



**REGULAR MEETING OF THE FINANCE COMMITTEE**

**Tuesday, September 1, 2020 – 1:30 p.m.  
Laguna Woods Village Virtual Meeting  
24351 El Toro Road**

**AGENDA**

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Approval of Meeting Report for August 5, 2020
5. Member Comments (Items Not on the Agenda)  
*Laguna Woods Village owners/residents are welcome to participate in all open committee meetings and submit comments or questions regarding virtual meetings using one of two options:*

*1. Via email to [meeting@vmsinc.org](mailto:meeting@vmsinc.org) any time before the meeting is scheduled to begin or during the meeting. Please use the name Third Finance Committee in the subject line of the email. Name and unit number must be included.*

*2. By calling (949) 268-2020 beginning one half hour before the meeting begins and throughout the remainder of the meeting. You must provide your name and unit number.*

6. Chair Remarks
7. Department Head Update

**Reports**

8. Preliminary Financial Statements dated July 31, 2020

**Items for Discussion and Consideration**

9. Insurance Program Update
10. Other Endorsements from Standing Committees

**Future Agenda Items**

NOL Status  
Solar System Update – (Late 2020)

**Concluding Business:**

11. Committee Member Comments
12. Date of Next Meeting – Tuesday, October 6, 2020 at 1:30 p.m.
13. Recess to Closed Session





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

Tuesday, August 4, 2020 – 1:30 p.m.  
Virtual Meeting

**MEMBERS PRESENT:** Robert Mutchnick – Chair, Steve Parsons, Cush Bhada, Lynn Jarrett, John Frankel, Ralph Engdahl, Doug Gibson, Reza Karimi  
Advisors: Wei-Ming Tao

**MEMBERS ABSENT:** Annie McCary, Craig Wayne, Advisor: John Hess

**STAFF PRESENT:** Betty Parker, Steve Hormuth, Pamela Bashline, Christopher Swanson

### **Call to Order**

Director Robert Mutchnick, Treasurer, chaired the meeting and called it to order at 1:32 p.m.

### **Approval of Meeting Agenda**

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

### **Approval of Meeting Report for June 2, 2020**

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

### **Member Comments**

None.

### **Department Head Update**

Betty Parker, Chief Financial Officer, provided updates on Civil Code 5500 reporting, insurance and investments and the 2021 Budget. A meeting will be scheduled for the review the 2019 Audit adjusting entries after the conclusion of the closed session meeting. Additionally, the committee was given the option to direct staff for Version 2 of the 2021 Business Plan to reduce the current paint cycle from a 10 year cycle to 15 year cycle. This reduction would reduce the paint and prior to paint programs in 2021 by \$400,000 and \$300,000 respectively. Advisor Tao commented about the status of the paint trim cycle. Director Mutchnick stated that he would speak with Ernesto about this. By consensus, the committee agreed to a 15 year paint cycle for the basis of the 2021 Business Plan for Version 2.

### **Guidelines for Financial Qualification Annual Income Requirement for Guarantors**

The committee reviewed a staff report and endorsement from the Resident Policy and Compliance committee to increase the annual income requirement for guarantors.

A motion was made and carried unanimously to recommend the board follow staff's recommendation to increase the annual income requirement for guarantors to \$150,000.

### **Preliminary Financial Statements dated June 30, 2020**

The committee reviewed financials and questions were addressed. The committee requested additional information on the following items:

- What caused the \$151,000 loss in Operating for June 30, 2020
- Provide a follow up on Net Loss or Net Gain and the process of KPMG's tax estimate process.
- Provide the location on the GL of the \$59,000 rebate from El Toro Water District for Landscape Modernization
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### **Future Agenda Items**

Solar System Update – Q2 (Late 2020)

Chargeable Services Analysis (Semi-Annual)

### **Committee Member Comments**

Betty Parker provided an update about the coin shortage and the plans that are currently in place for a soft opening on have coins distributed by staff back to the resident via payment.

No other comments were made.

### **Date of Next Meeting**

Tuesday, September 1, 2020 at 1:30 p.m.

### **Recess to Closed Session**

The meeting recessed at 2:37 p.m.

**DRAFT**

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Jon Pearlstone, Chair



## MEMORANDUM

To: Third Finance Committee  
 From: Betty Parker, CFO  
 Date: September 1, 2020  
 Re: Department Head Update

### Financial Highlights

- SUMMARY:** For the year-to-date period ending July 31, 2020, Third Mutual was better than budget by \$5,315K primarily due to various programs being put on hold in Mid-March due to the COVID-19 pandemic. Outside services \$2,849K, and materials \$522K, were greatly impacted. Compensation was also favorable by \$1,485K due to furloughs. In addition, \$740K of unrealized gains was recorded to reflect investment market conditions.

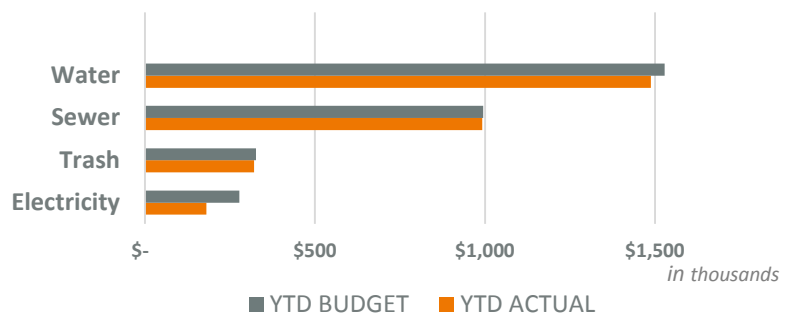
| INCOME STATEMENT<br>(in Thousands) |                |                  |                |
|------------------------------------|----------------|------------------|----------------|
|                                    | Actual         | Budget           | Variance       |
| Assessment Revenues                | \$19,345       | \$19,345         | \$0            |
| Other Revenues                     | 1,655          | 1,159            | 496            |
| Expenses                           | 17,473         | 22,292           | 4,819          |
| <b>Revenue / (Expense)</b>         | <b>\$3,527</b> | <b>(\$1,788)</b> | <b>\$5,315</b> |

- COMPENSATION:**

Actual compensation and related costs came in at \$6.6 million, with \$5.4 million in operations and \$1.2 million in reserves. Combined, this category is 18.2% favorable to budget due to open positions and various staff members being furloughed during COVID-19 closures. The most significant impacts were in Maintenance and Landscape.

|                  | Budget<br>(in Thousands) |                |                | Variance<br>(in Thousands) |              |
|------------------|--------------------------|----------------|----------------|----------------------------|--------------|
|                  | Comp.                    | Related        | Total          | Total \$                   | Total %      |
| <b>All Units</b> |                          |                |                |                            |              |
| Operating        | \$4,136                  | \$1,739        | \$5,875        | \$446                      | 7.6%         |
| Reserves         | 1,592                    | 696            | 2,288          | 1,039                      | 45.4%        |
| <b>TOTAL</b>     | <b>\$5,728</b>           | <b>\$2,435</b> | <b>\$8,163</b> | <b>\$1,485</b>             | <b>18.2%</b> |

- UTILITIES:** In total, this category was favorable to budget by \$146K. On average water consumption was slightly lower than budget due to heavier rainfall in March and April compared to prior years. Sewer is a fixed residential charge and was on budget, trash was slightly lower than budget, and electricity was favorable due to energy consumption offset by solar credits.



## Discussions

**Section 5500 Update:** Due to Covid-19 orders, information required for Board review of monthly financials is being provided to all board members via email. Further, a programming change was made to AX in May segregating A/P and Cash reserve fund transactions and balances from operating funds on the balance sheet. The change has allowed Board members to approve reserve expenditures prior to payment beginning in June.

**Insurance Update:** Property valuation for the community was completed by Duff & Phelps. Farmers has declined to make a proposal on the Laguna Woods Village insurance program due to market conditions and will re-visit the option of working with our broker in the future. Beecher Carlson reached out to incumbents and presented a renewal strategy update to All Boards All Directors on Monday, July 20, 2020, indicating significant increases driven by the markets for both casualty and property lines. Carrier negotiations are ongoing for the upcoming renewal.

**Investment Update:** Based on current market conditions, the portfolio target allocations were adjusted modestly by SageView in early April to shift from corporate bonds to intermediary Treasury bonds. Third portfolio balance has grown from \$16,711,420 on 12/31/19 to \$25,582,889 as of July 31, 2020 (inclusive of an \$8MM transfer from operating account), representing a market valuation gain of \$871,469 or 5.21%.

**2021 Budget:** On August 20, 2020, Third Board reviewed Version 2 of the proposed 2021 Business Plan. The proposed budget will be voted on at the board meeting on September 15, 2020.

## Calendar

The following scheduled meetings will be held remotely during COVID-19 stay home orders:

- September 1, 2020 @ 1:30 p.m. Third Finance Committee Meeting (July financials)
- September 4, 2020 @ 9:30 a.m. Third Board Agenda Prep
- September 15, 2020 @ 9:30 a.m. Third Board Meeting
- October 6, 2020 @ 1:30 p.m. Third Finance Committee Meeting (August financials)

| August 2020 |    |    |    |    |    |    | September 2020 |    |    |    |    |    |    | October 2020 |    |    |    |    |    |    |
|-------------|----|----|----|----|----|----|----------------|----|----|----|----|----|----|--------------|----|----|----|----|----|----|
| Su          | Mo | Tu | We | Th | Fr | Sa | Su             | Mo | Tu | We | Th | Fr | Sa | Su           | Mo | Tu | We | Th | Fr | Sa |
|             |    |    |    |    |    | 1  |                |    | 1  | 2  | 3  | 4  | 5  |              |    |    |    | 1  | 2  | 3  |
| 2           | 3  | 4  | 5  | 6  | 7  | 8  | 6              | 7  | 8  | 9  | 10 | 11 | 12 | 4            | 5  | 6  | 7  | 8  | 9  | 10 |
| 9           | 10 | 11 | 12 | 13 | 14 | 15 | 13             | 14 | 15 | 16 | 17 | 18 | 19 | 11           | 12 | 13 | 14 | 15 | 16 | 17 |
| 16          | 17 | 18 | 19 | 20 | 21 | 22 | 20             | 21 | 22 | 23 | 24 | 25 | 26 | 18           | 19 | 20 | 21 | 22 | 23 | 24 |
| 23          | 24 | 25 | 26 | 27 | 28 | 29 | 27             | 28 | 29 | 30 |    |    |    | 25           | 26 | 27 | 28 | 29 | 30 | 31 |
| 30          | 31 |    |    |    |    |    |                |    |    |    |    |    |    |              |    |    |    |    |    |    |

**Third Laguna Hills Mutual**  
**Statement of Revenues & Expenses - Preliminary**  
**7/31/2020**  
(\$ IN THOUSANDS)

|                                 |  | CURRENT MONTH  |                |              | YEAR TO DATE   |                  |                | PRIOR YEAR     | TOTAL            |
|---------------------------------|--|----------------|----------------|--------------|----------------|------------------|----------------|----------------|------------------|
|                                 |  | ACTUAL         | BUDGET         | VARIANCE     | ACTUAL         | BUDGET           | VARIANCE       | ACTUAL         | BUDGET           |
| <b>Revenues:</b>                |  |                |                |              |                |                  |                |                |                  |
| <b>Assessments:</b>             |  |                |                |              |                |                  |                |                |                  |
| 1                               | Operating                                  | \$1,686        | \$1,686        |              | \$11,800       | \$11,799         | \$1            | \$10,947       | \$20,228         |
| 2                               | Additions to restricted funds              | 1,078          | 1,078          |              | 7,545          | 7,545            |                | 7,852          | 12,935           |
| 3                               | <b>Total assessments</b>                   | <u>2,764</u>   | <u>2,764</u>   |              | <u>19,345</u>  | <u>19,345</u>    | <u>1</u>       | <u>18,799</u>  | <u>33,163</u>    |
| <b>Non-assessment revenues:</b> |  |                |                |              |                |                  |                |                |                  |
| 4                               | Fees and charges for services to residents | 45             | 49             | (4)          | 179            | 343              | (164)          | 466            | 588              |
| 5                               | Laundry                                    | 20             | 18             | 2            | 133            | 128              | 5              | 119            | 220              |
| 6                               | Investment income                          | 32             | 45             | (12)         | 283            | 313              | (30)           | 375            | 536              |
| 7                               | Unrealized gain/(loss) on AFS investments  | 88             |                | 88           | 740            |                  | 740            | 299            |                  |
| 8                               | Miscellaneous                              | 48             | 54             | (5)          | 320            | 375              | (55)           | 361            | 643              |
| 9                               | <b>Total non-assessment revenue</b>        | <u>234</u>     | <u>166</u>     | <u>68</u>    | <u>1,655</u>   | <u>1,159</u>     | <u>496</u>     | <u>1,620</u>   | <u>1,988</u>     |
| 10                              | <b>Total revenue</b>                       | <u>2,998</u>   | <u>2,929</u>   | <u>68</u>    | <u>21,001</u>  | <u>20,504</u>    | <u>496</u>     | <u>20,419</u>  | <u>35,150</u>    |
| <b>Expenses:</b>                |  |                |                |              |                |                  |                |                |                  |
| 11                              | Employee compensation and related          | 901            | 1,169          | 268          | 6,678          | 8,163            | 1,485          | 7,434          | 13,940           |
| 12                              | Materials and supplies                     | 70             | 147            | 76           | 530            | 1,052            | 522            | 795            | 1,787            |
| 13                              | Utilities and telephone                    | 507            | 538            | 31           | 2,981          | 3,127            | 146            | 2,810          | 5,542            |
| 14                              | Legal fees                                 | 53             | 42             | (11)         | 322            | 292              | (30)           | 228            | 500              |
| 15                              | Professional fees                          | 15             | 13             | (2)          | 73             | 99               | 26             | 112            | 145              |
| 16                              | Equipment rental                           | 2              | 2              | (1)          | 12             | 12               | (1)            | 17             | 20               |
| 17                              | Outside services                           | 1,315          | 1,033          | (283)        | 4,379          | 7,228            | 2,849          | 4,489          | 11,661           |
| 18                              | Repairs and maintenance                    | 28             | 32             | 4            | 192            | 222              | 30             | 192            | 380              |
| 19                              | Other Operating Expense                    | 10             | 16             | 6            | 64             | 116              | 52             | 85             | 199              |
| 20                              | Income taxes                               |                |                |              | 20             |                  | (20)           |                |                  |
| 21                              | Insurance                                  | 170            | 126            | (44)         | 1,193          | 885              | (308)          | 763            | 1,517            |
| 22                              | Investment expense                         |                | 4              | 4            | 6              | 27               | 21             | 23             | 47               |
| 23                              | Uncollectible Accounts                     | (6)            | 10             | 16           | 10             | 70               | 60             | 94             | 120              |
| 24                              | (Gain)/loss on sale or trade               |                |                |              | 108            |                  | (108)          | 3              |                  |
| 25                              | Depreciation and amortization              | 11             | 11             |              | 79             | 79               |                | 83             | 136              |
| 26                              | Net allocation to mutuals                  | 121            | 135            | 14           | 825            | 920              | 96             | 708            | 1,577            |
| 27                              | <b>Total expenses</b>                      | <u>3,198</u>   | <u>3,276</u>   | <u>78</u>    | <u>17,473</u>  | <u>22,292</u>    | <u>4,819</u>   | <u>17,837</u>  | <u>37,572</u>    |
| 28                              | <b>Excess of revenues over expenses</b>    | <u>(\$201)</u> | <u>(\$347)</u> | <u>\$146</u> | <u>\$3,527</u> | <u>(\$1,788)</u> | <u>\$5,315</u> | <u>\$2,582</u> | <u>(\$2,421)</u> |

**Third Laguna Hills Mutual  
Operating Statement  
7/31/2020  
THIRD LAGUNA HILLS MUTUAL**

|   | Actual            | YEAR TO DATE<br>Budget | VAR\$ B/(W)      | VAR% B/(W)      | TOTAL<br>BUDGET   |
|---|-------------------|------------------------|------------------|-----------------|-------------------|
| Revenues:   |                   |                        |                  |                 |                   |
| Assessments:  |                   |                        |                  |                 |                   |
| <b>Operating</b>  |                   |                        |                  |                 |                   |
| 41001000 - Monthly Assessments                                      | \$11,799,985      | \$11,799,473           | \$512            | 0.00%           | \$20,227,669      |
| <b>Total Operating</b>  | <b>11,799,985</b> | <b>11,799,473</b>      | <b>512</b>       | <b>0.00%</b>    | <b>20,227,669</b> |
| <b>Additions To Restricted Funds</b>                                |                   |                        |                  |                 |                   |
| 41002000 - Monthly Assessments - Disaster Fund                      | 661,213           | 661,213                | 0                | 0.00%           | 1,133,508         |
| 41003000 - Monthly Assessments - Unappropriated Expenditures Fund   | 341,712           | 341,712                | 0                | 0.00%           | 585,792           |
| 41003500 - Monthly Assessments - Replacement Fund                   | 6,236,244         | 6,236,244              | 0                | 0.00%           | 10,690,704        |
| 41004000 - Monthly Assessments - Elevator Replacement Fund          | 213,570           | 213,570                | 0                | 0.00%           | 366,120           |
| 41004500 - Monthly Assessments - Laundry Replacement Fund           | 42,714            | 42,714                 | 0                | 0.00%           | 73,224            |
| 41006000 - Monthly Assessments - Garden Villa Recreation Room Fund  | 49,991            | 49,991                 | 0                | 0.00%           | 85,698            |
| <b>Total Additions To Restricted Funds</b>                          | <b>7,545,443</b>  | <b>7,545,444</b>       | <b>0</b>         | <b>0.00%</b>    | <b>12,935,046</b> |
| <b>Total Assessments</b>  | <b>19,345,428</b> | <b>19,344,917</b>      | <b>511</b>       | <b>0.00%</b>    | <b>33,162,715</b> |
| Non-Assessment Revenues:  |                   |                        |                  |                 |                   |
| <b>Fees and Charges for Services to Residents</b>                   |                   |                        |                  |                 |                   |
| 46501000 - Permit Fee   | 84,403            | 83,715                 | 689              | 0.82%           | 143,514           |
| 46501500 - Inspection Fee   | 39,451            | 44,635                 | (5,184)          | (11.61%)        | 76,520            |
| 46502000 - Resident Maintenance Fee                                 | 55,448            | 214,661                | (159,214)        | (74.17%)        | 368,129           |
| <b>Total Fees and Charges for Services to Residents</b>             | <b>179,302</b>    | <b>343,011</b>         | <b>(163,709)</b> | <b>(47.73%)</b> | <b>588,163</b>    |
| <b>Laundry</b>  |                   |                        |                  |                 |                   |
| 46005000 - Coin Op Laundry Machine                                  | 133,228           | 128,333                | 4,894            | 3.81%           | 220,000           |
| <b>Total Laundry</b>  | <b>133,228</b>    | <b>128,333</b>         | <b>4,894</b>     | <b>3.81%</b>    | <b>220,000</b>    |
| <b>Investment Income</b>  |                   |                        |                  |                 |                   |
| 49001000 - Investment Income - Nondiscretionary                     | 36,912            | 87,810                 | (50,898)         | (57.96%)        | 150,532           |
| 49002000 - Investment Income - Discretionary                        | 245,778           | 225,053                | 20,725           | 9.21%           | 385,805           |
| <b>Investment Interest Income</b>                                   | <b>282,690</b>    | <b>312,863</b>         | <b>(30,173)</b>  | <b>(9.64%)</b>  | <b>536,337</b>    |
| <b>Unrealized Gain/(Loss) On AFS Investments</b>                    |                   |                        |                  |                 |                   |
| 49008100 - Unrealized Gain/(Loss) On Available For Sale Investments | 740,080           | 0                      | 740,080          | 0.00%           | 0                 |
| <b>Total Unrealized Gain/(Loss) On AFS Investments</b>              | <b>740,080</b>    | <b>0</b>               | <b>740,080</b>   | <b>0.00%</b>    | <b>0</b>          |
| <b>Miscellaneous</b>  |                   |                        |                  |                 |                   |
| 46004500 - Resident Violations                                      | 7,582             | 33,247                 | (25,665)         | (77.19%)        | 56,999            |
| 44501510 - Lease Processing Fee - Third                             | 141,645           | 147,000                | (5,355)          | (3.64%)         | 252,000           |
| 44502500 - Non-Sale Transfer Fee - Third                            | 950               | 1,162                  | (212)            | (18.24%)        | 2,000             |
| 44503520 - Resale Processing Fee - Third                            | 69,984            | 102,081                | (32,097)         | (31.44%)        | 175,000           |
| 44505500 - Hoa Certification Fee                                    | 6,000             | 3,059                  | 2,941            | 96.14%          | 5,250             |
| 44507000 - Golf Cart Electric Fee                                   | 40,969            | 39,667                 | 1,302            | 3.28%           | 68,000            |
| 44507200 - Electric Vehicle Plug-In Fee                             | 6,833             | 4,083                  | 2,750            | 67.35%          | 7,000             |
| 44507500 - Cartport/Carport Space Rental Fee                        | 3,000             | 2,333                  | 667              | 28.57%          | 4,000             |
| 47001500 - Late Fee Revenue   | 30,054            | 33,250                 | (3,196)          | (9.61%)         | 57,000            |
| 47002020 - Collection Administrative Fee - Third                    | 200               | 0                      | 200              | 0.00%           | 0                 |
| 47002500 - Collection Interest Revenue                              | 12,029            | 5,250                  | 6,779            | 129.13%         | 9,000             |
| 47501000 - Recycling  | 830               | 4,083                  | (3,253)          | (79.67%)        | 7,000             |
| 49009000 - Miscellaneous Revenue                                    | (6)               | 0                      | (6)              | 0.00%           | 0                 |
| <b>Total Miscellaneous</b>  | <b>320,071</b>    | <b>375,216</b>         | <b>(55,145)</b>  | <b>(14.70%)</b> | <b>643,249</b>    |
| <b>Total Non-Assessment Revenue</b>                                 | <b>1,655,370</b>  | <b>1,159,423</b>       | <b>495,947</b>   | <b>42.78%</b>   | <b>1,987,749</b>  |
| <b>Total Revenue</b>  | <b>21,000,798</b> | <b>20,504,340</b>      | <b>496,458</b>   | <b>2.42%</b>    | <b>35,150,463</b> |
| Expenses:   |                   |                        |                  |                 |                   |
| <b>Employee Compensation</b>  |                   |                        |                  |                 |                   |
| 51011000 - Salaries & Wages - Regular                               | 1,394,872         | 1,581,665              | 186,793          | 11.81%          | 2,728,278         |
| 51021000 - Union Wages - Regular                                    | 2,641,980         | 3,493,635              | 851,655          | 24.38%          | 6,014,985         |
| 51041000 - Wages - Overtime   | 14,957            | 14,322                 | (635)            | (4.44%)         | 24,561            |
| 51051000 - Union Wages - Overtime                                   | 45,650            | 33,275                 | (12,375)         | (37.19%)        | 57,065            |
| 51061000 - Holiday & Vacation                                       | 482,420           | 428,487                | (53,934)         | (12.59%)        | 738,150           |
| 51071000 - Sick   | 230,224           | 174,777                | (55,447)         | (31.72%)        | 301,087           |
| 51081000 - Sick - Part Time   | 0                 | 14                     | 14               | 100.00%         | 24                |



**Third Laguna Hills Mutual  
Operating Statement  
7/31/2020  
THIRD LAGUNA HILLS MUTUAL**

|   | YEAR TO DATE     |                  |                  |                 | TOTAL             |
|---|------------------|------------------|------------------|-----------------|-------------------|
|   | Actual           | Budget           | VAR\$ B/(W)      | VAR% B/(W)      | BUDGET            |
| 51091000 - Missed Meal Penalty                  | 2,194            | 628              | (1,566)          | (249.35%)       | 1,095             |
| 51101000 - Temporary Help                       | 4,933            | 1,091            | (3,841)          | (351.94%)       | 1,876             |
| 51981000 - Compensation Accrual                 | (304,726)        | 0                | 304,726          | 0.00%           | 0                 |
| <b>Total Employee Compensation</b>              | <b>4,512,504</b> | <b>5,727,894</b> | <b>1,215,389</b> | <b>21.22%</b>   | <b>9,867,121</b>  |
| <b>Compensation Related</b>                     |                  |                  |                  |                 |                   |
| 52411000 - F.I.C.A.                             | 370,663          | 433,611          | 62,948           | 14.52%          | 740,744           |
| 52421000 - F.U.I.                               | 7,548            | 10,574           | 3,026            | 28.62%          | 10,574            |
| 52431000 - S.U.I.                               | 51,569           | 53,774           | 2,205            | 4.10%           | 53,774            |
| 52441000 - Union Medical                        | 1,081,440        | 1,105,092        | 23,651           | 2.14%           | 1,894,443         |
| 52451000 - Workers' Compensation Insurance      | 266,104          | 390,812          | 124,708          | 31.91%          | 613,988           |
| 52461000 - Non Union Medical & Life Insurance   | 184,660          | 177,823          | (6,837)          | (3.84%)         | 304,840           |
| 52471000 - Union Retirement Plan                | 208,131          | 194,805          | (13,325)         | (6.84%)         | 335,396           |
| 52481000 - Non-Union Retirement Plan            | 35,692           | 69,060           | 33,368           | 48.32%          | 119,124           |
| 52981000 - Compensation Related Accrual         | (40,095)         | 0                | 40,095           | 0.00%           | 0                 |
| <b>Total Compensation Related</b>               | <b>2,165,713</b> | <b>2,435,552</b> | <b>269,839</b>   | <b>11.08%</b>   | <b>4,072,883</b>  |
| <b>Materials and Supplies</b>                   |                  |                  |                  |                 |                   |
| 53001000 - Materials & Supplies                 | 218,476          | 309,149          | 90,673           | 29.33%          | 513,296           |
| 53003000 - Materials Direct                     | 310,942          | 743,022          | 432,080          | 58.15%          | 1,274,117         |
| 53004000 - Freight                              | 349              | 0                | (349)            | 0.00%           | 0                 |
| <b>Total Materials and Supplies</b>             | <b>529,768</b>   | <b>1,052,171</b> | <b>522,404</b>   | <b>49.65%</b>   | <b>1,787,413</b>  |
| <b>Utilities and Telephone</b>                  |                  |                  |                  |                 |                   |
| 53301000 - Electricity                          | 180,388          | 277,700          | 97,312           | 35.04%          | 390,500           |
| 53301500 - Sewer                                | 991,854          | 994,400          | 2,546            | 0.26%           | 1,715,400         |
| 53302000 - Water                                | 1,487,667        | 1,528,536        | 40,868           | 2.67%           | 2,876,390         |
| 53302500 - Trash                                | 321,001          | 326,580          | 5,579            | 1.71%           | 559,854           |
| <b>Total Utilities and Telephone</b>            | <b>2,980,911</b> | <b>3,127,216</b> | <b>146,305</b>   | <b>4.68%</b>    | <b>5,542,144</b>  |
| <b>Legal Fees</b>                               |                  |                  |                  |                 |                   |
| 53401500 - Legal Fees                           | 321,781          | 291,658          | (30,123)         | (10.33%)        | 499,985           |
| <b>Total Legal Fees</b>                         | <b>321,781</b>   | <b>291,658</b>   | <b>(30,123)</b>  | <b>(10.33%)</b> | <b>499,985</b>    |
| <b>Professional Fees</b>                        |                  |                  |                  |                 |                   |
| 53402020 - Audit & Tax Preparation Fees - Third | 40,000           | 40,500           | 500              | 1.23%           | 44,500            |
| 53403500 - Consulting Fees                      | 0                | 6,598            | 6,598            | 100.00%         | 11,824            |
| 53403520 - Consulting Fees - Third              | 32,724           | 51,576           | 18,852           | 36.55%          | 88,436            |
| <b>Total Professional Fees</b>                  | <b>72,724</b>    | <b>98,674</b>    | <b>25,950</b>    | <b>26.30%</b>   | <b>144,760</b>    |
| <b>Equipment Rental</b>                         |                  |                  |                  |                 |                   |
| 53501500 - Equipment Rental/Lease Fees          | 12,320           | 11,500           | (819)            | (7.12%)         | 19,963            |
| <b>Total Equipment Rental</b>                   | <b>12,320</b>    | <b>11,500</b>    | <b>(819)</b>     | <b>(7.12%)</b>  | <b>19,963</b>     |
| <b>Outside Services</b>                         |                  |                  |                  |                 |                   |
| 53601000 - Bank Fees                            | 18,854           | 14,686           | (4,168)          | (28.38%)        | 25,179            |
| 53601500 - Credit Card Transaction Fees         | 3,593            | 0                | (3,593)          | 0.00%           | 0                 |
| 53604500 - Marketing Expense                    | 3,040            | 0                | (3,040)          | 0.00%           | 0                 |
| 54603500 - Outside Services Cost Collection     | 4,324,774        | 7,165,939        | 2,841,165        | 39.65%          | 11,541,973        |
| 53704000 - Outside Services                     | 28,631           | 46,992           | 18,361           | 39.07%          | 93,428            |
| <b>Total Outside Services</b>                   | <b>4,378,893</b> | <b>7,227,617</b> | <b>2,848,724</b> | <b>39.41%</b>   | <b>11,660,580</b> |
| <b>Repairs and Maintenance</b>                  |                  |                  |                  |                 |                   |
| 53701000 - Equipment Repair & Maint             | 2,356            | 9,410            | 7,054            | 74.96%          | 16,157            |
| 53703000 - Elevator /Lift Maintenance           | 189,311          | 212,386          | 23,075           | 10.86%          | 364,090           |
| <b>Total Repairs and Maintenance</b>            | <b>191,667</b>   | <b>221,796</b>   | <b>30,128</b>    | <b>13.58%</b>   | <b>380,247</b>    |
| <b>Other Operating Expense</b>                  |                  |                  |                  |                 |                   |
| 53801000 - Mileage & Meal Allowance             | 764              | 8,716            | 7,953            | 91.24%          | 14,959            |
| 53801500 - Travel & Lodging                     | 246              | 1,718            | 1,472            | 85.69%          | 2,934             |
| 53802000 - Uniforms                             | 36,346           | 54,562           | 18,216           | 33.39%          | 93,574            |
| 53802500 - Dues & Memberships                   | 275              | 1,064            | 789              | 74.16%          | 2,053             |
| 53803000 - Subscriptions & Books                | 839              | 1,185            | 346              | 29.19%          | 2,042             |
| 53803500 - Training & Education                 | 3,499            | 10,992           | 7,494            | 68.17%          | 18,731            |
| 53804000 - Staff Support                        | 104              | 646              | 542              | 83.87%          | 1,107             |
| 53901500 - Volunteer Support                    | 0                | 731              | 731              | 100.00%         | 1,253             |
| 53903000 - Safety                               | 0                | 322              | 322              | 100.00%         | 556               |
| 54001000 - Board Relations                      | 158              | 0                | (158)            | 0.00%           | 0                 |
| 54001020 - Board Relations - Third              | 1,709            | 4,375            | 2,666            | 60.95%          | 7,500             |

**Third Laguna Hills Mutual  
Operating Statement  
7/31/2020  
THIRD LAGUNA HILLS MUTUAL**

|  | Actual             | YEAR TO DATE<br>Budget | VAR\$ B/(W)        | VAR% B/(W)      | TOTAL<br>BUDGET      |
|--|--------------------|------------------------|--------------------|-----------------|----------------------|
| 54002000 - Postage                         | 20,161             | 31,374                 | 11,213             | 35.74%          | 53,788               |
| 54002500 - Filing Fees / Permits           | 130                | 484                    | 353                | 73.06%          | 956                  |
| <b>Total Other Operating Expense</b>       | <b>64,231</b>      | <b>116,169</b>         | <b>51,938</b>      | <b>44.71%</b>   | <b>199,454</b>       |
| <b>Income Taxes</b>                        |                    |                        |                    |                 |                      |
| 54301000 - State & Federal Income Taxes    | 20,000             | 0                      | (20,000)           | 0.00%           | 0                    |
| <b>Total Income Taxes</b>                  | <b>20,000</b>      | <b>0</b>               | <b>(20,000)</b>    | <b>0.00%</b>    | <b>0</b>             |
| <b>Property and Sales Tax</b>              |                    |                        |                    |                 |                      |
| 54302000 - Property Taxes                  | 497                | 0                      | (497)              | 0.00%           | 0                    |
| <b>Total Property and Sales Tax</b>        | <b>497</b>         | <b>0</b>               | <b>(497)</b>       | <b>0.00%</b>    | <b>0</b>             |
| <b>Insurance</b>                           |                    |                        |                    |                 |                      |
| 54401000 - Hazard & Liability Insurance    | 333,049            | 256,590                | (76,459)           | (29.80%)        | 439,870              |
| 54401500 - D&O Liability                   | 27,203             | 28,271                 | 1,068              | 3.78%           | 48,466               |
| 54402000 - Property Insurance              | 830,350            | 595,940                | (234,410)          | (39.33%)        | 1,021,615            |
| 54403000 - General Liability Insurance     | 2,799              | 4,125                  | 1,326              | 32.15%          | 7,072                |
| <b>Total Insurance</b>                     | <b>1,193,402</b>   | <b>884,927</b>         | <b>(308,475)</b>   | <b>(34.86%)</b> | <b>1,517,022</b>     |
| <b>Investment Expense</b>                  |                    |                        |                    |                 |                      |
| 54201000 - Investment Expense              | 6,311              | 27,406                 | 21,095             | 76.97%          | 46,981               |
| <b>Total Investment Expense</b>            | <b>6,311</b>       | <b>27,406</b>          | <b>21,095</b>      | <b>76.97%</b>   | <b>46,981</b>        |
| <b>Uncollectible Accounts</b>              |                    |                        |                    |                 |                      |
| 54602000 - Bad Debt Expense                | 10,422             | 70,058                 | 59,637             | 85.12%          | 120,100              |
| <b>Total Uncollectible Accounts</b>        | <b>10,422</b>      | <b>70,058</b>          | <b>59,637</b>      | <b>85.12%</b>   | <b>120,100</b>       |
| <b>(Gain)/Loss on Sale or Trade</b>        |                    |                        |                    |                 |                      |
| 54101500 - (Gain)/Loss On Investments      | 108,078            | 0                      | (108,078)          | 0.00%           | 0                    |
| <b>Total (Gain)/Loss on Sale or Trade</b>  | <b>108,078</b>     | <b>0</b>               | <b>(108,078)</b>   | <b>0.00%</b>    | <b>0</b>             |
| <b>Depreciation and Amortization</b>       |                    |                        |                    |                 |                      |
| 55001000 - Depreciation And Amortization   | 79,464             | 79,464                 | 0                  | 0.00%           | 136,224              |
| <b>Total Depreciation and Amortization</b> | <b>79,464</b>      | <b>79,464</b>          | <b>0</b>           | <b>0.00%</b>    | <b>136,224</b>       |
| <b>Net Allocation to Mutuals</b>           |                    |                        |                    |                 |                      |
| 54602500 - Allocated Expenses              | 824,803            | 920,322                | 95,519             | 10.38%          | 1,576,803            |
| <b>Total Net Allocation to Mutuals</b>     | <b>824,803</b>     | <b>920,322</b>         | <b>95,519</b>      | <b>10.38%</b>   | <b>1,576,803</b>     |
| <b>Total Expenses</b>                      | <b>17,473,487</b>  | <b>22,292,423</b>      | <b>4,818,936</b>   | <b>21.62%</b>   | <b>37,571,680</b>    |
| <b>Excess of Revenues Over Expenses</b>    | <b>\$3,527,311</b> | <b>(\$1,788,083)</b>   | <b>\$5,315,394</b> | <b>297.27%</b>  | <b>(\$2,421,217)</b> |

**Third Laguna Hills Mutual  
Balance Sheet - Preliminary  
7/31/2020**

|           |  | <u>Current<br/>Month End</u> | <u>Prior Year<br/>December 31</u> |
|-----------|--|------------------------------|-----------------------------------|
|           | <b>Assets</b>                                    |                              |                                   |
| 1         | Cash and cash equivalents                        | \$3,336,215                  | \$692,297                         |
| 2         | Non-discretionary investments                    | 5,998,153                    | 13,852,772                        |
| 3         | Discretionary investments                        | 25,582,889                   | 16,711,420                        |
| 4         | Receivable/(Payable) from mutuals                | 786,956                      | 743,861                           |
| 5         | Accounts receivable and interest receivable      | 44,992                       | 517,813                           |
| 6         | Prepaid expenses and deposits                    | 229,978                      | 807,109                           |
| 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 | 5,245,049                    | 5,324,513                         |
| 10        | Non-controlling interest in GRF                  | 37,749,056                   | 37,749,056                        |
| <b>11</b> | <b>Total Assets</b>                              | <b><u>\$78,973,289</u></b>   | <b><u>\$76,398,842</u></b>        |
|           | <b>Liabilities and Fund Balances</b>             |                              |                                   |
|           | Liabilities:                                     |                              |                                   |
| 12        | Accounts payable and accrued expenses            | \$1,558,969                  | \$2,396,340                       |
| 13        | Accrued compensation and related costs           | 454,762                      | 629,534                           |
| 14        | Deferred income                                  | 807,714                      | 748,436                           |
| 15        | Income tax payable                               | 80,710                       | 80,710                            |
| 16        | Total liabilities                                | <u>\$2,902,156</u>           | <u>\$3,855,020</u>                |
|           | Fund balances:                                   |                              |                                   |
| 17        | Fund balance prior years                         | 72,543,822                   | 72,327,726                        |
| 18        | Change in fund balance - current year            | 3,527,311                    | 216,095                           |
| 19        | Total fund balances                              | <u>76,071,133</u>            | <u>72,543,822</u>                 |
| <b>20</b> | <b>Total Liabilities and Fund Balances</b>       | <b><u>\$78,973,289</u></b>   | <b><u>\$76,398,842</u></b>        |

8/13/2020

**Third Laguna Hills Mutual  
Fund Balance Sheet - Preliminary  
7/31/2020**

|   | <b>Operating<br/>Fund</b>  | <b>Unappropriated<br/>Expenditures<br/>Fund</b> | <b>Disaster<br/>Fund</b>  | <b>Replacement<br/>Fund</b> | <b>Elevator<br/>Replacement<br/>Fund</b> | <b>Laundry<br/>Replacement<br/>Fund</b> | <b>Garden Villa<br/>Rec Room<br/>Fund</b> | <b>Total</b>               |
|---|----------------------------|---|---------------------------|-----------------------------|--|---|---|----------------------------|
| <b>Assets</b>                                       |                            |   |                           |                             |  |   |   |                            |
| 1 Cash and cash equivalents                         | \$1,308,049                | \$363,413                                       |                           | \$1,647,964                 |  |   | \$16,789                                  | \$3,336,215                |
| 2 Non-discretionary investments                     | 1,999,375                  | 502,611   | 1,257,230                 | 1,935,763                   | 240,928                                  | 52,132                                  | 10,113                                    | 5,998,153                  |
| 3 Discretionary investments                         |                            | 3,215,545                                       | 8,043,351                 | 12,384,389                  | 1,541,382                                | 333,523                                 | 64,699                                    | 25,582,889                 |
| 4 Receivable/(Payable) from mutuals                 | 786,956                    |   |                           |                             |  |   |   | 786,956                    |
| 5 Receivable/(Payable) from operating fund          | (1,268,716)                | 103   | (87,873)                  | 1,014,046                   | 286,128                                  | 56,211                                  | 101                                       |                            |
| 6 Accounts receivable and interest receivable       | 44,992                     |   |                           |                             |  |   |   | 44,992                     |
| 7 Prepaid expenses and deposits                     | 229,978                    |   |                           |                             |  |   |   | 229,978                    |
| 8 Property and equipment                            | 141,239                    |   |                           |                             |  |   |   | 141,239                    |
| 9 Accumulated depreciation property and equipment   | (141,239)                  |   |                           |                             |  |   |   | (141,239)                  |
| 10 Beneficial interest in GRF of Laguna Hills Trust | 5,245,049                  |   |                           |                             |  |   |   | 5,245,049                  |
| 11 Non-controlling interest in GRF                  | 37,749,056                 |   |                           |                             |  |   |   | 37,749,056                 |
| <b>12 Total Assets</b>                              | <b><u>\$46,094,740</u></b> | <b><u>\$4,081,672</u></b>                       | <b><u>\$9,212,708</u></b> | <b><u>\$16,982,162</u></b>  | <b><u>\$2,068,438</u></b>                | <b><u>\$441,866</u></b>                 | <b><u>\$91,701</u></b>                    | <b><u>\$78,973,289</u></b> |
| <b>Liabilities and Fund Balances</b>                |                            |   |                           |                             |  |   |   |                            |
| Liabilities:  |                            |   |                           |                             |  |   |   |                            |
| 13 Accounts payable and accrued expenses            | \$500,218                  |   | \$135,154                 | \$923,379                   |  |   | \$219                                     | \$1,558,970                |
| 14 Accrued compensation and related costs           | 454,762                    |   |                           |                             |  |   |   | 454,762                    |
| 15 Deferred income                                  | 807,714                    |   |                           |                             |  |   |   | 807,714                    |
| 16 Income tax payable                               | 80,710                     |   |                           |                             |  |   |   | 80,710                     |
| 17 Total liabilities                                | <u>\$1,843,404</u>         |   | <u>\$135,154</u>          | <u>\$923,379</u>            |  |   | <u>\$219</u>                              | <u>\$2,902,156</u>         |
| Fund balances:                                      |                            |   |                           |                             |  |   |   |                            |
| 18 Fund balance prior years                         | 43,747,038                 | 3,625,772                                       | 9,064,862                 | 13,779,220                  | 1,837,556                                | 416,421                                 | 72,953                                    | 72,543,822                 |
| 19 Change in fund balance - current year            | 504,299                    | 455,900   | 12,692                    | 2,279,563                   | 230,882                                  | 25,445                                  | 18,530                                    | 3,527,311                  |
| 20 Total fund balances                              | <u>44,251,337</u>          | <u>4,081,672</u>                                | <u>9,077,554</u>          | <u>16,058,783</u>           | <u>2,068,438</u>                         | <u>441,866</u>                          | <u>91,483</u>                             | <u>76,071,133</u>          |
| <b>21 Total Liabilities and Fund Balances</b>       | <b><u>\$46,094,740</u></b> | <b><u>\$4,081,672</u></b>                       | <b><u>\$9,212,708</u></b> | <b><u>\$16,982,162</u></b>  | <b><u>\$2,068,438</u></b>                | <b><u>\$441,866</u></b>                 | <b><u>\$91,701</u></b>                    | <b><u>\$78,973,289</u></b> |

**Third Laguna Hills Mutual  
Changes in Fund Balances - Preliminary  
7/31/2020**

|  | <b>Operating<br/>Fund</b> | <b>Unappropriated<br/>Expenditures<br/>Fund</b> | <b>Disaster<br/>Fund</b> | <b>Replacement<br/>Fund</b> | <b>Elevator<br/>Replacement<br/>Fund</b> | <b>Laundry<br/>Replacement<br/>Fund</b> | <b>Garden Villa<br/>Rec Room<br/>Fund</b> | <b>Total</b> |
|--|---------------------------|---|--------------------------|-----------------------------|--|---|---|--------------|
| Revenues:  |                           |   |                          |                             |  |   |   |              |
| Assessments:   |                           |   |                          |                             |  |   |   |              |
| 1 Operating  | \$11,799,985              |   |                          |                             |  |   |   | \$11,799,985 |
| 2 Additions to restricted funds                      |                           | 341,712   | 661,213                  | 6,236,244                   | 213,570                                  | 42,714                                  | 49,991                                    | 7,545,443    |
| 3 Total assessments                                  | 11,799,985                | 341,712   | 661,213                  | 6,236,244                   | 213,570                                  | 42,714                                  | 49,991                                    | 19,345,428   |
| Non-assessment revenues:                             |                           |   |                          |                             |  |   |   |              |
| 4 Fees and charges for services to residents         | 179,302                   |   |                          |                             |  |   |   | 179,302      |
| 5 Laundry  | 133,228                   |   |                          |                             |  |   |   | 133,228      |
| 6 Interest income                                    |                           | 35,670  | 84,884                   | 139,254                     | 18,157                                   | 4,008                                   | 717                                       | 282,690      |
| 7 Unrealized gain/(loss) on AFS investments          |                           | 93,024  | 208,351                  | 379,542                     | 47,073                                   | 10,144                                  | 1,946                                     | 740,080      |
| 8 Miscellaneous                                      | 320,071                   |   |                          |                             |  |   |   | 320,071      |
| 9 Total non-assessment revenue                       | 632,601                   | 128,694   | 293,235                  | 518,796                     | 65,230                                   | 14,152                                  | 2,663                                     | 1,655,370    |
| 10 Total revenue                                     | 12,432,585                | 470,406   | 954,448                  | 6,755,040                   | 278,800                                  | 56,866                                  | 52,653                                    | 21,000,798   |
| Expenses:  |                           |   |                          |                             |  |   |   |              |
| 11 Employee compensation and related                 | 5,429,162                 |   | 9,938                    | 1,228,570                   |  | 5,307                                   | 5,241                                     | 6,678,217    |
| 12 Materials and supplies                            | 388,239                   |   | 402                      | 116,212                     |  | 23,327                                  | 1,588                                     | 529,768      |
| 13 Utilities and telephone                           | 2,978,854                 |   | 50                       | 2,003                       |  |   | 4   | 2,980,911    |
| 14 Legal fees  | 321,781                   |   |                          |                             |  |   |   | 321,781      |
| 15 Professional fees                                 | 72,724                    |   |                          |                             |  |   |   | 72,724       |
| 16 Equipment rental                                  | 2,513                     |   | 83                       | 9,722                       |  |   | 2   | 12,320       |
| 17 Outside services                                  | 437,098                   |   | 921,714                  | 2,955,991                   | 37,560                                   |   | 26,530                                    | 4,378,893    |
| 18 Repairs and maintenance                           | 191,292                   |   | 19                       | 356                         |  |   |   | 191,667      |
| 19 Other Operating Expense                           | 55,278                    |   | 75                       | 8,806                       |  | 40                                      | 32  | 64,231       |
| 20 Income taxes                                      | 20,000                    |   |                          |                             |  |   |   | 20,000       |
| 21 Property and sales tax                            | 497                       |   |                          |                             |  |   |   | 497          |
| 22 Insurance   | 1,193,402                 |   |                          |                             |  |   |   | 1,193,402    |
| 23 Investment expense                                |                           | 795   | 1,910                    | 3,094                       | 406                                      | 90                                      | 16  | 6,311        |
| 24 Uncollectible Accounts                            | 10,422                    |   |                          |                             |  |   |   | 10,422       |
| 25 (Gain)/loss on sale or trade                      |                           | 13,812  | 32,582                   | 52,834                      | 7,072                                    | 1,549                                   | 230                                       | 108,078      |
| 26 Depreciation and amortization                     | 79,464                    |   |                          |                             |  |   |   | 79,464       |
| 27 Net allocations to mutuals                        | 747,563                   |   | 1,636                    | 74,755                      |  | 487                                     | 363                                       | 824,803      |
| 28 Total expenses                                    | 11,928,287                | 14,607  | 968,409                  | 4,452,343                   | 45,038                                   | 30,798                                  | 34,005                                    | 17,473,487   |
| 29 Excess of revenues over expenses                  | \$504,299                 | \$455,798                                       | (\$13,961)               | \$2,302,697                 | \$233,762                                | \$26,068                                | \$18,648                                  | \$3,527,311  |
| 30 Excluding unrealized gain/(loss) and depreciation | \$583,763                 | \$362,775                                       | (\$222,311)              | \$1,923,155                 | \$186,689                                | \$15,924                                | \$16,702                                  | \$2,866,695  |

**THIRD LAGUNA HILLS MUTUAL**  
**Provision For Doubtful Accounts**  
**As of July 31, 2020**

| Month        | Delinquent Assessments <sup>(1)</sup> | Assessments Write-Offs <sup>(2)</sup> | Bad Debt Small Claims <sup>(3)</sup> | Delinquent Fines, Fees, and Chargeable Services <sup>(4)</sup> | Chargeable Services Write-Offs <sup>(5)</sup> | Change in Provision <sup>(6)</sup> | Total Delinquent Units <sup>(7)</sup> |
|--------------|---------------------------------------|---------------------------------------|--------------------------------------|--|---|------------------------------------|---------------------------------------|
| December-19  | 100,999                               |                                       |                                      | 512,865  |   |                                    | 12                                    |
| January-20   | 104,299                               | -                                     | -                                    | 506,468  |   | (3,097)                            | 11                                    |
| February-20  | 107,143                               |                                       | (2,610)                              | 495,154  | -   | (11,080)                           | 11                                    |
| March-20     | 121,333                               |                                       | -                                    | 498,595  | -   | 17,630                             | 15                                    |
| April-20     | 125,552                               |                                       | -                                    | 495,157  | -   | 781                                | 13                                    |
| May-20       | 137,801                               |                                       | -                                    | 494,047  | -   | 11,139                             | 14                                    |
| June-20      | 139,567                               |                                       | -                                    | 493,458.79   | -   | 1,178                              | 14                                    |
| July-20      | 141,335                               |                                       | -                                    | 485,560.65   | -   | (6,130)                            | 14                                    |
| August-20    |                                       |                                       | (166,251)                            |  | -   | -                                  |                                       |
| September-20 |                                       |                                       | -                                    |  | -   | -                                  |                                       |
| October-20   |                                       |                                       | -                                    |  | -   | -                                  |                                       |
| November-20  |                                       |                                       | -                                    |  | -   | -                                  |                                       |
| December-20  |                                       | -                                     | -                                    |  | -   | -                                  |                                       |
| YTD TOTAL    |                                       |                                       |                                      |  |   | 10,422                             |                                       |

(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

**THIRD LAGUNA HILLS MUTUAL  
NON-DISCRETIONARY ACCOUNT HELD BY BANK OF AMERICA  
SCHEDULE OF INVESTMENTS  
7/31/20**

| I.D. NO.                                       | DESCRIPTION        | STATED<br>RATE | SETTLEMENT<br>DATE | MATURITY<br>DATE | PAR<br>VALUE           | EFFECTIVE<br>YIELD | ORIGINAL<br>COST       | ANNUALIZED<br>YTD YIELD * | BOOK<br>VALUE         | 7/31/2020             |                           |
|--|--------------------|----------------|--------------------|------------------|------------------------|--------------------|------------------------|---------------------------|-----------------------|-----------------------|---------------------------|
|  |                    |                |                    |                  |                        |                    |                        |                           |                       | MARKET<br>VALUE       | UNREALIZED<br>GAIN/(LOSS) |
| 9127962H1                                      | U.S. TREASURY BILL | 0.00%          | 07-31-20           | 09-24-20         | 2,000,000.00           | 0.07%              | 1,999,783.33           |                           | 1,999,783.33          | \$1,999,783.33        | \$0.00                    |
| 9127962Z1                                      | U.S. TREASURY BILL | 0.00%          | 05-15-20           | 11-12-20         | 2,000,000.00           | 0.10%              | 1,998,994.44           |                           | 1,999,413.43          | \$1,999,410.00        | (\$3.43)                  |
| 912796TU3                                      | U.S. TREASURY BILL | 0.00%          | 07-31-20           | 12-03-20         | 2,000,000.00           | 0.09%              | 1,999,375.00           |                           | 1,999,375.00          | \$1,999,272.00        | (\$103.00)                |
| <b>TOTAL FOR NON-DISCRETIONARY INVESTMENTS</b> |                    |                |                    |                  | <b>\$ 6,000,000.00</b> |                    | <b>\$ 5,998,152.77</b> | <b>1.35%</b>              | <b>\$5,998,571.76</b> | <b>\$5,998,465.33</b> | <b>(\$106.43)</b>         |

\*Yield is based on all investments held during the year

**THIRD LAGUNA HILLS MUTUAL  
DISCRETIONARY ACCOUNT - SAGEVIEW/FIDELITY  
SCHEDULE OF INVESTMENTS  
7/31/20**

| I.D. NO.                                   | DESCRIPTION                      | STATED<br>RATE | SETTLEMENT<br>DATE | MATURITY<br>DATE | PAR<br>VALUE            | EFFECTIVE<br>YIELD | ORIGINAL<br>COST        | ANNUALIZED<br>YTD YIELD * | BOOK<br>VALUE          | 7/31/2020              |                           |
|--|----------------------------------|----------------|--------------------|------------------|-------------------------|--------------------|-------------------------|---------------------------|------------------------|------------------------|---------------------------|
|  |                                  |                |                    |                  |                         |                    |                         |                           |                        | MARKET<br>VALUE        | UNREALIZED<br>GAIN/(LOSS) |
|  | FIDELITY GOVT CASH RESERVES      |                |                    |                  | \$ 73,241.88            |                    | \$ 73,241.88            |                           | 73,241.88              | \$73,241.88            | \$0.00                    |
| 92206C870                                  | VCIT Vanguard Corp Bond Index    | 0.00%          | 12-17-19           | -                | 1,867,466.66            | 0.00%              | 1,867,466.66            |                           | 1,867,466.66           | \$1,946,960.81         | \$79,494.15               |
| 31635V216                                  | FUMBX Fidelity Treas Bond Index  | 0.00%          | 12-13-19           | -                | 7,385,638.68            | 0.00%              | 7,385,638.68            |                           | 7,385,638.68           | \$7,625,113.41         | \$239,474.73              |
| 31635V257                                  | FUAMX Fidelity Treas Bond Index  | 0.00%          | 12-13-19           | -                | 6,405,463.86            | 0.00%              | 6,405,463.86            |                           | 6,405,463.86           | \$6,651,599.60         | \$246,135.74              |
| 922031851                                  | VFIRX Vanguard Treas Admiral     | 0.00%          | 12-13-19           | -                | 1,238,614.21            | 0.00%              | 1,238,614.21            |                           | 1,238,614.21           | \$1,273,169.94         | \$34,555.73               |
| 92206C607                                  | VSCSX Vanguard Corp Bond Index   | 0.00%          | 12-13-19           | -                | 1,879,539.54            | 0.00%              | 1,879,539.54            |                           | 1,879,539.54           | \$1,915,603.15         | \$36,063.61               |
| 92206C755                                  | VMBSX Vanguard Sec Index Admiral | 0.00%          | 12-13-19           | -                | 5,979,304.08            | 0.00%              | 5,979,304.08            |                           | 5,979,304.08           | \$6,097,199.81         | \$117,895.73              |
| <b>TOTAL FOR DISCRETIONARY INVESTMENTS</b> |                                  |                |                    |                  | <b>24,829,268.91</b>    |                    | <b>24,829,268.91</b>    | <b>1.76%</b>              | <b>\$24,829,268.91</b> | <b>\$25,582,888.60</b> | <b>\$753,619.69</b>       |
| <b>TOTAL INVESTMENTS</b>                   |                                  |                |                    |                  | <b>\$ 30,829,268.91</b> |                    | <b>\$ 30,827,421.68</b> | <b>1.65%</b>              |                        |                        |                           |

\*Yield is based on all investments held during the year

**Third Laguna Hills Mutual  
Supplemental Appropriation Schedule  
Period Ending: 07/31/2020**

| Fund / Item                             | Resolution | BUDGET                  | EXPENDITURES I-T-D* |             |           | Remaining<br>Encumbrance |
|---|------------|-------------------------|---------------------|-------------|-----------|--------------------------|
|   |            | Total<br>Appropriations | 2020                | Prior Years | Total     |                          |
| Replacement Fund                        |            |                         |                     |             |           |                          |
| Ridge Route Perimeter Wall Improvements | 03-18-84   | \$330,000               | \$0                 | \$253,937   | \$253,937 | \$76,063                 |
| Cul-De-Sac Sign Replacement             | 03-19-73   | \$23,000                | \$0                 | \$20,304    | \$20,304  | \$2,696                  |
| Totals                                  |            | \$353,000               | \$0                 | \$274,241   | \$274,241 | \$78,759                 |
| Disaster Fund                           |            |                         |                     |             |           |                          |
| Slope Repairs Monte Hermosa             | 03-19-59   | \$42,216                | \$0                 | \$38,378    | 38,378    | \$3,839                  |
| Totals                                  |            | \$42,216                | \$0                 | \$38,378    | \$38,378  | \$3,839                  |

\*Incurred To Date



**THIRD LAGUNA HILLS MUTUAL  
FUND EXPENDITURES REPORT  
AS OF JULY 31, 2020**

| DESCRIPTION  | CURRENT MONTH |           | YEAR-TO-DATE |             | TOTAL<br>BUDGET * | %<br>EXPENDED | VARIANCE    |       |
|--|---------------|-----------|--------------|-------------|-------------------|---------------|-------------|-------|
|  | ACTUAL        | BUDGET    | ACTUAL       | BUDGET      |                   |               | \$          | %     |
| REPLACEMENT FUND - MAINTENANCE & CONSTRUCTION                                |               |           |              |             |                   |               |             |       |
| BUILDING NUMBERS   | 0             | 2,500     | 0            | 17,500      | 30,000            | 0%            | 17,500      | 100%  |
| BUILDING STRUCTURES  | 111,308       | 232,612   | 681,119      | 1,625,587   | 2,787,028         | 24%           | 944,468     | 58%   |
| ELECTRICAL SYSTEMS   | 0             | 4,957     | 1,090        | 34,699      | 59,495            | 2%            | 33,609      | 97%   |
| ENERGY PROJECTS  | 0             | 833       | 923          | 5,831       | 10,000            | 9%            | 4,909       | 84%   |
| EXTERIOR LIGHTING  | 664,919       | 6,249     | 681,571      | 783,743     | 815,000           | 84%           | 102,172     | 13%   |
| FENCING  | 0             | 4,597     | 17,068       | 31,891      | 54,703            | 31%           | 14,823      | 46%   |
| GARDEN VILLA LOBBY   | 0             | 9,375     | 28,300       | 65,625      | 112,500           | 25%           | 37,325      | 57%   |
| GARDEN VILLA MAILROOM  | 0             | 2,836     | 0            | 19,737      | 33,867            | 0%            | 19,737      | 100%  |
| GARDEN VILLA RECESSED AREA   | 0             | 5,416     | 109          | 37,912      | 65,000            | 0%            | 37,803      | 100%  |
| GV REC ROOM WATER HEATER/HEAT PUMP   | 615           | 804       | 6,103        | 5,619       | 9,644             | 63%           | (483)       | (9%)  |
| GUTTER REPLACEMENTS  | 0             | 8,228     | 20,022       | 57,315      | 98,289            | 20%           | 37,293      | 65%   |
| MAILBOXES  | 0             | 4,181     | 8,865        | 29,161      | 50,000            | 18%           | 20,296      | 70%   |
| PAINT PROGRAM - EXTERIOR   | 36,213        | 172,778   | 773,165      | 1,198,701   | 2,055,556         | 38%           | 425,536     | 35%   |
| PRIOR TO PAINT   | 606           | 123,622   | 296,581      | 857,229     | 1,470,323         | 20%           | 560,648     | 65%   |
| PAVING   | 0             | 64,591    | 3,014        | 452,137     | 775,112           | 0%            | 449,123     | 99%   |
| ROOF REPLACEMENTS  | 182,922       | 117,991   | 418,512      | 825,937     | 1,415,904         | 30%           | 407,425     | 49%   |
| WALL REPLACEMENTS  | 0             | 13,750    | 137,928      | 96,250      | 165,000           | 84%           | (41,678)    | (43%) |
| WASTE LINE REMEDIATION   | 0             | 83,333    | 196,674      | 583,331     | 1,000,000         | 20%           | 386,657     | 66%   |
| WATER LINES - COPPER PIPE REMEDIATION  | 0             | 41,666    | 151,438      | 291,662     | 500,000           | 30%           | 140,224     | 48%   |
| TOTAL  | \$996,583     | \$900,319 | \$3,422,480  | \$7,019,868 | \$11,507,422      | 30%           | \$3,597,388 | 51%   |
| * Exterior Lighting includes \$740,000 carried over from the 2019 plan.      |               |           |              |             |                   |               |             |       |
| REPLACEMENT FUND - GENERAL SERVICES  |               |           |              |             |                   |               |             |       |
| PRIOR TO PAINT   | 0             | 961       | 1,842        | 6,650       | 11,405            | 16%           | 4,808       | 72%   |
| PAVING   | 2,431         | 6,408     | 36,453       | 44,388      | 76,146            | 48%           | 7,934       | 18%   |
| EXTERIOR WALLS   | 0             | 4,095     | 0            | 28,665      | 49,147            | 0%            | 28,665      | 100%  |
| TOTAL  | \$2,431       | \$11,463  | \$38,295     | \$79,702    | \$136,698         | 28%           | \$41,408    | 52%   |
| REPLACEMENT FUND - LANDSCAPE SERVICES  |               |           |              |             |                   |               |             |       |
| LANDSCAPE MODIFICATION   | 157,006       | 199,953   | 400,526      | 649,464     | 899,129           | 162%          | 248,939     | 38%   |
| TREE MAINTENANCE   | 110,593       | 71,810    | 535,115      | 497,812     | 853,812           | 63%           | (37,303)    | (7%)  |
| TOTAL  | \$267,599     | \$271,762 | \$935,641    | \$1,147,276 | \$1,752,942       | 53%           | \$211,635   | 18%   |
| * Landscape Modification includes \$300,000 carried over from the 2019 plan. |               |           |              |             |                   |               |             |       |
| ELEVATOR REPLACEMENT FUND  |               |           |              |             |                   |               |             |       |
| ELEVATOR REPLACEMENT   | \$0           | \$21,250  | \$37,560     | \$148,750   | \$255,000         | 15%           | \$111,190   | 75%   |
| TOTAL  | \$0           | \$21,250  | \$37,560     | \$148,750   | \$255,000         | 15%           | \$111,190   | 75%   |
| LAUNDRY REPLACEMENT FUND   |               |           |              |             |                   |               |             |       |
| LAUNDRY APPLIANCES   | \$3,249       | \$4,885   | \$25,222     | \$34,112    | \$58,508          | 43%           | \$8,890     | 26%   |
| LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS  | 0             | 5,006     | 3,938        | 34,940      | 59,912            | 7%            | 31,002      | 89%   |
| TOTAL  | \$3,249       | \$9,892   | \$29,160     | \$69,052    | \$118,420         | 25%           | \$39,892    | 58%   |

**THIRD LAGUNA HILLS MUTUAL  
FUND EXPENDITURES REPORT  
AS OF JULY 31, 2020**

| DESCRIPTION                                 | CURRENT MONTH |           | YEAR-TO-DATE |             | TOTAL<br>BUDGET * | %<br>EXPENDED | VARIANCE   |       |
|---|---------------|-----------|--------------|-------------|-------------------|---------------|------------|-------|
|   | ACTUAL        | BUDGET    | ACTUAL       | BUDGET      |                   |               | \$         | %     |
| GARDEN VILLA RECREATION ROOM FUND           |               |           |              |             |                   |               |            |       |
| GARDEN VILLA RECREATION ROOMS               | \$0           | \$5,929   | \$33,760     | \$41,349    | \$70,982          | 48%           | \$7,589    | 18%   |
| TOTAL GARDEN VILLA REC ROOMS FUND           | \$0           | \$5,929   | \$33,760     | \$41,349    | \$70,982          | 48%           | \$7,589    | 18%   |
| OPERATING FUND - MAINTENANCE & CONSTRUCTION |               |           |              |             |                   |               |            |       |
| APPLIANCE REPAIRS                           | \$9,720       | \$7,341   | \$79,017     | \$50,860    | \$87,257          | 91%           | (\$28,157) | (55%) |
| CARPENTRY SERVICE                           | 33,634        | 35,522    | 397,115      | 246,273     | 422,426           | 94%           | (150,841)  | (61%) |
| ELECTRICAL SERVICE                          | 6,605         | 11,275    | 66,228       | 78,046      | 133,883           | 49%           | 11,818     | 15%   |
| FIRE PROTECTION                             | 2,355         | 10,935    | 33,516       | 76,545      | 131,252           | 26%           | 43,029     | 56%   |
| MISC REPAIRS BY OUTSIDE SERVICE             | 0             | 4,888     | 4,405        | 34,216      | 58,664            | 8%            | 29,811     | 87%   |
| PEST CONTROL                                | 2,085         | 30,355    | 19,609       | 212,485     | 364,272           | 5%            | 192,876    | 91%   |
| PLUMBING SERVICE                            | 65,445        | 57,391    | 472,005      | 398,199     | 682,989           | 69%           | (73,806)   | (19%) |
| SOLAR MAINTENANCE                           | 2,741         | 2,083     | 10,511       | 14,581      | 25,000            | 42%           | 4,070      | 28%   |
| TOTAL                                       | \$122,586     | \$159,790 | \$1,082,404  | \$1,111,205 | \$1,905,743       | 57%           | \$28,800   | 3%    |
| OPERATING FUND - GENERAL SERVICES           |               |           |              |             |                   |               |            |       |
| CONCRETE REPAIR/REPLACEMENT                 | 18,273        | 30,946    | 182,541      | 214,585     | 368,011           | 50%           | 32,044     | 15%   |
| JANITORIAL SERVICE                          | 103,641       | 79,430    | 566,958      | 550,429     | 943,316           | 60%           | (16,529)   | (3%)  |
| GUTTER CLEANING                             | 72            | 14,935    | 18,734       | 104,287     | 178,802           | 10%           | 85,553     | 82%   |
| TRAFFIC CONTROL                             | 229           | 1,630     | 8,735        | 11,285      | 19,357            | 45%           | 2,550      | 23%   |
| WELDING                                     | 3,215         | 9,324     | 41,429       | 64,569      | 110,744           | 37%           | 23,139     | 36%   |
| TOTAL                                       | \$125,430     | \$136,266 | \$818,397    | \$945,154   | \$1,620,230       | 51%           | \$126,757  | 13%   |
| DISASTER FUND - MAINTENANCE & CONSTRUCTION  |               |           |              |             |                   |               |            |       |
| MOISTURE INTRUSION - RAIN LEAKS             | \$35,760      | \$39,585  | 342,039      | \$277,095   | \$475,025         | 72%           | (64,944)   | (23%) |
| MOISTURE INTRUSION - PLUMBING LEAKS         | 5,046         | 54,166    | 300,612      | 379,162     | 650,000           | 46%           | 78,550     | 21%   |
| MOISTURE INTRUSION - PLUMBING STOPPAGES     | 2,153         | 8,333     | 49,927       | 58,331      | 100,000           | 50%           | 8,404      | 14%   |
| MOISTURE INTRUSION - MISCELLANEOUS          | 0             | 7,757     | 44,600       | 54,299      | 93,095            | 48%           | 9,699      | 18%   |
| DAMAGE RESTORATION SERVICES                 | 9,288         | 30,868    | 161,584      | 215,696     | 369,812           | 44%           | 54,112     | 25%   |
| TOTAL DISASTER FUND                         | \$52,246      | \$140,709 | \$898,763    | \$984,583   | \$1,687,932       | 53%           | \$85,820   | 9%    |
| DISASTER FUND - LANDSCAPE SERVICES          |               |           |              |             |                   |               |            |       |
| RISK FIRE MANAGEMENT                        | \$19,313      | \$15,000  | \$35,153     | \$105,000   | \$180,000         | 20%           | \$69,847   | 67%   |
| TOTAL UNAPPROPRIATED EXPENDITURES FUND      | \$19,313      | \$15,000  | \$35,153     | \$105,000   | \$180,000         | 20%           | \$69,847   | 67%   |
| UNAPPROPRIATED EXPENDITURES FUND            |               |           |              |             |                   |               |            |       |
| SUPPLEMENTAL APPROPRIATIONS                 | \$0           | \$0       | \$0          | \$0         | \$0               | 0%            | \$0        | 0%    |
| TOTAL UNAPPROPRIATED EXPENDITURES FUND      | \$0           | \$0       | \$0          | \$0         | \$0               | 0%            | \$0        | 0%    |

**THIRD LAGUNA HILLS MUTUAL  
MAINTENANCE PROGRAMS EXPENDITURES REPORT  
AS OF JULY 31, 2020**

| DESCRIPTION   | YTD ACTUAL            |                    |                 |                     |
|---|-----------------------|--------------------|-----------------|---------------------|
|   | TOTAL<br>EXPENDITURES | LABOR              | MATERIALS       | OUTSIDE<br>SERVICES |
| <b>RESERVE FUNDS - MAINTENANCE &amp; CONSTRUCTION</b> |                       |                    |                 |                     |
| ALARM SYSTEM  | \$0                   | \$0                | \$0             | \$0                 |
| BUILDING NUMBERS                                      | 0                     | 0                  | 0               | 0                   |
| BUILDING STRUCTURES                                   | 681,119               | 69,637             | 3,617           | 607,865             |
| ELECTRICAL SYSTEMS                                    | 1,090                 | 980                | 110             | 0                   |
| ENERGY PROJECTS                                       | 923                   | 0                  | 0               | 923                 |
| EXTERIOR LIGHTING                                     | 681,571               | 0                  | 0               | 681,571             |
| FENCING   | 17,068                | 14,688             | 2,379           | 0                   |
| GARDEN VILLA LOBBY                                    | 28,300                | 0                  | 0               | 28,300              |
| GARDEN VILLA MAILROOM                                 | 0                     | 0                  | 0               | 0                   |
| GARDEN VILLA RECESSED AREA                            | 109                   | 109                | 0               | 0                   |
| GV REC ROOM WATER HEATER/HEAT PUMP                    | 6,103                 | 1,943              | 2,535           | 1,624               |
| GUTTER REPLACEMENTS                                   | 20,022                | 18,161             | 1,862           | 0                   |
| MAILBOXES   | 8,865                 | 2,249              | 6,616           | 0                   |
| PAINT PROGRAM - EXTERIOR                              | 773,165               | 717,729            | 53,677          | 1,758               |
| PRIOR TO PAINT  | 296,581               | 240,081            | 14,721          | 41,779              |
| PAVING  | 3,014                 | 0                  | 0               | 3,014               |
| ROOF REPLACEMENTS                                     | 418,512               | 0                  | 0               | 418,512             |
| WALL REPLACEMENTS                                     | 137,928               | 0                  | 0               | 137,928             |
| WASTE LINE REMEDIATION                                | 196,674               | 738                | 0               | 195,936             |
| WATER LINES - COPPER PIPE REMEDIATION                 | 151,438               | 0                  | 0               | 151,438             |
| SUPPL. APPROPRIATIONS                                 | 0                     | 0                  | 0               | 0                   |
| <b>TOTAL</b>  | <b>\$3,422,480</b>    | <b>\$1,066,316</b> | <b>\$85,517</b> | <b>\$2,270,647</b>  |

\* Exterior Lighting includes \$740,000 carried over from the 2019 plan.

**RESERVE FUNDS - GENERAL SERVICES**

|                |                 |                 |                |            |
|----------------|-----------------|-----------------|----------------|------------|
| PRIOR TO PAINT | 1,842           | 1,837           | 5              | 0          |
| PAVING         | 36,453          | 33,908          | 2,545          | 0          |
| EXTERIOR WALLS | 0               | 0               | 0              | 0          |
| <b>TOTAL</b>   | <b>\$38,295</b> | <b>\$35,745</b> | <b>\$2,550</b> | <b>\$0</b> |

**RESERVE FUNDS - LANDSCAPE**

|                        |                  |                  |            |                  |
|------------------------|------------------|------------------|------------|------------------|
| LANDSCAPE MODIFICATION | 400,526          | 14,654           | 0          | 385,871          |
| TREE MAINTENANCE       | 535,115          | 237,890          | 0          | 297,225          |
| <b>TOTAL</b>           | <b>\$935,641</b> | <b>\$252,544</b> | <b>\$0</b> | <b>\$683,096</b> |

\* Landscape Modification includes \$300,000 carried over from the 2019 plan.

**RESERVE FUNDS - ELEVATOR**

|                      |                 |            |            |                 |
|----------------------|-----------------|------------|------------|-----------------|
| ELEVATOR REPLACEMENT | \$37,560        | \$0        | \$0        | \$37,560        |
| <b>TOTAL</b>         | <b>\$37,560</b> | <b>\$0</b> | <b>\$0</b> | <b>\$37,560</b> |

**RESERVE FUNDS - LAUNDRY**

|                                       |                 |                |                 |            |
|---------------------------------------|-----------------|----------------|-----------------|------------|
| LAUNDRY APPLIANCES                    | \$25,222        | \$3,415        | \$21,807        | \$0        |
| LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS | 3,938           | \$2,533        | \$1,405         | \$0        |
| SUPPL. APPROPRIATIONS                 | 0               | 0              | 0               | 0          |
| <b>TOTAL</b>                          | <b>\$29,160</b> | <b>\$5,947</b> | <b>\$23,212</b> | <b>\$0</b> |

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

|                               |                 |                |                |                 |
|-------------------------------|-----------------|----------------|----------------|-----------------|
| GARDEN VILLA RECREATION ROOMS | \$33,760        | \$6,108        | \$1,122        | \$26,530        |
| <b>TOTAL</b>                  | <b>\$33,760</b> | <b>\$6,108</b> | <b>\$1,122</b> | <b>\$26,530</b> |

**THIRD LAGUNA HILLS MUTUAL  
MAINTENANCE PROGRAMS EXPENDITURES REPORT  
AS OF JULY 31, 2020**

**YTD ACTUAL**

| DESCRIPTION | TOTAL        |       |           | OUTSIDE  |
|-------------|--------------|-------|-----------|----------|
|             | EXPENDITURES | LABOR | MATERIALS | SERVICES |

**OPERATING FUND - MAINTENANCE & CONSTRUCTION**

|                                 |                    |                  |                 |                  |
|---------------------------------|--------------------|------------------|-----------------|------------------|
| APPLIANCE REPAIRS               | 79,017             | 70,780           | 8,237           | 0                |
| CARPENTRY SERVICE               | 397,115            | 379,935          | 17,180          | 0                |
| CURB CUT/SIDEWALK RAMPS         | 0                  | 0                | 0               | 0                |
| ELECTRICAL SERVICE              | 66,228             | 61,590           | 4,638           | 0                |
| FIRE PROTECTION                 | 33,516             | 0                | 9               | 33,507           |
| GUTTER CLEANING                 | 0                  | 0                | 0               | 0                |
| MISC REPAIRS BY OUTSIDE SERVICE | 4,405              | 0                | 0               | 4,405            |
| PEST CONTROL                    | 19,609             | 0                | 0               | 19,609           |
| PLUMBING SERVICE                | 472,005            | 420,919          | 17,365          | 33,721           |
| SOLAR MAINTENANCE               | 10,511             | 0                | 0               | 10,511           |
| <b>TOTAL</b>                    | <b>\$1,082,404</b> | <b>\$933,224</b> | <b>\$47,428</b> | <b>\$101,752</b> |

**OPERATING FUND - GENERAL SERVICES**

|                             |                  |                  |                 |            |
|-----------------------------|------------------|------------------|-----------------|------------|
| CONCRETE REPAIR/REPLACEMENT | 182,541          | 167,761          | 14,781          | 0          |
| GUTTER CLEANING             | 18,734           | 18,734           | 0               | 0          |
| JANITORIAL SERVICE          | 566,958          | 555,799          | 11,159          | 0          |
| TRAFFIC CONTROL             | 8,735            | 8,735            | 0               | 0          |
| WELDING                     | 41,429           | 40,778           | 651             | 0          |
| <b>TOTAL</b>                | <b>\$818,397</b> | <b>\$791,806</b> | <b>\$26,591</b> | <b>\$0</b> |

**DISASTER FUND - MAINTENANCE & CONSTRUCTION**

|   |                  |                |             |                  |
|---|------------------|----------------|-------------|------------------|
| MOISTURE INTRUSION - RAIN LEAKS         | \$342,039        | \$0            | \$0         | \$342,039        |
| MOISTURE INTRUSION - PLUMBING LEAKS     | 300,612          | 0              | 0           | \$300,612        |
| MOISTURE INTRUSION - PLUMBING STOPPAGES | 49,927           | 0              | 0           | \$49,927         |
| MOISTURE INTRUSION - MISCELLANEOUS      | 44,600           | 0              | 0           | \$44,600         |
| DAMAGE RESTORATION SERVICES             | 161,584          | 5,571          | 65          | 155,948          |
| SUPPL. APPROPRIATIONS                   | 0                | 0              | 0           | 0                |
| <b>TOTAL</b>                            | <b>\$898,763</b> | <b>\$5,571</b> | <b>\$65</b> | <b>\$893,127</b> |

**DISASTER FUND - LANDSCAPE**

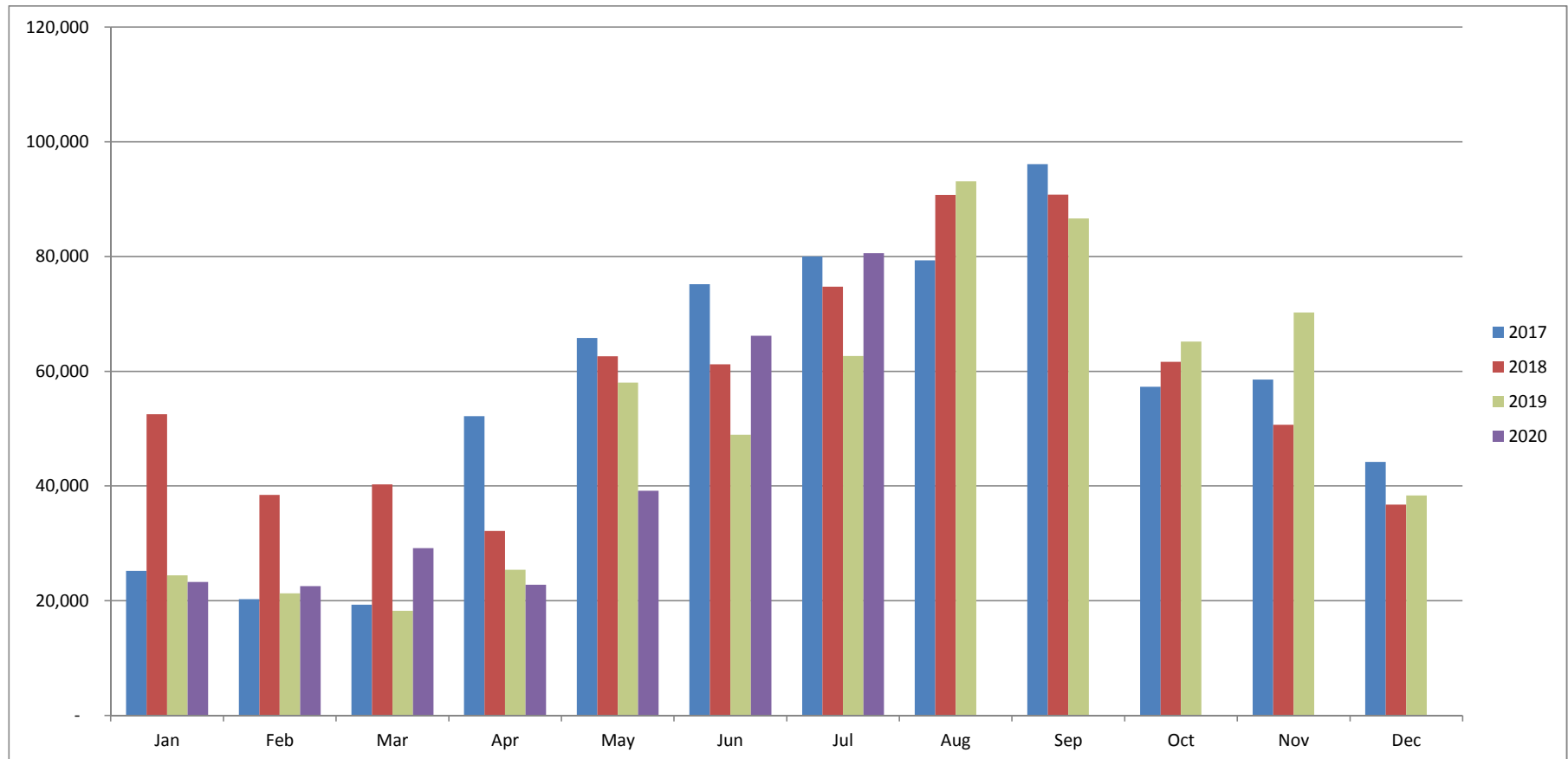
|                      |                 |                |            |                 |
|----------------------|-----------------|----------------|------------|-----------------|
| RISK FIRE MANAGEMENT | \$35,153        | \$6,637        | \$0        | \$28,517        |
| <b>TOTAL</b>         | <b>\$35,153</b> | <b>\$6,637</b> | <b>\$0</b> | <b>\$28,517</b> |

**UNAPPROPRIATED EXPENDITURES FUND**

|                             |            |            |            |            |
|-----------------------------|------------|------------|------------|------------|
| SUPPLEMENTAL APPROPRIATIONS | \$0        | \$0        | \$0        | \$0        |
| <b>TOTAL</b>                | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

### Third Mutual Water Usage in 100 cubic feet units

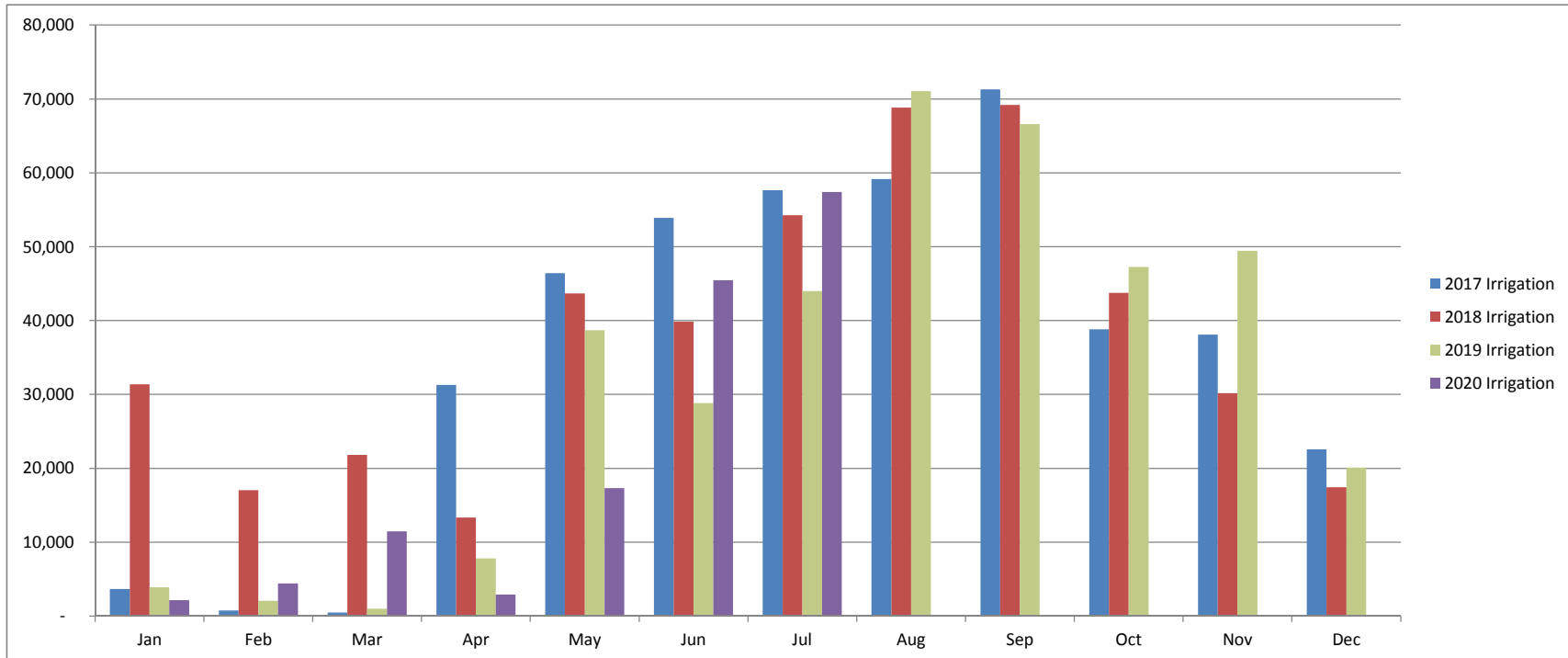
| Year | Jan    | Feb    | Mar    | Apr    | May    | Jun    | Jul    | Aug    | Sep    | Oct    | Nov    | Dec    | YTD     | Total   |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|
| 2017 | 25,226 | 20,286 | 19,299 | 52,174 | 65,796 | 75,181 | 79,992 | 79,315 | 96,121 | 57,296 | 58,557 | 44,191 | 337,954 | 673,434 |
| 2018 | 52,495 | 38,446 | 40,263 | 32,183 | 62,631 | 61,214 | 74,756 | 90,767 | 90,776 | 61,661 | 50,693 | 36,777 | 361,988 | 692,662 |
| 2019 | 24,432 | 21,298 | 18,269 | 25,378 | 58,015 | 48,914 | 62,672 | 93,135 | 86,655 | 65,159 | 70,254 | 38,350 | 258,978 | 612,531 |
| 2020 | 23,285 | 22,570 | 29,169 | 22,804 | 39,197 | 66,203 | 80,605 | -      | -      | -      | -      | -      | 283,833 | 283,833 |



### Third Mutual

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

| Year            | Jan    | Feb    | Mar    | Apr    | May    | Jun    | Jul    | Aug    | Sep    | Oct    | Nov    | Dec    | YTD     | Total   |
|-----------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|
| 2017 Irrigation | 3,646  | 766    | 494    | 31,291 | 46,437 | 53,911 | 57,625 | 59,166 | 71,293 | 38,819 | 38,114 | 22,567 | 194,170 | 424,129 |
| 2018 Irrigation | 31,368 | 17,039 | 21,814 | 13,332 | 43,653 | 39,833 | 54,254 | 68,843 | 69,176 | 43,741 | 30,171 | 17,434 | 221,293 | 450,658 |
| 2019 Irrigation | 3,892  | 2,081  | 1,000  | 7,803  | 38,696 | 28,811 | 43,994 | 71,052 | 66,612 | 47,254 | 49,451 | 20,096 | 126,277 | 380,742 |
| 2020 Irrigation | 2,146  | 4,430  | 11,464 | 2,923  | 17,310 | 45,463 | 57,423 | -      | -      | -      | -      | -      | 141,159 | 141,159 |



### Third Mutual

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

| Year             | Jan    | Feb    | Mar    | Apr    | May    | Jun    | Jul    | Aug    | Sep    | Oct    | Nov    | Dec    | YTD     | Total   |
|------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|
| 2017 Residential | 21,580 | 19,520 | 18,805 | 20,883 | 19,359 | 21,270 | 22,367 | 20,149 | 24,828 | 18,477 | 20,443 | 21,624 | 143,784 | 249,305 |
| 2018 Residential | 21,127 | 21,407 | 18,449 | 18,851 | 18,978 | 21,381 | 20,502 | 21,924 | 21,600 | 17,920 | 20,522 | 19,343 | 140,695 | 242,004 |
| 2019 Residential | 20,540 | 19,217 | 17,269 | 17,575 | 19,319 | 20,103 | 18,678 | 22,083 | 20,043 | 17,905 | 20,803 | 18,254 | 132,701 | 231,789 |
| 2020 Residential | 21,139 | 18,140 | 17,705 | 19,881 | 21,887 | 20,740 | 23,182 | -      | -      | -      | -      | -      | 142,674 | 142,674 |

