



SPECIAL MEETING OF THE BOARD OF DIRECTORS

**Friday, August 9, 2019 – 10:00 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 2
7. Board Member Comments
8. Member Comments

Concluding Business:

9. Date of Next Meeting – Tuesday, September 10, 2019 at 9:30 a.m.
10. Adjournment



STAFF REPORT

DATE: August 9, 2019
 FOR: United Laguna Woods Mutual Board of Directors
 SUBJECT: 2020 Business Plan – Version 2

RECOMMENDATION

Staff recommends that the Board review the proposed 2020 Business Plan and provide direction for change or revision at the televised meeting on August 9, 2019. Resolutions to adopt the budget will be presented at the regular Board meeting on September 10, 2019.

BACKGROUND

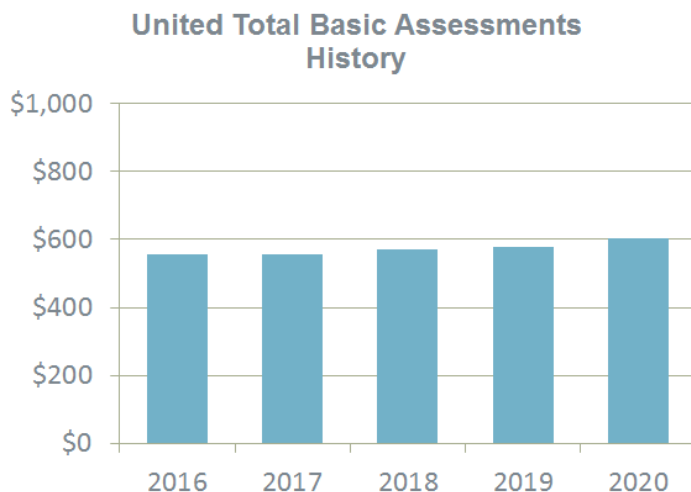
The proposed business plan for United was reviewed several times from May through July at special meetings of the Standing Committees and Board. Changes directed from these early budget meetings and subsequent discussions with Staff are included in Version 2.

DISCUSSION

BUSINESS PLAN SUMMARY

The proposed budget for the 2020 plan year (Attachment 1) shows that the sum of \$42,243,564 is required by the Corporation to meet the United Laguna Woods Mutual operating expenses and reserve contributions for the year 2020. In addition, the sum of \$15,599,739 is required by the Corporation to meet the Golden Rain Foundation and Golden Rain Foundation Trust operating expenses and reserve contributions for the year 2020. Therefore, a total of \$57,843,303 is required to be collected from and paid by members of the Corporation as monthly assessments. The proposal equates to a Total Basic Assessment of \$603.04 per manor per month, reflecting a net increase of \$24.52 or 4.2% when compared to current year.

Year	Assessment
2016	\$557.17
2017	\$557.17
2018	\$568.99
2019	\$578.52
2020 (Estimated)	\$603.04



BUSINESS PLAN BY DEPARTMENT

The Business Plan is presented by Department with a brief synopsis of each area of operation and significant change from current year, listed in order of appearance (Attachment 2):

Non Work Center

Scope: This category exists to account for items not directly attributable to departments. It is primarily comprised of property tax, utilities, legal fees, interest earnings, and miscellaneous fee revenue.

Budget: The net cost of Non Work Center budgets is \$15,034,008 for the United portion, of which \$4,265,223 is included in the Non Work Center operating assessment, \$11,111,994 is included in the Property and Sales Tax operating assessment, and \$343,209 is credited to reserves for net interest income.

This budget proposal increased the basic assessment by \$323,957 due to increase in utilities, workers compensation, and bad debt expenses. Water rates increased per El Toro Water adopted budget and went into effect July 1, 2019, budget was increased to reflect those rates. This area also increased due to a contingency for historical workers compensation retrospective adjustment. In addition, bad debt expense was added for 2020 based on current and recent year actuals, causing a rise in expenses as it was unbudgeted in 2019.

Line 1b: Property and sales tax increased by \$1,301,215 due to a projected increase in property values; assessments for this line item vary by manor.

Office of the CEO

Scope: Provides liaison with each of the Corporation Board of Directors; direct services, programs, and operations, ensuring that all activities are within policy guidelines set by the Boards, the management agreement, the governing documents, and the business plans of each Corporation. Functions include executive management, corporate secretary and public relations.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
5.00	6.50	7.00	9.00	10.00

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$532,470 for the United portion, all of which is included in the operating assessment. This budget proposal increased the assessment by \$78,536 with the additional position for Marketing Content Editor. The variance was furthered by Outside Services due to an added annual expense, inspector of election, website maintenance, and outsourced graphic design.

Department of Resident Services

Scope: Recommends changes in governing rules, policies, and membership qualifications to the corporations, as needed and oversees all call center operations pertaining to resident maintenance service. Functions include call center, membership and occupancy, community access, sales and leasing.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
21.83	23.59	32.00	36.00	35.00

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$1,013,892 for the United portion, all of which is included in the operating assessment. This budget proposal increased the assessment by \$424,953 mainly due the increase in allocation expenses. A correction of Resident Services allocations assigned more costs to the Mutual based on services provided. In addition, a higher budget in materials for the purchase of security access cards furthered the variance.

Department of General Services

Scope: Responsible for operating, maintaining, repairing, and replacing the community physical assets or resources, with the following major areas of operation: community center, janitorial, streets and sidewalks, service center facility, fleet maintenance and transportation.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
105.43	93.98	94.57	93.07	91.57

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$1,135,316 for the United portion, of which \$1,027,283 is included in the operating assessment. This budget proposal increased the assessment by \$158,873 due to increased allocation expenses from vehicle maintenance, and outsourced gutter cleaning moved from the M&C Department.

Department of Landscape Services

Scope: Provides the following major functions: nursery, composting, grounds maintenance, irrigation, small equipment repair, pest control and tree maintenance.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
135.11	132.76	133.87	142.27	149.00

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$5,565,518 for the United portion, of which \$4,249,223 is included in the operating assessment. This budget proposal increased the assessment by \$478,062 due to additional staff of 6.73 FTE to correct unused turnover contingency and to fund existing service levels. In addition, planned use of fertilizers and irrigation materials for lawn and shrub-bed maintenance contributed to the variance.

Department of Information Services

Scope: Coordinates and manages the development, implementation, and maintenance of all automated and operational systems related to fiscal and management information activities, and maintenance of all automated and operational data network systems.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
11.00	10.04	11.00	10.50	10.50

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$0 for the United portion. This budget proposal decreased the assessment by \$46,269 ; the department no longer allocates directly to United Mutual.

Department of Financial Services

Scope: Provides accounting, budget and financial planning, risk management and insurance, purchasing, mail and copy services, and warehouse functions for all entities. Coordinates and manages banking relationships, investments, audits, tax preparation, and collection services. Also provides compensation research and guidelines for VMS.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
20.66	29.63	29.50	30.00	31.00

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$2,230,386 for the United portion, of which \$1,256,223 is included in the Financial Services line of the operating assessment and \$974,163 is included in the Property Insurance line of the operating assessment.

This budget proposal increased the assessment by \$125,768 primarily due to higher insurance premiums anticipated in liability renewals and an added position to improve collections and internal controls.

Line 7b: The budget proposal for Property Insurance increased by \$175,030 due to an anticipated increase in premiums for upcoming renewal; assessment for this line item varies by manor.

Department of Security Services

Scope: Provides oversight of all security operations, including: monitoring of gates, field supervision, routine motor patrol, maintaining a traffic control program and security dispatch center; assisting local law enforcement agencies and maintaining relations with OC Sheriff, OC Fire Authority and other outside agencies as necessary to achieve compliance within the Community; and social services including individual and family counseling, facilitation of caregivers, bereavement and support groups, and referrals to community programs, agencies and services.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
125.33	119.10	115.61	118.19	119.68

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$140,493 for the United portion, all of which is included in the operating assessment. This budget proposal decreased the assessment by \$22,187 due to the higher revenues anticipated in resident violations based on trends.

Department of Human Resource Services

Scope: Responsible for the development, administration and implementation of all human resources and safety/environmental function, ensuring that programs and policies are designed to meet organizational goals and protect the Company, the Community and Staff in accordance with human resource and safety policies and governmental laws and regulations.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
8.40	9.40	9.40	8.40	8.40

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$149,985 for the United portion, all of which is included in the operating assessment. This budget proposal reflects a new allocation of VMS legal fees shared equally by the three members of VMS.

Department of Maintenance & Construction

Scope: Responsible for operating, maintaining, repairing, and replacing the Community’s physical assets or resources, including maintenance operations, building maintenance, manor alterations and permits, moisture intrusion, facilities management, and construction and project management.

Staffing:

2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Ver 2
172.08	173.81	185.50	185.50	186.50

**Full-Time Equivalents for all Corporations*

Budget: The net cost of this Department is \$18,193,847 for the United portion, of which \$5,228,855 is included in the operating assessment. This budget proposal increased the assessment by \$52,077 due to the addition of an Inspector and Alterations Coordinator, approved in the current year and the inclusion of planned wage adjustments. Variance was furthered by the increase in materials required for plumbing repairs. The increase was partially offset by moving certain programs, such as gutters, into General Services.

Reserve Fund Contribution

To adequately plan for future expenditures, the Mutual adopts a 30-Year Funding Plans that projects contributions and disbursements to replacement funds over the next 30 years. The contribution to reserve funds is proposed to increase from \$148.00 to \$152.02 per manor per month based on the reserves funding plan recommended by the contracted reserve specialist to fund future expenditures.

Contingency Fund Contribution

The Contingency Fund is used for the repair or replacement of mutual assets damaged by uninsured or unexpected disasters in addition to providing for unanticipated significant expenditures not otherwise identified in the business plan. The contribution is proposed to decrease from \$15.00 to \$10.00 per manor per month to help offset operating costs.

GRF

Added to the Mutual portion is the GRF Assessment, a preliminary budget of \$205.60 per manor per month. This reflects an increase of \$2.77 or about 1.4% compared to current year.

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 \$3.00 to replenish contingency funds used to cover unexpected operating expenditures, specifically VMS legal fees.

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

Reviewed By: Jeff Parker, Chief Executive Officer

ATTACHMENT(S)

ATT1 – 2020 United Business Plan

ATT2 – 2020 United Business Plan by Department

ATT3 – 2020 Budget Comparison Report

ATT4 – 2020 Landscape Expenditures by Workcenter

ATT5 – 2020 Maintenance Expenditures by Program - Operating

ATT6 – 2020 Reserves Plan

- ♦ 2020 Reserve Expenditures
- ♦ Five-Year Cash Flow
- ♦ Contracted Reserve Study - Excerpts

UNITED LAGUNA WOODS 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 Merchandise Sales	\$22,660	\$20,663	\$16,489	\$30,000	\$20,000	\$0.40	\$0.26	\$0.14
2 Fees and Charges to Residents	544,319	184,245	513,803	475,138	455,142	6.26	6.00	0.26
3 Laundry	136,742	188,260	271,454	280,000	270,000	3.69	3.56	0.13
4 Miscellaneous	495,298	503,794	597,370	640,500	582,400	8.44	7.68	0.76
Total Revenue	\$1,199,019	\$896,962	\$1,399,116	\$1,425,638	\$1,327,542	\$18.79	\$17.50	\$1.29
EXPENSES:								
5 Employee Compensation	6,155,669	6,769,342	7,101,334	7,001,825	7,545,645	92.27	99.44	7.17
6 Expenses Related to Compensation	2,349,011	2,533,803	2,950,772	2,865,444	2,953,209	37.76	38.92	1.16
7 Material and Supplies	959,608	782,393	847,345	850,996	963,885	11.22	12.70	1.48
8 Electricity	317,548	192,576	151,523	185,320	189,000	2.44	2.49	0.05
9 Sewer	1,754,382	1,736,044	1,723,347	1,776,600	1,779,600	23.41	23.45	0.04
10 Water	1,567,174	1,888,496	1,898,155	1,850,960	1,919,116	24.39	25.29	0.90
11 Trash	355,500	379,488	407,744	408,533	429,177	5.38	5.66	0.28
12 Telephone	1,193	664	669	0	685	0.00	0.01	0.01
13 Legal Fees	255,120	193,400	253,208	175,000	349,985	2.31	4.61	2.30
14 Professional Fees	113,206	100,513	174,191	167,915	121,979	2.21	1.61	(0.60)
15 Equipment Rental	11,975	8,246	5,878	8,291	3,654	0.11	0.05	(0.06)
16 Outside Services	660,350	759,101	1,215,518	656,053	765,210	8.65	10.09	1.44
17 Repairs and Maintenance	49,794	22,235	45,347	42,470	41,314	0.56	0.54	(0.02)
18 Other Operating	126,613	162,176	128,831	148,834	166,680	1.96	2.20	0.24
19 (Gain)/Loss on Sale	(1,463)	(2,047)	(886)	(7,500)	(7,500)	(0.10)	(0.10)	0.00
20 Income Taxes	4,737	19,849	(371,167)	0	25,000	0.00	0.33	0.33
21 Property and Sales Tax*	9,406,606	10,062,623	10,765,612	9,810,779	11,111,994	***	***	***
22 Property Insurance*	654,843	617,222	634,590	799,133	974,163	***	***	***
23 Insurance	477,379	512,394	476,748	492,920	529,519	6.50	6.98	0.48
24 Net Allocations to Mutuals	806,145	790,755	969,562	941,869	1,355,431	12.41	17.86	5.45
25 Uncollectible Accounts	0	26495	44,785	0	59,600	0.00	0.79	0.79
Total Expenses	\$26,025,390	\$27,555,768	\$29,423,106	\$28,175,442	\$31,277,346	\$231.48	\$252.92	\$21.44
26 (Surplus)/Deficit Recovery	0	0	0	0	-	0.00	0.00	0.00
Total Operating	\$24,826,371	\$26,658,806	\$28,023,990	\$26,749,804	\$29,949,804	\$212.69	\$235.42	\$22.73
RESERVE CONTRIBUTIONS:								
28 Reserve Fund	10,471,647	10,850,268	10,850,268	11,229,648	11,535,000	148.00	152.02	4.02
29 Contingency Fund	1,442,403	1,441,644	1,062,464	1,138,140	758,760	15.00	10.00	(5.00)
Total Reserve Contributions	\$11,914,050	\$12,291,912	\$11,912,732	\$12,367,788	\$12,293,760	\$163.00	\$162.02	(\$0.98)
30 TOTAL MUTUAL	\$36,740,421	\$38,950,718	\$39,936,722	\$39,117,592	\$42,243,564	\$375.69	\$397.44	\$21.75
GOLDEN RAIN FOUNDATION								
31 GRF Operating	13,149,988	12,870,405	13,778,715	13,947,912	13,778,715	183.83	181.60	(2.23)
32 GRF Reserve Contributions	1,593,396	1,821,024	1,821,024	1,441,644	1,821,024	19.00	24.00	5.00
Total GRF	\$14,743,384	\$14,691,429	\$15,599,739	\$15,389,556	\$15,599,739	\$202.83	\$205.60	\$2.77
34 TOTAL BASIC ASSESSMENTS	\$51,483,805	\$53,642,147	\$55,536,461	\$54,507,148	\$57,843,303	\$578.52	\$603.04	\$24.52

*The asterisk indicate an assessment that varies per manor.

**UNITED LAGUNA WOODS 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)
OPERATING:								
1 Non Work Center	\$3,919,114	\$4,114,686	\$4,039,524	\$3,941,266	\$4,265,223	\$51.94	\$56.21	\$4.27
1b Property and Sales Tax*	9,406,606	10,062,623	10,765,612	9,810,779	11,111,994	***	***	***
2 Office of the CEO	559,669	400,879	444,173	453,934	532,470	5.98	7.02	1.04
3 Resident Services	387,909	528,113	817,030	588,939	1,013,892	7.76	13.36	5.60
4 General Services	766,401	801,875	1,084,821	868,410	1,027,283	11.45	13.54	2.09
5 Landscape Services	3,252,548	3,396,200	3,529,499	3,771,161	4,249,223	49.70	56.00	6.30
6 Information Services	17,419	41,401	46,022	46,269	0	0.61	0.00	(0.61)
7 Financial Services	975,314	1,102,583	694,923	1,130,455	1,256,223	14.90	16.56	1.66
7b Property Insurance*	654,843	617,222	634,590	799,133	974,163	***	***	***
8 Security Services	147,570	123,268	102,445	162,680	140,493	2.14	1.85	(0.29)
9 Human Resource Services	0	0	0	0	149,985	0.00	1.98	1.98
10 Maintenance & Construction	4,738,978	5,469,956	5,865,351	5,176,778	5,228,855	68.21	68.90	0.69
Net Operating	\$24,826,371	\$26,658,806	\$28,023,990	26,749,804	\$29,949,804	\$212.69	\$235.42	\$22.73
RESERVE CONTRIBUTIONS:								
11 Reserve Fund	10,471,647	10,850,268	10,850,268	11,229,648	11,535,000	148.00	152.02	4.02
12 Contingency Fund	1,442,403	1,441,644	1,062,464	1,138,140	758,760	15.00	10.00	(5.00)
Total Reserve Contributions	\$11,914,050	\$12,291,912	\$11,912,732	\$12,367,788	\$12,293,760	163.00	\$162.02	(\$0.98)
TOTAL MUTUAL	\$36,740,421	\$38,950,718	\$39,936,722	\$39,117,592	\$42,243,564	\$375.69	\$397.44	\$21.75
GOLDEN RAIN FOUNDATION								
13 GRF Operating	13,149,988	12,870,405	13,778,715	13,947,912	13,778,715	183.83	181.60	(2.23)
14 GRF Reserve Contributions	1,593,396	1,821,024	1,821,024	1,441,644	1,821,024	19.00	24.00	5.00
15 Total GRF	\$14,743,384	\$14,691,429	\$15,599,739	\$15,389,556	\$15,599,739	\$202.83	\$205.60	\$2.77
16 TOTAL BASIC ASSESSMENTS	\$51,483,805	\$53,642,147	\$55,536,461	\$54,507,148	\$57,843,303	\$578.52	\$603.04	\$24.52

**United Laguna Woods Mutual
Budget Comparison Report by Account
12/31/2020
UNITED LAGUNA WOODS MUTUAL**

	<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:							
Merchandise Sales							
41501500 - Merchandise Sales - Warehouse	\$33,808	\$38,515	\$25,495	\$30,000	\$20,000	\$10,000	33%
41505000 - Bar Sales	3,783	0	0	0	0	0	0%
Total Merchandise Sales	37,591	38,515	25,495	30,000	20,000	10,000	33%
Fees and Charges for Services to Residents							
46501000 - Permit Fee	67,762	70,387	107,902	75,223	76,335	(1,112)	(1%)
46501500 - Inspection Fee	36,617	50,419	61,842	53,849	79,294	(25,445)	(47%)
46502000 - Resident Maintenance Fee	443,008	63,439	344,059	346,066	299,513	46,553	13%
Total Fees and Charges for Services to Residents	547,387	184,245	513,803	475,138	455,142	19,996	4%
Laundry							
46005000 - Coin Op Laundry Machine	136,742	188,260	271,454	280,000	270,000	10,000	4%
Total Laundry	136,742	188,260	271,454	280,000	270,000	10,000	4%
Interest Income							
49001000 - Interest Income - Treasury Notes	28,137	40,861	89,572	71,522	87,017	(15,495)	(22%)
49001500 - Interest Income - Treasury Notes - Discretionary	146,358	166,482	196,466	151,391	190,862	(39,471)	(26%)
49002000 - Interest Income - Money Market	3,087	1,524	6,911	1,576	6,714	(5,138)	(326%)
49002500 - Interest Income - Gnma Securities - Discretionary	159,891	114,640	98,148	64,444	95,348	(30,904)	(48%)
Total Interest Income	337,473	323,507	391,096	288,933	379,941	(91,008)	(31%)
Miscellaneous							
46001000 - RV Storage Fee	(41)	0	0	0	0	0	0%
46004500 - Resident Violations	13,950	21,385	80,160	10,000	50,000	(40,000)	(400%)
44501000 - Additional Occupant Fee	0	39,872	44,200	72,000	42,000	30,000	42%
44501500 - Lease Processing Fee - United	124,222	101,860	113,580	120,000	128,000	(8,000)	(7%)
44502000 - Variance Processing Fee	12,300	11,510	8,100	12,500	12,500	0	0%
44503000 - Stock Transfer Fee	13,260	12,780	15,110	13,000	13,000	0	0%
44503510 - Resale Processing Fee - United	182,756	170,044	122,934	210,000	125,000	85,000	40%
44506500 - Auto Decal Fee	0	0	(125)	0	0	0	0%
44507000 - Golf Cart Electric Fee	66,062	59,772	59,919	60,000	62,000	(2,000)	(3%)
44507200 - Electric Vehicle Plug-In Fee	0	4,276	7,307	6,000	15,000	(9,000)	(150%)
44507500 - Carport Space Rental Fee	2,687	2,594	2,307	3,000	2,500	500	17%
47001000 - Cash Discounts - Accounts Payable	0	(10)	0	0	0	0	0%
47001500 - Late Fee Revenue	22,897	24,594	47,967	48,000	50,000	(2,000)	(4%)
47002000 - Collection Administrative Fee	3,120	48,230	0	0	0	0	0%
47002010 - Collection Administrative Fee - United	49,840	1,800	63,890	72,000	72,000	0	0%
47002500 - Collection Interest Revenue	3,287	1,780	4,730	0	0	0	0%
47501000 - Recycling	670	2,313	5,888	4,000	6,000	(2,000)	(50%)
48001000 - Legal Fee	290	1,707	4,435	10,000	4,400	5,600	56%
49004000 - Insurance Reimbursement	126,274	7,485	0	0	0	0	0%
49009000 - Miscellaneous Revenue	0	(712)	16,969	0	0	0	0%
Total Miscellaneous	621,572	511,279	597,370	640,500	582,400	58,100	9%
Total Non-Assessment Revenue	1,680,766	1,245,806	1,799,220	1,714,571	1,707,483	7,088	0%
Expenses:							
Employee Compensation							
51011000 - Salaries & Wages - Regular	2,109,352	2,300,668	2,544,753	2,629,806	2,883,900	254,094	10%
51021000 - Union Wages - Regular	5,527,931	5,715,196	5,608,553	6,529,655	6,279,594	(250,061)	(4%)
51041000 - Wages - Overtime	38,113	61,517	45,795	29,215	28,203	(1,012)	(3%)
51051000 - Union Wages - Overtime	108,734	132,807	111,691	64,364	94,908	30,544	47%
51061000 - Holiday & Vacation	782,201	580,847	892,739	773,571	773,300	(271)	0%
51071000 - Sick	230,902	264,766	281,990	315,535	315,425	(110)	0%
51081000 - Sick - Part Time	0	0	0	0	24	24	0%
51091000 - Missed Meal Penalty	1,258	3,159	3,018	910	1,268	359	39%
51101000 - Temporary Help	128,522	141,049	143,083	50,735	1,870	(48,865)	(96%)
51981000 - Non Compensation Accrual	152,364	24,140	(35,646)	3,670	0	(3,670)	(100%)
Total Employee Compensation	9,079,377	9,224,149	9,595,975	10,397,460	10,378,492	(18,968)	0%
Compensation Related							
52411000 - F.I.C.A.	656,529	663,142	712,034	776,410	776,727	317	0%
52421000 - F.U.I.	33,563	37,358	8,627	13,222	10,833	(2,388)	(18%)
52431000 - S.U.I.	47,873	49,683	76,267	58,909	55,120	(3,789)	(6%)
52441000 - Union Medical	1,565,756	1,782,086	1,839,814	2,114,466	1,889,285	(225,181)	(11%)
52451000 - Workers' Compensation Insurance	599,928	394,354	686,085	765,713	639,961	(125,751)	(16%)
52461000 - Non Union Medical & Life Insurance	266,122	274,815	343,755	296,801	337,605	40,805	14%
52461500 - VUL Premium	0	0	17,367	0	0	0	0%
52461550 - VUL Interest	0	0	(548)	0	0	0	0%
52471000 - Union Retirement Plan	323,673	315,812	325,638	345,553	334,483	(11,071)	(3%)
52481000 - Non-Union Retirement Plan	37,310	69,662	57,623	114,678	125,775	11,098	10%
52981000 - Compensation Related Accrual	10,481	7,324	90,876	765	0	(765)	(100%)
Total Compensation Related	3,541,235	3,594,236	4,157,538	4,486,515	4,169,789	(316,726)	(7%)
Materials and Supplies							
53001000 - Materials & Supplies	396,059	624,349	518,596	584,690	594,628	9,938	2%
53002500 - Printed Membership Materials	0	1,120	0	0	0	0	0%
53003000 - Materials Direct	2,377,812	1,771,159	2,523,338	2,483,765	2,545,928	62,163	3%

**United Laguna Woods Mutual
Budget Comparison Report by Account
12/31/2020
UNITED LAGUNA WOODS 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>
53004000 - Freight	460	9	35	0	0	0	0%
Total Materials and Supplies	2,774,331	2,396,637	3,041,969	3,068,455	3,140,555	72,101	2%
Utilities and Telephone							
53301000 - Electricity	317,548	192,576	151,523	185,320	189,000	3,680	2%
53301500 - Sewer	1,754,382	1,736,044	1,723,347	1,776,600	1,779,600	3,000	0%
53302000 - Water	1,567,174	1,888,496	1,898,155	1,850,960	1,919,116	68,156	4%
53302500 - Trash	362,972	393,704	423,056	418,741	437,719	18,977	5%
53304000 - Telephone	1,193	664	669	0	685	685	0%
Total Utilities and Telephone	4,003,269	4,211,484	4,196,751	4,231,621	4,326,120	94,499	2%
Legal Fees							
53401500 - Legal Fees	255,120	193,400	253,208	175,000	349,985	174,985	100%
Total Legal Fees	255,120	193,400	253,208	175,000	349,985	174,985	100%
Professional Fees							
53402000 - Audit & Tax Preparation Fees	37,729	41,461	42,056	0	0	0	0%
53402010 - Audit & Tax Preparation Fees - United	0	0	0	57,600	44,500	(13,100)	(23%)
53403500 - Consulting Fees	0	3,629	23,496	7,116	12,479	5,363	75%
53403510 - Consulting Fees - United	75,477	55,423	108,639	103,199	65,000	(38,199)	(37%)
Total Professional Fees	113,206	100,513	174,191	167,915	121,979	(45,936)	(27%)
Equipment Rental							
53501500 - Equipment Rental/Lease Fees	37,868	29,399	21,403	37,424	17,038	(20,387)	(54%)
Total Equipment Rental	37,868	29,399	21,403	37,424	17,038	(20,387)	(54%)
Outside Services							
53601000 - Bank Fees	16,940	20,985	20,207	4,071	25,321	21,250	522%
54603500 - Outside Services Direct	7,781,983	5,512,896	7,825,530	7,710,601	8,447,910	737,309	10%
53704000 - Outside Services	92,564	49,734	117,920	133,771	164,393	30,623	23%
Total Outside Services	7,891,487	5,583,615	7,963,656	7,848,443	8,637,624	789,182	10%
Repairs and Maintenance							
53701000 - Equipment Repair & Maint	16,211	11,234	7,350	15,823	16,822	999	6%
53702000 - Street Repair & Maint	182	0	0	0	0	0	0%
53702500 - Building Repair & Maint	2,760	0	13,870	0	0	0	0%
53703000 - Elevator /Lift Maintenance	34,034	14,191	26,552	31,008	30,157	(851)	(3%)
Total Repairs and Maintenance	53,188	25,425	47,773	46,831	46,979	148	0%
Other Operating Expense							
53801000 - Mileage & Meal Allowance	5,325	4,262	6,269	15,244	15,153	(91)	(1%)
53801500 - Travel & Lodging	462	169	401	1,031	3,027	1,996	194%
53802000 - Uniforms	65,411	94,610	74,759	85,428	88,787	3,359	4%
53802500 - Dues & Memberships	2,821	906	924	2,054	1,687	(367)	(18%)
53803000 - Subscriptions & Books	926	2,994	3,225	1,992	2,026	34	2%
53803500 - Training & Education	6,843	6,949	4,622	16,324	19,682	3,357	21%
53804000 - Staff Support	0	0	0	0	1,409	1,409	0%
53901000 - Benefit Administrative Fees	0	27	0	0	0	0	0%
53901500 - Volunteer Support	0	0	0	1,626	1,668	42	3%
53903000 - Safety	0	95	0	182	508	326	179%
54001000 - Board Relations	0	3,747	3,657	3,666	0	(3,666)	(100%)
54001010 - Board Relations - United	13,288	5,183	3,388	5,000	7,500	2,500	50%
54001500 - Public Relations	210	448	11	0	0	0	0%
54002000 - Postage	60,700	55,074	56,245	52,439	58,717	6,278	12%
54002500 - Filing Fees / Permits	243	297	330	1,239	847	(392)	(32%)
Total Other Operating Expense	156,229	174,759	153,830	186,226	201,011	14,785	8%
Income Taxes							
54301000 - State & Federal Income Taxes	4,737	19,849	(371,167)	0	25,000	25,000	0%
Total Income Taxes	4,737	19,849	(371,167)	0	25,000	25,000	0%
Property and Sales Tax							
54301500 - State & Local Taxes	0	6,400	0	0	0	0	0%
54302000 - Property Taxes	9,406,606	10,056,223	10,765,612	9,810,779	11,111,994	1,301,215	13%
Total Property and Sales Tax	9,406,606	10,062,623	10,765,612	9,810,779	11,111,994	1,301,215	13%
Insurance							
54401000 - Hazard & Liability Insurance	408,228	428,519	405,480	419,942	455,779	35,837	9%
54401500 - D&O Liability	64,423	79,525	64,121	65,650	66,412	761	1%
54402000 - Property Insurance	654,843	617,222	764,251	799,133	974,163	175,029	22%
54403000 - General Liability Insurance	4,728	4,350	7,147	7,328	7,328	0	0%
Total Insurance	1,132,222	1,129,616	1,240,999	1,292,054	1,503,681	211,627	16%
Investment Expense							
54201000 - Investment Expense	36,924	36,956	37,110	36,732	36,732	0	0%
Total Investment Expense	36,924	36,956	37,110	36,732	36,732	0	0%
Net Allocation to Mutuals							
48502500 - Mutual General Operating	(39,522)	0	0	0	0	0	0%
54602500 - Allocated Expenses	1,103,008	1,025,598	1,129,234	1,184,743	1,584,319	399,576	34%
Total Net Allocation To Mutuals	1,063,485	1,025,598	1,129,234	1,184,743	1,584,319	399,576	34%

**United Laguna Woods Mutual
Budget Comparison Report by Account
12/31/2020
UNITED LAGUNA WOODS 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>
Uncollectible Accounts							
54602000 - Bad Debt Expense	0	26,495	44,785	0	59,600	59,600	0%
Total Uncollectible Accounts	0	26,495	44,785	0	59,600	59,600	0%
(Gain)/Loss on Sale or Trade							
54101000 - (Gain)/Loss - Warehouse Sales	(1,463)	(2,047)	(886)	(7,500)	(7,500)	0	0%
54101500 - (Gain)/Loss On Investments	(11,908)	0	2,939	0	0	0	0%
Total (Gain)/Loss on Sale or Trade	(13,371)	(2,047)	2,053	(7,500)	(7,500)	0	0%
Total Expenses	39,535,913	37,832,707	42,454,919	42,962,698	45,703,398	2,740,700	6%
Excess of Revenues Over Expenses	(\$37,855,148)	(\$36,586,901)	(\$40,655,700)	(\$41,248,127)	(\$43,995,915)	\$2,747,789	7%

**UNITED LAGUNA WOODS 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	\$60,748	\$109,833	\$88,852	\$114,356	\$122,135	7,779	7%
NURSERY	126,904	129,084	122,883	126,283	152,461	26,178	21%
COMPOSTING	63,828	58,566	75,597	69,117	64,275	(4,842)	(7%)
GROUND MAINTENANCE	2,697,057	2,792,048	2,952,638	2,380,085	2,680,672	300,587	13%
Shrub-Bed Maintenance	1,594,640	1,433,979	1,524,880	1,668,444	1,943,284	\$274,840	16%
Turf Maintenance	853,858	1,171,751	1,231,879	569,346	615,040	45,694	8%
Miscellaneous Tasks	128,457	101,238	106,433	83,000	94,381	11,381	14%
Slope Maintenance	120,101	85,080	89,446	59,294	27,967	(31,327)	(53%)
IRRIGATION				661,629	800,292	138,664	21%
SMALL EQUIPMENT REPAIR	159,811	179,812	197,138	200,219	199,608	(611)	(0%)
PEST CONTROL	100,889	98,952	104,030	219,469	229,780	10,311	5%
TOTAL OPERATING FUND	\$3,209,237	\$3,368,295	\$3,541,137	\$3,771,158	\$4,249,223	\$478,065	13%
RESERVE FUND							
LANDSCAPE RENOVATION	\$248,032	\$228,164	\$87,670	350,000	451,543	\$101,543	29%
TREE MAINTENANCE	880,681	587,330	416,257	1,232,529	864,752	(367,777)	(30%)
TOTAL RESERVE FUND	\$1,128,713	\$815,494	\$503,927	\$1,582,529	\$1,316,295	(\$266,234)	(17%)

**UNITED LAGUNA WOODS MUTUAL
2020 BUSINESS PLAN
Maintenance Expenditures by Program**

DESCRIPTION	2016 ACTUALS	2017 ACTUALS	2018 ACTUALS	2019 BUDGET	2020 BUDGET	INCREASE/(DECREASE) \$	%
OPERATING FUND							
1 PLUMBING SERVICE	\$1,203,640	\$1,386,190	\$1,546,049	\$1,239,218	\$1,382,296	\$143,078	12%
2 CARPENTRY SERVICE	465,818	631,345	602,580	483,906	494,100	10,194	2%
3 ELECTRICAL SERVICE	296,655	297,572	279,917	411,587	409,634	(1,953)	(0%)
4 JANITORIAL SERVICE	202,548	243,623	370,083	369,615	345,016	(24,600)	(7%)
5 INTERIOR PREVENTIVE MAINTENANCE	311,148	300,972	325,221	347,649	346,454	(1,195)	(0%)
6 CONCRETE SERVICE	248,400	385,931	491,793	369,203	373,111	3,908	1%
7 APPLIANCE REPAIRS	344,118	340,302	334,729	306,455	308,507	2,052	1%
8 PEST CONTROL	48,228	75,577	123,057	148,987	225,980	76,993	52%
9 GUTTER CLEANING	170,982	182,962	158,314	174,032	192,872	18,840	11%
10 COUNTERTOP/FLOOR/TILE REPAIRS	120,576	120,770	159,360	146,872	128,480	(18,392)	(13%)
11 WELDING	92,419	57,120	120,028	83,626	101,274	17,649	21%
12 ENERGY PROGRAM	0	32,725	33,439	50,000	25,000	(25,000)	(50%)
13 MISCELLANEOUS REPAIRS BY OUTSIDE SERVICES	71,097	19,056	16,125	25,000	25,000	0	0%
14 TRAFFIC CONTROL	8,891	12,040	19,606	16,935	15,010	(1,925)	(11%)
15 FIRE PROTECTION	7,364	8,873	19,891	12,700	12,700	0	0%
16 BALCONY/BREEZEWAY RESURFACING	177,630	295,054	131,853	0	0	0	0%
17 BUILDING REHAB/DRY ROT	68,641	84,844	43,115	0	0	0	0%
18 PAINT-TOUCHUP	148,975	186,571	186,228	0	0	0	0%
19 ROOF REPAIR	107,714	162,439	146,113	0	0	0	0%
20 PAVING MAINTENANCE & REPAIRS	47,417	46,950	69,408	0	0	0	0%
TOTAL MAINTENANCE	\$4,142,263	\$4,870,916	\$5,176,908	\$4,185,785	\$4,385,433	\$199,649	5%

Lines 16-20 were moved into reserves in 2019.

**UNITED LAGUNA WOODS MUTUAL
2020 RESERVES PLAN
Reserve Expenditures by Program**

DESCRIPTION	2016 ACTUALS	2017 ACTUALS	2018 ACTUALS	2019 BUDGET	2020 BUDGET	INCREASE/(DECREASE) \$	%
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RESERVE FUND

1	BUILDING STRUCTURES	\$417,044	\$550,274	\$450,881	\$898,320	\$670,009	(25%)
2	CDS SIGNAGE	\$0	\$0	\$0	\$0	\$50,000	100%
3	ELECTRICAL SYSTEMS	215,209	415,152	391,326	458,610	459,495	0%
4	EXTERIOR WALKWAY LIGHTING	13,708	25,816	42,568	60,691	75,121	24%
5	FOUNDATIONS	0	10,396	9,540	43,836	0	0%
6	GUTTER REPLACEMENT	43,889	44,926	32,607	47,383	98,289	107%
7	LANDSCAPE RENOVATION	248,032	262,629	87,667	350,000	451,543	29%
8	PAINT - EXTERIOR	1,973,387	1,783,176	1,962,079	1,823,867	1,876,061	3%
9	PRIOR TO PAINT	995,384	796,926	731,676	987,116	1,012,704	3%
10	PAVING	118,142	140,802	223,490	512,560	465,109	(9%)
11	ROOFS	944,670	966,357	1,197,055	753,209	930,804	24%
12	TREE MAINTENANCE	880,681	587,110	416,257	1,232,529	864,752	(30%)
13	WALL REPLACEMENT	1,925	14,205	140,900	180,365	195,365	8%
14	WASTE LINE REMEDIATION	872,545	1,067,364	1,890,122	2,100,000	2,300,000	10%
15	WATER LINE - COPPER PIPE REMEDIATION	0	0	225,632	250,000	200,000	(20%)
16	WINDOW/SLIDING SCREEN DOOR	34,058	74,238	140,117	86,676	119,518	38%
	OTHER SUPPL. APPROPRIATIONS	526	2,792	0	0	0	0%
	APPLIANCE AND FIXTURES:						
17	COOKTOPS	65,659	79,079	57,585	70,999	71,112	0%
18	DISHWASHERS	76,586	103,150	107,052	85,280	85,523	0%
19	FIXTURES - BASINS/FAUCETS/SINKS/TOILETS	526,855	325,963	300,042	317,250	238,679	(25%)
20	GARBAGE DISPOSALS	92,755	100,858	159,923	115,257	115,440	0%
21	HOODS	36,976	38,629	26,507	35,574	35,681	0%
22	KITCHEN/BATH COUNTERS, FLOORS, MISC.	986,927	958,559	1,114,485	1,228,721	1,392,191	13%
23	OVENS	95,420	132,318	95,335	110,999	111,112	0%
24	RANGES	36,936	8,756	4,392	25,000	12,469	(50%)
25	REFRIGERATORS	198,378	267,847	167,413	227,359	227,754	0%
26	WATER HEATERS & PERMITS	79,769	90,493	1,042,161	1,133,990	751,503	(34%)
27	DRYERS - LAUNDRY	21,982	3,282	0	13,474	35,735	165%
28	WASHING MACHINES - LAUNDRY	55,944	7,882	1,858	29,200	90,773	211%
	RESALE INSPECTION REPLACEMENTS	(4,012)	0	0	0	0	0%
	TOTAL APPLIANCE AND FIXTURES	\$2,270,174	\$2,116,816	\$3,076,754	\$3,393,103	\$3,167,970	(7%)
	TOTAL RESERVE FUND	\$9,029,374	\$8,858,979	\$11,018,670	\$13,178,267	\$12,980,577	(2%)

Lines 1, 7, 8,9 and 10 include major repairs moved from operations in 2019.

**UNITED LAGUNA WOODS MUTUAL
2020 RESERVES PLAN
Reserve Expenditures by Program**

DESCRIPTION	2016 ACTUALS	2017 ACTUALS	2018 ACTUALS	2019 BUDGET	2020 BUDGET	INCREASE/(DECREASE) \$	%
CONTINGENCY FUND							
1							
2							
3							
4							
5							
TOTAL CONTINGENCY FUND	\$1,766,168	\$1,211,822	\$1,448,894	\$1,372,257	\$1,408,742	\$36,485	3%
1	MOISTURE INTRUSION - RAIN LEAKS	\$200,300	\$78,401	\$225,537	\$152,000	(\$73,537)	(33%)
2	MOISTURE INTRUSION - PLUMBING LEAKS	1,070,698	572,607	867,771	755,390	110,638	17%
3	MOISTURE INTRUSION - PLUMBING STOPPAGES	414,525	247,715	356,680	278,926	0	0%
4	MOISTURE INTRUSION - MISCELLANEOUS	133,006	69,970	140,546	78,786	0	0%
5	DAMAGE RESTORATION SERVICES	68,851	121,230	144,256	143,640	(616)	(0%)

**UNITED LAGUNA WOODS MUTUAL
2020 RESERVES PLAN
Five-Year Cash Flow**

<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>
RESERVE FUND	2019	\$ 19,285,690	\$ 55,657	\$ 11,229,648	\$ 148.00	\$ (13,378,267)	\$ 17,192,728
	2020	\$ 17,192,728	\$ 338,613	\$ 11,535,000	\$ 152.02	\$ (12,980,577)	\$ 16,085,764
	2021	\$ 16,085,764	\$ 331,871	\$ 12,169,425	\$ 160.39	\$ (12,681,360)	\$ 15,905,700
	2022	\$ 15,905,700	\$ 322,158	\$ 12,838,743	\$ 169.21	\$ (13,952,904)	\$ 15,113,697
	2023	\$ 15,113,697	\$ 314,550	\$ 13,544,874	\$ 178.51	\$ (13,828,897)	\$ 15,144,224
	2024	\$ 15,144,224	\$ 322,127	\$ 14,289,842	\$ 188.33	\$ (13,884,164)	\$ 15,872,029
*2020 figure may differ from the reserve study based on budgets submitted and approved by the Board.							
CONTINGENCY FUND	2019	\$ 3,146,840	\$ 61,731	\$ 1,062,264	\$ 14.00	\$ (1,182,879)	\$ 3,087,956
	2020	\$ 3,087,956	\$ 55,259	\$ 758,760	\$ 10.00	\$ (1,408,742)	\$ 2,493,233
	2021	\$ 2,493,233	\$ 49,164	\$ 834,636	\$ 11.00	\$ (1,451,000)	\$ 1,926,033
	2022	\$ 1,926,033	\$ 36,766	\$ 910,512	\$ 12.00	\$ (1,494,500)	\$ 1,378,811
	2023	\$ 1,378,811	\$ 24,803	\$ 986,388	\$ 13.00	\$ (1,539,300)	\$ 850,702
	2024	\$ 850,702	\$ 13,254	\$ 1,062,264	\$ 14.00	\$ (1,585,500)	\$ 340,720
TOTAL	2019	\$ 22,432,530	\$ 117,388	\$ 12,291,912	\$ 162.00	\$ (14,561,146)	\$ 20,280,684
	2020	\$ 20,280,684	\$ 393,872	\$ 12,293,760	\$ 162.02	\$ (14,389,319)	\$ 18,578,997
	2021	\$ 18,578,997	\$ 381,035	\$ 13,004,061	\$ 171.39	\$ (14,132,360)	\$ 17,831,733
	2022	\$ 17,831,733	\$ 358,924	\$ 13,749,255	\$ 181.21	\$ (15,447,404)	\$ 16,492,508
	2023	\$ 16,492,508	\$ 339,353	\$ 14,531,262	\$ 191.51	\$ (15,368,197)	\$ 15,994,926
	2024	\$ 15,994,926	\$ 335,381	\$ 15,352,106	\$ 202.33	\$ (15,469,664)	\$ 16,212,749

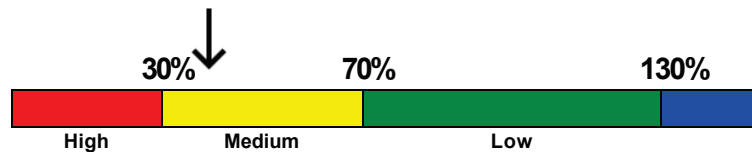
Executive Summary

Association: United Laguna Woods Mutual **Assoc. #: 36560-0**
Location: Laguna Woods, CA **# of Units: 6,323**
Report Period: January 1, 2020 through December 31, 2020

Findings/Recommendations as-of: January 1, 2020

Project Starting Reserve Balance	\$17,192,728
Current Full Funding Reserve Balance	\$43,215,971
Average Reserve Deficit (Surplus) Per Unit	\$4,116
Percent Funded	39.8 %
Recommended 2020 "Annual Full Funding Contributions"	\$11,535,000
Baseline contributions to keep Reserve above \$10,400,000	\$10,830,000
Most Recent Reserve Contribution Rate	\$11,229,648

Reserves % Funded: 39.8%



Special Assessment Risk:

Economic Assumptions:

Net Annual "After Tax" Interest Earnings Accruing to Reserves 2.00 %
Annual Inflation Rate 3.00 %

This is an Update "With-Site-Visit" Reserve Study, and is based on a prior Report prepared by the management team for your 2019 Fiscal Year. We performed the site inspection over a period of multiple days beginning on 3/20/2019 and ending on 4/4/2019. This Reserve Study was prepared by a credentialed Reserve Specialist, Sean Erik Andersen RS #68. Sean Kargari RS #115, Kevin Leonard RS #294 and Sabrina C. Willison RS #334 and Dusty Burgmans all participated in site inspection work and research for the study.

The Reserve Fund is above the 30% funded level at 39.8 % Funded, which is a fair position for the fund to be in. This means that the Mutual's special assessment & deferred maintenance risk is currently medium. The objective of your multi-year Funding Plan is to Fully Fund Reserves and ultimately achieve a position of strength in the fund, where the Mutual will enjoy a low risk of Reserve cash flow problems.

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions to \$11,535,000.

The Alternative Contribution rate, is the rate to keep the Reserve Funds above the \$10,400,000 threshold. This figure for the Mutual is \$10,830,000.

Executive Summary

36560-0

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Concrete Repairs and Replacement				
103	Concrete - Repair/Replace	1	0	\$150,000
Cul de Sac Asphalt Seal Coat				
202	Cul-de-sacs - Seal Coat	1	0	\$50,500
Cul de Sac Asphalt Resurface/Repairs and Replacements				
201	Asphalt - Resurface (2020)	25	0	\$397,300
201	Asphalt - Resurface (2021)	25	1	\$370,500
201	Asphalt - Resurface (2022)	25	2	\$342,450
201	Asphalt - Resurface (2023)	25	3	\$402,400
201	Asphalt - Resurface (2024)	25	4	\$345,500
201	Asphalt - Resurface (2025)	25	5	\$380,400
201	Asphalt - Resurface (2026)	25	6	\$336,300
201	Asphalt - Resurface (2027)	25	7	\$385,500
201	Asphalt - Resurface (2028)	25	8	\$421,600
201	Asphalt - Resurface (2029)	25	9	\$413,500
201	Asphalt - Resurface (2035)	25	15	\$318,500
201	Asphalt - Resurface (2036)	25	16	\$338,200
201	Asphalt - Resurface (2037)	25	17	\$304,200
201	Asphalt - Resurface (2038)	25	18	\$321,000
201	Asphalt - Resurface (2039)	25	19	\$252,400
201	Asphalt - Resurface (2040)	25	20	\$246,400
201	Asphalt - Resurface (2041)	25	21	\$371,000
201	Asphalt - Resurface (2042)	25	22	\$81,000
201	Asphalt - Resurface (2043)	25	23	\$534,400
201	Asphalt - Resurface (2044)	25	24	\$216,800
Roofs - Built-Up				
1302	Built-Up/PVC - Replace (2020)	25	0	\$601,000
1302	Built-Up/PVC - Replace (2021)	25	1	\$597,000
1302	Built-Up/PVC - Replace (2022)	25	2	\$587,000
1302	Built-Up/PVC - Replace (2023)	25	3	\$611,000
1302	Built-Up/PVC - Replace (2024)	25	4	\$594,000
1302	Built-Up/PVC - Replace (2025)	25	5	\$600,000
1302	Built-Up/PVC - Replace (2026)	25	6	\$607,000
1302	Built-Up/PVC - Replace (2027)	25	7	\$602,000
1302	Built-Up/PVC - Replace (2028)	25	8	\$601,000
1302	PVC Cool Roof - Replace (2034)	25	14	\$862,000
1302	PVC Cool Roof - Replace (2035)	25	15	\$879,000
1302	PVC Cool Roof - Replace (2036)	25	16	\$1,057,000
1302	PVC Cool Roof - Replace (2037)	25	17	\$1,470,000
1302	PVC Cool Roof - Replace (2038)	25	18	\$1,836,000
1302	PVC Cool Roof - Replace (2039)	25	19	\$1,641,000
1302	PVC Cool Roof - Replace (2040)	25	20	\$1,273,000
1302	PVC Cool Roof - Replace (2041)	25	21	\$890,000
1302	PVC Cool Roof - Replace (2042)	25	22	\$735,000
1302	PVC Cool Roof - Replace (2043)	25	23	\$463,000
1302	PVC Cool Roof - Replace (2044)	25	24	\$2,155,000

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Roofs - Comp Shingle				
1308	Comp Shingle Roof - Replace (2023)	40	3	\$321,000
1308	Comp Shingle Roof - Replace (2041)	40	21	\$804,000
1308	Comp Shingle Roof - Replace (2042)	40	22	\$712,000
1308	Comp Shingle Roof - Replace (2043)	40	23	\$474,000
1308	Comp Shingle Roof - Replace (2044)	40	24	\$905,000
1308	Comp Shingle Roof - Replace (2045)	40	25	\$511,000
1308	Comp Shingle Roof - Replace (2046)	40	26	\$2,260,000
1308	Comp Shingle Roof - Replace (2047)	40	27	\$1,134,000
1308	Comp Shingle Roof - Replace (2048)	40	28	\$1,655,000
1308	Comp Shingle Roof - Replace (2049)	40	29	\$992,000
1308	Comp Shingle Roof - Replace (2050)	40	30	\$801,000
1308	Comp Shingle Roof - Replace (2051)	40	31	\$1,065,000
1308	Comp Shingle Roof - Replace (2052)	40	32	\$619,000
1308	Comp Shingle Roof - Replace (2053)	40	33	\$265,000
Roofs - Tile				
1311	Tile Roof - Replace (2044)	40	24	\$283,000
1311	Tile Roof - Replace (2046)	40	26	\$565,000
1311	Tile Roof - Replace (2047)	40	27	\$330,000
1311	Tile Roof - Replace (2048)	40	28	\$354,000
1311	Tile Roof - Replace (2049)	40	29	\$366,000
1311	Tile Roof - Replace (2050)	40	30	\$355,000
1311	Tile Roof - Replace (2051)	40	31	\$355,000
1311	Tile Roof - Replace (2052)	40	32	\$355,000
1311	Tile Roof - Replace (2053)	40	33	\$381,000
1311	Tile Roof - Replace (2054)	40	34	\$294,000
Infrastructure/Buildings				
504	Metal Railings (bldg) - Par Replace	1	0	\$225,000
1330	Gutter/Downspouts - Partial Replace	1	0	\$59,500
1350	Skylights - Replace	1	0	\$100,000
1863	Fire Extinguisher Cabinets- Replace	30	10	\$171,000
2004	Smoke Alarms - Replace (2023)	10	3	\$72,300
2004	Smoke Alarms - Replace (2024)	10	4	\$300,000
2004	Smoke Alarms - Replace (2025)	10	5	\$300,800
2006	Windows - Replace	1	0	\$60,000
2007	Sliding Screen Doors	1	0	\$26,800
2008	Vertical Lifts - R & R	20	2	\$1,350,000
Carport Siding Renovation				
1112	Carport Siding Renovations (2032)	35	12	\$100,900
1112	Carport Siding Renovations (2033)	35	13	\$138,000
1112	Carport Siding Renovations (2034)	35	14	\$131,600
1112	Carport Siding Renovations (2035)	35	15	\$152,900
1112	Carport Siding Renovations (2036)	35	16	\$162,000
1112	Carport Siding Renovations (2037)	35	17	\$138,900
1112	Carport Siding Renovations (2038)	35	18	\$157,600
1112	Carport Siding Renovations (2039)	35	19	\$162,300
1112	Carport Siding Renovations (2040)	35	20	\$103,000
1112	Carport Siding Renovations (2041)	35	21	\$53,900
1112	Carport Siding Renovations (2042)	35	22	\$111,600

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
Manor Components				
983	Heat Pumps - Replace	1	0	\$4,000
984	Wall Heater - Replace	1	0	\$1,100
3001	Cooktops - Replace	1	0	\$101,200
3002	Dishwashers - Replace	1	0	\$150,500
3003	Fixtures - Bath Basins	1	0	\$23,400
3004	Fixtures - Faucets	1	0	\$105,000
3005	Fixtures - Kitchen Sinks	1	0	\$30,600
3006	Fixtures - Toilets	1	0	\$8,000
3006	Fixtures - Toilets (2020)	0	0	\$19,600
3007	Garbage Disposals	1	0	\$90,700
3008	Manor Hoods	1	0	\$35,000
3009	Kitchen/Bath Counters (2019-29)	1	0	\$640,000
3009	Kitchen/Bath Counters (2030-50)	1	10	\$500,000
3010	Bathroom Flooring - Reimburseable	1	0	\$112,500
3010	Bathroom Flooring - Staff Install	1	0	\$112,700
3010	Kitchen Flooring - Reimbursable	1	0	\$85,100
3010	Kitchen Flooring - Staff Install	1	0	\$84,800
3010	Kitchen/Bath Flooring Asbestos	1	0	\$85,400
3011	Bath Mirrors - Replace	1	0	\$21,000
3012	Bath Enclosure Doors - Replace	1	0	\$192,000
3013	Bathroom Tile - Replace (2020-2029)	1	0	\$116,000
3013	Bathroom Tile - Replace (2030-2050)	1	10	\$172,000
3014	Ovens - Replace	1	0	\$138,400
3015	Ranges - Replace	1	0	\$47,000
3016	Refrigerators - Replace	1	0	\$236,000
3017	Water Heaters - Replace (2020)	0	0	\$909,000
3017	Water Heaters - Replace (2021-2027)	1	1	\$909,000
3017	Water Heaters - Replace (2028-2050)	1	8	\$454,000
Lighting & Electrical				
340	Electrical Panels - Replace	1	0	\$25,000
340	Pushmatic Panels - Replace/Upgrade	1	0	\$411,500
340	Solar System Program Replacement	1	12	\$115,000
362	Pagoda Walkway Lights - Replace	1	0	\$25,000
364	Block Wall Lights - Replace	20	5	\$292,500
370	Building Wall Lights - Replace	20	5	\$732,000
Laundry Rooms				
332	Laundry Water Heaters - Replace	15	10	\$120,000
800	Doors - Replace	1	0	\$3,900
908	Counter Tops - Replace	1	0	\$14,000
909	Laundry Sinks - Replace	25	3	\$87,500
951	Bathrooms - Refurbish	24	3	\$14,000
991	Washers - Replace	1	0	\$80,000
992	Dryers - Replace	1	0	\$35,000
1110	Interior Laundry - Repaint	10	3	\$109,500
Prior To Painting				
149	Asbestos Testing PTP	1	0	\$5,000
152	Decking Repairs PTP (2020)	10	0	\$129,000
152	Decking Repairs PTP (2021)	10	1	\$138,000

# Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
152 Decking Repairs PTP (2022)	10	2	\$126,000
152 Decking Repairs PTP (2023)	10	3	\$127,000
152 Decking Repairs PTP (2024)	10	4	\$122,000
152 Decking Repairs PTP (2025)	10	5	\$134,000
152 Decking Repairs PTP (2026)	10	6	\$133,000
152 Decking Repairs PTP (2027)	10	7	\$131,000
152 Decking Repairs PTP (2028)	10	8	\$117,000
152 Decking Repairs PTP (2029)	10	9	\$123,000
153 Balcony Repairs PTP (2020)	10	0	\$11,800
153 Balcony Repairs PTP (2021)	10	1	\$11,900
153 Balcony Repairs PTP (2022)	10	2	\$11,400
153 Balcony Repairs PTP (2023)	10	3	\$12,500
153 Balcony Repairs PTP (2024)	10	4	\$12,400
153 Balcony Repairs PTP (2025)	10	5	\$11,500
153 Balcony Repairs PTP (2026)	10	6	\$12,000
153 Balcony Repairs PTP (2027)	10	7	\$12,900
153 Balcony Repairs PTP (2028)	10	8	\$11,800
153 Balcony Repairs PTP (2029)	10	9	\$11,900
1119 Wood Rot Repair PTP (2026)	10	6	\$602,000
1119 Wood Rot Repair PTP (2020)	10	0	\$584,000
1119 Wood Rot Repair PTP (2021)	10	1	\$627,000
1119 Wood Rot Repair PTP (2022)	10	2	\$572,000
1119 Wood Rot Repair PTP (2023)	10	3	\$576,000
1119 Wood Rot Repair PTP (2024)	10	4	\$555,000
1119 Wood Rot Repair PTP (2025)	10	5	\$607,000
1119 Wood Rot Repair PTP (2027)	10	7	\$597,000
1119 Wood Rot Repair PTP (2029)	10	9	\$555,000
1903 Lexan Bldg. Signs - Remove/Replace	1	0	\$14,000
Interior & Exterior Painting			
150 Deck Top - Reseal (2020)	10	0	\$40,600
150 Deck Top - Reseal (2021)	10	1	\$43,500
150 Deck Top - Reseal (2022)	10	2	\$39,700
150 Deck Top - Reseal (2023)	10	3	\$40,000
150 Deck Top - Reseal (2024)	10	4	\$38,500
150 Deck Top - Reseal (2025)	10	5	\$42,100
150 Deck Top - Reseal (2026)	10	6	\$41,800
150 Deck Top - Reseal (2027)	10	7	\$41,500
150 Deck Top - Reseal (2028)	10	8	\$36,900
150 Deck Top - Reseal (2029)	10	9	\$38,900
1113 Metal Railings (building) - Repaint	1	0	\$126,000
1115 Building Exteriors - Repaint (2020)	10	0	\$1,632,900
1115 Building Exteriors - Repaint (2021)	10	1	\$1,750,600
1115 Building Exteriors - Repaint (2022)	10	2	\$1,596,500
1115 Building Exteriors - Repaint (2023)	10	3	\$1,609,500
1115 Building Exteriors - Repaint (2024)	10	4	\$1,550,100
1115 Building Exteriors - Repaint (2025)	10	5	\$1,695,300
1115 Building Exteriors - Repaint (2026)	10	6	\$1,683,000
1115 Building Exteriors - Repaint (2027)	10	7	\$1,669,100
1115 Building Exteriors - Repaint (2028)	10	8	\$1,485,300
1115 Building Exteriors - Repaint (2029)	10	9	\$1,563,700

#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Average Cost
1116	Exterior Paint Touch-Up	1	0	\$100,000
1119	Interior Paint Touch-Up	1	0	\$70,000
Walls, Fencing, Railings & Gates				
501	Walls - Perimeter Top Rail - R&R	1	0	\$150,000
502	Walls - Perimeter Block - R&R	1	0	\$8,500
503	Walls - Common Area Block - R&R	1	0	\$22,400
504	Metal Hand Railings (Grounds) - Rep	1	0	\$10,000
Grounds & Miscellaneous				
1007	Weather Station - Replace	15	13	\$1,750
1009	V-Ditch (Swales) - Repair	1	0	\$50,000
1020	Tree Maintenance (2020)	5	0	\$775,600
1020	Tree Maintenance (2021)	5	1	\$596,900
1020	Tree Maintenance (2022)	5	2	\$350,300
1020	Tree Maintenance (2023)	5	3	\$496,100
1020	Tree Maintenance (2024)	5	4	\$541,800
1022	Landscape Refurbish - Additional	5	4	\$100,000
1022	Landscape Refurbish - Annual	1	0	\$50,000
1022	Landscape Refurbish (2020-2028)	1	0	\$250,000
Contingency Components				
1316	Roof Repairs - Emergency	1	0	\$86,500
1317	Roof Repairs - Preventative	1	0	\$46,750
1901	Lead Testing and Abatement	1	0	\$6,000
2001	Building Structures	1	0	\$135,000
2001	Building Structures Dry Rot Repairs	1	0	\$300,000
2002	Building Structures Maint Ops	1	0	\$270,000
2003	Building Structures Carpentry	1	0	\$285,000
2006	Building Foundations - Repair	1	0	\$43,850
Plumbing				
328	Waste Lines - Repair	1	10	\$50,000
328	Waste Lines Epoxy Re-Line (2020-29)	1	0	\$1,300,000
329	Copper Water Lines Re-Pipe	1	0	\$252,000

208 Total Funded Components

Note 1: Yellow highlighted line items are expected to require attention in this initial year.

Budget Summary

36560-0
WSV

	Useful Life		2020 Rem. Useful Life		Estimated Replacement Cost in 2020	2020 Expenditures	01/01/2020 Fully Funded Balance	2020 Contributions
	Min	Max	Min	Max				
Concrete Repairs and Replacement	1	1	0	0	\$150,000	\$150,000	\$150,000	\$123,167
Cul de Sac Asphalt Seal Coat	1	1	0	0	\$50,500	\$50,500	\$50,500	\$41,466
Cul de Sac Asphalt Resurface/Repairs and Replacements	25	25	0	24	\$6,779,350	\$397,300	\$3,767,898	\$222,665
Roofs - Built-Up	25	25	0	24	\$18,661,000	\$601,000	\$7,632,400	\$612,913
Roofs - Comp Shingle	40	40	3	33	\$12,518,000	\$0	\$4,293,200	\$256,968
Roofs - Tile	40	40	24	34	\$3,638,000	\$0	\$975,450	\$74,680
Infrastructure/Buildings	1	30	0	10	\$2,665,400	\$471,300	\$2,181,310	\$502,367
Carport Siding Renovation	35	35	12	22	\$1,412,700	\$0	\$736,654	\$33,143
Manor Components	0	1	0	10	\$5,384,000	\$3,349,000	\$3,349,000	\$3,658,398
Lighting & Electrical	1	20	0	12	\$1,601,000	\$461,500	\$1,229,875	\$515,435
Laundry Rooms	1	25	0	10	\$463,900	\$132,900	\$338,800	\$128,039
Prior To Painting	1	10	0	9	\$6,694,100	\$743,800	\$3,917,090	\$563,704
Interior & Exterior Painting	1	10	0	9	\$16,935,500	\$1,969,500	\$9,537,460	\$1,609,345
Walls, Fencing, Railings & Gates	1	1	0	0	\$190,900	\$190,900	\$190,900	\$156,751
Grounds & Miscellaneous	1	15	0	13	\$3,212,450	\$1,125,600	\$2,140,333	\$757,279
Contingency Components	1	1	0	0	\$1,173,100	\$1,173,100	\$1,173,100	\$963,251
Plumbing	1	1	0	10	\$1,602,000	\$1,552,000	\$1,552,000	\$1,315,427
					\$83,131,900	\$12,368,400	\$43,215,971	\$11,535,000

30-Year Reserve Plan Summary

**36560-0
WSV**

Fiscal Year Start: 2020

Interest:

2.00 %

Inflation:

3.00 %

Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date)

Projected Reserve Balance Changes

Year	Starting Reserve Balance	Fully Funded Balance	Percent Funded	Special Assmt Risk	Reserve Contribs.	Loan or Special Assmts	Interest Income	Reserve Expenses
2020	\$17,192,728	\$43,215,971	39.8 %	Medium	\$11,535,000	\$0	\$338,613	\$12,368,400
2021	\$16,697,941	\$44,912,668	37.2 %	Medium	\$12,169,425	\$0	\$331,871	\$12,681,360
2022	\$16,517,877	\$46,732,109	35.3 %	Medium	\$12,838,743	\$0	\$322,158	\$13,952,904
2023	\$15,725,875	\$47,702,458	33.0 %	Medium	\$13,544,874	\$0	\$314,550	\$13,828,897
2024	\$15,756,402	\$49,247,840	32.0 %	Medium	\$14,289,842	\$0	\$322,127	\$13,884,164
2025	\$16,484,207	\$51,213,401	32.2 %	Medium	\$15,075,784	\$0	\$324,027	\$15,937,468
2026	\$15,946,550	\$51,566,691	30.9 %	Medium	\$15,452,678	\$0	\$330,942	\$14,553,826
2027	\$17,176,344	\$53,306,612	32.2 %	Medium	\$15,838,995	\$0	\$363,129	\$14,210,455
2028	\$19,168,014	\$55,331,523	34.6 %	Medium	\$16,234,970	\$0	\$416,762	\$13,275,497
2029	\$22,544,249	\$58,375,392	38.6 %	Medium	\$16,640,844	\$0	\$487,249	\$13,449,472
2030	\$26,222,871	\$60,097,843	43.6 %	Medium	\$17,056,865	\$0	\$576,775	\$12,351,935
2031	\$31,504,575	\$63,417,154	49.7 %	Medium	\$17,483,287	\$0	\$688,095	\$12,311,376
2032	\$37,364,582	\$67,468,948	55.4 %	Medium	\$17,920,369	\$0	\$810,745	\$12,315,580
2033	\$43,780,116	\$72,082,867	60.7 %	Medium	\$18,368,379	\$0	\$935,312	\$13,251,681
2034	\$49,832,125	\$76,329,266	65.3 %	Medium	\$18,827,588	\$0	\$1,043,882	\$15,057,074
2035	\$54,646,521	\$79,315,496	68.9 %	Medium	\$19,298,278	\$0	\$1,128,619	\$16,760,302
2036	\$58,313,115	\$81,123,142	71.9 %	Low	\$19,780,735	\$0	\$1,207,130	\$16,796,462
2037	\$62,504,518	\$83,448,512	74.9 %	Low	\$20,275,253	\$0	\$1,290,152	\$17,447,460
2038	\$66,622,463	\$85,688,877	77.7 %	Low	\$20,782,134	\$0	\$1,377,453	\$17,539,827
2039	\$71,242,223	\$88,432,547	80.6 %	Low	\$21,301,688	\$0	\$1,463,054	\$18,817,049
2040	\$75,189,916	\$90,490,160	83.1 %	Low	\$21,834,230	\$0	\$1,544,121	\$19,212,328
2041	\$79,355,939	\$92,765,951	85.5 %	Low	\$22,380,086	\$0	\$1,618,692	\$20,701,172
2042	\$82,653,545	\$94,156,999	87.8 %	Low	\$22,939,588	\$0	\$1,676,922	\$22,086,158
2043	\$85,183,897	\$94,761,151	89.9 %	Low	\$23,513,077	\$0	\$1,750,424	\$20,437,278
2044	\$90,010,120	\$97,697,620	92.1 %	Low	\$24,100,904	\$0	\$1,803,161	\$25,452,005
2045	\$90,462,180	\$96,191,334	94.0 %	Low	\$24,703,427	\$0	\$1,820,370	\$25,253,474
2046	\$91,732,502	\$95,497,698	96.1 %	Low	\$25,321,013	\$0	\$1,830,644	\$27,393,669
2047	\$91,490,489	\$93,251,802	98.1 %	Low	\$25,954,038	\$0	\$1,860,887	\$24,546,021
2048	\$94,759,393	\$94,564,747	100.2 %	Low	\$26,602,889	\$0	\$1,924,841	\$25,395,654
2049	\$97,891,469	\$95,755,892	102.2 %	Low	\$27,267,961	\$0	\$1,990,102	\$25,858,358