



SPECIAL MEETING OF THE BOARD OF DIRECTORS

**Friday, July 12, 2019 – 9:30 a.m.
Laguna Woods Village Community Center Board Room
24351 El Toro Road**

AGENDA

1. Call to Order
2. Acknowledgment of Media
3. Approval of the Agenda
4. Chair Remarks
5. Member Comments (Items Not on the Agenda)

Items for Discussion and Consideration:

6. Review Preliminary 2020 Business Plan, Version 1

Concluding Business:

7. Board Member Comments
8. Date of Next Budget Meeting – Thursday, August 8, 2019 at 1:30 p.m. (Televised)
9. Adjournment



STAFF REPORT

DATE: July 12, 2019
FOR: Third Laguna Hills Mutual Board of Directors
SUBJECT: 2020 Business Plan – Version 1

RECOMMENDATION

Staff recommends the Board review the Proposed 2020 Business Plan and provide direction for change or revision at the meeting scheduled on July 12, 2019.

BACKGROUND

On May 29, 2019 the Maintenance and Construction (M&C) Committee reviewed preliminary budgets and discussed service levels for nearly \$18MM in planned expenditures from operations and reserves.

On May 30, 2019 the Landscape Committee also reviewed a preliminary budget proposal specific to landscape programs funded from both operating and reserves, including assumptions and detailed scopes of work for over \$7MM in planned expenditures.

Changes directed from these early budget meetings and subsequent discussions with Staff are included in this Version 1 proposal.

DISCUSSION

The attached documents present an overview of the proposed 2020 Business Plan for Third Mutual. This version reflects a Total Mutual Assessment of \$448.74 per manor per month, an increase of \$14.35 or 3.3% when compared to the current year.

Brief notations of the budgetary line items with significant change are noted below as increases or (decreases) to the assessment, and listed in order of appearance on the proposed Business Plan.

Mutual

- Line 3:** Employee Compensation increased by \$510,020 due to increased staffing and the inclusion of planned wage adjustments. Staffing levels increased primarily in Landscape Services to reflect staffing required to meet service levels and to eliminate an assumption for turnover. Maintenance & Construction compensation increased to reflect the addition of Inspector and to reflect an increase in carpentry work required in the Mutual. Temporary help and overtime were increased in Resident Services to reflect current staffing requirements for extended call center hours and training.
- Line 5:** Materials and Supplies increased by \$206,878; due to planned use of fertilizers and increased use of materials for lawn and shrub-bed maintenance. In addition, an increase in plumbing repairs also contributed to the variance.
- Line 6:** Electricity increased by \$61,199 based on current consumption with a projected contingency for rate increases.

- Line 8:** Water increased by \$208,063 based on historical consumption at projected rates. Water rates increased per El Toro Water adopted budget and went into effect July 1, 2019.
- Line 10:** Legal fees increased by \$279,985. This is a contingency budget and will vary based on experience and projections. This category also includes a new allocation for potential labor related legal fees.
- Line 19:** Allocated Expenses increased \$283,709, the net result of inter-departmental allocations.
- Line 20:** Replacement Fund contributions increased from \$140.00 to \$145.00 per manor per month (PMPM) based on the projected 30-year expenditures plan.
- Line 23:** Disaster Fund decreased from \$27.70 to \$13.85 PMPM to help offset operating costs.

GRF

Added to the Mutual portion is the GRF Assessment, a preliminary budget of \$205.82 per manor per month. This reflects an increase of \$2.99 or about 1.5% compared to current year.

- Line 27:** Although net operating costs are decreasing due to the elimination of Fox Sports West channels, reserve contributions are up by \$2.00 per manor per month based on the projected 30-year expenditures plan and another \$2.00 to replenish contingency funds used to cover unexpected operating expenditures.

SURCHARGES

Individual assessments will vary for units originally built to be serviced by common laundry facilities, buildings with interior elevators, and Garden Villa style buildings with a recreation room. The latter two items are projected to increase for 2020.

- Line 31:** Elevator Operating increased \$1.69 PMPM due to rate increases in the elevator contract which includes maintenance, inspections and emergency call outs for 82 elevators.
- Line 33:** Garden Villa Rec Room Fund increased \$0.25 PMPM for planned expenditures to repair, replace, or refurbish the interior components of 53 Garden Villa recreation rooms.

Prepared By: Jose Campos, Financial Services Manager
Betty Parker, Chief Financial Officer

Reviewed By: Jeff Parker, Chief Executive Officer

ATTACHMENT(S)

- ATT1 – 2020 Third Business Plan
- ATT2 – 2020 Third Business Plan by Department
- ATT3 – 2020 Budget Comparison Report
- ATT4 – 2020 Landscape Expenditures by Work Center
- ATT5 – 2020 Maintenance Expenditures by Program - Operating
- ATT6 – 2020 Reserves Plan

THIRD LAGUNA HILLS MUTUAL 2020 BUSINESS PLAN - BY ACCOUNT

DESCRIPTION	2016 ACTUAL	2017 ACTUAL	2018 ACTUAL	2019 PLAN	2020 PLAN	Per Manor Per Month		
						2019 ASSESSMENT	2020 ASSESSMENT	Increase/ (Decrease)
REVENUES:								
Non-assessment Revenues:								
1 Fees and Charges to Residents	\$375,549	\$330,901	\$977,604	\$478,440	\$443,700	\$6.53	\$6.06	\$0.47
2 Miscellaneous	500,337	603,772	850,369	601,000	643,700	8.21	8.79	(0.58)
Total Revenues	\$875,886	\$934,673	\$1,827,973	\$1,079,440	\$1,087,400	\$14.74	\$14.85	\$0.11
EXPENSES:								
3 Employee Compensation	\$6,384,252	\$6,366,132	\$6,734,884	\$6,639,747	7,149,767	\$90.68	\$97.64	\$6.96
4 Expenses Related to Compensation	2,502,230	2,545,018	2,937,749	2,814,402	2,827,495	38.44	38.61	0.17
5 Material and Supplies	700,792	745,666	774,841	646,142	853,020	8.82	11.65	2.83
6 Electricity	447,134	382,461	455,577	246,561	307,760	3.37	4.20	0.83
7 Sewer	1,588,795	1,639,467	1,695,720	1,716,600	1,728,000	23.44	23.60	0.16
8 Water	2,575,110	2,706,828	2,809,708	2,710,627	2,918,690	37.02	39.86	2.84
9 Trash	454,293	458,710	514,757	534,407	543,801	7.30	7.43	0.13
10 Legal Fees	109,975	230,869	427,069	220,000	499,985	3.00	6.83	3.83
11 Professional Fees	126,158	103,610	100,652	184,589	193,824	2.52	2.65	0.13
12 Equipment Rental	17,229	7,661	7,624	7,244	3,478	0.10	0.05	(0.05)
13 Outside Services	1,487,505	1,358,253	1,388,020	1,092,186	1,080,110	14.92	14.75	(0.17)
14 Repairs and Maintenance	16,969	8,519	19,607	12,001	10,439	0.16	0.14	(0.02)
15 Other Operating Expense	205,514	180,259	126,687	155,289	164,849	2.12	2.25	0.13
16 Insurance	437,532	469,396	444,898	460,084	467,987	6.28	6.39	0.11
17 Property Insurance	665,445	703,375	822,241	852,719	874,466	11.65	11.94	0.29
18 Uncollectible Accounts	90,013	118,609	134,208	138,200	157,100	1.89	2.15	0.26
19 Allocated Expenses	852,374	780,998	1,059,401	1,078,023	1,361,732	14.72	18.60	3.88
Total Expenses	\$18,661,320	\$18,805,831	\$20,453,642	\$19,508,821	\$21,142,503	\$266.43	\$288.74	\$22.31
RESERVE CONTRIBUTIONS:								
20 Replacement Fund	\$9,885,240	\$9,885,240	\$9,885,240	\$10,251,360	\$10,617,480	\$140.00	\$145.00	\$5.00
21 Elevator Replacement Fund	366,120	366,120	366,120	439,344	439,344	6.00	6.00	0.00
22 Laundry Replacement Fund	0	0	0	73,224	146,448	1.00	2.00	1.00
23 Disaster Fund	2,196,720	2,196,720	2,028,305	2,028,305	1,014,152	27.70	13.85	(13.85)
24 Unappropriated Exp. Fund	439,344	805,464	732,240	585,792	585,792	8.00	8.00	0.00
Total Reserve Contributions	\$12,887,424	\$13,253,544	\$13,011,905	\$13,378,025	\$12,803,216	\$182.70	\$174.85	(\$7.85)
TOTAL MUTUAL	\$30,672,858	\$31,124,702	\$31,637,574	\$31,807,406	\$32,858,319	\$434.39	\$448.74	\$14.35
GOLDEN RAIN FOUNDATION								
25 GRF OPERATING	\$12,690,372	\$12,420,562	\$13,075,237	\$13,460,408	\$13,386,727	\$183.83	182.82	(\$1.01)
26 GRF RESERVE CONTRIBUTIONS	1,537,704	1,757,376	1,464,480	1,391,256	1,684,152	19.00	23.00	\$4.00
27 TOTAL GRF	\$14,228,076	\$14,177,938	\$14,539,717	\$14,851,664	\$15,070,879	\$202.83	\$205.82	\$2.99
28 TOTAL BASIC ASSESSMENTS	\$44,900,934	\$45,302,640	\$46,177,291	\$46,659,070	\$47,929,198	\$637.22	\$654.56	\$17.34
SURCHARGES (unique to units with common laundry facilities, elevators, and/or Garden Villa Rec Rooms)								
29 Laundry Revenue	(\$101,554)	(\$113,421)	(\$132,633)	(\$220,000)	(\$220,000)	(\$5.31)	(5.31)	\$0.00
30 Laundry Operating	280,874	267,167	154,818	220,020	220,000	5.31	5.31	(0.00)
31 Elevator Operating	346,146	328,855	332,359	337,230	374,518	15.22	16.91	1.69
32 Laundry Replacement Fund	124,344	82,896	82,896	0	0	0.00	0.00	0.00
33 Garden Villa Rec Room Fund	74,520	59,616	59,616	81,972	85,698	5.50	5.75	0.25
	\$724,330	\$625,114	\$497,056	\$419,222	\$460,215	\$20.72	\$22.66	\$1.94
TOTAL BUSINESS PLAN	\$45,625,264	\$45,927,753	\$46,674,347	\$47,078,292	\$48,389,413			

THIRD LAGUNA HILLS MUTUAL 2020 BUSINESS PLAN - BY DEPARTMENT

DESCRIPTION	2016 ACTUAL	2017 ACTUAL	2018 ACTUAL	2019 PLAN	2020 PLAN	Per Manor Per Month		
						2019 ASSESSMENT	2020	Increase/ (Decrease)
EXPENSES:								
Non Work Center	\$5,481,193	\$5,451,515	\$5,717,931	\$5,395,218	5,934,361	\$73.68	\$81.05	\$7.37
Office of the CEO	343,532	384,648	455,561	456,194	529,723	6.23	7.23	1.00
Resident Services	147,041	151,680	271,913	262,017	539,128	3.58	7.36	3.78
General Services	1,344,803	1,265,072	1,398,168	1,513,935	1,620,146	20.68	22.13	1.45
Landscape Services	4,617,745	4,647,880	4,520,658	5,000,347	5,196,441	68.29	70.97	2.68
Financial Services	1,392,979	1,770,447	1,899,460	2,002,016	2,106,266	27.34	28.76	1.42
Security Services	175,799	78,634	147,684	198,388	195,832	2.71	2.67	(0.04)
Human Resource Services	0	0	0	0	149,985	0.00	2.05	2.05
Maintenance & Construction	4,282,342	4,121,282	4,214,295	3,601,266	3,783,221	49.18	51.67	2.49
Total Expenses	\$17,785,434	\$17,871,158	\$18,625,670	\$18,429,381	\$20,055,103	\$251.69	\$273.89	\$22.20
RESERVE CONTRIBUTIONS:								
Replacement Fund	9,885,240	9,885,240	9,885,240	10,251,360	\$10,617,480	\$140.00	\$145.00	\$5.00
Elevator Replacement Fund	366,120	366,120	366,120	439,344	439,344	6.00	6.00	0.00
Laundry Replacement Fund	0	0	0	73,224	146,448	1.00	2.00	1.00
Disaster Fund	2,196,720	2,196,720	2,028,305	2,028,305	1,014,152	27.70	13.85	(13.85)
Unappropriated Exp. Fund	439,344	805,464	732,240	585,792	585,792	8.00	8.00	0.00
Total Reserve Contributions	\$12,887,424	\$13,253,544	\$13,011,905	\$13,378,025	\$12,803,216	\$182.70	\$174.85	(\$7.85)
TOTAL MUTUAL	\$30,672,858	\$31,124,702	\$31,637,575	\$31,807,406	\$32,858,319	\$434.39	\$448.74	\$14.35
GOLDEN RAIN FOUNDATION								
GRF OPERATING	\$12,690,372	\$12,420,562	\$13,075,237	\$13,460,408	\$13,386,727	\$183.83	182.82	(\$1.01)
GRF RESERVE CONTRIBUTIONS	\$1,537,704	\$1,757,376	\$1,464,480	\$1,391,256	1,684,152	19.00	23.00	\$4.00
TOTAL GRF	\$14,228,076	\$14,177,938	\$14,539,717	\$14,851,664	\$15,070,879	\$202.83	\$205.82	\$2.99
TOTAL BASIC ASSESSMENTS	\$44,900,934	\$45,302,640	\$46,177,292	\$46,659,070	\$47,929,198	\$637.22	\$654.56	\$17.34
SURCHARGES (unique to units with common laundry facilities, elevators, and/or Garden Villa Rec Rooms)								
Laundry Revenue	(\$101,554)	(\$113,421)	(\$132,633)	(\$220,000)	(\$220,000)	(\$5.31)	(5.31)	\$0.00
Laundry Operating	280,874	267,167	154,818	220,020	220,000	5.31	5.31	(0.00)
Elevator Operating	346,146	328,855	332,359	337,230	374,518	15.22	16.91	1.69
Laundry Replacement Fund	124,344	82,896	82,896	0	0	0.00	0.00	0.00
Garden Villa Rec Room Fund	74,520	59,616	59,616	81,972	85,698	5.50	5.75	0.25
	\$724,330	\$625,114	\$497,056	\$419,222	\$460,215	\$20.72	\$22.66	\$1.94
TOTAL BUSINESS PLAN	\$45,625,264	\$45,927,754	\$46,674,348	\$47,078,292	\$48,389,413			

**Third Laguna Hills Mutual
Budget Comparison Report by Account
12/31/2020
THIRD LAGUNA HILLS MUTUAL**

Attachment 3

	<u>2016 Actuals</u>	<u>2017 Actuals</u>	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>	<u>VAR %</u>
Non-Assessment Revenues:							
Fees and Charges for Services to Residents							
46501000 - Permit Fee	\$66,851	\$70,387	\$107,788	\$72,592	\$73,665	(\$1,073)	(1%)
46501500 - Inspection Fee	26,543	49,756	71,304	51,965	51,965	0	0%
46502000 - Resident Maintenance Fee	282,155	210,759	798,512	353,883	318,070	35,813	10%
Total Fees and Charges for Services to Residents	375,549	330,901	977,603	478,440	443,700	34,740	7%
Laundry							
46005000 - Coin Op Laundry Machine	101,554	113,421	132,633	220,000	220,000	0	0%
Total Laundry	101,554	113,421	132,633	220,000	220,000	0	0%
Interest Income							
49001000 - Interest Income - Treasury Notes	7,481	49,205	136,438	153,643	186,374	(32,731)	(21%)
49001500 - Interest Income - Treasury Notes - Discretionary	207,839	224,329	258,728	168,667	353,422	(184,756)	(110%)
49002000 - Interest Income - Money Market	919	908	6,925	2,027	9,460	(7,432)	(367%)
49002500 - Interest Income - Gnma Securities - Discretionary	145,774	105,481	84,032	44,483	114,788	(70,305)	(158%)
Total Interest Income	362,013	379,923	486,123	368,820	664,044	(295,224)	(80%)
Miscellaneous							
44005000 - Clubhouse Equipment Fee	69	0	0	0	0	0	0%
46002000 - Traffic Violation	0	0	(25)	0	0	0	0%
46004500 - Resident Violations	29,910	92,230	75,975	10,000	37,500	(27,500)	(275%)
44501000 - Additional Occupant Fee	0	147	0	0	19,950	(19,950)	0%
44501510 - Lease Processing Fee - Third	145,613	174,218	247,699	225,000	252,000	(27,000)	(12%)
44502000 - Variance Processing Fee	0	0	(150)	0	0	0	0%
44502500 - Non-Sale Transfer Fee - Third	4,100	3,590	2,050	3,000	2,000	1,000	33%
44503520 - Resale Processing Fee - Third	199,584	205,296	153,086	200,000	175,000	25,000	13%
44505500 - Hoa Certification Fee	5,400	4,295	7,290	9,000	5,250	3,750	42%
44507000 - Golf Cart Electric Fee	67,527	66,878	69,077	68,000	68,000	0	0%
44507200 - Electric Vehicle Plug-In Fee	0	7,848	6,824	6,000	7,000	(1,000)	(17%)
44507500 - Carport Space Rental Fee	2,890	2,870	5,536	3,000	4,000	(1,000)	(33%)
47001000 - Cash Discounts - Accounts Payable	0	31	11	0	0	0	0%
47001500 - Late Fee Revenue	19,510	34,778	56,148	60,000	57,000	3,000	5%
47002020 - Collection Administrative Fee - Third	10,000	3,000	3,500	0	0	0	0%
47002500 - Collection Interest Revenue	9,062	7,701	7,586	12,000	9,000	3,000	25%
47501000 - Recycling	956	2,119	6,070	5,000	7,000	(2,000)	(40%)
47501500 - Rebates	3,000	0	0	0	0	0	0%
48001000 - Legal Fee	2,716	0	178,203	0	0	0	0%
49004000 - Insurance Reimbursement	197,824	16,723	0	0	0	0	0%
49009000 - Miscellaneous Revenue	0	(90)	31,500	0	0	0	0%
Total Miscellaneous	698,161	621,635	850,379	601,000	643,700	(42,700)	(7%)
Total Non-Assessment Revenue	1,537,277	1,445,880	2,446,739	1,668,260	1,971,444	(303,185)	(18%)
Expenses:							
Employee Compensation							
51011000 - Salaries & Wages - Regular	2,039,261	2,123,628	2,239,371	2,484,383	2,727,268	242,885	10%
51021000 - Union Wages - Regular	4,550,877	5,528,190	5,513,054	5,528,264	6,019,034	490,770	9%
51041000 - Wages - Overtime	30,342	46,881	33,060	25,095	45,279	20,184	80%
51051000 - Union Wages - Overtime	68,619	105,746	72,283	37,244	56,710	19,466	52%
51061000 - Holiday & Vacation	827,307	442,110	850,889	676,533	738,403	61,870	9%
51071000 - Sick	226,190	225,316	268,934	275,954	301,191	25,237	9%
51081000 - Sick - Part Time	0	0	0	0	24	24	0%
51091000 - Missed Meal Penalty	947	2,841	2,396	858	1,092	234	27%
51101000 - Temporary Help	76,220	93,786	107,647	36,664	78,393	41,729	114%
51981000 - Compensation Accrual	139,180	6,277	(76,517)	5,826	0	(5,826)	(100%)
Total Employee Compensation	7,958,944	8,574,776	9,011,117	9,070,822	9,967,394	896,572	10%
Compensation Related							
52411000 - F.I.C.A.	582,461	634,942	674,629	677,880	741,003	63,123	9%
52421000 - F.U.I.	30,388	37,923	8,585	13,091	10,588	(2,503)	(19%)
52431000 - S.U.I.	45,432	46,250	75,836	56,129	53,846	(2,283)	(4%)
52441000 - Union Medical	1,453,576	1,829,696	1,868,879	1,913,209	1,896,252	(16,957)	(1%)
52451000 - Workers' Compensation Insurance	534,361	353,702	663,184	668,020	613,289	(54,731)	(8%)
52461000 - Non Union Medical & Life Insurance	245,039	234,110	282,024	267,211	305,889	38,678	14%
52461500 - VUL Premium	0	0	18,337	0	0	0	0%
52461550 - VUL Interest	0	0	(579)	0	0	0	0%
52471000 - Union Retirement Plan	301,525	324,117	331,261	312,663	335,716	23,053	7%
52481000 - Non-Union Retirement Plan	37,058	67,537	52,766	108,438	119,075	10,638	10%
52981000 - Compensation Related Accrual	11,154	1,442	66,528	970	0	(970)	(100%)
Total Compensation Related	3,240,994	3,529,720	4,041,450	4,017,611	4,075,658	58,047	1%
Materials and Supplies							
53001000 - Materials & Supplies	313,295	492,949	464,057	466,289	512,165	45,877	10%
53002500 - Printed Membership Materials	0	1,328	0	0	0	0	0%
53003000 - Materials Direct	736,257	725,063	878,331	1,088,103	1,262,358	174,255	16%
53004000 - Freight	307	832	231	0	0	0	0%
Total Materials and Supplies	1,049,859	1,220,172	1,342,619	1,554,392	1,774,524	220,132	14%
Utilities and Telephone							

**Third Laguna Hills Mutual
Budget Comparison Report by Account
12/31/2020
THIRD LAGUNA HILLS MUTUAL**

Attachment 3

	<u>2016 Actuals</u>	<u>2017 Actuals</u>	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>	<u>VAR %</u>
53301000 - Electricity	577,161	496,679	478,675	325,000	389,100	64,100	20%
53301500 - Sewer	1,588,795	1,639,467	1,695,720	1,716,600	1,728,000	11,400	1%
53302000 - Water	2,575,110	2,706,828	2,809,708	2,710,627	2,918,690	208,063	8%
53302500 - Trash	460,276	471,802	545,960	546,690	547,387	696	0%
53304000 - Telephone	70,169	43,096	0	0	0	0	0%
Total Utilities and Telephone	5,271,511	5,357,872	5,530,064	5,298,917	5,583,177	284,259	5%
Legal Fees							
53401500 - Legal Fees	109,975	230,869	427,069	220,000	499,985	279,985	127%
Total Legal Fees	109,975	230,869	427,069	220,000	499,985	279,985	127%
Professional Fees							
53402000 - Audit & Tax Preparation Fees	38,263	41,461	42,056	0	0	0	0%
53402020 - Audit & Tax Preparation Fees - Third	0	0	0	57,600	44,500	(13,100)	(23%)
53403500 - Consulting Fees	32,000	4,603	5,313	6,053	11,824	5,770	95%
53403520 - Consulting Fees - Third	67,869	73,278	75,911	120,936	137,500	16,564	14%
Total Professional Fees	138,131	119,342	123,280	184,589	193,824	9,234	5%
Equipment Rental							
53501500 - Equipment Rental/Lease Fees	36,524	26,535	22,377	40,090	19,963	(20,127)	(50%)
Total Equipment Rental	36,524	26,535	22,377	40,090	19,963	(20,127)	(50%)
Outside Services							
53601000 - Bank Fees	16,851	20,895	20,026	3,929	25,179	21,250	541%
53604500 - Marketing Expense	6,600	5,180	5,940	0	0	0	0%
54603500 - Outside Services Direct	8,789,926	7,821,990	9,643,004	10,846,711	10,476,973	(369,738)	(3%)
53704000 - Outside Services	126,420	64,661	83,773	121,480	93,405	(28,074)	(23%)
Total Outside Services	8,939,797	7,912,726	9,752,744	10,972,120	10,595,557	(376,562)	(3%)
Repairs and Maintenance							
53701000 - Equipment Repair & Maint	16,595	11,702	6,840	16,240	16,119	(121)	(1%)
53702000 - Street Repair & Maint	181	0	0	0	0	0	0%
53702500 - Building Repair & Maint	2,500	0	14,508	0	0	0	0%
53703000 - Elevator /Lift Maintenance	258,662	272,448	319,531	328,520	364,090	35,570	11%
Total Repairs and Maintenance	277,938	284,150	340,879	344,760	380,209	35,449	10%
Other Operating Expense							
53801000 - Mileage & Meal Allowance	5,418	4,382	5,787	15,252	14,959	(293)	(2%)
53801500 - Travel & Lodging	469	191	404	968	2,935	1,967	203%
53802000 - Uniforms	59,402	92,931	75,790	82,843	93,111	10,267	12%
53802500 - Dues & Memberships	2,034	1,135	824	1,992	2,053	61	3%
53803000 - Subscriptions & Books	933	3,318	1,160	2,004	2,042	38	2%
53803500 - Training & Education	7,556	5,751	4,887	14,902	18,728	3,826	26%
53804000 - Staff Support	0	0	0	0	1,107	1,107	0%
53901000 - Benefit Administrative Fees	0	27	0	0	0	0	0%
53901500 - Volunteer Support	0	0	0	1,175	1,253	78	7%
53903000 - Safety	0	84	0	186	546	360	193%
54001000 - Board Relations	17,793	3,672	3,980	3,666	0	(3,666)	(100%)
54001020 - Board Relations - Third	1,490	10,312	3,883	10,000	7,500	(2,500)	(25%)
54001500 - Public Relations	270	110	(29)	0	0	0	0%
54002000 - Postage	55,181	40,569	51,402	47,672	53,788	6,116	13%
54002500 - Filing Fees / Permits	310	1,014	409	761	966	205	27%
Total Other Operating Expense	150,855	163,496	148,497	181,422	198,988	17,566	10%
Income Taxes							
54301000 - State & Federal Income Taxes	10	10	10	0	0	0	0%
Total Income Taxes	10	10	10	0	0	0	0%
Insurance							
54401000 - Hazard & Liability Insurance	378,833	397,657	391,239	405,194	412,449	7,256	2%
54401500 - D&O Liability	46,934	67,542	46,761	47,818	48,466	648	1%
54402000 - Property Insurance	665,445	703,375	822,241	852,719	874,466	21,747	3%
54403000 - General Liability Insurance	11,765	4,197	6,898	7,072	7,072	0	0%
Total Insurance	1,102,976	1,172,771	1,267,140	1,312,803	1,342,453	29,651	2%
Investment Expense							
54201000 - Investment Expense	41,526	41,598	41,724	46,981	46,981	0	0%
Total Investment Expense	41,526	41,598	41,724	46,981	46,981	0	0%
Net Allocation to Mutuals							
48502500 - Mutual General Operating	(54,866)	0	0	0	0	0	0%
54602500 - Allocated Expenses	1,020,311	1,003,189	1,217,840	1,204,782	1,566,106	361,324	30%
Total Net Allocation To Mutuals	965,446	1,003,189	1,217,840	1,204,782	1,566,106	361,324	30%
Uncollectible Accounts							
54602000 - Bad Debt Expense	90,013	118,609	134,208	138,200	157,100	18,900	14%
Total Uncollectible Accounts	90,013	118,609	134,208	138,200	157,100	18,900	14%
(Gain)/Loss on Sale or Trade							
54101500 - (Gain)/Loss On Investments	0	(39)	13,470	0	0	0	0%
Total (Gain)/Loss on Sale or Trade	0	(39)	13,470	0	0	0	0%

**Third Laguna Hills Mutual
Budget Comparison Report by Account
12/31/2020
THIRD LAGUNA HILLS MUTUAL**

Attachment 3

	<u>2016 Actuals</u>	<u>2017 Actuals</u>	<u>2018 Actuals</u>	<u>2019 Budget</u>	<u>2020 Budget</u>	<u>Increase/ (Decrease)</u>	<u>VAR %</u>
Total Expenses	<u>29,374,500</u>	<u>29,755,797</u>	<u>33,414,485</u>	<u>34,587,489</u>	<u>36,401,918</u>	<u>1,814,430</u>	<u>5%</u>
Excess of Revenues Over Expenses	<u>(\$27,837,222)</u>	<u>(\$28,309,916)</u>	<u>(\$30,967,746)</u>	<u>(\$32,919,229)</u>	<u>(\$34,430,474)</u>	<u>\$1,511,245</u>	<u>5%</u>

**THIRD LAGUNA HILLS MUTUAL
2020 BUSINESS PLAN
Landscape Expenditures by Work Center**

DESCRIPTION	2016 ACTUALS	2017 ACTUALS	2018 ACTUALS	2019 BUDGET	2020 BUDGET	Increase/(Decrease) \$	%
OPERATING FUND							
LANDSCAPE ADMINISTRATION	\$67,458	\$128,807	\$94,424	\$134,882	\$144,064	\$9,182	7%
NURSERY	161,139	183,269	181,802	195,805	171,080	(24,724)	(13%)
COMPOSTING	71,538	65,702	75,276	77,805	72,355	(5,450)	(7%)
GROUPS MAINTENANCE	2,937,021	2,976,362	2,312,855	3,022,498	3,224,522	202,024	7%
Shrub-Bed Maintenance				2,139,635	2,286,942	147,307	7%
Turf Maintenance				688,702	736,709	48,007	7%
Miscellaneous Tasks				144,098	146,815	2,717	2%
Garden Villa Maintenance				50,063	54,056	3,993	8%
IRRIGATION	892,072	941,320	937,145	1,061,446	1,053,892	(7,554)	(1%)
SMALL EQUIPMENT REPAIR	175,804	191,985	204,148	216,941	216,280	(662)	(0%)
PEST CONTROL	209,562	132,306	132,375	290,970	314,248	23,278	8%
TOTAL OPERATING FUND	\$4,514,594	\$4,619,751	\$3,938,025	\$5,000,347	\$5,196,441	\$217,086	4%
RESERVE FUND							
LANDSCAPE MODERNIZATION	\$0	\$204	\$293,224	\$919,890	\$588,190	(\$331,700)	(36%)
TREE MAINTENANCE	140,522	738,686	933,684	213,630	864,754	651,124	305%
TOTAL REPLACEMENT FUND	\$140,522	\$738,890	\$1,226,908	\$1,133,520	\$1,452,944	\$319,424	28%
DISASTER FUND							
FIRE RISK MANAGEMENT	\$0	\$0	\$0	\$180,000	\$180,000	\$0	0%
TOTAL DISASTER FUND	\$0	\$0	\$0	\$180,000	\$180,000	\$0	0%

**THIRD LAGUNA HILLS MUTUAL
2020 BUSINESS PLAN
Maintenance Expenditures by Program**

DESCRIPTION	2016 ACTUALS	2017 ACTUALS	2018 ACTUALS	2019 BUDGET	2020 BUDGET	Increase/(Decrease) \$ %
OPERATING FUND						
1 JANITORIAL SERVICE	\$653,906	\$701,593	\$874,334	\$947,862	\$943,231	(\$4,632) (0%)
2 PLUMBING SERVICE	676,691	776,888	740,507	674,483	682,114	7,632 1%
3 CARPENTRY SERVICE	418,726	469,859	427,819	385,731	420,251	34,520 9%
4 CONCRETE SERVICE	272,459	344,015	376,281	423,853	368,012	(55,841) (13%)
5 PEST CONTROL	240,244	279,081	281,908	260,405	364,272	103,867 40%
6 GUTTER CLEANING	206,502	144,723	142,649	151,554	178,802	27,249 18%
7 ELECTRICAL SERVICE	122,876	115,399	93,736	121,615	134,592	12,978 11%
8 FIRE PROTECTION	71,824	72,010	87,961	175,556	131,252	(44,304) (25%)
9 WELDING	41,294	97,283	71,402	85,307	110,744	25,437 30%
10 APPLIANCE REPAIRS	113,354	129,690	106,484	85,379	86,644	1,265 1%
11 MISCELLANEOUS REPAIRS BY OUTSIDE SERVICES	71,831	41,725	34,075	58,050	58,664	614 1%
12 SOLAR MAINTENANCE	0	0	15,911	25,000	25,000	0 0%
13 TRAFFIC CONTROL	14,495	15,717	28,168	30,359	19,357	(11,003) (36%)
14 CURB CUTS	0	0	0	10,000	0	(10,000) (100%)
15 PAINT PROGRAM	4,005	0	0	0	0	0 0%
16 REPAIRS PRIOR-TO-PAINT	6,138	0	0	0	0	0 0%
17 GV MAIL ROOM RENOVATIONS	8,504	53,786	0	0	0	0 0%
18 BALCONY/BREEZEWAY RESURFACING	373,619	291,946	478,073	0	0	0 0%
19 BUILDING REHAB/DRY ROT	116,009	154,877	198,433	0	0	0 0%
20 ROOF REPAIRS	245,943	349,416	274,541	0	0	0 0%
21 PAINT- TOUCHUP	128,039	165,742	244,896	0	0	0 0%
22 PAVING MAINTENANCE & REPAIRS	129,474	84,634	48,602	0	0	0 0%
23 STAIR TREAD REPLACEMENTS	0	0	0	0	0	0 0%
TOTAL OPERATING FUND	\$3,915,932	\$4,288,384	\$4,525,781	\$3,435,153	\$3,522,936	\$87,783 3%

Lines 18-23 moved to reserves in 2019. Line 17 moved to reserves in 2018. Lines 15 and 16 moved to the reserves in 2016.

**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Reserve Expenditures by Program**

DESCRIPTION	2016 ACTUALS	2017 ACTUALS	2018 ACTUALS	2019 BUDGET	2020 BUDGET	Increase/(Decrease) \$	%
RESERVE FUNDS							
1 ALARM SYSTEMS	\$9,790	\$0	\$0	\$0	\$0	\$0	0%
2 BUILDING NUMBERS	2,391	4,196	32,797	33,970	30,000	(3,970)	(12%)
3 BUILDING STRUCTURES	1,448,293	1,588,675	2,084,453	2,732,992	2,784,524	51,531	2%
4 ELECTRICAL SYSTEMS	14,868	5,322	50,907	58,610	59,495	885	2%
5 ENERGY PROJECTS	40,000	5,157	7,997	50,000	10,000	(40,000)	(80%)
6 EXTERIOR LIGHTING	0	112,857	302,074	800,000	75,000	(775,000)	(97%)
7 FENCING	35,618	107,210	21,576	136,817	54,430	(82,387)	(60%)
8 GARDEN VILLA LOBBY	42,485	36,751	114,664	119,560	112,500	(7,060)	(6%)
9 GARDEN VILLA MAILROOM	0	0	54,023	70,173	33,791	(39,132)	(56%)
10 GARDEN VILLA RECESSED AREAS	0	36,350	71,111	250,440	65,000	(185,440)	(74%)
11 GARDEN VILLA REC ROOM HEAT PUMP/WATER HEATER	941	6,313	15,546	19,505	9,640	(9,865)	(51%)
12 GUTTERS	66,379	272,815	136,466	37,000	98,023	61,023	165%
13 LANDSCAPE MODERNIZATION	0	0	49,813	919,890	599,130	(320,760)	(35%)
14 MAILBOXES	4,909	13,490	6,701	61,213	38,163	(23,050)	(38%)
15 PAINT PROGRAM	1,347,231	1,703,787	1,482,768	2,008,631	2,055,557	46,926	2%
16 PRIOR TO PAINT	830,582	640,460	1,540,043	1,277,033	1,474,087	197,054	15%
17 PAVING/CONCRETE	273,304	296,129	518,479	844,499	826,258	(18,241)	(2%)
18 ROOFS	1,644,110	1,210,590	1,576,174	1,311,937	1,415,904	103,967	8%
19 TREE MAINTENANCE	88,966	738,686	828,245	213,630	853,815	640,185	300%
20 EXTERIOR WALLS	0	15,375	50,000	200,000	214,147	14,147	7%
21 WASTE LINE REMEDIATION	292,004	750,800	723,670	750,000	1,000,000	250,000	33%
22 WATER LINES - COPPER PIPE REMEDIATION	119,843	109,199	104,547	200,000	500,000	300,000	150%
23 ELEVATORS	306,727	306,380	309,899	346,698	255,000	(91,698)	(26%)
24 LAUNDRY COUNTERTOP/FLOOR REPLACEMENT	16,619	32,872	50,380	54,697	59,912	5,214	10%
25 LAUNDRY APPLIANCES REPLACEMENTS	32,890	17,075	46,293	9,844	54,991	45,147	459%
OTHER SUPPLEMENTAL APPROPRIATIONS	0	0	0	0	0	0	0%
TOTAL RESERVE FUNDS	\$6,617,950	\$8,010,489	\$10,178,627	\$12,507,140	\$12,679,366	\$119,476	1%
<i>Lines 3, 15, 16, 17 and 18 include major repairs moved from operations in 2019. Line 9 was moved from operations to reserves in 2018.</i>							
GARDEN VILLA RECREATION ROOMS	\$65,036	\$114,123	\$63,429	\$97,580	\$70,978	(\$26,602)	(27%)
TOTAL GARDEN VILLA REC ROOM FUND	\$65,036	\$114,123	\$63,429	\$97,580	\$70,978	(\$26,602)	(27%)
DISASTER FUND							
1 RISK FIRE MANAGEMENT	0	0	0	\$180,000	\$180,000	0	0%
2 MOISTURE INTRUSION - RAIN LEAKS	\$159,995	\$451,593	\$208,073	475,025	475,025	\$0	0%
3 MOISTURE INTRUSION - PLUMBING LEAKS	722,161	617,676	796,702	649,726	650,000	274	0%
4 MOISTURE INTRUSION - PLUMBING STOPPAGES	115,703	119,932	153,986	126,155	100,000	(26,155)	(21%)
5 MOISTURE INTRUSION - MISCELLANEOUS	64,944	88,503	161,029	93,095	93,095	0	0%
6 DAMAGE RESTORATION SERVICES	188,702	72,251	337,753	370,445	369,454	(991)	(0%)
TOTAL DISASTER FUND	\$1,251,506	\$1,349,954	\$1,657,543	\$1,894,446	\$1,867,574	(\$26,872)	(1%)

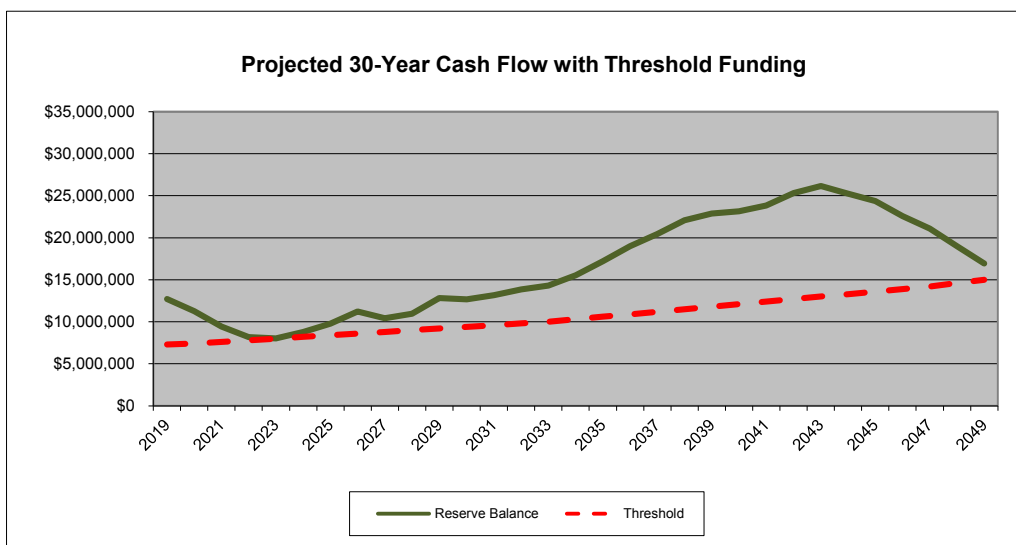
**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Projected Fund Balances**

<i>Fund</i>	<i>Year</i>	<i>Beginning Balance</i>	<i>Interest</i>	<i>Contributions</i>	<i>Assessment PMPM</i>	<i>Planned Expenditures</i>	<i>ENDING BALANCE</i>
REPLACEMENT RESERVE FUND	2019	\$ 14,097,022	\$ 265,381	\$ 10,251,360	\$ 140.00	\$ (11,907,270)	\$ 12,706,493
	2020	\$ 12,706,493	\$ 237,210	\$ 10,617,480	\$ 145.00	\$ (12,309,456)	\$ 11,251,727
	2021	\$ 11,251,727	\$ 255,422	\$ 11,203,272	\$ 153.00	\$ (13,272,989)	\$ 9,437,431
	2022	\$ 9,437,431	\$ 217,562	\$ 11,789,064	\$ 161.00	\$ (13,258,970)	\$ 8,185,087
	2023	\$ 8,185,087	\$ 199,944	\$ 12,374,856	\$ 169.00	\$ (12,749,530)	\$ 8,010,357
	2024	\$ 8,010,357	\$ 207,485	\$ 12,960,648	\$ 177.00	\$ (12,382,588)	\$ 8,795,901
ELEVATOR REPLACEMENT RESERVE FUND	2019	\$ 1,627,889	\$ 32,752	\$ 366,120	\$ 5.00	\$ (346,698)	\$ 1,680,063
	2020	\$ 1,680,063	\$ 35,445	\$ 439,344	\$ 6.00	\$ (255,000)	\$ 1,899,852
	2021	\$ 1,899,852	\$ 50,433	\$ 512,568	\$ 7.00	\$ (277,611)	\$ 2,185,242
	2022	\$ 2,185,242	\$ 55,663	\$ 585,792	\$ 8.00	\$ (503,206)	\$ 2,323,491
	2023	\$ 2,323,491	\$ 53,954	\$ 585,792	\$ 8.00	\$ (916,426)	\$ 2,046,810
	2024	\$ 2,046,810	\$ 50,352	\$ 585,792	\$ 8.00	\$ (651,250)	\$ 2,031,705
LAUNDRY REPLACEMENT RESERVE FUND	2020	\$ 532,867	\$ 10,973	\$ 146,448	\$ 2.00	\$ (114,903)	\$ 575,386
	2021	\$ 575,386	\$ 14,656	\$ 146,448	\$ 2.00	\$ (124,749)	\$ 611,741
	2022	\$ 611,741	\$ 15,395	\$ 146,448	\$ 2.00	\$ (138,344)	\$ 635,240
	2023	\$ 635,240	\$ 16,020	\$ 146,448	\$ 2.00	\$ (135,319)	\$ 662,389
	2024	\$ 662,389	\$ 16,098	\$ 146,448	\$ 2.00	\$ (183,386)	\$ 641,549
DISASTER FUND	2019	\$ 8,728,229	\$ 177,103	\$ 2,028,305	\$ 27.70	\$ (1,774,461)	\$ 9,159,176
	2020	\$ 9,159,176	\$ 176,181	\$ 1,014,152	\$ 13.85	\$ (1,714,446)	\$ 8,635,063
	2021	\$ 8,635,063	\$ 175,414	\$ 2,028,305	\$ 27.70	\$ (1,757,000)	\$ 9,081,782
	2022	\$ 9,081,782	\$ 183,909	\$ 2,028,305	\$ 27.70	\$ (1,801,000)	\$ 9,492,996
	2023	\$ 9,492,996	\$ 191,683	\$ 2,028,305	\$ 27.70	\$ (1,846,000)	\$ 9,866,984
	2024	\$ 9,866,984	\$ 198,703	\$ 2,028,305	\$ 27.70	\$ (1,892,000)	\$ 10,201,992
UNAPPROPRIATED EXPENDITURES FUND	2019	\$ 2,762,888	\$ 52,749	\$ 585,792	\$ 8.00	\$ (836,680)	\$ 2,564,749
	2020	\$ 2,564,749	\$ 52,153	\$ 585,792	\$ 8.00	\$ (500,000)	\$ 2,702,694
	2021	\$ 2,702,694	\$ 54,782	\$ 585,792	\$ 8.00	\$ (513,000)	\$ 2,830,268
	2022	\$ 2,830,268	\$ 57,203	\$ 585,792	\$ 8.00	\$ (526,000)	\$ 2,947,263
	2023	\$ 2,947,263	\$ 59,413	\$ 585,792	\$ 8.00	\$ (539,000)	\$ 3,053,468
	2024	\$ 3,053,468	\$ 61,407	\$ 585,792	\$ 8.00	\$ (552,000)	\$ 3,148,667
TOTAL	2019	\$ 27,216,028	\$ 527,985	\$ 13,231,577	\$ 180.70	\$ (14,865,109)	\$ 26,110,481
	2020	\$ 26,643,348	\$ 511,962	\$ 12,803,216	\$ 174.85	\$ (14,893,804)	\$ 25,064,721
	2021	\$ 25,064,721	\$ 550,707	\$ 14,476,385	\$ 197.70	\$ (15,945,349)	\$ 24,146,465
	2022	\$ 24,146,465	\$ 529,732	\$ 15,135,401	\$ 206.70	\$ (16,227,521)	\$ 23,584,077
	2023	\$ 23,584,077	\$ 521,014	\$ 15,721,193	\$ 214.70	\$ (16,186,275)	\$ 23,640,009
	2024	\$ 23,640,009	\$ 534,045	\$ 16,306,985	\$ 222.70	\$ (15,661,224)	\$ 24,819,814
<u>SURCHARGE:</u>							
LAUNDRY REPLACEMENT RESERVE FUND	2019	\$ 814,024	\$ 13,336	\$ 82,896	\$ 2.00	\$ (377,389)	\$ 532,867
	<i>Note: Laundry Replacement Fund is transferred to shared cost in 2019.</i>						
<u>SURCHARGE:</u>							
GARDEN VILLA REC ROOM FUND	2019	\$ 63,639	\$ 1,178	\$ 59,616	\$ 4.00	\$ (69,139)	\$ 55,294
	2020	\$ 55,294	\$ 987	\$ 85,698	\$ 5.75	\$ (97,580)	\$ 44,399
	2021	\$ 44,399	\$ 1,036	\$ 85,698	\$ 5.75	\$ (70,900)	\$ 60,233
	2022	\$ 60,233	\$ 1,335	\$ 85,698	\$ 5.75	\$ (72,700)	\$ 74,566
	2023	\$ 74,566	\$ 1,603	\$ 85,698	\$ 5.75	\$ (74,500)	\$ 87,367
	2024	\$ 87,367	\$ 1,840	\$ 85,698	\$ 5.75	\$ (76,400)	\$ 98,505
<i>Note: Garden Villa Rec Room Fund surcharge applies only to manors within Garden Villa buildings.</i>							

**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Replacement Reserve 30-Year Funding Plan**

Threshold (Min Balance): \$ **7,400,000**
Indexed for projected inflation

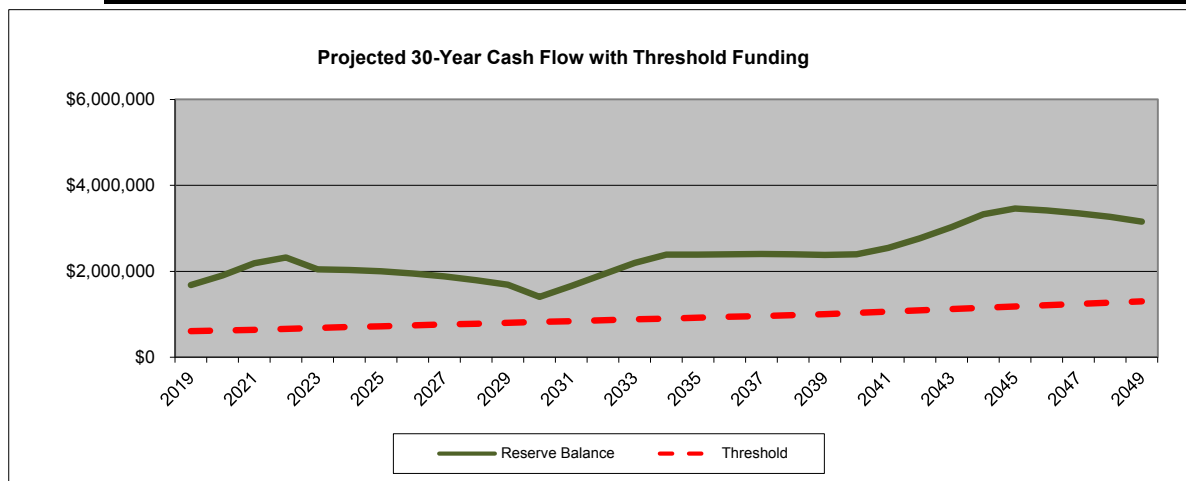
Year	Assessment		Interest Earnings	Planned Expenditures	Reserve Balance
	Per Manor Per Month	Total Contribution			
2019	\$ 140.00	\$ 10,251,360	\$ 265,381	\$ 11,907,270	\$ 12,706,493
2020	\$ 145.00	\$ 10,617,480	\$ 237,210	\$ 12,309,456	\$ 11,251,727
2021	\$ 153.00	\$ 11,203,272	\$ 255,422	\$ 13,272,989	\$ 9,437,431
2022	\$ 161.00	\$ 11,789,064	\$ 217,562	\$ 13,258,970	\$ 8,185,087
2023	\$ 169.00	\$ 12,374,856	\$ 199,944	\$ 12,749,530	\$ 8,010,357
2024	\$ 177.00	\$ 12,960,648	\$ 207,485	\$ 12,382,588	\$ 8,795,901
2025	\$ 177.00	\$ 12,960,648	\$ 229,509	\$ 12,191,755	\$ 9,794,303
2026	\$ 177.00	\$ 12,960,648	\$ 259,511	\$ 11,788,398	\$ 11,226,064
2027	\$ 177.00	\$ 12,960,648	\$ 267,521	\$ 14,011,105	\$ 10,443,128
2028	\$ 177.00	\$ 12,960,648	\$ 264,236	\$ 12,708,029	\$ 10,959,983
2029	\$ 177.00	\$ 12,960,648	\$ 293,488	\$ 11,401,537	\$ 12,812,582
2030	\$ 177.00	\$ 12,960,648	\$ 314,809	\$ 13,401,118	\$ 12,686,921
2031	\$ 177.00	\$ 12,960,648	\$ 319,031	\$ 12,812,043	\$ 13,154,557
2032	\$ 177.00	\$ 12,960,648	\$ 333,478	\$ 12,591,528	\$ 13,857,155
2033	\$ 182.00	\$ 13,326,768	\$ 347,734	\$ 13,222,324	\$ 14,309,333
2034	\$ 187.00	\$ 13,692,888	\$ 368,178	\$ 12,857,326	\$ 15,513,074
2035	\$ 192.00	\$ 14,059,008	\$ 403,976	\$ 12,767,085	\$ 17,208,973
2036	\$ 197.00	\$ 14,425,128	\$ 446,752	\$ 13,102,953	\$ 18,977,900
2037	\$ 202.00	\$ 14,791,248	\$ 486,825	\$ 13,801,050	\$ 20,454,923
2038	\$ 207.00	\$ 15,157,368	\$ 525,017	\$ 14,065,830	\$ 22,071,478
2039	\$ 212.00	\$ 15,523,488	\$ 554,722	\$ 15,288,649	\$ 22,861,039
2040	\$ 217.00	\$ 15,889,608	\$ 568,117	\$ 16,162,365	\$ 23,156,399
2041	\$ 222.00	\$ 16,255,728	\$ 580,210	\$ 16,151,740	\$ 23,840,597
2042	\$ 227.00	\$ 16,621,848	\$ 606,951	\$ 15,746,993	\$ 25,322,403
2043	\$ 227.00	\$ 16,621,848	\$ 635,537	\$ 16,423,683	\$ 26,156,106
2044	\$ 227.00	\$ 16,621,848	\$ 634,318	\$ 18,188,635	\$ 25,223,636
2045	\$ 227.00	\$ 16,621,848	\$ 612,174	\$ 18,095,196	\$ 24,362,462
2046	\$ 227.00	\$ 16,621,848	\$ 579,633	\$ 18,976,149	\$ 22,587,793
2047	\$ 227.00	\$ 16,621,848	\$ 539,236	\$ 18,658,574	\$ 21,090,303
2048	\$ 227.00	\$ 16,621,848	\$ 494,909	\$ 19,209,707	\$ 18,997,352
2049	\$ 227.00	\$ 16,621,848	\$ 443,594	\$ 19,129,040	\$ 16,933,754



**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Elevator Reserve 30-Year Funding Plan**

Threshold (Min Balance): \$ **620,000**
Indexed for projected inflation

Year	Assessment		Interest Earnings	Planned Expenditures	Reserve Balance
	Per Manor Per Month	Total Contribution			
2019	\$ 5.00	\$ 366,120	\$ 32,752	\$ 346,698	\$ 1,680,063
2020	\$ 6.00	\$ 439,344	\$ 35,445	\$ 255,000	\$ 1,899,852
2021	\$ 7.00	\$ 512,568	\$ 50,433	\$ 277,611	\$ 2,185,242
2022	\$ 8.00	\$ 585,792	\$ 55,663	\$ 503,206	\$ 2,323,491
2023	\$ 8.00	\$ 585,792	\$ 53,954	\$ 916,426	\$ 2,046,810
2024	\$ 8.00	\$ 585,792	\$ 50,352	\$ 651,250	\$ 2,031,705
2025	\$ 8.00	\$ 585,792	\$ 49,771	\$ 667,531	\$ 1,999,737
2026	\$ 8.00	\$ 585,792	\$ 48,763	\$ 684,219	\$ 1,950,073
2027	\$ 8.00	\$ 585,792	\$ 47,308	\$ 701,325	\$ 1,881,848
2028	\$ 8.00	\$ 585,792	\$ 45,383	\$ 718,858	\$ 1,794,165
2029	\$ 8.00	\$ 585,792	\$ 42,966	\$ 736,829	\$ 1,686,094
2030	\$ 8.00	\$ 585,792	\$ 38,146	\$ 906,300	\$ 1,403,732
2031	\$ 3.00	\$ 219,672	\$ 37,839	\$ -	\$ 1,661,243
2032	\$ 3.00	\$ 219,672	\$ 44,277	\$ -	\$ 1,925,192
2033	\$ 3.00	\$ 219,672	\$ 50,876	\$ -	\$ 2,195,740
2034	\$ 3.00	\$ 219,672	\$ 56,559	\$ 86,432	\$ 2,385,540
2035	\$ 3.00	\$ 219,672	\$ 58,962	\$ 273,798	\$ 2,390,376
2036	\$ 3.00	\$ 219,672	\$ 59,128	\$ 270,192	\$ 2,398,984
2037	\$ 3.00	\$ 219,672	\$ 59,259	\$ 276,947	\$ 2,400,968
2038	\$ 3.00	\$ 219,672	\$ 59,222	\$ 283,870	\$ 2,395,992
2039	\$ 3.00	\$ 219,672	\$ 59,009	\$ 290,967	\$ 2,383,706
2040	\$ 3.00	\$ 219,672	\$ 58,971	\$ 269,402	\$ 2,392,947
2041	\$ 3.00	\$ 219,672	\$ 60,916	\$ 132,301	\$ 2,541,235
2042	\$ 3.00	\$ 219,672	\$ 65,519	\$ 60,599	\$ 2,765,826
2043	\$ 3.00	\$ 219,672	\$ 71,503	\$ 31,057	\$ 3,025,944
2044	\$ 3.00	\$ 219,672	\$ 78,395	\$ -	\$ 3,324,011
2045	\$ 8.00	\$ 585,792	\$ 83,782	\$ 531,220	\$ 3,462,365
2046	\$ 8.00	\$ 585,792	\$ 84,919	\$ 717,011	\$ 3,416,065
2047	\$ 8.00	\$ 585,792	\$ 83,537	\$ 734,936	\$ 3,350,458
2048	\$ 8.00	\$ 585,792	\$ 81,667	\$ 753,310	\$ 3,264,608
2049	\$ 8.00	\$ 585,792	\$ 79,286	\$ 772,142	\$ 3,157,544

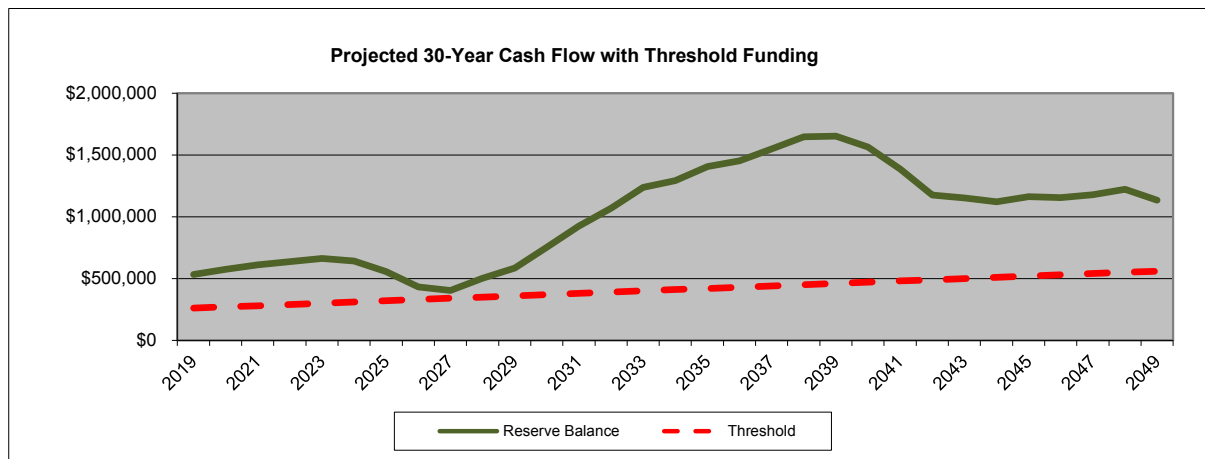


**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Laundry Reserve 30-Year Funding Plan**

Threshold (Min Balance): \$ 270,000
Indexed for projected inflation

Year	Assessment		Interest Earnings	Planned Expenditures	Reserve Balance
	Per Manor Per Month*	Total Contribution			
2019	\$ 2.00	\$ 82,896	\$ 13,336	\$ 377,389	\$ 532,867
2020	\$ 2.00	\$ 146,448	\$ 10,973	\$ 114,903	\$ 575,386
2021	\$ 2.00	\$ 146,448	\$ 14,656	\$ 124,749	\$ 611,741
2022	\$ 2.00	\$ 146,448	\$ 15,395	\$ 138,344	\$ 635,240
2023	\$ 2.00	\$ 146,448	\$ 16,020	\$ 135,319	\$ 662,389
2024	\$ 2.00	\$ 146,448	\$ 16,098	\$ 183,386	\$ 641,549
2025	\$ 2.00	\$ 146,448	\$ 14,782	\$ 247,010	\$ 555,769
2026	\$ 2.00	\$ 146,448	\$ 12,208	\$ 281,340	\$ 433,085
2027	\$ 3.00	\$ 219,672	\$ 10,341	\$ 258,576	\$ 404,522
2028	\$ 3.00	\$ 219,672	\$ 11,182	\$ 134,142	\$ 501,234
2029	\$ 3.00	\$ 219,672	\$ 13,396	\$ 150,455	\$ 583,846
2030	\$ 3.00	\$ 219,672	\$ 16,520	\$ 65,735	\$ 754,303
2031	\$ 3.00	\$ 219,672	\$ 20,713	\$ 71,219	\$ 923,470
2032	\$ 3.00	\$ 219,672	\$ 24,609	\$ 97,855	\$ 1,069,895
2033	\$ 3.00	\$ 219,672	\$ 28,478	\$ 81,223	\$ 1,236,822
2034	\$ 3.00	\$ 219,672	\$ 31,222	\$ 195,587	\$ 1,292,129
2035	\$ 3.00	\$ 219,672	\$ 33,302	\$ 139,738	\$ 1,405,366
2036	\$ 3.00	\$ 219,672	\$ 35,287	\$ 207,417	\$ 1,452,908
2037	\$ 3.00	\$ 219,672	\$ 37,039	\$ 162,379	\$ 1,547,240
2038	\$ 3.00	\$ 219,672	\$ 39,437	\$ 159,166	\$ 1,647,182
2039	\$ 3.00	\$ 219,672	\$ 40,719	\$ 256,513	\$ 1,651,060
2040	\$ 3.00	\$ 219,672	\$ 39,705	\$ 345,417	\$ 1,565,020
2041	\$ 3.00	\$ 219,672	\$ 36,413	\$ 436,659	\$ 1,384,446
2042	\$ 3.00	\$ 219,672	\$ 31,591	\$ 461,288	\$ 1,174,421
2043	\$ 3.00	\$ 219,672	\$ 28,720	\$ 270,950	\$ 1,151,863
2044	\$ 3.00	\$ 219,672	\$ 28,063	\$ 278,343	\$ 1,121,255
2045	\$ 3.00	\$ 219,672	\$ 28,188	\$ 207,163	\$ 1,161,952
2046	\$ 3.00	\$ 219,672	\$ 28,590	\$ 256,366	\$ 1,153,847
2047	\$ 3.00	\$ 219,672	\$ 28,798	\$ 223,512	\$ 1,178,806
2048	\$ 3.00	\$ 219,672	\$ 29,652	\$ 205,142	\$ 1,222,988
2049	\$ 3.00	\$ 219,672	\$ 29,088	\$ 338,619	\$ 1,133,129

*Transferred from Surcharge to Shared Cost in 2019



THIRD LAGUNA HILLS MUTUAL 2020 RESERVES PLAN Replacement Reserves Planned Expenditures

Program	Building Structures				Electrical Systems				Energy Projects	Exterior Lighting	Fencing Split Rail
	Alarm Systems	Building Numbers	Building Structures	Building Rehab Dry Rot	Electrical Alternate Heat Source	Electrical Panel Maintenance	Electrical Systems				
Life in Years	40	40	Various	As Needed	30	As Needed	50	As Needed	As Needed	As Needed	10
Quantity	81	2,810	Various		Various		6,102		Various	Various	70,000
Unit	ea	ea	Various		ea		Manors		Common Area	Linear Feet	
Unit Cost	\$35,000	\$280	Various		\$1,265 - \$1,900		Various		Various	\$13.53	
Total Cost	\$2,835,000	\$786,800	\$2,507,639		\$20,755,420				\$1,637,750	\$947,100	
2020	\$0	\$30,000	\$2,507,639.16	\$276,877	\$9,495	\$30,000	\$20,000	\$10,000	\$75,000	\$54,430	
2021	\$51,250	\$80,647	\$2,855,866	\$276,364	\$9,732	\$25,625	\$20,500	\$10,250	\$55,350	\$58,247	
2022	\$220,631	\$82,663	\$2,927,263	\$283,273	\$9,976	\$26,266	\$21,013	\$10,506	\$56,734	\$59,703	
2023	\$226,147	\$84,730	\$1,991,936	\$290,354	\$10,225	\$26,922	\$21,538	\$10,769	\$58,152	\$61,195	
2024	\$231,801	\$86,848	\$1,814,349	\$297,613	\$10,481	\$27,595	\$22,076	\$11,038	\$59,606	\$62,725	
2025	\$237,596	\$89,019	\$1,859,708	\$199,694	\$10,743	\$28,285	\$22,628	\$11,314	\$61,096	\$64,293	
2026	\$243,536	\$91,245	\$1,609,071	\$204,686	\$11,011	\$28,992	\$23,194	\$11,597	\$62,623	\$65,901	
2027	\$249,624	\$93,526	\$1,648,109	\$209,803	\$11,287	\$29,717	\$23,774	\$11,887	\$64,189	\$67,548	
2028	\$0	\$95,864	\$1,054,219	\$215,048	\$11,569	\$30,460	\$24,368	\$12,184	\$65,794	\$69,237	
2029	\$0	\$98,261	\$1,080,575	\$220,424	\$11,858	\$31,222	\$24,977	\$0	\$67,439	\$70,968	
2030	\$0	\$62,315	\$1,107,589	\$225,935	\$12,154	\$32,002	\$25,602	\$0	\$69,125	\$72,742	
2031	\$0	\$0	\$1,135,279	\$231,583	\$12,458	\$32,802	\$26,242	\$0	\$70,853	\$74,561	
2032	\$0	\$0	\$1,163,661	\$237,373	\$12,770	\$33,622	\$26,898	\$0	\$72,624	\$76,425	
2033	\$0	\$0	\$1,192,752	\$243,307	\$13,089	\$34,463	\$27,570	\$0	\$74,440	\$78,335	
2034	\$0	\$0	\$1,222,571	\$249,390	\$13,416	\$35,324	\$28,259	\$0	\$76,301	\$80,294	
2035	\$0	\$0	\$1,253,135	\$255,625	\$13,752	\$36,207	\$28,966	\$0	\$78,208	\$82,301	
2036	\$0	\$0	\$1,284,464	\$262,015	\$14,095	\$37,113	\$29,690	\$0	\$80,163	\$84,359	
2037	\$0	\$0	\$1,316,575	\$268,566	\$14,448	\$38,040	\$30,432	\$0	\$82,167	\$86,467	
2038	\$0	\$0	\$1,013,188	\$275,280	\$14,809	\$38,991	\$31,193	\$0	\$84,222	\$88,629	
2039	\$0	\$0	\$1,038,518	\$282,162	\$15,179	\$39,966	\$31,973	\$0	\$86,327	\$90,845	
2040	\$0	\$0	\$952,997	\$289,216	\$15,559	\$40,965	\$32,772	\$0	\$88,485	\$93,116	
2041	\$0	\$0	\$976,822	\$296,446	\$15,948	\$41,990	\$33,592	\$0	\$90,697	\$95,444	
2042	\$0	\$0	\$1,001,242	\$303,857	\$16,346	\$43,039	\$34,431	\$0	\$92,965	\$97,830	
2043	\$0	\$0	\$1,026,273	\$311,454	\$16,755	\$44,115	\$35,292	\$0	\$95,289	\$100,276	
2044	\$0	\$0	\$1,051,930	\$319,240	\$17,174	\$45,218	\$36,175	\$0	\$97,671	\$102,783	
2045	\$0	\$0	\$1,078,229	\$327,221	\$17,603	\$46,349	\$37,079	\$0	\$100,113	\$105,352	
2046	\$0	\$0	\$1,105,184	\$335,402	\$18,043	\$47,507	\$38,006	\$0	\$102,616	\$107,986	
2047	\$0	\$0	\$1,132,814	\$343,787	\$18,494	\$48,695	\$38,956	\$0	\$105,181	\$110,686	
2048	\$0	\$0	\$1,161,134	\$352,381	\$18,957	\$49,912	\$39,930	\$0	\$107,811	\$113,453	
2049	\$0	\$0	\$1,190,163	\$361,191	\$19,431	\$51,160	\$40,928	\$0	\$103,855	\$116,289	
TOTAL	\$1,460,584	\$895,117	\$41,753,254	\$8,245,567	\$416,856	\$1,102,568	\$878,054	\$99,545	\$2,385,095	\$2,492,419	

**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Replacement Reserves Planned Expenditures**

Program	Garden Villa Rec Room						Paint Program			
	Garden Villa Lobby	Garden Villa Mailrooms	Garden Villa Recessed Area	GV Rec Room Heat Pumps	GV Rec Room Water Heaters	Gutter Replacement	Landscape Modernization	Mailboxes	Paint Exterior	Touch Up Paint
Life in Years	20	10	Various	30	10	Various	As Needed	40	10	As Needed
Quantity	53	53	53	53	53	ea		4,271	16,495,223	
Unit	Building	Building	Building	ea	ea	Various		Manor	Sq ft	
Unit Cost	\$12,554	\$8,002	\$6,440 - \$75,000	\$1,138	\$555	Various		\$198	Various	
Total Cost	\$665,351	\$424,119	\$4,316,320	\$60,314	\$29,415	\$8,037,500		\$846,442	\$18,345,990	
2020	\$112,500	\$33,791	\$65,000	\$3,414	\$6,226	\$98,023	\$599,130	\$38,163	\$1,839,282	\$216,275
2021	\$128,676	\$0	\$296,635	\$2,061	\$5,120	\$100,474	\$768,750	\$27,624	\$2,031,561	\$221,682
2022	\$65,947	\$0	\$304,051	\$2,112	\$0	\$102,986	\$787,969	\$28,315	\$1,948,550	\$227,224
2023	\$0	\$0	\$311,652	\$2,165	\$1,195	\$105,560	\$807,668	\$29,023	\$2,105,995	\$232,905
2024	\$0	\$0	\$319,443	\$2,219	\$1,225	\$108,199	\$827,860	\$29,748	\$1,949,659	\$238,727
2025	\$0	\$0	\$327,430	\$2,275	\$628	\$110,904	\$961,697	\$30,492	\$1,873,619	\$244,695
2026	\$0	\$92,802	\$335,615	\$2,332	\$1,287	\$113,677	\$869,770	\$31,254	\$1,884,219	\$250,813
2027	\$0	\$95,122	\$344,006	\$2,390	\$1,979	\$116,519	\$891,514	\$32,036	\$2,199,665	\$257,083
2028	\$0	\$97,500	\$352,606	\$2,450	\$10,819	\$119,432	\$913,802	\$32,836	\$2,349,325	\$263,510
2029	\$0	\$99,937	\$361,421	\$2,511	\$6,238	\$122,418	\$936,647	\$33,657	\$2,355,397	\$270,098
2030	\$0	\$102,436	\$370,456	\$2,574	\$7,815	\$64,004	\$1,088,072	\$34,499	\$2,358,080	\$276,850
2031	\$0	\$31,499	\$379,718	\$2,638	\$6,554	\$65,604	\$852,856	\$35,361	\$2,545,451	\$283,772
2032	\$0	\$0	\$389,211	\$2,704	\$0	\$67,244	\$739,689	\$36,245	\$2,441,451	\$290,866
2033	\$0	\$0	\$398,941	\$2,771	\$1,530	\$68,926	\$758,181	\$37,151	\$2,638,715	\$298,138
2034	\$0	\$0	\$408,915	\$2,841	\$1,568	\$70,649	\$777,136	\$38,080	\$2,442,848	\$305,591
2035	\$0	\$0	\$419,137	\$2,912	\$804	\$72,415	\$796,564	\$39,032	\$2,347,582	\$313,231
2036	\$186,362	\$118,794	\$95,602	\$2,985	\$1,648	\$74,225	\$964,929	\$40,008	\$2,360,866	\$321,062
2037	\$191,021	\$121,764	\$97,992	\$4,791	\$2,533	\$76,081	\$836,890	\$41,008	\$2,756,088	\$329,088
2038	\$195,796	\$124,808	\$100,442	\$13,785	\$13,850	\$77,983	\$857,812	\$42,033	\$2,943,598	\$337,315
2039	\$200,691	\$127,928	\$102,953	\$10,491	\$7,985	\$79,933	\$879,258	\$43,084	\$2,952,710	\$345,748
2040	\$205,709	\$131,126	\$105,527	\$3,294	\$10,004	\$286,758	\$901,239	\$44,161	\$3,018,542	\$354,392
2041	\$63,255	\$40,321	\$108,165	\$11,022	\$8,390	\$293,927	\$1,091,728	\$45,265	\$3,258,392	\$363,252
2042	\$0	\$0	\$110,869	\$7,379	\$0	\$301,275	\$946,864	\$46,397	\$3,125,264	\$372,333
2043	\$0	\$0	\$113,641	\$3,548	\$1,959	\$308,807	\$970,536	\$47,557	\$3,377,778	\$381,641
2044	\$0	\$0	\$116,482	\$7,753	\$2,008	\$316,527	\$994,799	\$48,746	\$3,127,052	\$391,182
2045	\$0	\$0	\$119,394	\$7,947	\$1,029	\$324,440	\$1,019,669	\$49,965	\$3,005,103	\$400,962
2046	\$0	\$152,066	\$122,379	\$3,820	\$2,109	\$332,551	\$1,235,190	\$51,214	\$3,022,109	\$410,986
2047	\$0	\$155,868	\$125,438	\$14,999	\$3,243	\$340,865	\$1,071,290	\$52,494	\$3,528,026	\$421,261
2048	\$0	\$159,765	\$128,574	\$24,462	\$17,729	\$124,781	\$1,098,072	\$53,806	\$3,768,055	\$431,792
2049	\$0	\$163,759	\$131,789	\$46,033	\$10,222	\$102,320	\$1,125,524	\$55,152	\$3,779,719	\$442,587
TOTAL	\$1,349,958	\$1,849,284	\$6,963,485	\$202,676	\$135,698	\$4,547,508	\$27,371,106	\$1,194,410	\$79,334,700	\$9,495,061

**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Replacement Reserves Planned Expenditures**

Program	Prior to Paint					Paving/Concrete					Roofs				
	Prior to Paint	Balcony Breezeway Resurfacing	Paving: Asphalt	Paving: Parkway Concrete	Paving: Seal Coat	Concrete and Paving Repairs	Golf Cart Parking & Striping	Roofs Built-Up PVC Cool Roof	Roofs Metal	Roofs Tile	Roofs Lightweight Tile (New)	Roofs Preventive Maint.	Roof Emergency Repairs		
Life in Years	10	As Needed	25	60	JA962010000	As Needed		25	40	40	Ongoing	As Needed			
Quantity	16,495,223		3,010,084	Varies	5		2,500	4,037,463	505,426	2,321,631	4,023,624				
Unit	Sq ft		SF	SF			0	SF	SF	SF	SF				
Unit Cost	Various		\$2.58	\$20.00			\$0	\$7.37	\$8.50	\$7.00	\$0.37				
Total Cost	\$9,930,639	\$6,046,971	\$7,766,000		\$0		\$29,756,100	\$4,296,100	\$12,583,200	\$10,066,400	\$1,488,741				
2020	\$935,092	\$538,995	\$513,461	\$160,000	\$51,651	\$76,146	\$25,000	\$1,075,010	\$0	\$100,478	\$130,416	\$110,000			
2021	\$1,094,806	\$530,822	\$444,792	\$153,750	\$66,117	\$67,375	\$25,625	\$1,082,373	\$0	\$105,465	\$63,744	\$112,750			
2022	\$1,050,762	\$554,617	\$478,049	\$157,594	\$67,865	\$79,580	\$26,266	\$1,033,666	\$0	\$106,285	\$72,230	\$115,569			
2023	\$1,135,065	\$574,190	\$473,708	\$161,534	\$69,547	\$54,323	\$26,922	\$1,167,851	\$0	\$109,312	\$70,398	\$118,458			
2024	\$1,051,899	\$583,391	\$332,402	\$165,572	\$71,371	\$123,036	\$27,595	\$1,172,414	\$0	\$113,706	\$48,225	\$121,419			
2025	\$1,011,596	\$595,393	\$34,153	\$169,711	\$72,760	\$107,402	\$28,285	\$1,233,753	\$0	\$113,959	\$32,072	\$124,455			
2026	\$1,017,543	\$321,051	\$0	\$173,954	\$74,805	\$58,802	\$28,992	\$1,253,879	\$0	\$115,850	\$86,928	\$127,566			
2027	\$1,186,204	\$344,167	\$1,505,886	\$178,303	\$76,783	\$64,358	\$29,717	\$1,292,050	\$0	\$122,907	\$69,910	\$130,755			
2028	\$1,266,387	\$388,979	\$550,436	\$182,760	\$78,686	\$88,229	\$30,460	\$1,327,171	\$0	\$125,263	\$87,815	\$134,024			
2029	\$1,240,511	\$342,383	\$233,104	\$187,329	\$80,750	\$87,317	\$31,222	\$1,352,315	\$0	\$128,998	\$73,236	\$137,375			
2030	\$1,232,233	\$370,444	\$1,315,578	\$192,013	\$82,321	\$97,473	\$0	\$1,461,871	\$269,353	\$495,736	\$75,264	\$140,809			
2031	\$1,326,605	\$365,017	\$659,014	\$196,813	\$84,635	\$86,245	\$0	\$1,507,662	\$267,331	\$511,601	\$75,891	\$144,330			
2032	\$1,273,297	\$387,615	\$534,636	\$201,733	\$86,873	\$101,870	\$0	\$1,539,525	\$291,482	\$520,691	\$70,426	\$147,938			
2033	\$1,375,401	\$404,612	\$678,990	\$206,777	\$89,026	\$69,538	\$0	\$1,572,101	\$299,027	\$538,282	\$77,848	\$151,636			
2034	\$1,274,720	\$408,129	\$101,344	\$211,946	\$91,361	\$157,497	\$0	\$1,681,695	\$307,956	\$557,634	\$105,914	\$155,427			
2035	\$1,225,943	\$415,027	\$0	\$217,245	\$93,139	\$137,484	\$0	\$1,723,246	\$310,546	\$559,176	\$84,314	\$159,313			
2036	\$1,233,170	\$410,972	\$0	\$222,676	\$95,756	\$75,272	\$0	\$1,798,089	\$319,924	\$581,833	\$89,260	\$163,296			
2037	\$1,437,426	\$440,562	\$27,971	\$228,243	\$98,289	\$82,384	\$0	\$1,815,263	\$324,999	\$585,930	\$90,468	\$167,378			
2038	\$1,534,544	\$497,925	\$0	\$233,949	\$100,725	\$112,940	\$0	\$1,855,196	\$341,238	\$606,724	\$93,901	\$171,562			
2039	\$1,503,238	\$438,280	\$194,925	\$239,798	\$103,367	\$111,773	\$0	\$1,924,716	\$340,963	\$625,283	\$94,687	\$175,852			
2040	\$1,577,363	\$474,199	\$0	\$245,792	\$105,378	\$124,774	\$0	\$1,949,309	\$353,179	\$635,524	\$97,921	\$180,248			
2041	\$1,698,167	\$467,253	\$255,930	\$251,937	\$108,340	\$110,401	\$0	\$2,169,496	\$368,833	\$652,823	\$100,907	\$184,754			
2042	\$1,629,928	\$496,180	\$489,537	\$258,236	\$111,205	\$130,402	\$0	\$2,059,234	\$375,053	\$665,191	\$102,732	\$189,373			
2043	\$1,760,630	\$517,937	\$411,746	\$264,692	\$113,961	\$89,014	\$0	\$2,109,453	\$378,940	\$689,146	\$0	\$194,107			
2044	\$1,631,750	\$522,440	\$687,457	\$271,309	\$116,950	\$201,610	\$0	\$2,221,177	\$392,088	\$708,945	\$145,168	\$198,960			
2045	\$1,569,310	\$531,269	\$951,928	\$278,092	\$119,226	\$175,991	\$0	\$2,276,706	\$395,146	\$714,158	\$234,490	\$203,934			
2046	\$1,578,561	\$526,079	\$824,619	\$285,044	\$122,576	\$96,354	\$0	\$2,300,361	\$414,232	\$732,624	\$118,178	\$209,032			
2047	\$1,840,026	\$563,957	\$886,276	\$292,170	\$125,818	\$105,458	\$0	\$2,446,959	\$423,329	\$992,745	\$133,910	\$214,258			
2048	\$1,964,347	\$637,387	\$878,228	\$299,474	\$128,937	\$144,573	\$0	\$2,413,535	\$423,610	\$773,458	\$130,515	\$219,614			
2049	\$1,924,272	\$561,035	\$616,255	\$306,961	\$132,318	\$143,079	\$0	\$2,555,378	\$428,982	\$1,176,189	\$89,407	\$225,105			
TOTAL	\$41,580,797	\$14,210,308	\$14,080,424	\$6,595,405	\$2,820,542	\$3,160,698	\$280,085	\$51,371,456	\$7,026,211	\$14,112,811	\$13,847,342	\$2,746,176	\$4,829,297		

**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Replacement Reserves Planned Expenditures**

Program	Exterior Walls				Waste Lines			Water Lines Copper	Total Replacement Fund
	Tree Maintenance	Common Walls	Perimeter Walls	Waste Lines	Waste Lines GV Garage	Waste Lines Copper			
Life in Years	5	As Needed	Varies	70	35	70	70		
Quantity	Varies		30,184	6,102	53	6,102	6,102		
Unit			If	Manors	Building	Manors	Manors		
Unit Cost			\$100 - \$200	\$8,000	\$19,900	\$5,125	\$5,125		
Total Cost	\$4,954,881	\$25,000	\$9,055,261	\$48,816,000	\$1,054,700	\$31,272,750	\$31,272,750		
2020	\$853,815	\$25,000	\$189,147	\$1,000,000	\$0	\$500,000	\$500,000	\$12,309,456	
2021	\$1,016,776	\$25,625	\$173,257	\$770,800	\$0	\$512,500	\$512,500	\$13,272,989	
2022	\$1,042,195	\$26,266	\$177,589	\$790,070	\$0	\$315,188	\$315,188	\$13,258,970	
2023	\$1,068,250	\$26,922	\$182,028	\$809,822	\$0	\$323,067	\$323,067	\$12,749,530	
2024	\$1,094,956	\$27,595	\$186,579	\$830,067	\$0	\$331,144	\$331,144	\$12,382,588	
2025	\$1,122,330	\$28,285	\$191,244	\$850,819	\$0	\$339,422	\$339,422	\$12,191,755	
2026	\$1,150,388	\$28,992	\$196,025	\$872,089	\$0	\$347,908	\$347,908	\$11,788,398	
2027	\$1,179,148	\$29,717	\$200,925	\$893,892	\$0	\$356,606	\$356,606	\$14,011,105	
2028	\$1,208,627	\$30,460	\$205,949	\$916,239	\$0	\$365,521	\$365,521	\$12,708,029	
2029	\$1,238,842	\$31,222	\$211,097	\$939,945	\$0	\$171,844	\$171,844	\$11,401,537	
2030	\$1,269,813	\$32,002	\$216,375	\$61,444	\$0	\$176,140	\$176,140	\$13,401,118	
2031	\$1,301,559	\$32,802	\$221,784	\$62,980	\$0	\$180,543	\$180,543	\$12,812,043	
2032	\$1,334,098	\$33,622	\$227,329	\$64,555	\$0	\$185,057	\$185,057	\$12,591,528	
2033	\$1,367,450	\$34,463	\$233,012	\$66,169	\$0	\$189,683	\$189,683	\$13,222,324	
2034	\$1,401,636	\$35,324	\$238,837	\$67,823	\$112,473	\$194,425	\$194,425	\$12,857,326	
2035	\$1,436,677	\$36,207	\$244,808	\$69,518	\$115,285	\$199,286	\$199,286	\$12,767,085	
2036	\$1,472,594	\$37,113	\$250,928	\$71,256	\$118,167	\$204,268	\$204,268	\$13,102,953	
2037	\$1,509,409	\$38,040	\$257,201	\$73,038	\$121,121	\$209,375	\$209,375	\$13,801,050	
2038	\$1,547,144	\$38,991	\$263,632	\$74,864	\$124,149	\$214,609	\$214,609	\$14,065,830	
2039	\$1,585,823	\$39,966	\$38,603	\$76,735	\$127,253	\$219,974	\$219,974	\$15,288,649	
2040	\$1,625,469	\$40,965	\$39,568	\$78,654	\$130,434	\$225,474	\$225,474	\$16,162,365	
2041	\$1,666,105	\$41,990	\$40,557	\$80,620	\$133,695	\$231,111	\$231,111	\$16,151,740	
2042	\$1,707,758	\$43,039	\$41,571	\$82,635	\$137,037	\$236,888	\$236,888	\$15,746,993	
2043	\$1,750,452	\$44,115	\$42,611	\$84,701	\$140,463	\$242,811	\$242,811	\$16,423,683	
2044	\$1,794,213	\$45,218	\$43,676	\$86,819	\$143,975	\$248,881	\$248,881	\$18,188,635	
2045	\$1,839,069	\$46,349	\$44,768	\$88,989	\$147,574	\$191,327	\$191,327	\$18,095,196	
2046	\$1,885,045	\$47,507	\$45,887	\$91,214	\$151,263	\$196,110	\$196,110	\$18,976,149	
2047	\$1,932,171	\$48,695	\$47,034	\$93,494	\$38,761	\$201,013	\$201,013	\$18,658,574	
2048	\$1,980,476	\$49,912	\$48,210	\$95,832	\$0	\$206,038	\$206,038	\$19,209,707	
2049	\$2,029,988	\$51,160	\$49,415	\$98,228	\$0	\$211,189	\$211,189	\$19,129,040	
TOTAL	\$43,412,277	\$1,097,568	\$4,549,647	\$9,363,311	\$1,741,648	\$7,727,403	\$7,727,403	\$436,726,347	

**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Replacement Reserves Planned Expenditures**

Program	Elevators									
	Elevator Cab Door	Elevator Cab Door Operators	Elevator Cab Refurbish	Elevator Flooring	Elevator Call Buttons	Elevator Controllers	Elevator Hoistway Doors (3 stop)	Elevator Hoistway Doors (4 stop)	Elevator Machine Room Power Units	
Life in Years	30	30	40	40	30	30	30	30	30	30
Quantity	82	82	82	82	82	82	29	53	82	82
Unit	ea	ea	ea	ea	ea	ea	ea	ea	ea	ea
Unit Cost	\$12,234	\$9,894	\$9,174	\$2,365	\$8,400	\$50,600	\$7,249	\$8,919	\$14,300	\$14,300
Total Cost	\$1,003,188	\$811,308	\$752,268	\$193,930	\$688,800	\$4,149,200	\$210,221	\$472,707	\$1,172,600	\$1,172,600
2020	\$0	\$51,756	\$45,870	\$8,278	\$0	\$0	\$0	\$44,596	\$71,500	\$71,500
2021	\$0	\$50,710	\$47,017	\$8,485	\$0	\$0	\$18,576	\$45,711	\$73,288	\$73,288
2022	\$0	\$103,954	\$96,384	\$17,393	\$0	\$0	\$19,040	\$46,854	\$150,239	\$150,239
2023	\$0	\$53,276	\$49,397	\$17,828	\$90,459	\$544,907	\$0	\$48,025	\$76,998	\$76,998
2024	\$0	\$0	\$0	\$0	\$92,720	\$558,529	\$0	\$0	\$0	\$0
2025	\$0	\$0	\$0	\$0	\$95,038	\$572,493	\$0	\$0	\$0	\$0
2026	\$0	\$0	\$0	\$0	\$97,414	\$586,805	\$0	\$0	\$0	\$0
2027	\$0	\$0	\$0	\$0	\$99,850	\$601,475	\$0	\$0	\$0	\$0
2028	\$0	\$0	\$0	\$0	\$102,346	\$616,512	\$0	\$0	\$0	\$0
2029	\$0	\$0	\$0	\$0	\$104,904	\$631,925	\$0	\$0	\$0	\$0
2030	\$0	\$0	\$0	\$0	\$129,033	\$777,267	\$0	\$0	\$0	\$0
2031	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2032	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2033	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2034	\$86,432	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2035	\$212,622	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2036	\$217,937	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2037	\$223,386	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2038	\$228,970	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2039	\$234,695	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2040	\$240,562	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2041	\$102,740	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2042	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2043	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2044	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2045	\$0	\$183,429	\$0	\$0	\$0	\$0	\$0	\$82,677	\$265,114	\$265,114
2046	\$0	\$225,618	\$0	\$0	\$0	\$0	\$165,303	\$0	\$326,090	\$326,090
2047	\$0	\$231,258	\$0	\$0	\$0	\$0	\$169,435	\$0	\$334,242	\$334,242
2048	\$0	\$237,040	\$0	\$0	\$0	\$0	\$173,671	\$0	\$342,599	\$342,599
2049	\$0	\$242,966	\$0	\$0	\$0	\$0	\$178,013	\$0	\$351,164	\$351,164
TOTAL	\$1,547,343	\$1,380,007	\$238,668	\$51,984	\$811,764	\$4,889,912	\$724,038	\$267,862	\$1,991,233	\$1,991,233

**THIRD LAGUNA HILLS MUTUAL
2020 RESERVES PLAN
Replacement Reserves Planned Expenditures**

Program	Elevators										TOTAL LAUNDRY FUND
	Elevator Door Protective Devices	Elevator Fuse	Elevator Solid State Soft Starters	TOTAL ELEVATOR FUND	Laundry Counters	Laundry Dryers	Laundry Floors	Laundry Washers	Laundry Water Heaters		
Life in Years	40	30	20		20	10	243	15	10		
Quantity	82	82	82		287	373	ea	455	125		
Unit	ea	ea	ea		ea	ea	2,793	ea	ea		
Unit Cost	\$2,750	\$330	\$3,520		\$482	\$1,025	\$678,643	\$2,007	\$3,726		
Total Cost	\$225,500	\$27,060	\$288,640		\$138,334	\$382,325	\$0	\$913,185	\$117,806		
2020	\$13,750	\$1,650	\$17,600	\$255,000	\$12,829	\$0	\$47,082.63	\$25,722	\$29,268		\$114,903
2021	\$14,094	\$1,691	\$18,040	\$277,611	\$15,316	\$0	\$51,527	\$49,372	\$8,534		\$124,749
2022	\$28,892	\$3,467	\$36,982	\$503,206	\$15,192	\$0	\$52,815	\$54,824	\$15,514		\$138,344
2023	\$14,807	\$1,777	\$18,953	\$916,426	\$15,572	\$0	\$54,135	\$49,710	\$15,901		\$135,319
2024	\$0	\$0	\$0	\$651,250	\$0	\$0	\$55,489	\$108,552	\$19,345		\$183,386
2025	\$0	\$0	\$0	\$667,531	\$0	\$0	\$56,876	\$170,305	\$19,829		\$247,010
2026	\$0	\$0	\$0	\$684,219	\$0	\$5,943	\$58,298	\$172,235	\$44,864		\$281,340
2027	\$0	\$0	\$0	\$701,325	\$0	\$12,184	\$59,755	\$178,927	\$7,710		\$258,576
2028	\$0	\$0	\$0	\$718,858	\$0	\$18,733	\$61,249	\$44,016	\$10,144		\$134,142
2029	\$0	\$0	\$0	\$736,829	\$0	\$47,363	\$31,390	\$60,155	\$11,547		\$150,455
2030	\$0	\$0	\$0	\$906,300	\$0	\$48,547	\$0	\$7,707	\$9,480		\$65,735
2031	\$0	\$0	\$0	\$0	\$0	\$49,761	\$0	\$10,533	\$10,924		\$71,219
2032	\$0	\$0	\$0	\$0	\$0	\$51,005	\$0	\$26,992	\$19,859		\$97,855
2033	\$0	\$0	\$0	\$0	\$0	\$52,280	\$0	\$8,588	\$20,355		\$81,223
2034	\$0	\$0	\$0	\$86,432	\$21,113	\$53,587	\$0	\$96,123	\$24,764		\$195,587
2035	\$0	\$0	\$61,176	\$273,798	\$21,640	\$54,927	\$0	\$37,788	\$25,383		\$139,738
2036	\$0	\$0	\$52,255	\$270,192	\$22,181	\$56,300	\$0	\$71,506	\$57,430		\$207,417
2037	\$0	\$0	\$53,561	\$276,947	\$15,402	\$57,707	\$0	\$79,401	\$9,869		\$162,379
2038	\$0	\$0	\$54,900	\$283,870	\$15,035	\$59,150	\$0	\$71,995	\$12,986		\$159,166
2039	\$0	\$0	\$56,272	\$290,967	\$23,887	\$60,629	\$0	\$157,216	\$14,781		\$256,513
2040	\$0	\$0	\$28,840	\$269,402	\$24,484	\$62,145	\$0	\$246,653	\$12,136		\$345,417
2041	\$0	\$0	\$29,561	\$132,301	\$25,096	\$63,698	\$84,432	\$249,448	\$13,984		\$436,659
2042	\$0	\$0	\$60,599	\$60,599	\$24,894	\$65,291	\$86,543	\$259,140	\$25,421		\$461,288
2043	\$0	\$0	\$31,057	\$31,057	\$25,516	\$66,923	\$88,707	\$63,748	\$26,056		\$270,950
2044	\$0	\$0	\$0	\$0	\$0	\$68,596	\$90,924	\$87,123	\$31,700		\$278,343
2045	\$0	\$0	\$0	\$531,220	\$0	\$70,311	\$93,198	\$11,163	\$32,492		\$207,163
2046	\$0	\$0	\$0	\$717,011	\$0	\$72,069	\$95,527	\$15,256	\$73,515		\$256,366
2047	\$0	\$0	\$0	\$734,936	\$0	\$73,870	\$97,916	\$39,092	\$12,633		\$223,512
2048	\$0	\$0	\$0	\$753,310	\$0	\$75,717	\$100,364	\$12,438	\$16,623		\$205,142
2049	\$0	\$0	\$0	\$772,142	\$0	\$77,610	\$102,873	\$139,215	\$18,921		\$338,619
TOTAL	\$71,543	\$8,585	\$519,796	\$12,502,737	\$278,158	\$1,324,345	\$1,369,098	\$2,604,944	\$651,969		\$6,228,515