



REGULAR MEETING OF THE FINANCE COMMITTEE

**Tuesday, September 7, 2021 – 1:30 p.m.
Laguna Woods Village Board Room/Virtual Meeting
24351 El Toro Road
Laguna Woods, CA 92637**

AGENDA

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Approval of Meeting Report for August 3, 2021
5. Chair Remarks
6. Member Comments (Items Not on the Agenda)

At this time Members only may address the Committee regarding items not on the agenda and within the jurisdiction of this Committee. The Committee reserves the right to limit the total amount of time allotted for the Open Forum. Members can attend the meeting by joining the Zoom link <https://us06web.zoom.us/j/81161366511> or by calling (669) 900-6833 and enter the meeting ID 81161366511# or email meeting@vmsinc.org to request to speak.

7. Department Head Update

Reports

8. Preliminary Financial Statements dated July 31, 2021

Items for Discussion and Consideration

9. Other Endorsements from Standing Committees

Future Agenda Items

Concluding Business:

10. Committee Member Comments
11. Date of Next Meeting – Tuesday, October 5, 2021 at 1:30 p.m.
12. Recess to Closed Session

Robert Mutchnick, Chair
Steve Hormuth, Staff Officer
Telephone: 949-597-4229



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

Tuesday, August 3, 2021 – 1:30 p.m.
Board Room/Virtual Meeting

MEMBERS PRESENT: Robert Mutchnick – Chair, Annie McCary, Ralph Engdahl, Lynn Jarrett, Cush Bhada, John Frankel, Craig Wayne, Donna Rane-Szostak, Charlotte Hislop, Advisors: Wei-Ming Tao, John Hess

MEMBERS ABSENT: Steve Parsons, Reza Karimi

STAFF PRESENT: Steve Hormuth, Jose Campos, Christopher Swanson

Call to Order

Director Mutchnick chaired and called the meeting to order at 1:31pm

Acknowledgement of Media

Director Mutchnick acknowledged the media at a distance.

Approval of Meeting Agenda

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

Approval of Meeting Report for July 6, 2021

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

Chair Remarks

None.

Member Comments

None

Department Head Update

Steve Hormuth provided updates on the 2022 budget, banking services, and insurance.

Preliminary Financial Statements dated June 30, 2021

Steve Hormuth, presented the Preliminary Financial Statements dated June 30, 2021 and questions were addressed from the committee.

Future Agenda Items

None

Committee Member Comments

None

Date of Next Meeting

Tuesday, September 7, 2021 at 1:30 p.m.

Recess to Closed Session

The meeting recessed at 2:33 p.m.

DRAFT

Robert Mutchnick, Chair



MEMORANDUM

To: Third Finance Committee
 From: Steve Hormuth, Interim Finance Director
 Date: September 7, 2021
 Re: Department Head Update

Financial Highlights

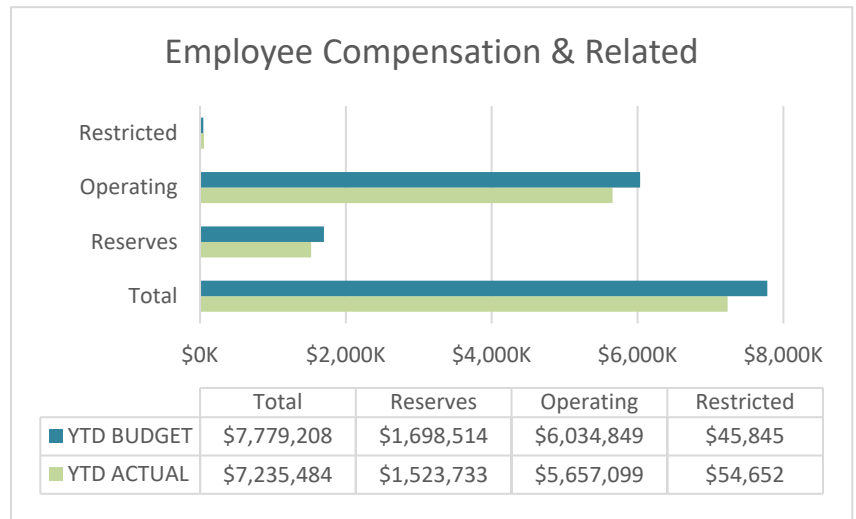
SUMMARY:

For the year-to-date period ending July 31, 2021, Third Mutual was better than budget by \$1,868K primarily due to timing of expenditures, affecting the areas of outside services, compensation, and materials.

INCOME STATEMENT (in Thousands)			
	Actual	Budget	Variance
Assessment Revenues	\$20,183	\$20,183	\$0
Other Revenues	952	1,265	(313)
Expenses	19,530	21,711	2,181
Revenue/(Expense)	\$1,605	(\$263)	\$1,868

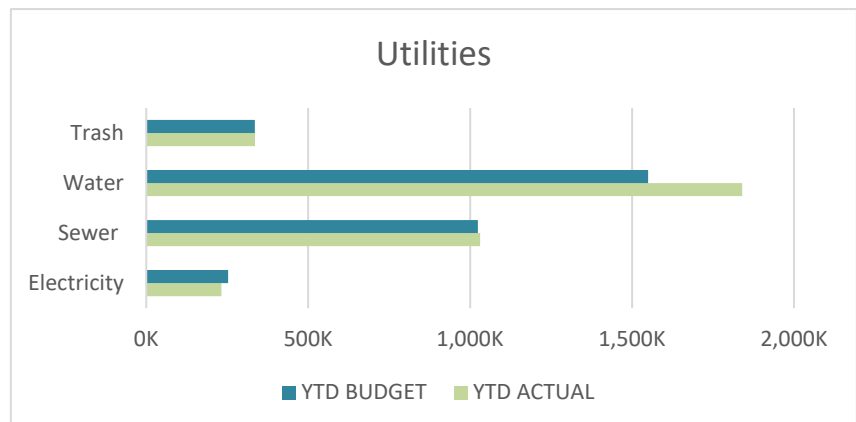
COMPENSATION:

Actual compensation and related costs came in at \$7,235, with \$5,657K in operations and \$1,523K in reserves, and \$55K in restricted. Combined, this category is 7.0% favorable to budget. For Third, the most significant savings were in Maintenance and Landscape due to open positions and timing of programs.



UTILITIES:

In total, this category was unfavorable to budget by (\$277K) mainly due to water coming in higher than budget. Water consumption was higher than a seasonally distributed budget due to less rainfall than prior years. Budget was based on a 5-year average that is 35% higher rainfall than current year experience.



Discussions

Budget 2022: The 2022 Business Planning Process began early in the year and multiple meetings were held between March and June. Suggestions and changes were incorporated into Version 3 of the Business Plan, which was presented at a Special Board Meeting on August 13th. At that meeting, the Board reviewed the 2022 Business Plan that included a basic assessment of \$777.43, an increase of \$105.21 PMPM compared to 2021. Staff will incorporate suggestions from the meeting and any subsequent board direction into a business plan that will be reviewed before the September 21st Third Board meeting.

Banking Services: At the direction of the Finance Committee and in agreement with the GRF and United boards, VMS staff contacted additional banks, two headquartered in CA and one national, to request pricing quotes for similar services. Quotes from all three banks have been received and a cost comparison is being compiled by staff. Updates will be provided to the board treasurers as further information becomes available.

Insurance Update: Effective March 18, 2021, the broker services agreement with Beecher Carlson was terminated and Arthur J. Gallagher & Co. was named the broker of record to service existing policies and begin reviewing renewal options. Currently, property Insurance coverage for the first \$225M out of \$700M in coverage has been renewed with the new broker.

Calendar

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

- Sep 7, 2021 @ 1:30 p.m. Third Finance Committee Meeting (July Financials)
- Sep 10, 2021 @ 9:30 a.m. Third Board Agenda Prep Meeting
- Sep 21, 2021 @ 9:30 a.m. Third Board Meeting
- Oct 5, 2021 @ 1:30 p.m. Third Finance Committee Meeting (August Financials)

August 2021							September 2021							October 2021						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7				1	2	3	4						1	2
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
29	30	31					26	27	28	29	30			24	25	26	27	28	29	30
														31						

Third Laguna Hills Mutual
Statement of Revenues & Expenses - Preliminary
7/31/2021
(\$ IN THOUSANDS)

	CURRENT MONTH			YEAR TO DATE			PRIOR YEAR	TOTAL
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET
Revenues:								
Assessments:								
1 Operating	\$1,747	\$1,747		\$12,231	\$12,231		\$11,800	\$20,968
2 Additions to restricted funds	1,136	1,136		7,952	7,952		7,545	13,632
3 Total assessments	2,883	2,883		20,183	20,183		19,345	34,600
Non-assessment revenues:								
4 Fees and charges for services to residents	52	57	(5)	410	392	18	179	674
5 Laundry	21	20	1	126	140	(14)	133	240
6 Investment income		33	(33)	79	234	(156)	283	402
7 Unrealized gain/(loss) on AFS investments		18	(18)		124	(124)	740	213
8 Miscellaneous	62	53	9	337	374	(36)	320	640
9 Total non-assessment revenue	135	181	(46)	952	1,264	(313)	1,655	2,170
10 Total revenue	3,018	3,065	(46)	21,135	21,447	(313)	21,001	36,770
Expenses:								
11 Employee compensation and related	1,039	1,125	86	7,235	7,779	544	6,678	13,340
12 Materials and supplies	113	125	12	842	893	51	530	1,526
13 Utilities and telephone	581	545	(35)	3,439	3,162	(277)	2,981	5,685
14 Legal fees	37	42	5	255	292	36	322	500
15 Professional fees	4	9	4	47	106	59	73	150
16 Equipment rental	5	1	(4)	29	10	(19)	12	18
17 Outside services	1,090	1,095	5	2,872	5,894	3,022	4,379	11,122
18 Repairs and maintenance	24	29	5	166	205	39	192	353
19 Other Operating Expense	11	15	4	74	111	37	64	192
20 Income taxes							20	
21 Property and sales tax				2		(2)		
22 Insurance	1,025	328	(697)	3,678	2,296	(1,382)	1,193	3,936
23 Investment expense				9	11	2	6	21
24 Uncollectible Accounts	(8)		8	3	38	35	10	75
25 (Gain)/loss on sale or trade				15		(15)	108	
26 Depreciation and amortization	11	11		79	79		79	135
27 Net allocation to mutuals	117	122	5	785	836	51	825	1,426
28 Total expenses	4,048	3,446	(601)	19,530	21,711	2,181	17,473	38,479
29 Excess of revenues over expenses	(\$1,029)	(\$382)	(\$648)	\$1,605	(\$264)	\$1,868	\$3,527	(\$1,710)

**Third Laguna Hills Mutual
Operating Statement
7/31/2021
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Revenues:					
Assessments:					
Operating					
41001000 - Monthly Assessments	\$12,231,088	\$12,231,228	(\$141)	0.00%	\$20,967,820
Total Operating	12,231,088	12,231,228	(141)	0.00%	20,967,820
Additions To Restricted Funds					
41002000 - Monthly Assessments - Disaster Fund	1,067,850	1,067,850	0	0.00%	1,830,600
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
Total Additions To Restricted Funds	7,952,081	7,952,081	0	0.00%	13,632,138
Total Assessments	20,183,168	20,183,309	(141)	0.00%	34,599,958
Non-Assessment Revenues:					
Fees and Charges for Services to Residents					
46501000 - Permit Fee	185,163	93,103	92,060	98.88%	159,607
46501500 - Inspection Fee	66,590	44,635	21,955	49.19%	76,520
46502000 - Resident Maintenance Fee	158,094	254,109	(96,015)	(37.78%)	438,029
Total Fees and Charges for Services to Residents	409,848	391,848	18,000	4.59%	674,157
Laundry					
46005000 - Coin Op Laundry Machine	125,679	140,000	(14,321)	(10.23%)	240,000
Total Laundry	125,679	140,000	(14,321)	(10.23%)	240,000
Investment Income					
49001000 - Investment Income - Nondiscretionary	713	6,997	(6,284)	(89.81%)	12,000
49002000 - Investment Income - Discretionary	78,165	227,500	(149,335)	(65.64%)	390,000
Investment Interest Income	78,878	234,497	(155,619)	(66.36%)	402,000
Unrealized Gain/(Loss) On AFS Investments					
49008100 - Unrealized Gain/(Loss) On Available For Sale Investments	0	124,250	(124,250)	(100.00%)	213,000
Total Unrealized Gain/(Loss) On AFS Investments	0	124,250	(124,250)	(100.00%)	213,000
Miscellaneous					
46004500 - Resident Violations	5,600	17,500	(11,900)	(68.00%)	30,000
44501510 - Lease Processing Fee - Third	137,970	151,354	(13,384)	(8.84%)	259,475
44502500 - Non-Sale Transfer Fee - Third	900	875	25	2.86%	1,500
44503520 - Resale Processing Fee - Third	112,896	95,123	17,773	18.68%	163,072
44505500 - Hoa Certification Fee	8,250	4,550	3,700	81.32%	7,800
44507000 - Golf Cart Electric Fee	39,318	40,831	(1,513)	(3.71%)	70,000
44507200 - Electric Vehicle Plug-In Fee	6,545	6,419	126	1.96%	11,000
44507500 - Cartport/Carport Space Rental Fee	2,520	2,681	(161)	(6.01%)	4,600
47001500 - Late Fee Revenue	20,710	35,000	(14,290)	(40.83%)	60,000
47002020 - Collection Administrative Fee - Third	225	3,500	(3,275)	(93.57%)	6,000
47002500 - Collection Interest Revenue	63	14,581	(14,518)	(99.57%)	25,000
47501000 - Recycling	2,347	1,169	1,178	100.75%	2,000
49009000 - Miscellaneous Revenue	(116)	0	(116)	0.00%	0
Total Miscellaneous	337,227	373,583	(36,356)	(9.73%)	640,447
Total Non-Assessment Revenue	951,632	1,264,178	(312,546)	(24.72%)	2,169,604
Total Revenue	21,134,800	21,447,486	(312,687)	(1.46%)	36,769,562
Expenses:					
Employee Compensation					
51011000 - Salaries & Wages - Regular	1,540,565	1,655,434	114,868	6.94%	2,854,473
51021000 - Union Wages - Regular	2,831,088	3,151,437	320,349	10.17%	5,425,824
51041000 - Wages - Overtime	16,389	12,097	(4,291)	(35.47%)	20,749
51051000 - Union Wages - Overtime	45,638	20,566	(25,072)	(121.91%)	35,281
51061000 - Holiday & Vacation	456,979	405,165	(51,814)	(12.79%)	697,928
51071000 - Sick	155,550	165,264	9,714	5.88%	284,681
51081000 - Sick - Part Time	37	150	113	75.32%	262

**Third Laguna Hills Mutual
Operating Statement
7/31/2021
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
51091000 - Missed Meal Penalty	2,249	709	(1,540)	(217.37%)	1,236
51101000 - Temporary Help	32,976	11,313	(21,663)	(191.48%)	19,400
51981000 - Compensation Accrual	30,633	0	(30,633)	0.00%	0
Total Employee Compensation	5,112,104	5,422,135	310,031	5.72%	9,339,833
Compensation Related					
52411000 - F.I.C.A.	376,469	410,866	34,397	8.37%	702,023
52421000 - F.U.I.	7,192	9,872	2,680	27.15%	9,872
52431000 - S.U.I.	48,930	50,211	1,281	2.55%	50,211
52441000 - Union Medical	991,535	1,050,608	59,073	5.62%	1,801,043
52451000 - Workers' Compensation Insurance	216,343	296,839	80,496	27.12%	511,213
52461000 - Non Union Medical & Life Insurance	198,509	205,018	6,509	3.17%	351,459
52471000 - Union Retirement Plan	237,458	261,605	24,147	9.23%	450,404
52481000 - Non-Union Retirement Plan	39,838	72,054	32,216	44.71%	124,243
52981000 - Compensation Related Accrual	7,106	0	(7,106)	0.00%	0
Total Compensation Related	2,123,380	2,357,073	233,693	9.91%	4,000,469
Materials and Supplies					
53001000 - Materials & Supplies	263,313	304,971	41,658	13.66%	514,232
53003000 - Materials Direct	571,729	585,834	14,105	2.41%	1,007,648
53004000 - Freight	6,883	2,214	(4,669)	(210.87%)	3,816
Total Materials and Supplies	841,925	893,019	51,094	5.72%	1,525,696
Utilities and Telephone					
53301000 - Electricity	231,976	252,900	20,924	8.27%	365,300
53301500 - Sewer	1,031,056	1,024,100	(6,956)	(0.68%)	1,773,600
53302000 - Water	1,840,188	1,549,397	(290,791)	(18.77%)	2,971,182
53302500 - Trash	335,954	335,308	(646)	(0.19%)	574,820
Total Utilities and Telephone	3,439,174	3,161,705	(277,469)	(8.78%)	5,684,902
Legal Fees					
53401500 - Legal Fees	255,283	291,660	36,378	12.47%	499,985
Total Legal Fees	255,283	291,660	36,378	12.47%	499,985
Professional Fees					
53402020 - Audit & Tax Preparation Fees - Third	37,000	44,000	7,000	15.91%	45,400
53403500 - Consulting Fees	7,044	10,009	2,965	29.62%	15,780
53403520 - Consulting Fees - Third	2,600	51,576	48,976	94.96%	88,436
Total Professional Fees	46,644	105,585	58,941	55.82%	149,616
Equipment Rental					
53501500 - Equipment Rental/Lease Fees	29,250	10,482	(18,768)	(179.05%)	18,217
Total Equipment Rental	29,250	10,482	(18,768)	(179.05%)	18,217
Outside Services					
53601000 - Bank Fees	18,716	18,475	(241)	(1.30%)	31,679
53601500 - Credit Card Transaction Fees	6,378	0	(6,378)	0.00%	0
53604500 - Marketing Expense	3,160	2,919	(241)	(8.26%)	5,000
54603500 - Outside Services Cost Collection	2,803,689	5,816,210	3,012,521	51.80%	10,988,267
53704000 - Outside Services	40,450	56,466	16,016	28.36%	97,088
Total Outside Services	2,872,393	5,894,070	3,021,677	51.27%	11,122,035
Repairs and Maintenance					
53701000 - Equipment Repair & Maint	3,278	9,075	5,797	63.88%	15,968
53703000 - Elevator /Lift Maintenance	162,977	196,340	33,364	16.99%	336,584
Total Repairs and Maintenance	166,254	205,415	39,161	19.06%	352,552
Other Operating Expense					
53801000 - Mileage & Meal Allowance	1,396	8,426	7,031	83.44%	14,478
53801500 - Travel & Lodging	0	1,610	1,610	100.00%	2,764
53802000 - Uniforms	39,052	50,159	11,107	22.14%	87,700
53802500 - Dues & Memberships	617	1,595	978	61.30%	2,866
53803000 - Subscriptions & Books	1,388	1,347	(40)	(3.00%)	2,322
53803500 - Training & Education	1,758	11,650	9,892	84.91%	20,157
53903000 - Safety	0	585	585	100.00%	1,008
54001020 - Board Relations - Third	830	4,389	3,559	81.09%	7,525
54002000 - Postage	28,658	30,905	2,247	7.27%	52,980
54002500 - Filing Fees / Permits	141	310	169	54.54%	503

**Third Laguna Hills Mutual
Operating Statement
7/31/2021
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Total Other Operating Expense	73,840	110,976	37,137	33.46%	192,303
Property and Sales Tax					
54302000 - Property Taxes	2,248	0	(2,248)	0.00%	0
Total Property and Sales Tax	2,248	0	(2,248)	0.00%	0
Insurance					
54401000 - Hazard & Liability Insurance	460,089	417,918	(42,171)	(10.09%)	716,432
54401500 - D&O Liability	47,070	72,917	25,847	35.45%	125,000
54402000 - Property Insurance	3,169,407	1,801,124	(1,368,283)	(75.97%)	3,087,644
54403000 - General Liability Insurance	1,124	4,125	3,002	72.76%	7,072
Total Insurance	3,677,690	2,296,085	(1,381,605)	(60.17%)	3,936,148
Investment Expense					
54201000 - Investment Expense	8,865	10,718	1,853	17.29%	21,430
Total Investment Expense	8,865	10,718	1,853	17.29%	21,430
Uncollectible Accounts					
54602000 - Bad Debt Expense	2,899	37,500	34,601	92.27%	75,000
Total Uncollectible Accounts	2,899	37,500	34,601	92.27%	75,000
(Gain)/Loss on Sale or Trade					
54101500 - (Gain)/Loss On Investments	14,797	0	(14,797)	0.00%	0
Total (Gain)/Loss on Sale or Trade	14,797	0	(14,797)	0.00%	0
Depreciation and Amortization					
55001000 - Depreciation And Amortization	78,680	78,680	0	0.00%	134,880
Total Depreciation and Amortization	78,680	78,680	0	0.00%	134,880
Net Allocation to Mutuals					
54602500 - Allocated Expenses	784,857	836,300	51,443	6.15%	1,426,122
Total Net Allocation to Mutuals	784,857	836,300	51,443	6.15%	1,426,122
Total Expenses	19,530,282	21,711,404	2,181,122	10.05%	38,479,186
Excess of Revenues Over Expenses	\$1,604,518	(\$263,918)	\$1,868,436	707.96%	(\$1,709,624)

**Third Laguna Hills Mutual
Balance Sheet - Preliminary
7/31/2021**

		<u>Current Month End</u>	<u>Prior Year December 31</u>
	Assets		
1	Cash and cash equivalents	\$4,405,850	\$1,412,574
2	Non-discretionary investments		3,999,894
3	Discretionary investments	25,183,994	25,579,833
4	Receivable/(Payable) from mutuals	799,181	436,199
5	Accounts receivable and interest receivable	97,475	172,270
6	Prepaid expenses and deposits	3,723,685	3,290,394
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	5,110,957	5,189,637
10	Non-controlling interest in GRF	39,594,122	39,594,122
11	Total Assets	<u>\$78,915,264</u>	<u>\$79,674,923</u>
	Liabilities and Fund Balances		
	Liabilities:		
12	Accounts payable and accrued expenses	\$1,760,014	\$3,654,600
13	Accrued compensation and related costs	593,709	548,292
14	Deferred income	764,944	829,005
15	Income tax payable	(26,005)	(26,005)
16	Total liabilities	<u>\$3,092,662</u>	<u>\$5,005,891</u>
	Fund balances:		
17	Fund balance prior years	74,218,083	72,530,282
18	Change in fund balance - current year	1,604,518	1,687,802
19	Net fund balances	<u>75,822,601</u>	<u>74,218,083</u>
20	Accumulated unrealized gain/(loss) on investments		450,949
21	Total fund balances	<u>75,822,601</u>	<u>74,669,033</u>
22	Total Liabilities and Fund Balances	<u>\$78,915,264</u>	<u>\$79,674,923</u>

**Third Laguna Hills Mutual
Fund Balance Sheet - Preliminary
7/31/2021**

		Operating Fund	Unappropriated Expenditures Fund	Disaster Fund	Replacement Fund	Elevator Replacement Fund	Laundry Replacement Fund	Garden Villa Rec Room Fund	Total
Assets									
1	Cash and cash equivalents	\$915,735			\$2,735,735	\$732,323	\$16,821	\$5,236	\$4,405,850
2	Discretionary investments		2,879,553	4,953,351	15,320,784	1,597,260	361,966	71,081	25,183,994
3	Receivable/(Payable) from mutuals	799,181							799,181
4	Accounts receivable and interest receivable	97,475							97,475
5	Prepaid expenses and deposits	829,679	1,447,003	1,447,003					3,723,685
6	Property and equipment	141,239							141,239
7	Accumulated depreciation property and equipment	(141,239)							(141,239)
8	Beneficial interest in GRF of Laguna Hills Trust	5,110,957							5,110,957
9	Non-controlling interest in GRF	39,594,122							39,594,122
10	Total Assets	<u>\$47,347,150</u>	<u>\$4,326,556</u>	<u>\$6,400,354</u>	<u>\$18,056,519</u>	<u>\$2,329,582</u>	<u>\$378,787</u>	<u>\$76,317</u>	<u>\$78,915,264</u>
Liabilities and Fund Balances									
Liabilities:									
11	Accounts payable and accrued expenses	\$808,677		\$12,327	\$873,310	\$51,168	\$2,640	\$11,893	\$1,760,015
12	Accrued compensation and related costs	593,709							593,709
13	Deferred income	764,944							764,944
14	Income tax payable	(26,005)							(26,005)
15	Total liabilities	<u>\$2,141,325</u>		<u>\$12,327</u>	<u>\$873,310</u>	<u>\$51,168</u>	<u>\$2,640</u>	<u>\$11,893</u>	<u>\$3,092,662</u>
Fund balances:									
16	Fund balance prior years	45,578,511	4,270,569	6,843,420	14,931,917	2,117,684	387,389	88,593	74,218,083
17	Change in fund balance - current year	<u>(372,686)</u>	<u>55,987</u>	<u>(455,393)</u>	<u>2,251,292</u>	<u>160,730</u>	<u>(11,243)</u>	<u>(24,169)</u>	<u>1,604,518</u>
18	Net fund balances	45,205,824	4,326,556	6,388,027	17,183,209	2,278,415	376,147	64,424	75,822,601
19	Total fund balances	<u>45,205,824</u>	<u>4,326,556</u>	<u>6,388,027</u>	<u>17,183,209</u>	<u>2,278,415</u>	<u>376,147</u>	<u>64,424</u>	<u>75,822,601</u>
20	Total Liabilities and Fund Balances	<u>\$47,347,150</u>	<u>\$4,326,556</u>	<u>\$6,400,354</u>	<u>\$18,056,519</u>	<u>\$2,329,582</u>	<u>\$378,787</u>	<u>\$76,317</u>	<u>\$78,915,264</u>

**Third Laguna Hills Mutual
Changes in Fund Balances - Preliminary
7/31/2021**

	Operating Fund	Unappropriated Expenditures Fund	Disaster Fund	Replacement Fund	Elevator Replacement Fund	Laundry Replacement Fund	Garden Villa Rec Room Fund	Total
Revenues:								
Assessments:								
1 Operating	\$12,231,088							\$12,231,088
2 Additions to restricted funds		341,712	1,067,850	6,236,244	213,570	42,714	49,991	7,952,081
3 Total assessments	12,231,088	341,712	1,067,850	6,236,244	213,570	42,714	49,991	20,183,168
Non-assessment revenues:								
4 Fees and charges for services to residents	406,983			2,865				409,848
5 Laundry	125,679							125,679
6 Interest income		10,182	24,065	43,462	786	178	206	78,878
7 Miscellaneous	337,227							337,227
8 Total non-assessment revenue	869,889	10,182	24,065	46,327	786	178	206	951,632
9 Total revenue	13,100,976	351,894	1,091,915	6,282,571	214,356	42,892	50,197	21,134,800
Expenses:								
10 Employee compensation and related	5,657,099		44,132	1,510,466		13,266	10,521	7,235,484
11 Materials and supplies	448,595		5,710	344,065		31,258	12,297	841,925
12 Utilities and telephone	3,432,957		428	5,765			24	3,439,174
13 Legal fees	255,283							255,283
14 Professional fees	39,670		6,974					46,644
15 Equipment rental	6,107		760	22,269			113	29,250
16 Outside services	482,680		272,789	1,976,187	76,188	13,790	50,759	2,872,393
17 Repairs and maintenance	165,229		11	1,009			5	166,254
18 Other Operating Expense	63,098		231	10,359		81	70	73,840
19 Property and sales tax	2,248							2,248
20 Insurance	2,180,457	289,401	1,207,833					3,677,690
21 Investment expense		1,114	2,787	4,941			22	8,865
22 Uncollectible Accounts	2,899							2,899
23 (Gain)/loss on sale or trade	(13,540)	5,392	3,880	46,624	(22,562)	(5,113)	116	14,797
24 Depreciation and amortization	78,680							78,680
25 Net allocations to mutuals	672,201		1,772	109,592		853	438	784,857
26 Total expenses	13,473,662	295,907	1,547,308	4,031,278	53,625	54,135	74,366	19,530,282
27 Excess of revenues over expenses	(\$372,686)	\$55,987	(\$455,393)	\$2,251,292	\$160,730	(\$11,243)	(\$24,169)	\$1,604,518
28 Excluding unrealized gain/(loss) and depreciation	(\$294,006)	\$55,987	(\$455,393)	\$2,251,292	\$160,730	(\$11,243)	(\$24,169)	\$1,683,198

THIRD LAGUNA HILLS MUTUAL
Provision For Doubtful Accounts
As of July 31, 2021

Month	Delinquent Assessments ⁽¹⁾	Assessments Write-Offs ⁽²⁾	Bad Debt Small Claims ⁽³⁾	Delinquent Fines, Fees, and Chargeable Services ⁽⁴⁾	Chargeable Services Write-Offs ⁽⁵⁾	Change in Provision ⁽⁶⁾	Total Delinquent Units ⁽⁷⁾
December-20	187,773			500,499			16
January-21	187,810	-	-	494,545		(5,916)	15
February-21	175,422		-	492,584	-	(14,349)	15
March-21	182,340		-	492,080	-	6,414	16
April-21	186,860		-	494,620	-	7,060	16
May-21	188,050		-	485,236	-	(8,193)	14
June-21	213,223		-	486,430	-	26,367	12
July-21	203,915		-	487,255	-	(8,483)	14
August-21			-		-	-	
September-21			-		-	-	
October-21			-		-	-	
November-21			-		-	-	
December-21		-	-		-	-	
YTD TOTAL						2,899	

(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

INVESTMENT REPORT
July 1, 2021 - July 31, 2021



Envelope # BLFRVWBBBMXWJ

THIRD LAGUNA HILLS MUTUAL
PO BOX 2220
LAGUNA HILLS CA 92654-2220

Brokerage THIRD LAGUNA HILLS MUTUAL

Your Account Value:

\$25,183,334.24

Change from Last Period:

▲ \$128.52

	This Period	Year-to-Date
Beginning Account Value	\$25,183,205.72	\$25,579,833.38
Subtractions	-	-9,096.78
Change in Investment Value *	128.52	-387,402.36
Ending Account Value **	\$25,183,334.24	\$25,183,334.24
Accrued Interest (AI)	0.00	
Ending Account Value Incl. AI	\$25,183,334.24	

* Reflects appreciation or depreciation of your holdings due to price changes, transactions from Other Activity In or Out and Multi-currency transactions, plus any distribution and income earned during the statement period.

** Excludes unpriced securities.

Your Advisor/Agent

SAGEVIEW ADVISORY GROUP, LLC
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4000 MACARTHUR BLVD
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Phone: (949) 955-1395

Your Advisor is an independent organization and is not affiliated with Fidelity Investments. Brokerage services provided by **Fidelity Brokerage Services LLC (FBS)**, Member NYSE, SIPC (800) 544-6666. Brokerage accounts carried with National Financial Services LLC (NFS), Member NYSE, SIPC.





THIRD LAGUNA HILLS MUTUAL - CORPORATION

Account Summary

Account Value: **\$25,183,334.24**

Change in Account Value **▲ \$128.52**

	This Period	Year-to-Date
Beginning Account Value	\$25,183,205.72	\$25,579,833.38
Subtractions	-	-9,096.78
Transaction Costs, Fees & Charges	-	-9,096.78
Change in Investment Value *	128.52	-387,402.36
Ending Account Value	\$25,183,334.24	\$25,183,334.24
Accrued Interest (AI)	0.00	
Ending Account Value Incl. AI	\$25,183,334.24	

* Reflects appreciation or depreciation of your holdings due to price changes, transactions from Other Activity In or Out and Multi-currency transactions, plus any distribution and income earned during the statement period.

Income Summary

	This Period	Year-to-Date
Taxable	\$641.82	\$150,889.79
Dividends	35.24	77,943.00
Short-term Capital Gains	-	1,283.67
U.S. Government Interest	606.58	13,535.73
Long-term Capital Gains	-	58,127.39
Total	\$641.82	\$150,889.79

Top Holdings

Description	Value	Percent of Account
United States Treas Bills Zero Cpn Zero Coupon	\$24,997,250.00	99%
Fidelity Government Cash Reserves	186,084.24	1
Total	\$25,183,334.24	100%

Core Account and Credit Balance Cash Flow

Core Account: FIDELITY GOVERNMENT CASH RESERVES

	This Period	Year-to-Date
Beginning Balance	\$83,958.72	\$372,857.25
Investment Activity		
Securities Bought	-\$24,997,909.72	-\$75,444,518.74
Securities Sold	-	50,029,257.06
Dividends, Interest & Other Income ^D	35.24	137,354.06
Other Activity Out	25,100,000.00	25,100,000.00
Total Investment Activity	\$102,125.52	-\$177,907.62
Cash Management Activity		
Fees & Charges	-	-8,865.39
Total Cash Management Activity	-	-\$8,865.39
Ending Balance	\$186,084.24	\$186,084.24

^D Includes dividend reinvestments.





Account Summary

Realized Gains and Losses from Sales

(May not reflect all gains and losses due to incomplete cost basis)

	This Period	Year-to-Date
Net Short-term Gain/Loss	-	-19,050.25
Short-term Gain	-	5,217.78
Short-term Loss	-	-24,268.03
Net Long-term Gain/Loss	-	-55,137.19
Long-term Gain	-	191,051.96
Long-term Loss	-	-246,189.15
Net Gain/Loss	-	-\$74,187.44

- The CARES Act temporarily suspended required minimum distributions (RMDs) for 2020 for certain defined contribution plans and IRAs. The suspension is no longer in effect for 2021 and beyond. You can take your RMD online at [Fidelity.com/learnRMD](https://www.fidelity.com/learnRMD) and set up an automatic withdrawal plan for 2021. 924400.2.0



Account Summary

Estimated Cash Flow

(Rolling as of July 31, 2021)

Month	Bond & CD Income	Bond & CD Principal	Stock Income	ETP Income	Mutual Fund Income	Other Income	Total Est. Cash Flow
August 2021	--	--	--	--	\$2	--	\$2
September	--	--	--	--	2	--	2
October	--	25,000,000	--	--	2	--	25,000,002
November	--	--	--	--	2	--	2
December	--	--	--	--	2	--	2
January 2022	--	--	--	--	2	--	2
February	--	--	--	--	2	--	2
March	--	--	--	--	2	--	2
April	--	--	--	--	2	--	2
May	--	--	--	--	2	--	2
June	--	--	--	--	2	--	2
July	--	--	--	--	2	--	2
Total	--	\$25,000,000	--	--	\$24	--	\$25,000,024

This table presents the estimated monthly interest and dividend income and return of principal that your current holdings may generate over the next rolling 12 months. The cash flows displayed are estimates provided for informational purposes only and there is no guarantee that you will actually receive any of the amounts displayed. These estimates should not be relied upon for making investment, trading or tax decisions. The estimates for fixed income are calculated using the security's coupon rate. The estimates for all other securities are calculated using an indicated annual dividend (IAD). The IAD is an estimate of a security's dividend payments for the next 12 months calculated based on prior and/or declared dividends for that security. IADs are sourced from third party vendors believed to be reliable, but no assurance can be made as to accuracy. There are circumstances in which these estimates will not be presented for a specific security you hold.

Bond & CD Income includes interest payments for fixed and variable rate bonds, international bonds that pay in USD, and Certificates of Deposit (CDs).

Bond & CD Principal includes maturing principal payments for fixed and variable rate bonds, international bonds that pay in USD, and Certificates of Deposit (CDs).

Stock Income includes estimated dividend payments for common stocks, preferred stocks, ADRs, closed-end mutual funds, and MLPs.

ETP Income includes estimated dividend payments for Exchange Traded Funds (ETFs) and Exchange Traded Notes (ETNs).

Mutual Fund Income includes estimated dividend payments for Fidelity and non-Fidelity mutual funds.

Other Income includes, but is not limited to estimated dividend payments for Unit Investment Trusts (UITs), REITs, and LPs.

This table does not include cash flow from foreign denominated fixed income.

-- not available





THIRD LAGUNA HILLS MUTUAL - CORPORATION

Holdings

Core Account

Description	Quantity	Price Per Unit	Total Market Value	Total Cost Basis	Unrealized Gain/Loss	Est. Annual Income (EAI)	Est. Yield (EY)
FIDELITY GOVERNMENT CASH RESERVES (FDRXX)	186,084.240	\$1.0000	\$186,084.24	not applicable	not applicable	\$18.61	0.010%
-- 7-day yield: 0.01%							
Total Core Account (1% of account holdings)			\$186,084.24			\$18.61	

Bonds

Description	Maturity	Quantity	Price Per Unit	Total Market Value Accrued Interest (AI)	Total Cost Basis	Unrealized Gain/Loss	Est. Annual Income (EAI)	Coupon Rate
US Treasury/Agency Securities								
UNITED STATES TREAS BILLS ZERO CPN ZERO COUPON CUSIP: 912796G60	10/21/21	25,000,000.000	\$99.9890	\$24,997,250.00	\$24,997,909.72	-\$659.72	-	-
Total US Treasury/Agency Securities (99% of account holdings)				\$24,997,250.00	\$24,997,909.72	-\$659.72	-	
Total Bonds (99% of account holdings)				\$24,997,250.00	\$24,997,909.72	-\$659.72	-	
Total Holdings				\$25,183,334.24	\$24,997,909.72	-\$659.72	\$18.61	

All positions held in cash account unless indicated otherwise.

Cost Basis - the original amount paid for a security, including the amount of reinvested dividends and capital gains, plus or minus certain adjustments. See last page of statement for details. Total Cost Basis does not include the cost basis on core, money market or other positions where cost basis is unknown or not applicable.

EAI **Estimated Annual Income (EAI) & Estimated Yield (EY)**- EAI is an estimate of annual income for a specific security position over the next rolling 12 months. EAI may be negative on short & EY positions. EY is calculated by dividing the current EAI for a security position by its statement closing date market value. EAI and EY are estimates only and may include return of principal and/or capital gains, which would render them overstated. Actual income and yield might be lower or higher than the estimated amounts. **For calculation details, refer to the "Additional Information and Endnotes" section.**

-- not available





Activity

Securities Bought & Sold

Settlement Date	Security Name	Symbol/ CUSIP	Description	Quantity	Price	Transaction Cost	Amount
07/27	UNITED STATES TREAS BILLS ZERO CPN 0.00000% 10/21/2021	912796G60	You Bought	25,000,000.000	\$99.99163	-	-\$24,997,909.72
Total Securities Bought						-	-\$24,997,909.72
Net Securities Bought & Sold						-	-\$24,997,909.72

Dividends, Interest & Other Income

(Includes dividend reinvestment)

Settlement Date	Security Name	Symbol/ CUSIP	Description	Quantity	Price	Amount
07/30	FIDELITY GOVERNMENT CASH RESERVES	316067107	Dividend Received	-	-	\$35.24
Total Dividends, Interest & Other Income						\$35.24

Other Activity Out

Settlement Date	Security Name	Symbol/ CUSIP	Description	Quantity	Price	Transaction Cost	Amount
07/22	UNITED STATES TREAS BILLS ZERO CPN 0.00000% 07/22/2021 REDEMPTION PAYOUT #REOR R0064183150000	912796C49	Redeemed	-25,100,000.000	-	-	\$25,100,000.00
Total Other Activity Out						-	\$25,100,000.00





Activity

Core Fund Activity

For more information about the operation of your core account, please refer to your Customer Agreement.

Settlement Date	Account Type	Transaction	Description	Quantity	Price	Amount	Balance
07/22	CASH	You Bought	FIDELITY GOVERNMENT CASH RESERVES MORNING TRADE @ 1	25,100,000.000	\$1.0000	\$25,100,000.00	\$25,183,958.72
07/27	CASH	You Sold	FIDELITY GOVERNMENT CASH RESERVES MORNING TRADE @ 1	-24,997,909.720	1.0000	-24,997,909.72	186,049.00
07/30	CASH	You Bought	FIDELITY GOVERNMENT CASH RESERVES @ 1	35.240	1.0000	35.24	186,084.24
Total Core Fund Activity						\$102,125.52	

Additional Information and Endnotes

A COPY OF YOUR INVESTMENT REPORT IS AVAILABLE TO:

SAGEVIEW ADVISORY GROUP, LLC
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NEWPORT BEACH CA 92660

STEVE HORMUTH
PO BOX 2220
LAGUNA HILLS CA 92654-2220

- If your brokerage account is established with asset based pricing, please review the terms and conditions governing this program:
<https://clearingcustody.fidelity.com/app/literature/item/868856.html>. If you have any questions, please contact your advisor. 911663.1.0

Estimated Annual Income (EAI) & Estimated Yield (EY) - EAI for fixed income is calculated using the coupon rate. For all other securities, EAI is calculated using an indicated annual dividend (IAD). The IAD is an estimate of a security's dividend payments for the next 12 months calculated based on prior and/or declared dividends for that security. EY reflects only the income generated by an investment and not changes in its price which may fluctuate. Interest and dividend rates are subject to change at any time and may be affected by current and future economic, political and business conditions. EAI and EY are provided for informational purposes only and should not be used or relied on for making investment, trading or tax decisions. EAI and EY are based on data obtained from information providers believed to be reliable, but no assurance can be made as to accuracy, timeliness or completeness.

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Additional Information and Endnotes

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Changes in Portfolio Value and Account Summary - Shows activity in your portfolio and in each of your accounts for the statement period. To confirm that an authorized, direct deposit was made to your Fidelity Account, call Fidelity at 1-800-544-5555.

Value by Account - Shows the value of your account(s), for the current and previous statement periods.

Income Summary - Shows income by tax status for the statement and year-to-date periods. Except for interest earned on, or distributed by, tax-exempt securities, Fidelity reports dividends and capital gains held in taxable accounts as taxable income. A portion of this **tax-exempt** income may be subject to state and local taxes and the federal alternative minimum tax. Fidelity reports earnings on investments in Traditional IRAs, Rollover IRAs, SEP-IRAs and Keoghs as tax-deferred income. Earnings on Roth-IRAs are reported as tax-exempt income, since distributions may be tax-exempt after meeting the five-year aging requirement and certain other conditions.

Cost Basis, Gain/Loss, and Holding Period Information - NFS is required to report certain cost basis and holding period information to the IRS on Form 1099-B. Unless otherwise specified, NFS applies the average cost method for open-end mutual funds and the first-in, first-out (FIFO) method for all other securities. Cost basis is adjusted for wash sales on securities with the same CUSIP held in the same account (unless your account receives mark-to-market reporting). Your statement may not reflect all adjustments required for tax purposes. Customers should consult their tax advisors for further information.

Cost - Fidelity provides purchase cost information for securities held in retirement accounts. Such information may be adjusted for certain transactions and does not reflect reinvestments of dividends or capital gains. Fidelity reports transaction profit or loss information when securities are sold within a retirement account. Transaction profit or loss is calculated by subtracting purchase cost from sales proceeds using the FIFO method if shares were purchased at different times or prices.

Contributions/Distributions - Summarizes Traditional IRA and Roth IRA contributions, and taxable and non-taxable retirement distributions for these statement and year-to-date periods.

Total Value - The reported market value of an investment at the beginning or end of a statement period.

Unrealized Gain/Loss - For long positions, ending market value minus cost basis in non-retirement accounts and ending market value minus cost in retirement accounts. For short positions, proceeds minus ending market value. Unrealized gain/loss is calculated for pending sales because they are still in holdings. Unrealized gain/loss is not calculated for pending purchases because they are not in holdings.

Holding Type Percentage - Percentages by holding type only include long positions. Holding type percentages are rounded to the nearest percent and summed. If the sum is less than 100%, the difference between 100% and the sum is added to the holding type with the largest percentage.

Account Protection - Securities in accounts carried by NFS, a Fidelity Investments company, are protected in accordance with the Securities Investor Protection Corporation (SIPC) up to \$500,000 (including cash claims limited to \$250,000). For more information, including the SIPC brochure, please see www.sipc.org or call 1-202-371-8300. NFS has arranged for additional protection for cash and covered securities to supplement its SIPC coverage. Neither coverage protects against a decline in the market value of securities. Mutual funds and/or other securities are not backed or guaranteed by any bank, nor are they insured by the FDIC and involve investment risk including possible loss of principal. Bank deposits are not securities and are not covered by SIPC. Funds used to purchase or sweep to a bank deposit are SIPC protected until deposited to a Program Bank at which time funds may be eligible for FDIC insurance.

Information About Mutual Funds and Their Performance - Before investing consider the fund's or insurance product's investment objectives, risks, charges and expenses. Contact Fidelity or visit Fidelity.com for a prospectus containing this information. Read it carefully before investing. Performance data shown represents past performance, and is no guarantee of future results. Investment return and principal value will fluctuate, so you may have a loss or a gain when shares are sold. Current performance may be higher or lower than that quoted. Visit Fidelity.com/performance for most recent month-end performance. Each fund reserves the right to terminate or modify its exchange privilege. Foreign investment, especially those in emerging markets, may involve greater risks than U.S. investments. **Sales Loads and Fees**. In connection with (i) access to, purchase or redemption of, and/or maintenance of positions in mutual funds and other investment products such as alternative investments or private placements ("funds") or (ii) infrastructure needed to support such funds, some funds, or their investment

affiliates, pay FBS and/or NFS sales loads and 12b-1 fees described in the Offering Materials as well as additional compensation for shareholder services, start-up fees, infrastructure support and maintenance, and marketing, engagement and analytics programs. Additional information about the source(s) and amount(s) of compensation as well as other remuneration received by FBS or NFS will be furnished to you upon written request. At the time you purchase shares of funds those shares will be assigned either a load, transaction fee (TF) or no transaction fee (NTF) status. When you subsequently sell those shares, any fees applicable to your transaction will be assessed based on the status assigned to the shares at the time of purchase.

Customer Free Credit Balance - Free credit balances (FCB) are funds payable to you on demand. FCB are subject to open commitments such as uncleared checks and exclude proceeds from sales of certificated securities without delivery of the certificate. If your FCB is swept to a core position, you can liquidate the core position and have the proceeds sent to you or held in your account subject to the terms of your account agreement. Required rule 10b-10(a) information not contained herein will be provided on written request. Fidelity may use this free credit balance in connection with its business, subject to applicable law.

Assets Separate From Your Brokerage Account - Only securities in the margin portion of your brokerage account contribute to margin and maintenance requirements. Other Assets, that may be reported on your statement, maintained with Fidelity Investments Life Insurance Company and mutual fund only accounts held directly with the fund (Fidelity Mutual Fund Accounts) are not carried by NFS, not covered by the Securities Investor Protection Corporation (SIPC) and do not count toward your margin and maintenance requirements. Assets held in brokerage accounts managed by Fidelity Personal and Workplace Advisors LLC (FPWA) are carried by NFS and covered by SIPC but do not contribute to your margin and maintenance requirements.

Short Account Balances - Securities sold short are held in a segregated short account. These securities are marked-to-market for margin purposes and increase or decrease from the short sale price is transferred weekly to your margin account. Your short account balance is shown as of the last weekly mark-to-market, not statement end date.

Information About Your Option Transactions - Each transaction confirmation previously delivered to you contains full information about commissions and other charges, and such information is available promptly upon request. Assignments of American and European-style options are allocated among customer short positions pursuant to a random allocation procedure, a description is available upon request. Short positions in American-style options are liable for assignment anytime. The writer of a European-style option is subject to exercise assignment only during the exercise period. For more information about these, please call Fidelity at 800-544-6666.

Equity Dividend Reinvestment - Shares credited to your account resulted from transactions by FBS acting as agent for your account, or the Depository Trust Company (DTC).

Price Information/Total Market Value - The Total Market Value has been calculated to 9 decimal places; however, the individual unit price is displayed in 5 decimal places. The Total Market Value represents prices obtained from various sources, may be impacted by the frequency with which such prices are reported and such prices are not guaranteed. Prices received from pricing vendors are generally based on current market quotes, but when such quotes are not available pricing vendors use a variety of techniques to estimate value. These estimates, particularly for fixed income securities, may be based on certain minimum principal amounts (e.g. \$1 million) and may not reflect all factors that affect the value of the security, including liquidity risk. The prices provided are not firm bids or offers. Certain securities may reflect N/A or unavailable where the price for such security is generally not available from a pricing source. The Market Value of a security, including those priced at par value, may differ from its purchase price and may not closely reflect the value at which the security may be sold or purchased based on various market factors. The sale or redemption of any fixed income security prior to maturity may result in a loss. Prices for Certificates of Deposit (CDs) are generally estimates and are not based on actual market prices. The secondary market for CDs is generally illiquid. You should always request a current valuation for your securities prior to making a financial decision or placing an order. In executing orders on the Floor, the Floor broker may permit the Designated Market Maker to trade on parity with the order for some or all of the executions associated with filling that order, where such permission would not be inconsistent with the brokers best execution obligations.

Fidelity Investments - Fidelity Distributors Company LLC (FDC) is the distributor for Fidelity Funds with marketing and shareholder services provided by FBS or NFS. Brokerage services are provided by FBS, which clears all transactions through its affiliate NFS. NFS carries all brokerage accounts. FBS and NFS are members of the NYSE and SIPC. Upon written request, Fidelity will mail a NFS financial statement, which is also available at its office. Fidelity Investments (with pyramid logo) is a trademark of FMR LLC. Insurance products are distributed by FBS, Fidelity Insurance Agency, Inc., and Fidelity Investments Insurance Agency of Texas, Inc. **FPWA Services** - Fidelity Go®, Fidelity® Personalized Planning & Advice and Fidelity® Strategic Disciplines are advisory services offered by FPWA, a registered investment adviser. Fidelity® Strategic Disciplines includes the Breckinridge Intermediate Municipal Strategy, the Fidelity® Equity-Income Strategy, the Fidelity® U.S. Large Cap Equity Strategy, the Fidelity® Tax-Managed U.S. Equity Index Strategy, the Fidelity® International Equity Strategy, the Fidelity® Tax-Managed International Equity Index Strategy, the Fidelity® Intermediate Municipal Strategy and the Fidelity® Core Bond Strategy. Fidelity® Wealth Services are advisory services offered by FPWA or Fidelity Personal Trust Company, FSB (FPTC), a federal savings bank. Nondeposit investment products and trust services offered by FPTC and its affiliates are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, are not obligations of any bank, and are subject to risk, including possible loss of principal. **These advisory services are provided for a fee.** FBS, NFS, FDC, FPWA and FPTC are direct or indirect subsidiaries of FMR LLC.

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Third Laguna Hills Mutual
Supplemental Appropriation Schedule
Period Ending: 7/31/2021

Fund/Item	Resolution	BUDGET	EXPENDITURES I-T-D*		
		Total Appropriations	2021	Prior Years	Total
Disaster Fund					
Insurance Renewal	3-20-76	\$1,800,000	\$918,432	\$918,432	\$1,836,864
Insurance Renewal	3-21-44	1,736,403	289,401	0	289,401
Moisture Intrusion Relandscaping at 3129-B		86,915	65,506	11,800	77,306
Total		\$3,623,318	\$1,273,339	\$930,232	\$2,203,571

		BUDGET	EXPENDITURES I-T-D*		
		Total Appropriations	2021	Prior Years	Total
Fund/Item	Resolution				
Unappropriated Expenditures Fund					
Insurance Renewal	3-21-44	1,736,403	289,401	0	289,401
	Total	\$1,736,403	\$289,401	\$0	\$289,401

*Incurred To Date

**THIRD LAGUNA HILLS MUTUAL
FUND EXPENDITURES REPORT
AS OF JULY 31, 2021**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL	%	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET	BUDGET *	EXPENDED	\$	%
REPLACEMENT FUND - MAINTENANCE & CONSTRUCTION								
BUILDING NUMBERS	\$0	\$2,500	\$3,561	\$17,500	\$30,000	12%	\$13,939	80%
BUILDING STRUCTURES	46,885	352,337	763,973	2,079,282	3,599,789	21%	1,315,308	63%
ELECTRICAL SYSTEMS	3,780	4,957	3,780	34,699	59,495	6%	30,919	89%
EXTERIOR LIGHTING	0	6,249	11,131	43,743	75,000	15%	32,612	75%
FENCING	4,182	4,953	41,975	34,346	58,920	71%	(7,628)	(22%)
GARDEN VILLA LOBBY	24,308	12,500	73,748	75,000	112,500	66%	1,252	2%
GARDEN VILLA MAILROOM	25	37	172	253	439	39%	81	32%
GARDEN VILLA RECESSED AREA	0	5,909	0	35,182	65,000	0%	35,182	100%
GV REC ROOM WATER HEATER/HEAT PUMP	222	502	6,988	3,507	6,017	116%	(3,481)	(99%)
GUTTER REPLACEMENTS	2,097	6,371	(22,846)	44,434	76,206	-30%	67,280	151%
MAILBOXES	1,248	4,341	46,748	30,267	51,899	90%	(16,481)	(54%)
PAINT PROGRAM - EXTERIOR	124,483	126,681	814,919	878,161	1,506,039	54%	63,241	7%
PRIOR TO PAINT	68,543	90,503	514,062	622,463	1,071,350	48%	108,402	17%
PAVING	114,756	0	114,756	50,000	694,149	17%	(64,756)	(130%)
ROOF REPLACEMENTS	125,908	172,943	565,317	683,963	1,439,294	39%	118,646	17%
WALL REPLACEMENTS	0	8,750	0	35,000	35,000	0%	35,000	100%
WASTE LINE REMEDIATION	130,872	83,333	234,227	583,331	1,000,000	23%	349,104	60%
WATER LINES - COPPER PIPE REMEDIATION	74,715	100,000	76,915	400,000	500,000	15%	323,085	81%
TOTAL	\$722,022	\$982,866	\$3,249,426	\$5,651,132	\$10,381,097	31%	\$2,401,705	42%
REPLACEMENT FUND - GENERAL SERVICES								
PRIOR TO PAINT	\$979	\$999	\$5,521	\$6,915	\$11,856	47%	\$1,393	20%
PAVING	6,215	6,648	35,162	46,064	79,002	45%	10,903	24%
EXTERIOR WALLS	0	4,095	11,200	28,665	49,147	23%	17,465	61%
TOTAL	\$7,194	\$11,741	\$51,883	\$81,644	\$140,005	37%	\$29,761	36%
REPLACEMENT FUND - LANDSCAPE SERVICES								
LANDSCAPE MODIFICATION	\$1,177	\$40,663	\$176,856	\$284,550	\$487,823	36%	\$107,694	38%
IMPROVEMENT & RESTORATION	10,594	10,645	70,876	73,776	126,524	56%	2,901	4%
TREE MAINTENANCE	93,381	77,113	430,672	536,886	920,872	47%	106,214	20%
TOTAL	\$105,152	\$128,421	\$678,404	\$895,213	\$1,535,219	44%	\$216,809	24%
ELEVATOR REPLACEMENT FUND								
ELEVATOR REPLACEMENT	\$62,227	\$31,875	\$76,188	\$127,500	\$255,000	30%	\$51,312	40%
TOTAL	\$62,227	\$31,875	\$76,188	\$127,500	\$255,000	30%	\$51,312	40%
LAUNDRY REPLACEMENT FUND								
LAUNDRY APPLIANCES	\$8,164	\$7,759	\$35,869	\$54,204	\$92,955	39%	\$18,335	34%
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	7,812	4,921	23,379	34,348	58,888	40%	10,969	32%
TOTAL	\$15,976	\$12,680	\$59,248	\$88,552	\$151,843	39%	\$29,304	33%
GARDEN VILLA RECREATION ROOM FUND								
GARDEN VILLA RECREATION ROOMS	\$6,238	\$5,948	\$74,227	\$42,163	\$71,831	103%	(\$32,065)	(76%)
TOTAL	\$6,238	\$5,948	\$74,227	\$42,163	\$71,831	103%	(\$32,065)	(76%)

**THIRD LAGUNA HILLS MUTUAL
FUND EXPENDITURES REPORT
AS OF JULY 31, 2021**

DESCRIPTION	CURRENT MONTH		YEAR-TO-DATE		TOTAL BUDGET *	% EXPENDED	VARIANCE	
	ACTUAL	BUDGET	ACTUAL	BUDGET			\$	%
OPERATING FUND - MAINTENANCE & CONSTRUCTION								
APPLIANCE REPAIRS	\$7,383	\$7,640	\$47,712	\$52,936	\$90,825	53%	\$5,225	10%
CARPENTRY SERVICE	29,227	38,349	207,028	265,795	455,942	45%	58,767	22%
ELECTRICAL SERVICE	10,012	11,396	71,371	78,860	135,290	53%	7,488	9%
FIRE PROTECTION	2,710	9,496	28,498	66,439	133,931	21%	37,942	57%
MISC REPAIRS BY OUTSIDE SERVICE	0	4,888	13,952	34,216	58,664	24%	20,264	59%
PEST CONTROL	131,638	97,779	113,761	218,907	645,800	18%	105,146	48%
PLUMBING SERVICE	50,870	56,847	387,182	394,390	676,492	57%	7,207	2%
SOLAR MAINTENANCE	0	2,083	14,480	14,581	25,000	58%	101	1%
TOTAL	\$231,840	\$228,478	\$883,983	\$1,126,125	\$2,221,944	40%	\$242,141	22%
OPERATING FUND - GENERAL SERVICES								
CONCRETE REPAIR/REPLACEMENT	\$27,054	\$31,938	\$250,804	\$221,526	\$379,831	66%	(\$29,278)	(13%)
JANITORIAL SERVICE	77,292	81,069	559,429	562,190	962,945	58%	2,761	0%
GUTTER CLEANING	3,368	15,015	19,466	104,850	179,758	11%	85,384	81%
TRAFFIC CONTROL	1,828	1,850	10,674	12,814	21,974	49%	2,140	17%
WELDING	9,366	9,684	70,842	67,083	115,027	62%	(3,759)	(6%)
TOTAL	\$118,909	\$139,556	\$911,216	\$968,463	\$1,659,535	55%	\$57,248	6%
OPERATING FUND - LANDSCAPE SERVICES								
LANDSCAPE ADMINISTRATION	\$26,007	\$28,343	\$179,375	\$193,743	\$332,008	54%	\$14,368	7%
NURSERY & COMPOSTING	24,044	24,253	176,108	169,129	290,340	61%	(6,979)	(4%)
GROUPS MAINTENANCE	266,256	266,125	1,698,763	1,851,686	3,173,855	54%	152,922	8%
IRRIGATION	88,387	88,543	568,986	613,765	1,053,027	54%	44,780	7%
SMALL EQUIPMENT REPAIR	15,610	18,997	117,956	131,953	226,338	52%	13,997	11%
PEST CONTROL	30,266	26,545	221,523	184,162	316,113	70%	(37,361)	(20%)
TOTAL	\$450,570	\$452,806	\$2,962,712	\$3,144,438	\$5,391,681	55%	\$181,727	6%
DISASTER FUND - MAINTENANCE & CONSTRUCTION								
MOISTURE INTRUSION - RAIN LEAKS	\$65,919	\$19,792	\$41,853	\$138,544	\$237,513	18%	\$96,691	70%
MOISTURE INTRUSION - PLUMBING LEAKS	130,299	33,333	77,065	233,331	400,000	19%	156,266	67%
MOISTURE INTRUSION - PLUMBING STOPPAGES	23,765	4,166	17,810	29,162	50,000	36%	11,352	39%
MOISTURE INTRUSION - MISCELLANEOUS	(27,910)	3,879	(29,305)	27,153	46,548	-63%	56,458	208%
DAMAGE RESTORATION SERVICES	13,455	18,420	112,159	128,513	220,370	51%	16,354	13%
TOTAL	\$205,528	\$79,590	\$219,582	\$556,703	\$954,431	23%	\$337,121	61%
DISASTER FUND - FINANCIAL SERVICES								
INSURANCE PREMIUMS	\$289,401	\$177,586	\$1,207,833	\$1,243,100	\$2,131,029	57%	\$35,267	3%
TOTAL	\$289,401	\$177,586	\$1,207,833	\$1,243,100	\$2,131,029	57%	\$35,267	3%
DISASTER FUND - LANDSCAPE SERVICES								
RISK FIRE MANAGEMENT	\$26,341	\$15,000	\$47,720	\$105,000	\$180,000	27%	\$57,280	55%
SUPPLEMENTAL APPROPRIATIONS	0	0	65,506	65,506	65,506	100%	0	0%
TOTAL	\$26,341	\$15,000	\$113,226	\$170,506	\$245,506	46%	\$57,280	34%

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF JULY 31, 2021**

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

BUILDING NUMBERS	\$3,561	\$0	\$0	\$3,561
BUILDING STRUCTURES	763,973	148,541	50,199	565,233
ELECTRICAL SYSTEMS	3,780	0	0	3,780
EXTERIOR LIGHTING	11,131	0	0	11,131
FENCING	41,975	25,521	16,453	0
GARDEN VILLA LOBBY	73,748	0	0	73,748
GARDEN VILLA MAILROOM	172	172	0	0
GARDEN VILLA RECESSED AREA	0	0	0	0
GV REC ROOM WATER HEATER/HEAT PUMP	6,988	1,889	4,211	888
GUTTER REPLACEMENTS	(22,846)	22,067	3,087	(48,000)
MAILBOXES	46,748	12,210	34,539	0
PAINT PROGRAM - EXTERIOR	814,919	684,570	130,350	0
PRIOR TO PAINT	514,062	467,245	46,817	0
PAVING	114,756	0	0	114,756
ROOF REPLACEMENTS	565,317	0	0	565,317
WALL REPLACEMENTS	0	0	0	0
WASTE LINE REMEDIATION	234,227	0	0	234,227
WATER LINES - COPPER PIPE REMEDIATION	76,915	0	0	76,915
TOTAL	\$3,249,426	\$1,362,216	\$285,655	\$1,601,555

RESERVE FUND - GENERAL SERVICES

PRIOR TO PAINT	\$5,521	\$5,521	\$0	\$0
PAVING	35,162	35,162	0	0
EXTERIOR WALLS	11,200	0	0	11,200
TOTAL	\$51,883	\$40,683	\$0	\$11,200

RESERVE FUND - LANDSCAPE

LANDSCAPE MODIFICATION	\$176,856	\$7,760	\$0	\$169,097
IMPROVEMENT & RESTORATION	70,876	70,876	0	0
TREE MAINTENANCE	430,672	237,071	0	193,601
TOTAL	\$678,404	\$315,706	\$0	\$362,698

RESERVE FUND - ELEVATOR

ELEVATOR REPLACEMENT	\$76,188	\$0	\$0	\$76,188
TOTAL	\$76,188	\$0	\$0	\$76,188

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF JULY 31, 2021**

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

LAUNDRY APPLIANCES	\$35,869	\$8,767	\$27,102	\$0
LAUNDRY COUNTERTOP/FLOOR/TILE REPAIRS	23,379	6,187	3,401	13,790
TOTAL	\$59,248	\$14,955	\$30,503	\$13,790

GARDEN VILLA REC ROOM FUND - MAINTENANCE & CONSTRUCTION

GARDEN VILLA RECREATION ROOMS	\$74,227	\$16,422	\$7,046	\$50,759
TOTAL	\$74,227	\$16,422	\$7,046	\$50,759

OPERATING FUND - MAINTENANCE & CONSTRUCTION

APPLIANCE REPAIRS	\$47,712	\$37,911	\$9,801	\$0
CARPENTRY SERVICE	207,028	187,136	19,892	0
ELECTRICAL SERVICE	71,371	66,020	5,351	0
FIRE PROTECTION	28,498	2,007	193	26,298
MISC REPAIRS BY OUTSIDE SERVICE	13,952	0	0	13,952
PEST CONTROL	113,761	0	0	113,761
PLUMBING SERVICE	387,182	329,321	22,684	35,178
SOLAR MAINTENANCE	14,480	0	0	14,480
TOTAL	\$883,983	\$622,395	\$57,921	\$203,668

OPERATING FUND - GENERAL SERVICES

CONCRETE REPAIR/REPLACEMENT	\$250,804	\$236,422	\$14,383	\$0
JANITORIAL SERVICE	559,429	542,800	16,629	0
GUTTER CLEANING	19,466	19,466	0	0
TRAFFIC CONTROL	10,674	10,674	0	0
WELDING	70,842	62,900	657	7,285
TOTAL	\$911,216	\$872,262	\$31,669	\$7,285

OPERATING EXPENDITURES - LANDSCAPE SERVICES

LANDSCAPE ADMINISTRATION	\$179,375	\$179,375	\$0	\$0
NURSERY & COMPOSTING	176,108	176,108	0	0
GROUPS MAINTENANCE	1,698,763	1,558,037	4,882	135,844
IRRIGATION	568,986	501,594	67,392	0
SMALL EQUIPMENT REPAIR	117,956	117,956	0	0
PEST CONTROL	221,523	221,523	0	0
TOTAL	\$2,962,712	\$2,754,594	\$72,274	\$135,844

**THIRD LAGUNA HILLS
MUTUAL MAINTENANCE PROGRAMS EXPENDITURES
REPORT AS OF JULY 31, 2021**

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

MOISTURE INTRUSION - RAIN LEAKS	\$41,853	\$0	\$0	\$41,853
MOISTURE INTRUSION - PLUMBING LEAKS	77,065	0	0	77,065
MOISTURE INTRUSION - PLUMBING STOPPAGES	17,810	0	0	17,810
MOISTURE INTRUSION - MISCELLANEOUS	(29,305)	0	0	(29,305)
DAMAGE RESTORATION SERVICES	112,159	49,510	3,535	59,114
TOTAL	\$219,582	\$49,510	\$3,535	\$166,537

DISASTER FUND - FINANCIAL SERVICES

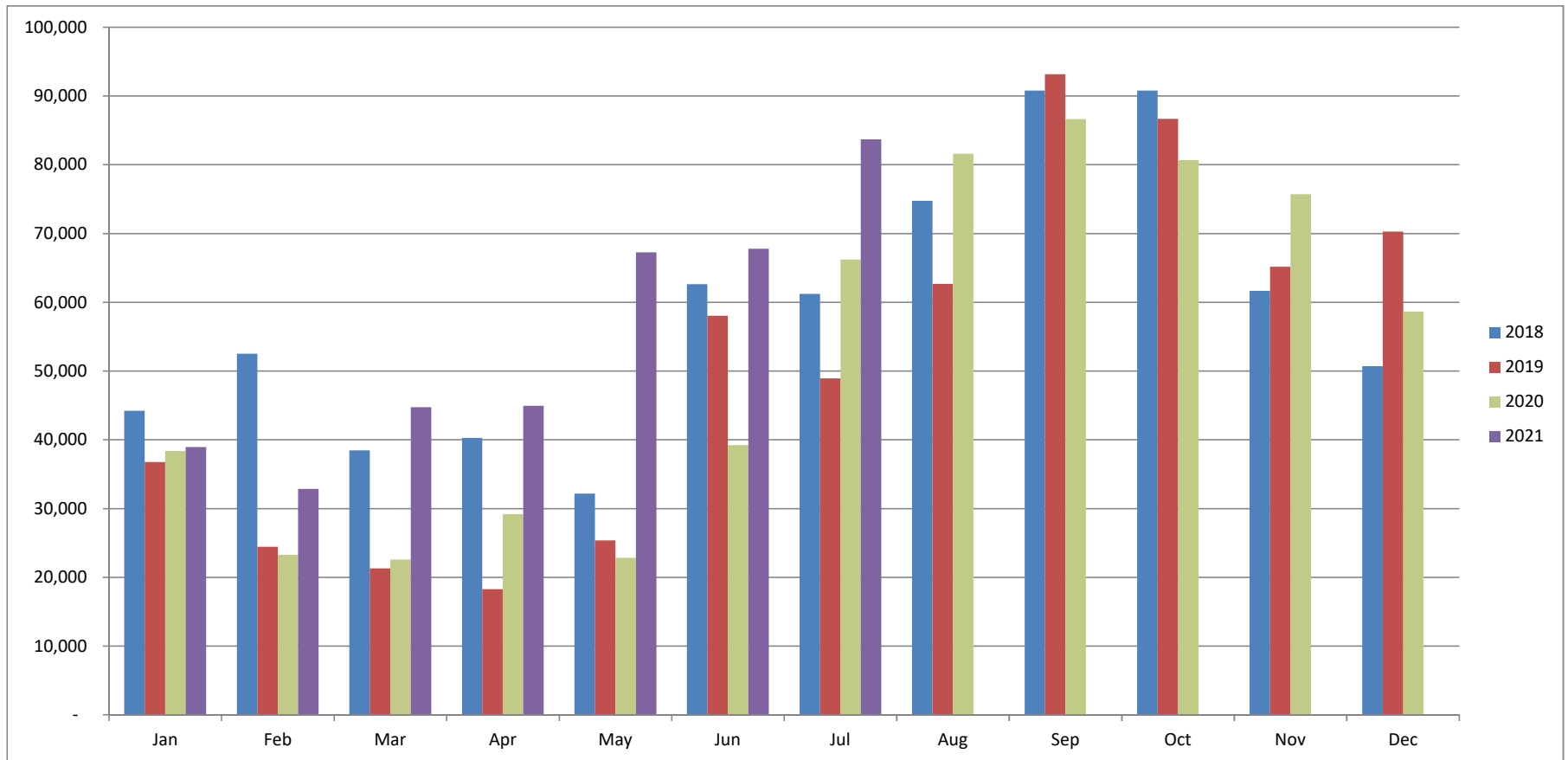
INSURANCE PREMIUMS	\$1,207,833	\$0	\$0	\$1,207,833
TOTAL	\$1,207,833	\$0	\$0	\$1,207,833

DISASTER FUND - LANDSCAPE SERVICES

RISK FIRE MANAGEMENT	\$47,720	\$0	\$0	\$47,720
SUPPLEMENTAL APPROPRIATIONS	\$65,506	\$0	\$0	\$65,506
TOTAL	\$113,226	\$0	\$0	\$113,226

Third Mutual Water Usage in 100 cubic feet units

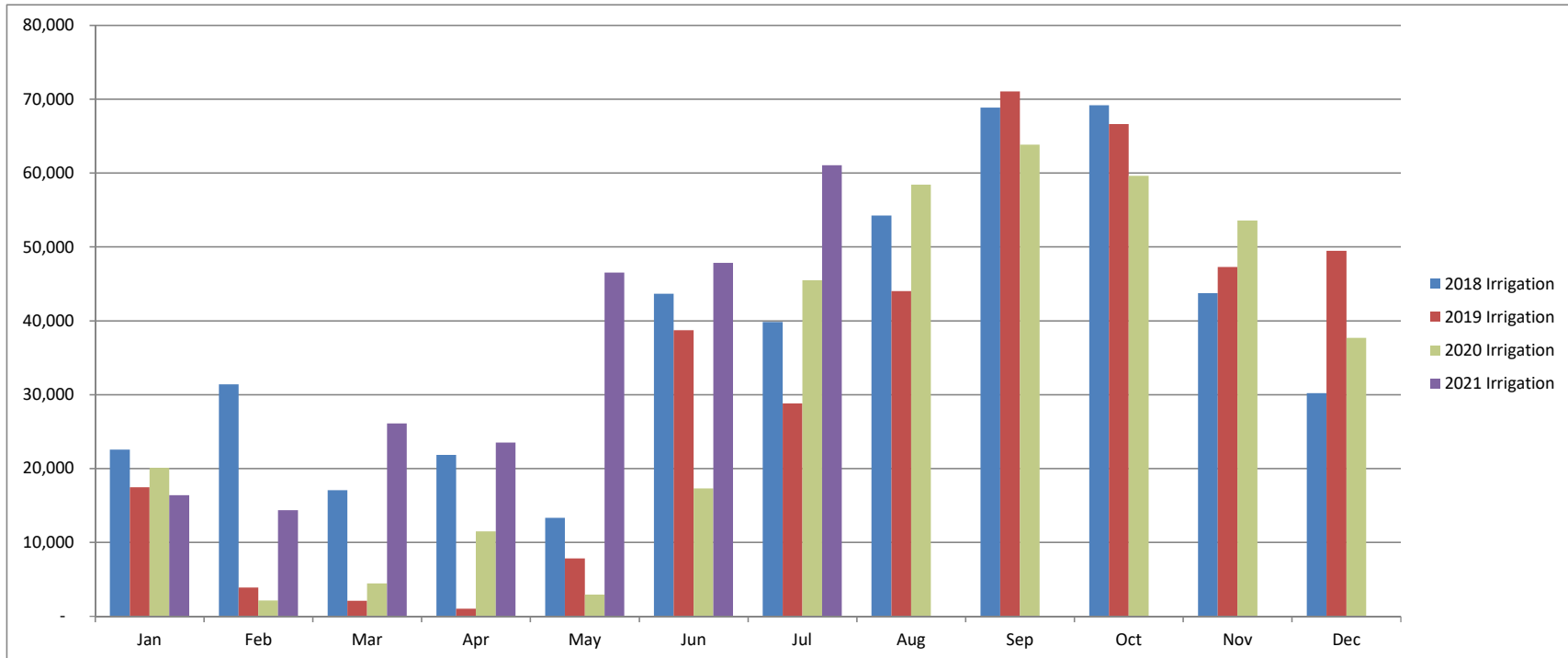
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Total
2018	44,191	52,495	38,446	40,263	32,183	62,631	61,214	74,756	90,767	90,776	61,661	50,693	331,423	700,076
2019	36,777	24,432	21,298	18,269	25,378	58,015	48,914	62,672	93,135	86,655	65,159	70,254	233,083	610,958
2020	38,350	23,285	22,570	29,169	22,804	39,197	66,203	81,581	86,612	80,664	75,700	58,608	241,578	624,743
2021	38,929	32,844	44,745	44,946	67,232	67,759	83,660	-	-	-	-	-	380,115	380,115



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
2018 Irrigation	22,567	31,368	17,039	21,814	13,332	43,653	39,833	54,254	68,843	69,176	43,741	30,171	189,606	455,791
2019 Irrigation	17,434	3,892	2,081	1,000	7,803	38,696	28,811	43,994	71,052	66,612	47,254	49,451	99,717	378,080
2020 Irrigation	20,096	2,146	4,430	11,464	2,923	17,310	45,463	58,399	63,816	59,592	53,554	37,681	103,832	376,874
2021 Irrigation	16,390	14,356	26,104	23,513	46,497	47,822	61,029	-	-	-	-	-	235,711	235,711



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
2018 Residential	21,624	21,127	21,407	18,449	18,851	18,978	21,381	20,502	21,924	21,600	17,920	20,522	141,817	244,285
2019 Residential	19,343	20,540	19,217	17,269	17,575	19,319	20,103	18,678	22,083	20,043	17,905	20,803	133,366	232,878
2020 Residential	18,254	21,139	18,140	17,705	19,881	21,887	20,740	23,182	22,796	21,072	22,146	20,927	137,746	247,869
2021 Residential	22,539	18,488	18,641	21,433	20,735	19,937	22,631	-	-	-	-	-	144,404	144,404

