

**Third Laguna Hills Mutual**  
**Statement of Revenues & Expenses - Preliminary**  
**1/31/2023**  
(\$ IN THOUSANDS)

		CURRENT MONTH			YEAR TO DATE			PRIOR YEAR	TOTAL
		ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET
Revenues:									
Assessments:									
1	Operating	\$2,388	\$2,388		\$2,388	\$2,388		\$2,384	\$28,657
2	Additions to restricted funds	1,065	1,065		1,065	1,065		1,068	12,780
3	Total assessments	3,453	3,453		3,453	3,453		3,451	41,437
Non-assessment revenues:									
4	Fees and charges for services to residents	125	89	36	125	89	36	59	1,075
5	Laundry	21	18	3	21	18	3	23	210
6	Investment income	31	35	(4)	31	35	(4)	3	420
7	Miscellaneous	42	63	(20)	42	63	(20)	55	753
8	Total non-assessment revenue	219	204	15	219	204	15	139	2,458
9	Total revenue	3,672	3,657	15	3,672	3,657	15	3,590	43,895
Expenses:									
10	Employee compensation and related	1,057	1,234	178	1,057	1,234	178	1,055	14,458
11	Materials and supplies	99	106	7	99	106	7	89	1,382
12	Utilities and telephone	504	493	(11)	504	493	(11)	349	5,977
13	Legal fees	14	26	12	14	26	12	20	393
14	Professional fees	3	12	9	3	12	9	9	149
15	Equipment rental	1	4	3	1	4	3		45
16	Outside services	264	578	314	264	578	314	(10)	9,390
17	Repairs and maintenance	24	32	8	24	32	8	23	379
18	Other Operating Expense	9	14	4	9	14	4	5	182
19	Insurance	745	744	(1)	745	744	(1)	629	8,923
20	Uncollectible Accounts		5	5		5	5	8	65
21	Depreciation and amortization	9	9		9	9		11	105
22	Net allocation to mutuals	86	118	32	86	118	32	118	1,412
23	Total expenses	2,814	3,374	560	2,814	3,374	560	2,307	42,861
24	Excess of revenues over expenses	\$858	\$283	\$574	\$858	\$283	\$574	\$1,283	\$1,034

**Third Laguna Hills Mutual  
Operating Statement  
1/31/2023  
THIRD LAGUNA HILLS MUTUAL**

	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
Revenues:					
Assessments:					
<b>Operating</b>					
41001000 - Monthly Assessments	\$2,388,065	\$2,388,124	(\$59)	0.00%	\$28,657,484
<b>Total Operating</b>	<b>2,388,065</b>	<b>2,388,124</b>	<b>(59)</b>	<b>0.00%</b>	<b>28,657,484</b>
<b>Additions To Restricted Funds</b>					
41002000 - Monthly Assessments - Disaster Fund	74,811	74,811	0	0.00%	897,726
41003500 - Monthly Assessments - Replacement Fund	939,708	939,708	0	0.00%	11,276,496
41004000 - Monthly Assessments - Elevator Replacement Fund	30,510	30,510	0	0.00%	366,120
41004500 - Monthly Assessments - Laundry Replacement Fund	12,204	12,204	0	0.00%	146,448
41006000 - Monthly Assessments - Garden Villa Recreation Room Fund	7,763	7,763	0	0.00%	93,150
<b>Total Additions To Restricted Funds</b>	<b>1,064,995</b>	<b>1,064,995</b>	<b>0</b>	<b>0.00%</b>	<b>12,779,940</b>
<b>Total Assessments</b>	<b>3,453,060</b>	<b>3,453,119</b>	<b>(59)</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	14,507	28,555	(14,048)	(49.20%)	342,660
46501500 - Inspection Fee	4,103	7,077	(2,974)	(42.02%)	84,928
46502000 - Resident Maintenance Fee	105,973	53,183	52,791	99.26%	647,532
<b>Total Fees and Charges for Services to Residents</b>	<b>124,584</b>	<b>88,815</b>	<b>35,769</b>	<b>40.27%</b>	<b>1,075,119</b>
<b>Laundry</b>					
46005000 - Coin Op Laundry Machine	20,770	17,500	3,270	18.68%	210,000
<b>Total Laundry</b>	<b>20,770</b>	<b>17,500</b>	<b>3,270</b>	<b>18.68%</b>	<b>210,000</b>
<b>Investment Income</b>					
49001000 - Investment Income - Nondiscretionary	12,361	0	12,361	0.00%	0
49002000 - Investment Income - Discretionary	18,710	35,000	(16,290)	(46.54%)	420,000
<b>Investment Interest Income</b>	<b>31,071</b>	<b>35,000</b>	<b>(3,929)</b>	<b>(11.23%)</b>	<b>420,000</b>
<b>Miscellaneous</b>					
46004500 - Resident Violations	1,800	5,287	(3,487)	(65.95%)	63,444
44501000 - Additional Occupant Fee	2,600	7,650	(5,050)	(66.01%)	91,805
44501510 - Lease Processing Fee - Third	14,320	20,816	(6,496)	(31.21%)	249,803
44502000 - Variance Processing Fee	450	1,324	(874)	(66.00%)	15,888
44502500 - Non-Sale Transfer Fee - Third	200	250	(50)	(20.00%)	3,000
44503520 - Resale Processing Fee - Third	9,200	13,600	(4,400)	(32.35%)	163,200
44505500 - Hoa Certification Fee	445	1,250	(805)	(64.40%)	15,000
44507000 - Golf Cart Electric Fee	5,293	5,583	(290)	(5.19%)	67,000
44507200 - Electric Vehicle Plug-In Fee	1,044	1,041	3	0.32%	12,500
44507500 - Cartport/Carport Space Rental Fee	0	366	(366)	(100.00%)	4,400
47001500 - Late Fee Revenue	6,565	5,083	1,482	29.16%	61,000
47002020 - Collection Administrative Fee - Third	0	100	(100)	(100.00%)	1,200
47002500 - Collection Interest Revenue	0	22	(22)	(100.00%)	273
47501000 - Recycling	309	333	(24)	(7.23%)	4,000
49009000 - Miscellaneous Revenue	(2)	0	(2)	0.00%	0
<b>Total Miscellaneous</b>	<b>42,225</b>	<b>62,705</b>	<b>(20,480)</b>	<b>(32.66%)</b>	<b>752,512</b>
<b>Total Non-Assessment Revenue</b>	<b>218,649</b>	<b>204,019</b>	<b>14,629</b>	<b>7.17%</b>	<b>2,457,631</b>
<b>Total Revenue</b>	<b>3,671,708</b>	<b>3,657,138</b>	<b>14,570</b>	<b>0.40%</b>	<b>43,895,056</b>
Expenses:					
<b>Employee Compensation</b>					
51011000 - Salaries & Wages - Regular	195,071	261,643	66,572	25.44%	3,220,777
51021000 - Union Wages - Regular	311,023	479,679	168,656	35.16%	5,647,830
51041000 - Wages - Overtime	1,359	1,962	602	30.70%	23,548
51051000 - Union Wages - Overtime	5,365	3,066	(2,299)	(74.97%)	36,808
51061000 - Holiday & Vacation	127,613	62,652	(64,961)	(103.69%)	749,370
51071000 - Sick	18,619	25,555	6,936	27.14%	305,664
51091000 - Missed Meal Penalty	436	299	(137)	(45.72%)	3,617
51101000 - Temporary Help	10,927	2,238	(8,689)	(388.17%)	26,863

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	YEAR TO DATE				TOTAL
	Actual	Budget	VAR\$ B/(W)	VAR% B/(W)	BUDGET
51981000 - Compensation Accrual	66,527	0	(66,527)	0.00%	0
<b>Total Employee Compensation</b>	<b>736,940</b>	<b>837,094</b>	<b>100,154</b>	<b>11.96%</b>	<b>10,014,478</b>
<b>Compensation Related</b>					
52411000 - F.I.C.A.	49,673	63,459	13,786	21.72%	753,615
52421000 - F.U.I.	3,772	4,962	1,190	23.98%	9,924
52431000 - S.U.I.	16,977	25,214	8,237	32.67%	52,781
52441000 - Union Medical	135,507	161,994	26,486	16.35%	1,943,923
52451000 - Workers' Compensation Insurance	29,589	45,480	15,890	34.94%	539,543
52461000 - Non Union Medical & Life Insurance	27,764	37,744	9,980	26.44%	452,930
52471000 - Union Retirement Plan	35,907	46,698	10,791	23.11%	549,826
52481000 - Non-Union Retirement Plan	6,364	11,490	5,126	44.61%	141,446
52981000 - Compensation Related Accrual	14,131	0	(14,131)	0.00%	0
<b>Total Compensation Related</b>	<b>319,684</b>	<b>397,040</b>	<b>77,356</b>	<b>19.48%</b>	<b>4,443,987</b>
<b>Materials and Supplies</b>					
53001000 - Materials & Supplies	33,744	48,115	14,370	29.87%	580,244
53003000 - Materials Direct	64,711	57,299	(7,412)	(12.94%)	797,881
53004000 - Freight	423	321	(103)	(31.97%)	3,892
<b>Total Materials and Supplies</b>	<b>98,878</b>	<b>105,735</b>	<b>6,856</b>	<b>6.48%</b>	<b>1,382,017</b>
<b>Utilities and Telephone</b>					
53301000 - Electricity	90,770	90,770	0	0.00%	399,821
53301500 - Sewer	121,200	121,200	0	0.00%	1,494,600
53302000 - Water	191,262	191,262	0	0.00%	3,009,336
53302500 - Trash	100,495	89,410	(11,085)	(12.40%)	1,072,920
<b>Total Utilities and Telephone</b>	<b>503,727</b>	<b>492,642</b>	<b>(11,085)</b>	<b>(2.25%)</b>	<b>5,976,677</b>
<b>Legal Fees</b>					
53401500 - Legal Fees	13,825	25,833	12,008	46.48%	393,325
<b>Total Legal Fees</b>	<b>13,825</b>	<b>25,833</b>	<b>12,008</b>	<b>46.48%</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	3,972	(1,906)	(47.99%)	47,670
53403500 - Consulting Fees	375	939	564	60.05%	11,271
53403520 - Consulting Fees - Third	2,925	7,531	4,606	61.16%	90,416
<b>Total Professional Fees</b>	<b>3,300</b>	<b>12,442</b>	<b>9,142</b>	<b>73.48%</b>	<b>149,357</b>
<b>Equipment Rental</b>					
53501500 - Equipment Rental/Lease Fees	596	3,993	3,397	85.08%	44,576
<b>Total Equipment Rental</b>	<b>596</b>	<b>3,993</b>	<b>3,397</b>	<b>85.08%</b>	<b>44,576</b>
<b>Outside Services</b>					
53601000 - Bank Fees	(2,662)	3,110	5,772	185.60%	37,322
53601500 - Credit Card Transaction Fees	746	833	87	10.41%	10,000
53604500 - Marketing Expense	0	416	416	100.00%	5,000
54603500 - Outside Services Cost Collection	264,556	564,422	299,866	53.13%	9,223,931
53704000 - Outside Services	1,255	9,253	7,998	86.44%	114,213
<b>Total Outside Services</b>	<b>263,895</b>	<b>578,033</b>	<b>314,138</b>	<b>54.35%</b>	<b>9,390,466</b>
<b>Repairs and Maintenance</b>					
53701000 - Equipment Repair & Maint	587	1,058	471	44.50%	12,721
53703000 - Elevator /Lift Maintenance	23,117	30,521	7,404	24.26%	366,252
<b>Total Repairs and Maintenance</b>	<b>23,704</b>	<b>31,579</b>	<b>7,875</b>	<b>24.94%</b>	<b>378,973</b>
<b>Other Operating Expense</b>					
53801000 - Mileage & Meal Allowance	32	505	473	93.71%	5,960
53801500 - Travel & Lodging	0	143	143	100.00%	1,719
53802000 - Uniforms	3,158	7,250	4,092	56.44%	87,067
53802500 - Dues & Memberships	128	151	23	15.28%	2,423
53803000 - Subscriptions & Books	0	135	135	100.00%	1,628
53803500 - Training & Education	412	1,426	1,014	71.13%	18,166
53903000 - Safety	0	82	82	100.00%	993
54001020 - Board Relations - Third	239	833	594	71.29%	10,000
54002000 - Postage	5,132	3,089	(2,042)	(66.10%)	53,780
54002500 - Filing Fees / Permits	176	42	(134)	(323.16%)	514

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	Actual	YEAR TO DATE Budget	VAR\$ B/(W)	VAR% B/(W)	TOTAL BUDGET
<b>Total Other Operating Expense</b>	<b>9,276</b>	<b>13,656</b>	<b>4,380</b>	<b>32.07%</b>	<b>182,251</b>
<b>Insurance</b>					
54401000 - Hazard & Liability Insurance	72,630	80,878	8,247	10.20%	970,532
54401500 - D&O Liability	7,402	7,987	586	7.33%	95,850
54402000 - Property Insurance	662,544	654,162	(8,382)	(1.28%)	7,849,953
54403000 - General Liability Insurance	2,439	589	(1,850)	(313.87%)	7,072
<b>Total Insurance</b>	<b>745,015</b>	<b>743,616</b>	<b>(1,399)</b>	<b>(0.19%)</b>	<b>8,923,407</b>
<b>Uncollectible Accounts</b>					
54602000 - Bad Debt Expense	227	5,416	5,189	95.81%	65,000
<b>Total Uncollectible Accounts</b>	<b>227</b>	<b>5,416</b>	<b>5,189</b>	<b>95.81%</b>	<b>65,000</b>
<b>Depreciation and Amortization</b>					
55001000 - Depreciation And Amortization	8,744	8,744	0	0.00%	104,928
<b>Total Depreciation and Amortization</b>	<b>8,744</b>	<b>8,744</b>	<b>0</b>	<b>0.00%</b>	<b>104,928</b>
<b>Net Allocation to Mutuals</b>					
54602500 - Allocated Expenses	86,210	117,902	31,692	26.88%	1,412,025
<b>Total Net Allocation to Mutuals</b>	<b>86,210</b>	<b>117,902</b>	<b>31,692</b>	<b>26.88%</b>	<b>1,412,025</b>
<b>Total Expenses</b>	<b>2,814,021</b>	<b>3,373,726</b>	<b>559,705</b>	<b>16.59%</b>	<b>42,861,467</b>
<b>Excess of Revenues Over Expenses</b>	<b>\$857,687</b>	<b>\$283,412</b>	<b>\$574,275</b>	<b>202.63%</b>	<b>\$1,033,589</b>

**Third Laguna Hills Mutual  
Balance Sheet - Preliminary  
1/31/2023**

		<u>Current Month End</u>	<u>Prior Year December 31</u>
	<b>Assets</b>		
1	Cash and cash equivalents	\$3,907,751	\$862,027
2	Non-discretionary investments	2,971,037	4,990,008
3	Discretionary investments	25,182,483	25,182,483
4	Receivable/(Payable) from mutuals	1,183,300	1,346,302
5	Accounts receivable and interest receivable	346,506	272,271
6	Prepaid expenses and deposits	2,660,637	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	4,941,467	4,950,211
10	Non-controlling interest in GRF	41,073,262	41,073,262
<b>11</b>	<b>Total Assets</b>	<u><b>\$82,266,444</b></u>	<u><b>\$82,009,098</b></u>
	<b>Liabilities and Fund Balances</b>		
	Liabilities:		
12	Accounts payable and accrued expenses	\$2,229,034	\$2,885,835
13	Accrued compensation and related costs	598,365	598,365
14	Deferred income	708,105	651,645
15	Income tax payable	(26,005)	(26,005)
16	Total liabilities	<u>\$3,509,500</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	857,687	3,790,864
19	Net fund balances	<u>78,756,945</u>	<u>77,899,258</u>
20	Total fund balances	<u>78,756,945</u>	<u>77,899,258</u>
<b>21</b>	<b>Total Liabilities and Fund Balances</b>	<u><b>\$82,266,444</b></u>	<u><b>\$82,009,098</b></u>

**Third Laguna Hills Mutual  
Fund Balance Sheet - Preliminary  
1/31/2023**

		<b>Operating Fund</b>	<b>Replacement Fund</b>	<b>Elevator Replacement Fund</b>	<b>Laundry Replacement Fund</b>	<b>Garden Villa Rec Room Fund</b>	<b>Disaster Fund</b>	<b>Unappropriated Expenditures Fund</b>	<b>Total</b>
<b>Assets</b>									
1	Cash and cash equivalents	\$1,220,807	\$1,300,433	\$536,434	\$27,198	\$38,066	\$285,714	\$499,098	\$3,907,751
2	Non-discretionary investments		1,260,442	227,416	41,772	8,393	1,096,114	336,900	2,971,037
3	Discretionary investments		19,761,697	1,916,571	262,032	71,062	2,650,302	520,819	25,182,483
4	Receivable/(Payable) from mutuals	1,183,300							1,183,300
5	Receivable/(Payable) from operating fund	(2,139,301)	(2,860,699)				2,500,000	2,500,000	
6	Accounts receivable and interest receivable	281,684					64,823		346,506
7	Prepaid expenses and deposits	2,660,637							2,660,637
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	4,941,467							4,941,467
11	Non-controlling interest in GRF	41,073,262							41,073,262
<b>12</b>	<b>Total Assets</b>	<b>\$49,221,856</b>	<b>\$19,461,873</b>	<b>\$2,680,422</b>	<b>\$331,003</b>	<b>\$117,521</b>	<b>\$6,596,954</b>	<b>\$3,856,816</b>	<b>\$82,266,444</b>
<b>Liabilities and Fund Balances</b>									
Liabilities:									
13	Accounts payable and accrued expenses	\$1,249,130	\$692,173				\$287,732		\$2,229,035
14	Accrued compensation and related costs	598,365							598,365
15	Deferred income	708,105							708,105
16	Income tax payable	(26,005)							(26,005)
17	Total liabilities	<u>\$2,529,595</u>	<u>\$692,173</u>				<u>\$287,732</u>		<u>\$3,509,500</u>
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	238,327	550,433	32,878	(2,622)	6,094	30,257	2,321	857,687
20	Net fund balances	<u>46,692,261</u>	<u>18,769,700</u>	<u>2,680,422</u>	<u>331,003</u>	<u>117,521</u>	<u>6,309,222</u>	<u>3,856,816</u>	<u>78,756,945</u>
21	Total fund balances	<u>46,692,261</u>	<u>18,769,700</u>	<u>2,680,422</u>	<u>331,003</u>	<u>117,521</u>	<u>6,309,222</u>	<u>3,856,816</u>	<u>78,756,945</u>
<b>22</b>	<b>Total Liabilities and Fund Balances</b>	<b>\$49,221,856</b>	<b>\$19,461,873</b>	<b>\$2,680,422</b>	<b>\$331,003</b>	<b>\$117,521</b>	<b>\$6,596,954</b>	<b>\$3,856,816</b>	<b>\$82,266,444</b>

**Third Laguna Hills Mutual  
Changes in Fund Balances - Preliminary  
1/31/2023**

	<b>Operating Fund</b>	<b>Replacement Fund</b>	<b>Elevator Replacement Fund</b>	<b>Laundry Replacement Fund</b>	<b>Garden Villa Rec Room Fund</b>	<b>Disaster Fund</b>	<b>Unappropriated Expenditures Fund</b>	<b>Total</b>
Revenues:								
Assessments:								
1 Operating	\$2,388,065							\$2,388,065
2 Additions to restricted funds		939,708	30,510	12,204	7,763	74,811		1,064,995
3 Total assessments	<u>2,388,065</u>	<u>939,708</u>	<u>30,510</u>	<u>12,204</u>	<u>7,763</u>	<u>74,811</u>		<u>3,453,060</u>
Non-assessment revenues:								
4 Fees and charges for services to residents	124,584							124,584
5 Laundry	20,770							20,770
6 Interest income		19,770	2,368	447	88	6,077	2,321	31,071
7 Miscellaneous	<u>42,379</u>	<u>(154)</u>						<u>42,225</u>
8 Total non-assessment revenue	<u>187,732</u>	<u>19,616</u>	<u>2,368</u>	<u>447</u>	<u>88</u>	<u>6,077</u>	<u>2,321</u>	<u>218,649</u>
9 Total revenue	<u>2,575,797</u>	<u>959,324</u>	<u>32,878</u>	<u>12,651</u>	<u>7,850</u>	<u>80,888</u>	<u>2,321</u>	<u>3,671,708</u>
Expenses:								
10 Employee compensation and related	825,496	224,142		2,317	1,556	3,113		1,056,624
11 Materials and supplies	52,602	33,184		12,767	102	223		98,878
12 Utilities and telephone	503,727							503,727
13 Legal fees	13,825							13,825
14 Professional fees	3,300							3,300
15 Equipment rental	461	131				4		596
16 Outside services	75,952	140,784				47,159		263,895
17 Repairs and maintenance	23,301	389			1	13		23,704
18 Other Operating Expense	8,562	698		(4)	1	19		9,276
19 Insurance	745,015							745,015
20 Uncollectible Accounts	227							227
21 Depreciation and amortization	8,744							8,744
22 Net allocations to mutuals	<u>76,259</u>	<u>9,563</u>		<u>193</u>	<u>96</u>	<u>100</u>		<u>86,210</u>
23 Total expenses	<u>2,337,470</u>	<u>408,891</u>		<u>15,274</u>	<u>1,756</u>	<u>50,631</u>		<u>2,814,021</u>
24 Excess (deficit) of revenues over expenses	<u>\$238,327</u>	<u>\$550,433</u>	<u>\$32,878</u>	<u>(\$2,622)</u>	<u>\$6,094</u>	<u>\$30,257</u>	<u>\$2,321</u>	<u>\$857,687</u>
25 Excluding unrealized gain/(loss) and depreciation	<u>\$247,071</u>	<u>\$550,433</u>	<u>\$32,878</u>	<u>(\$2,622)</u>	<u>\$6,094</u>	<u>\$30,257</u>	<u>\$2,321</u>	<u>\$866,431</u>