

**Third Laguna Hills Mutual**  
**Statement of Revenues & Expenses - Preliminary**  
**2/28/2023**  
(\$ IN THOUSANDS)

|                          |  | CURRENT MONTH |         |          | YEAR TO DATE |         |          | PRIOR YEAR | TOTAL    |
|--------------------------|--|---------------|---------|----------|--------------|---------|----------|------------|----------|
|                          |  | ACTUAL        | BUDGET  | VARIANCE | ACTUAL       | BUDGET  | VARIANCE | ACTUAL     | BUDGET   |
| Revenues:                |  |               |         |          |              |         |          |            |          |
| Assessments:             |  |               |         |          |              |         |          |            |          |
| 1                        | Operating                                  | \$2,388       | \$2,388 |          | \$4,776      | \$4,776 |          | \$4,767    | \$28,657 |
| 2                        | Additions to restricted funds              | 1,065         | 1,065   |          | 2,130        | 2,130   |          | 2,135      | 12,780   |
| 3                        | Total assessments                          | 3,453         | 3,453   |          | 6,906        | 6,906   |          | 6,902      | 41,437   |
| Non-assessment revenues: |  |               |         |          |              |         |          |            |          |
| 4                        | Fees and charges for services to residents | 71            | 88      | (17)     | 196          | 176     | 19       | 110        | 1,075    |
| 5                        | Laundry                                    | 14            | 18      | (3)      | 35           | 35      |          | 39         | 210      |
| 6                        | Investment income                          | 49            | 35      | 14       | 80           | 70      | 10       | 6          | 420      |
| 7                        | Miscellaneous                              | 46            | 63      | (17)     | 88           | 125     | (37)     | 109        | 753      |
| 8                        | Total non-assessment revenue               | 181           | 203     | (22)     | 399          | 407     | (8)      | 264        | 2,458    |
| 9                        | Total revenue                              | 3,634         | 3,656   | (22)     | 7,305        | 7,313   | (8)      | 7,166      | 43,895   |
| Expenses:                |  |               |         |          |              |         |          |            |          |
| 10                       | Employee compensation and related          | 991           | 1,138   | 147      | 2,047        | 2,372   | 325      | 2,088      | 14,458   |
| 11                       | Materials and supplies                     | 92            | 113     | 20       | 191          | 218     | 27       | 190        | 1,382    |
| 12                       | Utilities and telephone                    | 290           | 391     | 101      | 793          | 884     | 90       | 758        | 5,977    |
| 13                       | Legal fees                                 | 25            | 30      | 5        | 39           | 56      | 17       | 10         | 393      |
| 14                       | Professional fees                          | 8             | 12      | 4        | 11           | 25      | 14       | 9          | 149      |
| 15                       | Equipment rental                           | 1             | 4       | 2        | 2            | 8       | 6        |            | 45       |
| 16                       | Outside services                           | 372           | 842     | 469      | 636          | 1,420   | 784      | 368        | 9,390    |
| 17                       | Repairs and maintenance                    | 29            | 32      | 2        | 53           | 63      | 10       | 47         | 379      |
| 18                       | Other Operating Expense                    | 10            | 14      | 4        | 19           | 27      | 8        | 7          | 182      |
| 19                       | Insurance                                  | 732           | 744     | 11       | 1,477        | 1,487   | 10       | 1,230      | 8,923    |
| 20                       | Uncollectible Accounts                     | (5)           | 5       | 11       | (5)          | 11      | 16       | 28         | 65       |
| 21                       | Depreciation and amortization              | 9             | 9       |          | 17           | 17      |          | 22         | 105      |
| 22                       | Net allocation to mutuals                  | 91            | 113     | 22       | 177          | 231     | 54       | 214        | 1,412    |
| 23                       | Total expenses                             | 2,646         | 3,446   | 800      | 5,460        | 6,819   | 1,360    | 4,972      | 42,861   |
| 24                       | Excess of revenues over expenses           | \$988         | \$210   | \$778    | \$1,846      | \$494   | \$1,352  | \$2,194    | \$1,034  |

**Third Laguna Hills Mutual  
Operating Statement  
2/28/2023  
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                                     | \$4,776,129      | \$4,776,247            | (\$118)         | 0.00%           | \$28,657,484      |
| <b>Total Operating</b>   | <b>4,776,129</b> | <b>4,776,247</b>       | <b>(118)</b>    | <b>0.00%</b>    | <b>28,657,484</b> |
| <b>Additions To Restricted Funds</b>                               |                  |                        |                 |                 |                   |
| 41002000 - Monthly Assessments - Disaster Fund                     | 149,621          | 149,621                | 0               | 0.00%           | 897,726           |
| 41003500 - Monthly Assessments - Replacement Fund                  | 1,879,416        | 1,879,416              | 0               | 0.00%           | 11,276,496        |
| 41004000 - Monthly Assessments - Elevator Replacement Fund         | 61,020           | 61,020                 | 0               | 0.00%           | 366,120           |
| 41004500 - Monthly Assessments - Laundry Replacement Fund          | 24,408           | 24,408                 | 0               | 0.00%           | 146,448           |
| 41006000 - Monthly Assessments - Garden Villa Recreation Room Fund | 15,525           | 15,525                 | 0               | 0.00%           | 93,150            |
| <b>Total Additions To Restricted Funds</b>                         | <b>2,129,990</b> | <b>2,129,990</b>       | <b>0</b>        | <b>0.00%</b>    | <b>12,779,940</b> |
| <b>Total Assessments</b>   | <b>6,906,119</b> | <b>6,906,237</b>       | <b>(118)</b>    | <b>0.00%</b>    | <b>41,437,424</b> |
| Non-Assessment Revenues:   |                  |                        |                 |                 |                   |
| <b>Fees and Charges for Services to Residents</b>                  |                  |                        |                 |                 |                   |
| 46501000 - Permit Fee  | 30,255           | 57,110                 | (26,855)        | (47.02%)        | 342,660           |
| 46501500 - Inspection Fee  | 8,919            | 14,154                 | (5,235)         | (36.99%)        | 84,928            |
| 46502000 - Resident Maintenance Fee                                | 156,460          | 105,154                | 51,306          | 48.79%          | 647,532           |
| <b>Total Fees and Charges for Services to Residents</b>            | <b>195,634</b>   | <b>176,418</b>         | <b>19,216</b>   | <b>10.89%</b>   | <b>1,075,119</b>  |
| <b>Laundry</b>   |                  |                        |                 |                 |                   |
| 46005000 - Coin Op Laundry Machine                                 | 35,079           | 35,000                 | 79              | 0.23%           | 210,000           |
| <b>Total Laundry</b>   | <b>35,079</b>    | <b>35,000</b>          | <b>79</b>       | <b>0.23%</b>    | <b>210,000</b>    |
| <b>Investment Income</b>   |                  |                        |                 |                 |                   |
| 49001000 - Investment Income - Nondiscretionary                    | 22,639           | 0                      | 22,639          | 0.00%           | 0                 |
| 49002000 - Investment Income - Discretionary                       | 57,742           | 70,000                 | (12,258)        | (17.51%)        | 420,000           |
| <b>Investment Interest Income</b>                                  | <b>80,381</b>    | <b>70,000</b>          | <b>10,381</b>   | <b>14.83%</b>   | <b>420,000</b>    |
| <b>Miscellaneous</b>   |                  |                        |                 |                 |                   |
| 46004500 - Resident Violations                                     | 1,800            | 10,574                 | (8,774)         | (82.98%)        | 63,444            |
| 44501000 - Additional Occupant Fee                                 | 6,450            | 15,300                 | (8,850)         | (57.84%)        | 91,805            |
| 44501510 - Lease Processing Fee - Third                            | 32,740           | 41,632                 | (8,892)         | (21.36%)        | 249,803           |
| 44502000 - Variance Processing Fee                                 | 900              | 2,647                  | (1,747)         | (66.00%)        | 15,888            |
| 44502500 - Non-Sale Transfer Fee - Third                           | 300              | 500                    | (200)           | (40.00%)        | 3,000             |
| 44503520 - Resale Processing Fee - Third                           | 17,712           | 27,200                 | (9,488)         | (34.88%)        | 163,200           |
| 44505500 - Hoa Certification Fee                                   | 845              | 2,500                  | (1,655)         | (66.20%)        | 15,000            |
| 44507000 - Golf Cart Electric Fee                                  | 11,126           | 11,166                 | (40)            | (0.35%)         | 67,000            |
| 44507200 - Electric Vehicle Plug-In Fee                            | 3,271            | 2,082                  | 1,189           | 57.10%          | 12,500            |
| 44507500 - Cartport/Carport Space Rental Fee                       | 0                | 732                    | (732)           | (100.00%)       | 4,400             |
| 47001500 - Late Fee Revenue  | 12,505           | 10,166                 | 2,339           | 23.01%          | 61,000            |
| 47002020 - Collection Administrative Fee - Third                   | 0                | 200                    | (200)           | (100.00%)       | 1,200             |
| 47002500 - Collection Interest Revenue                             | 0                | 44                     | (44)            | (100.00%)       | 273               |
| 47501000 - Recycling   | 556              | 666                    | (110)           | (16.57%)        | 4,000             |
| 49009000 - Miscellaneous Revenue                                   | (2)              | 0                      | (2)             | 0.00%           | 0                 |
| <b>Total Miscellaneous</b>   | <b>88,203</b>    | <b>125,409</b>         | <b>(37,206)</b> | <b>(29.67%)</b> | <b>752,512</b>    |
| <b>Total Non-Assessment Revenue</b>                                | <b>399,296</b>   | <b>406,827</b>         | <b>(7,531)</b>  | <b>(1.85%)</b>  | <b>2,457,631</b>  |
| <b>Total Revenue</b>   | <b>7,305,416</b> | <b>7,313,065</b>       | <b>(7,649)</b>  | <b>(0.10%)</b>  | <b>43,895,056</b> |
| Expenses:  |                  |                        |                 |                 |                   |
| <b>Employee Compensation</b>                                       |                  |                        |                 |                 |                   |
| 51011000 - Salaries & Wages - Regular                              | 425,180          | 509,714                | 84,534          | 16.58%          | 3,220,777         |
| 51021000 - Union Wages - Regular                                   | 697,920          | 912,937                | 215,017         | 23.55%          | 5,647,830         |
| 51041000 - Wages - Overtime  | 2,378            | 3,923                  | 1,545           | 39.39%          | 23,548            |
| 51051000 - Union Wages - Overtime                                  | 9,990            | 6,132                  | (3,857)         | (62.90%)        | 36,808            |
| 51061000 - Holiday & Vacation                                      | 163,911          | 120,221                | (43,690)        | (36.34%)        | 749,370           |
| 51071000 - Sick  | 39,293           | 49,037                 | 9,745           | 19.87%          | 305,664           |
| 51091000 - Missed Meal Penalty                                     | 813              | 598                    | (215)           | (35.93%)        | 3,617             |
| 51101000 - Temporary Help  | 7,671            | 4,477                  | (3,194)         | (71.36%)        | 26,863            |

**Third Laguna Hills Mutual  
Operating Statement  
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THIRD LAGUNA HILLS MUTUAL

|   | YEAR TO DATE     |                  |                |               | TOTAL             |
|---|------------------|------------------|----------------|---------------|-------------------|
|   | Actual           | Budget           | VAR\$ B/(W)    | VAR% B/(W)    | BUDGET            |
| 51981000 - Compensation Accrual                 | 74,480           | 0                | (74,480)       | 0.00%         | 0                 |
| <b>Total Employee Compensation</b>              | <b>1,421,637</b> | <b>1,607,040</b> | <b>185,404</b> | <b>11.54%</b> | <b>10,014,478</b> |
| <b>Compensation Related</b>                     |                  |                  |                |               |                   |
| 52411000 - F.I.C.A.                             | 100,885          | 121,781          | 20,896         | 17.16%        | 753,615           |
| 52421000 - F.U.I.                               | 6,206            | 7,443            | 1,237          | 16.62%        | 9,924             |
| 52431000 - S.U.I.                               | 27,924           | 37,820           | 9,896          | 26.17%        | 52,781            |
| 52441000 - Union Medical                        | 276,421          | 323,987          | 47,566         | 14.68%        | 1,943,923         |
| 52451000 - Workers' Compensation Insurance      | 60,370           | 86,898           | 26,528         | 30.53%        | 539,543           |
| 52461000 - Non Union Medical & Life Insurance   | 56,577           | 75,488           | 18,911         | 25.05%        | 452,930           |
| 52471000 - Union Retirement Plan                | 73,139           | 88,876           | 15,737         | 17.71%        | 549,826           |
| 52481000 - Non-Union Retirement Plan            | 12,858           | 22,385           | 9,527          | 42.56%        | 141,446           |
| 52981000 - Compensation Related Accrual         | 11,113           | 0                | (11,113)       | 0.00%         | 0                 |
| <b>Total Compensation Related</b>               | <b>625,492</b>   | <b>764,679</b>   | <b>139,187</b> | <b>18.20%</b> | <b>4,443,987</b>  |
| <b>Materials and Supplies</b>                   |                  |                  |                |               |                   |
| 53001000 - Materials & Supplies                 | 59,669           | 98,354           | 38,685         | 39.33%        | 580,244           |
| 53003000 - Materials Direct                     | 131,353          | 119,422          | (11,931)       | (9.99%)       | 797,881           |
| 53004000 - Freight                              | 280              | 642              | 362            | 56.43%        | 3,892             |
| <b>Total Materials and Supplies</b>             | <b>191,302</b>   | <b>218,418</b>   | <b>27,116</b>  | <b>12.41%</b> | <b>1,382,017</b>  |
| <b>Utilities and Telephone</b>                  |                  |                  |                |               |                   |
| 53301000 - Electricity                          | 77,664           | 89,749           | 12,085         | 13.47%        | 399,821           |
| 53301500 - Sewer                                | 208,479          | 242,400          | 33,921         | 13.99%        | 1,494,600         |
| 53302000 - Water                                | 315,937          | 372,634          | 56,697         | 15.22%        | 3,009,336         |
| 53302500 - Trash                                | 191,413          | 178,821          | (12,592)       | (7.04%)       | 1,072,920         |
| <b>Total Utilities and Telephone</b>            | <b>793,492</b>   | <b>883,604</b>   | <b>90,111</b>  | <b>10.20%</b> | <b>5,976,677</b>  |
| <b>Legal Fees</b>                               |                  |                  |                |               |                   |
| 53401500 - Legal Fees                           | 38,772           | 55,832           | 17,060         | 30.56%        | 393,325           |
| <b>Total Legal Fees</b>                         | <b>38,772</b>    | <b>55,832</b>    | <b>17,060</b>  | <b>30.56%</b> | <b>393,325</b>    |
| <b>Professional Fees</b>                        |                  |                  |                |               |                   |
| 53402000 - Audit & Tax Preparation Fees         | (5,878)          | 0                | 5,878          | 0.00%         | 0                 |
| 53402020 - Audit & Tax Preparation Fees - Third | 5,878            | 7,944            | 2,066          | 26.01%        | 47,670            |
| 53403500 - Consulting Fees                      | 8,438            | 1,877            | (6,560)        | (349.47%)     | 11,271            |
| 53403520 - Consulting Fees - Third              | 2,925            | 15,062           | 12,137         | 80.58%        | 90,416            |
| <b>Total Professional Fees</b>                  | <b>11,363</b>    | <b>24,883</b>    | <b>13,521</b>  | <b>54.34%</b> | <b>149,357</b>    |
| <b>Equipment Rental</b>                         |                  |                  |                |               |                   |
| 53501500 - Equipment Rental/Lease Fees          | 1,747            | 7,568            | 5,821          | 76.92%        | 44,576            |
| <b>Total Equipment Rental</b>                   | <b>1,747</b>     | <b>7,568</b>     | <b>5,821</b>   | <b>76.92%</b> | <b>44,576</b>     |
| <b>Outside Services</b>                         |                  |                  |                |               |                   |
| 53601000 - Bank Fees                            | (3,254)          | 6,219            | 9,473          | 152.31%       | 37,322            |
| 53601500 - Credit Card Transaction Fees         | 2,137            | 1,666            | (471)          | (28.28%)      | 10,000            |
| 53604500 - Marketing Expense                    | 0                | 832              | 832            | 100.00%       | 5,000             |
| 54603500 - Outside Services Cost Collection     | 633,510          | 1,392,780        | 759,270        | 54.51%        | 9,223,931         |
| 53704000 - Outside Services                     | 3,989            | 18,505           | 14,517         | 78.45%        | 114,213           |
| <b>Total Outside Services</b>                   | <b>636,382</b>   | <b>1,420,003</b> | <b>783,621</b> | <b>55.18%</b> | <b>9,390,466</b>  |
| <b>Repairs and Maintenance</b>                  |                  |                  |                |               |                   |
| 53701000 - Equipment Repair & Maint             | 627              | 2,116            | 1,490          | 70.39%        | 12,721            |
| 53703000 - Elevator /Lift Maintenance           | 52,410           | 61,042           | 8,632          | 14.14%        | 366,252           |
| <b>Total Repairs and Maintenance</b>            | <b>53,036</b>    | <b>63,158</b>    | <b>10,122</b>  | <b>16.03%</b> | <b>378,973</b>    |
| <b>Other Operating Expense</b>                  |                  |                  |                |               |                   |
| 53801000 - Mileage & Meal Allowance             | 169              | 989              | 820            | 82.91%        | 5,960             |
| 53801500 - Travel & Lodging                     | 0                | 286              | 286            | 100.00%       | 1,719             |
| 53802000 - Uniforms                             | 10,272           | 14,501           | 4,229          | 29.16%        | 87,067            |
| 53802500 - Dues & Memberships                   | 128              | 401              | 273            | 68.13%        | 2,423             |
| 53803000 - Subscriptions & Books                | 0                | 270              | 270            | 100.00%       | 1,628             |
| 53803500 - Training & Education                 | 510              | 2,852            | 2,342          | 82.13%        | 18,166            |
| 53903000 - Safety                               | 63               | 165              | 101            | 61.66%        | 993               |
| 54001020 - Board Relations - Third              | 558              | 1,666            | 1,108          | 66.51%        | 10,000            |
| 54002000 - Postage                              | 7,425            | 6,179            | (1,246)        | (20.17%)      | 53,780            |
| 54002500 - Filing Fees / Permits                | 176              | 83               | (93)           | (111.58%)     | 514               |

**Third Laguna Hills Mutual**  
**Operating Statement**  
**2/28/2023**  
THIRD LAGUNA HILLS MUTUAL

|  | Actual             | YEAR TO DATE<br>Budget | VAR\$ B/(W)        | VAR% B/(W)     | TOTAL<br>BUDGET    |
|--|--------------------|------------------------|--------------------|----------------|--------------------|
| <b>Total Other Operating Expense</b>       | <b>19,301</b>      | <b>27,391</b>          | <b>8,091</b>       | <b>29.54%</b>  | <b>182,251</b>     |
| <b>Insurance</b>                           |                    |                        |                    |                |                    |
| 54401000 - Hazard & Liability Insurance    | 145,261            | 161,755                | 16,494             | 10.20%         | 970,532            |
| 54401500 - D&O Liability                   | 14,804             | 15,975                 | 1,171              | 7.33%          | 95,850             |
| 54402000 - Property Insurance              | 1,314,208          | 1,308,324              | (5,884)            | (0.45%)        | 7,849,953          |
| 54403000 - General Liability Insurance     | 3,102              | 1,179                  | (1,923)            | (163.16%)      | 7,072              |
| <b>Total Insurance</b>                     | <b>1,477,374</b>   | <b>1,487,233</b>       | <b>9,859</b>       | <b>0.66%</b>   | <b>8,923,407</b>   |
| <b>Uncollectible Accounts</b>              |                    |                        |                    |                |                    |
| 54602000 - Bad Debt Expense                | (4,907)            | 10,832                 | 15,739             | 145.30%        | 65,000             |
| <b>Total Uncollectible Accounts</b>        | <b>(4,907)</b>     | <b>10,832</b>          | <b>15,739</b>      | <b>145.30%</b> | <b>65,000</b>      |
| <b>Depreciation and Amortization</b>       |                    |                        |                    |                |                    |
| 55001000 - Depreciation And Amortization   | 17,488             | 17,488                 | 0                  | 0.00%          | 104,928            |
| <b>Total Depreciation and Amortization</b> | <b>17,488</b>      | <b>17,488</b>          | <b>0</b>           | <b>0.00%</b>   | <b>104,928</b>     |
| <b>Net Allocation to Mutuals</b>           |                    |                        |                    |                |                    |
| 54602500 - Allocated Expenses              | 177,413            | 231,286                | 53,874             | 23.29%         | 1,412,025          |
| <b>Total Net Allocation to Mutuals</b>     | <b>177,413</b>     | <b>231,286</b>         | <b>53,874</b>      | <b>23.29%</b>  | <b>1,412,025</b>   |
| <b>Total Expenses</b>                      | <b>5,459,891</b>   | <b>6,819,415</b>       | <b>1,359,524</b>   | <b>19.94%</b>  | <b>42,861,467</b>  |
| <b>Excess of Revenues Over Expenses</b>    | <b>\$1,845,525</b> | <b>\$493,649</b>       | <b>\$1,351,875</b> | <b>273.85%</b> | <b>\$1,033,589</b> |

**Third Laguna Hills Mutual  
Balance Sheet - Preliminary  
2/28/2023**

|           |  | <u>Current<br/>Month End</u> | <u>Prior Year<br/>December 31</u> |
|-----------|--|------------------------------|-----------------------------------|
|           | <b>Assets</b>                                    |                              |                                   |
| 1         | Cash and cash equivalents                        | \$3,414,448                  | \$862,027                         |
| 2         | Non-discretionary investments                    | 4,428,581                    | 4,990,008                         |
| 3         | Discretionary investments                        | 25,406,712                   | 25,182,483                        |
| 4         | Receivable/(Payable) from mutuals                | 1,366,419                    | 1,346,302                         |
| 5         | Accounts receivable and interest receivable      | 127,996                      | 272,271                           |
| 6         | Prepaid expenses and deposits                    | 2,003,926                    | 3,332,534                         |
| 7         | Property and equipment                           | 141,239                      | 141,239                           |
| 8         | Accumulated depreciation property and equipment  | (141,239)                    | (141,239)                         |
| 9         | Beneficial interest in GRF of Laguna Hills Trust | 4,932,723                    | 4,950,211                         |
| 10        | Non-controlling interest in GRF                  | 41,073,262                   | 41,073,262                        |
| <b>11</b> | <b>Total Assets</b>                              | <u><b>\$82,754,067</b></u>   | <u><b>\$82,009,098</b></u>        |
|           | <b>Liabilities and Fund Balances</b>             |                              |                                   |
|           | Liabilities:                                     |                              |                                   |
| 12        | Accounts payable and accrued expenses            | \$1,776,658                  | \$2,885,835                       |
| 13        | Accrued compensation and related costs           | 598,365                      | 598,365                           |
| 14        | Deferred income                                  | 660,267                      | 651,645                           |
| 15        | Income tax payable                               | (26,005)                     | (26,005)                          |
| 16        | Total liabilities                                | <u>\$3,009,285</u>           | <u>\$4,109,840</u>                |
|           | Fund balances:                                   |                              |                                   |
| 17        | Fund balance prior years                         | 77,899,258                   | 74,108,394                        |
| 18        | Change in fund balance - current year            | 1,845,525                    | 3,790,864                         |
| 19        | Net fund balances                                | <u>79,744,782</u>            | <u>77,899,258</u>                 |
| 20        | Total fund balances                              | <u>79,744,782</u>            | <u>77,899,258</u>                 |
| <b>21</b> | <b>Total Liabilities and Fund Balances</b>       | <u><b>\$82,754,067</b></u>   | <u><b>\$82,009,098</b></u>        |

**Third Laguna Hills Mutual  
Fund Balance Sheet - Preliminary  
2/28/2023**

|                                      |  | <b>Operating<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>Disaster<br/>Fund</b> | <b>Unappropriated<br/>Expenditures<br/>Fund</b> | <b>Total</b>        |
|--------------------------------------|--|---------------------------|-----------------------------|--|---|---|--------------------------|---|---------------------|
| <b>Assets</b>                        |  |                           |                             |  |   |   |                          |   |                     |
| 1                                    | Cash and cash equivalents                        | \$772,882                 | \$484,139                   | \$442,538                                | \$9,196                                 | \$39,495                                  | \$227,225                | \$1,438,972                                     | \$3,414,448         |
| 2                                    | Non-discretionary investments                    |                           |                             | 338,492                                  | 62,756                                  | 12,510                                    | 3,569,063                | 445,760   | 4,428,581           |
| 3                                    | Discretionary investments                        |                           | 19,904,372                  | 1,933,659                                | 265,260                                 | 71,695                                    | 2,694,160                | 537,566   | 25,406,712          |
| 4                                    | Receivable/(Payable) from mutuals                | 1,366,419                 |                             |  |   |   |                          |   | 1,366,419           |
| 5                                    | Receivable/(Payable) from operating fund         | (855,365)                 | (582,836)                   |  |   |   |                          | 1,438,201                                       |                     |
| 6                                    | Accounts receivable and interest receivable      | 63,173                    |                             |  |   |   | 64,823                   |   | 127,996             |
| 7                                    | Prepaid expenses and deposits                    | 2,003,926                 |                             |  |   |   |                          |   | 2,003,926           |
| 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 | 4,932,723                 |                             |  |   |   |                          |   | 4,932,723           |
| 11                                   | Non-controlling interest in GRF                  | 41,073,262                |                             |  |   |   |                          |   | 41,073,262          |
| 12                                   | <b>Total Assets</b>                              | <b>\$49,357,020</b>       | <b>\$19,805,675</b>         | <b>\$2,714,689</b>                       | <b>\$337,212</b>                        | <b>\$123,701</b>                          | <b>\$6,555,270</b>       | <b>\$3,860,499</b>                              | <b>\$82,754,067</b> |
| <b>Liabilities and Fund Balances</b> |  |                           |                             |  |   |   |                          |   |                     |
| Liabilities:                         |  |                           |                             |  |   |   |                          |   |                     |
| 13                                   | Accounts payable and accrued expenses            | \$992,602                 | \$513,649                   |  |   |   | \$270,407                |   | \$1,776,658         |
| 14                                   | Accrued compensation and related costs           | 598,365                   |                             |  |   |   |                          |   | 598,365             |
| 15                                   | Deferred income                                  | 660,267                   |                             |  |   |   |                          |   | 660,267             |
| 16                                   | Income tax payable                               | (26,005)                  |                             |  |   |   |                          |   | (26,005)            |
| 17                                   | <b>Total liabilities</b>                         | <b>\$2,225,229</b>        | <b>\$513,649</b>            |  |   |   | <b>\$270,407</b>         |   | <b>\$3,009,285</b>  |
| Fund balances:                       |  |                           |                             |  |   |   |                          |   |                     |
| 18                                   | Fund balance prior years                         | 46,453,934                | 18,219,267                  | 2,647,544                                | 333,625                                 | 111,427                                   | 6,278,965                | 3,854,496                                       | 77,899,258          |
| 19                                   | Change in fund balance - current year            | 677,857                   | 1,072,760                   | 67,146                                   | 3,587                                   | 12,274                                    | 5,898                    | 6,003   | 1,845,525           |
| 20                                   | <b>Net fund balances</b>                         | <b>47,131,791</b>         | <b>19,292,027</b>           | <b>2,714,689</b>                         | <b>337,212</b>                          | <b>123,701</b>                            | <b>6,284,863</b>         | <b>3,860,499</b>                                | <b>79,744,782</b>   |
| 21                                   | <b>Total fund balances</b>                       | <b>47,131,791</b>         | <b>19,292,027</b>           | <b>2,714,689</b>                         | <b>337,212</b>                          | <b>123,701</b>                            | <b>6,284,863</b>         | <b>3,860,499</b>                                | <b>79,744,782</b>   |
| 22                                   | <b>Total Liabilities and Fund Balances</b>       | <b>\$49,357,020</b>       | <b>\$19,805,675</b>         | <b>\$2,714,689</b>                       | <b>\$337,212</b>                        | <b>\$123,701</b>                          | <b>\$6,555,270</b>       | <b>\$3,860,499</b>                              | <b>\$82,754,067</b> |

**Third Laguna Hills Mutual  
Changes in Fund Balances - Preliminary  
2/28/2023**

|  | <u>Operating<br/>Fund</u> | <u>Replacement<br/>Fund</u> | <u>Elevator<br/>Replacement<br/>Fund</u> | <u>Laundry<br/>Replacement<br/>Fund</u> | <u>Garden Villa<br/>Rec Room<br/>Fund</u> | <u>Disaster<br/>Fund</u> | <u>Unappropriated<br/>Expenditures<br/>Fund</u> | <u>Total</u>       |
|--|---------------------------|-----------------------------|--|---|---|--------------------------|---|--------------------|
| Revenues:  |                           |                             |  |   |   |                          |   |                    |
| Assessments:   |                           |                             |  |   |   |                          |   |                    |
| 1 Operating  | \$4,776,129               |                             |  |   |   |                          |   | \$4,776,129        |
| 2 Additions to restricted funds                      |                           | 1,879,416                   | 61,020                                   | 24,408                                  | 15,525                                    | 149,621                  |   | 2,129,990          |
| 3 Total assessments                                  | <u>4,776,129</u>          | <u>1,879,416</u>            | <u>61,020</u>                            | <u>24,408</u>                           | <u>15,525</u>                             | <u>149,621</u>           |   | <u>6,906,119</u>   |
| Non-assessment revenues:                             |                           |                             |  |   |   |                          |   |                    |
| 4 Fees and charges for services to residents         | 195,634                   |                             |  |   |   |                          |   | 195,634            |
| 5 Laundry  | 35,079                    |                             |  |   |   |                          |   | 35,079             |
| 6 Interest income                                    |                           | 51,145                      | 6,126                                    | 1,157                                   | 227                                       | 15,722                   | 6,003   | 80,381             |
| 7 Miscellaneous                                      | <u>88,357</u>             | <u>(154)</u>                |  |   |   |                          |   | <u>88,203</u>      |
| 8 Total non-assessment revenue                       | <u>319,070</u>            | <u>50,991</u>               | <u>6,126</u>                             | <u>1,157</u>                            | <u>227</u>                                | <u>15,722</u>            | <u>6,003</u>                                    | <u>399,296</u>     |
| 9 Total revenue                                      | <u>5,095,199</u>          | <u>1,930,407</u>            | <u>67,146</u>                            | <u>25,565</u>                           | <u>15,752</u>                             | <u>165,343</u>           | <u>6,003</u>                                    | <u>7,305,416</u>   |
| Expenses:  |                           |                             |  |   |   |                          |   |                    |
| 10 Employee compensation and related                 | 1,582,843                 | 450,817                     |  | 4,451                                   | 3,039                                     | 5,979                    |   | 2,047,129          |
| 11 Materials and supplies                            | 113,599                   | 60,239                      |  | 17,010                                  | 157                                       | 296                      |   | 191,302            |
| 12 Utilities and telephone                           | 792,401                   | 1,054                       |  |   | 3   | 34                       |   | 793,492            |
| 13 Legal fees  | 38,772                    |                             |  |   |   |                          |   | 38,772             |
| 14 Professional fees                                 | 11,363                    |                             |  |   |   |                          |   | 11,363             |
| 15 Equipment rental                                  | 882                       | 828                         |  |   | 2   | 36                       |   | 1,747              |
| 16 Outside services                                  | 166,175                   | 317,434                     |  |   |   | 152,773                  |   | 636,382            |
| 17 Repairs and maintenance                           | 52,606                    | 416                         |  |   | 1   | 13                       |   | 53,036             |
| 18 Other Operating Expense                           | 15,965                    | 3,234                       |  | 29                                      | 22  | 52                       |   | 19,301             |
| 19 Insurance   | 1,477,374                 |                             |  |   |   |                          |   | 1,477,374          |
| 20 Uncollectible Accounts                            | (4,907)                   |                             |  |   |   |                          |   | (4,907)            |
| 21 Depreciation and amortization                     | 17,488                    |                             |  |   |   |                          |   | 17,488             |
| 22 Net allocations to mutuals                        | <u>152,782</u>            | <u>23,626</u>               |  | <u>488</u>                              | <u>254</u>                                | <u>263</u>               |   | <u>177,413</u>     |
| 23 Total expenses                                    | <u>4,417,342</u>          | <u>857,648</u>              |  | <u>21,978</u>                           | <u>3,478</u>                              | <u>159,445</u>           |   | <u>5,459,891</u>   |
| 24 Excess (deficit) of revenues over expenses        | <u>\$677,857</u>          | <u>\$1,072,760</u>          | <u>\$67,146</u>                          | <u>\$3,587</u>                          | <u>\$12,274</u>                           | <u>\$5,898</u>           | <u>\$6,003</u>                                  | <u>\$1,845,525</u> |
| 25 Excluding unrealized gain/(loss) and depreciation | <u>\$695,345</u>          | <u>\$1,072,760</u>          | <u>\$67,146</u>                          | <u>\$3,587</u>                          | <u>\$12,274</u>                           | <u>\$5,898</u>           | <u>\$6,003</u>                                  | <u>\$1,863,013</u> |