



SPECIAL MEETING OF THE BOARD OF DIRECTORS

**Thursday, August 8, 2019 – 1:30 p.m.
Laguna Woods Village Community Center Board Room
24351 El Toro Road**

AGENDA

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Chair Remarks
5. Member Comments (Items Not on the Agenda)

Items for Discussion and Consideration:

6. Review Preliminary 2020 Business Plan, Version 2
7. Board Member Comments
8. Member Comments

Concluding Business:

9. Date of Next Meeting – Tuesday, September 17, 2019 at 9:30 a.m.
10. Adjournment



STAFF REPORT

DATE: August 8, 2019
FOR: Third Laguna Hills Mutual Board of Directors
SUBJECT: 2020 Business Plan – Version 2

RECOMMENDATION

Staff recommends the Board review the Proposed 2020 Business Plan and provide direction for change or revision at the televised meeting scheduled on August 8, 2019. Resolutions to adopt the budget will be presented at the regular Board meeting on September 17, 2019.

BACKGROUND

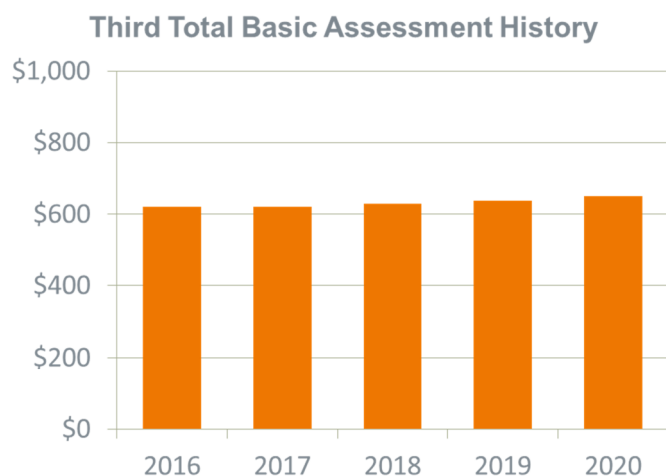
The proposed business plan for Third was reviewed several times from May through July at special meetings of the Landscape Committee and Board. Changes directed from these early budget meetings and subsequent discussions with Staff are included in Version 2.

DISCUSSION

BUSINESS PLAN SUMMARY

The proposed budget for the 2020 plan year (Attachment 1) shows that the sum of \$33,040,038 is required by the Corporation to meet the Third Laguna Hills Mutual operating expenses and reserve contributions for the year 2020. In addition, the sum of \$15,054,501 is required by the Corporation to meet the Golden Rain Foundation and Golden Rain Foundation Trust operating expenses and reserve contributions for the year 2020. Therefore, a total of \$48,094,539 is required to be collected from and paid by members of the Corporation as monthly assessments. The proposal equates to a Total Basic Assessment of \$650.54 per manor per month, reflecting a net increase of \$13.32 or 2.1% when compared to current year.

Year	Assessment
2016	\$620.43
2017	\$619.86
2018	\$628.42
2019	\$637.22
2020 (Estimated)	\$650.54



BUSINESS PLAN BY DEPARTMENT

The Business Plan is presented by Department with a brief synopsis of each area of operation and significant change from current year, listed in order of appearance (Attachment 2):

Non Work Center

Scope: This category exists to account for items not directly attributable to departments. It is primarily composed of interest income, miscellaneous revenue, and utilities.

Budget: The net cost of Non Work Center budgets is \$5,603,323 for the Third portion, \$5,845,031 of which is included in the operating assessment, \$224,260 is included in surcharges, and \$465,968 is credited to reserves for net interest income. This budget proposal increased the assessment by \$392,213 due to increase in utilities and legal expenses. Electric and water expenses increased respectively based on historical consumption at projected rates. Water rates increased per El Toro Water adopted budget and went into effect July 1, 2019. In addition, Legal expenses increased to reflect current trends. This is a contingency budget and will vary based on experience and projections. This area also increased due to a contingency for historical workers compensation retrospective adjustment.

Office of the CEO

Scope: Provides liaison with each of the Corporation Board of Directors; direct services, programs, and operations, ensuring that all activities are within policy guidelines set by the Boards, the management agreement, the governing documents, and the business plans of each Corporation. Functions include executive management, corporate secretary and public relations.

Staffing:	2016	2017	2018	2019	2020
	Plan	Plan	Plan	Plan	Ver 2
	5.00	6.50	7.00	9.00	10.00

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$529,630 for the Third portion, all of which is included in the operating assessment. This budget proposal increased the assessment by \$73,436 with the additional position for Marketing Content Editor. The variance was furthered by Outside Services for the annual inspector of election, website maintenance, and outsourced graphic design.

Department of Resident Services

Scope: Recommends changes in governing rules, policies, and membership qualifications to the corporations, as needed and oversees all call center operations pertaining to resident maintenance service. Functions include call center, membership and occupancy, community access, sales and leasing.

Staffing:	2016	2017	2018	2019	2020
	Plan	Plan	Plan	Plan	Ver 2
	21.83	23.59	32.00	36.00	35.00

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$476,537 for the Third portion, all of which is included in the operating assessment. This budget proposal increased the assessment by \$214,420 mainly due to the increase in allocation expenses. A correction of Resident Services allocations assigned more costs to the Mutual based on services provided. In addition, a higher budget in materials for the purchase of security access cards furthered the variance.

Department of General Services

Scope: Responsible for operating, maintaining, repairing, and replacing the community physical assets or resources, with the following major areas of operation: community center, janitorial, streets and sidewalks, service center facility, fleet maintenance and transportation.

Staffing:	2016	2017	2018	2019	2020
	Plan	Plan	Plan	Plan	Ver 2
	105.43	93.98	94.57	93.07	91.57

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$1,756,929 for the Third portion, of which \$1,620,229 is included in the operating assessment. This budget proposal increased the assessment by \$106,294 due to increased allocation expenses from vehicle maintenance, and outsourced gutter cleaning moved from the M&C Department.

Department of Landscape Services

Scope: Provides the following major functions: nursery, composting, grounds maintenance, irrigation, small equipment repair, and pest control and tree maintenance.

Staffing:	2016	2017	2018	2019	2020
	Plan	Plan	Plan	Plan	Ver 2
	135.11	132.76	133.87	142.27	149.00

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$6,829,348 for the Third portion, of which \$5,196,406 is included in the operating assessment. This budget proposal increased the assessment by \$196,059 due to additional staff of 6.73 FTE to correct unused turnover contingency and to fund existing service levels. In addition, planned use of fertilizers and irrigation materials for lawn and shrub-bed maintenance contributed to the variance.

Department of Financial Services

Scope: Provides accounting, budget and financial planning, risk management and insurance, purchasing, mail and copy services, and warehouse functions for all entities. Coordinates and manages banking relationships, investments, audits, tax preparation, and collection services. Also provides compensation research and guidelines for VMS.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
20.66	29.63	29.50	30.00	31.00

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$2,280,858 for the Third portion including Insurance costs totaling \$1,517,081, all of which is included in the operating assessment. This budget proposal increased the assessment by \$336,442 primarily due to higher insurance premiums anticipated in liability and property renewals and an added position to improve collections and internal controls.

Department of Security Services

Scope: Provides oversight of all security operations, including: monitoring of gates, field supervision, routine motor patrol, maintaining a traffic control program and security dispatch center; assisting local law enforcement agencies and maintaining relations with OC Sheriff, OC Fire Authority and other outside agencies as necessary to achieve compliance within the Community; and social services including individual and family counseling, facilitation of caregivers, bereavement and support groups, and referrals to community programs, agencies and services.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
125.33	119.10	115.61	118.19	119.68

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$176,323 for the Third portion, all of which is included in the operating assessment. This budget proposal decreased the assessment by \$22,065 due to the higher revenues anticipated in resident violations based on the current year trend.

Department of Human Resource Services

Scope: Responsible for the development, administration and implementation of all human resources and safety/environmental function, ensuring that programs and policies are designed to meet organizational goals and protect the Company, the Community and Staff in accordance with human resource and safety policies and governmental laws and regulations.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
8.40	9.40	9.40	8.40	8.40

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$149,985 for the Third portion, all of which is included in the operating assessment. This budget proposal reflects a new allocation of VMS legal fees, shared equally by the three members of VMS.

Department of Maintenance & Construction

Scope: Responsible for operating, maintaining, repairing, and replacing the Community's physical assets or resources, including maintenance operations, building maintenance, manor alterations and permits, moisture intrusion, facilities management, and construction and project management.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
172.08	173.81	185.50	185.50	186.50

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$16,648,068 for the Third portion, of which \$3,648,010 is included in the operating assessment. This budget proposal increased the assessment by \$46,744 due to the addition of an Inspector and Alterations Coordinator, approved in the current year and the inclusion of planned wage adjustments. Variance was furthered by the increase in materials required for plumbing repairs. The increase was partially offset by moving certain programs, such as gutters, into General Services.

Reserve Fund Contributions

To adequately plan for future expenditures, the Mutual has adopts 30-Year Funding Plans that project contribution and disbursements to replacement funds over the next 30 years without falling below a desired minimum balance. The contribution to reserve funds is proposed to increase from \$155.00 to \$159.00 per manor per month based on the projected 30-year expenditures plan.

Disaster Fund Contribution

The purpose of the Disaster Fund is to provide for emergency expenditures or catastrophic damages not covered by insurance, including insurance policy deductible amounts. The contribution to Disaster Fund is proposed to decrease from \$27.70 to \$13.85 to help offset operating costs.

Unappropriated Expenditures Fund Contribution

This contingency fund is used for significant expenditures not otherwise identified in the Business Plan. This fund is not required by Civil Code and is therefore excluded from reserve plan calculations. The contribution to Unappropriated Expenditures Fund is proposed to remain at \$8.00.

GRF

Added to the Mutual portion is the GRF Assessment, a preliminary budget of \$205.60 per manor per month. This reflects an increase of \$2.77 or about 1.4% compared to current year.

Although net operating costs are decreasing due to the elimination of Fox Sports West channels, reserve contributions are up by \$2.00 per manor per month based on the projected 30-year expenditures plan and another \$3.00 to replenish contingency funds used to cover unexpected operating expenditures, specifically VMS legal fees.

SURCHARGES

Individual assessments will vary for units originally built to be serviced by common laundry facilities, buildings with interior elevators, and Garden Villa style buildings with a recreation room. The latter two items are projected to increase for 2020.

- Elevator Operating increased \$1.69 per manor per month due to rate increases in the elevator contract which includes maintenance, inspections and emergency call outs for 82 elevators.
- Garden Villa Rec Room Fund increased \$0.25 per manor per month for planned expenditures to repair, replace, or refurbish the interior components of 53 Garden Villa recreation rooms.

Prepared By: Jose Campos, Financial Services Manager
Betty Parker, Chief Financial Officer

Reviewed By: Jeff Parker, Chief Executive Officer

ATTACHMENT(S)

ATT1 – 2020 Third Business Plan by Account
ATT2 – 2020 Third Business Plan by Department
ATT3 – 2020 Budget Comparison Report
ATT4 – 2020 Landscape Expenditures by Work Center
ATT5 – 2020 Maintenance Expenditures by Program - Operating
ATT6 – 2020 Reserves Plan

THIRD LAGUNA HILLS MUTUAL 2020 BUSINESS PLAN - BY ACCOUNT

DESCRIPTION	2016	2017	2018	2019	2020	Per Manor Per Month		
	ACTUAL	ACTUAL	ACTUAL	PLAN	PLAN	2019 ASSESSMENT	2020	Increase/ (Decrease)
REVENUES:								
Non-assessment Revenues:								
1 Fees and Charges to Residents	\$375,549	\$330,901	\$977,604	\$478,440	\$518,314	\$6.53	\$7.08	(\$0.55)
2 Miscellaneous	500,337	603,772	850,369	601,000	643,250	8.21	8.78	(0.57)
Total Revenues	\$875,886	\$934,673	\$1,827,973	\$1,079,440	\$1,161,564	\$14.74	\$15.86	(\$1.12)
EXPENSES:								
3 Employee Compensation	\$6,384,252	\$6,366,132	\$6,734,884	\$6,639,747	7,046,230	\$90.68	\$96.23	\$5.55
4 Expenses Related to Compensation	2,502,230	2,545,018	2,937,749	2,814,402	2,823,769	38.44	38.56	0.12
5 Material and Supplies	700,792	745,666	774,841	646,142	853,992	8.82	11.66	2.84
6 Electricity	447,134	382,461	455,577	246,561	310,331	3.37	4.24	0.87
7 Sewer	1,588,795	1,639,467	1,695,720	1,716,600	1,715,400	23.44	23.43	(0.01)
8 Water	2,575,110	2,706,828	2,809,708	2,710,627	2,876,390	37.02	39.28	2.26
9 Trash	454,293	458,710	514,757	534,407	546,114	7.30	7.46	0.16
10 Legal Fees	109,975	230,869	427,069	220,000	499,985	3.00	6.83	3.83
11 Professional Fees	126,158	103,610	100,652	184,589	144,760	2.52	1.98	(0.54)
12 Equipment Rental	17,229	7,661	7,624	7,244	3,478	0.10	0.05	(0.05)
13 Outside Services	1,487,505	1,358,253	1,388,020	1,092,186	1,080,117	14.92	14.75	(0.17)
14 Repairs and Maintenance	16,969	8,519	19,607	12,001	10,474	0.16	0.14	(0.02)
15 Other Operating Expense	205,514	180,259	126,687	155,289	165,295	2.12	2.26	0.14
16 Insurance	437,532	469,396	444,898	460,084	495,408	6.28	6.77	0.49
17 Property Insurance	665,445	703,375	822,241	852,719	1,021,673	11.65	13.95	2.30
18 Uncollectible Accounts	90,013	118,609	134,208	138,200	120,100	1.89	1.64	(0.25)
19 Allocated Expenses	852,374	780,998	1,059,401	1,078,023	1,371,057	14.72	18.72	4.00
Total Expenses	\$18,661,320	\$18,805,831	\$20,453,642	\$19,508,821	\$21,084,573	\$266.43	\$287.95	\$21.52
RESERVE CONTRIBUTIONS:								
20 Replacement Fund	\$9,885,240	\$9,885,240	\$9,885,240	\$10,251,360	\$10,617,480	\$140.00	\$145.00	\$5.00
21 Elevator Replacement Fund	366,120	366,120	366,120	439,344	366,120	6.00	5.00	(1.00)
22 Laundry Replacement Fund	0	0	0	73,224	73,224	1.00	1.00	0.00
23 Disaster Fund	2,196,720	2,196,720	2,028,305	2,028,305	1,014,152	27.70	13.85	(13.85)
24 Unappropriated Exp. Fund	439,344	805,464	732,240	585,792	585,792	8.00	8.00	0.00
Total Reserve Contributions	\$12,887,424	\$13,253,544	\$13,011,905	\$13,378,025	\$12,656,768	\$182.70	\$172.85	(\$9.85)
TOTAL MUTUAL	\$30,672,858	\$31,124,702	\$31,637,574	\$31,807,406	\$32,579,777	\$434.39	\$444.94	\$10.55
GOLDEN RAIN FOUNDATION								
25 GRF OPERATING	\$12,690,372	\$12,420,562	\$13,075,237	\$13,460,408	\$13,297,125	\$183.83	181.60	(\$2.23)
26 GRF RESERVE CONTRIBUTIONS	1,537,704	1,757,376	1,464,480	1,391,256	1,757,376	19.00	24.00	\$5.00
27 TOTAL GRF	\$14,228,076	\$14,177,938	\$14,539,717	\$14,851,664	\$15,054,501	\$202.83	\$205.60	\$2.77
28 TOTAL BASIC ASSESSMENTS	\$44,900,934	\$45,302,640	\$46,177,291	\$46,659,070	\$47,634,278	\$637.22	\$650.54	\$13.32
SURCHARGES (unique to units with common laundry facilities, elevators, and/or Garden Villa Rec Rooms)								
29 Laundry Revenue	(\$101,554)	(\$113,421)	(\$132,633)	(\$220,000)	(\$220,000)	(\$5.31)	(5.31)	\$0.00
30 Laundry Operating	280,874	267,167	154,818	220,020	220,007	5.31	5.31	(0.00)
31 Elevator Operating	346,146	328,855	332,359	337,230	374,555	15.22	16.91	1.69
32 Laundry Replacement Fund	124,344	82,896	82,896	0	0	0.00	0.00	0.00
33 Garden Villa Rec Room Fund	74,520	59,616	59,616	81,972	85,698	5.50	5.75	0.25
	\$724,330	\$625,114	\$497,056	\$419,222	\$460,260	\$20.72	\$22.66	\$1.94
TOTAL BUSINESS PLAN	\$45,625,264	\$45,927,753	\$46,674,347	\$47,078,292	\$48,094,539			

THIRD LAGUNA HILLS MUTUAL 2020 BUSINESS PLAN - BY DEPARTMENT

DESCRIPTION	2016 ACTUAL	2017 ACTUAL	2018 ACTUAL	2019 PLAN	2020 PLAN	Per Manor Per Month		
						2019 ASSESSMENT	2020	Increase/ (Decrease)
Department:								
1 Non Work Center	\$5,481,193	\$5,451,515	\$5,717,931	\$5,452,818	\$5,845,031	\$74.47	\$79.82	\$5.35
2 Office of the CEO	343,532	384,648	455,561	456,194	529,630	6.23	7.23	1.00
3 Resident Services	147,041	151,680	271,913	262,017	476,537	3.58	6.51	2.93
4 General Services	1,344,803	1,265,072	1,398,168	1,513,935	1,620,229	20.68	22.13	1.45
5 Landscape Services	4,617,745	4,647,880	4,520,658	5,000,347	5,196,406	68.29	70.97	2.68
6 Financial Services	1,392,979	1,770,447	1,899,460	1,944,416	2,280,858	26.55	31.15	4.60
7 Security Services	175,799	78,634	147,684	198,388	176,323	2.71	2.41	(0.30)
8 Human Resource Services	0	0	0	0	149,985	0.00	2.05	2.05
9 Maintenance & Construction	4,282,342	4,121,282	4,214,295	3,601,266	3,648,010	49.18	49.82	0.64
Net Operating:	\$17,785,434	\$17,871,158	\$18,625,670	\$18,429,381	\$19,923,010	\$251.69	\$272.09	\$20.40
RESERVE CONTRIBUTIONS:								
13 Replacement Fund	\$9,885,240	\$9,885,240	\$9,885,240	\$10,251,360	\$10,617,480	\$140.00	\$145.00	\$5.00
14 Elevator Replacement Fund	366,120	366,120	366,120	439,344	366,120	6.00	5.00	(1.00)
15 Laundry Replacement Fund	0	0	0	73,224	73,224	1.00	1.00	0.00
16 Disaster Fund	2,196,720	2,196,720	2,028,305	2,028,305	1,014,152	27.70	13.85	(13.85)
17 Unappropriated Exp. Fund	439,344	805,464	732,240	585,792	585,792	8.00	8.00	0.00
Total Reserve Contributions	\$12,887,424	\$13,253,544	\$13,011,905	\$13,378,025	\$12,656,768	\$182.70	\$172.85	(\$9.85)
TOTAL MUTUAL	\$30,672,858	\$31,124,702	\$31,637,575	\$31,807,406	\$32,579,778	\$434.39	\$444.94	\$10.55
GOLDEN RAIN FOUNDATION								
18 GRF OPERATING	\$12,690,372	\$12,420,562	\$13,075,237	\$13,460,408	\$13,297,125	\$183.83	181.60	(\$2.23)
19 GRF RESERVE CONTRIBUTIONS	1,537,704	1,757,376	1,464,480	1,391,256	1,757,376	19.00	24.00	5.00
20 TOTAL GRF	\$14,228,076	\$14,177,938	\$14,539,717	\$14,851,664	\$15,054,501	\$202.83	\$205.60	\$2.77
28 TOTAL BASIC ASSESSMENTS	\$44,900,934	\$45,302,640	\$46,177,292	\$46,659,070	\$47,634,279	\$637.22	\$650.54	\$13.32
SURCHARGES <i>(unique to units with common laundry facilities, elevators, and/or Garden Villa Rec Rooms)</i>								
29 Laundry Revenue	(\$101,554)	(\$113,421)	(\$132,633)	(\$220,000)	(\$220,000)	(\$5.31)	(5.31)	\$0.00
30 Laundry Operating	280,874	267,167	154,818	220,020	220,007	5.31	5.31	(0.00)
31 Elevator Operating	346,146	328,855	332,359	337,230	374,555	15.22	16.91	1.69
32 Laundry Replacement Fund	124,344	82,896	82,896	0	0	0.00	0.00	0.00
33 Garden Villa Rec Room Fund	74,520	59,616	59,616	81,972	85,698	5.50	5.75	0.25
	\$724,330	\$625,114	\$497,056	\$419,222	\$460,260	\$20.72	\$22.66	\$1.94
TOTAL BUSINESS PLAN	\$45,625,264	\$45,927,754	\$46,674,348	\$47,078,292	\$48,094,539			

**Third Laguna Hills Mutual
Budget Comparison Report by Account
12/31/2020
THIRD LAGUNA HILLS MUTUAL**

Attachment 3

	2016 Actuals	2017 Actuals	2018 Actuals	2019 Budget	2020 Budget	Increase/ (Decrease)	VAR %
Non-Assessment Revenues:							
Fees and Charges for Services to Residents							
46501000 - Permit Fee	\$66,851	\$70,387	\$107,788	\$72,592	\$73,665	(\$1,073)	(1%)
46501500 - Inspection Fee	26,543	49,756	71,304	51,965	76,520	(24,555)	(47%)
46502000 - Resident Maintenance Fee	282,155	210,759	798,512	353,883	368,129	(14,246)	(4%)
Total Fees and Charges for Services to Residents	375,549	330,901	977,603	478,440	518,314	(39,874)	(8%)
Laundry							
46005000 - Coin Op Laundry Machine	101,554	113,421	132,633	220,000	220,000	0	0%
Total Laundry	101,554	113,421	132,633	220,000	220,000	0	0%
Interest Income							
49001000 - Interest Income - Treasury Notes	7,481	49,205	136,438	153,643	143,968	9,675	6%
49001500 - Interest Income - Treasury Notes - Discretionary	207,839	224,329	258,728	168,667	273,005	(104,338)	(62%)
49002000 - Interest Income - Money Market	919	908	6,925	2,027	7,307	(5,280)	(260%)
49002500 - Interest Income - Gnma Securities - Discretionary	145,774	105,481	84,032	44,483	88,669	(44,186)	(99%)
Total Interest Income	362,013	379,923	486,123	368,820	512,949	(144,129)	(39%)
Miscellaneous							
44005000 - Clubhouse Equipment Fee	69	0	0	0	0	0	0%
46002000 - Traffic Violation	0	0	(25)	0	0	0	0%
46004500 - Resident Violations	29,910	92,230	75,975	10,000	57,000	(47,000)	(470%)
44501000 - Additional Occupant Fee	0	147	0	0	0	0	0%
44501510 - Lease Processing Fee - Third	145,613	174,218	247,699	225,000	252,000	(27,000)	(12%)
44502000 - Variance Processing Fee	0	0	(150)	0	0	0	0%
44502500 - Non-Sale Transfer Fee - Third	4,100	3,590	2,050	3,000	2,000	1,000	33%
44503520 - Resale Processing Fee - Third	199,584	205,296	153,086	200,000	175,000	25,000	13%
44505500 - Hoa Certification Fee	5,400	4,295	7,290	9,000	5,250	3,750	42%
44507000 - Golf Cart Electric Fee	67,527	66,878	69,077	68,000	68,000	0	0%
44507200 - Electric Vehicle Plug-In Fee	0	7,848	6,824	6,000	7,000	(1,000)	(17%)
44507500 - Carport Space Rental Fee	2,890	2,870	5,536	3,000	4,000	(1,000)	(33%)
47001000 - Cash Discounts - Accounts Payable	0	31	11	0	0	0	0%
47001500 - Late Fee Revenue	19,510	34,778	56,148	60,000	57,000	3,000	5%
47002020 - Collection Administrative Fee - Third	10,000	3,000	3,500	0	0	0	0%
47002500 - Collection Interest Revenue	9,062	7,701	7,586	12,000	9,000	3,000	25%
47501000 - Recycling	956	2,119	6,070	5,000	7,000	(2,000)	(40%)
47501500 - Rebates	3,000	0	0	0	0	0	0%
48001000 - Legal Fee	2,716	0	178,203	0	0	0	0%
49004000 - Insurance Reimbursement	197,824	16,723	0	0	0	0	0%
49009000 - Miscellaneous Revenue	0	(90)	31,500	0	0	0	0%
Total Miscellaneous	698,161	621,635	850,379	601,000	643,250	(42,250)	(7%)
Total Non-Assessment Revenue	1,537,277	1,445,880	2,446,739	1,668,260	1,894,513	(226,253)	(14%)
Expenses:							
Employee Compensation							
51011000 - Salaries & Wages - Regular	2,039,261	2,123,628	2,239,371	2,484,383	2,728,278	243,894	10%
51021000 - Union Wages - Regular	4,550,877	5,528,190	5,513,054	5,528,264	6,014,984	486,720	9%
51041000 - Wages - Overtime	30,342	46,881	33,060	25,095	24,561	(533)	(2%)
51051000 - Union Wages - Overtime	68,619	105,746	72,283	37,244	57,064	19,820	53%
51061000 - Holiday & Vacation	827,307	442,110	850,889	676,533	738,150	61,617	9%
51071000 - Sick	226,190	225,316	268,934	275,954	301,088	25,133	9%
51081000 - Sick - Part Time	0	0	0	0	24	24	0%
51091000 - Missed Meal Penalty	947	2,841	2,396	858	1,095	237	28%
51101000 - Temporary Help	76,220	93,786	107,647	36,664	1,876	(34,788)	(95%)
51981000 - Compensation Accrual	139,180	6,277	(76,517)	5,826	0	(5,826)	(100%)
Total Employee Compensation	7,958,944	8,574,776	9,011,117	9,070,822	9,867,120	796,298	9%
Compensation Related							
52411000 - F.I.C.A.	582,461	634,942	674,629	677,880	740,744	62,864	9%
52421000 - F.U.I.	30,388	37,923	8,585	13,091	10,574	(2,517)	(19%)
52431000 - S.U.I.	45,432	46,250	75,836	56,129	53,774	(2,354)	(4%)
52441000 - Union Medical	1,453,576	1,829,696	1,868,879	1,913,209	1,894,442	(18,767)	(1%)
52451000 - Workers' Compensation Insurance	534,361	353,702	663,184	668,020	613,989	(54,032)	(8%)
52461000 - Non Union Medical & Life Insurance	245,039	234,110	282,024	267,211	304,840	37,628	14%
52461500 - VUL Premium	0	0	18,337	0	0	0	0%
52461550 - VUL Interest	0	0	(579)	0	0	0	0%
52471000 - Union Retirement Plan	301,525	324,117	331,261	312,663	335,396	22,733	7%
52481000 - Non-Union Retirement Plan	37,058	67,537	52,766	108,438	119,123	10,686	10%
52981000 - Compensation Related Accrual	11,154	1,442	66,528	970	0	(970)	(100%)
Total Compensation Related	3,240,994	3,529,720	4,041,450	4,017,611	4,072,882	55,271	1%
Materials and Supplies							
53001000 - Materials & Supplies	313,295	492,949	464,057	466,289	513,296	47,008	10%
53002500 - Printed Membership Materials	0	1,328	0	0	0	0	0%
53003000 - Materials Direct	736,257	725,063	878,331	1,088,103	1,274,118	186,014	17%
53004000 - Freight	307	832	231	0	0	0	0%
Total Materials and Supplies	1,049,859	1,220,172	1,342,619	1,554,392	1,787,414	233,022	15%
Utilities and Telephone							

**Third Laguna Hills Mutual
Budget Comparison Report by Account
12/31/2020
THIRD LAGUNA HILLS MUTUAL**

Attachment 3

	<u>2016 Actuals</u>	<u>2017 Actuals</u>	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>	<u>VAR %</u>
53301000 - Electricity	577,161	496,679	478,675	325,000	390,500	65,500	20%
53301500 - Sewer	1,588,795	1,639,467	1,695,720	1,716,600	1,715,400	(1,200)	0%
53302000 - Water	2,575,110	2,706,828	2,809,708	2,710,627	2,876,390	165,763	6%
53302500 - Trash	460,276	471,802	545,960	546,690	559,854	13,164	2%
53304000 - Telephone	70,169	43,096	0	0	0	0	0%
Total Utilities and Telephone	5,271,511	5,357,872	5,530,064	5,298,917	5,542,144	243,226	5%
Legal Fees							
53401500 - Legal Fees	109,975	230,869	427,069	220,000	499,985	279,985	127%
Total Legal Fees	109,975	230,869	427,069	220,000	499,985	279,985	127%
Professional Fees							
53402000 - Audit & Tax Preparation Fees	38,263	41,461	42,056	0	0	0	0%
53402020 - Audit & Tax Preparation Fees - Third	0	0	0	57,600	44,500	(13,100)	(23%)
53403500 - Consulting Fees	32,000	4,603	5,313	6,053	11,824	5,770	95%
53403520 - Consulting Fees - Third	67,869	73,278	75,911	120,936	88,436	(32,500)	(27%)
Total Professional Fees	138,131	119,342	123,280	184,589	144,760	(39,830)	(22%)
Equipment Rental							
53501500 - Equipment Rental/Lease Fees	36,524	26,535	22,377	40,090	19,963	(20,127)	(50%)
Total Equipment Rental	36,524	26,535	22,377	40,090	19,963	(20,127)	(50%)
Outside Services							
53601000 - Bank Fees	16,851	20,895	20,026	3,929	25,179	21,250	541%
53604500 - Marketing Expense	6,600	5,180	5,940	0	0	0	0%
54603500 - Outside Services Direct	8,789,926	7,821,990	9,643,004	10,846,711	10,501,973	(344,738)	(3%)
53704000 - Outside Services	126,420	64,661	83,773	121,480	93,428	(28,052)	(23%)
Total Outside Services	8,939,797	7,912,726	9,752,744	10,972,120	10,620,580	(351,540)	(3%)
Repairs and Maintenance							
53701000 - Equipment Repair & Maint	16,595	11,702	6,840	16,240	16,157	(83)	(1%)
53702000 - Street Repair & Maint	181	0	0	0	0	0	0%
53702500 - Building Repair & Maint	2,500	0	14,508	0	0	0	0%
53703000 - Elevator /Lift Maintenance	258,662	272,448	319,531	328,520	364,090	35,570	11%
Total Repairs and Maintenance	277,938	284,150	340,879	344,760	380,247	35,487	10%
Other Operating Expense							
53801000 - Mileage & Meal Allowance	5,418	4,382	5,787	15,252	14,959	(293)	(2%)
53801500 - Travel & Lodging	469	191	404	968	2,935	1,967	203%
53802000 - Uniforms	59,402	92,931	75,790	82,843	93,575	10,731	13%
53802500 - Dues & Memberships	2,034	1,135	824	1,992	2,053	61	3%
53803000 - Subscriptions & Books	933	3,318	1,160	2,004	2,042	38	2%
53803500 - Training & Education	7,556	5,751	4,887	14,902	18,731	3,828	26%
53804000 - Staff Support	0	0	0	0	1,107	1,107	0%
53901000 - Benefit Administrative Fees	0	27	0	0	0	0	0%
53901500 - Volunteer Support	0	0	0	1,175	1,253	78	7%
53903000 - Safety	0	84	0	186	556	370	199%
54001000 - Board Relations	17,793	3,672	3,980	3,666	0	(3,666)	(100%)
54001020 - Board Relations - Third	1,490	10,312	3,883	10,000	7,500	(2,500)	(25%)
54001500 - Public Relations	270	110	(29)	0	0	0	0%
54002000 - Postage	55,181	40,569	51,402	47,672	53,788	6,116	13%
54002500 - Filing Fees / Permits	310	1,014	409	761	956	195	26%
Total Other Operating Expense	150,855	163,496	148,497	181,422	199,455	18,032	10%
Income Taxes							
54301000 - State & Federal Income Taxes	10	10	10	0	0	0	0%
Total Income Taxes	10	10	10	0	0	0	0%
Insurance							
54401000 - Hazard & Liability Insurance	378,833	397,657	391,239	405,194	439,870	34,676	9%
54401500 - D&O Liability	46,934	67,542	46,761	47,818	48,466	648	1%
54402000 - Property Insurance	665,445	703,375	822,241	852,719	1,021,673	168,954	20%
54403000 - General Liability Insurance	11,765	4,197	6,898	7,072	7,072	0	0%
Total Insurance	1,102,976	1,172,771	1,267,140	1,312,803	1,517,081	204,278	16%
Investment Expense							
54201000 - Investment Expense	41,526	41,598	41,724	45,978	46,981	1,003	2%
Total Investment Expense	41,526	41,598	41,724	45,978	46,981	1,003	2%
Net Allocation to Mutuals							
48502500 - Mutual General Operating	(54,866)	0	0	0	0	0	0%
54602500 - Allocated Expenses	1,020,311	1,003,189	1,217,840	1,204,782	1,576,803	372,021	31%
Total Net Allocation To Mutuals	965,446	1,003,189	1,217,840	1,204,782	1,576,803	372,021	31%
Uncollectible Accounts							
54602000 - Bad Debt Expense	90,013	118,609	134,208	138,200	120,100	(18,100)	(13%)
Total Uncollectible Accounts	90,013	118,609	134,208	138,200	120,100	(18,100)	(13%)
(Gain)/Loss on Sale or Trade							
54101500 - (Gain)/Loss On Investments	0	(39)	13,470	0	0	0	0%
Total (Gain)/Loss on Sale or Trade	0	(39)	13,470	0	0	0	0%

Third Laguna Hills Mutual
Budget Comparison Report by Account
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 THIRD LAGUNA HILLS MUTUAL

Attachment 3

	<u>2016 Actuals</u>	<u>2017 Actuals</u>	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>	<u>VAR %</u>
Total Expenses	<u>29,374,500</u>	<u>29,755,797</u>	<u>33,414,485</u>	<u>34,586,485</u>	<u>36,395,514</u>	<u>1,809,028</u>	<u>5%</u>
Excess of Revenues Over Expenses	<u>(\$27,837,222)</u>	<u>(\$28,309,916)</u>	<u>(\$30,967,746)</u>	<u>(\$32,918,226)</u>	<u>(\$34,501,001)</u>	<u>\$1,582,775</u>	<u>5%</u>

**THIRD LAGUNA HILLS MUTUAL
2020 BUSINESS PLAN
Landscape Expenditures by Work Center**

DESCRIPTION	2016 ACTUALS	2017 ACTUALS	2018 ACTUALS	2019 BUDGET	2020 BUDGET	Increase/(Decrease) \$	%
OPERATING FUND							
LANDSCAPE ADMINISTRATION	\$67,458	\$128,807	\$94,424	\$134,882	\$144,056	\$9,175	7%
NURSERY	161,139	183,269	181,802	195,805	171,077	(24,728)	(13%)
COMPOSTING	71,538	65,702	75,276	77,805	72,355	(5,451)	(7%)
GROUPS MAINTENANCE	2,937,021	2,976,362	2,312,855	3,022,498	3,224,507	202,009	7%
Shrub-Bed Maintenance				2,139,635	2,286,931	147,296	7%
Turf Maintenance				688,702	736,706	48,004	7%
Miscellaneous Tasks				144,098	146,815	2,716	2%
Garden Villa Maintenance				50,063	54,056	3,993	8%
IRRIGATION	892,072	941,320	937,145	1,061,446	1,053,886	(7,560)	(1%)
SMALL EQUIPMENT REPAIR	175,804	191,985	204,148	216,941	216,279	(662)	(0%)
PEST CONTROL	209,562	132,306	132,375	290,970	314,247	23,277	8%
TOTAL OPERATING FUND	\$4,514,594	\$4,619,751	\$3,938,025	\$5,000,347	\$5,196,406	\$196,059	4%
RESERVE FUND							
LANDSCAPE MODERNIZATION	\$0	\$204	\$293,224	\$919,890	\$588,190	(\$331,700)	(36%)
TREE MAINTENANCE	140,522	738,686	933,684	213,630	864,752	651,122	305%
TOTAL REPLACEMENT FUND	\$140,522	\$738,890	\$1,226,908	\$1,133,520	\$1,452,942	\$319,422	28%
DISASTER FUND							
FIRE RISK MANAGEMENT	\$0	\$0	\$0	\$180,000	\$180,000	\$0	0%
TOTAL DISASTER FUND	\$0	\$0	\$0	\$180,000	\$180,000	\$0	0%

**THIRD LAGUNA HILLS MUTUAL
2020 BUSINESS PLAN
Maintenance Expenditures by Program**

DESCRIPTION	2016 ACTUALS	2017 ACTUALS	2018 ACTUALS	2019 BUDGET	2020 BUDGET	Increase/(Decrease) \$ %
OPERATING FUND						
1 JANITORIAL SERVICE	\$653,906	\$701,593	\$874,334	\$947,862	\$943,316	(\$4,547) (0%)
2 PLUMBING SERVICE	676,691	776,888	740,507	674,483	682,989	8,507 1%
3 CARPENTRY SERVICE	418,726	469,859	427,819	385,731	422,426	36,695 10%
4 CONCRETE SERVICE	272,459	344,015	376,281	423,853	368,011	(55,842) (13%)
5 PEST CONTROL	240,244	279,081	281,908	260,405	364,272	103,867 40%
6 GUTTER CLEANING	206,502	144,723	142,649	151,554	178,802	27,249 18%
7 ELECTRICAL SERVICE	122,876	115,399	93,736	121,615	133,883	12,268 10%
8 FIRE PROTECTION	71,824	72,010	87,961	175,556	131,252	(44,304) (25%)
9 WELDING	41,294	97,283	71,402	85,307	110,743	25,437 30%
10 APPLIANCE REPAIRS	113,354	129,690	106,484	85,379	87,257	1,878 2%
11 MISCELLANEOUS REPAIRS BY OUTSIDE SERVICES	71,831	41,725	34,075	58,050	58,664	614 1%
12 SOLAR MAINTENANCE	0	0	15,911	25,000	25,000	0 0%
13 TRAFFIC CONTROL	14,495	15,717	28,168	30,359	19,357	(11,003) (36%)
14 CURB CUTS	0	0	0	10,000	0	(10,000) (100%)
15 PAINT PROGRAM	4,005	0	0	0	0	0 0%
16 REPAIRS PRIOR-TO-PAINT	6,138	0	0	0	0	0 0%
17 GV MAILROOM RENOVATIONS	8,504	53,786	0	0	0	0 0%
18 BALCONY/BREEZEWAY RESURFACING	373,619	291,946	478,073	0	0	0 0%
19 BUILDING REHAB/DRY ROT	116,009	154,877	198,433	0	0	0 0%
20 ROOF REPAIRS	245,943	349,416	274,541	0	0	0 0%
21 PAINT- TOUCHUP	128,039	165,742	244,896	0	0	0 0%
22 PAVING MAINTENANCE & REPAIRS	129,474	84,634	48,602	0	0	0 0%
23 STAIR TREAD REPLACEMENTS	0	0	0	0	0	0 0%
TOTAL OPERATING FUND	\$3,915,932	\$4,288,384	\$4,525,781	\$3,435,153	\$3,525,973	\$90,819 3%

Lines 18-23 moved to reserves in 2019. Line 17 moved to reserves in 2018. Lines 15 and 16 moved to the reserves in 2016.

**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Reserve Expenditures by Program**

DESCRIPTION	2016 ACTUALS	2017 ACTUALS	2018 ACTUALS	2019 BUDGET	2020 BUDGET	Increase/(Decrease) \$	%
RESERVE FUNDS							
1 ALARM SYSTEMS	\$9,790	\$0	\$0	\$0	\$0	\$0	0%
2 BUILDING NUMBERS	2,391	4,196	32,797	33,970	30,000	(3,970)	(12%)
3 BUILDING STRUCTURES	1,448,293	1,588,675	2,084,453	2,732,992	2,787,028	54,035	2%
4 ELECTRICAL SYSTEMS	14,868	5,322	50,907	58,610	59,495	885	2%
5 ENERGY PROJECTS	40,000	5,157	7,997	50,000	10,000	(40,000)	(80%)
6 EXTERIOR LIGHTING	0	112,857	302,074	800,000	75,000	(725,000)	(91%)
7 FENCING	35,618	107,210	21,576	136,817	54,703	(82,114)	(60%)
8 GARDEN VILLA LOBBY	42,485	36,751	114,664	119,560	112,500	(7,060)	(6%)
9 GARDEN VILLA MAIL ROOM	0	0	54,023	70,173	33,867	(36,306)	(52%)
10 GARDEN VILLA RECESSED AREAS	0	36,350	71,111	250,440	65,000	(185,440)	(74%)
11 GARDEN VILLA REC ROOM HEAT PUMP/WATER HEATER	941	6,313	15,546	19,505	9,644	(9,862)	(51%)
12 GUTTERS	66,379	272,815	136,466	37,000	98,289	61,289	166%
13 LANDSCAPE MODERNIZATION	0	0	49,813	919,890	599,130	(320,761)	(35%)
14 MAILBOXES	4,909	13,490	6,701	61,213	50,000	(11,213)	(18%)
15 PAINT PROGRAM	1,347,231	1,703,787	1,482,768	2,008,631	2,055,556	46,926	2%
16 PRIOR TO PAINT	830,582	640,460	1,540,043	1,277,033	1,481,730	204,697	16%
17 PAVING/CONCRETE	273,304	296,129	518,479	844,499	851,258	6,758	1%
18 ROOFS	1,644,110	1,210,590	1,576,174	1,311,937	1,415,904	103,967	8%
19 TREE MAINTENANCE	88,966	738,686	828,245	213,630	853,813	640,183	300%
20 EXTERIOR WALLS	0	15,375	50,000	200,000	214,147	14,147	7%
21 WASTE LINE REMEDIATION	292,004	750,800	723,670	750,000	1,000,000	250,000	33%
22 WATER LINES - COPPER PIPE REMEDIATION	119,843	109,199	104,547	200,000	500,000	300,000	150%
23 ELEVATORS	306,727	306,380	309,899	346,698	255,000	(91,698)	(26%)
24 LAUNDRY COUNTERTOP/FLOOR REPLACEMENT	16,619	32,872	50,380	54,697	59,912	5,214	10%
25 LAUNDRY APPLIANCES REPLACEMENTS	32,890	17,075	46,293	9,844	58,508	48,664	494%
OTHER SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0	0%
TOTAL RESERVE FUNDS	\$6,617,950	\$8,010,489	\$10,178,627	\$12,507,140	\$12,730,483	\$223,343	2%
<i>Lines 3, 15, 16, 17 and 18 include major repairs moved from operations in 2019. Line 9 was moved from operations to reserves in 2018.</i>							
26 GARDEN VILLA RECREATION ROOMS	\$65,036	\$114,123	\$63,429	\$97,580	\$70,982	(\$26,598)	(27%)
TOTAL GARDEN VILLA REC ROOM FUND	\$65,036	\$114,123	\$63,429	\$97,580	\$70,982	(\$26,598)	(27%)
DISASTER FUND							
27 RISK FIRE MANAGEMENT	0	0	0	\$180,000	\$180,000	0	0%
28 MOISTURE INTRUSION - RAIN LEAKS	\$159,995	\$451,593	\$208,073	475,025	475,025	\$0	0%
29 MOISTURE INTRUSION - PLUMBING LEAKS	722,161	617,676	796,702	649,726	650,000	274	0%
30 MOISTURE INTRUSION - PLUMBING STOPPAGES	115,703	119,932	153,986	126,155	100,000	(26,155)	(21%)
31 MOISTURE INTRUSION - MISCELLANEOUS	64,944	88,503	161,029	93,095	93,095	0	0%
32 DAMAGE RESTORATION SERVICES	188,702	72,251	337,753	370,445	369,812	(633)	(0%)
TOTAL DISASTER FUND	\$1,251,506	\$1,349,954	\$1,657,543	\$1,894,446	\$1,867,932	(\$26,514)	(1%)

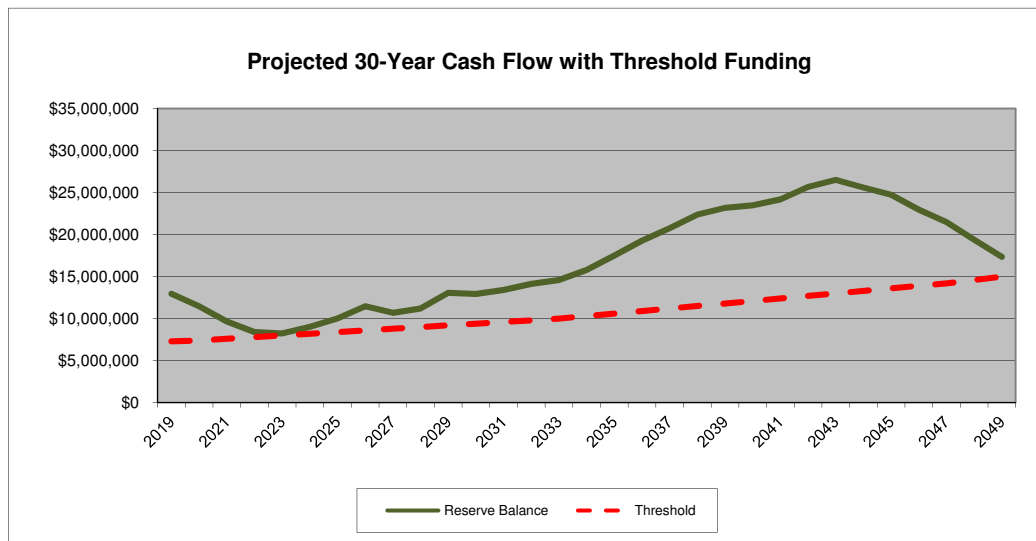
**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Projected Fund Balances**

<i>Fund</i>	<i>Year</i>	<i>Beginning Balance</i>	<i>Interest</i>	<i>Contributions</i>	<i>Assessment PMPM</i>	<i>Planned Expenditures</i>	<i>ENDING BALANCE</i>
REPLACEMENT RESERVE FUND	2019	\$ 14,347,017	\$ 270,381	\$ 10,251,360	\$ 140.00	\$ (11,907,270)	\$ 12,961,488
	2020	\$ 12,961,488	\$ 241,834	\$ 10,617,480	\$ 145.00	\$ (12,357,063)	\$ 11,463,739
	2021	\$ 11,463,739	\$ 260,699	\$ 11,203,272	\$ 153.00	\$ (13,274,841)	\$ 9,652,869
	2022	\$ 9,652,869	\$ 222,924	\$ 11,789,064	\$ 161.00	\$ (13,260,868)	\$ 8,403,988
	2023	\$ 8,403,988	\$ 205,392	\$ 12,374,856	\$ 169.00	\$ (12,751,476)	\$ 8,232,761
	2024	\$ 8,232,761	\$ 213,020	\$ 12,960,648	\$ 177.00	\$ (12,384,583)	\$ 9,021,846
ELEVATOR REPLACEMENT RESERVE FUND	2019	\$ 1,708,610	\$ 34,366	\$ 366,120	\$ 5.00	\$ (346,698)	\$ 1,762,398
	2020	\$ 1,762,398	\$ 36,359	\$ 366,120	\$ 5.00	\$ (255,000)	\$ 1,909,877
	2021	\$ 1,909,877	\$ 48,853	\$ 366,120	\$ 5.00	\$ (277,611)	\$ 2,047,239
	2022	\$ 2,047,239	\$ 50,383	\$ 439,344	\$ 6.00	\$ (503,206)	\$ 2,033,760
	2023	\$ 2,033,760	\$ 45,796	\$ 512,568	\$ 7.00	\$ (916,426)	\$ 1,675,697
	2024	\$ 1,675,697	\$ 41,074	\$ 585,792	\$ 8.00	\$ (651,250)	\$ 1,651,314
LAUNDRY REPLACEMENT RESERVE FUND	2020	\$ 430,694	\$ 8,162	\$ 73,224	\$ 1.00	\$ (118,420)	\$ 393,660
	2021	\$ 393,660	\$ 10,113	\$ 146,448	\$ 2.00	\$ (124,749)	\$ 425,473
	2022	\$ 425,473	\$ 10,738	\$ 146,448	\$ 2.00	\$ (138,344)	\$ 444,315
	2023	\$ 444,315	\$ 11,247	\$ 146,448	\$ 2.00	\$ (135,319)	\$ 466,691
	2024	\$ 466,691	\$ 11,206	\$ 146,448	\$ 2.00	\$ (183,386)	\$ 440,959
DISASTER FUND	2019	\$ 9,216,804	\$ 187,475	\$ 2,028,305	\$ 27.70	\$ (1,714,446)	\$ 9,718,138
	2020	\$ 9,718,138	\$ 185,825	\$ 1,014,152	\$ 13.85	\$ (1,867,932)	\$ 9,050,183
	2021	\$ 9,050,183	\$ 182,137	\$ 2,028,305	\$ 27.70	\$ (1,915,000)	\$ 9,345,625
	2022	\$ 9,345,625	\$ 187,566	\$ 2,028,305	\$ 27.70	\$ (1,963,000)	\$ 9,598,496
	2023	\$ 9,598,496	\$ 192,133	\$ 2,028,305	\$ 27.70	\$ (2,012,000)	\$ 9,806,934
	2024	\$ 9,806,934	\$ 195,802	\$ 2,028,305	\$ 27.70	\$ (2,062,000)	\$ 9,969,041
UNAPPROPRIATED EXPENDITURES FUND	2019	\$ 3,212,980	\$ 61,751	\$ 585,792	\$ 8.00	\$ (836,680)	\$ 3,023,843
	2020	\$ 3,023,843	\$ 61,335	\$ 585,792	\$ 8.00	\$ (500,000)	\$ 3,170,970
	2021	\$ 3,170,970	\$ 64,147	\$ 585,792	\$ 8.00	\$ (513,000)	\$ 3,307,909
	2022	\$ 3,307,909	\$ 66,756	\$ 585,792	\$ 8.00	\$ (526,000)	\$ 3,434,457
	2023	\$ 3,434,457	\$ 69,157	\$ 585,792	\$ 8.00	\$ (539,000)	\$ 3,550,406
	2024	\$ 3,550,406	\$ 71,346	\$ 585,792	\$ 8.00	\$ (552,000)	\$ 3,655,544
TOTAL	2019	\$ 29,199,266	\$ 565,305	\$ 13,314,473	\$ 182.70	\$ (15,182,483)	\$ 27,896,561
	2020	\$ 27,896,561	\$ 533,515	\$ 12,656,768	\$ 172.85	\$ (15,098,415)	\$ 25,988,429
	2021	\$ 25,988,429	\$ 565,949	\$ 14,329,937	\$ 195.70	\$ (16,105,201)	\$ 24,779,114
	2022	\$ 24,779,114	\$ 538,367	\$ 14,988,953	\$ 204.70	\$ (16,391,419)	\$ 23,915,016
	2023	\$ 23,915,016	\$ 523,725	\$ 15,647,969	\$ 213.70	\$ (16,354,221)	\$ 23,732,489
	2024	\$ 23,732,489	\$ 532,448	\$ 16,306,985	\$ 222.70	\$ (15,833,218)	\$ 24,738,704
SURCHARGE:							
LAUNDRY REPLACEMENT RESERVE FUND	2019	\$ 713,855	\$ 11,332	\$ 82,896	\$ 2.00	\$ (377,389)	\$ 430,694
	Note: Laundry Replacement Fund is transferred to shared cost in 2019.						
SURCHARGE:							
GARDEN VILLA REC ROOM FUND	2019	\$ 61,299	\$ 1,074	\$ 81,972	\$ 5.50	\$ (97,143)	\$ 47,202
	2020	\$ 47,202	\$ 1,091	\$ 85,698	\$ 5.75	\$ (70,982)	\$ 63,009
	2021	\$ 63,009	\$ 1,158	\$ 89,424	\$ 6.00	\$ (99,600)	\$ 53,991
	2022	\$ 53,991	\$ 990	\$ 93,150	\$ 6.25	\$ (102,100)	\$ 46,031
	2023	\$ 46,031	\$ 842	\$ 96,876	\$ 6.50	\$ (104,700)	\$ 39,049
	2024	\$ 39,049	\$ 714	\$ 100,602	\$ 6.75	\$ (107,300)	\$ 33,065
Note: Garden Villa Rec Room Fund surcharge applies only to manors within Garden Villa buildings.							

**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Replacement Reserve 30-Year Funding Plan**

Threshold (Min Balance): \$ 7,400,000
Indexed for projected inflation

Year	Assessment		Interest Earnings	Planned Expenditures	Reserve Balance
	Per Manor Per Month	Total Contribution			
2019	\$ 140.00	\$ 10,251,360	\$ 270,381	\$ 11,907,270	\$ 12,961,488
2020	\$ 145.00	\$ 10,617,480	\$ 241,834	\$ 12,357,063	\$ 11,463,739
2021	\$ 153.00	\$ 11,203,272	\$ 260,699	\$ 13,274,841	\$ 9,652,869
2022	\$ 161.00	\$ 11,789,064	\$ 222,924	\$ 13,260,868	\$ 8,403,988
2023	\$ 169.00	\$ 12,374,856	\$ 205,392	\$ 12,751,476	\$ 8,232,761
2024	\$ 177.00	\$ 12,960,648	\$ 213,020	\$ 12,384,583	\$ 9,021,846
2025	\$ 177.00	\$ 12,960,648	\$ 235,132	\$ 12,193,799	\$ 10,023,827
2026	\$ 177.00	\$ 12,960,648	\$ 265,245	\$ 11,788,706	\$ 11,461,014
2027	\$ 177.00	\$ 12,960,648	\$ 273,391	\$ 14,011,421	\$ 10,683,632
2028	\$ 177.00	\$ 12,960,648	\$ 270,244	\$ 12,708,352	\$ 11,206,172
2029	\$ 177.00	\$ 12,960,648	\$ 299,639	\$ 11,401,869	\$ 13,064,590
2030	\$ 177.00	\$ 12,960,648	\$ 321,100	\$ 13,401,795	\$ 12,944,543
2031	\$ 177.00	\$ 12,960,648	\$ 325,471	\$ 12,812,043	\$ 13,418,619
2032	\$ 177.00	\$ 12,960,648	\$ 340,079	\$ 12,591,528	\$ 14,127,818
2033	\$ 182.00	\$ 13,326,768	\$ 354,501	\$ 13,222,324	\$ 14,586,764
2034	\$ 187.00	\$ 13,692,888	\$ 375,114	\$ 12,857,326	\$ 15,797,440
2035	\$ 192.00	\$ 14,059,008	\$ 411,085	\$ 12,767,084	\$ 17,500,449
2036	\$ 197.00	\$ 14,425,128	\$ 454,038	\$ 13,102,952	\$ 19,276,662
2037	\$ 202.00	\$ 14,791,248	\$ 494,294	\$ 13,801,050	\$ 20,761,154
2038	\$ 207.00	\$ 15,157,368	\$ 532,673	\$ 14,065,830	\$ 22,385,365
2039	\$ 212.00	\$ 15,523,488	\$ 562,570	\$ 15,288,649	\$ 23,182,774
2040	\$ 217.00	\$ 15,889,608	\$ 576,149	\$ 16,163,231	\$ 23,485,300
2041	\$ 222.00	\$ 16,255,728	\$ 588,432	\$ 16,151,740	\$ 24,177,721
2042	\$ 227.00	\$ 16,621,848	\$ 615,379	\$ 15,746,993	\$ 25,667,955
2043	\$ 227.00	\$ 16,621,848	\$ 644,176	\$ 16,423,682	\$ 26,510,297
2044	\$ 227.00	\$ 16,621,848	\$ 643,173	\$ 18,188,635	\$ 25,586,682
2045	\$ 227.00	\$ 16,621,848	\$ 621,250	\$ 18,095,196	\$ 24,734,584
2046	\$ 227.00	\$ 16,621,848	\$ 588,936	\$ 18,976,149	\$ 22,969,219
2047	\$ 227.00	\$ 16,621,848	\$ 548,771	\$ 18,658,574	\$ 21,481,264
2048	\$ 227.00	\$ 16,621,848	\$ 504,683	\$ 19,209,707	\$ 19,398,088
2049	\$ 227.00	\$ 16,621,848	\$ 453,612	\$ 19,129,040	\$ 17,344,508

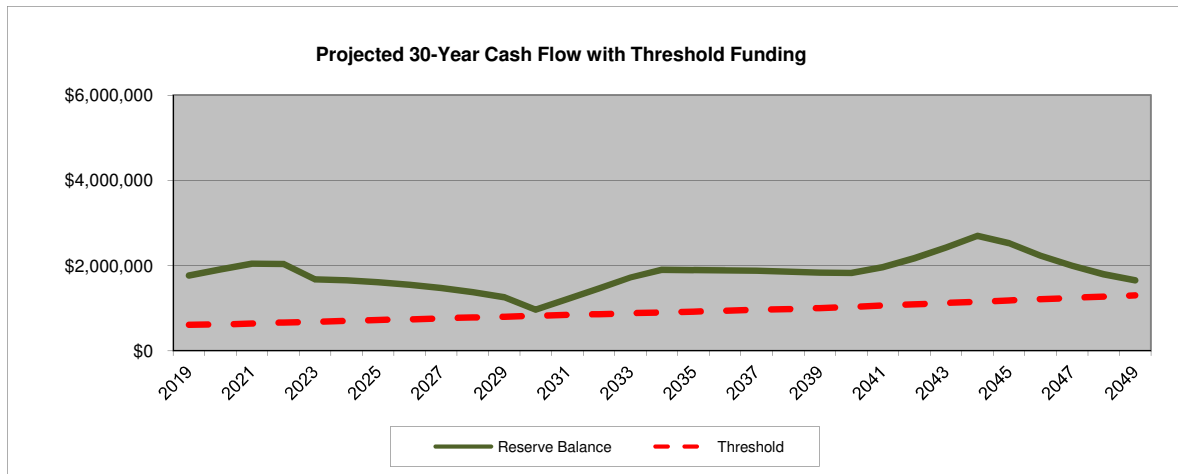


**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Elevator Reserve 30-Year Funding Plan**

Threshold (Min Balance): \$ 620,000

Indexed for projected inflation

Year	Assessment		Interest Earnings	Planned Expenditures	Reserve Balance
	Per Manor Per Month	Total Contribution			
2019	\$ 5.00	\$ 366,120	\$ 34,366	\$ 346,698	\$ 1,762,398
2020	\$ 5.00	\$ 366,120	\$ 36,359	\$ 255,000	\$ 1,909,877
2021	\$ 5.00	\$ 366,120	\$ 48,853	\$ 277,611	\$ 2,047,239
2022	\$ 6.00	\$ 439,344	\$ 50,383	\$ 503,206	\$ 2,033,760
2023	\$ 7.00	\$ 512,568	\$ 45,796	\$ 916,426	\$ 1,675,697
2024	\$ 8.00	\$ 585,792	\$ 41,074	\$ 651,250	\$ 1,651,314
2025	\$ 8.00	\$ 585,792	\$ 40,261	\$ 667,531	\$ 1,609,836
2026	\$ 8.00	\$ 585,792	\$ 39,016	\$ 684,219	\$ 1,550,425
2027	\$ 8.00	\$ 585,792	\$ 37,316	\$ 701,325	\$ 1,472,208
2028	\$ 8.00	\$ 585,792	\$ 35,142	\$ 718,858	\$ 1,374,284
2029	\$ 8.00	\$ 585,792	\$ 32,469	\$ 736,829	\$ 1,255,716
2030	\$ 8.00	\$ 585,792	\$ 27,387	\$ 906,300	\$ 962,595
2031	\$ 3.00	\$ 219,672	\$ 26,811	\$ -	\$ 1,209,078
2032	\$ 3.00	\$ 219,672	\$ 32,973	\$ -	\$ 1,461,723
2033	\$ 3.00	\$ 219,672	\$ 39,289	\$ -	\$ 1,720,684
2034	\$ 3.00	\$ 219,672	\$ 44,683	\$ 86,432	\$ 1,898,608
2035	\$ 3.00	\$ 219,672	\$ 46,789	\$ 273,798	\$ 1,891,271
2036	\$ 3.00	\$ 219,672	\$ 46,650	\$ 270,192	\$ 1,887,401
2037	\$ 3.00	\$ 219,672	\$ 46,469	\$ 276,947	\$ 1,876,595
2038	\$ 3.00	\$ 219,672	\$ 46,112	\$ 283,870	\$ 1,858,509
2039	\$ 3.00	\$ 219,672	\$ 45,572	\$ 290,967	\$ 1,832,786
2040	\$ 3.00	\$ 219,672	\$ 45,198	\$ 269,402	\$ 1,828,254
2041	\$ 3.00	\$ 219,672	\$ 46,798	\$ 132,301	\$ 1,962,424
2042	\$ 3.00	\$ 219,672	\$ 51,049	\$ 60,599	\$ 2,172,545
2043	\$ 3.00	\$ 219,672	\$ 56,671	\$ 31,057	\$ 2,417,831
2044	\$ 3.00	\$ 219,672	\$ 63,192	\$ -	\$ 2,700,695
2045	\$ 4.00	\$ 292,896	\$ 64,538	\$ 531,220	\$ 2,526,909
2046	\$ 5.00	\$ 366,120	\$ 58,787	\$ 717,011	\$ 2,234,805
2047	\$ 6.00	\$ 439,344	\$ 52,175	\$ 734,936	\$ 1,991,388
2048	\$ 7.00	\$ 512,568	\$ 46,775	\$ 753,310	\$ 1,797,422
2049	\$ 8.00	\$ 585,792	\$ 42,606	\$ 772,142	\$ 1,653,678

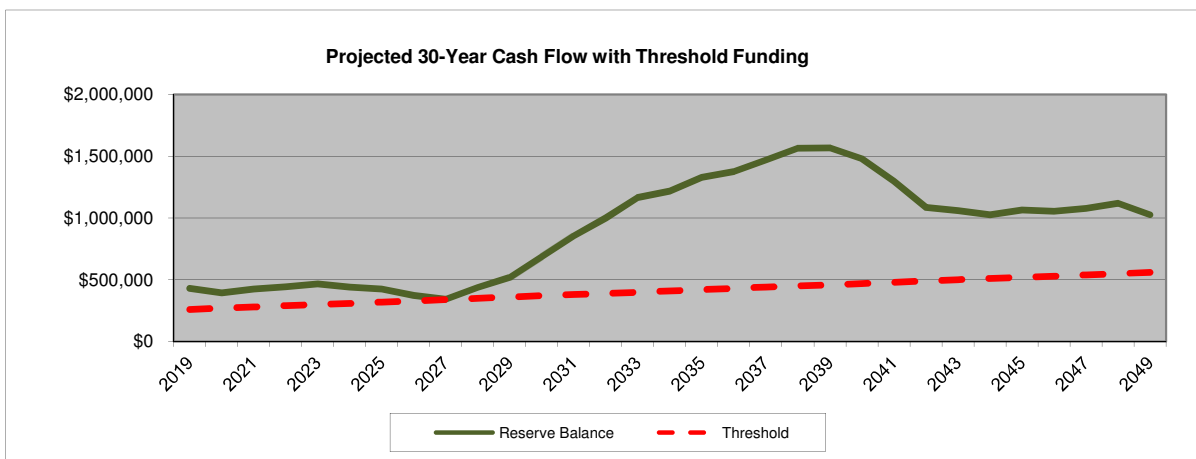


**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Laundry Reserve 30-Year Funding Plan**

Threshold (Min Balance): \$ 270,000
Indexed for projected inflation

Year	Assessment		Interest Earnings	Planned Expenditures	Reserve Balance
	Per Manor Per Month*	Total Contribution			
2019	\$ 2.00	\$ 82,896	\$ 11,332	\$ 377,389	\$ 430,694
2020	\$ 1.00	\$ 73,224	\$ 8,162	\$ 118,420	\$ 393,660
2021	\$ 2.00	\$ 146,448	\$ 10,113	\$ 124,749	\$ 425,473
2022	\$ 2.00	\$ 146,448	\$ 10,738	\$ 138,344	\$ 444,315
2023	\$ 2.00	\$ 146,448	\$ 11,247	\$ 135,319	\$ 466,691
2024	\$ 2.00	\$ 146,448	\$ 11,206	\$ 183,386	\$ 440,959
2025	\$ 3.00	\$ 219,672	\$ 10,682	\$ 247,010	\$ 424,303
2026	\$ 3.00	\$ 219,672	\$ 9,837	\$ 281,340	\$ 372,472
2027	\$ 3.00	\$ 219,672	\$ 8,825	\$ 258,576	\$ 342,393
2028	\$ 3.00	\$ 219,672	\$ 9,629	\$ 134,142	\$ 437,551
2029	\$ 3.00	\$ 219,672	\$ 11,804	\$ 150,455	\$ 518,572
2030	\$ 3.00	\$ 219,672	\$ 14,889	\$ 65,735	\$ 687,398
2031	\$ 3.00	\$ 219,672	\$ 19,041	\$ 71,219	\$ 854,892
2032	\$ 3.00	\$ 219,672	\$ 22,895	\$ 97,855	\$ 999,604
2033	\$ 3.00	\$ 219,672	\$ 26,721	\$ 81,223	\$ 1,164,774
2034	\$ 3.00	\$ 219,672	\$ 29,420	\$ 195,587	\$ 1,218,279
2035	\$ 3.00	\$ 219,672	\$ 31,456	\$ 139,738	\$ 1,329,669
2036	\$ 3.00	\$ 219,672	\$ 33,395	\$ 207,417	\$ 1,375,320
2037	\$ 3.00	\$ 219,672	\$ 35,099	\$ 162,379	\$ 1,467,711
2038	\$ 3.00	\$ 219,672	\$ 37,449	\$ 159,166	\$ 1,565,666
2039	\$ 3.00	\$ 219,672	\$ 38,681	\$ 256,513	\$ 1,567,506
2040	\$ 3.00	\$ 219,672	\$ 37,616	\$ 345,417	\$ 1,479,377
2041	\$ 3.00	\$ 219,672	\$ 34,272	\$ 436,659	\$ 1,296,662
2042	\$ 3.00	\$ 219,672	\$ 29,396	\$ 461,288	\$ 1,084,442
2043	\$ 3.00	\$ 219,672	\$ 26,470	\$ 270,950	\$ 1,059,633
2044	\$ 3.00	\$ 219,672	\$ 25,757	\$ 278,343	\$ 1,026,720
2045	\$ 3.00	\$ 219,672	\$ 25,824	\$ 207,163	\$ 1,065,052
2046	\$ 3.00	\$ 219,672	\$ 26,168	\$ 256,366	\$ 1,054,526
2047	\$ 3.00	\$ 219,672	\$ 26,315	\$ 223,512	\$ 1,077,001
2048	\$ 3.00	\$ 219,672	\$ 27,107	\$ 205,142	\$ 1,118,639
2049	\$ 3.00	\$ 219,672	\$ 26,479	\$ 338,619	\$ 1,026,171

*Transferred from Surcharge to Shared Cost in 2019



THIRD LAGUNA HILLS MUTUAL

2020 RESERVES PLAN

Replacement Reserves Planned Expenditures

Program	Building Structures			Electrical Systems				Energy Projects	Exterior Lighting	Fencing Split Rail
	Alarm Systems	Building Numbers	Building Structures	Building Rehab Dry Rot	Electrical Alternate Heat Source	Electrical Panel Maintenance	Electrical Systems			
Life in Years	40	40	Various	As Needed	30	As Needed	50	As Needed	As Needed	10
Quantity	81	2,810	Various		Various		6,102		Various	70,000
Unit	ea	ea	Various		ea		Manors		Common Area	Linear Feet
Unit Cost	\$35,000	\$280	Various		\$1,265 - \$1,900		Various		Various	\$13.53
Total Cost	\$2,835,000	\$786,800	\$2,508,727		\$20,755,420				\$1,637,750	\$947,100
2020	\$0	\$30,000	\$2,508,727	\$278,300	\$9,495	\$30,000	\$20,000	\$10,000	\$75,000	\$54,703
2021	\$51,250	\$80,647	\$2,855,866	\$276,364	\$9,732	\$25,625	\$20,500	\$10,250	\$55,350	\$58,247
2022	\$220,631	\$82,663	\$2,927,263	\$283,273	\$9,976	\$26,266	\$21,013	\$10,506	\$56,734	\$59,703
2023	\$226,147	\$84,730	\$1,991,936	\$290,354	\$10,225	\$26,922	\$21,538	\$10,769	\$58,152	\$61,195
2024	\$231,801	\$86,848	\$1,814,349	\$297,613	\$10,481	\$27,595	\$22,076	\$11,038	\$59,606	\$62,725
2025	\$237,596	\$89,019	\$1,859,708	\$199,694	\$10,743	\$28,285	\$22,628	\$11,314	\$61,096	\$64,293
2026	\$243,536	\$91,245	\$1,609,071	\$204,686	\$11,011	\$28,992	\$23,194	\$11,597	\$62,623	\$65,901
2027	\$249,624	\$93,526	\$1,648,109	\$209,803	\$11,287	\$29,717	\$23,774	\$11,887	\$64,189	\$67,548
2028	\$0	\$95,864	\$1,054,219	\$215,048	\$11,569	\$30,460	\$24,368	\$12,184	\$65,794	\$69,237
2029	\$0	\$98,261	\$1,080,575	\$220,424	\$11,858	\$31,222	\$24,977	\$0	\$67,439	\$70,968
2030	\$0	\$62,315	\$1,107,589	\$225,935	\$12,154	\$32,002	\$25,602	\$0	\$69,125	\$72,742
2031	\$0	\$0	\$1,135,279	\$231,583	\$12,458	\$32,802	\$26,242	\$0	\$70,853	\$74,561
2032	\$0	\$0	\$1,163,661	\$237,373	\$12,770	\$33,622	\$26,898	\$0	\$72,624	\$76,425
2033	\$0	\$0	\$1,192,752	\$243,307	\$13,089	\$34,463	\$27,570	\$0	\$74,440	\$78,335
2034	\$0	\$0	\$1,222,571	\$249,390	\$13,416	\$35,324	\$28,259	\$0	\$76,301	\$80,294
2035	\$0	\$0	\$1,253,135	\$255,625	\$13,752	\$36,207	\$28,966	\$0	\$78,208	\$82,301
2036	\$0	\$0	\$1,284,464	\$262,015	\$14,095	\$37,113	\$29,690	\$0	\$80,163	\$84,359
2037	\$0	\$0	\$1,316,575	\$268,566	\$14,448	\$38,040	\$30,432	\$0	\$82,167	\$86,467
2038	\$0	\$0	\$1,013,188	\$275,280	\$14,809	\$38,991	\$31,193	\$0	\$84,222	\$88,629
2039	\$0	\$0	\$1,038,518	\$282,162	\$15,179	\$39,966	\$31,973	\$0	\$86,327	\$90,845
2040	\$0	\$0	\$952,997	\$289,216	\$15,559	\$40,965	\$32,772	\$0	\$88,485	\$93,116
2041	\$0	\$0	\$976,822	\$296,446	\$15,948	\$41,990	\$33,592	\$0	\$90,697	\$95,444
2042	\$0	\$0	\$1,001,242	\$303,857	\$16,346	\$43,039	\$34,431	\$0	\$92,965	\$97,830
2043	\$0	\$0	\$1,026,273	\$311,454	\$16,755	\$44,115	\$35,292	\$0	\$95,289	\$100,276
2044	\$0	\$0	\$1,051,930	\$319,240	\$17,174	\$45,218	\$36,175	\$0	\$97,671	\$102,783
2045	\$0	\$0	\$1,078,229	\$327,221	\$17,603	\$46,349	\$37,079	\$0	\$100,113	\$105,352
2046	\$0	\$0	\$1,105,184	\$335,402	\$18,043	\$47,507	\$38,006	\$0	\$102,616	\$107,986
2047	\$0	\$0	\$1,132,814	\$343,787	\$18,494	\$48,695	\$38,956	\$0	\$105,181	\$110,686
2048	\$0	\$0	\$1,161,134	\$352,381	\$18,957	\$49,912	\$39,930	\$0	\$107,811	\$113,453
2049	\$0	\$0	\$1,190,163	\$361,191	\$19,431	\$51,160	\$40,928	\$0	\$103,855	\$116,289
TOTAL	\$1,460,584	\$895,117	\$41,754,342	\$8,246,990	\$416,856	\$1,102,568	\$878,054	\$99,545	\$2,385,095	\$2,492,692

THIRD LAGUNA HILLS MUTUAL

2020 RESERVES PLAN

Replacement Reserves Planned Expenditures

Program	Garden Villa Rec Room					Paint Program				
	Garden Villa Lobby	Garden Villa Mailrooms	Garden Villa Recessed Area	GV Rec Room Heat Pumps	GV Rec Room Water Heaters	Gutter Replacement	Landscape Modernization	Mailboxes	Paint Exterior	Touch Up Paint
Life in Years	20	10	Various	30	10	Various	As Needed	40	10	As Needed
Quantity	53	53	53	53	53	Various		4,271	16,495,223	
Unit	Building	Building	Building	ea	ea	Various		Manor	Sq ft	
Unit Cost	\$12,554	\$8,002	\$6,440 - \$75,000	\$1,138	\$555	Various		\$198	Various	
Total Cost	\$665,351	\$424,119	\$4,316,320	\$60,314	\$29,415	\$8,037,500		\$846,442	\$18,345,990	
2020	\$112,500	\$33,867	\$65,000	\$3,414	\$6,230	\$98,289	\$599,130	\$50,000	\$1,839,281	\$216,275
2021	\$128,676	\$0	\$296,635	\$2,061	\$5,120	\$100,746	\$768,750	\$27,624	\$2,031,561	\$221,682
2022	\$65,947	\$0	\$304,051	\$2,112	\$0	\$103,265	\$787,969	\$28,315	\$1,948,550	\$227,224
2023	\$0	\$0	\$311,652	\$2,165	\$1,195	\$105,847	\$807,668	\$29,023	\$2,105,995	\$232,905
2024	\$0	\$0	\$319,443	\$2,219	\$1,225	\$108,493	\$827,860	\$29,748	\$1,949,659	\$238,727
2025	\$0	\$0	\$327,430	\$2,275	\$628	\$111,205	\$961,697	\$30,492	\$1,873,619	\$244,695
2026	\$0	\$92,802	\$335,615	\$2,332	\$1,287	\$113,985	\$869,770	\$31,254	\$1,884,219	\$250,813
2027	\$0	\$95,122	\$344,006	\$2,390	\$1,979	\$116,835	\$891,514	\$32,036	\$2,199,665	\$257,083
2028	\$0	\$97,500	\$352,606	\$2,450	\$10,819	\$119,756	\$913,802	\$32,836	\$2,349,325	\$263,510
2029	\$0	\$99,937	\$361,421	\$2,511	\$6,238	\$122,750	\$936,647	\$33,657	\$2,355,398	\$270,098
2030	\$0	\$102,436	\$370,456	\$2,574	\$7,815	\$64,004	\$1,088,072	\$34,499	\$2,358,080	\$276,850
2031	\$0	\$31,499	\$379,718	\$2,638	\$6,554	\$65,604	\$852,856	\$35,361	\$2,545,451	\$283,772
2032	\$0	\$0	\$389,211	\$2,704	\$0	\$67,244	\$739,689	\$36,245	\$2,441,451	\$290,866
2033	\$0	\$0	\$398,941	\$2,771	\$1,530	\$68,926	\$758,181	\$37,151	\$2,638,715	\$298,138
2034	\$0	\$0	\$408,915	\$2,841	\$1,568	\$70,649	\$777,136	\$38,080	\$2,442,848	\$305,591
2035	\$0	\$0	\$419,137	\$2,912	\$804	\$72,415	\$796,564	\$39,032	\$2,347,582	\$313,231
2036	\$186,362	\$118,794	\$95,602	\$2,985	\$1,648	\$74,225	\$964,929	\$40,008	\$2,360,866	\$321,062
2037	\$191,021	\$121,764	\$97,992	\$4,791	\$2,533	\$76,081	\$836,890	\$41,008	\$2,756,088	\$329,088
2038	\$195,796	\$124,808	\$100,442	\$13,785	\$13,850	\$77,983	\$857,812	\$42,033	\$2,943,598	\$337,315
2039	\$200,691	\$127,928	\$102,953	\$10,491	\$7,985	\$79,933	\$879,258	\$43,084	\$2,952,711	\$345,748
2040	\$205,709	\$131,126	\$105,527	\$3,294	\$10,004	\$286,758	\$901,239	\$44,161	\$3,018,542	\$354,392
2041	\$63,255	\$40,321	\$108,165	\$11,022	\$8,390	\$293,927	\$1,091,728	\$45,265	\$3,258,392	\$363,252
2042	\$0	\$0	\$110,869	\$7,379	\$0	\$301,275	\$946,864	\$46,397	\$3,125,264	\$372,333
2043	\$0	\$0	\$113,641	\$3,548	\$1,959	\$308,807	\$970,536	\$47,557	\$3,377,778	\$381,641
2044	\$0	\$0	\$116,482	\$7,753	\$2,008	\$316,527	\$994,799	\$48,746	\$3,127,052	\$391,182
2045	\$0	\$0	\$119,394	\$7,947	\$1,029	\$324,440	\$1,019,669	\$49,965	\$3,005,103	\$400,962
2046	\$0	\$152,066	\$122,379	\$3,820	\$2,109	\$332,551	\$1,235,190	\$51,214	\$3,022,109	\$410,986
2047	\$0	\$155,868	\$125,438	\$14,999	\$3,243	\$340,865	\$1,071,290	\$52,494	\$3,528,026	\$421,261
2048	\$0	\$159,765	\$128,574	\$24,462	\$17,729	\$124,781	\$1,098,072	\$53,806	\$3,768,055	\$431,792
2049	\$0	\$163,759	\$131,789	\$46,033	\$10,222	\$102,320	\$1,125,524	\$55,152	\$3,779,719	\$442,587
TOTAL	\$1,349,958	\$1,849,359	\$6,963,485	\$202,676	\$135,701	\$4,550,485	\$27,371,106	\$1,206,247	\$79,334,701	\$9,495,060

THIRD LAGUNA HILLS MUTUAL

2020 RESERVES PLAN

Replacement Reserves Planned Expenditures

Program	Prior to Paint		Paving/Concrete					Roofs				
	Prior to Paint	Balcony Breezeway Resurfacing	Paving: Asphalt	Paving: Parkway Concrete	Paving: Seal Coat	Concrete and Paving Repairs	Golf Cart Parking & Striping	Roofs Built-Up PVC Cool Roof	Roofs Metal	Roofs Tile	Roofs Lightweight Tile (New)	Roofs Preventive Maint.
Life in Years	10	As Needed	25	60	JA962010000	As Needed		25	40	40	40	Ongoing
Quantity	16,495,223		3,010,084	Varies	5		2,500	4,037,463	505,426	2,321,631	1,438,052	4,023,624
Unit	Sq ft		sf	SF	sf		0	sf	sf	sf	sf	sf
Unit Cost	Various		\$2.58	\$20.00			\$0	\$7.37	\$8.50	\$5.42	\$7.00	\$0.37
Total Cost	\$9,930,639	\$6,046,971	\$7,766,000		\$0			\$29,756,100	\$4,296,100	\$12,583,200	\$10,066,400	\$1,488,741
2020	\$939,844	\$541,886	\$513,461	\$160,000	\$51,651	\$76,146	\$50,000	\$1,075,010	\$0	\$0	\$100,478	\$130,416
2021	\$1,094,805	\$532,401	\$444,792	\$153,750	\$66,117	\$67,375	\$25,625	\$1,082,373	\$0	\$0	\$105,465	\$63,744
2022	\$1,050,762	\$556,236	\$478,049	\$157,594	\$67,865	\$79,580	\$26,266	\$1,033,666	\$0	\$0	\$106,285	\$72,230
2023	\$1,135,065	\$575,850	\$473,708	\$161,534	\$69,547	\$54,323	\$26,922	\$1,167,851	\$0	\$0	\$109,312	\$70,398
2024	\$1,051,899	\$585,092	\$332,402	\$165,572	\$71,371	\$123,036	\$27,595	\$1,172,414	\$0	\$0	\$113,706	\$48,225
2025	\$1,011,596	\$597,136	\$34,153	\$169,711	\$72,760	\$107,402	\$28,285	\$1,233,753	\$0	\$0	\$113,959	\$32,072
2026	\$1,017,543	\$321,051	\$0	\$173,954	\$74,805	\$58,802	\$28,992	\$1,253,879	\$0	\$0	\$115,850	\$86,928
2027	\$1,186,204	\$344,167	\$1,505,886	\$178,303	\$76,783	\$64,358	\$29,717	\$1,292,050	\$0	\$0	\$122,907	\$69,910
2028	\$1,266,387	\$388,979	\$550,436	\$182,760	\$78,686	\$88,229	\$30,460	\$1,327,171	\$0	\$0	\$125,263	\$87,815
2029	\$1,240,511	\$342,383	\$233,104	\$187,329	\$80,750	\$87,317	\$31,222	\$1,352,315	\$0	\$0	\$128,998	\$73,236
2030	\$1,232,233	\$371,121	\$1,315,578	\$192,013	\$82,321	\$97,473	\$0	\$1,461,871	\$269,353	\$0	\$495,736	\$75,264
2031	\$1,326,605	\$365,017	\$659,014	\$196,813	\$84,635	\$86,245	\$0	\$1,507,662	\$267,331	\$0	\$511,601	\$75,891
2032	\$1,273,297	\$387,615	\$534,636	\$201,733	\$86,873	\$101,870	\$0	\$1,539,525	\$291,482	\$0	\$520,691	\$70,426
2033	\$1,375,401	\$404,612	\$678,990	\$206,777	\$89,026	\$69,538	\$0	\$1,572,101	\$299,027	\$0	\$538,282	\$77,848
2034	\$1,274,720	\$408,129	\$101,344	\$211,946	\$91,361	\$157,497	\$0	\$1,681,695	\$307,956	\$0	\$557,634	\$105,914
2035	\$1,225,943	\$415,027	\$0	\$217,245	\$93,139	\$137,484	\$0	\$1,723,246	\$310,546	\$0	\$559,176	\$84,314
2036	\$1,233,170	\$410,972	\$0	\$222,676	\$95,756	\$75,272	\$0	\$1,798,089	\$319,924	\$0	\$581,833	\$89,260
2037	\$1,437,425	\$440,562	\$27,971	\$228,243	\$98,289	\$82,384	\$0	\$1,815,263	\$324,999	\$0	\$585,930	\$90,468
2038	\$1,534,544	\$497,925	\$0	\$233,949	\$100,725	\$112,940	\$0	\$1,855,196	\$341,238	\$0	\$606,724	\$93,901
2039	\$1,503,238	\$438,280	\$194,925	\$239,798	\$103,367	\$111,773	\$0	\$1,924,716	\$340,963	\$1,111,661	\$625,283	\$94,687
2040	\$1,577,363	\$475,066	\$0	\$245,792	\$105,378	\$124,773	\$0	\$1,949,309	\$353,179	\$1,704,251	\$635,524	\$97,921
2041	\$1,698,167	\$467,253	\$255,930	\$251,937	\$108,340	\$110,401	\$0	\$2,169,496	\$368,833	\$754,166	\$652,823	\$100,907
2042	\$1,629,927	\$496,180	\$489,537	\$258,236	\$111,205	\$130,402	\$0	\$2,059,234	\$375,053	\$490,899	\$665,191	\$102,732
2043	\$1,760,630	\$517,937	\$411,746	\$264,692	\$113,961	\$89,014	\$0	\$2,109,453	\$378,940	\$753,983	\$689,146	\$0
2044	\$1,631,750	\$522,440	\$687,457	\$271,309	\$116,950	\$201,610	\$0	\$2,221,177	\$392,088	\$2,053,260	\$708,945	\$145,168
2045	\$1,569,310	\$531,269	\$951,928	\$278,092	\$119,226	\$175,991	\$0	\$2,276,706	\$395,146	\$1,646,417	\$714,158	\$234,490
2046	\$1,578,561	\$526,079	\$824,619	\$285,044	\$122,576	\$96,354	\$0	\$2,300,361	\$414,232	\$2,264,292	\$732,624	\$118,178
2047	\$1,840,026	\$563,957	\$886,276	\$292,170	\$125,818	\$105,458	\$0	\$2,446,959	\$423,329	\$992,745	\$760,402	\$133,910
2048	\$1,964,346	\$637,387	\$878,228	\$299,474	\$128,937	\$144,573	\$0	\$2,413,535	\$423,610	\$1,164,947	\$773,458	\$130,515
2049	\$1,924,272	\$561,035	\$616,255	\$306,961	\$132,318	\$143,078	\$0	\$2,555,378	\$428,982	\$1,176,189	\$789,958	\$89,407
TOTAL	\$41,585,545	\$14,223,046	\$14,080,424	\$6,595,405	\$2,820,542	\$3,160,695	\$305,085	\$51,371,456	\$7,026,211	\$14,112,811	\$13,847,342	\$2,746,176

THIRD LAGUNA HILLS MUTUAL

2020 RESERVES PLAN

Replacement Reserves Planned Expenditures

		Exterior Walls				Waste Lines			
Program	Roof Emergency Repairs	Tree Maintenance	Common Walls	Perimeter Walls	Waste Lines	Waste Lines GV Garage	Water Lines Copper	Total Replacement Fund	
Life in Years	As Needed	5	As Needed	Varies	70	35	70		
Quantity		Varies		30,184	6,102	53	6,102		
Unit				If	Manors	Building	Manors		
Unit Cost				\$100 - \$200	\$8,000	\$19,900	\$5,125		
Total Cost		\$4,954,881	\$25,000	\$9,055,261	\$48,816,000	\$1,054,700	\$31,272,750		
2020	\$110,000	\$853,813	\$25,000	\$189,147	\$1,000,000	\$0	\$500,000	\$12,357,063	
2021	\$112,750	\$1,016,776	\$25,625	\$173,257	\$770,800	\$0	\$512,500	\$13,274,841	
2022	\$115,569	\$1,042,195	\$26,266	\$177,589	\$790,070	\$0	\$315,188	\$13,260,868	
2023	\$118,458	\$1,068,250	\$26,922	\$182,028	\$809,822	\$0	\$323,067	\$12,751,476	
2024	\$121,419	\$1,094,956	\$27,595	\$186,579	\$830,067	\$0	\$331,144	\$12,384,583	
2025	\$124,455	\$1,122,330	\$28,285	\$191,244	\$850,819	\$0	\$339,422	\$12,193,799	
2026	\$127,566	\$1,150,388	\$28,992	\$196,025	\$872,089	\$0	\$347,908	\$11,788,706	
2027	\$130,755	\$1,179,148	\$29,717	\$200,925	\$893,892	\$0	\$356,606	\$14,011,421	
2028	\$134,024	\$1,208,627	\$30,460	\$205,949	\$916,239	\$0	\$365,521	\$12,708,352	
2029	\$137,375	\$1,238,842	\$31,222	\$211,097	\$59,945	\$0	\$171,844	\$11,401,869	
2030	\$140,809	\$1,269,813	\$32,002	\$216,375	\$61,444	\$0	\$176,140	\$13,401,795	
2031	\$144,330	\$1,301,559	\$32,802	\$221,784	\$62,980	\$0	\$180,543	\$12,812,043	
2032	\$147,938	\$1,334,098	\$33,622	\$227,329	\$64,555	\$0	\$185,057	\$12,591,528	
2033	\$151,636	\$1,367,450	\$34,463	\$233,012	\$66,169	\$0	\$189,683	\$13,222,324	
2034	\$155,427	\$1,401,636	\$35,324	\$238,837	\$67,823	\$112,473	\$194,425	\$12,857,326	
2035	\$159,313	\$1,436,677	\$36,207	\$244,808	\$69,518	\$115,285	\$199,286	\$12,767,084	
2036	\$163,296	\$1,472,594	\$37,113	\$250,928	\$71,256	\$118,167	\$204,268	\$13,102,952	
2037	\$167,378	\$1,509,409	\$38,040	\$257,201	\$73,038	\$121,121	\$209,375	\$13,801,050	
2038	\$171,562	\$1,547,144	\$38,991	\$263,632	\$74,864	\$124,149	\$214,609	\$14,065,830	
2039	\$175,852	\$1,585,823	\$39,966	\$38,603	\$76,735	\$127,253	\$219,974	\$15,288,649	
2040	\$180,248	\$1,625,469	\$40,965	\$39,568	\$78,654	\$130,434	\$225,474	\$16,163,231	
2041	\$184,754	\$1,666,105	\$41,990	\$40,557	\$80,620	\$133,695	\$231,111	\$16,151,740	
2042	\$189,373	\$1,707,758	\$43,039	\$41,571	\$82,635	\$137,037	\$236,888	\$15,746,993	
2043	\$194,107	\$1,750,452	\$44,115	\$42,611	\$84,701	\$140,463	\$242,811	\$16,423,682	
2044	\$198,960	\$1,794,213	\$45,218	\$43,676	\$86,819	\$143,975	\$248,881	\$18,188,635	
2045	\$203,934	\$1,839,069	\$46,349	\$44,768	\$88,989	\$147,574	\$191,327	\$18,095,196	
2046	\$209,032	\$1,885,045	\$47,507	\$45,887	\$91,214	\$151,263	\$196,110	\$18,976,149	
2047	\$214,258	\$1,932,171	\$48,695	\$47,034	\$93,494	\$38,761	\$201,013	\$18,658,574	
2048	\$219,614	\$1,980,476	\$49,912	\$48,210	\$95,832	\$0	\$206,038	\$19,209,707	
2049	\$225,105	\$2,029,988	\$51,160	\$49,415	\$98,228	\$0	\$211,189	\$19,129,040	
TOTAL	\$4,829,297	\$43,412,275	\$1,097,568	\$4,549,647	\$9,363,311	\$1,741,648	\$7,727,403	\$436,786,506	

THIRD LAGUNA HILLS MUTUAL

2020 RESERVES PLAN

Replacement Reserves Planned Expenditures

Elevators										
Program	Elevator Cab Door	Elevator Cab Door Operators	Elevator Cab Refurbish	Elevator Flooring	Elevator Call Buttons	Elevator Controllers	Elevator Hoistway Doors (3 stop)	Elevator Hoistway Doors (4 stop)	Elevator Machine Room Power Units	
Life in Years	30	30	40	40	30	30	30	30	30	30
Quantity	82	82	82	82	82	82	29	53	82	82
Unit	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea
Unit Cost	\$12,234	\$9,894	\$9,174	\$2,365	\$8,400	\$50,600	\$7,249	\$8,919	\$14,300	\$14,300
Total Cost	\$1,003,188	\$811,308	\$752,268	\$193,930	\$688,800	\$4,149,200	\$210,221	\$472,707	\$1,172,600	\$1,172,600
2020	\$0	\$49,470	\$45,870	\$10,565	\$0	\$0	\$0	\$44,595	\$71,500	\$71,500
2021	\$0	\$50,710	\$47,017	\$8,485	\$0	\$0	\$18,576	\$45,711	\$73,288	\$73,288
2022	\$0	\$103,954	\$96,384	\$17,393	\$0	\$0	\$19,040	\$46,854	\$150,239	\$150,239
2023	\$0	\$53,276	\$49,397	\$17,828	\$90,459	\$544,907	\$0	\$48,025	\$76,998	\$76,998
2024	\$0	\$0	\$0	\$0	\$92,720	\$558,529	\$0	\$0	\$0	\$0
2025	\$0	\$0	\$0	\$0	\$95,038	\$572,493	\$0	\$0	\$0	\$0
2026	\$0	\$0	\$0	\$0	\$97,414	\$586,805	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0	\$99,850	\$601,475	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0	\$102,346	\$616,512	\$0	\$0	\$0	\$0
2029	\$0	\$0	\$0	\$0	\$104,904	\$631,925	\$0	\$0	\$0	\$0
2030	\$0	\$0	\$0	\$0	\$129,033	\$777,267	\$0	\$0	\$0	\$0
2031	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2032	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2033	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2034	\$86,432	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2035	\$212,622	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2036	\$217,937	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2037	\$223,386	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2038	\$228,970	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2039	\$234,695	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2040	\$240,562	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2041	\$102,740	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2042	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2043	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2044	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2045	\$0	\$183,429	\$0	\$0	\$0	\$0	\$0	\$82,677	\$265,114	\$265,114
2046	\$0	\$225,618	\$0	\$0	\$0	\$0	\$165,303	\$0	\$326,090	\$326,090
2047	\$0	\$231,258	\$0	\$0	\$0	\$0	\$169,435	\$0	\$334,242	\$334,242
2048	\$0	\$237,040	\$0	\$0	\$0	\$0	\$173,671	\$0	\$342,599	\$342,599
2049	\$0	\$242,966	\$0	\$0	\$0	\$0	\$178,013	\$0	\$351,164	\$351,164
TOTAL	\$1,547,343	\$1,377,721	\$238,668	\$54,271	\$811,764	\$4,889,912	\$724,038	\$267,861	\$1,991,233	\$1,991,233

THIRD LAGUNA HILLS MUTUAL

2020 RESERVES PLAN

Replacement Reserves Planned Expenditures

Program	Elevators						TOTAL ELEVATOR FUND	Laundry Counters	Laundry Dryers	Laundry Floors	Laundry Washers	Laundry Water Heaters	TOTAL LAUNDRY FUND
	Elevator Door Protective Devices	Elevator Fuse	Elevator Solid State Soft Starters										
Life in Years	40	30	20	20	10	243	15	10				10	
Quantity	82	82	82	287	373	ea	455			ea		125	
Unit	ea	ea	ea	ea	ea	2,793	ea				ea		
Unit Cost	\$2,750	\$330	\$3,520	\$482	\$1,025	\$678,643	\$2,007	\$3,726		\$678,643	\$2,007	\$3,726	
Total Cost	\$225,500	\$27,060	\$288,640	\$138,334	\$382,325	\$0	\$913,185	\$117,806					
2020	\$13,750	\$1,650	\$17,600	\$12,829	\$0	\$47,083	\$25,729	\$32,779					\$118,420
2021	\$14,094	\$1,691	\$18,040	\$15,316	\$0	\$51,527	\$49,372	\$8,534					\$124,749
2022	\$28,892	\$3,467	\$36,982	\$15,192	\$0	\$52,815	\$54,824	\$15,514					\$138,344
2023	\$14,807	\$1,777	\$18,953	\$15,572	\$0	\$54,135	\$49,710	\$15,901					\$135,319
2024	\$0	\$0	\$0	\$0	\$0	\$55,489	\$108,552	\$19,345					\$183,386
2025	\$0	\$0	\$0	\$0	\$0	\$56,876	\$170,305	\$19,829					\$247,010
2026	\$0	\$0	\$0	\$0	\$5,943	\$58,298	\$172,235	\$44,864					\$281,340
2027	\$0	\$0	\$0	\$0	\$12,184	\$59,755	\$178,927	\$7,710					\$258,576
2028	\$0	\$0	\$0	\$0	\$18,733	\$61,249	\$44,016	\$10,144					\$134,142
2029	\$0	\$0	\$0	\$0	\$47,363	\$31,390	\$60,155	\$11,547					\$150,455
2030	\$0	\$0	\$0	\$0	\$48,547	\$0	\$7,707	\$9,480					\$65,735
2031	\$0	\$0	\$0	\$0	\$49,761	\$0	\$10,533	\$10,924					\$71,219
2032	\$0	\$0	\$0	\$0	\$51,005	\$0	\$26,992	\$19,859					\$97,855
2033	\$0	\$0	\$0	\$0	\$52,280	\$0	\$8,588	\$20,355					\$81,223
2034	\$0	\$0	\$0	\$21,113	\$53,587	\$0	\$96,123	\$24,764					\$195,587
2035	\$0	\$0	\$61,176	\$21,640	\$54,927	\$0	\$37,788	\$25,383					\$139,738
2036	\$0	\$0	\$52,255	\$22,181	\$56,300	\$0	\$71,506	\$57,430					\$207,417
2037	\$0	\$0	\$53,561	\$15,402	\$57,707	\$0	\$79,401	\$9,869					\$162,379
2038	\$0	\$0	\$54,900	\$15,035	\$59,150	\$0	\$71,995	\$12,986					\$159,166
2039	\$0	\$0	\$56,272	\$23,887	\$60,629	\$0	\$157,216	\$14,781					\$256,513
2040	\$0	\$0	\$28,840	\$24,484	\$62,145	\$0	\$246,653	\$12,136					\$345,417
2041	\$0	\$0	\$29,561	\$25,096	\$63,698	\$84,432	\$249,448	\$13,984					\$436,659
2042	\$0	\$0	\$60,599	\$24,894	\$65,291	\$86,543	\$259,140	\$25,421					\$461,288
2043	\$0	\$0	\$31,057	\$25,516	\$66,923	\$88,707	\$63,748	\$26,056					\$270,950
2044	\$0	\$0	\$0	\$0	\$68,596	\$90,924	\$87,123	\$31,700					\$278,343
2045	\$0	\$0	\$0	\$0	\$70,311	\$93,198	\$11,163	\$32,492					\$207,163
2046	\$0	\$0	\$0	\$0	\$72,069	\$95,527	\$15,256	\$73,515					\$256,366
2047	\$0	\$0	\$0	\$0	\$73,870	\$97,916	\$39,092	\$12,633					\$223,512
2048	\$0	\$0	\$0	\$0	\$75,717	\$100,364	\$12,438	\$16,623					\$205,142
2049	\$0	\$0	\$0	\$0	\$77,610	\$102,873	\$139,215	\$18,921					\$338,619
TOTAL	\$71,543	\$8,585	\$519,796	\$278,158	\$1,324,345	\$1,369,098	\$2,604,951	\$655,479					\$6,232,032