



OPEN MEETING

REGULAR MEETING OF THE THIRD LAGUNA HILLS MUTUAL FINANCE COMMITTEE*

**Tuesday, February 6, 2024 – 1:30 p.m.
24351 El Toro Road, Laguna Woods, CA 92637
Board Room and Virtual with Zoom**

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

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

NOTICE AND AGENDA

This Meeting May Be Recorded

1. Call Meeting to Order
2. Approval of the Agenda
3. Approval of the Meeting Report for December 5, 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. Preliminary Financial Statements dated December 31, 2023
 - b. Endorsements from Standing Committee
9. Future Agenda Items: *All matters listed under Future Agenda Items are items for a future committee meeting. No action will be taken by the committee on these agenda items at this meeting.*
 - a. Third Annual Policy Review
 - i. Finance Committee Charter
 - ii. Investment
 - iii. Collections and Lien Enforcement
10. Committee Member Comments
11. Date of Next Meeting – Tuesday, April 2, 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.

Closed Session Agenda

Approval of the Agenda

Approval of the Meeting Report

Remarks of the Chair

Review Legal Tracker Analysis

Review Delinquency Reports

Adjournment

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



FINANCE COMMITTEE MEETING REPORT OF THE REGULAR OPEN SESSION

Tuesday, December 5, 2023 – 1:30 p.m.
Hybrid Meeting

DIRECTORS PRESENT: Andy Ginocchio – Chair, Mark Laws, S.K. Park, Brad Rinehart
DIRECTORS ABSENT: Moon Yun
ADVISORS PRESENT: Wei Ming Tao
STAFF PRESENT: Steve Hormuth, Jose Campos, Erika Hernandez

Call to Order

Director Andy Ginocchio, 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. Steve Hormuth, Director of Financial Services, requested that Item #8C be moved up to Item #8B.

Hearing no objections, the amended agenda was approved as requested.

Approval of Meeting Report for October 3, 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 Ginocchio shared that the board agreed to change the make-up of the Finance Committee from being a committee of the whole (all Third board of directors) to a committee of five (5) board members beginning with the current meeting.

Member Comments (Items Not on the Agenda)

None.

Department Head Update

Steve Hormuth shared that the 2024 Annual Budget Report and Annual Policy Statement had been mailed out in November.

Preliminary Financial Statements dated October 31, 2023

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

Approve and Endorse the Purchasing Policy

The committee reviewed a revised Purchasing Policy, including suggested revisions requested by the Third Board of Directors. A motion was made by Director S.K. Park to accept and endorse the revised Purchasing Policy as presented. The motion passed by a 3-0-1 vote (Director Mark Laws abstained) and will be presented at the next board meeting.

Endorsements from Standing Committees

None.

Future Agenda Items

None.

Committee Member Comments

None.

Date of Next Meeting

Tuesday, February 6, 2024 at 1:30 p.m.

Recess to Closed Session

The meeting recessed at 3:40 p.m.

 (Jan 4, 2024 17:54 PST)

Andy Ginocchio, Chair



MEMORANDUM

To: Third Finance Committee
 From: Steve Hormuth, Director of Financial Services
 Date: February 6, 2024
 Re: Department Head Update

Financial Highlights

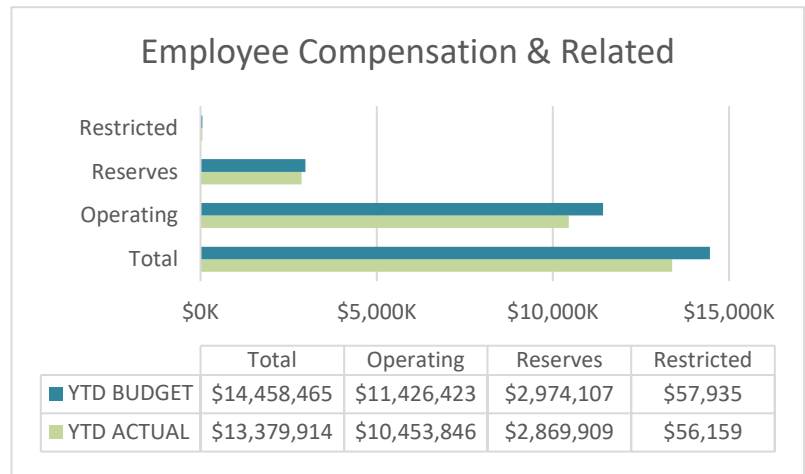
SUMMARY:

For the year-to-date period ending December 31, 2023, Third Laguna Hills Mutual was better than budget by \$312K primarily due to open positions, unbudgeted backlog revenue for damage restoration events, and more investment income than planned.

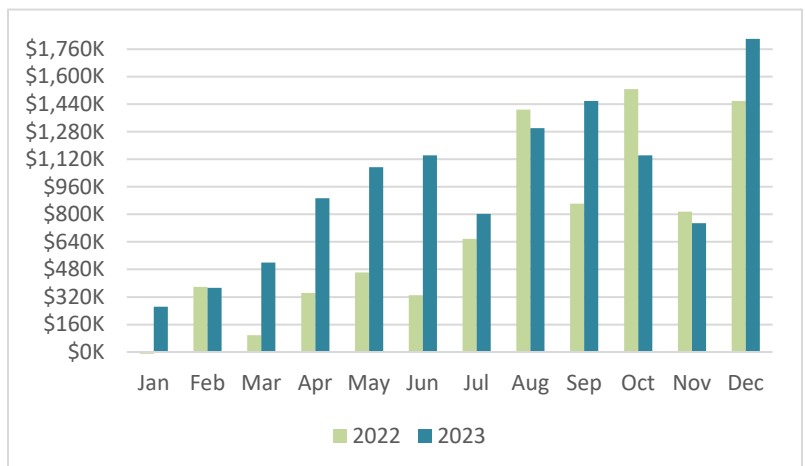
INCOME STATEMENT (in Thousands)			
	Actual	Budget	Variance
Assessment Revenues	\$41,437	\$41,437	\$0
Other Revenues	\$3,607	\$2,458	\$1,149
Expenses	\$43,698	\$42,861	(\$837)
Revenue/(Expense)	\$1,346	\$1,034	\$312

COMPENSATION:

Actual compensation and related costs came in at \$13,380K with \$10,454K in operations, \$2,870K in reserves, and \$56K in restricted. Combined, this category is 7.4% favorable to budget. The most significant impacts were in Landscape and Maintenance & Construction due to open positions.



- OUTSIDE SERVICES:** Actual outside services cost came in at \$11,851K. In total, this category was unfavorable to budget by (\$2,461K) as a result of more moisture intrusion events than anticipated caused by rain and outsourcing of open Landscape positions, particularly for shrub bed maintenance (offset in employee compensation).



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 website. Additionally, coupon books were mailed out in December to those not enrolled in EZ pay.

Financial Audit: The Select Audit Task Force will meet on February 14, 2024 with an invite to all boards to kick off the 2023 financial statement audit. At the meeting, United's auditors (KPMG) will give their annual audit services presentation including expected timelines and an overview of the procedures they will perform. During the months of February through April, KPMG will hold multiple meetings with the Task Force to keep them apprised of status and any findings they may discover. Consistent with prior years, the audit will conclude after a special board meeting is held to accept the final numbers into corporate records.

Calendar

- February 6, 2024 @ 1:30 p.m. Third Finance Committee (December Financials)
- February 14, 2024 @ 1:00 p.m. Select Audit Task Force Pre-Audit Meeting (Invite to all Boards)
- February 20, 2024 @ 9:30 a.m. Third Board Meeting
- March 1, 2024 @ 9:30 a.m. Third Board Agenda Prep
- March 19, 2024 @ 9:30 a.m. Third Board Meeting
- April 2, 2024 @ 1:30 p.m. Third Finance Committee (February Financials)
- April 4, 2024 @ 1:00 p.m. Select Audit Task Force Pre-Audit Meeting (Invite to all Boards)
- April 5, 2024 @ 9:30 a.m. Third Board Agenda Prep
- April 16, 2024 @ 9:30 a.m. Third Board Meeting

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

Third Laguna Hills Mutual
Statement of Revenues & Expenses - Preliminary
12/31/2023
(\$ 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		\$28,657	\$28,657	(\$1)	\$28,602	\$28,657
2	Additions to restricted funds	1,065	1,065		12,780	12,780		12,811	12,780
3	Total assessments	3,453	3,453		41,437	41,437	(1)	41,413	41,437
Non-assessment revenues:									
4	Fees and charges for services to residents	546	89	458	1,608	1,075	533	1,088	1,075
5	Laundry	17	18	(1)	211	210	1	213	210
6	Investment income	99	35	64	1,143	420	723	205	420
7	Miscellaneous	46	63	(17)	646	753	(107)	1,880	753
8	Total non-assessment revenue	708	204	504	3,608	2,458	1,150	3,386	2,458
9	Total revenue	4,161	3,657	504	45,044	43,895	1,149	44,799	43,895
Expenses:									
10	Employee compensation and related	1,466	1,219	(247)	13,380	14,458	1,079	13,237	14,458
11	Materials and supplies	155	116	(39)	1,487	1,382	(105)	1,409	1,382
12	Utilities and telephone	523	495	(28)	5,783	5,977	194	5,887	5,977
13	Legal fees	36	30	(6)	454	393	(61)	198	393
14	Professional fees	6	12	7	77	149	72	130	149
15	Equipment rental	4	4	(1)	29	45	16	31	45
16	Outside services	2,129	747	(1,381)	11,851	9,390	(2,461)	8,335	9,390
17	Repairs and maintenance	64	32	(32)	404	379	(25)	341	379
18	Other Operating Expense	8	14	6	127	182	55	129	182
19	Income taxes							(9)	
20	Insurance	711	744	33	8,585	8,923	339	8,312	8,923
21	Uncollectible Accounts	12	5	(6)	37	65	28	180	65
22	(Gain)/loss on sale or trade							4	
23	Depreciation and amortization	(1)	9	10	95	105	10	105	105
24	Net allocation to mutuals	115	119	4	1,390	1,412	22	1,516	1,412
25	Total expenses	5,227	3,545	(1,681)	43,698	42,861	(837)	39,805	42,861
26	Excess of revenues over expenses	(\$1,066)	\$112	(\$1,177)	\$1,346	\$1,034	\$312	\$4,995	\$1,034

Third Laguna Hills Mutual
Statement of Revenues & Expenses - By Fund Type - Preliminary
12/31/2023
(\$ 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	\$28,657	\$28,657	(\$1)							\$28,657	\$28,657	(\$1)
2 Additions to restricted funds				11,789	11,789		991	991		12,780	12,780	
3 Total assessments	28,657	28,657	(1)	11,789	11,789		991	991		41,437	41,437	(1)
Non-assessment revenues:												
4 Fees and charges for services to residents	1,606	1,075	531	2		2				1,608	1,075	533
5 Laundry	211	210	1							211	210	1
6 Investment income				928	420	508	215		215	1,143	420	723
7 Miscellaneous	646	753	(107)							646	753	(107)
8 Total non-assessment revenue	2,463	2,038	425	930	420	510	215		215	3,608	2,458	1,150
9 Total revenue	31,119	30,695	424	12,719	12,209	510	1,206	991	215	45,044	43,895	1,149
Expenses:												
10 Employee compensation and related	10,454	11,426	973	2,870	2,974	104	56	58	2	13,380	14,458	1,079
11 Materials and supplies	851	727	(124)	610	635	25			(6)	1,487	1,382	(105)
12 Utilities and telephone	5,771	5,962	192	12	14	2	26	20		5,783	5,977	194
13 Legal fees	454	393	(61)							454	393	(61)
14 Professional fees	75	149	74	2		(2)				77	149	72
15 Equipment rental	7	8	1	21	36	15		1		29	45	16
16 Outside services	2,427	1,296	(1,130)	7,285	6,855	(430)	2,140	1,239	(901)	11,851	9,390	(2,461)
17 Repairs and maintenance	403	374	(29)	2	5	3				404	379	(25)
18 Other Operating Expense	107	157	50	19	25	6				127	182	55
19 Income taxes												
20 Insurance	8,585	8,923	339							8,585	8,923	339
21 Uncollectible Accounts	37	65	28							37	65	28
22 (Gain)/loss on sale or trade												
23 Depreciation and amortization	95	105	10							95	105	10
24 Net allocation to mutuals	1,205	1,214	9	182	195	12	3	4		1,390	1,412	22
25 Total expenses	30,469	30,800	331	11,003	10,739	(264)	2,226	1,322	(904)	43,698	42,861	(837)
26 Excess of revenues over expenses	\$650	(\$105)	\$755	\$1,716	\$1,470	\$246	(\$1,020)	(\$331)	(\$689)	\$1,346	\$1,034	\$312

**Third Laguna Hills Mutual
Operating Statement - Preliminary
12/31/2023
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Revenues:					
Assessments:					
Operating					
41001000 - Monthly Assessments	\$28,656,776	\$28,657,484	(\$708)	0.00%	\$28,657,484
Total Operating	28,656,776	28,657,484	(708)	0.00%	28,657,484
Additions To Restricted Funds					
41002000 - Monthly Assessments - Disaster Fund	897,726	897,726	0	0.00%	897,726
41003500 - Monthly Assessments - Replacement Fund	11,276,496	11,276,496	0	0.00%	11,276,496
41004000 - Monthly Assessments - Elevator Replacement Fund	366,120	366,120	0	0.00%	366,120
41004500 - Monthly Assessments - Laundry Replacement Fund	146,448	146,448	0	0.00%	146,448
41006000 - Monthly Assessments - Garden Villa Recreation Room Fund	93,150	93,150	0	0.00%	93,150
Total Additions To Restricted Funds	12,779,940	12,779,940	0	0.00%	12,779,940
Total Assessments	41,436,716	41,437,424	(709)	0.00%	41,437,424
Non-Assessment Revenues:					
Fees and Charges for Services to Residents					
46501000 - Permit Fee	240,937	342,660	(101,723)	(29.69%)	342,660
46501500 - Inspection Fee	70,355	84,928	(14,573)	(17.16%)	84,928
46502000 - Resident Maintenance Fee	415,164	647,532	(232,368)	(35.89%)	647,532
46502999 - Resident Maintenance Fee Backlog	881,537	0	881,537	0.00%	0
Total Fees and Charges for Services to Residents	1,607,993	1,075,119	532,874	49.56%	1,075,119
Laundry					
46005000 - Coin Op Laundry Machine	210,912	210,000	912	0.43%	210,000
Total Laundry	210,912	210,000	912	0.43%	210,000
Investment Income					
49001000 - Investment Income	1,142,924	420,000	722,924	172.12%	420,000
Investment Interest Income	1,142,924	420,000	722,924	172.12%	420,000
Miscellaneous					
46004500 - Resident Violations	6,226	63,444	(57,218)	(90.19%)	63,444
44501000 - Additional Occupant Fee	43,405	91,805	(48,400)	(52.72%)	91,805
44501510 - Lease Processing Fee - Third	267,450	249,803	17,647	7.06%	249,803
44502000 - Variance Processing Fee	2,700	15,888	(13,188)	(83.01%)	15,888
44502500 - Non-Sale Transfer Fee - Third	2,000	3,000	(1,000)	(33.33%)	3,000
44503520 - Resale Processing Fee - Third	148,288	163,200	(14,912)	(9.14%)	163,200
44505500 - Hoa Certification Fee	3,915	15,000	(11,085)	(73.90%)	15,000
44507000 - Golf Cart Electric Fee	65,324	67,000	(1,676)	(2.50%)	67,000
44507200 - Electric Vehicle Plug-In Fee	23,061	12,500	10,561	84.49%	12,500
44507500 - Cartport/Carport Space Rental Fee	3,753	4,400	(647)	(14.70%)	4,400
47001500 - Late Fee Revenue	73,510	61,000	12,510	20.51%	61,000
47002020 - Collection Administrative Fee - Third	25	1,200	(1,175)	(97.92%)	1,200
47002500 - Collection Interest Revenue	39	273	(234)	(85.73%)	273
47501000 - Recycling	5,972	4,000	1,972	49.29%	4,000
49009000 - Miscellaneous Revenue	35	0	35	0.00%	0
Total Miscellaneous	645,703	752,512	(106,809)	(14.19%)	752,512
Total Non-Assessment Revenue	3,607,531	2,457,631	1,149,900	46.79%	2,457,631
Total Revenue	45,044,247	43,895,056	1,149,192	2.62%	43,895,056
Expenses:					
Employee Compensation					
51011000 - Salaries & Wages - Regular	2,916,087	3,220,777	304,690	9.46%	3,220,777
51021000 - Union Wages - Regular	4,896,554	5,647,830	751,276	13.30%	5,647,830
51041000 - Wages - Overtime	25,815	23,548	(2,267)	(9.63%)	23,548
51051000 - Union Wages - Overtime	72,500	36,808	(35,692)	(96.97%)	36,808
51061000 - Holiday & Vacation	848,601	749,370	(99,231)	(13.24%)	749,370
51071000 - Sick	294,217	305,664	11,447	3.75%	305,664
51091000 - Missed Meal Penalty	3,481	3,617	136	3.75%	3,617
51101000 - Temporary Help	131,530	26,863	(104,667)	(389.63%)	26,863
51981000 - Compensation Accrual	15,249	0	(15,249)	0.00%	0

**Third Laguna Hills Mutual
Operating Statement - Preliminary
12/31/2023
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Total Employee Compensation	9,204,034	10,014,478	810,444	8.09%	10,014,478
Compensation Related					
52411000 - F.I.C.A.	679,680	753,615	73,935	9.81%	753,615
52421000 - F.U.I.	7,637	9,924	2,286	23.04%	9,924
52431000 - S.U.I.	36,888	52,781	15,893	30.11%	52,781
52441000 - Union Medical	1,761,145	1,943,923	182,778	9.40%	1,943,923
52451000 - Workers' Compensation Insurance	769,250	539,543	(229,707)	(42.57%)	539,543
52461000 - Non Union Medical & Life Insurance	337,007	452,930	115,923	25.59%	452,930
52471000 - Union Retirement Plan	492,639	549,826	57,187	10.40%	549,826
52481000 - Non-Union Retirement Plan	88,840	141,446	52,606	37.19%	141,446
52981000 - Compensation Related Accrual	2,793	0	(2,793)	0.00%	0
Total Compensation Related	4,175,879	4,443,987	268,108	6.03%	4,443,987
Materials and Supplies					
53001000 - Materials & Supplies	536,271	580,244	43,973	7.58%	580,244
53003000 - Materials Direct	947,180	797,881	(149,299)	(18.71%)	797,881
53004000 - Freight	3,772	3,892	119	3.06%	3,892
Total Materials and Supplies	1,487,224	1,382,017	(105,207)	(7.61%)	1,382,017
Utilities and Telephone					
53301000 - Electricity	444,557	399,821	(44,736)	(11.19%)	399,821
53301500 - Sewer	1,494,098	1,494,600	502	0.03%	1,494,600
53302000 - Water	2,752,049	3,009,336	257,287	8.55%	3,009,336
53302500 - Trash	1,092,044	1,072,920	(19,125)	(1.78%)	1,072,920
Total Utilities and Telephone	5,782,749	5,976,677	193,928	3.24%	5,976,677
Legal Fees					
53401500 - Legal Fees	475,459	393,325	(82,134)	(20.88%)	393,325
53401550 - Legal Fees Contra	(21,520)	0	21,520	0.00%	0
Total Legal Fees	453,939	393,325	(60,614)	(15.41%)	393,325
Professional Fees					
53402000 - Audit & Tax Preparation Fees	3,943	0	(3,943)	0.00%	0
53402020 - Audit & Tax Preparation Fees - Third	50,900	47,670	(3,230)	(6.78%)	47,670
53403500 - Consulting Fees	11,866	11,271	(595)	(5.28%)	11,271
53403520 - Consulting Fees - Third	10,170	90,416	80,246	88.75%	90,416
Total Professional Fees	76,879	149,357	72,478	48.53%	149,357
Equipment Rental					
53501500 - Equipment Rental/Lease Fees	28,769	44,576	15,807	35.46%	44,576
Total Equipment Rental	28,769	44,576	15,807	35.46%	44,576
Outside Services					
53601000 - Bank Fees	11,850	37,322	25,472	68.25%	37,322
53601500 - Credit Card Transaction Fees	15,497	10,000	(5,497)	(54.97%)	10,000
53604500 - Marketing Expense	0	5,000	5,000	100.00%	5,000
54603500 - Outside Services Cost Collection	11,678,273	9,223,931	(2,454,342)	(26.61%)	9,223,931
53704000 - Outside Services	145,779	114,213	(31,566)	(27.64%)	114,213
Total Outside Services	11,851,399	9,390,466	(2,460,932)	(26.21%)	9,390,466
Repairs and Maintenance					
53701000 - Equipment Repair & Maint	2,781	12,721	9,939	78.14%	12,721
53702500 - Building Repair & Maint	11,323	0	(11,323)	0.00%	0
53703000 - Elevator /Lift Maintenance	390,036	366,252	(23,784)	(6.49%)	366,252
Total Repairs and Maintenance	404,140	378,973	(25,167)	(6.64%)	378,973
Other Operating Expense					
53801000 - Mileage & Meal Allowance	1,906	5,960	4,054	68.02%	5,960
53801500 - Travel & Lodging	0	1,719	1,719	100.00%	1,719
53802000 - Uniforms	66,300	87,067	20,767	23.85%	87,067
53802500 - Dues & Memberships	785	2,423	1,638	67.61%	2,423
53803000 - Subscriptions & Books	692	1,628	936	57.51%	1,628
53803500 - Training & Education	5,974	18,166	12,192	67.11%	18,166
53903000 - Safety	237	993	755	76.08%	993
54001020 - Board Relations - Third	6,172	10,000	3,828	38.28%	10,000
54002000 - Postage	44,229	53,780	9,551	17.76%	53,780
54002500 - Filing Fees / Permits	458	514	56	10.95%	514

**Third Laguna Hills Mutual
Operating Statement - Preliminary
12/31/2023
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Total Other Operating Expense	126,753	182,251	55,497	30.45%	182,251
Insurance					
54401000 - Hazard & Liability Insurance	997,079	970,532	(26,547)	(2.74%)	970,532
54401500 - D&O Liability	58,780	95,850	37,070	38.68%	95,850
54402000 - Property Insurance	7,516,977	7,849,953	332,976	4.24%	7,849,953
54403000 - General Liability Insurance	11,676	7,072	(4,603)	(65.09%)	7,072
Total Insurance	8,584,511	8,923,407	338,896	3.80%	8,923,407
Uncollectible Accounts					
54602000 - Bad Debt Expense	36,698	65,000	28,302	43.54%	65,000
Total Uncollectible Accounts	36,698	65,000	28,302	43.54%	65,000
Depreciation and Amortization					
55001000 - Depreciation And Amortization	94,878	104,928	10,050	9.58%	104,928
Total Depreciation and Amortization	94,878	104,928	10,050	9.58%	104,928
Net Allocation to Mutuals					
54602500 - Allocated Expenses	1,390,439	1,412,025	21,586	1.53%	1,412,025
Total Net Allocation to Mutuals	1,390,439	1,412,025	21,586	1.53%	1,412,025
Total Expenses	43,698,289	42,861,467	(836,823)	(1.95%)	42,861,467
Excess of Revenues Over Expenses	\$1,345,958	\$1,033,589	\$312,369	30.22%	\$1,033,589

**Third Laguna Hills Mutual
Balance Sheet - Preliminary
12/31/2023**

		<u>Current Month End</u>	<u>Prior Year Same Period</u>	<u>Prior Year December 31</u>
	Assets			
1	Cash and cash equivalents	\$5,147,789	\$862,027	\$862,027
2	Investments	28,839,044	30,360,456	30,360,456
3	Receivable/(Payable) from mutuals	(408,721)	1,346,302	1,346,302
4	Accounts receivable	438,553	84,306	84,306
5	Prepaid expenses and deposits	3,082,330	3,332,534	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	4,855,333	4,950,211	4,950,211
9	Non-controlling interest in GRF	42,272,100	42,272,100	42,272,100
10	Total Assets	<u>\$84,226,428</u>	<u>\$83,207,936</u>	<u>\$83,207,936</u>
	Liabilities and Fund Balances			
	Liabilities:			
11	Accounts payable and accrued expenses	\$2,663,018	\$2,885,835	\$2,885,835
12	Accrued compensation and related costs	577,083	598,365	598,365
13	Deferred income	568,278	651,645	651,645
14	Income tax payable	(31,029)	(31,029)	(31,029)
15	Total liabilities	<u>\$3,777,350</u>	<u>\$4,104,816</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	1,345,958	4,994,727	4,994,727
18	Net fund balances	<u>80,449,078</u>	<u>79,103,120</u>	<u>79,103,120</u>
19	Total fund balances	<u>80,449,078</u>	<u>79,103,120</u>	<u>79,103,120</u>
20	Total Liabilities and Fund Balances	<u>\$84,226,428</u>	<u>\$83,207,936</u>	<u>\$83,207,936</u>

**Third Laguna Hills Mutual
Fund Balance Sheet - Preliminary
12/31/2023**

		Operating Fund	Replacement Fund	Elevator Replacement Fund	Laundry Replacement Fund	Garden Villa Rec Room Fund	Disaster Fund	Unappropriated Expenditures Fund	Total
Assets									
1	Cash and cash equivalents	\$1,851,041	\$2,873,725	\$303,561	\$24,921	\$29,320	\$258	\$64,963	\$5,147,789
2	Investments		16,312,156	2,797,220	284,223	101,410	5,754,722	3,589,315	28,839,044
3	Receivable/(Payable) from mutuals	(408,721)							(408,721)
4	Receivable/(Payable) from operating fund	(2,770,717)	2,770,717						
5	Accounts receivable	438,553							438,553
6	Prepaid expenses and deposits	3,082,330							3,082,330
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	4,855,333							4,855,333
10	Non-controlling interest in GRF	42,272,100							42,272,100
11	Total Assets	\$49,319,919	\$21,956,598	\$3,100,780	\$309,143	\$130,730	\$5,754,980	\$3,654,277	\$84,226,428
Liabilities and Fund Balances									
Liabilities:									
12	Accounts payable and accrued expenses	\$814,735	\$1,434,211	\$98,680		\$17,171	\$296,062	\$2,160	\$2,663,019
13	Accrued compensation and related costs	577,083							577,083
14	Deferred income	568,278							568,278
15	Income tax payable	(31,029)							(31,029)
16	Total liabilities	\$1,929,067	\$1,434,211	\$98,680		\$17,171	\$296,062	\$2,160	\$3,777,350
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	650,285	1,385,890	354,557	(24,482)	2,132	(820,047)	(202,378)	1,345,958
19	Fund transfers	(917,230)	917,230						
20	Net fund balances	47,390,851	20,522,387	3,002,101	309,143	113,559	5,458,918	3,652,118	80,449,078
21	Total fund balances	47,390,851	20,522,387	3,002,101	309,143	113,559	5,458,918	3,652,118	80,449,078
22	Total Liabilities and Fund Balances	\$49,319,919	\$21,956,598	\$3,100,780	\$309,143	\$130,730	\$5,754,980	\$3,654,277	\$84,226,428

**Third Laguna Hills Mutual
Changes in Fund Balances - Preliminary
12/31/2023**

	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	\$28,656,792		(\$17)					\$28,656,776
2 Additions to restricted funds		11,276,496	366,120	146,448	93,150	897,726		12,779,940
3 Total assessments	28,656,792	11,276,496	366,103	146,448	93,150	897,726		41,436,716
Non-assessment revenues:								
4 Fees and charges for services to residents	1,605,758	2,299				(65)		1,607,993
5 Laundry	210,912							210,912
6 Investment Income	(19)	827,276	87,133	13,226	3,229	166,505	45,574	1,142,924
7 Miscellaneous	645,857	(154)						645,703
8 Total non-assessment revenue	2,462,508	829,421	87,133	13,226	3,229	166,440	45,574	3,607,531
9 Total revenue	31,119,300	12,105,917	453,237	159,674	96,379	1,064,166	45,574	45,044,247
Expenses:								
10 Employee compensation and related	10,453,846	2,842,060		27,848	19,189	36,970		13,379,913
11 Materials and supplies	851,324	457,069		153,039	21,812	2,163	1,817	1,487,224
12 Utilities and telephone	5,770,618	11,716			34	380		5,782,749
13 Legal fees	453,939							453,939
14 Professional fees	75,309	1,570						76,879
15 Equipment rental	6,830	21,478			90	371		28,769
16 Outside services	2,426,623	7,186,035	98,680	161	51,486	1,842,278	246,135	11,851,399
17 Repairs and maintenance	402,553	1,554		1	7	25		404,140
18 Other Operating Expense	107,124	19,165		140	110	214		126,753
19 Insurance	8,584,511							8,584,511
20 Uncollectible Accounts	36,698							36,698
21 Depreciation and amortization	94,878							94,878
22 Net allocations to mutuals	1,204,763	179,379		2,966	1,519	1,812		1,390,439
23 Total expenses	30,469,016	10,720,026	98,680	184,156	94,246	1,884,213	247,952	43,698,289
24 Excess (deficit) of revenues over expenses	\$650,285	\$1,385,890	\$354,557	(\$24,482)	\$2,132	(\$820,047)	(\$202,378)	\$1,345,958
25 Excluding unrealized gain/(loss) and depreciation	\$745,163	\$1,385,890	\$354,557	(\$24,482)	\$2,132	(\$820,047)	(\$202,378)	\$1,440,836

**THIRD LAGUNA HILLS MUTUAL
INVESTMENTS HELD BY BANK OF AMERICA
SCHEDULE OF INVESTMENTS
12/31/23**

I.D. NO.	DESCRIPTION	STATED RATE	SETTLEMENT DATE	MATURITY DATE	PAR VALUE	EFFECT. YIELD	ORIGINAL COST	BOOK VALUE	12/31/2023	
									MARKET VALUE	UNREALIZED GAIN/(LOSS)
912797GQ4	U.S. TREASURY BILL	0.00%	12/18/2023	3/7/2024	\$2,500,000.00	5.140%	\$2,472,222.22	\$2,476,851.85	\$2,476,499.58	(\$352.27)
TOTAL INVESTMENTS: INTENT TO HOLD FOR SHORT-TERM					<u><u>\$2,500,000.00</u></u>		<u><u>\$2,472,222.22</u></u>	<u><u>\$2,476,851.85</u></u>	<u><u>\$2,476,499.58</u></u>	<u><u>(\$352.27)</u></u>

**THIRD LAGUNA HILLS MUTUAL
INVESTMENTS HELD BY BANK OF AMERICA
SCHEDULE OF INVESTMENTS
12/31/23**

I.D. NO.	DESCRIPTION	STATED RATE	SETTLEMENT DATE	MATURITY DATE	PAR VALUE	EFFECT. YIELD	ORIGINAL COST	BOOK VALUE	MARKET VALUE	UNREALIZED GAIN/(LOSS)
912797LL9	U.S. TREASURY BILL	0.00%	3/24/2023	3/21/2024	\$6,633,000.00	4.070%	\$6,372,157.28	\$6,572,697.62	\$6,557,430.16	(\$15,267.46)
912797FS1	U.S. TREASURY BILL	0.00%	6/22/2023	6/13/2024	\$6,762,000.00	5.060%	\$6,441,030.40	\$6,609,539.46	\$6,607,350.56	(\$2,188.90)
912797GL5	U.S. TREASURY BILL	0.00%	9/22/2023	9/5/2024	\$6,847,000.00	5.260%	\$6,515,110.69	\$6,608,905.50	\$6,624,529.67	\$15,624.17
912796ZV4	U.S. TREASURY BILL	0.00%	12/28/2023	12/26/2024	\$6,877,000.00	4.620%	\$6,571,049.91	\$6,571,049.91	\$6,565,914.37	(\$5,135.54)
TOTAL INVESTMENTS: INTENT TO HOLD FOR LONG-TERM					<u><u>\$27,119,000.00</u></u>		<u><u>\$25,899,348.28</u></u>	<u><u>\$26,362,192.49</u></u>	<u><u>\$26,355,224.76</u></u>	<u><u>(\$6,967.73)</u></u>
TOTAL INVESTMENTS					<u><u>\$ 29,619,000.00</u></u>		<u><u>\$ 28,371,570.50</u></u>	<u><u>\$ 28,839,044.34</u></u>	<u><u>\$ 28,831,724.34</u></u>	

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

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
OPERATING FUND - MAINTENANCE & CONSTRUCTION								
APPLIANCE REPAIRS	\$5,050	\$8,463	\$73,374	\$98,270	\$98,270	75%	\$24,896	25%
CARPENTRY SERVICE	44,391	48,767	544,460	568,563	568,563	96%	24,103	4%
ELECTRICAL SERVICE	7,328	9,808	111,743	115,140	115,140	97%	3,397	3%
FIRE PROTECTION	22,034	13,451	99,766	144,347	144,347	69%	44,581	31%
MISC REPAIRS BY OUTSIDE SERVICE	(670)	4,059	97,145	48,664	146,764	66%	(48,481)	(100%)
PEST CONTROL	31,441	30,022	326,444	360,000	360,000	91%	33,556	9%
PLUMBING SERVICE	131,953	62,623	781,475	744,807	744,807	105%	(36,667)	(5%)
SOLAR MAINTENANCE	5,575	3,500	49,226	35,000	35,000	141%	(14,226)	(41%)
STREET LIGHT MAINTENANCE	5,198	1,424	12,946	17,000	17,000	76%	4,054	24%
TOTAL	\$252,300	\$182,117	\$2,096,577	\$2,131,791	\$2,229,891	94%	\$35,215	2%
OPERATING FUND - GENERAL SERVICES								
CONCRETE REPAIR/REPLACEMENT	\$43,640	\$31,255	\$388,922	\$371,540	\$371,540	105%	(\$17,381)	(5%)
JANITORIAL SERVICE	81,715	79,995	899,743	949,851	949,851	95%	50,108	5%
GUTTER CLEANING	88,179	13,559	193,507	161,337	161,337	120%	(32,170)	(20%)
TRAFFIC CONTROL	2,659	1,861	21,334	22,058	22,058	97%	725	3%
WELDING	12,198	9,341	98,365	110,964	110,964	89%	12,599	11%
TOTAL	\$228,389	\$136,012	\$1,601,870	\$1,615,751	\$1,615,751	99%	\$13,881	1%
OPERATING FUND - LANDSCAPE SERVICES								
LANDSCAPE ADMINISTRATION	\$38,211	\$30,209	\$362,103	\$358,085	\$358,085	101%	(\$4,018)	(1%)
NURSERY & COMPOSTING	19,590	21,120	234,999	250,330	250,331	94%	15,331	6%
GROUPS MAINTENANCE	356,667	278,425	3,395,047	3,308,668	3,308,668	103%	(86,379)	(3%)
IRRIGATION	148,769	87,582	939,228	1,039,801	1,039,801	90%	100,573	10%
SMALL EQUIPMENT REPAIR	18,117	17,558	183,142	208,268	208,268	88%	25,126	12%
PEST CONTROL	31,287	34,860	362,143	413,641	413,641	88%	51,499	12%
TOTAL	\$612,642	\$469,753	\$5,476,661	\$5,578,792	\$5,578,793	98%	\$102,132	2%

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

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
RESERVE FUND - MAINTENANCE & CONSTRUCTION								
BUILDING STRUCTURES	430,489	174,972	2,425,439	2,054,841	2,054,840	118%	(370,599)	(18%)
ELECTRICAL SYSTEMS	0	2,500	0	30,000	30,000	0%	30,000	100%
EXTERIOR LIGHTING	0	1,049	12,062	12,500	12,500	96%	438	4%
FENCING	7,763	7,288	75,237	82,765	82,765	91%	7,528	9%
GARDEN VILLA MAILROOM	25	36	293	431	431	68%	139	32%
GV REC ROOM WATER HEATER/HEAT PUMP	82	449	8,472	5,245	5,245	162%	(3,227)	(62%)
GUTTER REPLACEMENTS	5,919	9,587	62,087	113,127	113,127	55%	51,040	45%
MAILBOXES	985	2,117	11,811	25,180	25,180	47%	13,368	53%
PAINT PROGRAM - EXTERIOR	114,297	134,456	1,445,812	1,597,812	1,597,812	90%	152,000	10%
PRIOR TO PAINT	94,280	98,250	1,161,592	1,167,546	1,167,546	99%	5,954	1%
PAVING	0	0	429,521	439,421	439,421	98%	9,900	2%
ROOF REPLACEMENTS	108,876	148,636	1,415,220	1,468,968	1,468,968	96%	53,748	4%
WALL REPLACEMENTS	0	2,924	0	35,000	35,000	0%	35,000	100%
WASTE LINE REMEDIATION	16,125	83,337	858,715	1,000,000	1,000,000	86%	141,285	14%
WATER LINES - COPPER PIPE REMEDIATION	0	41,674	521,415	500,000	500,000	104%	(21,415)	(4%)
PLUMBING REPLACEMENT	0	16,674	0	200,000	200,000	0%	200,000	100%
SUPPLEMENTAL APPROPRIATIONS	31,913	31,913	315,976	315,976	541,422	58%	0	0%
TOTAL	\$810,755	\$755,864	\$8,743,652	\$9,048,812	\$9,274,257	94%	\$305,160	3%
RESERVE FUND - GENERAL SERVICES								
PRIOR TO PAINT	\$1,522	\$1,069	\$12,112	\$12,700	\$12,700	95%	\$588	5%
PAVING	8,169	5,421	61,610	64,253	64,253	96%	2,643	4%
EXTERIOR WALLS	0	2,018	0	24,150	24,150	0%	24,150	100%
TOTAL	\$9,691	\$8,508	\$73,722	\$101,103	\$101,103	73%	\$27,380	27%
RESERVE FUND - LANDSCAPE SERVICES								
LANDSCAPE MODIFICATION	\$179,053	\$27,697	\$455,935	\$541,671	\$541,671	84%	\$85,737	16%
IMPROVEMENT & RESTORATION	0	14,990	131,521	177,744	177,744	74%	46,222	26%
TREE MAINTENANCE	40,207	75,410	885,019	899,814	899,814	98%	14,795	2%
SUPPLEMENTAL APPROPRIATIONS	100,425	100,425	130,177	130,177	465,900	28%	0	0%
TOTAL	\$319,684	\$218,522	\$1,602,652	\$1,749,405	\$2,085,129	77%	\$146,754	8%

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

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
ELEVATOR REPLACEMENT FUND								
ELEVATOR REPLACEMENT	\$0	\$0	\$98,680	\$125,000	\$125,000	79%	\$26,320	21%
TOTAL	\$0	\$0	\$98,680	\$125,000	\$125,000	79%	\$26,320	21%
LAUNDRY REPLACEMENT FUND								
LAUNDRY APPLIANCES	\$4,651	\$8,509	\$170,745	\$101,579	\$101,579	168%	(\$69,166)	(68%)
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	1,172	1,350	13,411	59,567	59,567	23%	46,155	77%
SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0%	0	0%
TOTAL	\$5,823	\$9,858	\$184,156	\$161,145	\$161,145	114%	(\$23,011)	(14%)
DISASTER FUND - MAINTENANCE & CONSTRUCTION								
MOISTURE INTRUSION - RAIN LEAKS	\$33,422	\$21,674	\$542,097	\$260,000	\$260,000	208%	(\$282,097)	(108%)
MOISTURE INTRUSION - PLUMBING LEAKS	110,732	41,674	834,890	500,000	500,000	167%	(334,890)	(67%)
MOISTURE INTRUSION - PLUMBING STOPPAGES	40,346	7,500	193,289	75,000	75,000	258%	(118,289)	(158%)
MOISTURE INTRUSION - MISCELLANEOUS	(49,174)	1,174	77,503	14,000	14,000	554%	(63,503)	(454%)
DAMAGE RESTORATION SERVICES	47,633	16,676	86,125	199,470	199,470	43%	113,345	57%
TOTAL	\$182,959	\$88,698	\$1,733,904	\$1,048,470	\$1,048,470	165%	(\$685,434)	(65%)
DISASTER FUND - LANDSCAPE SERVICES								
RISK FIRE MANAGEMENT	\$0	\$15,000	\$150,309	\$180,000	\$180,000	84%	\$29,691	16%
TOTAL	\$0	\$15,000	\$150,309	\$180,000	\$180,000	84%	\$29,691	16%
GARDEN VILLA RECREATION ROOM FUND								
GARDEN VILLA RECREATION ROOMS	\$2,351	\$7,885	\$94,246	\$93,642	\$93,642	101%	(\$605)	(1%)
TOTAL	\$2,351	\$7,885	\$94,246	\$93,642	\$93,642	101%	(\$605)	(1%)
UNAPPROPRIATED EXPENDITURES FUND								
SUPPLEMENTAL APPROPRIATIONS	0	0	247,952	247,952	403,887	61%	0	0%
TOTAL	\$0	\$0	\$247,952	\$247,952	\$403,887	61%	\$0	0%

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

	2023	2023	2023	2023	2023
	YTD Actual	YTD Budget	YTD Variance	Annual Budget	% Expended
Paved Surfaces	\$491,131	\$503,674	\$12,542	\$503,674	98%
Roofing & Gutters	\$1,477,307	\$1,782,095	\$304,788	\$1,782,095	83%
Building Structures	\$2,375,489	\$2,004,841	(\$370,648)	\$2,004,840	118%
Decking Projects	\$370,835	\$410,998	\$40,163	\$410,998	90%
Prior to Painting & Painting Projects	\$2,298,632	\$2,417,060	\$118,429	\$2,417,060	95%
Elevators	\$98,680	\$125,000	\$26,320	\$125,000	79%
Garden Villas	\$8,765	\$5,676	(\$3,089)	\$5,676	154%
Lighting Replacement Projects	\$12,062	\$12,500	\$438	\$12,500	96%
Walls, Fencing, and Railings	\$75,237	\$144,721	\$69,484	\$144,721	52%
Laundry Facilities	\$184,156	\$158,339	(\$25,817)	\$158,339	116%
Sewer Lines, Water Lines and Elect	\$1,380,129	\$1,530,000	\$149,871	\$1,530,000	90%
Grounds & Miscellaneous	\$11,811	\$25,180	\$13,368	\$25,180	47%
Landscape Projects	\$1,472,475	\$1,619,229	\$146,754	\$1,619,229	91%
Total	\$10,256,709	\$10,739,312	\$482,603	\$10,739,312	96%

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

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

APPLIANCE REPAIRS	\$73,374	\$65,941	\$7,433	\$0
CARPENTRY SERVICE	544,460	486,311	58,149	0
ELECTRICAL SERVICE	111,743	97,051	13,700	991
FIRE PROTECTION	99,766	4,419	1,937	93,410
MISC REPAIRS BY OUTSIDE SERVICE	97,145	63,429	0	33,716
PEST CONTROL	326,444	0	0	326,444
PLUMBING SERVICE	781,475	560,461	67,358	153,655
SOLAR MAINTENANCE	49,226	0	0	49,226
STREET LIGHT MAINTENANCE	12,946	0	0	12,946
TOTAL	\$2,096,577	\$1,277,612	\$148,578	\$670,387

OPERATING FUND - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$388,922	\$323,397	\$34,550	\$30,974
JANITORIAL SERVICE	899,743	880,072	19,671	0
GUTTER CLEANING	193,507	135,528	0	57,978
TRAFFIC CONTROL	21,334	21,155	179	0
WELDING	98,365	97,053	1,312	0
TOTAL	\$1,601,870	\$1,457,206	\$55,712	\$88,952

OPERATING FUND - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$362,103	\$362,103	\$0	\$0
NURSERY & COMPOSTING	234,999	234,999	0	0
GROUNDS MAINTENANCE	3,395,047	2,675,320	2,427	717,300
IRRIGATION	939,228	929,834	9,394	0
SMALL EQUIPMENT REPAIR	183,142	183,142	0	0
PEST CONTROL	362,143	362,143	0	0
TOTAL	\$5,476,661	\$4,747,540	\$11,821	\$717,300

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

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

CHARGEABLE SERVICES	\$1,128,205	\$162,587	\$206,298	\$759,320
TOTAL	\$1,128,205	\$162,587	\$206,298	\$759,320

RESERVE FUND - MAINTENANCE & CONSTRUCTION

BUILDING STRUCTURES	2,425,439	178,655	57,974	2,188,809
ELECTRICAL SYSTEMS	0	0	0	0
ENERGY PROJECTS	0	0	0	0
EXTERIOR LIGHTING	12,062	0	0	12,062
FENCING	75,237	61,723	13,514	0
GARDEN VILLA LOBBY	0	0	0	0
GARDEN VILLA MAILROOM	293	293	0	0
GARDEN VILLA RECESSED AREA	0	0	0	0
GV REC ROOM WATER HEATER/HEAT PUMP	8,472	1,173	1,569	5,731
GUTTER REPLACEMENTS	62,087	56,179	5,908	0
MAILBOXES	11,811	11,811	0	0
PAINT PROGRAM - EXTERIOR	1,445,812	1,289,481	142,750	13,581
PRIOR TO PAINT	1,161,592	983,128	123,522	54,942
PAVING	429,521	0	0	429,521
ROOF REPLACEMENTS	1,415,220	0	0	1,415,220
WALL REPLACEMENTS	0	0	0	0
WASTE LINE REMEDIATION	858,715	0	0	858,715
WATER LINES - COPPER PIPE REMEDIATION	521,415	0	111	521,304
PLUMBING REPLACEMENT	0	0	0	0
SUPPLEMENTAL APPROPRIATIONS	315,976	0	0	315,976
TOTAL	\$8,743,652	\$2,582,443	\$345,348	\$5,815,861

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

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

PRIOR TO PAINT	\$12,112	\$12,112	\$0	\$0
PAVING	61,610	60,073	1,538	0
EXTERIOR WALLS	0	0	0	0
TOTAL	\$73,722	\$72,185	\$1,538	\$0

RESERVE FUND - LANDSCAPE

LANDSCAPE MODIFICATION	\$457,567	\$17,650	\$0	\$439,918
IMPROVEMENT & RESTORATION	129,889	129,889	0	0
TREE MAINTENANCE	885,019	390,557	0	494,463
SUPPLEMENTAL APPROPRIATIONS	130,177	0	0	130,177
TOTAL	\$1,602,652	\$538,095	\$0	\$1,064,557

RESERVE FUND - ELEVATOR

ELEVATOR REPLACEMENT	\$98,680	\$0	\$0	\$98,680
TOTAL	\$98,680	\$0	\$0	\$98,680

RESERVE FUND - LAUNDRY

LAUNDRY APPLIANCES	\$170,745	\$19,409	\$151,336	\$0
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	13,411	13,064	347	0
TOTAL	\$184,156	\$32,473	\$151,683	\$0

DISASTER FUND - MAINTENANCE & CONSTRUCTION

MOISTURE INTRUSION - RAIN LEAKS	\$542,097	\$0	\$0	\$542,097
MOISTURE INTRUSION - PLUMBING LEAKS	834,890	0	0	834,890
MOISTURE INTRUSION - PLUMBING STOPPAGES	193,289	0	0	193,289
MOISTURE INTRUSION - MISCELLANEOUS	77,503	0	0	77,503
DAMAGE RESTORATION SERVICES	86,125	41,765	192	44,169
TOTAL	\$1,733,904	\$41,765	\$192	\$1,691,948

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

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

RISK FIRE MANAGEMENT	\$150,309	\$0	\$0	\$150,309
SUPPLEMENTAL APPROPRIATIONS	\$0	\$0	\$0	\$0
TOTAL	\$150,309	\$0	\$0	\$150,309

GARDEN VILLA REC ROOM FUND - MAINTENANCE & CONSTRUCTION

GARDEN VILLA RECREATION ROOMS	\$94,246	\$22,095	\$20,717	\$51,434
TOTAL	\$94,246	\$22,095	\$20,717	\$51,434

UNAPPROPRIATED EXPENDITURES FUND

SUPPLEMENTAL APPROPRIATIONS	\$247,952	\$0	\$1,817	\$246,135
TOTAL	\$247,952	\$0	\$1,817	\$246,135

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF DECEMBER 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	17,500	17,500
ELECTRICAL SERVICE	991	2,500	1,509
FIRE PROTECTION	93,410	138,150	44,740
MISC REPAIRS BY OUTSIDE SERVICE	33,716	48,664	14,948
PEST CONTROL	326,444	360,000	33,556
PLUMBING SERVICE	153,655	95,000	(58,655)
SOLAR MAINTENANCE	49,226	35,000	(14,226)
STREET LIGHT MAINTENANCE	12,946	17,000	4,054
TOTAL	\$670,387	\$713,814	\$43,427

OPERATING FUND - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$30,974	\$0	(\$30,974)
JANITORIAL SERVICE	0	0	0
GUTTER CLEANING	57,978	38,000	(19,978)
TRAFFIC CONTROL	0	0	0
WELDING	0	10,000	10,000
TOTAL	\$88,952	\$48,000	(\$40,952)

OPERATING FUND - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$0	\$0	\$0
NURSERY & COMPOSTING	0	0	0
GROUNDS MAINTENANCE	717,300	0	(717,300)
IRRIGATION	0	0	0
SMALL EQUIPMENT REPAIR	0	0	0
PEST CONTROL	0	0	0
TOTAL	\$717,300	\$0	(\$717,300)

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

DESCRIPTION	OS Actuals	OS Budget	OS Variance
OPERATING FUND - CHARGEABLE SERVICES			
CHARGEABLE SERVICES	\$759,320	\$376,051	(383,269)
TOTAL	\$759,320	\$376,051	(383,269)

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

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

BUILDING STRUCTURES	2,188,809	1,787,500	(401,309)
EXTERIOR LIGHTING	12,062	12,500	438
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	2,276	(3,455)
GUTTER REPLACEMENTS	0	50,000	50,000
MAILBOXES	0	0	0
PAINT PROGRAM - EXTERIOR	13,581	57,500	43,919
PRIOR TO PAINT	54,942	55,000	58
PAVING	429,521	439,421	9,900
ROOF REPLACEMENTS	1,415,220	1,468,968	53,748
WALL REPLACEMENTS	0	35,000	35,000
WASTE LINE REMEDIATION	858,715	1,000,000	141,285
WATER LINES - COPPER PIPE REMEDIATION	521,304	500,000	(21,304)
PLUMBING REPLACEMENT	0	200,000	200,000
SUPPLEMENTAL APPROPRIATIONS	315,976	315,976	0
TOTAL	\$5,815,861	\$5,954,141	\$138,280

RESERVE FUND - GENERAL SERVICES

PRIOR TO PAINT	\$0	\$0	\$0
PAVING	0	0	0
EXTERIOR WALLS	0	24,150	24,150
TOTAL	\$0	\$24,150	\$24,150

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

DESCRIPTION	OS Actuals	OS Budget	OS Variance
RESERVE FUND - LANDSCAPE			
LANDSCAPE MODIFICATION	\$439,918	\$523,765	\$83,848
IMPROVEMENT & RESTORATION	0	0	0
TREE MAINTENANCE	494,463	503,120	8,657
SUPPLEMENTAL APPROPRIATION	130,177	130,177	0
TOTAL	\$1,064,557	\$1,157,062	\$92,505
RESERVE FUND - ELEVATOR			
ELEVATOR REPLACEMENT	\$98,680	\$125,000	\$26,320
TOTAL	\$98,680	\$125,000	\$26,320
RESERVE FUND - LAUNDRY			
LAUNDRY APPLIANCES	\$0	\$2,806	\$2,806
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	0	30,060	30,060
TOTAL	\$0	\$32,866	\$32,866

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

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

MOISTURE INTRUSION - RAIN LEAKS	\$542,097	\$260,000	(\$282,097)
MOISTURE INTRUSION - PLUMBING LEAKS	834,890	500,000	(334,890)
MOISTURE INTRUSION - PLUMBING STOPPAGES	193,289	75,000	(118,289)
MOISTURE INTRUSION - MISCELLANEOUS	77,503	14,000	(63,503)
DAMAGE RESTORATION SERVICES	44,169	155,000	110,832
TOTAL	\$1,691,948	\$1,004,000	(\$687,948)

DISASTER FUND - LANDSCAPE SERVICES

RISK FIRE MANAGEMENT	\$150,309	\$180,000	\$29,691
SUPPLEMENTAL APPROPRIATIONS	\$0	\$0	\$0
TOTAL	\$150,309	\$180,000	\$29,691

GARDEN VILLA REC ROOM FUND - MAINTENANCE & CONSTRUCTION

GARDEN VILLA RECREATION ROOMS	\$51,434	\$55,000	\$3,566
TOTAL	\$51,434	\$55,000	\$3,566

UNAPPROPRIATED EXPEDENDITURES FUND

SUPPLEMENTAL APPROPRIATIONS	\$246,135	\$246,135	\$0
TOTAL	\$246,135	\$246,135	\$0

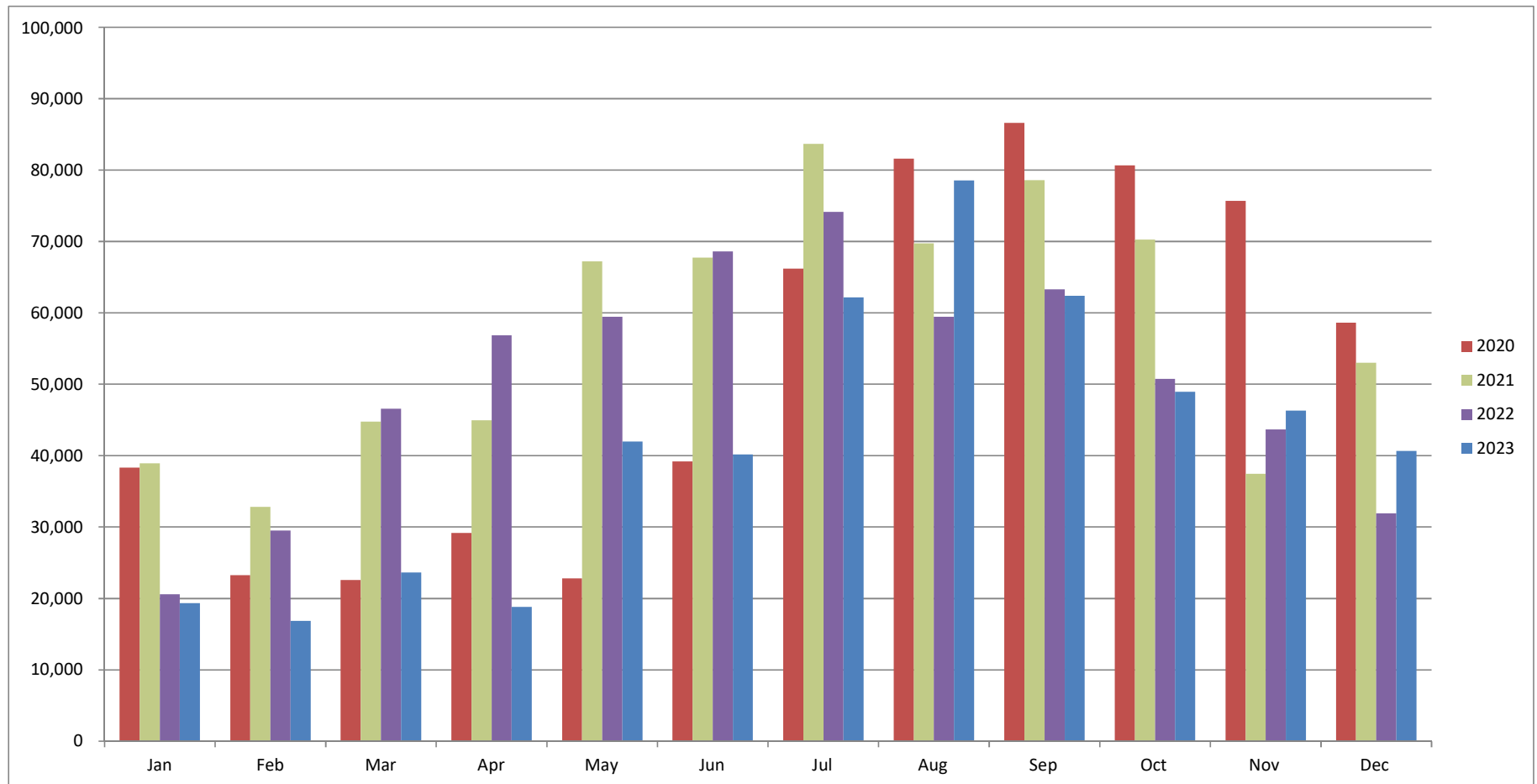
Third Laguna Hills Mutual
Fund Expenditure Schedule
Period Ending: 12/31/2023

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	\$69,621	\$0	\$69,621	\$28,479
Reserve Fund (Supplemental Appropriations)						
Turf Reduction	3-22-137	\$151,000	\$72,543	\$0	\$72,543	\$78,458
Emergency Roof Repairs	3-23-42	\$300,000	\$285,251	\$0	\$285,251	\$0
Landscape Improvement Projects	3-23-124	\$314,900	\$57,634	\$0	\$57,634	\$257,266
Slope Erosion Repairs	3-23-137	\$241,422	\$30,725	\$0	\$30,725	\$210,697
Unappropriated Expenditures Fund						
Mitigation of Nuisance Seepage - Gate 11	3-22-54	\$34,960	\$19,340	\$7,009	\$26,349	\$8,611
Gate 11 French Drain Construction	3-23-72	\$340,290	\$226,795	\$0	\$226,795	\$113,495
Total		\$1,480,672	\$761,909	\$7,009	\$768,918	\$711,754

*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	\$2,817,316	624,743	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	\$3,045,270	689,149	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	\$2,893,092	604,812	604,812
2023	19,363	16,857	23,667	18,805	41,986	40,165	62,154	78,546	62,385	48,947	46,302	40,659	\$2,744,516	499,836	499,836

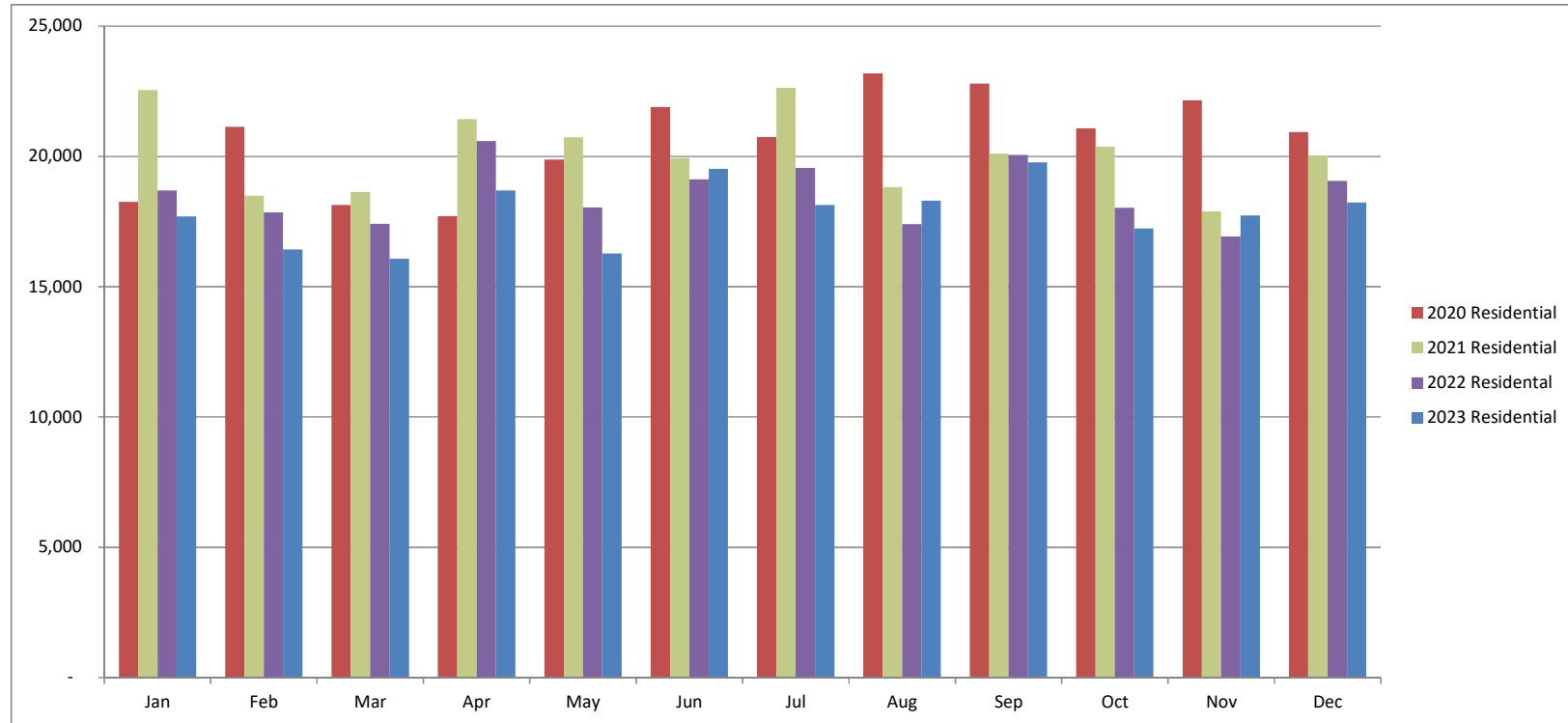


*Derived From ETWD Billing Statements

Third Mutual

Residential Water Usage in 100 cubic feet units

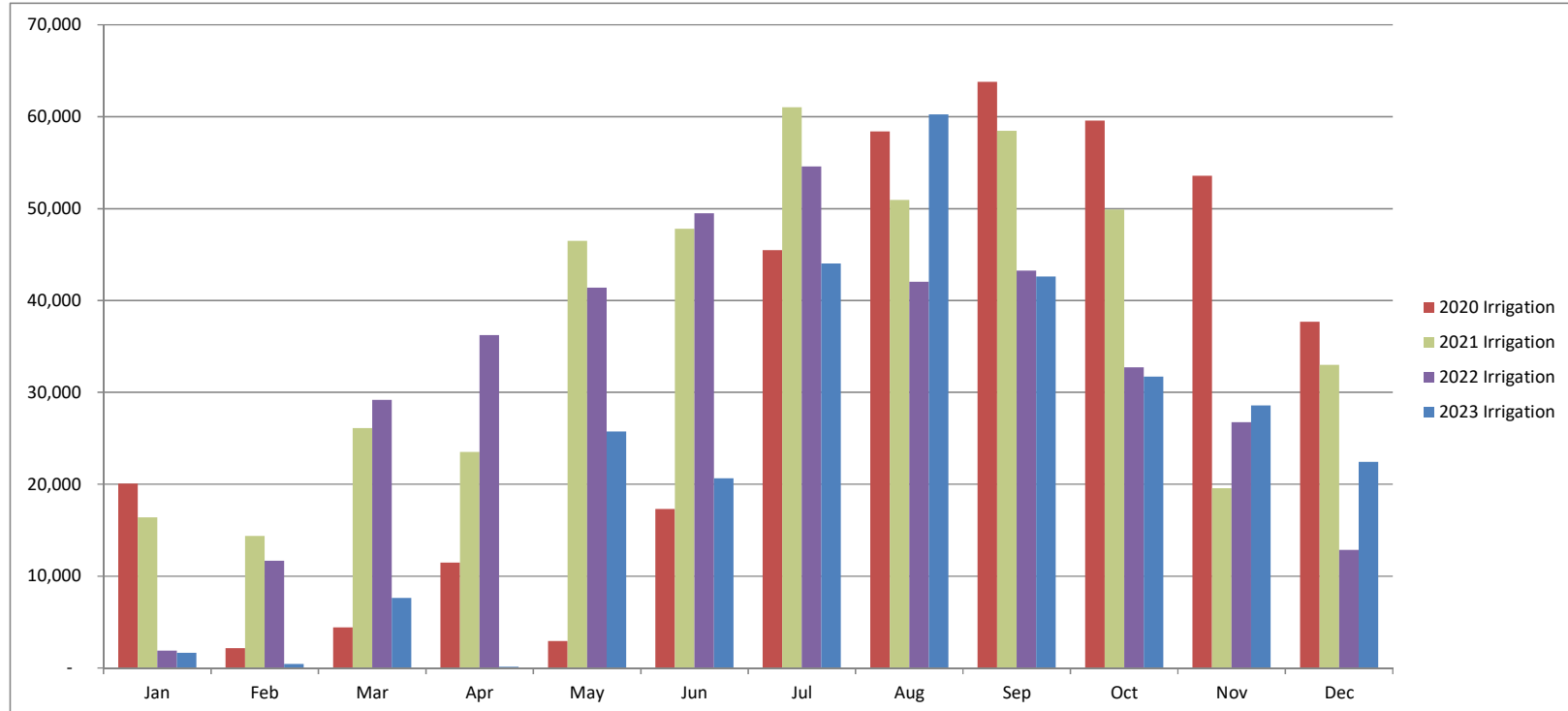
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD \$*	YTD ccf	Total
2020 Residential	18,254	21,139	18,140	17,705	19,881	21,887	20,740	23,182	22,796	21,072	22,146	20,927	\$1,342,509	247,869	247,869
2021 Residential	22,539	18,488	18,641	21,433	20,735	19,937	22,631	18,823	20,107	20,369	17,883	20,022	\$1,357,198	241,608	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	\$1,350,974	222,724	222,724
2023 Residential	17,693	16,435	16,065	18,691	16,268	19,524	18,135	18,302	19,774	17,233	17,734	18,224	\$1,408,817	214,078	214,078



*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	\$1,474,807	376,874	376,874
2021 Irrigation	16,390	14,356	26,104	23,513	46,497	47,822	61,029	50,929	58,456	49,890	19,563	32,992	\$1,688,072	447,541	447,541
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	\$1,542,118	382,088	382,088
2023 Irrigation	1,670	422	7,602	114	25,718	20,641	44,019	60,244	42,611	31,714	28,568	22,435	\$1,335,699	285,758	285,758



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

Month	Delinquent Assessments ⁽¹⁾	Assessments Write-Offs ⁽²⁾	Bad Debt Small Claims ⁽³⁾	Delinquent Fines, Fees, and Chargeable Services ⁽⁴⁾	Chargeable Services Write-Offs ⁽⁵⁾	Change in Provision ⁽⁶⁾	Total Delinquent Units ⁽⁷⁾
December-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	340,108			94,940		31,140	26
December-23	291,694	67,691		87,565		11,902	23
YTD TOTAL						36,698	

(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