



**OPEN MEETING**

**MINUTES OF THE SPECIAL OPEN MEETING OF THE BOARD OF DIRECTORS  
OF THIRD LAGUNA HILL MUTUAL,  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**Tuesday, February 22, 2022, at 12:00 p.m.  
Board Room / Virtual Meeting  
24351 El Toro Road, Laguna Woods, California**

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The purpose of this meeting was to Discuss and Consider Investment Opportunities

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**Directors Present:** Robert Mutchnick, Lynn Jarrett, John Frankel, Ralph Engdahl, Nathaniel Ira Lewis, Craig Wayne, Jim Cook, Donna Rane-Szostak

**Directors Absent:** Mark Laws (excused), Cush Bhada (excused), Annie McCary (excused)

**Staff Present:** CEO Siobhan Foster, Michelle Estrada, Makayla Thomas, Steve Hormuth, Jose Campos, Carlos Rojas

**Others Present:** None

**1. Call Meeting to Order / Establish Quorum – President Mutchnick**

President Mutchnick called the meeting to order at 12:04 p.m. and established that a quorum was present.

**2. Approval of the Agenda**

Director Rane-Szostak made a motion to approve the agenda. Director Engdahl seconded the motion.

Hearing no changes or objections, the agenda was approved unanimously.

**3. Discuss and Consider Short-Term Investment Opportunities**

President Mutchnick introduced Director of Financial Services, Steve Hormuth, to read the recommendation on the Discretionary Investment Transfer to Treasury Bills staff report.

Steve Hormuth provided the recommendation and financial analysis to the board:

**Current Discretionary Investment Portfolio**

<b>Maturity</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Annual Interest Earned</b>
Liquid	\$20,000,000	0.14%	\$28,000
12 month	5,000,000	0.15%	7,500
<b>Total Investment</b>	<b>\$25,000,000</b>	<b>0.142%</b>	<b>\$35,500</b>

**Recommended Discretionary Investment Portfolio**

<b>Maturity</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Annual Interest Earned</b>
12 month	\$15,000,000	1.00%	\$150,000
8 month	5,000,000	0.60%	30,000
4 month	5,000,000	0.40%	20,000
<b>Total Investment</b>	<b>\$25,000,000</b>	<b>0.80%</b>	<b>\$200,000</b>

Discussion ensued among the board.

Steve Hormuth answered questions from the board.

Director Engdahl made a motion to approve Option 1 – Current Discretionary Investment Portfolio. Director Wayne seconded the motion.

Director Cook and Director Lewis spoke against the motion.

Director Engdahl spoke for the motion.

Discussion ensued among the board.

Director Engdahl and Director Wayne withdrew the Motion.

Director Cook made a motion to approve the staff recommendation for the transferring of discretionary investments earnings to a portfolio of Treasury bills with laddered maturities. This includes the termination of the current \$5 million CD and investing it along with the \$20 million money market funds. The total amount of \$25 million will be invested in \$1 million increments at a 1% interest rate for 12 months. Director Lewis seconded the motion.

Hearing no objections, the motion was approved unanimously.

**4. Director's Comments**

- Director Lewis commented that he is looking forward to the board's potential of earning more money.
- Director Engdahl commented on the error of his original motion.

- Director Rane-Szostak thanked Director of Finance, Steve Hormuth, for his thorough report on the investment recommendation.
- Director Wayne commented that he believes some board members are micromanaging a simple recommendation.

**5. Adjournment**

The meeting was adjourned at 12:37 p.m.

  
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Lynn Jarrett, Secretary of the Board  
Third Mutual Laguna Hills