

**Third Laguna Hills Mutual**  
**Statement of Revenues & Expenses - Preliminary**  
**7/31/2023**  
(\$ 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 |          | \$16,716     | \$16,717 |          | \$16,685   | \$28,657 |
| 2                        | Additions to restricted funds              | 1,065         | 1,065   |          | 7,455        | 7,455    |          | 7,473      | 12,780   |
| 3                        | Total assessments                          | 3,453         | 3,453   |          | 24,171       | 24,172   |          | 24,158     | 41,437   |
| Non-assessment revenues: |  |               |         |          |              |          |          |            |          |
| 4                        | Fees and charges for services to residents | 85            | 90      | (6)      | 680          | 626      | 54       | 611        | 1,075    |
| 5                        | Laundry                                    | 17            | 18      | (1)      | 127          | 123      | 5        | 130        | 210      |
| 6                        | Investment income                          | 100           | 35      | 65       | 615          | 245      | 370      | 102        | 420      |
| 7                        | Miscellaneous                              | 51            | 63      | (11)     | 373          | 439      | (66)     | 421        | 753      |
| 8                        | Total non-assessment revenue               | 253           | 206     | 48       | 1,795        | 1,432    | 362      | 1,264      | 2,458    |
| 9                        | Total revenue                              | 3,706         | 3,659   | 48       | 25,966       | 25,604   | 362      | 25,422     | 43,895   |
| Expenses:                |  |               |         |          |              |          |          |            |          |
| 10                       | Employee compensation and related          | 1,053         | 1,220   | 167      | 7,477        | 8,425    | 948      | 7,693      | 14,458   |
| 11                       | Materials and supplies                     | 145           | 122     | (23)     | 873          | 798      | (75)     | 796        | 1,382    |
| 12                       | Utilities and telephone                    | 496           | 549     | 53       | 3,128        | 3,318    | 190      | 3,531      | 5,977    |
| 13                       | Legal fees                                 | (4)           | 34      | 38       | 170          | 227      | 57       | 100        | 393      |
| 14                       | Professional fees                          | 9             | 12      | 4        | 63           | 87       | 24       | 86         | 149      |
| 15                       | Equipment rental                           | 2             | 4       | 2        | 15           | 26       | 11       | 11         | 45       |
| 16                       | Outside services                           | 803           | 757     | (46)     | 5,070        | 5,105    | 35       | 2,261      | 9,390    |
| 17                       | Repairs and maintenance                    | 58            | 32      | (26)     | 206          | 221      | 15       | 179        | 379      |
| 18                       | Other Operating Expense                    | 9             | 14      | 5        | 75           | 103      | 28       | 60         | 182      |
| 19                       | Insurance                                  | 691           | 744     | 52       | 5,089        | 5,205    | 117      | 4,637      | 8,923    |
| 20                       | Uncollectible Accounts                     | (3)           | 5       | 9        | (4)          | 38       | 42       | 99         | 65       |
| 21                       | (Gain)/loss on sale or trade               |               |         |          |              |          |          | 4          |          |
| 22                       | Depreciation and amortization              | 9             | 9       |          | 61           | 61       |          | 78         | 105      |
| 23                       | Net allocation to mutuals                  | 95            | 120     | 25       | 707          | 823      | 115      | 859        | 1,412    |
| 24                       | Total expenses                             | 3,363         | 3,622   | 259      | 22,929       | 24,436   | 1,507    | 20,394     | 42,861   |
| 25                       | Excess of revenues over expenses           | \$344         | \$37    | \$307    | \$3,037      | \$1,168  | \$1,869  | \$5,029    | \$1,034  |

**Third Laguna Hills Mutual**  
**Statement of Revenues & Expenses - By Fund Type - Preliminary**  
**7/31/2023**  
(\$ IN THOUSANDS)

|  | OPERATING YEAR TO DATE |          |          | RESERVE: YEAR TO DATE |         |          | RESTRICTED: YEAR TO DATE |         |          | COMBINED: YEAR TO DATE |          |          |
|--|------------------------|----------|----------|-----------------------|---------|----------|--------------------------|---------|----------|------------------------|----------|----------|
|  | ACTUAL                 | BUDGET   | VARIANCE | ACTUAL                | BUDGET  | VARIANCE | ACTUAL                   | BUDGET  | VARIANCE | ACTUAL                 | BUDGET   | VARIANCE |
| Revenues:                                    |                        |          |          |                       |         |          |                          |         |          |                        |          |          |
| Assessments:                                 |                        |          |          |                       |         |          |                          |         |          |                        |          |          |
| 1 Operating                                  | \$16,716               | \$16,717 |          |                       |         |          |                          |         |          | \$16,716               | \$16,717 |          |
| 2 Additions to restricted funds              |                        |          |          | 6,877                 | 6,877   |          | 578                      | 578     |          | 7,455                  | 7,455    |          |
| 3 Total assessments                          | 16,716                 | 16,717   |          | 6,877                 | 6,877   |          | 578                      | 578     |          | 24,171                 | 24,172   |          |
| Non-assessment revenues:                     |                        |          |          |                       |         |          |                          |         |          |                        |          |          |
| 4 Fees and charges for services to residents | 678                    | 626      | 52       | 2                     |         | 2        |                          |         |          | 680                    | 626      | 54       |
| 5 Laundry                                    | 127                    | 123      | 5        |                       |         |          |                          |         |          | 127                    | 123      | 5        |
| 6 Investment income                          |                        |          |          | 491                   | 245     | 246      | 124                      |         | 124      | 615                    | 245      | 370      |
| 7 Miscellaneous                              | 373                    | 439      | (66)     |                       |         |          |                          |         |          | 373                    | 439      | (66)     |
| 8 Total non-assessment revenue               | 1,178                  | 1,187    | (9)      | 493                   | 245     | 248      | 124                      |         | 124      | 1,795                  | 1,432    | 362      |
| 9 Total revenue                              | 17,894                 | 17,904   | (10)     | 7,370                 | 7,122   | 248      | 702                      | 578     | 124      | 25,966                 | 25,604   | 362      |
| Expenses:                                    |                        |          |          |                       |         |          |                          |         |          |                        |          |          |
| 10 Employee compensation and related         | 5,762                  | 6,657    | 895      | 1,682                 | 1,734   | 52       | 33                       | 34      | 1        | 7,477                  | 8,425    | 948      |
| 11 Materials and supplies                    | 488                    | 419      | (69)     | 380                   | 367     | (13)     | 5                        | 12      | 7        | 873                    | 798      | (75)     |
| 12 Utilities and telephone                   | 3,122                  | 3,310    | 187      | 6                     | 8       | 2        |                          |         |          | 3,128                  | 3,318    | 190      |
| 13 Legal fees                                | 170                    | 227      | 57       |                       |         |          |                          |         |          | 170                    | 227      | 57       |
| 14 Professional fees                         | 63                     | 87       | 24       |                       |         |          |                          |         |          | 63                     | 87       | 24       |
| 15 Equipment rental                          | 4                      | 5        | 1        | 11                    | 21      | 10       |                          |         |          | 15                     | 26       | 11       |
| 16 Outside services                          | 967                    | 743      | (224)    | 3,138                 | 3,645   | 507      | 965                      | 717     | (248)    | 5,070                  | 5,105    | 35       |
| 17 Repairs and maintenance                   | 205                    | 218      | 13       | 1                     | 3       | 2        |                          |         |          | 206                    | 221      | 15       |
| 18 Other Operating Expense                   | 63                     | 88       | 25       | 12                    | 15      | 3        |                          |         |          | 75                     | 103      | 28       |
| 19 Insurance                                 | 5,089                  | 5,205    | 117      |                       |         |          |                          |         |          | 5,089                  | 5,205    | 117      |
| 20 Uncollectible Accounts                    | (4)                    | 38       | 42       |                       |         |          |                          |         |          | (4)                    | 38       | 42       |
| 21 (Gain)/loss on sale or trade              |                        |          |          |                       |         |          |                          |         |          |                        |          |          |
| 22 Depreciation and amortization             | 61                     | 61       |          |                       |         |          |                          |         |          | 61                     | 61       |          |
| 23 Net allocation to mutuals                 | 602                    | 707      | 105      | 103                   | 113     | 10       | 2                        | 2       |          | 707                    | 823      | 115      |
| 24 Total expenses                            | 16,593                 | 17,765   | 1,173    | 5,332                 | 5,906   | 574      | 1,005                    | 765     | (240)    | 22,929                 | 24,436   | 1,507    |
| 25 Excess of revenues over expenses          | \$1,302                | \$139    | \$1,163  | \$2,038               | \$1,216 | \$822    | (\$303)                  | (\$187) | (\$116)  | \$3,037                | \$1,168  | \$1,869  |

**Third Laguna Hills Mutual  
Operating Statement - Preliminary  
7/31/2023  
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                                     | \$16,716,452      | \$16,716,866           | (\$413)         | 0.00%           | \$28,657,484      |
| <b>Total Operating</b>   | <b>16,716,452</b> | <b>16,716,866</b>      | <b>(413)</b>    | <b>0.00%</b>    | <b>28,657,484</b> |
| <b>Additions To Restricted Funds</b>                               |                   |                        |                 |                 |                   |
| 41002000 - Monthly Assessments - Disaster Fund                     | 523,674           | 523,674                | 0               | 0.00%           | 897,726           |
| 41003500 - Monthly Assessments - Replacement Fund                  | 6,577,956         | 6,577,956              | 0               | 0.00%           | 11,276,496        |
| 41004000 - Monthly Assessments - Elevator Replacement Fund         | 213,570           | 213,570                | 0               | 0.00%           | 366,120           |
| 41004500 - Monthly Assessments - Laundry Replacement Fund          | 85,428            | 85,428                 | 0               | 0.00%           | 146,448           |
| 41006000 - Monthly Assessments - Garden Villa Recreation Room Fund | 54,338            | 54,338                 | 0               | 0.00%           | 93,150            |
| <b>Total Additions To Restricted Funds</b>                         | <b>7,454,965</b>  | <b>7,454,965</b>       | <b>0</b>        | <b>0.00%</b>    | <b>12,779,940</b> |
| <b>Total Assessments</b>   | <b>24,171,418</b> | <b>24,171,831</b>      | <b>(413)</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  | 150,207           | 199,885                | (49,678)        | (24.85%)        | 342,660           |
| 46501500 - Inspection Fee  | 41,692            | 49,540                 | (7,848)         | (15.84%)        | 84,928            |
| 46502000 - Resident Maintenance Fee                                | 488,077           | 376,383                | 111,694         | 29.68%          | 647,532           |
| <b>Total Fees and Charges for Services to Residents</b>            | <b>679,976</b>    | <b>625,808</b>         | <b>54,168</b>   | <b>8.66%</b>    | <b>1,075,119</b>  |
| <b>Laundry</b>   |                   |                        |                 |                 |                   |
| 46005000 - Coin Op Laundry Machine                                 | 127,334           | 122,500                | 4,834           | 3.95%           | 210,000           |
| <b>Total Laundry</b>   | <b>127,334</b>    | <b>122,500</b>         | <b>4,834</b>    | <b>3.95%</b>    | <b>210,000</b>    |
| <b>Investment Income</b>   |                   |                        |                 |                 |                   |
| 49001000 - Investment Income                                       | 614,696           | 245,000                | 369,696         | 150.90%         | 420,000           |
| <b>Investment Interest Income</b>                                  | <b>614,696</b>    | <b>245,000</b>         | <b>369,696</b>  | <b>150.90%</b>  | <b>420,000</b>    |
| <b>Miscellaneous</b>   |                   |                        |                 |                 |                   |
| 46004500 - Resident Violations                                     | 6,200             | 37,009                 | (30,809)        | (83.25%)        | 63,444            |
| 44501000 - Additional Occupant Fee                                 | 24,700            | 53,550                 | (28,850)        | (53.88%)        | 91,805            |
| 44501510 - Lease Processing Fee - Third                            | 153,860           | 145,712                | 8,148           | 5.59%           | 249,803           |
| 44502000 - Variance Processing Fee                                 | 2,250             | 9,265                  | (7,015)         | (75.71%)        | 15,888            |
| 44502500 - Non-Sale Transfer Fee - Third                           | 1,050             | 1,750                  | (700)           | (40.00%)        | 3,000             |
| 44503520 - Resale Processing Fee - Third                           | 77,680            | 95,200                 | (17,520)        | (18.40%)        | 163,200           |
| 44505500 - Hoa Certification Fee                                   | 2,955             | 8,750                  | (5,795)         | (66.23%)        | 15,000            |
| 44507000 - Golf Cart Electric Fee                                  | 38,289            | 39,081                 | (792)           | (2.03%)         | 67,000            |
| 44507200 - Electric Vehicle Plug-In Fee                            | 15,460            | 7,287                  | 8,173           | 112.15%         | 12,500            |
| 44507500 - Cartport/Carport Space Rental Fee                       | 2,240             | 2,562                  | (322)           | (12.57%)        | 4,400             |
| 47001500 - Late Fee Revenue  | 43,780            | 35,581                 | 8,199           | 23.04%          | 61,000            |
| 47002020 - Collection Administrative Fee - Third                   | 0                 | 700                    | (700)           | (100.00%)       | 1,200             |
| 47002500 - Collection Interest Revenue                             | 0                 | 154                    | (154)           | (100.23%)       | 273               |
| 47501000 - Recycling   | 4,277             | 2,331                  | 1,946           | 83.50%          | 4,000             |
| 49009000 - Miscellaneous Revenue                                   | (81)              | 0                      | (81)            | 0.00%           | 0                 |
| <b>Total Miscellaneous</b>   | <b>372,660</b>    | <b>438,932</b>         | <b>(66,272)</b> | <b>(15.10%)</b> | <b>752,512</b>    |
| <b>Total Non-Assessment Revenue</b>                                | <b>1,794,666</b>  | <b>1,432,240</b>       | <b>362,426</b>  | <b>25.30%</b>   | <b>2,457,631</b>  |
| <b>Total Revenue</b>   | <b>25,966,084</b> | <b>25,604,071</b>      | <b>362,013</b>  | <b>1.41%</b>    | <b>43,895,056</b> |
| Expenses:  |                   |                        |                 |                 |                   |
| <b>Employee Compensation</b>                                       |                   |                        |                 |                 |                   |
| 51011000 - Salaries & Wages - Regular                              | 1,660,411         | 1,865,246              | 204,835         | 10.98%          | 3,220,777         |
| 51021000 - Union Wages - Regular                                   | 2,798,637         | 3,280,383              | 481,746         | 14.69%          | 5,647,830         |
| 51041000 - Wages - Overtime  | 10,639            | 13,731                 | 3,092           | 22.52%          | 23,548            |
| 51051000 - Union Wages - Overtime                                  | 38,364            | 21,463                 | (16,901)        | (78.74%)        | 36,808            |
| 51061000 - Holiday & Vacation                                      | 515,329           | 434,796                | (80,533)        | (18.52%)        | 749,370           |
| 51071000 - Sick  | 163,323           | 177,351                | 14,028          | 7.91%           | 305,664           |
| 51091000 - Missed Meal Penalty                                     | 2,306             | 2,094                  | (212)           | (10.14%)        | 3,617             |
| 51101000 - Temporary Help  | 34,828            | 15,669                 | (19,159)        | (122.28%)       | 26,863            |
| 51981000 - Compensation Accrual                                    | 45,527            | 0                      | (45,527)        | 0.00%           | 0                 |
| <b>Total Employee Compensation</b>                                 | <b>5,269,364</b>  | <b>5,810,733</b>       | <b>541,368</b>  | <b>9.32%</b>    | <b>10,014,478</b> |

**Third Laguna Hills Mutual  
Operating Statement - Preliminary  
7/31/2023  
THIRD LAGUNA HILLS MUTUAL**

|   | Actual           | YEAR TO DATE<br>Budget | VAR\$ B/(W)     | VAR% B/(W)     | TOTAL<br>BUDGET  |
|---|------------------|------------------------|-----------------|----------------|------------------|
| <b>Compensation Related</b>                     |                  |                        |                 |                |                  |
| 52411000 - F.I.C.A.                             | 391,206          | 439,892                | 48,686          | 11.07%         | 753,615          |
| 52421000 - F.U.I.                               | 7,246            | 9,924                  | 2,678           | 26.98%         | 9,924            |
| 52431000 - S.U.I.                               | 27,713           | 51,310                 | 23,596          | 45.99%         | 52,781           |
| 52441000 - Union Medical                        | 1,014,065        | 1,133,955              | 119,890         | 10.57%         | 1,943,923        |
| 52451000 - Workers' Compensation Insurance      | 233,058          | 313,221                | 80,162          | 25.59%         | 539,543          |
| 52461000 - Non Union Medical & Life Insurance   | 197,326          | 264,209                | 66,883          | 25.31%         | 452,930          |
| 52471000 - Union Retirement Plan                | 281,853          | 319,351                | 37,498          | 11.74%         | 549,826          |
| 52481000 - Non-Union Retirement Plan            | 50,476           | 81,916                 | 31,440          | 38.38%         | 141,446          |
| 52981000 - Compensation Related Accrual         | 4,222            | 0                      | (4,222)         | 0.00%          | 0                |
| <b>Total Compensation Related</b>               | <b>2,207,166</b> | <b>2,613,777</b>       | <b>406,611</b>  | <b>15.56%</b>  | <b>4,443,987</b> |
| <b>Materials and Supplies</b>                   |                  |                        |                 |                |                  |
| 53001000 - Materials & Supplies                 | 251,699          | 339,468                | 87,769          | 25.85%         | 580,244          |
| 53003000 - Materials Direct                     | 619,326          | 456,087                | (163,239)       | (35.79%)       | 797,881          |
| 53004000 - Freight                              | 1,874            | 2,246                  | 372             | 16.55%         | 3,892            |
| <b>Total Materials and Supplies</b>             | <b>872,900</b>   | <b>797,801</b>         | <b>(75,099)</b> | <b>(9.41%)</b> | <b>1,382,017</b> |
| <b>Utilities and Telephone</b>                  |                  |                        |                 |                |                  |
| 53301000 - Electricity                          | 209,848          | 257,808                | 47,960          | 18.60%         | 399,821          |
| 53301500 - Sewer                                | 821,047          | 855,100                | 34,053          | 3.98%          | 1,494,600        |
| 53302000 - Water                                | 1,460,651        | 1,579,250              | 118,599         | 7.51%          | 3,009,336        |
| 53302500 - Trash                                | 636,658          | 625,872                | (10,786)        | (1.72%)        | 1,072,920        |
| <b>Total Utilities and Telephone</b>            | <b>3,128,204</b> | <b>3,318,030</b>       | <b>189,826</b>  | <b>5.72%</b>   | <b>5,976,677</b> |
| <b>Legal Fees</b>                               |                  |                        |                 |                |                  |
| 53401500 - Legal Fees                           | 169,971          | 226,660                | 56,689          | 25.01%         | 393,325          |
| <b>Total Legal Fees</b>                         | <b>169,971</b>   | <b>226,660</b>         | <b>56,689</b>   | <b>25.01%</b>  | <b>393,325</b>   |
| <b>Professional Fees</b>                        |                  |                        |                 |                |                  |
| 53402020 - Audit & Tax Preparation Fees - Third | 45,900           | 27,804                 | (18,096)        | (65.08%)       | 47,670           |
| 53403500 - Consulting Fees                      | 8,438            | 6,570                  | (1,867)         | (28.42%)       | 11,271           |
| 53403520 - Consulting Fees - Third              | 8,600            | 52,717                 | 44,117          | 83.69%         | 90,416           |
| <b>Total Professional Fees</b>                  | <b>62,938</b>    | <b>87,091</b>          | <b>24,154</b>   | <b>27.73%</b>  | <b>149,357</b>   |
| <b>Equipment Rental</b>                         |                  |                        |                 |                |                  |
| 53501500 - Equipment Rental/Lease Fees          | 15,367           | 26,278                 | 10,912          | 41.52%         | 44,576           |
| <b>Total Equipment Rental</b>                   | <b>15,367</b>    | <b>26,278</b>          | <b>10,912</b>   | <b>41.52%</b>  | <b>44,576</b>    |
| <b>Outside Services</b>                         |                  |                        |                 |                |                  |
| 53601000 - Bank Fees                            | (10,576)         | 21,768                 | 32,343          | 148.59%        | 37,322           |
| 53601500 - Credit Card Transaction Fees         | 9,462            | 5,831                  | (3,631)         | (62.28%)       | 10,000           |
| 53604500 - Marketing Expense                    | 0                | 2,912                  | 2,912           | 100.00%        | 5,000            |
| 54603500 - Outside Services Cost Collection     | 5,043,021        | 5,009,486              | (33,535)        | (0.67%)        | 9,223,931        |
| 53704000 - Outside Services                     | 27,882           | 64,768                 | 36,886          | 56.95%         | 114,213          |
| <b>Total Outside Services</b>                   | <b>5,069,790</b> | <b>5,104,765</b>       | <b>34,975</b>   | <b>0.69%</b>   | <b>9,390,466</b> |
| <b>Repairs and Maintenance</b>                  |                  |                        |                 |                |                  |
| 53701000 - Equipment Repair & Maint             | 1,503            | 7,406                  | 5,903           | 79.71%         | 12,721           |
| 53703000 - Elevator /Lift Maintenance           | 204,090          | 213,647                | 9,557           | 4.47%          | 366,252          |
| <b>Total Repairs and Maintenance</b>            | <b>205,593</b>   | <b>221,053</b>         | <b>15,460</b>   | <b>6.99%</b>   | <b>378,973</b>   |
| <b>Other Operating Expense</b>                  |                  |                        |                 |                |                  |
| 53801000 - Mileage & Meal Allowance             | 1,180            | 3,473                  | 2,293           | 66.04%         | 5,960            |
| 53801500 - Travel & Lodging                     | 0                | 1,000                  | 1,000           | 100.00%        | 1,719            |
| 53802000 - Uniforms                             | 42,012           | 50,752                 | 8,740           | 17.22%         | 87,067           |
| 53802500 - Dues & Memberships                   | 465              | 1,553                  | 1,088           | 70.08%         | 2,423            |
| 53803000 - Subscriptions & Books                | 0                | 945                    | 945             | 100.00%        | 1,628            |
| 53803500 - Training & Education                 | 4,047            | 10,482                 | 6,435           | 61.39%         | 18,166           |
| 53903000 - Safety                               | 185              | 576                    | 392             | 67.96%         | 993              |
| 54001020 - Board Relations - Third              | 2,954            | 5,831                  | 2,877           | 49.33%         | 10,000           |
| 54002000 - Postage                              | 23,839           | 27,887                 | 4,049           | 14.52%         | 53,780           |
| 54002500 - Filing Fees / Permits                | 251              | 291                    | 40              | 13.85%         | 514              |
| <b>Total Other Operating Expense</b>            | <b>74,931</b>    | <b>102,791</b>         | <b>27,859</b>   | <b>27.10%</b>  | <b>182,251</b>   |
| <b>Insurance</b>                                |                  |                        |                 |                |                  |
| 54401000 - Hazard & Liability Insurance         | 567,770          | 566,143                | (1,627)         | (0.29%)        | 970,532          |

**Third Laguna Hills Mutual**  
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**7/31/2023**  
THIRD LAGUNA HILLS MUTUAL

|  | Actual             | YEAR TO DATE<br>Budget | VAR\$ B/(W)        | VAR% B/(W)     | TOTAL<br>BUDGET    |
|--|--------------------|------------------------|--------------------|----------------|--------------------|
| 54401500 - D&O Liability                   | 34,288             | 55,912                 | 21,624             | 38.68%         | 95,850             |
| 54402000 - Property Insurance              | 4,482,073          | 4,579,135              | 97,062             | 2.12%          | 7,849,953          |
| 54403000 - General Liability Insurance     | 4,590              | 4,125                  | (465)              | (11.26%)       | 7,072              |
| <b>Total Insurance</b>                     | <b>5,088,721</b>   | <b>5,205,315</b>       | <b>116,594</b>     | <b>2.24%</b>   | <b>8,923,407</b>   |
| <b>Uncollectible Accounts</b>              |                    |                        |                    |                |                    |
| 54602000 - Bad Debt Expense                | (4,086)            | 37,912                 | 41,998             | 110.78%        | 65,000             |
| <b>Total Uncollectible Accounts</b>        | <b>(4,086)</b>     | <b>37,912</b>          | <b>41,998</b>      | <b>110.78%</b> | <b>65,000</b>      |
| <b>Depreciation and Amortization</b>       |                    |                        |                    |                |                    |
| 55001000 - Depreciation And Amortization   | 61,208             | 61,208                 | 0                  | 0.00%          | 104,928            |
| <b>Total Depreciation and Amortization</b> | <b>61,208</b>      | <b>61,208</b>          | <b>0</b>           | <b>0.00%</b>   | <b>104,928</b>     |
| <b>Net Allocation to Mutuals</b>           |                    |                        |                    |                |                    |
| 54602500 - Allocated Expenses              | 707,253            | 822,685                | 115,432            | 14.03%         | 1,412,025          |
| <b>Total Net Allocation to Mutuals</b>     | <b>707,253</b>     | <b>822,685</b>         | <b>115,432</b>     | <b>14.03%</b>  | <b>1,412,025</b>   |
| <b>Total Expenses</b>                      | <b>22,929,320</b>  | <b>24,436,100</b>      | <b>1,506,780</b>   | <b>6.17%</b>   | <b>42,861,467</b>  |
| <b>Excess of Revenues Over Expenses</b>    | <b>\$3,036,764</b> | <b>\$1,167,971</b>     | <b>\$1,868,793</b> | <b>160.00%</b> | <b>\$1,033,589</b> |

**Third Laguna Hills Mutual  
Balance Sheet - Preliminary  
7/31/2023**

|           |  | <u>Current<br/>Month End</u> | <u>Prior Year<br/>Same Period</u> | <u>Prior Year<br/>December 31</u> |
|-----------|--|------------------------------|-----------------------------------|-----------------------------------|
|           | <b>Assets</b>                                    |                              |                                   |                                   |
| 1         | Cash and cash equivalents                        | \$3,574,675                  | \$3,264,858                       | \$862,027                         |
| 2         | Investments                                      | 27,023,778                   | 25,182,483                        | 30,172,491                        |
| 3         | Receivable/(Payable) from mutuals                | 1,212,274                    | 1,147,814                         | 1,346,302                         |
| 4         | Accounts receivable and interest receivable      | 452,710                      | 170,541                           | 272,271                           |
| 5         | Prepaid expenses and deposits                    | 6,016,548                    | 6,524,739                         | 3,332,534                         |
| 6         | Property and equipment                           | 141,239                      | 141,239                           | 141,239                           |
| 7         | Accumulated depreciation property and equipment  | (141,239)                    | (141,239)                         | (141,239)                         |
| 8         | Beneficial interest in GRF of Laguna Hills Trust | 4,889,003                    | 4,976,684                         | 4,950,211                         |
| 9         | Non-controlling interest in GRF                  | 42,272,100                   | 41,073,262                        | 42,272,100                        |
| <b>10</b> | <b>Total Assets</b>                              | <u><b>\$85,441,089</b></u>   | <u><b>\$82,340,381</b></u>        | <u><b>\$83,207,936</b></u>        |
|           | <b>Liabilities and Fund Balances</b>             |                              |                                   |                                   |
|           | Liabilities:                                     |                              |                                   |                                   |
| 11        | Accounts payable and accrued expenses            | \$2,056,572                  | \$2,011,001                       | \$2,885,835                       |
| 12        | Accrued compensation and related costs           | 598,365                      | 596,103                           | 598,365                           |
| 13        | Deferred income                                  | 677,297                      | 622,327                           | 651,645                           |
| 14        | Income tax payable                               | (31,029)                     | (26,005)                          | (31,029)                          |
| 15        | Total liabilities                                | <u>\$3,301,204</u>           | <u>\$3,203,426</u>                | <u>\$4,104,816</u>                |
|           | Fund balances:                                   |                              |                                   |                                   |
| 16        | Fund balance prior years                         | 79,103,120                   | 74,108,394                        | 74,108,394                        |
| 17        | Change in fund balance - current year            | 3,036,764                    | 5,028,562                         | 4,994,727                         |
| 18        | Net fund balances                                | <u>82,139,884</u>            | <u>79,136,955</u>                 | <u>79,103,120</u>                 |
| 19        | Total fund balances                              | <u>82,139,884</u>            | <u>79,136,955</u>                 | <u>79,103,120</u>                 |
| <b>20</b> | <b>Total Liabilities and Fund Balances</b>       | <u><b>\$85,441,089</b></u>   | <u><b>\$82,340,381</b></u>        | <u><b>\$83,207,936</b></u>        |

**Third Laguna Hills Mutual  
Balance Sheet - Preliminary  
7/31/2023**

**Current  
Month End**

**Prior Year  
Same Period**

**Prior Year  
December 31**

**Third Laguna Hills Mutual  
Fund Balance Sheet - Preliminary  
7/31/2023**

|                               |  | Operating<br>Fund | Replacement<br>Fund | Elevator<br>Replacement<br>Fund | Laundry<br>Replacement<br>Fund | Garden Villa<br>Rec Room<br>Fund | Disaster<br>Fund | Unappropriated<br>Expenditures<br>Fund | Total        |
|-------------------------------|--|-------------------|---------------------|---------------------------------|--------------------------------|----------------------------------|------------------|--|--------------|
| Assets                        |  |                   |                     |                                 |                                |                                  |                  |  |              |
| 1                             | Cash and cash equivalents                        | \$991,272         | \$1,346,431         | \$437,151                       | \$8,226                        | \$55,533                         | \$116,971        | \$619,091                              | \$3,574,675  |
| 2                             | Investments                                      |                   | 14,968,810          | 2,470,822                       | 294,166                        | 96,282                           | 5,945,059        | 3,248,640                              | 27,023,778   |
| 3                             | Receivable/(Payable) from mutuals                | 1,212,274         |                     |                                 |                                |                                  |                  |  | 1,212,274    |
| 4                             | Receivable/(Payable) from operating fund         | (4,753,487)       | 4,753,487           |                                 |                                |                                  |                  |  |              |
| 5                             | Accounts receivable and interest receivable      | 387,888           |                     |                                 |                                |                                  | 64,823           |  | 452,710      |
| 6                             | Prepaid expenses and deposits                    | 6,016,548         |                     |                                 |                                |                                  |                  |  | 6,016,548    |
| 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 | 4,889,003         |                     |                                 |                                |                                  |                  |  | 4,889,003    |
| 10                            | Non-controlling interest in GRF                  | 42,272,100        |                     |                                 |                                |                                  |                  |  | 42,272,100   |
| 11                            | Total Assets                                     | \$51,015,597      | \$21,068,728        | \$2,907,973                     | \$302,392                      | \$151,815                        | \$6,126,852      | \$3,867,731                            | \$85,441,089 |
| Liabilities and Fund Balances |  |                   |                     |                                 |                                |                                  |                  |  |              |
| Liabilities:                  |  |                   |                     |                                 |                                |                                  |                  |  |              |
| 12                            | Accounts payable and accrued expenses            | \$811,374         | \$1,041,006         |                                 |                                | \$2,326                          | \$201,242        | \$623                                  | \$2,056,571  |
| 13                            | Accrued compensation and related costs           | 598,365           |                     |                                 |                                |                                  |                  |  | 598,365      |
| 14                            | Deferred income                                  | 677,297           |                     |                                 |                                |                                  |                  |  | 677,297      |
| 15                            | Income tax payable                               | (31,029)          |                     |                                 |                                |                                  |                  |  | (31,029)     |
| 16                            | Total liabilities                                | \$2,056,007       | \$1,041,006         |                                 |                                | \$2,326                          | \$201,242        | \$623                                  | \$3,301,204  |
| Fund balances:                |  |                   |                     |                                 |                                |                                  |                  |  |              |
| 17                            | Fund balance prior years                         | 47,657,797        | 18,219,267          | 2,647,544                       | 333,625                        | 111,427                          | 6,278,965        | 3,854,496                              | 79,103,120   |
| 18                            | Change in fund balance - current year            | 1,301,793         | 1,808,455           | 260,429                         | (31,233)                       | 38,062                           | (353,355)        | 12,612                                 | 3,036,764    |
| 19                            | Net fund balances                                | 48,959,590        | 20,027,722          | 2,907,973                       | 302,392                        | 149,489                          | 5,925,610        | 3,867,108                              | 82,139,884   |
| 20                            | Total fund balances                              | 48,959,590        | 20,027,722          | 2,907,973                       | 302,392                        | 149,489                          | 5,925,610        | 3,867,108                              | 82,139,884   |
| 21                            | Total Liabilities and Fund Balances              | \$51,015,597      | \$21,068,728        | \$2,907,973                     | \$302,392                      | \$151,815                        | \$6,126,852      | \$3,867,731                            | \$85,441,089 |



**Third Laguna Hills Mutual  
Changes in Fund Balances - Preliminary  
7/31/2023**

|  | <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> |
|--|---------------------------|-----------------------------|--|---|---|--------------------------|---|--------------|
| Revenues:  |                           |                             |  |   |   |                          |   |              |
| Assessments:   |                           |                             |  |   |   |                          |   |              |
| 1 Operating  | \$16,716,452              |                             |  |   |   |                          |   | \$16,716,452 |
| 2 Additions to restricted funds                      |                           | 6,577,956                   | 213,570                                  | 85,428                                  | 54,338                                    | 523,674                  |   | 7,454,965    |
| 3 Total assessments                                  | 16,716,452                | 6,577,956                   | 213,570                                  | 85,428                                  | 54,338                                    | 523,674                  |   | 24,171,418   |
| Non-assessment revenues:                             |                           |                             |  |   |   |                          |   |              |
| 4 Fees and charges for services to residents         | 677,742                   | 2,299                       |  |   |   | (65)                     |   | 679,976      |
| 5 Laundry  | 127,334                   |                             |  |   |   |                          |   | 127,334      |
| 6 Investment Income                                  |                           | 436,359                     | 46,859                                   | 7,390                                   | 1,736                                     | 94,434                   | 27,918  | 614,696      |
| 7 Miscellaneous                                      | 372,814                   | (154)                       |  |   |   |                          |   | 372,660      |
| 8 Total non-assessment revenue                       | 1,177,890                 | 438,504                     | 46,859                                   | 7,390                                   | 1,736                                     | 94,369                   | 27,918  | 1,794,666    |
| 9 Total revenue                                      | 17,894,343                | 7,016,460                   | 260,429                                  | 92,818                                  | 56,074                                    | 618,043                  | 27,918  | 25,966,084   |
| Expenses:  |                           |                             |  |   |   |                          |   |              |
| 10 Employee compensation and related                 | 5,761,690                 | 1,665,453                   |  | 16,584                                  | 11,150                                    | 21,653                   |   | 7,476,530    |
| 11 Materials and supplies                            | 488,235                   | 274,136                     |  | 105,733                                 | 2,870                                     | 1,304                    | 623   | 872,900      |
| 12 Utilities and telephone                           | 3,122,108                 | 5,888                       |  |   | 17  | 191                      |   | 3,128,204    |
| 13 Legal fees  | 169,971                   |                             |  |   |   |                          |   | 169,971      |
| 14 Professional fees                                 | 62,938                    |                             |  |   |   |                          |   | 62,938       |
| 15 Equipment rental                                  | 4,197                     | 10,906                      |  |   | 43  | 221                      |   | 15,367       |
| 16 Outside services                                  | 967,127                   | 3,138,049                   |  | 7                                       | 3,027                                     | 946,897                  | 14,683  | 5,069,790    |
| 17 Repairs and maintenance                           | 204,807                   | 762                         |  | 1                                       | 3   | 20                       |   | 205,593      |
| 18 Other Operating Expense                           | 63,171                    | 11,487                      |  | 85                                      | 63  | 126                      |   | 74,931       |
| 19 Insurance   | 5,088,721                 |                             |  |   |   |                          |   | 5,088,721    |
| 20 Uncollectible Accounts                            | (4,086)                   |                             |  |   |   |                          |   | (4,086)      |
| 21 Depreciation and amortization                     | 61,208                    |                             |  |   |   |                          |   | 61,208       |
| 22 Net allocations to mutuals                        | 602,463                   | 101,324                     |  | 1,641                                   | 839                                       | 986                      |   | 707,253      |
| 23 Total expenses                                    | 16,592,549                | 5,208,005                   |  | 124,051                                 | 18,012                                    | 971,398                  | 15,306  | 22,929,320   |
| 24 Excess (deficit) of revenues over expenses        | \$1,301,793               | \$1,808,455                 | \$260,429                                | (\$31,233)                              | \$38,062                                  | (\$353,355)              | \$12,612  | \$3,036,764  |
| 25 Excluding unrealized gain/(loss) and depreciation | \$1,363,001               | \$1,808,455                 | \$260,429                                | (\$31,233)                              | \$38,062                                  | (\$353,355)              | \$12,612  | \$3,097,972  |