,174	405	1,005	826	179	37,154	36,580	574
Expenses:												
10 Employee compensation and related	8,321	9,525	1,203	2,403	2,479	76	47	48	1	10,771	12,052	1,281
11 Materials and supplies	722	604	(118)	553	531	(22)	25	17	(9)	1,299	1,151	(149)
12 Utilities and telephone	4,799	4,963	164	9	12	3				4,808	4,975	167
13 Legal fees	372	329	(43)							372	329	(43)
14 Professional fees	71	124	54							71	124	54
15 Equipment rental	5	7	2	16	30	14		1		21	37	16
16 Outside services	1,679	1,077	(602)	5,647	5,745	98	1,648	1,030	(618)	8,974	7,852	(1,122)
17 Repairs and maintenance	305	312	7	1	4	3				306	316	10
18 Other Operating Expense	87	123	35	16	21	5				104	144	40
19 Insurance	7,172	7,436	264							7,172	7,436	264
20 Uncollectible Accounts	(6)	54	61							(6)	54	61
21 (Gain)/loss on sale or trade												
22 Depreciation and amortization	87	87								87	87	
23 Net allocation to mutuals	1,003	1,012	9	154	162	9	3	3		1,159	1,177	18
24 Total expenses	24,618	25,653	1,036	8,798	8,984	186	1,724	1,099	(624)	35,139	35,737	598
25 Excess of revenues over expenses	\$952	(\$74)	\$1,026	\$1,782	\$1,190	\$592	(\$719)	(\$273)	(\$446)	\$2,015	\$843	\$1,172

**Third Laguna Hills Mutual  
Operating Statement - Preliminary  
10/31/2023  
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Revenues:					
Assessments:					
<b>Operating</b>					
41001000 - Monthly Assessments	\$23,880,646	\$23,881,237	(\$590)	0.00%	\$28,657,484
<b>Total Operating</b>	<b>23,880,646</b>	<b>23,881,237</b>	<b>(590)</b>	<b>0.00%</b>	<b>28,657,484</b>
<b>Additions To Restricted Funds</b>					
41002000 - Monthly Assessments - Disaster Fund	748,105	748,105	0	0.00%	897,726
41003500 - Monthly Assessments - Replacement Fund	9,397,080	9,397,080	0	0.00%	11,276,496
41004000 - Monthly Assessments - Elevator Replacement Fund	305,100	305,100	0	0.00%	366,120
41004500 - Monthly Assessments - Laundry Replacement Fund	122,040	122,040	0	0.00%	146,448
41006000 - Monthly Assessments - Garden Villa Recreation Room Fund	77,625	77,625	0	0.00%	93,150
<b>Total Additions To Restricted Funds</b>	<b>10,649,950</b>	<b>10,649,950</b>	<b>0</b>	<b>0.00%</b>	<b>12,779,940</b>
<b>Total Assessments</b>	<b>34,530,597</b>	<b>34,531,187</b>	<b>(591)</b>	<b>0.00%</b>	<b>41,437,424</b>
Non-Assessment Revenues:					
<b>Fees and Charges for Services to Residents</b>					
46501000 - Permit Fee	215,315	285,550	(70,235)	(24.60%)	342,660
46501500 - Inspection Fee	60,623	70,771	(10,149)	(14.34%)	84,928
46502000 - Resident Maintenance Fee	647,367	540,198	107,169	19.84%	647,532
46502999 - Resident Maintenance Fee Backlog	43,842	0	43,842	0.00%	0
<b>Total Fees and Charges for Services to Residents</b>	<b>967,147</b>	<b>896,519</b>	<b>70,628</b>	<b>7.88%</b>	<b>1,075,119</b>
<b>Laundry</b>					
46005000 - Coin Op Laundry Machine	178,749	175,000	3,749	2.14%	210,000
<b>Total Laundry</b>	<b>178,749</b>	<b>175,000</b>	<b>3,749</b>	<b>2.14%</b>	<b>210,000</b>
<b>Investment Income</b>					
49001000 - Investment Income	932,109	350,000	582,109	166.32%	420,000
<b>Investment Interest Income</b>	<b>932,109</b>	<b>350,000</b>	<b>582,109</b>	<b>166.32%</b>	<b>420,000</b>
<b>Miscellaneous</b>					
46004500 - Resident Violations	6,226	52,870	(46,644)	(88.22%)	63,444
44501000 - Additional Occupant Fee	35,855	76,501	(40,646)	(53.13%)	91,805
44501510 - Lease Processing Fee - Third	228,560	208,160	20,400	9.80%	249,803
44502000 - Variance Processing Fee	2,700	13,235	(10,535)	(79.60%)	15,888
44502500 - Non-Sale Transfer Fee - Third	1,700	2,500	(800)	(32.00%)	3,000
44503520 - Resale Processing Fee - Third	125,664	136,000	(10,336)	(7.60%)	163,200
44505500 - Hoa Certification Fee	3,815	12,500	(8,685)	(69.48%)	15,000
44507000 - Golf Cart Electric Fee	54,754	55,830	(1,076)	(1.93%)	67,000
44507200 - Electric Vehicle Plug-In Fee	19,962	10,410	9,552	91.76%	12,500
44507500 - Cartport/Carport Space Rental Fee	3,041	3,660	(619)	(16.92%)	4,400
47001500 - Late Fee Revenue	57,800	50,830	6,970	13.71%	61,000
47002020 - Collection Administrative Fee - Third	0	1,000	(1,000)	(100.00%)	1,200
47002500 - Collection Interest Revenue	0	220	(220)	(100.16%)	273
47501000 - Recycling	5,418	3,330	2,088	62.70%	4,000
49009000 - Miscellaneous Revenue	41	0	41	0.00%	0
<b>Total Miscellaneous</b>	<b>545,537</b>	<b>627,046</b>	<b>(81,509)</b>	<b>(13.00%)</b>	<b>752,512</b>
<b>Total Non-Assessment Revenue</b>	<b>2,623,542</b>	<b>2,048,565</b>	<b>574,977</b>	<b>28.07%</b>	<b>2,457,631</b>
<b>Total Revenue</b>	<b>37,154,138</b>	<b>36,579,752</b>	<b>574,386</b>	<b>1.57%</b>	<b>43,895,056</b>
Expenses:					
<b>Employee Compensation</b>					
51011000 - Salaries & Wages - Regular	2,353,317	2,680,337	327,019	12.20%	3,220,777
51021000 - Union Wages - Regular	3,964,517	4,703,946	739,429	15.72%	5,647,830
51041000 - Wages - Overtime	18,634	19,616	982	5.01%	23,548
51051000 - Union Wages - Overtime	56,069	30,662	(25,406)	(82.86%)	36,808
51061000 - Holiday & Vacation	665,427	623,952	(41,475)	(6.65%)	749,370
51071000 - Sick	230,369	254,506	24,137	9.48%	305,664
51091000 - Missed Meal Penalty	2,864	2,992	127	4.25%	3,617
51101000 - Temporary Help	86,315	22,384	(63,931)	(285.62%)	26,863
51981000 - Compensation Accrual	245,442	0	(245,442)	0.00%	0

**Third Laguna Hills Mutual  
Operating Statement - Preliminary  
10/31/2023  
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
<b>Total Employee Compensation</b>	<b>7,622,954</b>	<b>8,338,394</b>	<b>715,440</b>	<b>8.58%</b>	<b>10,014,478</b>
<b>Compensation Related</b>					
52411000 - F.I.C.A.	547,942	629,600	81,659	12.97%	753,615
52421000 - F.U.I.	7,428	9,924	2,495	25.15%	9,924
52431000 - S.U.I.	28,412	52,192	23,781	45.56%	52,781
52441000 - Union Medical	1,460,439	1,619,936	159,497	9.85%	1,943,923
52451000 - Workers' Compensation Insurance	326,308	449,310	123,002	27.38%	539,543
52461000 - Non Union Medical & Life Insurance	281,379	377,441	96,063	25.45%	452,930
52471000 - Union Retirement Plan	396,210	457,937	61,728	13.48%	549,826
52481000 - Non-Union Retirement Plan	71,301	117,712	46,410	39.43%	141,446
52981000 - Compensation Related Accrual	28,668	0	(28,668)	0.00%	0
<b>Total Compensation Related</b>	<b>3,148,086</b>	<b>3,714,052</b>	<b>565,966</b>	<b>15.24%</b>	<b>4,443,987</b>
<b>Materials and Supplies</b>					
53001000 - Materials & Supplies	360,914	483,813	122,898	25.40%	580,244
53003000 - Materials Direct	935,350	663,681	(271,669)	(40.93%)	797,881
53004000 - Freight	3,016	3,209	193	6.01%	3,892
<b>Total Materials and Supplies</b>	<b>1,299,280</b>	<b>1,150,702</b>	<b>(148,578)</b>	<b>(12.91%)</b>	<b>1,382,017</b>
<b>Utilities and Telephone</b>					
53301000 - Electricity	354,913	303,789	(51,124)	(16.83%)	399,821
53301500 - Sewer	1,214,117	1,238,800	24,683	1.99%	1,494,600
53302000 - Water	2,329,936	2,538,564	208,628	8.22%	3,009,336
53302500 - Trash	908,845	894,103	(14,742)	(1.65%)	1,072,920
<b>Total Utilities and Telephone</b>	<b>4,807,812</b>	<b>4,975,256</b>	<b>167,444</b>	<b>3.37%</b>	<b>5,976,677</b>
<b>Legal Fees</b>					
53401500 - Legal Fees	372,154	329,156	(42,998)	(13.06%)	393,325
<b>Total Legal Fees</b>	<b>372,154</b>	<b>329,156</b>	<b>(42,998)</b>	<b>(13.06%)</b>	<b>393,325</b>
<b>Professional Fees</b>					
53402020 - Audit & Tax Preparation Fees - Third	50,900	39,720	(11,180)	(28.15%)	47,670
53403500 - Consulting Fees	11,393	9,386	(2,007)	(21.39%)	11,271
53403520 - Consulting Fees - Third	8,600	75,310	66,710	88.58%	90,416
<b>Total Professional Fees</b>	<b>70,893</b>	<b>124,416</b>	<b>53,523</b>	<b>43.02%</b>	<b>149,357</b>
<b>Equipment Rental</b>					
53501500 - Equipment Rental/Lease Fees	20,932	37,421	16,489	44.06%	44,576
<b>Total Equipment Rental</b>	<b>20,932</b>	<b>37,421</b>	<b>16,489</b>	<b>44.06%</b>	<b>44,576</b>
<b>Outside Services</b>					
53601000 - Bank Fees	1,270	31,097	29,826	95.91%	37,322
53601500 - Credit Card Transaction Fees	13,874	8,330	(5,544)	(66.55%)	10,000
53604500 - Marketing Expense	0	4,160	4,160	100.00%	5,000
54603500 - Outside Services Cost Collection	8,880,441	7,713,173	(1,167,268)	(15.13%)	9,223,931
53704000 - Outside Services	78,776	95,659	16,883	17.65%	114,213
<b>Total Outside Services</b>	<b>8,974,361</b>	<b>7,852,419</b>	<b>(1,121,943)</b>	<b>(14.29%)</b>	<b>9,390,466</b>
<b>Repairs and Maintenance</b>					
53701000 - Equipment Repair & Maint	1,669	10,580	8,912	84.23%	12,721
53702500 - Building Repair & Maint	(207)	0	207	0.00%	0
53703000 - Elevator /Lift Maintenance	304,288	305,210	922	0.30%	366,252
<b>Total Repairs and Maintenance</b>	<b>305,749</b>	<b>315,790</b>	<b>10,041</b>	<b>3.18%</b>	<b>378,973</b>
<b>Other Operating Expense</b>					
53801000 - Mileage & Meal Allowance	1,633	4,947	3,314	66.99%	5,960
53801500 - Travel & Lodging	0	1,429	1,429	100.00%	1,719
53802000 - Uniforms	57,010	72,503	15,493	21.37%	87,067
53802500 - Dues & Memberships	514	2,005	1,491	74.36%	2,423
53803000 - Subscriptions & Books	692	1,351	659	48.77%	1,628
53803500 - Training & Education	4,323	15,010	10,687	71.20%	18,166
53903000 - Safety	237	823	586	71.16%	993
54001020 - Board Relations - Third	4,847	8,330	3,483	41.82%	10,000
54002000 - Postage	34,344	37,156	2,812	7.57%	53,780
54002500 - Filing Fees / Permits	281	416	135	32.48%	514
<b>Total Other Operating Expense</b>	<b>103,880</b>	<b>143,968</b>	<b>40,088</b>	<b>27.84%</b>	<b>182,251</b>

**Third Laguna Hills Mutual**  
**Operating Statement - Preliminary**  
**10/31/2023**  
 THIRD LAGUNA HILLS MUTUAL

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
<b>Insurance</b>					
54401000 - Hazard & Liability Insurance	818,968	808,775	(10,193)	(1.26%)	970,532
54401500 - D&O Liability	48,983	79,875	30,892	38.68%	95,850
54402000 - Property Insurance	6,296,628	6,541,621	244,993	3.75%	7,849,953
54403000 - General Liability Insurance	7,860	5,894	(1,967)	(33.37%)	7,072
<b>Total Insurance</b>	<b>7,172,440</b>	<b>7,436,165</b>	<b>263,725</b>	<b>3.55%</b>	<b>8,923,407</b>
<b>Uncollectible Accounts</b>					
54602000 - Bad Debt Expense	(6,343)	54,160	60,503	111.71%	65,000
<b>Total Uncollectible Accounts</b>	<b>(6,343)</b>	<b>54,160</b>	<b>60,503</b>	<b>111.71%</b>	<b>65,000</b>
<b>Depreciation and Amortization</b>					
55001000 - Depreciation And Amortization	87,440	87,440	0	0.00%	104,928
<b>Total Depreciation and Amortization</b>	<b>87,440</b>	<b>87,440</b>	<b>0</b>	<b>0.00%</b>	<b>104,928</b>
<b>Net Allocation to Mutuals</b>					
54602500 - Allocated Expenses	1,159,298	1,177,214	17,916	1.52%	1,412,025
<b>Total Net Allocation to Mutuals</b>	<b>1,159,298</b>	<b>1,177,214</b>	<b>17,916</b>	<b>1.52%</b>	<b>1,412,025</b>
<b>Total Expenses</b>	<b>35,138,936</b>	<b>35,736,553</b>	<b>597,618</b>	<b>1.67%</b>	<b>42,861,467</b>
<b>Excess of Revenues Over Expenses</b>	<b>\$2,015,202</b>	<b>\$843,199</b>	<b>\$1,172,004</b>	<b>138.99%</b>	<b>\$1,033,589</b>

**Third Laguna Hills Mutual  
Balance Sheet - Preliminary  
10/31/2023**

		<u>Current Month End</u>	<u>Prior Year Same Period</u>	<u>Prior Year December 31</u>
	<b>Assets</b>			
1	Cash and cash equivalents	\$2,378,712	\$2,532,586	\$862,027
2	Investments	29,155,957	27,325,171	30,360,456
3	Receivable/(Payable) from mutuals	1,284,990	1,193,007	1,346,302
4	Accounts receivable	8,540	103,086	84,306
5	Prepaid expenses and deposits	4,321,379	4,659,612	3,332,534
6	Property and equipment	141,239	141,239	141,239
7	Accumulated depreciation property and equipment	(141,239)	(141,239)	(141,239)
8	Beneficial interest in GRF of Laguna Hills Trust	4,862,771	4,943,060	4,950,211
9	Non-controlling interest in GRF	42,272,100	41,073,262	42,272,100
<b>10</b>	<b>Total Assets</b>	<u><b>\$84,284,451</b></u>	<u><b>\$81,829,783</b></u>	<u><b>\$83,207,936</b></u>
	<b>Liabilities and Fund Balances</b>			
	Liabilities:			
11	Accounts payable and accrued expenses	\$1,946,152	\$2,577,719	\$2,885,835
12	Accrued compensation and related costs	598,365	596,103	598,365
13	Deferred income	652,641	622,427	651,645
14	Income tax payable	(31,029)	(26,005)	(31,029)
15	Total liabilities	<u>\$3,166,128</u>	<u>\$3,770,244</u>	<u>\$4,104,816</u>
	Fund balances:			
16	Fund balance prior years	79,103,120	74,108,394	74,108,394
17	Change in fund balance - current year	2,015,202	3,951,145	4,994,727
18	Net fund balances	<u>81,118,322</u>	<u>78,059,539</u>	<u>79,103,120</u>
19	Total fund balances	<u>81,118,322</u>	<u>78,059,539</u>	<u>79,103,120</u>
<b>20</b>	<b>Total Liabilities and Fund Balances</b>	<u><b>\$84,284,451</b></u>	<u><b>\$81,829,783</b></u>	<u><b>\$83,207,936</b></u>

**Third Laguna Hills Mutual  
Fund Balance Sheet - Preliminary  
10/31/2023**

		<b>Operating Fund</b>	<b>Replacement Fund</b>	<b>Elevator Replacement Fund</b>	<b>Laundry Replacement Fund</b>	<b>Garden Villa Rec Room Fund</b>	<b>Disaster Fund</b>	<b>Unappropriated Expenditures Fund</b>	<b>Total</b>
<b>Assets</b>									
1	Cash and cash equivalents	\$1,614,802	\$105,945	\$347,855	\$12,761	\$56,212	\$72,625	\$168,513	\$2,378,712
2	Investments	492,301	16,182,364	2,675,848	282,285	100,914	5,838,793	3,583,452	29,155,957
3	Receivable/(Payable) from mutuals	1,284,990							1,284,990
4	Receivable/(Payable) from operating fund	(5,170,717)	5,170,717						
5	Accounts receivable	8,540							8,540
6	Prepaid expenses and deposits	4,321,379							4,321,379
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	4,862,771							4,862,771
10	Non-controlling interest in GRF	42,272,100							42,272,100
<b>11</b>	<b>Total Assets</b>	<b><u>\$49,686,167</u></b>	<b><u>\$21,459,026</u></b>	<b><u>\$3,023,703</u></b>	<b><u>\$295,046</u></b>	<b><u>\$157,126</u></b>	<b><u>\$5,911,418</u></b>	<b><u>\$3,751,965</u></b>	<b><u>\$84,284,451</u></b>
<b>Liabilities and Fund Balances</b>									
Liabilities:									
12	Accounts payable and accrued expenses	\$773,385	\$878,078			\$47,275	\$245,804	\$1,610	\$1,946,152
13	Accrued compensation and related costs	598,365							598,365
14	Deferred income	652,641							652,641
15	Income tax payable	(31,029)							(31,029)
16	Total liabilities	<u>\$1,993,362</u>	<u>\$878,078</u>			<u>\$47,275</u>	<u>\$245,804</u>	<u>\$1,610</u>	<u>\$3,166,128</u>
Fund balances:									
17	Fund balance prior years	47,657,797	18,219,267	2,647,544	333,625	111,427	6,278,965	3,854,496	79,103,120
18	Change in fund balance - current year	952,238	1,444,451	376,159	(38,579)	(1,576)	(613,350)	(104,140)	2,015,202
19	Fund transfers	(917,230)	917,230						
20	Net fund balances	<u>47,692,805</u>	<u>20,580,948</u>	<u>3,023,703</u>	<u>295,046</u>	<u>109,851</u>	<u>5,665,615</u>	<u>3,750,355</u>	<u>81,118,322</u>
21	Total fund balances	<u>47,692,805</u>	<u>20,580,948</u>	<u>3,023,703</u>	<u>295,046</u>	<u>109,851</u>	<u>5,665,615</u>	<u>3,750,355</u>	<u>81,118,322</u>
<b>22</b>	<b>Total Liabilities and Fund Balances</b>	<b><u>\$49,686,167</u></b>	<b><u>\$21,459,026</u></b>	<b><u>\$3,023,703</u></b>	<b><u>\$295,046</u></b>	<b><u>\$157,126</u></b>	<b><u>\$5,911,418</u></b>	<b><u>\$3,751,965</u></b>	<b><u>\$84,284,451</u></b>

**Third Laguna Hills Mutual  
Changes in Fund Balances - Preliminary  
10/31/2023**

	<b>Operating Fund</b>	<b>Replacement Fund</b>	<b>Elevator Replacement Fund</b>	<b>Laundry Replacement Fund</b>	<b>Garden Villa Rec Room Fund</b>	<b>Disaster Fund</b>	<b>Unappropriated Expenditures Fund</b>	<b>Total</b>
Revenues:								
Assessments:								
1 Operating	\$23,880,646							\$23,880,646
2 Additions to restricted funds		9,397,080	305,100	122,040	77,625	748,105		10,649,950
3 Total assessments	23,880,646	9,397,080	305,100	122,040	77,625	748,105		34,530,597
Non-assessment revenues:								
4 Fees and charges for services to residents	964,913	2,299				(65)		967,147
5 Laundry	178,749							178,749
6 Investment Income		671,253	71,059	10,897	2,633	137,740	38,527	932,109
7 Miscellaneous	545,691	(154)						545,537
8 Total non-assessment revenue	1,689,353	673,398	71,059	10,897	2,633	137,675	38,527	2,623,542
9 Total revenue	25,569,999	10,070,478	376,159	132,937	80,258	885,780	38,527	37,154,138
Expenses:								
10 Employee compensation and related	8,321,456	2,379,358		23,402	15,942	30,882		10,771,040
11 Materials and supplies	721,601	407,257		145,415	21,249	1,941	1,817	1,299,280
12 Utilities and telephone	4,798,840	8,666			25	281		4,807,812
13 Legal fees	372,154							372,154
14 Professional fees	70,893							70,893
15 Equipment rental	5,040	15,549			64	278		20,932
16 Outside services	1,679,177	5,646,971		122	43,199	1,464,042	140,850	8,974,361
17 Repairs and maintenance	304,855	867		1	4	22		305,749
18 Other Operating Expense	87,265	16,227		118	90	180		103,880
19 Insurance	7,172,440							7,172,440
20 Uncollectible Accounts	(6,343)							(6,343)
21 Depreciation and amortization	87,440							87,440
22 Net allocations to mutuals	1,002,942	151,132		2,458	1,261	1,505		1,159,298
23 Total expenses	24,617,761	8,626,027		171,516	81,834	1,499,131	142,667	35,138,936
24 Excess (deficit) of revenues over expenses	\$952,238	\$1,444,451	\$376,159	(\$38,579)	(\$1,576)	(\$613,350)	(\$104,140)	\$2,015,202
25 Excluding unrealized gain/(loss) and depreciation	\$1,039,678	\$1,444,451	\$376,159	(\$38,579)	(\$1,576)	(\$613,350)	(\$104,140)	\$2,102,642



**THIRD LAGUNA WOODS MUTUAL  
INVESTMENTS HELD BY BANK OF AMERICA  
SCHEDULE OF INVESTMENTS  
10/31/23**

I.D. NO.	DESCRIPTION	STATED RATE	SETTLEMENT DATE	MATURITY DATE	PAR VALUE	EFFECT. YIELD	ORIGINAL COST	BOOK VALUE	10/31/2023	
									MARKET VALUE	UNREALIZED GAIN/(LOSS)
912797HM2	U.S. TREASURY BILL	0.00%	8/31/2023	11/28/2023	\$3,000,000.00	4.660%	\$2,962,966.67	\$2,987,655.56	\$2,988,103.11	\$447.55
<b>TOTAL INVESTMENTS: INTENT TO HOLD FOR SHORT-TERM</b>					<u><u>\$3,000,000.00</u></u>		<u><u>\$2,962,966.67</u></u>	<u><u>\$2,987,655.56</u></u>	<u><u>\$2,988,103.11</u></u>	<u><u>\$447.55</u></u>

**THIRD LAGUNA WOODS MUTUAL  
INVESTMENTS HELD BY BANK OF AMERICA  
SCHEDULE OF INVESTMENTS  
10/31/23**

I.D. NO.	DESCRIPTION	STATED RATE	SETTLEMENT DATE	MATURITY DATE	PAR VALUE	EFFECT. YIELD	ORIGINAL COST	BOOK VALUE	MARKET VALUE	UNREALIZED GAIN/(LOSS)
912796ZN2	U.S. TREASURY BILL	0.00%	3/24/2023	12/28/2023	\$6,571,000.00	4.040%	\$6,372,391.53	\$6,531,847.82	\$6,515,676.25	(\$16,171.57)
912797LL9	U.S. TREASURY BILL	0.00%	3/24/2023	3/21/2024	\$6,633,000.00	4.070%	\$6,372,157.28	\$6,529,223.84	\$6,494,703.81	(\$34,520.03)
912797FS1	U.S. TREASURY BILL	0.00%	6/22/2023	6/13/2024	\$6,762,000.00	5.060%	\$6,441,030.40	\$6,556,044.52	\$6,542,974.56	(\$13,069.96)
912797GL5	U.S. TREASURY BILL	0.00%	9/22/2023	9/5/2024	\$6,847,000.00	5.260%	\$6,515,110.69	\$6,551,185.62	\$6,542,277.14	(\$8,908.48)
<b>TOTAL INVESTMENTS: INTENT TO HOLD FOR LONG-TERM</b>					<u><u>\$26,813,000.00</u></u>		<u><u>\$25,700,689.90</u></u>	<u><u>\$26,168,301.80</u></u>	<u><u>\$26,095,631.76</u></u>	<u><u>(\$72,670.04)</u></u>
<b>TOTAL INVESTMENTS</b>					<u><u>\$ 29,813,000.00</u></u>		<u><u>\$ 28,663,656.57</u></u>	<u><u>\$ 29,155,957.36</u></u>	<u><u>\$ 29,083,734.87</u></u>	

**THIRD LAGUNA HILLS MUTUAL  
FUND EXPENDITURES REPORT  
AS OF OCTOBER 31, 2023**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
OPERATING FUND - MAINTENANCE & CONSTRUCTION								
APPLIANCE REPAIRS	\$4,261	\$8,451	\$64,962	\$81,521	\$98,270	66%	\$16,558	20%
CARPENTRY SERVICE	52,752	48,753	459,201	472,052	568,563	81%	12,851	3%
ELECTRICAL SERVICE	8,816	9,804	96,858	95,754	115,140	84%	(1,104)	(1%)
FIRE PROTECTION	6,440	13,423	63,297	117,484	144,347	44%	54,186	46%
MISC REPAIRS BY OUTSIDE SERVICE	39,334	4,055	88,896	40,550	48,664	183%	(48,346)	(119%)
PEST CONTROL	60,419	29,998	278,238	299,980	360,000	77%	21,742	7%
PLUMBING SERVICE	71,503	62,597	590,934	620,771	744,807	79%	29,837	5%
SOLAR MAINTENANCE	8,307	3,500	37,383	28,000	35,000	107%	(9,383)	(34%)
STREET LIGHT MAINTENANCE	0	1,416	6,896	14,160	17,000	41%	7,264	51%
TOTAL	\$251,832	\$181,996	\$1,686,664	\$1,770,270	\$2,131,791	79%	\$83,606	5%
OPERATING FUND - GENERAL SERVICES								
CONCRETE REPAIR/REPLACEMENT	\$53,876	\$31,230	\$315,014	\$309,679	\$371,540	85%	(\$5,335)	(2%)
JANITORIAL SERVICE	77,826	79,967	746,642	791,757	949,851	79%	45,115	6%
GUTTER CLEANING	9,483	13,546	95,494	134,468	161,337	59%	38,975	29%
TRAFFIC CONTROL	1,665	1,856	16,948	18,383	22,058	77%	1,435	8%
WELDING	7,696	9,329	78,218	92,485	110,964	70%	14,268	15%
TOTAL	\$150,546	\$135,927	\$1,252,315	\$1,346,773	\$1,615,751	78%	\$94,458	7%
OPERATING FUND - LANDSCAPE SERVICES								
LANDSCAPE ADMINISTRATION	\$27,884	\$30,336	\$288,555	\$298,432	\$358,085	81%	\$9,876	3%
NURSERY & COMPOSTING	20,502	21,073	194,860	208,614	250,331	78%	13,754	7%
GROUPS MAINTENANCE	299,647	278,370	2,733,215	2,758,526	3,308,668	83%	25,311	1%
IRRIGATION	87,100	87,552	763,210	866,632	1,039,801	73%	103,422	12%
SMALL EQUIPMENT REPAIR	15,335	17,520	149,384	173,569	208,268	72%	24,185	14%
PEST CONTROL	43,268	34,823	293,015	344,748	413,641	71%	51,733	15%
TOTAL	\$493,734	\$469,675	\$4,422,240	\$4,650,521	\$5,578,793	79%	\$228,281	5%

**THIRD LAGUNA HILLS MUTUAL  
FUND EXPENDITURES REPORT  
AS OF OCTOBER 31, 2023**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
RESERVE FUND - MAINTENANCE & CONSTRUCTION								
BUILDING STRUCTURES	212,839	174,897	1,882,957	1,705,342	2,054,840	92%	(177,616)	(10%)
ELECTRICAL SYSTEMS	0	2,500	0	25,000	30,000	0%	25,000	100%
EXTERIOR LIGHTING	0	1,041	12,062	10,410	12,500	96%	(1,652)	(16%)
FENCING	4,860	7,288	61,158	68,316	82,765	74%	7,158	10%
GARDEN VILLA MAILROOM	24	36	243	359	431	56%	117	33%
GV REC ROOM WATER HEATER/HEAT PUMP	85	437	8,298	4,361	5,245	158%	(3,937)	(90%)
GUTTER REPLACEMENTS	4,637	9,579	50,368	94,077	113,127	45%	43,709	46%
MAILBOXES	953	2,109	9,865	20,979	25,180	39%	11,114	53%
PAINT PROGRAM - EXTERIOR	130,334	134,382	1,221,263	1,331,793	1,597,812	76%	110,529	8%
PRIOR TO PAINT	86,932	98,207	977,270	973,121	1,167,546	84%	(4,149)	(0%)
PAVING	0	0	429,521	439,421	439,421	98%	9,900	2%
ROOF REPLACEMENTS	163,942	119,657	1,170,699	1,171,695	1,468,968	80%	996	0%
WALL REPLACEMENTS	0	2,916	0	29,160	35,000	0%	29,160	100%
WASTE LINE REMEDIATION	222,416	83,333	729,025	833,330	1,000,000	73%	104,305	13%
WATER LINES - COPPER PIPE REMEDIATION	0	41,666	521,015	416,660	500,000	104%	(104,355)	(25%)
PLUMBING REPLACEMENT	0	16,666	0	166,660	200,000	0%	166,660	100%
SUPPLEMENTAL APPROPRIATIONS	0	0	281,298	281,298	300,000	94%	0	0%
TOTAL	\$827,021	\$694,714	\$7,355,040	\$7,571,982	\$9,032,835	81%	\$216,941	3%
RESERVE FUND - GENERAL SERVICES								
PRIOR TO PAINT	\$953	\$1,069	\$9,601	\$10,586	\$12,700	76%	\$985	9%
PAVING	4,729	5,404	48,538	53,546	64,253	76%	5,009	9%
EXTERIOR WALLS	0	2,012	0	20,120	24,150	0%	20,120	100%
TOTAL	\$5,682	\$8,485	\$58,139	\$84,252	\$101,103	58%	\$26,113	31%
RESERVE FUND - LANDSCAPE SERVICES								
LANDSCAPE MODIFICATION	\$1,255	\$53,884	\$274,773	\$460,124	\$541,671	51%	\$185,351	40%
IMPROVEMENT & RESTORATION	18,249	14,951	113,798	148,167	177,744	64%	34,369	23%
TREE MAINTENANCE	19,850	75,364	814,487	749,877	899,814	91%	(64,610)	(9%)
SUPPLEMENTAL APPROPRIATIONS	4,910	4,910	9,790	9,790	208,634	5%	0	0%
TOTAL	\$44,264	\$149,108	\$1,212,848	\$1,367,958	\$1,827,863	66%	\$155,110	11%

**THIRD LAGUNA HILLS MUTUAL  
FUND EXPENDITURES REPORT  
AS OF OCTOBER 31, 2023**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
ELEVATOR REPLACEMENT FUND								
ELEVATOR REPLACEMENT	\$0	\$15,625	\$0	\$109,375	\$125,000	0%	\$109,375	100%
TOTAL	\$0	\$15,625	\$0	\$109,375	\$125,000	0%	\$109,375	100%
LAUNDRY REPLACEMENT FUND								
LAUNDRY APPLIANCES	\$7,333	\$8,483	\$160,395	\$84,632	\$101,579	158%	(\$75,763)	(90%)
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	1,154	1,349	11,121	56,901	59,567	19%	45,780	80%
SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0%	0	0%
TOTAL	\$8,488	\$9,832	\$171,516	\$141,533	\$161,145	106%	(\$29,983)	(21%)
DISASTER FUND - MAINTENANCE & CONSTRUCTION								
MOISTURE INTRUSION - RAIN LEAKS	\$27,884	\$21,666	\$489,723	\$216,660	\$260,000	188%	(\$273,063)	(126%)
MOISTURE INTRUSION - PLUMBING LEAKS	90,078	41,666	662,407	416,660	500,000	132%	(245,747)	(59%)
MOISTURE INTRUSION - PLUMBING STOPPAGES	11,769	7,500	137,314	60,000	75,000	183%	(77,314)	(129%)
MOISTURE INTRUSION - MISCELLANEOUS	51,530	1,166	146,513	11,660	14,000	1047%	(134,853)	(1157%)
DAMAGE RESTORATION SERVICES	(40,800)	16,660	35,110	166,220	199,470	18%	131,110	79%
TOTAL	\$140,460	\$88,658	\$1,471,067	\$871,200	\$1,048,470	140%	(\$599,867)	(69%)
DISASTER FUND - LANDSCAPE SERVICES								
RISK FIRE MANAGEMENT	\$0	\$15,000	\$28,064	\$150,000	\$180,000	16%	\$121,936	81%
TOTAL	\$0	\$15,000	\$28,064	\$150,000	\$180,000	16%	\$121,936	81%
GARDEN VILLA RECREATION ROOM FUND								
GARDEN VILLA RECREATION ROOMS	\$35,361	\$7,820	\$81,834	\$77,986	\$93,642	87%	(\$3,848)	(5%)
TOTAL	\$35,361	\$7,820	\$81,834	\$77,986	\$93,642	87%	(\$3,848)	(5%)
UNAPPROPRIATED EXPENDITURES FUND								
SUPPLEMENTAL APPROPRIATIONS	0	0	142,667	142,667	142,667	100%	0	0%
TOTAL	\$0	\$0	\$142,667	\$142,667	\$142,667	100%	\$0	0%

**RESERVE EXPENDITURES COMPARED TO RESERVE STUDY  
AS PRESENTED IN THE 2023 BUSINESS PLAN  
AS OF OCTOBER 31, 2023**

	2023	2023	2023	2023	2023
	YTD Actual	YTD Budget	YTD Variance	Annual Budget	% Expended
Paved Surfaces	\$478,059	\$492,967	\$14,908	\$503,674	95%
Roofing & Gutters	\$1,221,067	\$1,432,432	\$211,365	\$1,782,095	69%
Building Structures	\$1,833,007	\$1,663,682	(\$169,325)	\$2,004,840	91%
Decking Projects	\$317,857	\$342,537	\$24,681	\$410,998	77%
Prior to Painting & Painting Projects	\$1,940,228	\$2,014,622	\$74,394	\$2,417,060	80%
Elevators	\$0	\$109,375	\$109,375	\$125,000	0%
Garden Villas	\$8,540	\$4,720	(\$3,820)	\$5,676	150%
Lighting Replacement Projects	\$12,062	\$10,410	(\$1,652)	\$12,500	96%
Walls, Fencing, and Railings	\$61,158	\$119,926	\$58,769	\$144,721	42%
Laundry Facilities	\$171,516	\$139,203	(\$32,313)	\$158,339	108%
Sewer Lines, Water Lines and Elect	\$1,250,040	\$1,274,990	\$24,950	\$1,530,000	82%
Grounds & Miscellaneous	\$9,865	\$20,979	\$11,114	\$25,180	39%
Landscape Projects	\$1,203,058	\$1,358,168	\$155,110	\$1,619,229	74%
<b>Total</b>	<b>\$8,506,455</b>	<b>\$8,984,011</b>	<b>\$477,556</b>	<b>\$10,739,312</b>	<b>79%</b>

**THIRD LAGUNA HILLS  
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES  
REPORT AS OF OCTOBER 31, 2023**

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

APPLIANCE REPAIRS	\$64,962	\$58,131	\$6,831	\$0
CARPENTRY SERVICE	459,201	406,515	52,686	0
ELECTRICAL SERVICE	96,858	85,105	10,762	991
FIRE PROTECTION	63,297	3,875	1,604	57,818
MISC REPAIRS BY OUTSIDE SERVICE	88,896	42,574	0	46,322
PEST CONTROL	278,238	0	0	278,238
PLUMBING SERVICE	590,934	466,908	57,746	66,280
SOLAR MAINTENANCE	37,383	0	0	37,383
STREET LIGHT MAINTENANCE	6,896	0	0	6,896
<b>TOTAL</b>	<b>\$1,686,664</b>	<b>\$1,063,108</b>	<b>\$129,629</b>	<b>\$493,928</b>

**OPERATING FUND - GENERAL SERVICES**

CONCRETE REPAIR/REPLACEMENT	\$315,014	\$253,840	\$30,845	\$30,329
JANITORIAL SERVICE	746,642	729,267	17,375	0
GUTTER CLEANING	95,494	95,494	0	0
TRAFFIC CONTROL	16,948	16,769	179	0
WELDING	78,218	76,933	1,285	0
<b>TOTAL</b>	<b>\$1,252,315</b>	<b>\$1,172,302</b>	<b>\$49,684</b>	<b>\$30,329</b>

**OPERATING FUND - LANDSCAPE SERVICES**

LANDSCAPE ADMINISTRATION	\$288,555	\$288,555	\$0	\$0
NURSERY & COMPOSTING	194,860	194,860	0	0
GROUNDS MAINTENANCE	2,733,215	2,175,600	2,427	555,188
IRRIGATION	763,210	667,179	96,031	0
SMALL EQUIPMENT REPAIR	149,384	149,384	0	0
PEST CONTROL	293,015	293,015	0	0
<b>TOTAL</b>	<b>\$4,422,240</b>	<b>\$3,768,594</b>	<b>\$98,458</b>	<b>\$555,188</b>

**THIRD LAGUNA HILLS  
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES  
REPORT AS OF OCTOBER 31, 2023**

DESCRIPTION	YTD TOTAL EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES
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***OPERATING FUND - CHARGEABLE SERVICES***

CHARGEABLE SERVICES	\$828,031	\$135,749	\$182,394	\$509,888
<b>TOTAL</b>	<b>\$828,031</b>	<b>\$135,749</b>	<b>\$182,394</b>	<b>\$509,888</b>

***RESERVE FUND - MAINTENANCE & CONSTRUCTION***

BUILDING NUMBERS	\$0	\$0	\$0	\$0
BUILDING STRUCTURES	1,882,957	149,338	50,872	1,682,748
ELECTRICAL SYSTEMS	0	0	0	0
ENERGY PROJECTS	0	0	0	0
EXTERIOR LIGHTING	12,062	0	0	12,062
FENCING	61,158	51,605	9,553	0
GARDEN VILLA LOBBY	0	0	0	0
GARDEN VILLA MAILROOM	243	243	0	0
GARDEN VILLA RECESSED AREA	0	0	0	0
GV REC ROOM WATER HEATER/HEAT PUMP	8,298	1,017	1,550	5,731
GUTTER REPLACEMENTS	50,368	46,969	3,398	0
MAILBOXES	9,865	9,865	0	0
PAINT PROGRAM - EXTERIOR	1,221,263	1,068,826	140,921	11,517
PRIOR TO PAINT	977,270	821,964	100,364	54,942
PAVING	429,521	0	0	429,521
ROOF REPLACEMENTS	1,170,699	0	0	1,170,699
WALL REPLACEMENTS	0	0	0	0
WASTE LINE REMEDIATION	729,025	0	0	729,025
WATER LINES - COPPER PIPE REMEDIATION	521,015	0	111	520,904
PLUMBING REPLACEMENT	0	0	0	0
SUPPLEMENTAL APPROPRIATIONS	281,298	0	0	281,298
<b>TOTAL</b>	<b>\$7,355,040</b>	<b>\$2,149,825</b>	<b>\$306,769</b>	<b>\$4,898,446</b>

**THIRD LAGUNA HILLS  
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES  
REPORT AS OF OCTOBER 31, 2023**

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

PRIOR TO PAINT	\$9,601	\$9,601	\$0	\$0
PAVING	48,538	47,619	919	0
EXTERIOR WALLS	0	0	0	0
<b>TOTAL</b>	<b>\$58,139</b>	<b>\$57,220</b>	<b>\$919</b>	<b>\$0</b>

***RESERVE FUND - LANDSCAPE***

LANDSCAPE MODIFICATION	\$276,406	\$13,122	\$0	\$263,284
IMPROVEMENT & RESTORATION	112,165	112,165	0	0
TREE MAINTENANCE	814,487	342,929	0	471,558
SUPPLEMENTAL APPROPRIATIONS	9,790	0	0	9,790
<b>TOTAL</b>	<b>\$1,212,848</b>	<b>\$468,215</b>	<b>\$0</b>	<b>\$744,632</b>

***RESERVE FUND - ELEVATOR***

ELEVATOR REPLACEMENT	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

***RESERVE FUND - LAUNDRY***

LAUNDRY APPLIANCES	\$160,395	\$16,556	\$143,839	\$0
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	11,121	10,777	344	0
<b>TOTAL</b>	<b>\$171,516</b>	<b>\$27,333</b>	<b>\$144,183</b>	<b>\$0</b>

***DISASTER FUND - MAINTENANCE & CONSTRUCTION***

MOISTURE INTRUSION - RAIN LEAKS	\$489,723	\$0	\$0	\$489,723
MOISTURE INTRUSION - PLUMBING LEAKS	662,407	0	0	662,407
MOISTURE INTRUSION - PLUMBING STOPPAGES	137,314	0	0	137,314
MOISTURE INTRUSION - MISCELLANEOUS	146,513	0	0	146,513
DAMAGE RESTORATION SERVICES	35,110	34,918	192	0
<b>TOTAL</b>	<b>\$1,471,067</b>	<b>\$34,918</b>	<b>\$192</b>	<b>\$1,435,957</b>



**THIRD LAGUNA HILLS  
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES  
REPORT AS OF OCTOBER 31, 2023**

DESCRIPTION	YTD TOTAL EXPENDITURES	LABOR	MATERIALS	OUTSIDE SERVICES
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***DISASTER FUND - LANDSCAPE SERVICES***

RISK FIRE MANAGEMENT	\$28,064	\$0	\$0	\$28,064
SUPPLEMENTAL APPROPRIATIONS	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$28,064</b>	<b>\$0</b>	<b>\$0</b>	<b>\$28,064</b>

***GARDEN VILLA REC ROOM FUND - MAINTENANCE & CONSTRUCTION***

GARDEN VILLA RECREATION ROOMS	\$81,834	\$18,373	\$20,301	\$43,160
<b>TOTAL</b>	<b>\$81,834</b>	<b>\$18,373</b>	<b>\$20,301</b>	<b>\$43,160</b>

***UNAPPROPRIATED EXPENDITURES FUND***

SUPPLEMENTAL APPROPRIATIONS	\$142,667	\$0	\$1,817	\$140,850
<b>TOTAL</b>	<b>\$142,667</b>	<b>\$0</b>	<b>\$1,817</b>	<b>\$140,850</b>

**THIRD LAGUNA HILLS  
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES  
REPORT AS OF OCTOBER 31, 2023**

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

APPLIANCE REPAIRS	\$0	\$0	\$0
CARPENTRY SERVICE	0	14,580	14,580
ELECTRICAL SERVICE	991	2,000	1,009
FIRE PROTECTION	57,818	112,320	54,502
MISC REPAIRS BY OUTSIDE SERVICE	46,322	40,550	(5,772)
PEST CONTROL	278,238	299,980	21,742
PLUMBING SERVICE	66,280	79,160	12,880
SOLAR MAINTENANCE	37,383	28,000	(9,383)
STREET LIGHT MAINTENANCE	6,896	14,160	7,264
<b>TOTAL</b>	<b>\$493,928</b>	<b>\$590,750</b>	<b>\$96,822</b>

**OPERATING FUND - GENERAL SERVICES**

CONCRETE REPAIR/REPLACEMENT	\$30,329	\$0	(\$30,329)
JANITORIAL SERVICE	0	0	0
GUTTER CLEANING	0	31,660	31,660
TRAFFIC CONTROL	0	0	0
WELDING	0	8,330	8,330
<b>TOTAL</b>	<b>\$30,329</b>	<b>\$39,990</b>	<b>\$9,661</b>

**OPERATING FUND - LANDSCAPE SERVICES**

LANDSCAPE ADMINISTRATION	\$0	\$0	\$0
NURSERY & COMPOSTING	0	0	0
GROUNDS MAINTENANCE	555,188	0	(555,188)
IRRIGATION	0	0	0
SMALL EQUIPMENT REPAIR	0	0	0
PEST CONTROL	0	0	0
<b>TOTAL</b>	<b>\$555,188</b>	<b>\$0</b>	<b>(\$555,188)</b>

**THIRD LAGUNA HILLS  
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES  
REPORT AS OF OCTOBER 31, 2023**

DESCRIPTION	OS Actuals	OS Budget	OS Variance
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**OPERATING FUND - CHARGEABLE SERVICES**

CHARGEABLE SERVICES	\$509,888	\$313,962	(195,926)
<b>TOTAL</b>	<b>\$509,888</b>	<b>\$313,962</b>	<b>(195,926)</b>

**OPERATING FUND - SECURITY SERVICES**

Smoke Detector Services	\$0	\$0	0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>0</b>

**THIRD LAGUNA HILLS  
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES  
REPORT AS OF OCTOBER 31, 2023**

DESCRIPTION	OS Actuals	OS Budget	OS Variance
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**RESERVE FUND - MAINTENANCE & CONSTRUCTION**

BUILDING STRUCTURES	1,682,748	1,482,540	(200,208)
EXTERIOR LIGHTING	12,062	10,410	(1,652)
FENCING	0	0	0
GARDEN VILLA LOBBY	0	0	0
GARDEN VILLA MAILROOM	0	0	0
GV REC ROOM WATER HEATER/HEAT PUMP	5,731	1,890	(3,841)
GUTTER REPLACEMENTS	0	41,660	41,660
MAILBOXES	0	0	0
PAINT PROGRAM - EXTERIOR	11,517	47,900	36,383
PRIOR TO PAINT	54,942	45,830	(9,112)
PAVING	429,521	439,421	9,900
ROOF REPLACEMENTS	1,170,699	1,171,695	996
WALL REPLACEMENTS	0	29,160	29,160
WASTE LINE REMEDIATION	729,025	833,330	104,305
WATER LINES - COPPER PIPE REMEDIATION	520,904	416,660	(104,244)
PLUMBING REPLACEMENT	0	166,660	166,660
SUPPLEMENTAL APPROPRIATIONS	281,298	281,298	0
<b>TOTAL</b>	<b>\$4,898,446</b>	<b>\$4,993,454</b>	<b>\$95,008</b>

**RESERVE FUND - GENERAL SERVICES**

PRIOR TO PAINT	\$0	\$0	\$0
PAVING	0	0	0
EXTERIOR WALLS	0	20,120	20,120
<b>TOTAL</b>	<b>\$0</b>	<b>\$20,120</b>	<b>\$20,120</b>

**THIRD LAGUNA HILLS  
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES  
REPORT AS OF OCTOBER 31, 2023**

DESCRIPTION	OS Actuals	OS Budget	OS Variance
<b>RESERVE FUND - LANDSCAPE</b>			
LANDSCAPE MODIFICATION	\$263,284	\$445,200	\$181,916
IMPROVEMENT & RESTORATION	0	0	0
TREE MAINTENANCE	471,558	419,260	(52,298)
SUPPLEMENTAL APPROPRIATION	9,790	9,790	0
<b>TOTAL</b>	<b>\$744,632</b>	<b>\$874,250</b>	<b>\$129,618</b>
<b>RESERVE FUND - ELEVATOR</b>			
ELEVATOR REPLACEMENT	\$0	\$109,375	\$109,375
<b>TOTAL</b>	<b>\$0</b>	<b>\$109,375</b>	<b>\$109,375</b>
<b>RESERVE FUND - LAUNDRY</b>			
LAUNDRY APPLIANCES	\$0	\$2,330	\$2,330
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	0	30,060	30,060
<b>TOTAL</b>	<b>\$0</b>	<b>\$32,390</b>	<b>\$32,390</b>

**THIRD LAGUNA HILLS  
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES  
REPORT AS OF OCTOBER 31, 2023**

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

MOISTURE INTRUSION - RAIN LEAKS	\$489,723	\$216,660	(\$273,063)
MOISTURE INTRUSION - PLUMBING LEAKS	662,407	416,660	(245,747)
MOISTURE INTRUSION - PLUMBING STOPPAGES	137,314	60,000	(77,314)
MOISTURE INTRUSION - MISCELLANEOUS	146,513	11,660	(134,853)
DAMAGE RESTORATION SERVICES	0	129,160	129,160
<b>TOTAL</b>	<b>\$1,435,957</b>	<b>\$834,140</b>	<b>(\$601,817)</b>

**DISASTER FUND - LANDSCAPE SERVICES**

RISK FIRE MANAGEMENT	\$28,064	\$150,000	\$121,936
SUPPLEMENTAL APPROPRIATIONS	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$28,064</b>	<b>\$150,000</b>	<b>\$121,936</b>

**GARDEN VILLA REC ROOM FUND - MAINTENANCE & CONSTRUCTION**

GARDEN VILLA RECREATION ROOMS	\$43,160	\$45,830	\$2,670
<b>TOTAL</b>	<b>\$43,160</b>	<b>\$45,830</b>	<b>\$2,670</b>

**UNAPPROPRIATED EXPEDENDITURES FUND**

SUPPLEMENTAL APPROPRIATIONS	\$140,850	\$0	(\$140,850)
<b>TOTAL</b>	<b>\$140,850</b>	<b>\$0</b>	<b>(\$140,850)</b>

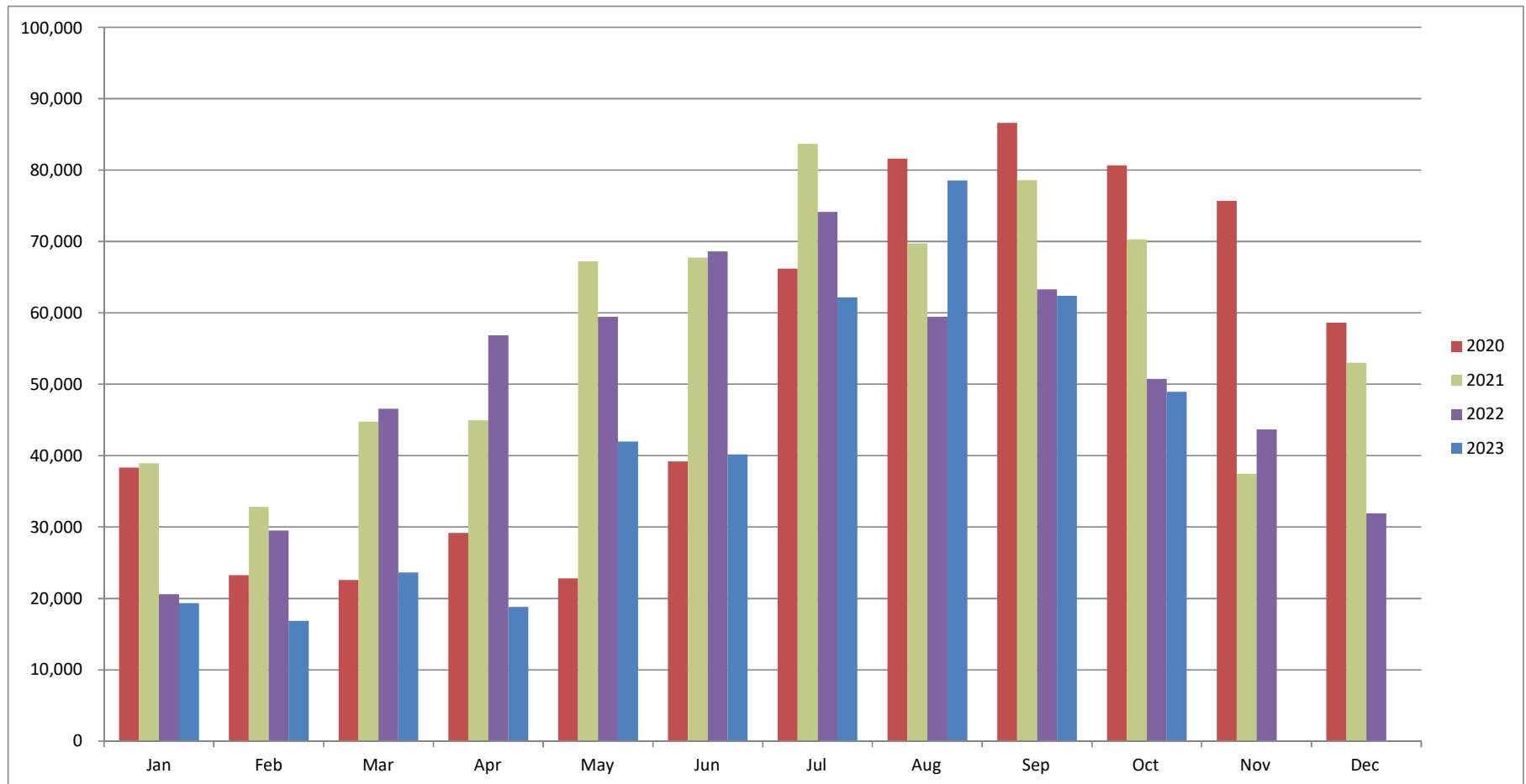
Third Laguna Hills Mutual  
Fund Expenditure Schedule  
Period Ending: 10/31/2023

Fund/Item	Resolution	BUDGET	EXPENDITURES I-T-D*			Remaining Encumbrance
			2023	Prior Years	Total	
Operating Fund (Approved Unbudgeted Expenses)						
Damage Restoration Reimbursement Backlog Case Load	03-23-71	\$98,100	\$43,204	\$0	\$43,204	\$54,896
Reserve Fund (Supplemental Appropriations)						
Turf Reduction	3-22-137	\$151,000	\$9,790	\$0	\$9,790	\$141,210
Emergency Roof Repairs	3-23-42	\$300,000	\$0	\$0	\$0	\$300,000
Turf Aeration	3-23-124	\$57,634	\$0	\$0	\$0	\$57,634
Slope Erosion Repairs	3-23-137	\$241,422	\$0	\$0	\$0	\$241,422
Unappropriated Expenditures Fund						
Mitigation of Nuisance Seepage - Gate 11	3-22-54	\$34,960	\$18,410	\$7,009	\$25,419	\$9,541
Gate 11 French Drain Construction	3-23-72	\$340,290	\$122,440	\$0	\$122,440	\$217,850
Total		\$1,223,406	\$193,844	\$7,009	\$200,853	\$1,022,553

\*Incurred To Date

### 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
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	\$2,427,751	490,435	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	\$2,595,780	598,689	689,149
2022	20,573	29,523	46,594	56,831	59,443	68,617	74,150	59,427	63,281	50,772	43,694	31,907	\$2,468,235	529,211	604,812
2023	19,363	16,857	23,667	18,805	41,986	40,165	62,154	78,546	62,385	48,947	-	-	\$2,256,250	412,875	412,875



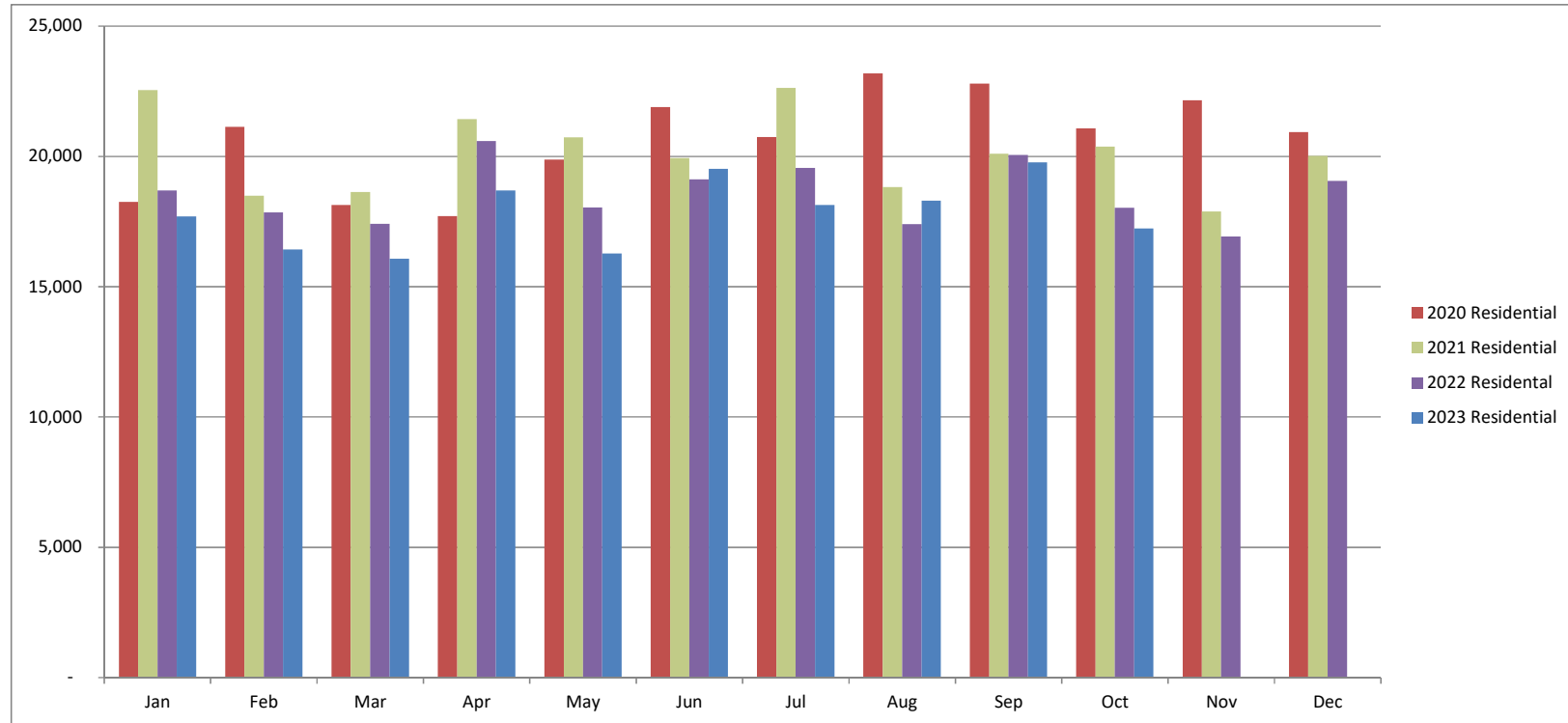
\*Derived From ETWD Billing Statements



### Third Mutual

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

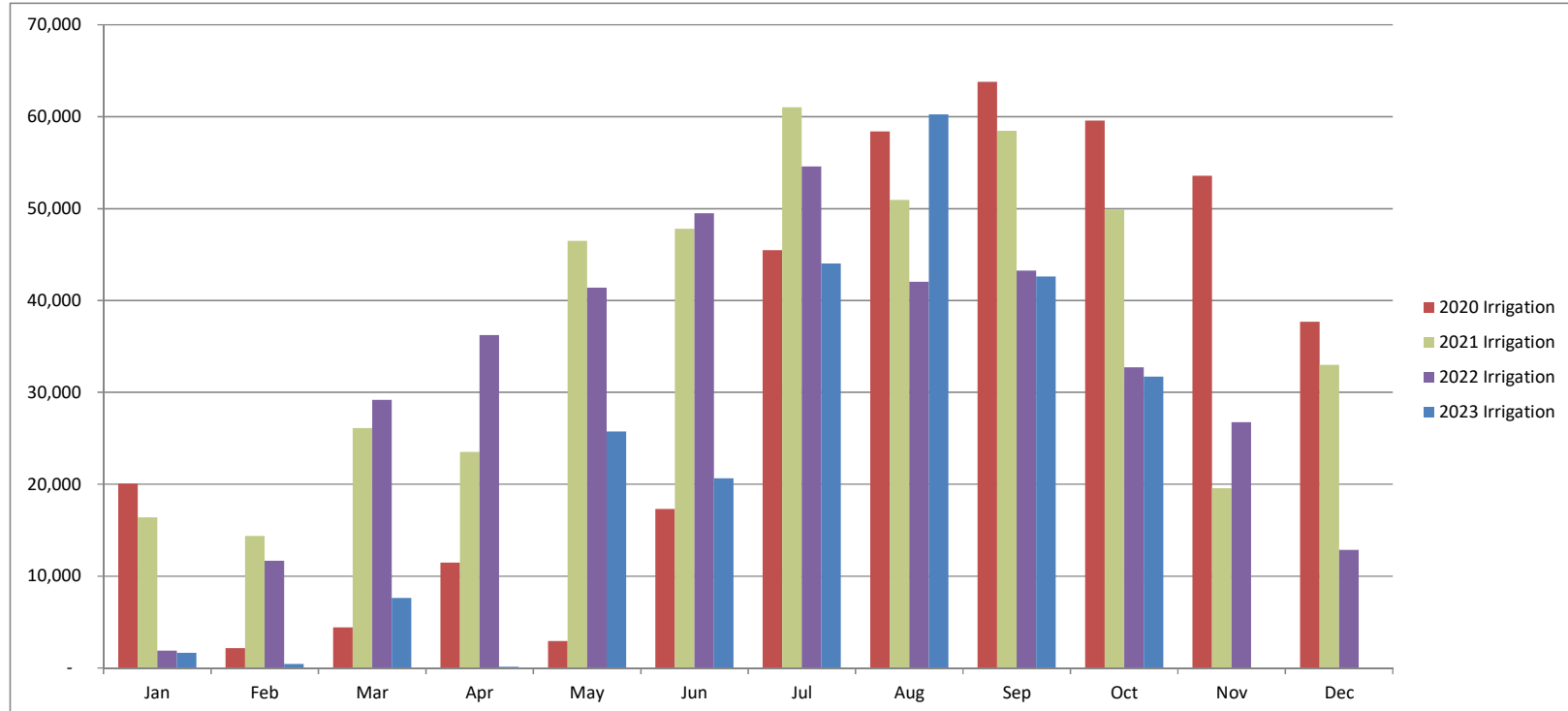
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD \$*	YTD ccf	Total
2020 Residential	18,254	21,139	18,140	17,705	19,881	21,887	20,740	23,182	22,796	21,072	22,146	20,927	\$1,220,738	204,796	247,869
2021 Residential	22,539	18,488	18,641	21,433	20,735	19,937	22,631	18,823	20,107	20,369	17,883	20,022	\$1,132,465	203,703	241,608
2022 Residential	18,689	17,842	17,409	20,594	18,044	19,119	19,554	17,401	20,050	18,035	16,920	19,067	\$1,120,203	186,737	222,724
2023 Residential	17,693	16,435	16,065	18,691	16,268	19,524	18,135	18,302	19,774	17,233	-	-	\$1,161,759	178,120	178,120



\*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
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	\$1,207,013	285,639	<b>376,874</b>
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	\$1,463,314	394,986	<b>447,541</b>
2022 Irrigation	1,884	11,681	29,185	36,237	41,399	49,498	54,596	42,026	43,231	32,737	26,774	12,840	\$1,348,032	342,474	<b>382,088</b>
2023 Irrigation	1,670	422	7,602	114	25,718	20,641	44,019	60,244	42,611	31,714	-	-	\$1,094,491	234,755	<b>234,755</b>



**THIRD LAGUNA HILLS MUTUAL**  
**Provision For Doubtful Accounts**  
**As of October 31, 2023**

Month	Delinquent Assessments <sup>(1)</sup>	Assessments Write-Offs <sup>(2)</sup>	Bad Debt Small Claims <sup>(3)</sup>	Delinquent Fines, Fees, and Chargeable Services <sup>(4)</sup>	Chargeable Services Write-Offs <sup>(5)</sup>	Change in Provision <sup>(6)</sup>	Total Delinquent Units <sup>(7)</sup>
December-22	401,529			77,960			27
January-23	378,519	-	-	101,197	-	227	28
February-23	377,236			97,346		(5,134)	28
March-23	367,624			103,031		(3,926)	28
April-23	346,049			109,444		(15,162)	29
May-23	380,061			97,347		21,915	25
June-23	385,327			93,534		1,453	26
July-23	375,168			100,234		(3,459)	27
August-23	377,426	3,237		103,007		8,267	25
September-23	383,980	9,357		97,580		10,485	26
October-23	313,931	61,868	(5,225)	89,978		(21,009)	26
November-23							
December-23							
YTD TOTAL						(6,343)	

(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

# Annual Financial Services Review

Third Laguna Hills Mutual

December 5, 2023



## Understanding Financial Statements

Financial statements for a community association should be prepared in a way that meets regulatory guidelines while providing stakeholders with clear and accurate information that presents the financial health of the corporation.

Schedules included in the financial package support the commitment of full transparency to members and the corporation.

## GAAP – Generally Accepted Accounting Principles

Financials are presented on an accrual basis, as required by GAAP, are useful for community associations.

Accrual based accounting is especially helpful when members are assessed based on annual budgets and comparative data is used to evaluate actual performance to budget, either as required under the bylaws or by state law.

Revenue is recorded when earned, not when received, and expenses are recorded when incurred, not when paid.

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## Finance Committee

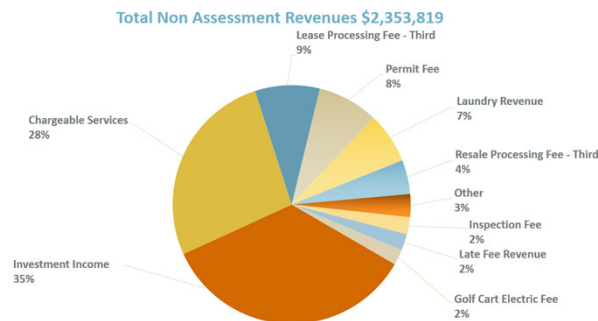
Financials are reviewed in detail at the Finance Committee meetings. The reports are presented in GAAP format and include additional schedules so readers can easily see how money is being spent and how well the association is performing to expectations.

	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	\$21,492,582							\$21,492,582
2 Additions to restricted funds		8,457,372	274,590	109,836	69,863	673,295		9,584,955
3 Total assessments	21,492,582	8,457,372	274,590	109,836	69,863	673,295		31,077,537
Non-assessment revenues:								
4 Fees and charges for services to residents	877,993	2,299				(65)		880,228
5 Laundry	162,037							162,037
6 Investment Income		588,550	62,538	9,662	2,317	122,492	34,792	820,353
7 Miscellaneous	491,356	(154)						491,202
8 Total non-assessment revenue	1,531,387	590,695	62,538	9,662	2,317	122,428	34,792	2,353,819
9 Total revenue	23,023,968	9,048,067	337,128	119,498	72,180	795,722	34,792	33,431,356

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## Finance Chair's Report

A financial summary is then presented by the Finance Committee Chair at a televised board meeting and includes graphics that highlight key areas of interest such as major components of revenue and expense.



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## Balance Sheet

A point in time snapshot of the financial condition on the last day of the month: total assets, liabilities, and fund balances.

## Change in Fund Balances

Details the current year activity that contributed to the reported fund balances.

## Statement of Revenues & Expenses

Reports revenues and expenses for current month with comparison to budget. The Same information is shown with year-to-date results.

## Operating Statement

A further breakdown of the operating revenues and expenditures, this report shows year-to-date results for each ledge account number and compares to budget.

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## Reporting Period

	Last Day of Month	Month to Date	Year to Date
Balance sheet	X		
Changes in fund balances			X
Statement of operation revenue and expense		X	X
Operating statement			X

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Third Laguna Hills Mutual  
Fund Balance Sheet - Preliminary  
9/30/2023

	Operating Fund	Replacement Fund	Elevator Replacement Fund	Laundry Replacement Fund	Garden Villa Rec Room Fund	Disaster Fund	Unappropriated Expenditures Fund	Total
<b>Assets</b>								
1 Cash and cash equivalents	\$1,546,468	\$72,733	\$308,825	\$7,810	\$49,956	\$3,769	\$287,425	\$2,276,985
2 Investments		16,182,364	2,675,848	282,285	100,914	5,838,793	3,583,452	28,663,657
3 Receivable/(Payable) from mutuals	1,203,459							1,203,459
4 Receivable/(Payable) from operating fund	(5,170,717)	5,170,717						
5 Accounts receivable and interest receivable	380,062							380,062
6 Prepaid expenses and deposits	4,777,791							4,777,791
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	4,871,515							4,871,515
10 Non-controlling interest in GRF	42,272,100							42,272,100
<b>11 Total Assets</b>	<b>\$49,880,679</b>	<b>\$21,425,814</b>	<b>\$2,984,672</b>	<b>\$290,095</b>	<b>\$150,871</b>	<b>\$5,842,562</b>	<b>\$3,870,877</b>	<b>\$84,445,570</b>
<b>Liabilities and Fund Balances</b>								
<b>Liabilities:</b>								
12 Accounts payable and accrued expenses	\$837,546	\$990,309			\$13,737	\$126,545	\$61,428	\$2,029,565
13 Accrued compensation and related costs	598,365							598,365
14 Deferred income	688,140							688,140
15 Income tax payable	(31,029)							(31,029)
16 Total liabilities	\$2,093,022	\$990,309			\$13,737	\$126,545	\$61,428	\$3,285,042
<b>Fund balances:</b>								
17 Fund balance prior years	47,657,797	18,219,267	2,647,544	333,625	111,427	6,278,965	3,854,496	79,103,120
18 Change in fund balance - current year	1,047,090	1,299,008	337,128	(43,530)	25,707	(562,948)	(45,046)	2,057,408
19 Fund transfers	(917,230)	917,230						
20 Net fund balances	47,787,657	20,435,505	2,984,672	290,095	137,134	5,716,017	3,809,449	81,160,529
21 Total fund balances	47,787,657	20,435,505	2,984,672	290,095	137,134	5,716,017	3,809,449	81,160,529
<b>22 Total Liabilities and Fund Balances</b>	<b>\$49,880,679</b>	<b>\$21,425,814</b>	<b>\$2,984,672</b>	<b>\$290,095</b>	<b>\$150,871</b>	<b>\$5,842,562</b>	<b>\$3,870,877</b>	<b>\$84,445,570</b>

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Third Laguna Hills Mutual Fund Balance Sheet - Preliminary 9/30/2023								
	Operating Fund	Replacement Fund	Elevator Replacement Fund	Laundry Replacement Fund	Garden Villa Rec Room Fund	Disaster Fund	Unappropriated Expenditures Fund	Total
<b>Assets</b>								
1 Cash and cash equivalents	\$1,546,468	\$72,733	\$308,825	\$7,810	\$49,956	\$3,769	\$287,425	\$2,276,985
2 Investments		16,182,364	2,675,848	282,285	100,914	5,838,793	3,583,452	28,663,657
3 Receivable/(Payable) from mutuals	1,203,459							1,203,459
4 Receivable/(Payable) from operating fund	(5,170,717)	5,170,717						
5 Accounts receivable and interest receivable	390,062							390,062
6 Prepaid expenses and deposits	4,777,791							4,777,791
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	4,871,515							4,871,515
10 Non-controlling interest in GRF	42,272,100							42,272,100
11 <b>Total Assets</b>	<b>\$49,880,679</b>	<b>\$21,425,814</b>	<b>\$2,984,672</b>	<b>\$290,095</b>	<b>\$150,871</b>	<b>\$5,842,562</b>	<b>\$3,870,877</b>	<b>\$84,445,570</b>
<b>Liabilities and Fund Balances</b>								
<b>Liabilities:</b>								
12 Accounts payable and accrued expenses	\$837,546	\$990,309			\$13,737	\$126,545	\$61,428	\$2,029,565
13 Accrued compensation and related costs	598,365							598,365
14 Deferred income	688,140							688,140
15 Income tax payable	(31,029)							(31,029)
16 <b>Total liabilities</b>	<b>\$2,093,022</b>	<b>\$990,309</b>			<b>\$13,737</b>	<b>\$126,545</b>	<b>\$61,428</b>	<b>\$3,285,042</b>
<b>Fund balances:</b>								
17 Fund balance prior years	47,657,797	18,219,267	2,647,544	233,626	111,427	6,278,965	3,854,496	79,103,130
18 Change in fund balance - current year	1,047,090	1,299,008	337,128	(43,530)	25,707	(562,948)	(45,046)	2,057,408
19 Fund transfers	(917,230)	917,230						
20 <b>Net fund balances</b>	<b>47,787,657</b>	<b>20,435,505</b>	<b>2,984,672</b>	<b>290,095</b>	<b>137,134</b>	<b>5,716,017</b>	<b>3,809,449</b>	<b>81,160,529</b>
21 <b>Total fund balances</b>	<b>47,787,657</b>	<b>20,435,505</b>	<b>2,984,672</b>	<b>290,095</b>	<b>137,134</b>	<b>5,716,017</b>	<b>3,809,449</b>	<b>81,160,529</b>
22 <b>Total Liabilities and Fund Balances</b>	<b>\$49,880,679</b>	<b>\$21,425,814</b>	<b>\$2,984,672</b>	<b>\$290,095</b>	<b>\$150,871</b>	<b>\$5,842,562</b>	<b>\$3,870,877</b>	<b>\$84,445,570</b>

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Third Laguna Hills Mutual Changes in Fund Balances - Preliminary 9/30/2023								
	Operating Fund	Replacement Fund	Elevator Replacement Fund	Laundry Replacement Fund	Garden Villa Rec Room Fund	Disaster Fund	Unappropriated Expenditures Fund	Total
<b>Revenues:</b>								
<b>Assessments:</b>								
1 Operating	\$21,492,582							\$21,492,582
2 Additions to restricted funds		8,457,372	274,590	109,836	69,863	673,295		9,584,955
3 <b>Total assessments</b>	<b>\$21,492,582</b>	<b>8,457,372</b>	<b>274,590</b>	<b>109,836</b>	<b>69,863</b>	<b>673,295</b>		<b>31,077,537</b>
<b>Non-assessment revenues:</b>								
4 Fees and charges for services to residents	877,993	2,299				(65)		880,228
5 Laundry	162,037							162,037
6 Investment income		588,550	62,538	9,662	2,317	122,492	34,792	820,353
7 Miscellaneous	491,356	(154)						491,202
8 <b>Total non-assessment revenue</b>	<b>1,531,387</b>	<b>590,695</b>	<b>62,538</b>	<b>9,662</b>	<b>2,317</b>	<b>122,428</b>	<b>34,792</b>	<b>2,353,819</b>
9 <b>Total revenue</b>	<b>23,023,968</b>	<b>9,048,067</b>	<b>337,128</b>	<b>119,498</b>	<b>72,180</b>	<b>795,722</b>	<b>34,792</b>	<b>33,431,356</b>
<b>Expenses:</b>								
10 Employee compensation and related	7,474,869	2,164,467		21,236	14,367	27,888		9,702,827
11 Materials and supplies	622,795	362,940		139,384	16,268	1,783	623	1,143,793
12 Utilities and telephone	4,308,629	8,103			23	263		4,317,018
13 Legal fees	326,175							326,175
14 Professional fees	65,938							65,938
15 Equipment rental	4,763	13,751			56	259		18,829
16 Outside services	1,364,763	5,045,250		103	14,545	1,326,949	79,215	7,830,826
17 Repairs and maintenance	259,537	850		1	4	21		260,413
18 Other Operating Expense	83,955	15,426		109	85	170		99,745
19 Insurance	6,471,627							6,471,627
20 Uncollectible Accounts	14,665							14,665
21 Depreciation and amortization	78,696							78,696
22 Net allocations to mutuals	900,468	138,272		2,194	1,125	1,337		1,043,396
23 <b>Total expenses</b>	<b>21,976,879</b>	<b>7,749,059</b>		<b>163,028</b>	<b>46,473</b>	<b>1,358,671</b>	<b>79,838</b>	<b>31,373,948</b>
24 <b>Excess (deficit) of revenues over expenses</b>	<b>\$1,047,090</b>	<b>\$1,299,008</b>	<b>\$337,128</b>	<b>(\$43,530)</b>	<b>\$25,707</b>	<b>(\$562,948)</b>	<b>(\$45,046)</b>	<b>\$2,057,408</b>
25 <b>Excluding unrealized gain/(loss) and depreciation</b>	<b>\$1,125,786</b>	<b>\$1,299,008</b>	<b>\$337,128</b>	<b>(\$43,530)</b>	<b>\$25,707</b>	<b>(\$562,948)</b>	<b>(\$45,046)</b>	<b>\$2,136,104</b>

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Third Laguna Hills Mutual Changes in Fund Balances - Preliminary 9/30/2023								
	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	\$21,492,582							\$21,492,582
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3 Total assessments	<u>21,492,582</u>	<u>8,457,372</u>	<u>274,590</u>	<u>109,836</u>	<u>69,863</u>	<u>673,295</u>		<u>31,077,537</u>
Non-assessment revenues:								
4 Fees and charges for services to residents	877,993	2,299				(65)		880,228
5 Laundry	162,037							162,037
6 Investment income		588,550	62,538	9,662	2,317	122,492	34,792	820,353
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9 Total revenue	<u>23,023,968</u>	<u>9,048,067</u>	<u>337,128</u>	<u>119,498</u>	<u>72,180</u>	<u>795,722</u>	<u>34,792</u>	<u>33,431,356</u> 
Expenses:								
10 Employee compensation and related	7,474,869	2,164,467		21,236	14,367	27,888		9,702,827
11 Materials and supplies	622,795	362,940		139,384	16,268	1,783	623	1,143,793
12 Utilities and telephone	4,308,629	8,103			23	263		4,317,018
13 Legal fees	326,175							326,175
14 Professional fees	65,938							65,938
15 Equipment rental	4,763	13,751			56	259		18,829
16 Outside services	1,364,763	5,045,250		103	14,545	1,326,949	79,215	7,830,826
17 Repairs and maintenance	259,537	850		1	4	21		260,413
18 Other Operating Expense	83,955	15,426		109	85	170		99,745
19 Insurance	6,471,627							6,471,627
20 Uncollectible Accounts	14,665							14,665
21 Depreciation and amortization	<u>78,696</u>							<u>78,696</u>
22 Net allocations to mutuals	900,468	138,272		2,194	1,125	1,337		1,043,396
23 Total expenses	<u>21,976,879</u>	<u>7,749,059</u>		<u>163,028</u>	<u>46,473</u>	<u>1,358,671</u>	<u>79,838</u>	<u>31,373,948</u> 
24 Excess (deficit) of revenues over expenses	<u>\$1,047,090</u>	<u>\$1,299,008</u>	<u>\$337,128</u>	<u>(\$43,530)</u>	<u>\$25,707</u>	<u>(\$562,948)</u>	<u>(\$45,046)</u>	<u>\$2,057,408</u> 
25 Excluding unrealized gain/(loss) and depreciation	<u>\$1,125,786</u>	<u>\$1,299,008</u>	<u>\$337,128</u>	<u>(\$43,530)</u>	<u>\$25,707</u>	<u>(\$562,948)</u>	<u>(\$45,046)</u>	<u>\$2,136,104</u>

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Third Laguna Hills Mutual Statement of Revenues & Expenses - Preliminary 9/30/2023 (\$ IN THOUSANDS)								
	CURRENT MONTH			YEAR TO DATE			PRIOR YEAR	TOTAL
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET
Revenues:								
Assessments:								
1 Operating	\$2,388	\$2,388		\$21,493	\$21,493	(\$1)	\$21,452	\$28,657
2 Additions to restricted funds	1,065	1,065		9,585	9,585		9,609	12,780
3 Total assessments	<u>3,453</u>	<u>3,453</u>		<u>31,078</u>	<u>31,078</u>	<u>(1)</u>	<u>31,060</u>	<u>41,437</u>
Non-assessment revenues:								
4 Fees and charges for services to residents	80	90	(10)	880	806	74	738	1,075
5 Laundry	17	18		162	158	5	166	210
6 Investment income	108	35	73	820	315	505	140	420
7 Miscellaneous	57	63	(5)	491	564	(73)	524	753
8 Total non-assessment revenue	<u>263</u>	<u>205</u>	<u>58</u>	<u>2,354</u>	<u>1,843</u>	<u>511</u>	<u>1,568</u>	<u>2,458</u>
9 Total revenue	<u>3,716</u>	<u>3,658</u>	<u>58</u>	<u>33,431</u>	<u>32,921</u>	<u>510</u>	<u>32,628</u>	<u>43,895</u>
Expenses:								
10 Employee compensation and related	1,081	1,188	106	9,703	10,832	1,130	9,915	14,458
11 Materials and supplies	126	115	(10)	1,144	1,035	(108)	1,067	1,382
12 Utilities and telephone	556	545	(10)	4,317	4,438	121	4,864	5,977
13 Legal fees	140	34	(106)	326	295	(31)	165	393
14 Professional fees	3	12	9	66	112	46	105	149
15 Equipment rental	2	4	2	19	33	15	16	45
16 Outside services	1,459	813	(646)	7,831	7,091	(740)	4,532	9,390
17 Repairs and maintenance	23	32	8	260	284	24	239	379
18 Other Operating Expense	10	14	4	100	130	31	88	192
19 Insurance	692	744	52	6,472	6,693	221	6,111	8,923
20 Uncollectible Accounts	10	5	(5)	15	49	34	107	65
21 (Gain)/loss on sale or trade							4	
22 Depreciation and amortization	9	9		79	79		101	105
23 Net allocation to mutuals	129	116	(13)	1,043	1,058	15	1,141	1,412
24 Total expenses	<u>4,240</u>	<u>3,631</u>	<u>(609)</u>	<u>31,374</u>	<u>32,129</u>	<u>756</u>	<u>28,455</u>	<u>42,861</u>
25 Excess of revenues over expenses	<u>(\$524)</u>	<u>\$27</u>	<u>(\$551)</u>	<u>\$2,057</u>	<u>\$792</u>	<u>\$1,266</u>	<u>\$4,173</u>	<u>\$1,034</u>

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**Third Laguna Hills Mutual  
Operating Statement - Preliminary  
9/30/2023  
THIRD LAGUNA HILLS MUTUAL**

	<u>Actual</u>	<u>YEAR TO DATE Budget</u>	<u>VAR\$ B/(W)</u>	<u>VAR% B/(W)</u>	<u>TOTAL BUDGET</u>
Revenues:					
Assessments:					
<b>Operating</b>					
41001000 - Monthly Assessments	\$21,492,582	\$21,493,113	(\$531)	0.00%	\$28,657,484
<b>Total Operating</b>	<b>21,492,582</b>	<b>21,493,113</b>	<b>(531)</b>	<b>0.00%</b>	<b>28,657,484</b>
<b>Additions To Restricted Funds</b>					
41002000 - Monthly Assessments - Disaster Fund	673,295	673,295	0	0.00%	897,726
41003500 - Monthly Assessments - Replacement Fund	8,457,372	8,457,372	0	0.00%	11,276,496
41004000 - Monthly Assessments - Elevator Replacement Fund	274,590	274,590	0	0.00%	366,120
41004500 - Monthly Assessments - Laundry Replacement Fund	109,836	109,836	0	0.00%	146,448
41006000 - Monthly Assessments - Garden Villa Recreation Room Fund	69,863	69,863	0	0.00%	93,150
<b>Total Additions To Restricted Funds</b>	<b>9,584,955</b>	<b>9,584,955</b>	<b>0</b>	<b>0.00%</b>	<b>12,779,940</b>
<b>Total Assessments</b>	<b>31,077,537</b>	<b>31,078,068</b>	<b>(531)</b>	<b>0.00%</b>	<b>41,437,424</b>
Non-Assessment Revenues:					
<b>Fees and Charges for Services to Residents</b>					
46501000 - Permit Fee	194,530	256,995	(62,465)	(24.31%)	342,660
46501500 - Inspection Fee	54,131	63,694	(9,563)	(15.01%)	84,928
46502000 - Resident Maintenance Fee	614,366	485,473	128,893	26.55%	647,532
46502999 - Resident Maintenance Fee Backlog	17,200	0	17,200	0.00%	0
<b>Total Fees and Charges for Services to Residents</b>	<b>880,228</b>	<b>806,162</b>	<b>74,065</b>	<b>9.19%</b>	<b>1,075,119</b>

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## Variance Explanations

At each Finance Committee meeting, staff provides verbal explanations for actual versus budget variances listed on statement of revenues and expenses.

As months progress and variance amounts increase, staff will focus discussions on larger variances.

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**Third Laguna Hills Mutual**  
**Statement of Revenues & Expenses - Preliminary**  
**9/30/2023**  
(\$ IN THOUSANDS)

	CURRENT MONTH			YEAR TO DATE			PRIOR YEAR	TOTAL
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE		
Revenues:								
Assessments:								
1    Operating	\$2,388	\$2,388		\$21,493	\$21,493	(\$1)	\$21,452	\$28,657
2    Additions to restricted funds	1,065	1,065		9,585	9,585		9,609	12,780
3    Total assessments	3,453	3,453		31,078	31,078	(1)	31,060	41,437
Non-assessment revenues:								
4    Fees and charges for services to residents	80	90	(10)	880	806	74	738	1,075
5    Laundry	17	18		162	158	5	166	210
6    Investment income	108	35	73	820	315	505	140	420
7    Miscellaneous	57	63	(5)	491	564	(73)	524	753
8    Total non-assessment revenue	263	205	58	2,354	1,843	511	1,568	2,458
9    Total revenue	3,716	3,658	58	33,431	32,921	510	32,628	43,895
Expenses:								
10   Employee compensation and related	1,081	1,188	106	9,703	10,832	1,130	9,915	14,458
11   Materials and supplies	126	115	(10)	1,144	1,035	(108)	1,067	1,382
12   Utilities and telephone	556	545	(10)	4,317	4,438	121	4,864	5,977
13   Legal fees	140	34	(106)	326	285	(31)	165	393
14   Professional fees	3	12	9	66	112	46	105	149
15   Equipment rental	2	4	2	19	33	15	16	45
16   Outside services	1,459	813	(646)	7,831	7,091	(740)	4,532	9,390
17   Repairs and maintenance	23	32	8	260	284	24	239	379
18   Other Operating Expense	10	14	4	100	130	31	88	182
19   Insurance	692	744	52	6,472	6,693	221	6,111	8,923
20   Uncollectible Accounts	10	5	(5)	15	49	34	107	65
21   (Gain)/loss on sale or trade	9	9		79	79		4	
22   Depreciation and amortization	129	116	(13)	1,043	1,058	15	1,141	1,412
23   Net allocation to mutuals	4,240	3,631	(609)	31,374	32,129	756	28,455	42,861
24   Total expenses								
25   Excess of revenues over expenses	(\$524)	\$27	(\$551)	\$2,057	\$792	\$1,266	\$4,173	\$1,034

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Questions?

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# 2024 Business Plan Overview

Third Laguna Hills Mutual

December 5, 2023



## 2024 Business Plan Development

- **Timeline:**
  - **March 2023:**
    - Dept. workshops: Present current year service levels to boards
  - **April 2023:**
    - Capital requirements determined
    - Prelim operating budgets developed by dept. heads
      - Budgets are reviewed 3x
  - **May/June 2023:**
    - Operating budgets reviewed, revised and presented as Version 1
      - Landscape and Maintenance and Construction
      - Meetings held with all three corporations
    - Begin contracted reserve study

## 2024 Business Plan Development

- **Timeline:**
  - **July:**
    - Version 2 presented at special open board meetings
  - **August:**
    - Version 3 presented at the televised special board meeting
  - **September:**
    - Business plan adoption
  - **November:**
    - Personalized assessment letters are mailed to each manor

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## 2024 Greenbook (Business Plans)

- **Third tab of the 2024 Business Plans include:**
  - 2024 Business Plan – By Account
  - 2024 Business Plan – By Department
  - Assessment by Manor Type
  - Assessment Infographic
  - Resolutions
  - Programs Report
  - Definition of Funds
  - 2024 Reserves Plan

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### 2024 BUSINESS PLAN - BY ACCOUNT

DESCRIPTION	2020	2021	2022	2023	2024	ASSESSMENT	
	ACTUAL*	ACTUAL*	ACTUAL	PLAN	PLAN	Per Manor Per Month	Change
<b>OPERATING REVENUES</b>							
<b>Non-Assessment Revenues</b>							
Fees and Charges to Residents	\$401,033	\$732,032	\$1,085,097	\$1,075,119	\$3,515,369	\$14.68	\$48.01 (\$33.33)
Laundry Revenue	188,125	214,443	213,498	210,000	209,300	2.87	2.86 0.01
Miscellaneous	243,847	604,039	\$89,849	792,512	745,130	10.28	10.18 0.10
<b>Total Revenue</b>	<b>\$1,143,205</b>	<b>\$1,550,514</b>	<b>\$1,979,444</b>	<b>\$2,937,631</b>	<b>\$4,460,829</b>	<b>\$27.83</b>	<b>\$61.95</b>
<b>OPERATING EXPENSES</b>							
Employee Compensation	\$6,594,953	\$7,074,778	\$7,230,319	\$7,978,557	\$8,281,408	\$108.66	\$113.12 \$4.16
Expenses Related to Compensation	2,842,894	2,972,229	3,102,923	3,447,887	3,457,551	47.99	47.22 0.13
Material and Supplies	533,278	700,544	533,296	728,964	528,491	9.93	11.31 1.38
Electricity	285,769	348,719	602,032	369,821	454,730	5.40	6.21 0.75
Sewer	1,698,515	1,774,945	1,680,160	1,494,800	1,659,600	20.41	22.66 2.25
Water	2,817,315	3,003,848	2,895,128	3,009,336	3,219,638	41.10	43.97 2.87
Trash	546,524	583,345	678,406	1,058,445	1,428,914	14.45	19.51 5.06
Legal Fees	627,448	245,767	186,123	363,325	300,800	5.37	4.10 (1.27)
Professional Fees	216,775	62,024	116,969	149,327	167,527	2.04	2.30 0.25
Equipment Rental	4,688	9,043	8,437	7,997	8,714	0.11	0.12 0.01
Outside Services	1,255,418	1,638,025	2,111,584	1,266,140	1,342,240	17.70	18.33 0.63
Repairs and Maintenance	2,554	3,874	1,844	7,873	5,375	0.10	0.07 (0.03)
Other Operating Expense	123,510	115,394	105,340	106,704	154,358	2.14	2.11 (0.03)
Insurance	642,735	888,568	982,128	1,073,454	1,106,792	14.66	15.93 1.27
Property Insurance	1,368,240	2,658,682	7,359,685	7,849,953	8,000,000	107.20	109.25 2.05
Uncollectible Accounts	71,788	45,737	179,544	85,000	85,000	0.89	1.16 0.27
Cost Allocations	1,291,881	1,173,956	1,257,835	1,213,710	1,304,833	16.58	17.82 1.24
<b>Total Expense</b>	<b>\$26,933,783</b>	<b>\$23,479,453</b>	<b>\$29,312,667</b>	<b>\$30,328,843</b>	<b>\$31,865,439</b>	<b>\$414.19</b>	<b>\$435.18</b>
<b>RESERVE CONTRIBUTIONS</b>							
Replacement Fund	\$10,690,704	\$10,690,704	\$10,690,704	\$11,276,496	\$11,422,944	\$154.00	\$156.00 \$2.00
Elevator Replacement Fund	366,120	366,120	366,120	366,120	366,120	5.00	5.00 0.00
Laundry Replacement Fund	73,224	73,224	73,224	146,448	146,448	2.00	2.00 0.00
<b>Total Reserve Contribution</b>	<b>\$11,130,048</b>	<b>\$11,130,048</b>	<b>\$11,130,048</b>	<b>\$11,789,064</b>	<b>\$11,935,512</b>	<b>\$161.00</b>	<b>\$163.00</b>
<b>RESTRICTED CONTRIBUTIONS</b>							
Disaster Fund	\$1,133,508	\$1,830,600	\$1,591,890	\$897,726	\$1,830,600	\$12.26	\$25.00 \$12.74
Unappropriated Expenditures Fund	\$85,792	\$85,792	0	0	\$1,855,015	0.00	25.47 25.47
<b>Total Restricted Contribution</b>	<b>\$1,719,300</b>	<b>\$2,416,392</b>	<b>\$1,591,890</b>	<b>\$897,726</b>	<b>\$3,685,615</b>	<b>\$12.26</b>	<b>\$50.47</b>
<b>Total Reserve/Restricted Contribution</b>	<b>\$12,849,348</b>	<b>\$13,546,440</b>	<b>\$12,721,938</b>	<b>\$12,686,790</b>	<b>\$15,621,127</b>	<b>\$173.26</b>	<b>\$213.47</b>
<b>TOTAL MUTUAL</b>	<b>\$32,639,926</b>	<b>\$35,475,379</b>	<b>\$40,654,561</b>	<b>\$40,978,622</b>	<b>\$43,626,757</b>	<b>\$559.62</b>	<b>\$587.50</b>
<b>GOLDEN RAIN FOUNDATION</b>							
GRF Operating	\$13,297,478	\$13,663,283	\$14,316,115	\$14,960,469	\$15,466,374	\$204.31	\$211.22 \$6.91
GRF Reserve Contributions	1,391,256	1,391,256	1,244,808	1,244,808	1,244,808	17.00	17.00 0.00
GRF Contingency Contributions	366,120	0	366,120	0	0	0.00	0.00 0.00
<b>Total GRF</b>	<b>\$15,054,854</b>	<b>\$15,054,539</b>	<b>\$15,927,043</b>	<b>\$16,205,277</b>	<b>\$16,711,182</b>	<b>\$221.31</b>	<b>\$228.22</b>
<b>TOTAL BASIC ASSESSMENT</b>	<b>\$47,694,780</b>	<b>\$50,529,918</b>	<b>\$55,981,604</b>	<b>\$57,183,299</b>	<b>\$59,737,939</b>	<b>\$780.93</b>	<b>\$815.82</b>
<b>SURCHARGES (unique to units with common laundry facilities, elevators, and/or Garden Villa recreation rooms)</b>							
Elevator Operating	\$303,146	\$315,135	\$352,283	\$366,252	\$350,852	16.52	15.83 (0.69)
Garden Villa Recreation Room Fund	85,698	89,424	89,424	93,150	96,876	6.25	6.50 0.25
<b>Total Surcharge</b>	<b>\$388,844</b>	<b>\$404,559</b>	<b>\$441,707</b>	<b>\$459,402</b>	<b>\$447,728</b>	<b>\$22.77</b>	<b>\$22.33</b>
<b>TOTAL BUSINESS PLAN</b>	<b>\$48,083,624</b>	<b>\$50,934,477</b>	<b>\$56,423,311</b>	<b>\$57,642,701</b>	<b>\$60,185,667</b>		

\*2020 and 2021 actuals were affected by COVID-19 Pandemic.

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### 2024 BUSINESS PLAN - BY DEPARTMENT

DESCRIPTION						ASSESSMENT		
	2020	2021	2022	2023	2024	Per Manor Per Month		
	ACTUAL*	ACTUAL*	ACTUAL	PLAN	PLAN	2023	2024	Change
OPERATING								
Office of the CEO	\$504,373	\$297,452	\$324,591	\$386,014	\$386,153	\$5.27	\$5.27	\$0.00
Information Services	\$28,637	\$45,841	\$94,847	\$21,917	\$42,106	7.13	6.58	(0.55)
General Services	1,573,194	1,625,810	1,584,324	1,615,751	1,573,952	22.07	21.50	(0.57)
Financial Services	734,565	720,873	767,126	776,870	770,970	10.61	10.53	(0.08)
Security Services	204,477	156,251	161,006	402,414	357,617	5.59	4.88	(0.71)
Landscape Services	4,990,251	5,306,281	5,602,317	5,578,793	6,007,865	76.19	82.05	5.86
Human Resource Services	143,303	77,648	56,051	83,325	91,816	1.14	1.25	0.11
Insurance	1,910,975	3,547,279	8,311,811	8,936,869	9,166,792	122.04	125.19	3.15
Maintenance & Construction	3,616,706	3,979,830	4,143,727	4,044,522	4,153,337	55.23	56.72	1.49
Damage Restoration Reimbursement Backlog	0	0	0	0	(2,250,000)	0.00	(30.73)	(30.73)
Non-Work Center	5,584,097	5,671,674	5,786,823	5,937,757	5,655,022	81.09	89.89	8.80
Net Operating	\$19,799,578	\$21,928,939	\$27,332,623	\$28,291,232	\$27,395,630	\$366.36	\$374.13	(\$7.23)
RESERVE CONTRIBUTIONS								
Replacement Fund	\$10,690,704	\$10,690,704	\$10,690,704	\$11,276,496	\$11,422,944	\$154.00	\$156.00	\$2.00
Elevator Replacement Fund	366,120	366,120	366,120	366,120	366,120	5.00	5.00	0.00
Laundry Replacement Fund	73,224	73,224	73,224	146,448	146,448	2.00	2.00	0.00
Total Reserve Contribution	\$11,130,048	\$11,130,048	\$11,130,048	\$11,789,064	\$11,935,512	\$161.00	\$163.00	\$2.00
RESTRICTED CONTRIBUTIONS								
Disaster Fund	\$1,133,508	\$1,830,600	\$1,591,890	\$897,726	\$1,830,600	\$12.26	\$25.00	\$12.74
Unappropriated Expenditures Fund	\$85,792	\$85,792	0	0	\$1,855,015	0.00	25.47	25.47
Total Restricted Contribution	\$1,719,300	\$2,416,392	\$1,591,890	\$897,726	\$3,685,615	\$12.26	\$50.47	\$38.21
Total Reserve/Restricted Contribution	\$12,849,348	\$13,546,440	\$12,721,938	\$12,686,790	\$15,621,127	\$173.26	\$213.47	\$40.21
TOTAL MUTUAL	\$32,639,926	\$35,475,379	\$40,654,561	\$40,978,622	\$43,626,757	\$559.62	\$587.60	\$27.98
GOLDEN RAIN FOUNDATION								
GRF Operating	\$13,297,478	\$13,663,283	\$14,316,115	\$14,960,469	\$15,466,374	\$204.31	\$211.22	\$6.91
GRF Reserve Contributions	1,391,256	1,391,256	1,244,808	1,244,808	1,244,808	17.00	17.00	0.00
GRF Contingency Contributions	366,120	0	366,120	0	0	0.00	0.00	0.00
Total GRF	\$15,054,854	\$15,054,539	\$15,927,043	\$16,205,277	\$16,711,182	\$221.31	\$228.22	\$6.91
TOTAL BASIC ASSESSMENT	\$47,694,780	\$50,529,918	\$55,981,604	\$57,183,299	\$59,737,939	\$780.93	\$815.82	\$34.89
SURCHARGES (unique to units with common laundry facilities, elevators, and/or Garden Villa recreation rooms)								
Elevator Operating	\$303,146	\$315,135	\$352,283	\$366,252	\$350,852	16.52	15.83	(0.69)
Garden Villa Recreation Room Fund	85,698	89,424	89,424	93,150	96,876	6.25	6.50	0.25
Total Surcharge	\$388,844	\$404,559	\$441,707	\$459,402	\$447,728	\$22.77	\$22.33	(\$0.44)
TOTAL BUSINESS PLAN	\$48,083,624	\$50,934,477	\$56,423,311	\$57,642,701	\$60,185,667			

\*2020 and 2021 actuals were affected by COVID-19.

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THIRD LAGUNA HILLS  
— M U T U A L —

2024 BUSINESS PLAN  
MONTHLY ASSESSMENT BY MANOR TYPE

MANOR TYPE	2023	2024	Increase/ (Decrease)
<b>SINGLE FAMILY DETACHED HOMES</b>			
BASIC ASSESSMENT	\$780.93	\$815.82	\$34.89
TOTAL ASSESSMENT	\$780.93	\$815.82	\$34.89
<b>CONVENTIONAL MANORS</b>			
BASIC ASSESSMENT	\$780.93	\$815.82	\$34.89
TOTAL ASSESSMENT	\$780.93	\$815.82	\$34.89
<b>CONVENTIONAL W/COMMON LAUNDRIES</b>			
BASIC ASSESSMENT	\$780.93	\$815.82	\$34.89
TOTAL ASSESSMENT	\$780.93	\$815.82	\$34.89
<b>8 UNIT BUILDINGS (2294, 2295)</b>			
BASIC ASSESSMENT	\$780.93	\$815.82	\$34.89
SURCHARGES:			
Elevator Operating	16.52	15.83	(0.69)
TOTAL SURCHARGES	16.52	15.83	(0.69)
TOTAL ASSESSMENT	\$797.45	\$831.65	\$34.20
<b>21 UNIT BUILDINGS</b>			
BASIC ASSESSMENT	\$780.93	\$815.82	\$34.89
SURCHARGES:			
Elevator Operating	16.52	15.83	(0.69)
TOTAL SURCHARGES	16.52	15.83	(0.69)
TOTAL ASSESSMENT	\$797.45	\$831.65	\$34.20
<b>22 UNIT BUILDINGS</b>			
BASIC ASSESSMENT	\$780.93	\$815.82	\$34.89
SURCHARGES:			
Elevator Operating	16.52	15.83	(0.69)
Garden Villa Rec Room Fund	6.25	6.50	0.25
TOTAL SURCHARGES	22.77	22.33	(0.44)
TOTAL ASSESSMENT	\$803.70	\$838.15	\$34.45
<b>24 UNIT BUILDINGS</b>			
BASIC ASSESSMENT	\$780.93	\$815.82	\$34.89
SURCHARGES:			
Elevator Operating	16.52	15.83	(0.69)
Garden Villa Rec Room Fund	6.25	6.50	0.25
TOTAL SURCHARGES	22.77	22.33	(0.44)
TOTAL ASSESSMENT	\$803.70	\$838.15	\$34.45

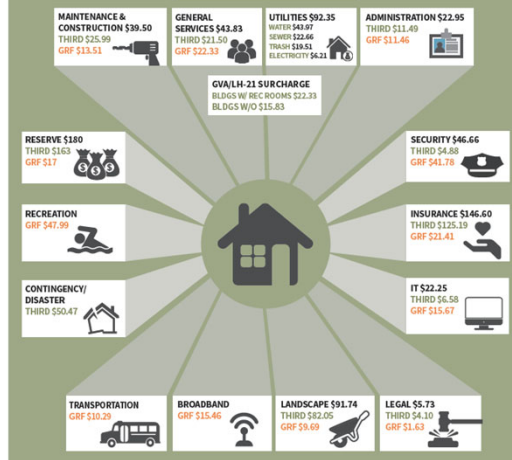
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THIRD LAGUNA HILLS  
— M U T U A L —

2024 MONTHLY ASSESSMENT

HOW \$815.82 IS SPENT

FOR THIRD • FOR GRF



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**RESOLUTION 03-23-112**

**2024 BUSINESS PLAN RESOLUTION**

**RESOLVED**, September 19, 2023, that the Business Plan of this Corporation for the year 2024 is hereby adopted and approved; and

**RESOLVED FURTHER**, that pursuant to said Business Plan, the Board of Directors of this Corporation hereby estimates that the net sum of \$43,474,485 is required by the Corporation to meet the Third Laguna Hills Mutual operating expenses, reserve contributions, and restricted fund contributions for the year 2024. In addition, the sum of \$16,711,182 is required by the Corporation to meet the Golden Rain Foundation and the Golden Rain Foundation Trust operating expenses and reserve contributions for the year 2024. Therefore, a total of \$60,185,667 is required to be collected from and paid by members of the Corporation as monthly assessments; and

**RESOLVED FURTHER**, that the Board of Directors of this Corporation hereby approves expenditures from reserves in the sum of \$14,240,363 of which \$13,946,597 is planned from the Replacement Fund, \$125,000 from the Elevator Replacement Fund, \$168,766 from the Laundry Replacement Fund; and

**RESOLVED FURTHER**, that the Board of Directors of this Corporation hereby approves expenditures from restricted funds in the sum of \$1,327,782 of which \$1,230,280 is planned from the Disaster Fund, \$97,502 from the Garden Villa Recreation Room Fund; and

**RESOLVED FURTHER**, that the Board of Directors of this Corporation hereby determines and establishes monthly assessments of the Corporation as shown on each member's breakdown of monthly assessments for the year 2024 and as filed in the records of the Corporation, said assessments to be due and payable by the members of this Corporation on the first day of each month for the year 2024; and

**RESOLVED FURTHER**, that the officers and agents of this Corporation are hereby authorized on behalf of the Corporation to carry out the purpose of this resolution.

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**THIRD LAGUNA HILLS MUTUAL  
2024 PLAN  
PROGRAMS REPORT**

DESCRIPTION	2020	2021	2022	2023	2024	Assessment	
	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	Increase/(Decrease)	%
						\$	%
<b>RESERVE FUNDS - MAINTENANCE &amp; CONSTRUCTION</b>							
23 BUILDING NUMBERS	\$0	\$14,088	\$0	\$0	\$0	\$0	0%
24 BUILDING STRUCTURES	1,404,870	2,091,312	1,809,120	2,054,840	2,300,426	245,586	12%
25 ELECTRICAL SYSTEMS	16,690	16,588	0	30,000	30,000	0	0%
26 ENERGY PROJECTS	923	0	0	0	0	0	0%
27 EXTERIOR LIGHTING	760,369	24,840	14,473	12,500	12,500	0	0%
28 FENCING	57,416	73,009	62,837	82,765	79,602	(3,163)	(4%)
29 GARDEN VILLA LOBBY	109,636	111,652	1,418	0	0	0	0%
30 GARDEN VILLA MAILROOM	32,510	300	285	431	562	131	30%
31 GARDEN VILLA RECESSED AREAS	65,016	0	0	0	0	0	0%
32 GARDEN VILLA REC ROOM	12,473	7,859	2,759	5,245	65,393	60,149	1147%
33 GUTTERS	134,135	(15,844)	29,973	113,127	128,486	13,359	12%
34 MAILBOXES	63,844	37,175	2,743	25,180	27,582	2,403	10%
35 PAINT PROGRAM	1,619,789	1,527,920	1,413,218	1,597,812	1,613,075	15,263	1%
36 PRIOR TO PAINT	915,496	1,024,160	1,042,713	1,167,546	1,222,353	54,806	5%
37 PAVING/CONCRETE	695,094	618,985	423,955	439,421	431,851	(7,570)	(2%)
38 ROOFS	1,429,531	1,341,440	1,403,246	1,468,968	1,684,823	215,855	15%
39 EXTERIOR WALLS	137,928	29,280	29,994	35,000	32,400	(2,600)	(7%)
40 WASTE LINE REMEDIATION	417,586	530,595	617,558	1,000,000	1,500,000	500,000	50%
41 WATER LINES - COPPER PIPE REMEDIATION	154,939	367,397	196,116	500,000	1,000,000	500,000	100%
42 PLUMBING REPLACEMENT	0	0	0	200,000	200,000	0	0%
43 ELEVATORS	115,890	151,170	89,872	125,000	125,000	0	0%
44 LAUNDRY COUNTERTOP/FLOOR	62,093	40,498	14,977	59,567	59,173	(394)	(1%)
45 LAUNDRY APPLIANCES	46,932	60,836	92,085	101,579	109,593	8,014	8%
<b>TOTAL</b>	<b>\$8,253,160</b>	<b>\$8,053,489</b>	<b>\$7,247,341</b>	<b>\$9,018,981</b>	<b>\$10,620,819</b>	<b>\$1,601,839</b>	<b>18%</b>
Line 24 Beginning in 2022 funding for this item is included in the Paint Program.							
<b>RESERVE FUNDS - GENERAL SERVICES</b>							
46 PRIOR TO PAINT	\$1,842	\$10,437	\$10,869	\$12,700	\$14,418	\$1,718	14%
47 PAVING/CONCRETE	65,491	68,284	69,114	64,253	82,343	18,090	28%
48 EXTERIOR WALLS	0	5,602	0	24,150	24,150	0	0%
<b>TOTAL</b>	<b>\$67,333</b>	<b>\$84,321</b>	<b>\$79,983</b>	<b>\$101,103</b>	<b>\$120,911</b>	<b>\$19,808</b>	<b>20%</b>
<b>RESERVE FUNDS - LANDSCAPE</b>							
49 LANDSCAPE MODERNIZATION	\$837,542	\$422,111	\$614,885	\$541,671	\$2,322,587	\$1,780,916	329%
50 IMPROVEMENT & RESTORATION	0	120,344	253,565	177,744	195,858	18,114	10%
51 TREE MAINTENANCE	830,447	843,160	965,034	899,814	980,188	80,374	9%
<b>TOTAL</b>	<b>\$1,667,989</b>	<b>\$1,385,616</b>	<b>\$1,833,484</b>	<b>\$1,619,229</b>	<b>\$3,498,633</b>	<b>\$1,879,404</b>	<b>116%</b>

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## DEFINITION OF FUNDS

### RESERVE FUNDS

#### REPLACEMENT RESERVE FUND

This fund was established at the original construction of the mutual. The purpose of the reserve fund is to provide for repair, restoration, replacement or maintenance of structural elements and mechanical equipment within the mutual, including, but not limited to, building structures, plumbing, roofs, paving and walls.

Fund	Year	Beginning Balance	Interest	Contributions*	Assessment PMPM	Planned Expenditures**	ENDING BALANCE
REPLACEMENT RESERVE FUND	2023	\$ 18,219,267	\$ 571,944	\$ 12,193,726	\$ 154.00	\$ (8,839,753)	\$ 22,145,184
	2024	\$ 22,145,184	\$ 531,559	\$ 11,422,944	\$ 156.00	\$ (13,946,597)	\$ 20,153,090
	2025	\$ 20,153,090	\$ 509,723	\$ 12,437,463	\$ 169.86	\$ (12,719,255)	\$ 20,381,020
	2026	\$ 20,381,020	\$ 522,767	\$ 13,538,215	\$ 184.89	\$ (13,256,930)	\$ 21,185,072
	2027	\$ 21,185,072	\$ 566,425	\$ 14,659,308	\$ 200.20	\$ (12,613,372)	\$ 23,797,432
	2028	\$ 23,797,432	\$ 620,512	\$ 15,955,141	\$ 217.89	\$ (14,851,630)	\$ 25,521,456

\*2023 contributions include 2022 operating surplus of \$917,230  
 \*\*Planned expenditures may differ from the contracted reserve study based on budget submitted and projections

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Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Funding	Loan or Special Assmts	Interest Income	Reserve Expenses
2024	\$25,428,510	\$73,819,124	34.4 %	Medium	\$11,935,512	\$0	\$613,642	\$14,261,145
2025	\$23,716,519	\$76,303,501	31.1 %	Medium	\$12,950,031	\$0	\$599,328	\$12,983,760
2026	\$24,282,117	\$80,441,437	30.2 %	Medium	\$14,050,783	\$0	\$620,814	\$13,516,410
2027	\$25,437,304	\$84,515,990	30.1 %	Medium	\$15,245,100	\$0	\$673,250	\$12,874,048
2028	\$28,481,606	\$89,904,040	31.7 %	Medium	\$16,540,933	\$0	\$738,136	\$15,126,871
2029	\$30,633,804	\$93,517,999	32.8 %	Medium	\$17,037,161	\$0	\$803,704	\$14,741,839
2030	\$33,732,830	\$97,928,026	34.4 %	Medium	\$17,548,276	\$0	\$872,462	\$16,013,165
2031	\$36,140,402	\$101,667,855	35.5 %	Medium	\$18,074,724	\$0	\$917,016	\$17,831,036
2032	\$37,301,106	\$104,873,829	35.6 %	Medium	\$18,616,966	\$0	\$932,166	\$19,496,526
2033	\$37,353,712	\$107,050,434	34.9 %	Medium	\$19,175,475	\$0	\$927,250	\$20,549,007
2034	\$36,907,430	\$109,001,460	33.9 %	Medium	\$19,750,739	\$0	\$916,444	\$21,086,399
2035	\$36,488,214	\$111,058,806	32.9 %	Medium	\$20,343,261	\$0	\$889,358	\$22,982,586
2036	\$34,738,248	\$111,839,988	31.1 %	Medium	\$20,953,559	\$0	\$876,071	\$21,143,841
2037	\$35,424,036	\$115,172,157	30.8 %	Medium	\$21,582,166	\$0	\$829,829	\$26,801,134
2038	\$31,034,898	\$113,480,757	27.3 %	High	\$22,229,631	\$0	\$666,051	\$31,623,110
2039	\$22,307,471	\$108,014,458	20.7 %	High	\$22,896,520	\$0	\$524,930	\$25,996,040
2040	\$19,732,881	\$108,891,084	18.1 %	High	\$23,583,416	\$0	\$503,868	\$23,199,514
2041	\$20,620,651	\$113,406,794	18.2 %	High	\$24,290,918	\$0	\$515,578	\$24,756,487
2042	\$20,670,659	\$115,920,814	17.8 %	High	\$25,019,646	\$0	\$582,129	\$20,321,880
2043	\$25,950,553	\$123,816,229	21.0 %	High	\$25,770,235	\$0	\$678,934	\$23,976,172
2044	\$28,423,549	\$129,222,390	22.0 %	High	\$26,543,342	\$0	\$752,918	\$23,844,029
2045	\$31,875,780	\$133,045,802	24.0 %	High	\$27,339,642	\$0	\$876,186	\$21,795,903
2046	\$38,295,705	\$139,762,755	27.4 %	High	\$28,159,831	\$0	\$1,031,070	\$23,206,536
2047	\$44,280,070	\$145,983,526	30.3 %	Medium	\$29,004,626	\$0	\$1,178,557	\$24,355,646
2048	\$50,107,608	\$151,985,254	33.0 %	Medium	\$29,874,765	\$0	\$1,313,967	\$26,171,643
2049	\$55,124,698	\$157,097,815	35.1 %	Medium	\$30,771,008	\$0	\$1,420,358	\$28,687,865
2050	\$58,628,199	\$160,597,337	36.5 %	Medium	\$31,694,138	\$0	\$1,466,945	\$32,933,603
2051	\$58,855,679	\$161,934,393	36.3 %	Medium	\$32,644,963	\$0	\$1,509,312	\$30,988,630
2052	\$62,021,325	\$166,695,116	37.2 %	Medium	\$33,624,311	\$0	\$1,530,451	\$36,627,503
2053	\$60,548,584	\$165,226,028	36.6 %	Medium	\$34,633,041	\$0	\$1,409,870	\$44,227,140

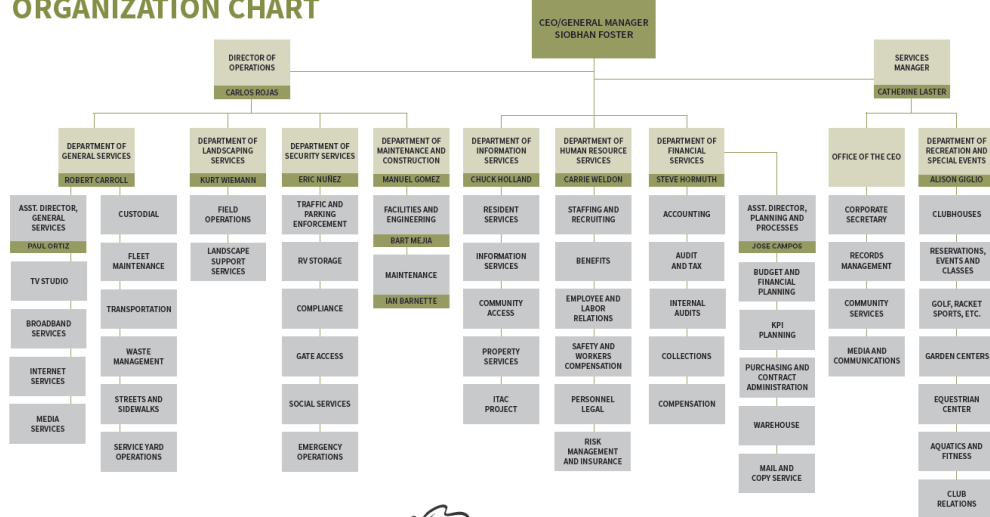
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## 2024 Greenbook (Business Plans)

- Other notable resources (under Operating Divisions tab):
  - Organization Chart
  - Communitywide Staffing
  - Summary of Allocations
  - Department and Division Revenue and Expenditure Report

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### Village Management Services, Inc. ORGANIZATION CHART

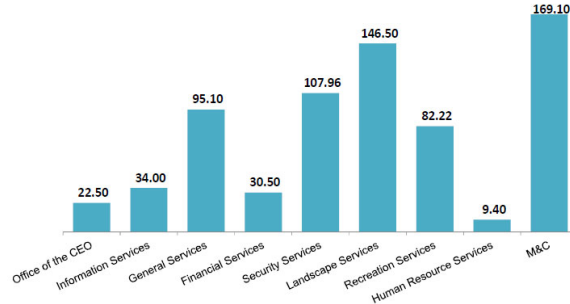


 Laguna Woods Village®

Updated 11/16/2023

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**Laguna Woods Village  
2024 Staffing Summary  
Funded Full Time Equivalents**



DEPARTMENT	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan
Office of the CEO	21.50	20.89	23.00	22.80	22.50
Department of Information Services	35.50	34.80	36.00	36.00	34.00
Department of General Services	113.07	107.20	106.85	99.35	95.10
Department of Financial Services	31.00	31.00	31.00	30.00	30.50
Department of Security Services	119.68	118.68	117.55	115.03	107.96
Department of Landscape Services	149.00	145.50	146.50	146.50	146.50
Department of Recreation Services	86.36	82.29	84.79	79.79	82.22
Department of Human Resource Services	8.40	8.40	9.40	9.40	9.40
Department of Maintenance & Construction	186.50	179.10	179.10	172.60	169.10
<b>TOTAL:</b>	<b>751.01</b>	<b>727.86</b>	<b>734.19</b>	<b>711.47</b>	<b>697.28</b>

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**Laguna Woods Village  
Summary of Department Allocations\***



	2024 Plan	GRF	United	Third
<b>OFFICE OF THE CEO</b>	<b>\$1,842,480</b>	<b>\$1,119,283</b>	<b>\$337,045</b>	<b>\$386,153</b>
100 - OFFICE OF THE CEO	1,582,075	636,042	470,032	476,002
010 - MEDIA AND COMMUNICATIONS	381,209	381,209	0	0
240 - COMMUNITY SERVICES	(120,805)	102,032	(132,988)	(89,849)
<b>DEPARTMENT OF INFORMATION SERVICES</b>	<b>\$3,622,102</b>	<b>\$2,395,627</b>	<b>\$744,370</b>	<b>\$482,106</b>
360 - INFORMATION SERVICES	1,964,178	1,964,178	0	0
200 - RESIDENT SERVICES ADMIN	293,623	82,190	128,327	83,106
950 - PROPERTY SERVICES	1,364,301	349,258	616,043	399,000
<b>DEPARTMENT OF GENERAL SERVICES</b>	<b>\$10,007,249</b>	<b>\$6,972,635</b>	<b>\$1,339,751</b>	<b>\$1,694,863</b>
902 - GENERAL SERVICES ADMIN	35,642	35,642	0	0
020 - CABLE TV NETWORK	4,474,417	4,474,417	0	0
030 - TV STUDIO	494,430	494,430	0	0
040 - MEDIA SERVICES	(531,043)	(531,043)	0	0
050 - INTERNET SERVICE	(2,458,108)	(2,458,108)	0	0
320 - COMMUNITY CENTER FACILITY	1,021,447	1,021,447	0	0
935 - JANITORIAL	1,429,487	900	524,467	904,120
908 - STREETS & SIDEWALKS	2,112,542	506,615	615,283	790,744
940 - SERVICE CENTER	142,454	142,454	0	0
945 - GRF JANITORIAL	1,475,133	1,475,133	0	0
960 - FLEET MAINTENANCE	238,020	238,020	0	0
970 - TRANSPORTATION	1,572,728	1,572,728	0	0
<b>DEPARTMENT OF FINANCIAL SERVICES</b>	<b>\$3,396,945</b>	<b>\$1,694,699</b>	<b>\$931,377</b>	<b>\$770,970</b>
300 - FINANCIAL SERVICES	2,355,596	989,891	771,307	594,399
241 - MAIL AND COPY SERVICE	329,865	147,690	93,465	88,710
011 - WAREHOUSE	199,558	166,437	19,293	13,628
370 - PURCHASING	510,926	389,581	47,312	74,033
380 - TAXES	1,000	1,000	0	0
<b>DEPARTMENT OF SECURITY SERVICES</b>	<b>\$7,220,227</b>	<b>\$6,385,361</b>	<b>\$477,249</b>	<b>\$357,617</b>
400 - SECURITY SERVICES	5,985,435	5,680,382	161,626	143,425
210 - COMPLIANCE	630,209	100,394	315,623	214,193
220 - SOCIAL SERVICES	604,585	604,585	0	0
<b>DEPARTMENT OF LANDSCAPE SERVICES</b>	<b>\$17,470,388</b>	<b>\$1,480,560</b>	<b>\$6,303,330</b>	<b>\$9,686,488</b>
500 - LANDSCAPE ADMIN	1,037,453	290,827	352,686	393,940
510 - IMPROVEMENT/ RESTORATION	2,141,714	0	195,857	1,945,858
511 - NURSERY/COMPOSTING	438,054	32,329	176,055	229,670
520 - GRF GROUNDS MAINTENANCE	665,213	665,213	0	0
530 - GROUNDS MAINTENANCE	7,602,553	22,164	3,146,844	4,433,546
540 - IRRIGATION	2,116,769	184,907	835,303	1,096,559
550 - SMALL EQUIPMENT REPAIR	482,977	35,064	212,462	235,451
560 - PEST CONTROL	735,508	45,379	318,843	371,285
570 - TREE MAINTENANCE	2,250,145	204,676	1,065,281	980,188

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**2024 BUSINESS PLAN**  
**Revenue and Expenditure Report**  
SUMMARY: DEPARTMENT OF FINANCIAL SERVICES



	<u>2020 Actual</u>	<u>2021 Actual</u>	<u>2022 Actual</u>	<u>2023 Budget</u>	<u>2024 Budget</u>	Assessment Increase/ (Decrease)	VAR %
<b>Non-Assessment Revenues:</b>							
Merchandise Sales	\$21,834	\$34,760	\$20,846	\$32,000	\$20,000	\$12,000	38%
Miscellaneous	197,277	182,156	192,469	252,600	249,000	3,600	1%
<b>Total Non-Assessment Revenue</b>	<b>219,111</b>	<b>216,916</b>	<b>213,315</b>	<b>284,600</b>	<b>269,000</b>	<b>15,600</b>	<b>5%</b>
<b>Expenses:</b>							
Employee Compensation	2,188,892	2,093,513	2,178,328	2,294,358	2,413,093	118,735	5%
Expenses Related to Employee Compensation	532,240	503,938	484,329	591,155	574,500	(16,654)	(3%)
Materials and Supplies	119,080	97,659	436,570	115,400	112,683	(2,717)	(2%)
Cost of Goods Sold	336	(5,388)	36,453	0	0	0	0%
Legal Fees	250	0	858	0	0	0	0%
Professional Fees	335,399	382,525	424,547	369,350	372,332	2,982	1%
Equipment Rental	12,923	13,675	13,067	13,400	13,400	0	0%
Outside Services	174,197	154,395	213,974	170,000	52,200	(117,800)	(69%)
Repairs and Maintenance	9,222	588	2,523	3,000	2,000	(1,000)	(33%)
Other Operating Expense	116,632	120,347	116,393	123,768	109,365	(14,403)	(12%)
Income Taxes	609,154	(548,927)	191	1,000	1,000	0	0%
Property and Sales Tax	5,265	14,069	788	3,900	3,600	(300)	(8%)
(Gain)/Loss on Sale or Trade Investments	(63,247)	(868)	(859)	0	(900)	(900)	0%
<b>Total Expenses</b>	<b>4,040,344</b>	<b>2,825,528</b>	<b>3,907,162</b>	<b>3,685,331</b>	<b>3,653,273</b>	<b>(32,058)</b>	<b>(1%)</b>
<b>Net Cost (before allocations)</b>	<b>\$3,821,233</b>	<b>\$2,608,612</b>	<b>\$3,693,847</b>	<b>\$3,400,731</b>	<b>\$3,384,273</b>	<b>(\$16,458)</b>	<b>0%</b>
Allocated To Departments	(113,415)	(100,410)	(105,179)	(118,720)	(125,844)	(7,124)	(6%)
Allocated From Departments	114,936	122,193	136,086	131,619	138,516	6,897	5%
<b>Net Cost</b>	<b>\$3,822,754</b>	<b>\$2,630,395</b>	<b>\$3,724,754</b>	<b>\$3,413,630</b>	<b>\$3,396,945</b>	<b>(\$16,685)</b>	<b>0%</b>

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Questions?



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