



**SPECIAL OPEN MEETING OF THE BUDGET WORKSHOP OF THE BOARD OF  
DIRECTORS OF UNITED LAGUNA WOODS MUTUAL  
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**Wednesday, March 29, 2023 – 1:30 p.m.  
24351 El Toro Road, Laguna Woods, California  
Board Room**

Laguna Woods Village owners/residents are welcome to participate in all open committee meetings in-person and virtually. To submit comments or questions virtually for committee meetings, please use one of the following options:

1. Join the committee meeting via Zoom by clicking this link:  
<https://us06web.zoom.us/j/92081839160> or by calling 1-669-900-6833, Webinar ID: 92081839160.
2. Via email to [meeting@vmsinc.org](mailto:meeting@vmsinc.org) any time before the meeting is scheduled to begin or during the meeting. Please use the name of the committee in the subject line of the email. Name and unit number must be included.

**NOTICE OF MEETING AND AGENDA**

*This Meeting May Be Recorded*

1. Call Meeting to Order – Lenny Ross, United President
2. Approval of the Agenda
3. Member Comments (Items not on the agenda)
4. Budget Workshop: 2023 Service Level Review
  - Maintenance & Construction – Manuel Gomez
  - General Services – Robert Carroll
  - Landscape Services – Kurt Wiemann
5. Director Comments
6. Adjournment

**UNITED LAGUNA WOODS MUTUAL  
2023 PLAN  
Programs Report**

DESCRIPTION	2019 ACTUALS	2020 ACTUALS	2021 ACTUALS	2022 BUDGET	2023 BUDGET	ASSESSMENT	
						INCREASE/(DECREASE) \$	%
<b>OPERATING FUND - MAINTENANCE &amp; CONSTRUCTION</b>							
1 PLUMBING SERVICE	\$1,674,053	\$1,678,492	\$1,421,163	\$1,216,188	\$1,576,070	\$359,882	30%
2 DAMAGE RESTORATION	0	0	1,193,726	750,051	885,805	135,754	18%
3 CARPENTRY SERVICE	188,134	472,259	511,314	567,600	638,911	71,311	13%
4 INTERIOR PREVENTIVE MAINTENANCE	345,817	264,354	258,391	377,755	374,517	(3,238)	(1%)
5 ELECTRICAL SERVICE	315,789	314,055	380,555	372,361	373,787	1,426	0%
6 APPLIANCE REPAIRS	316,893	263,734	243,776	329,042	319,633	(9,409)	(3%)
7 PEST CONTROL	176,611	79,544	196,579	186,500	257,655	71,155	38%
8 COUNTERTOP/FLOOR/TILE REPAIRS	164,092	104,693	100,534	127,371	149,440	22,069	17%
9 FIRE PROTECTION	11,819	11,603	26,652	32,430	34,394	1,964	6%
10 ENERGY PROGRAM	28,285	18,020	19,060	25,000	35,000	10,000	40%
11 MISCELLANEOUS REPAIRS BY OUTSIDE SERVICES	27,017	21,389	21,031	25,000	20,000	(5,000)	(20%)
12 GUTTER CLEANING	140,566	30,596	(30,596)	0	0	0	0%
<b>TOTAL</b>	<b>\$3,389,076</b>	<b>\$3,258,737</b>	<b>\$4,342,183</b>	<b>\$4,009,298</b>	<b>\$4,665,212</b>	<b>\$655,914</b>	<b>16%</b>

Line 2 includes damage restoration cleanup costs moved from contingency in 2021.

Line 12 was moved to General Services in 2020.

**OPERATING FUND - GENERAL SERVICES**

13 CONCRETE SERVICE	\$437,408	\$372,289	\$396,868	\$401,523	\$406,550	\$5,027	1%
14 JANITORIAL SERVICE	318,622	437,293	369,411	369,653	397,860	28,207	8%
15 GUTTER CLEANING	66,425	146,092	152,886	85,351	158,152	72,801	85%
16 WELDING	71,405	63,817	105,816	116,345	112,840	(3,505)	(3%)
17 TRAFFIC CONTROL	8,821	8,778	14,467	15,587	15,576	(11)	(0%)
<b>TOTAL</b>	<b>\$902,681</b>	<b>\$1,028,269</b>	<b>\$1,039,449</b>	<b>\$988,458</b>	<b>\$1,090,978</b>	<b>\$102,520</b>	<b>10%</b>

**OPERATING FUND - LANDSCAPE SERVICES**

18 GROUNDS MAINTENANCE	\$2,282,873	\$2,585,229	\$2,533,730	\$2,760,602	\$2,816,943	\$56,341	2%
19 IRRIGATION	612,789	784,777	728,291	819,029	809,937	(9,092)	(1%)
20 PEST CONTROL	219,894	229,312	275,162	274,513	315,267	40,754	15%
21 LANDSCAPE ADMINISTRATION	\$126,159	\$121,344	\$224,189	241,403	253,034	11,631	5%
22 SMALL EQUIPMENT REPAIR	188,316	190,463	215,076	209,626	192,214	(17,412)	(8%)
23 NURSERY & COMPOSTING	185,790	211,268	179,886	187,602	192,001	4,399	2%
24 TREE MAINTENANCE	(24,714)	5,504	5,974	0	0	0	0%
<b>TOTAL</b>	<b>\$3,591,107</b>	<b>\$4,127,897</b>	<b>\$4,156,995</b>	<b>\$4,492,775</b>	<b>\$4,579,396</b>	<b>\$86,621</b>	<b>2%</b>

**UNITED LAGUNA WOODS MUTUAL  
2023 PLAN  
Programs Report**

DESCRIPTION	2019	2020	2021	2022	2023	ASSESSMENT	
	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	INCREASE/(DECREASE)	
						\$	%
<b>RESERVE FUND - MAINTENANCE &amp; CONSTRUCTION</b>							
25 BUILDING STRUCTURES	\$600,963	\$1,235,622	\$979,064	\$1,492,903	\$1,314,877	(\$178,026)	(12%)
26 CDS SIGNAGE	0	29,078	0	0	0	0	0%
27 ELECTRICAL SYSTEMS	447,860	319,500	418,938	660,595	509,495	(151,100)	(23%)
28 EXTERIOR WALKWAY LIGHTING	36,202	7,671	30,711	75,635	75,550	(85)	(0%)
29 FOUNDATIONS	41,608	0	18,910	43,436	43,436	0	0%
30 GUTTER REPLACEMENT	67,711	83,051	68,558	126,889	113,127	(13,762)	(11%)
31 PAINT - EXTERIOR	1,920,691	1,224,288	1,635,609	1,739,285	1,734,242	(5,043)	(0%)
32 PLUMBING REPLACEMENT	0	0	276,882	646,769	337,826	(308,943)	(48%)
33 PRIOR TO PAINT	938,463	776,863	701,954	882,584	996,471	113,887	13%
34 PAVING	392,760	368,865	510,630	389,319	398,371	9,052	2%
35 ROOFS	814,112	927,506	841,632	1,020,439	1,041,301	20,862	2%
36 WALLS	151,736	24,600	27,928	35,000	35,000	0	0%
37 WASTE LINE REMEDIATION	2,126,216	1,349,975	2,502,222	2,300,000	2,300,000	0	0%
38 WATER LINE - COPPER PIPE REMEDIATION	245,552	169,746	62,049	100,000	100,000	0	0%
39 WINDOW/SLIDING SCREEN DOOR	60,896	71,372	108,699	133,896	140,157	6,261	5%
APPLIANCE AND FIXTURES:							
40 COOKTOPS	106,637	55,479	58,719	70,442	69,963	(479)	(1%)
41 DISHWASHERS	93,094	52,993	66,351	97,526	96,362	(1,164)	(1%)
42 FIXTURES - BASINS/FAUCETS/SINKS/TOILETS	255,597	133,986	155,000	232,333	224,611	(7,722)	(3%)
43 GARBAGE DISPOSALS	110,654	74,176	115,475	117,647	118,247	600	1%
44 HOODS	21,474	10,264	18,470	40,005	39,542	(463)	(1%)
45 KITCHEN/BATH COUNTERS, FLOORS, MISC.	992,888	550,095	878,164	1,363,867	1,467,906	104,039	8%
46 OVENS	130,533	98,684	116,546	134,125	133,646	(479)	(0%)
47 RANGES	10,628	4,474	8,907	12,613	12,345	(268)	(2%)
48 REFRIGERATORS	185,323	97,109	158,863	223,841	222,137	(1,704)	(1%)
49 WATER HEATERS & PERMITS	1,205,084	282,448	479,830	762,029	749,363	(12,666)	(2%)
50 DRYERS - LAUNDRY	3,551	1,152	9,151	38,247	38,113	(134)	(0%)
51 WASHING MACHINES - LAUNDRY	2,717	64,094	42,691	91,380	91,082	(298)	(0%)
TOTAL APPLIANCE AND FIXTURES	\$3,118,181	\$1,424,955	\$2,108,168	\$3,184,055	\$3,263,317	\$79,262	2%
<b>TOTAL</b>	<b>\$11,878,056</b>	<b>\$8,019,480</b>	<b>\$10,291,951</b>	<b>\$12,830,805</b>	<b>\$12,403,170</b>	<b>(\$427,635)</b>	<b>(3%)</b>

Line 25 includes major damage restoration construction costs moved from contingency in 2021.

Line 32 was moved from operations in 2021.

**UNITED LAGUNA WOODS MUTUAL  
2023 PLAN  
Programs Report**

DESCRIPTION	2019 ACTUALS	2020 ACTUALS	2021 ACTUALS	2022 BUDGET	2023 BUDGET	ASSESSMENT INCREASE/(DECREASE)	
						\$	%
<b>RESERVE FUND - GENERAL SERVICES</b>							
52 PRIOR TO PAINT - WELDING	\$0	\$0	\$8,350	\$9,565	\$9,558	(\$7)	(0%)
53 PAVING	33,890	21,379	61,713	60,820	48,377	(12,443)	(20%)
54 WALLS	0	0	0	15,400	15,400	0	0%
<b>TOTAL</b>	<b>\$33,890</b>	<b>\$21,379</b>	<b>\$70,063</b>	<b>\$85,785</b>	<b>\$73,335</b>	<b>(\$12,450)</b>	<b>(15%)</b>

<b>RESERVE FUND - LANDSCAPE SERVICES</b>							
55 LANDSCAPE RENOVATION	\$104,142	\$257,365	\$160,582	\$111,925	\$98,898	(\$13,027)	(12%)
56 IMPROVEMENT & RESTORATION	0	0	273,458	373,213	177,744	(195,469)	(52%)
57 TREE MAINTENANCE	1,118,879	877,273	764,125	947,657	898,360	(49,297)	(5%)
<b>TOTAL</b>	<b>\$1,223,021</b>	<b>\$1,134,638</b>	<b>\$1,198,165</b>	<b>\$1,432,795</b>	<b>\$1,175,002</b>	<b>(\$257,793)</b>	<b>(18%)</b>

<b>CONTINGENCY FUND - MAINTENANCE &amp; CONSTRUCTION</b>							
58 MOISTURE INTRUSION - RAIN LEAKS	\$464,866	\$264,914	\$0	\$0	\$0	\$0	0%
59 MOISTURE INTRUSION - PLUMBING LEAKS	1,381,962	797,699	0	0	0	0	0%
60 MOISTURE INTRUSION - PLUMBING STOPPAGES	409,223	257,338	0	0	0	0	0%
61 MOISTURE INTRUSION - MISCELLANEOUS	250,780	185,784	0	0	0	0	0%
62 DAMAGE RESTORATION SERVICES	207,406	25,645	0	0	0	0	0%
<b>TOTAL</b>	<b>\$2,814,606</b>	<b>\$1,472,538</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0%</b>

Lines 58-62: funding for damage restoration cleanup was moved to operations and damage restoration construction was moved to reserves in 2021.

<b>PROPERTY TAXES FUND - NON WORK CENTER</b>							
63 PROPERTY TAXES	\$11,375,124	\$11,899,352	\$12,323,498	\$12,401,160	\$12,649,183	\$248,023	2%
<b>TOTAL</b>	<b>\$11,375,124</b>	<b>\$11,899,352</b>	<b>\$12,323,498</b>	<b>\$12,401,160</b>	<b>\$12,649,183</b>	<b>\$248,023</b>	<b>2%</b>

Line 63 - Expenditures were moved from operations beginning 2022. Expenses are billed directly to each manor and vary by manor. 2019 - 2021 Actuals are added above to provide history.

**UNITED LAGUNA WOODS MUTUAL  
2023 OPERATING FUND EXPENDITURES  
MAINTENANCE & CONSTRUCTION**

General Maintenance includes the inspection, maintenance and repair of buildings including, but not limited to, manor interiors, building exteriors, carports, laundries, balconies, railings, stairs, and concrete and asphalt surfaces. Services are provided as planned programs as well as in response to service requests.

**1) Plumbing Service**

**\$1,576,070**

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Routine and emergency services include but are not limited to the following:

- Sink stoppages
- Basin stoppages
- Tub stoppages
- Main line stoppages
- Basin stoppages
- In-wall leaks
- Faucet leaks
- Toilet Leaks
- Water heater leaks
- Sink Leaks
- Faucet repair
- Toilet repairs
- Shower valve repair

**(A) Plumbing Repairs**

Main service categories include leak investigation, clearing of stoppages, remedial work related to plumbing leaks, and component repairs (faucets, toilets, garbage disposals, etc.). Beginning in 2014, plumbing technicians began to perform drywall and stucco cuts to expedite repairs. The technicians are certified to handle the removal and abatement of drywall. This allows for a single visit by one division to a manor for the cutout and repair process. Service levels for this category are based on historical averages of hours, materials, and outside services.

**2) Damage Restoration**

**\$885,805**

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**(A) Plumbing Leaks**

This line item funds restoration (dry down, environmental testing, abatement & misc. repairs) of units due to plumbing leaks from the under-slab, in-wall, supply line, drain line, toilet base, loose plumbing connections, tub/shower fixtures, angle stops, under fixture pipes, dishwashers, water heaters, garbage disposals, faucets, and toilet tanks, that may cause damage to Mutual property and will need repairs. If replacements are needed, those items will be funded from the Replacement/Reserve fund.

Damage Restoration staff coordinate repairs and restoration with in-house staff and outside contractors to minimize the inconvenience to members.

**(B) Plumbing Stoppages**

This line item funds restoration (dry down, environmental testing, abatement & misc. repairs) of units due to plumbing stoppages from main lines, internal lines, toilets, sink/basins, single fixture and multi-fixture stoppages that may cause damage to Mutual property and will need repairs. If replacements are needed, those items will be funded from the Replacement/Reserve fund.

Damage Restoration staff coordinate repairs and restoration with in-house staff and outside contractors to minimize the inconvenience to members.

**(C) Miscellaneous**

This line item funds restoration (dry down, environmental testing, abatement & misc. repairs) of units with miscellaneous moisture intrusion from tub/shower enclosures, cracked tile, missing grout, humidity, irrigation, loose sink/countertop connections, alteration washing machines, foundations, window condensation, and mold, that may cause damage to Mutual property and will need repairs. If replacements are needed, those items will be funded from the Replacement/Reserve fund.

Damage Restoration staff coordinate repairs and restoration with in-house staff and outside contractors to minimize the inconvenience to members.

**(D) Rain Leaks**

This line item funds restoration (dry down, environmental testing, abatement & misc. repairs) of units due to roof leaks, deteriorated roof membranes, roof flashing/connections, windows, stucco walls atrium back-ups, gutter systems, rain flooding, and common area skylights, that may cause damage to Mutual property and will need repairs. If replacements are needed, those items will be funded from the Replacement/Reserve fund.

Damage Restoration staff coordinate repairs and restoration with in-house staff and outside contractors to minimize the inconvenience to members.

**(E) Damage Restoration Services**

This line item funds the emergency repairs due to damage from structure fires and vehicle accidents.

If replacements are needed, those items will be funded from the Replacement/Reserve fund.

Funding levels for this category are based on historical averages.

Part of this expenditure is reimbursed to the Mutual through hearings that review the circumstances of the moisture intrusion event in order to determine if the member should be held responsible for costs associated with the restoration.

### 3) Carpentry Service

\$638,911

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Carpentry and carpentry-related service work is provided on the Mutual's buildings, carports, and laundries, such as:

- Interior/exterior entry door repair
- Repair/replace entry locks
- Re-key locks
- Support scaffolding
- Window repair
- Building cracks and stucco repair
- Door/window re-screening
- Weather stripping
- In-wall animal removal
- Insect screen install/repair
- Mailbox door and lock repair
- Wardrobe closet door repair
- Board-up windows/shore up sites
- Sliding glass door repairs
- Carport repair
- Patio gate repair
- Drywall/texture repair
- Acoustic ceiling repair
- Carport cabinet repair
- Cabinet repair/modification for appliances
- Baseboard repair/replacement
- Bath accessory repair/replacement
- Skylight repair
- Medicine cabinet repair
- Patio door lock repair

The budget for this item is essential to maintain the expected service level and to complete all necessary maintenance concerns requested by residents for the services described above, in a timely manner. Included is non-paint related scaffolding work, where staff who are properly trained in setup of scaffolding and operating man-lift equipment perform that work on an as-needed basis for work functions such as prior-to-paint dry rot repairs, decking installation, and other miscellaneous needs.

### 4) Interior Preventive Maintenance

\$374,517

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#### (A) Manor Preventive Maintenance Program

The Interior Preventive Maintenance crew moves through the Mutual's manors on an approximate 3-year schedule. The following general items are addressed:

- Inventory appliances and note any alterations to update database
- Change exhaust fan filters
- Caulk sinks, basins, tub/shower enclosures, and tub/shower tile
- Lubricate and adjust window and sliding glass door rollers
- Remove, clean, lubricate, and reinstall bathroom exhaust fan
- Remove dust from the coils behind and beneath refrigerators
- Tighten and adjust closet door rollers
- Perform leak testing on toilets using blue tablets

- Inspect sink, toilet, and basin risers for leaks
- Inspect and test all valves and supply lines for signs of deterioration
- Report any service needs

**(B) Laundry Preventive Maintenance Program**

Implemented in 2011, this proactive program includes activities such as cleaning behind and under laundry equipment, replacing the dryer vent tubes and addressing or reporting other maintenance requirements on a semi-annual basis for each of the Mutual's 175 laundry rooms.

**5) Electrical Service**

**\$373,787**

This item includes maintenance, repair and replacement of all lighting and electrical systems and fixtures, including:

- |                                       |                                  |
|---------------------------------------|----------------------------------|
| • Doorbells / Thermostats             | • Electrical outlets             |
| • Light fixtures / Heaters / Fans     | • Low voltage lighting systems   |
| • Electrical service panels           | • Walkway lighting installations |
| • Street/ Carport / Walkway lighting  | • Underground wiring             |
| • Interior bulb / Ballast replacement | • Relamping of exterior fixtures |

This item also includes funding for load calculations on electrical service panels by a certified electrical engineer prior to any additional walkway light installations, as required to comply with permit requirements by the City of Laguna Woods. City permit fees are also included in this item. The service level for this category is based on historical averages of hours and materials.

**6) Appliance Repairs**

**\$319,633**

This item includes repairs to the Mutual's manor and laundry room appliances. In each category, both historical averages of labor, materials and outside services as well as recent trends in service requirements are used as a budgetary basis.

**(A) Oven Repair**

Door gaskets, thermostats, control panels, and heating elements are examples of oven components that require repair or replacement. These parts are repaired or replaced as required for proper operation. Many service calls are for calibration of the thermostat.

**(B) Dishwasher Repair**

Heating elements, pumps, baskets, and door seals are examples of dishwasher components that require repair or replacement. These parts are repaired or replaced as required for proper operation.



**(C) Refrigerator Repair**

Door seals, shelving, thermostats, and compressors are examples of refrigerator components that require repair or replacement. These parts are repaired or replaced as required for proper operation.

**(D) Range/Cook Top Repair**

Heating elements and electrical connections are examples of range/cook top components that require repair or replacement. These parts are repaired or replaced as required for proper operation.

**(E) Laundry Washer/Dryer Repair**

Washers: Repairs to washing machines often result from the high volume of usage experienced by the units. Frequent washing machine service calls include reports of water not draining, washtubs not spinning, and non-operation of the machine. Repairs or replacements are undertaken as required for proper operation.

Dryers: Repairs to dryers often result from the high volume of usage experienced by the units. Heating elements, thermostats, and control switches are typical dryer components that require repair or replacement. These parts are repaired or replaced as required for proper operation.

**7) Pest Control**

**\$257,655**

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A licensed pest control contractor provides the Mutual with pest control services for termite eradication and bee removal services.

The budget is typically developed based on historical trends and the existence of termites as identified by the Mutual's pest control contractor. A staff inspector and a representative of the contractor conduct inspections in response to all reported evidence of live termites and upon request at the time a manor is resold. Based on the results of those inspections, a list of buildings requiring fumigation is compiled. Whenever possible, localized treatments of the infested areas will be performed for dry wood termites to minimize the fumigation requirements. Subterranean termites are also treated at the localized point of infestation.

The buildings listed for fumigation typically are scheduled for the following fiscal year and worked into the budget. Fumigation costs are based on a pre-determined contract value per building type.

The projected costs are budgeted in four categories, Local Pest Control Treatments; Fumigation - Tenting; Fumigation - Landscaping (for plant removal); and Fumigation - Lodging. Although not required by the Davis-Stirling Act, Mutual policy provides lodging for two nights while the whole structure fumigation is in process.

The lodging budget is based on the number of units contained in each of the buildings to be fumigated and the contracted rate in place with a local hotel.

The budget for whole structure tenting is based on a weighted average of each building type with costs applied to those buildings based on a pre-determined contract value per building type.

This approach is used to determine budgetary estimates for the Business Plan, as the full list of actual buildings that will require treatment are often not known until after the preparation of a given year's Business Plan.

## **8) Countertop/Floor/Tile Repairs**

**\$149,440**

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This item includes minor repairs to kitchen and bathroom countertops, kitchen and bathroom vinyl floors, bath shower and tub wall surround tiles, and shower floor tiles.

In 2013, due to increasing need for replacement of bathtub and shower wall tile surrounds, major tile repairs and replacements were moved to the Replacement Fund, resulting in the tile-related scope of this item including only re-grouting of tiled shower walls and floors and minor tile repairs (i.e. those that do not involve complete replacement of tub/shower surrounds or shower floors).

Labor and materials for the in-house repair of shower and tub glass enclosures is based on historical averages.

Outside contractors perform repairs to chipped bathtubs and as-needed glazing of bathtubs and shower wall tiles which are needed for color matching when new tiles do not match the color of existing tiles.

## **9) Fire Protection**

**\$34,394**

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### **(A) Smoke Detector Service**

Effective 2021, the majority of the budget for smoke detector repairs/replacements was moved from the Security Department to the M&C Department.

### **(B) Fire Extinguisher Service**

This service, provided through an outside contractor, covers the required annual inspection, maintenance, repair and replacement of the 1,024 fire extinguishers located throughout the Mutual. Specifics of the service include (1) annual inspection; (2) tear down and rebuilding when required; (3) hydrostatic testing when required; (4) proper tagging of extinguishers to indicate date of service and certification; (5) replacement of irreparable or missing extinguishers and extinguishers that must be replaced in accordance with Fire Authority regulations, and (6) repair of extinguisher cabinets.

**(C) Chimney Cleaning**

This contingency budget includes chimney cleanings and removal of ashes from ash pits at the contract pricing for that service.

**10) Energy Program**

**\$35,000**

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This item provides Operation & Maintenance (O&M) to the Mutual's photovoltaic systems as described below:

- Remote monitoring and diagnostics
- Monthly kilowatt production reports
- Monitor overall system performance and production
- Product warranty administration
- Inverter inspections and preventative maintenance
- Thermal imaging and thermal reporting
- Communication system inspection
- IV curve trace testing
- Array, balance of systems inspection
- Module and solar site visual inspection 2x per year
- Report shading of PV panels
- Preventative maintenance service reports
- PV panel cleaning 2x per year
- Annual system performance report summary
- Power quality analysis and reporting
- Warranty management & service logs of maintenance

**11) Miscellaneous Repairs by Outside Services**

**\$20,000**

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This funding is used to address items that are typically repaired by outside contractors. This item also includes funding for other repairs that do not fit into one of the categories below.

As these items are emergent in nature, budgets are based on historical averages, trends and on planned program scopes of work.

**(A) Glass / Broken Window**

This item includes the replacement of broken glass, glazing strips, handles and locks on windows and sliding glass doors. When frames and tracks become worn, damaged or separate from the glass, replacement of the window in its entirety with a retrofit or new construction type window is required. Replacements are performed out of the Window Replacement line item of the Reserve Expenditures - Replacement Fund section of the Business Plan.

**(B) Sliding Glass Door Track**

This item covers the bottom track of the sliding glass doors. Generally, there are two reasons for replacing these tracks. Through normal use, the weight of the dual-pane glass door wears down the door rollers and wears down the guiding fin. Over time the door will no longer stay in the track. Deterioration of the track due to moisture also necessitates its replacement. Placement of a plastic plate between the track and the stucco serves to mitigate potential deterioration of the new track.

**(C) Weather Stripping Replacement**

Replacement of weather stripping through outside services is limited to the occasions when the particular type of weather stripping requires glass removal or other special circumstances.

**(D) Phone Line Repairs**

This item covers repairs associated with the Mutual's responsibility for providing a working telephone line to each manor.

**(E) Lead Paint Testing**

In 2010, new EPA regulations went into effect requiring special procedures and handling when performing Renovation, Repair and Painting (RRP) of building components where lead based paint is present. The presence of lead paint must be determined before proceeding with work that qualifies under the regulations. Determination of the presence of lead paint must be performed a Certified Lead Inspector/Risk Assessor. This budget is included to pay for the costs of lead testing performed by a Certified Lead Inspector/Risk Assessor on projects that will be completed by an outside service.

**12) Gutter Cleaning**

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Gutter cleaning moved from Maintenance & Construction to General Services in 2020.

**UNITED LAGUNA WOODS MUTUAL  
2023 OPERATING FUND EXPENDITURES  
GENERAL SERVICES**

This section covers the inspection, maintenance and repair of breezeways and common areas for multi-story buildings, carports, laundry rooms, concrete, rain gutters, railing and stairs, and traffic control striping and signage. Primarily, these maintenance items are in response to resident service requests, although many items are planned program work.

**13) Concrete Service**

**\$406,550**

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Services provided include the repair or replacement of all concrete slabs, walkways and driveways. Concrete repairs include crack filling and grinding-down of walkways that have created a tripping hazard. Replacement of concrete occurs when lifting exceeds the two-inch grinding capability. Repairs to block trash enclosures or laundry room walls are also addressed under this budget item.

**14) Janitorial Service**

**\$397,860**

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Services provided in this category include scheduled janitorial services for breezeways and common areas of multi-story buildings, free-standing laundry buildings, miscellaneous janitorial services in Mutual common areas, and carport cleanings based on the following established service levels:

<u>Description</u>	<u>Quantity</u>	<u>Times/Year</u>	<u>Hours/Visit</u>
● Free-Standing Laundry Rooms	175	13	1.40
● Restrooms at Free-Standing Laundry Rooms	40	52	0.25
● Multi-Story Building Breezeways	375	10	1.00
● Carport Stall Cleanings	6,514	03	N/A

**15) Gutter Cleaning**

**\$158,152**

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This item provides for the cleaning of building and carport rain gutters to ensure their proper function and drainage.

The budget includes funding for an outside service to clean the gutters of multi-story buildings and single-story homes and carports once during the fourth quarter of the year.

The leaf/debris removal program was implemented to remove built-up debris, mostly leaves and pine needles, from the roofs and patio covers prior to the winter season. This preventive measure serves to reduce the potential for water backups on roofs during the rainy season.

The scope of the leaf/debris removal program also includes buildings with sloped roofs that are subject to leaf/debris accumulation; therefore, an additional 558 buildings are part of this program. The leaf/debris removal program is coordinated with the gutter cleaning program to increase the efficiency of this work.

#### **16) Welding**

**\$112,840**

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Welding services include the repair/replacement of railings, gates, fences, and steel step rails. Budgeting is based on historical averages and trends for hours and materials, and includes lead testing and abatement, required due to EPA lead handling regulations.

In 2013, the Board chose to include Stair Tread Replacements in this line item, to address the increase of stair tread deterioration within the Mutual. This work is completed in response to service ticket requests placed by residents or staff.

#### **17) Traffic Control**

**\$15,576**

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This item addresses the installation and maintenance of devices required to facilitate traffic safety and circulation throughout the Community. This includes parking lot and street striping, replacement of directional and vehicular control signage, and curb painting. The 2022 budget includes funding to repaint red and yellow curbs on a 5-year cycle or approximately 5,000 lineal feet.

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LANDSCAPE SERVICES**

**18) Grounds Maintenance**

**\$2,816,943**

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Grounds Maintenance work center crews perform the routine maintenance tasks. The total cost of these Grounds Maintenance tasks is broken out below. It includes shrub bed maintenance, turf maintenance, miscellaneous tasks, and slope maintenance.

**(A) Shrub-Bed Maintenance \$1,919,307**

Components required for shrub-bed maintenance consist of all pruning, raking, weeding, mulching, re-planting, and edging of the planters around buildings. The shrub-bed maintenance cycle varies seasonally and is performed on 75 shrub-bed acres in United. Beginning in 2020 the costs for small slope maintenance were included in shrub-beds due the tasks being concurrent.

The 2023 Shrub-Bed Maintenance Budget has increased by \$19,250, 1% more than the 2022 Budget due to the following factors:

- Annual increase in wage rates
- Increase in agronomic costs (fertilizer, herbicides, etc.) due to inflation

**(B) Turf Maintenance \$642,660**

The turf maintenance responsibilities consist of 138 acres in United Mutual. The mowing cycle schedules are adjusted seasonally throughout the year to respond to growing conditions.

The 2023 Turf Maintenance Budget has increased by \$26,681, 4% more than the 2022 Budget due annual increase in wage rates, and increase in agronomic costs due to inflation.

**(C) Miscellaneous Tasks \$248,037**

The Grounds Maintenance work center also perform various miscellaneous tasks, including general cleanup, storm response and monitoring, storm preparation, employee training, ticket response crews, preparation of areas for paint crew access, and preparation of exterior for building fumigation.

The 2023 Miscellaneous Tasks Budget has increased by \$13,959, 6% more than the 2022 Budget due to the department focus on improving core services, including training and annual increase in wage rates.

**(D) Slope Maintenance**

**\$6,939**

Components required for slope maintenance are similar to shrub-bed maintenance; pruning, raking, weeding, edging, re-planting, and renovation. The maintenance cycle is performed on all slopes, of which there are 24 acres in United Mutual.

Starting in 2020, all large slope maintenance is performed by contract. Smaller slope maintenance adjacent to housing units will continue to be performed by staff in conjunction with shrub-bed maintenance.

The 2023 Slope Maintenance budget has decreased by (\$3,549), or (34%) from the 2022 Operating Budget due to reallocation of hours.

**19) Irrigation**

**\$809,937**

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This is a support work center, providing irrigation support to other landscape maintenance sections. The irrigation work center oversees 4,154 watering zones throughout United Mutual controlled by 163 irrigation controllers. These controllers are managed by a central irrigation computer through the use of radio and telephone communication transmission technologies. The system is weather sensitized and adjusts watering schedules based on daily fluctuations in plant evapotranspiration (ET) rates. The irrigation crew also maintains and cleans landscape drains throughout the community on a regular basis.

The 2023 Irrigation Maintenance budget has decreased by (\$9,092), or (1%) over the 2022 Budget due to reallocation of hours.

**20) Pest Control**

**\$315,267**

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Pest Control is a support work center, providing pest control support to other landscape maintenance sections. Pest Control uses various methods to control a variety of landscape pests that include weeds, insects including wasps and bees (in landscaping), and rodents and other vertebrae.

The 2023 Pest Control budget has increased by \$40,754, or 15% over the 2022 Budget due to the annual increase in wage rates and the addition of two FTEs for increase in rodent services. The work center has experienced a rise in rodent control calls and costs.

**21) Landscape Administration**

**\$253,034**

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Landscape Administration support is provided to the United Board and Landscape Committee at regularly scheduled meetings. Additionally, the administrative staff provides customer service, maintains databases, and prepares work efficiency reports and annual operating budgets. Supervision of daily operations in in this budget item. Other tasks not directly related to the daily operation of individual work centers are included in this budget.

The 2023 Administration budget has increased by \$11,631, or 5% over the 2022 Budget due to the restructuring of the section and annual increase in wage rates.



## **22) Small Equipment Repair**

**\$192,214**

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The Small Equipment Repair work center supports other work centers by providing mower and small equipment maintenance, repair, and delivery. Supplies and materials used by other work centers to maintain lawns, slopes, and shrub beds are ordered and received through this department.

The 2023 Small Equipment Repair Budget has decreased by (\$17,412), or (8%) from the 2022 Budget due to the reallocation of hours.

## **23) Nursery and Composting**

**\$192,001**

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The Nursery and Composting work center provide support for other work centers by growing and providing shrubs and trees for use throughout the community for new and replanting tasks. By growing all the plants used by the work centers on site, the cost of new and replacement plant materials is greatly reduced.

The work center also supports other work centers by recycling tree and shrub cuttings, using a tub grinder, into the mulch used throughout the community. By recycling the green waste produced within the Community, disposal costs are greatly reduced as well as eliminating the expense of purchasing mulch.

The 2023 Nursery and Composting budget has increased by \$4,399, or 2% over the 2022 Budget due to the reallocation of hours.

## **24) Tree Maintenance**

**\$0**

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Tree Maintenance is included in Reserves.

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MAINTENANCE & CONSTRUCTION**

This section covers the inspection, maintenance and repair of structures including, but not limited to, manor interiors, building exteriors, carports, and laundry rooms. These maintenance items are in response to resident service requests, and planned program work.

**25) Building Structures**

**\$1,314,877**

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**(A) Building Structures (Projects)**

This reserve component is designed to address building structures that are exhibiting deterioration and funding will be utilized on a contingency basis. It is assumed that full replacement of this component would never be required. The unit cost is a contingency estimate for a typical building structure repair.

**(B) Building Structures (Maint Ops/Carpentry)**

This reserve component is designed to address building structures that are exhibiting deterioration and to eradicate dry rot through a systematic and proactive approach utilizing an aggressive inspection process designed to address all buildings in United Mutual to include both architectural and structural components through outside services and in-house staff.

This includes but is not limited to balcony replacements, trellis structure replacements, beam replacements, walkway replacements, bridge replacements, interior doors, exterior doors, corbel end removals, cannon and peeler post removals/replacements, stucco, drywall systems, lead and asbestos testing and abatement cost, associated engineering cost and City building permit application and inspection fees.

Replacements are qualified and generated on both a reactive and a proactive basis (Non-Program and Program).

**(C) Building Rehab/Dry Rot (General Maintenance)**

Dry rot is reported by residents, contractors and staff working in the Community. Additionally, staff top coats elevated deck surfaces on a mid-cycle program. When the crews review the existing condition of deck surfaces, in some cases dry rot is found, necessitating repairs. The dry rot crew completes the work as part of the overall Building Rehab/Dry Rot line item.

**(D) Smoke Alarm Installation (Maintenance Services)**

Smoke detectors are to be replaced every 10 years. Budgeting for this item will not be needed until 2024.

Funding for all building structure expenditures is based on the historical replacement quantities, anticipated useful life, and current estimated cost of materials and labor adjusted for inflation, as well as prior year actuals.

As part of the 2023 building structure repairs, staff will proactively assess buildings for drainage issues that could lead to building settlement. Staff will identify areas that are displaying drainage issues and implement the necessary modifications.

On programs such as decking topcoat and prior-to-paint, staff no longer allows the “patch and paint” practices, which has resulted in a reduction in dry rot repairs. Staff now replaces compromised wooden sections with properly primed and painted materials, resulting in a higher life expectancy.

**(E) Damage Restoration Services**

This reserve component is for reconstruction of manors/buildings resulting from rain leaks, plumbing leaks, plumbing stoppages, and other moisture intrusion events. During the 2021 Business Planning Meeting, the Board asked that all costs related to the reconstruction or replacement of mutual owned components, be moved from the Contingency Fund to the Replacement/Reserve Fund. It should be noted that restoration costs exceeding \$25K will be submitted to the Mutual’s insurance carrier.

**(F) Balcony Inspections**

Senate Bill 326 states that a statistically significant sample of all of the mutual's exterior elevated elements are to be inspected once every 9 years, and that the inspection report is to be incorporated into the reserve study. The report includes detailed information of each inspected element's condition, expected future performance and the remaining useful life, and repair/ replacement recommendations. VMS will be contracting with a licensed structural engineer or architect to inspect (216 buildings) of exterior elevated elements for which the association has maintenance or repair responsibility.

The first inspection shall be completed by January 1, 2025, and then every nine years thereafter in coordination with the reserve study inspection pursuant to Section 5550.

A report will be generated from the inspections and shall include detailed information on the condition of each inspected element; expected future performance; remaining useful life; and any repair/replacement recommendations.

**26) CDS Signage**

**\$0**

The cul-de-sac signage project was completed in 2020.

## 27) Electrical Systems

\$509,495

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### (A) Electrical Panel Maintenance

This reserve component is a contingency to address emergency panel repairs or replacements due to failure.

### (B) Pushmatic Panel Upgrades

This reserve item funds the upgrade of electrical systems in the manors (replacement of obsolete Pushmatic electrical panels and conductors).

The City of Laguna Woods no longer allows the installation of new 110-volt receptacle outlets in panels without arc-fault protection, citing the 2013 California Electrical Code 210.12. Knowing that critical repairs could no longer take place when needed, the Board took a proactive approach to replace the 2750 Pushmatic electrical panels over a phased period of time.

### (C) Alternate Heat Source Installation

United Mutual is responsible for providing a heat source in the bedroom and living/dining room areas of its manors. At the time of original construction, the provided heat source was in-ceiling radiant heat systems. If an original in-ceiling radiant heat system fails or requires replacement as the result of some maintenance activity, the Mutual must provide a replacement heat source. The Mutual replaces failed heat systems with an appropriate and cost effective type unit for the room being heated. Typically that is a wall heater in the bedrooms and a through the wall heat pump in the living/dining rooms. The type of unit used is contingent on several factors, the most important being the BTU's required to heat the area being heated.

This is contingency funding that will replace up to 3 heat pumps and 3 wall heaters per year.

## 28) Exterior Walkway Lighting

\$75,550

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This budget funds as-needed consultant services for exterior lighting projects, as well as the maintenance or upgrade to the Mutual's walkway lighting system, including the addition of new lights. Funding assumes a contingency for the installation of 18 new walkway light fixtures per year.

### (A) Exterior Lighting

This budget funds as-needed consultant services for exterior lighting projects, and the maintenance and upgrade of the Mutual's existing walkway lighting system.

**(B) Additional Walkway Lights**

Additional lighting requests submitted by members is reviewed by staff, and installation is scheduled if the criteria approved by the Board is met.

**(C) History**

The United Board replaced the existing pagoda lights with LED bulbs within the entire community in 2015.

**29) Foundations**

**\$43,436**

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This reserve component is designed to address building foundations that are exhibiting deterioration. It is assumed that full replacement of this component would never be required.

This program assumes that approximately 7 buildings would require repair every year.

Staff will proactively assess buildings for drainage issues that could lead to undermining of building foundations which may cause differential settlement and other damage. Staff will identify areas with drainage deficiencies and implement corrective action if contingency funding from this program is available.

**30) Gutter Replacement**

**\$113,127**

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**(A) Gutter Repairs**

The existing gutter systems are constructed of galvanized metal pieces joined together in ten-foot-long sections or less. Typically, original gutter systems corrode at the joints and fail, which result in leaks. The funding for this work is reactive and based on resident requests. Work is performed by in-house staff.

**(B) Gutter Replacement**

This reserve item is designed to address the replacement of the original rain gutters, and downspout systems on all of the Mutual's buildings that are no longer repairable. Work is performed by in-house staff or outside contractors.

**(C) New Gutter System Installation**

Starting in 2020, \$50,000 was added to the budget for new gutter installations annually in conjunction with the Exterior Paint Program, in order to address drainage issues and to prevent foundation erosion. Work is performed by outside contractors.

### **31) Paint – Exterior**

**\$1,734,242**

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After the 2021 Business Planning Meeting, the Mutual elected to change the exterior paint program from a 10-year to a 15-year paint cycle for the 15,741,601 square feet of exterior building surfaces. All exterior components of each building are now to be painted every 15 years. The building components painted include the body, (stucco and/or siding) and the trim (fascia boards, beams, overhangs, doors, closed soffits and structural and ornamental metal surfaces).

Deck topcoat resurfacing, replacement of reflective address building numbers, lead testing and Lead RRP (Renovation, Repair and Painting) activities are performed in conjunction with the exterior paint program.

Funding also includes interior and exterior touch-up painting which was moved from Operating to Reserves in 2019.

Planned expenditures are based on the square footage for the number of buildings planned for 2023 with a 15-year exterior paint cycle in place.

### **32) Plumbing Replacement**

**\$337,826**

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This reserve component will address routine and emergency plumbing component replacements.

During the 2021 Business Planning Meeting, the Mutual elected to move plumbing replacements and major plumbing repair work performed by in-house staff and outside contractors from the Operating Fund to the Replacement/Reserve Fund.

Services will include but are not limited to the following:

- Valve Replacements
- Hose Bib Replacements
- In-wall leaks
- Underground Leaks
- Under slab Leaks
- Shower mix-it valve replacements
- Tub Spout Replacements
- Building service valve replacements

Underground leaks are addressed through outside services due to CAL-OSHA shoring requirements and asbestos cement pipe (Transite) repair and abatement issues.

### 33) Prior to Paint

\$996,471

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The reserve component for prior to paint repairs will prepare building surfaces for painting and includes repair and mitigation of dry rot, balcony and breezeway decking repairs performed every 15 years in conjunction with the exterior paint program.

#### (A) Top Coat Resurfacing

The reserve component for is designed to provide a waterproof topcoat sealant to the elevated balcony and breezeway deck surfaces and inspections/repairs of the deck structures every 7.5 years, which is mid-way between the 15-year exterior paint cycle.

Planned expenditures are based on the square footage of the number of buildings planned for that fiscal year.

Funding also includes costs related to asbestos and lead testing with the abatement of dry rotted components.

### 34) Paving

\$398,371

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#### (A) Parkway Concrete

Each year staff inspects the Mutual sidewalks to receive paving work for potential tripping hazards, and areas are identified for replacement. This helps to eliminate the long waiting periods for concrete repairs that are addressed by the General Services Department. Staff also identifies all damaged drainage gutters in the area and includes their replacement cost in this budget item. This program works in conjunction with the current paving program.

#### (B) Asphalt Repairs

As part of the Mutual's asphalt repaving program, each year all asphalt pavement in the community is inspected and rated for wear. When the pavement rating justifies replacement, the work is budgeted for the upcoming year. For the purpose of reserve planning, an estimated life of 25 years is used.

#### (C) Seal Coat

The application of a seal coat over asphalt is necessary to extend the useful life of pavement. Asphalt receives a seal coat 5 years after paving and also on a continuous 7-year cycle thereafter. This type of preventive maintenance is considered the most efficient and cost-effective method of extending the serviceable life of asphalt paving. The scope of work for 2023 includes all those asphalt areas last paved or sealed in 2016 (377,310 square feet).

Funding is provided to identify and replace roof systems which have reached their serviceable life prior to failure. Three roof systems are maintained and replaced in the Mutual within this budget item; Built-up roofs (BUR), Composition Shingle Roofs; and Tile Roofs.

**(A) Preventive and Emergency roof repairs**

For the Preventive Roof Repairs, the budget is based on the square footage of roofing installed 10 years before the current year. For 2023 budget the roofing work in 2013 was 276,068 square feet. Emergency Roof Repairs are generated through service calls to the Resident Services Desk or as requested by other Departments. Each service request is qualified by staff and the contracted roofing company is directed to make the necessary repairs. Items addressed include water intrusion problems; severe weather damage to Mutual roofs; water tests; repair of damaged roof tiles/shingles and flashings; skylight leaks; standing water reports; roof repairs related to the prior to paint program; and miscellaneous requests by residents. In 2019, this line item was moved from operating to reserves.

**(B) Roofs - Built-Up (BUR)**

All roofs 15 years of age and older are visually inspected and a query of all reported rain leaks for the subject buildings is generated. After this information has been documented, the roofs are ranked and the roofs with the worst overall performance are slated for replacement. Therefore, not all roofs are replaced upon expiration of their anticipated 16-year serviceable life. To eliminate spikes in future year expenditures staff has leveled out the roofing replacement square footage over the next through 2028. Starting in 2009 all BUR roofs are re-roofed with PVC Cool Roofs. The new PVC roofs have a serviceable life of 25 years.

**(C) Roofs - Composition Shingle**

The Composition Shingle Replacement Program was designed to replace roof systems that have reached their serviceable life prior to failure. The next composition shingle roof replacements are due in the year 2024.

**(D) Roofs - Tile**

Beginning with the 2004 Business Plan, the board elected to initiate the Capistrano Tile Replacement program to address premature failure of Capistrano tile roofs that were originally constructed with plywood sheathing. Inspections of buildings constructed with plywood confirmed that the organic felt underlayment had significantly deteriorated and was causing a significant number of leaks into the manors.



The Capistrano Tile Roof program was completed over a 12 year period and completed 278 buildings and has an estimated life of 40 years. Capistrano Tile roofs are not due for replacement until 2044.

### **36) Walls**

**\$35,000**

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Funding is provided to upgrade the security and aesthetics of the Mutual's perimeter walls by replacing existing barbed wire with shepherd's crook. In 2017, Conditional Use Permit-1135 was approved by the City of Laguna Woods for the installation of Shepherd's Crook.

300 linear feet of wall and security fencing replacement and vegetation removal is scheduled for 2023.

### **37) Waste Line Remediation**

**\$2,300,000**

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In 2006, the Board established a reserve line item for Waste Lines. The program provides for the evaluation of waste lines and the implementation of an epoxy-lining program to extend the life of the existing waste pipes and reduce the leaks and back-ups associated with an aging waste system.

This program uses a combination of a reactive and proactive approach for the repair of waste lines. Reactively staff addresses backups as they arise and proactively all waste pipes in the surrounding units are epoxy lined.

This program will fully epoxy-line all waste pipes (interior and exterior pipes) in the Mutual.

The "As Built" plan for the pipes in the community is not accurate and as such a true completion horizon is difficult to estimate. However, during the implementation of the program information is being gathered on the different building types to help estimate a project completion date. While this data collection is on-going staff recommends a funding level of \$2,300,000 until 2035, once enough data has been collected the project completion date can be adjusted to a more accurate timeline.

### **38) Water Line – Copper Pipe Remediation**

**\$100,000**

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This budget item funds the epoxy lining of failed copper water supply lines in the Mutual. Buildings are selected as candidates for epoxy-lining based on a leak criteria and the frequency of leaks in a given building. Staff tracks leaks associated with the copper lines, and criteria-based calculations are made to identify the candidate building.

The program is reactive as well as proactive. When a manor meets the epoxy-lining criteria, the entire building where the manor is located is epoxy-lined.

### 39) Windows/Sliding Screen Door

\$140,157

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Resolution 01-01-09 “Approval to adopt a window replacement policy” (Feb 13, 2001) sets forth the following regarding the Mutual’s Window Replacement Policy: “Windows will not be replaced at the expense of United Laguna Woods Mutual for any reason other than structural or mechanical malfunction and/or failure of the windows. Residents are free to replace windows at their own expense, following established procedures.”

This reserve component funds the replacement of windows and sliding screen doors in need of replacement due to structural or mechanical malfunction. Residents are also free to replace windows at their own expense, following established procedures.

### 40) Cooktops

\$69,963

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With the exception of rings, pans, and burners, it is often more cost effective to replace an older unit than it is to repair it. Following current direction from the Board, cooktops 20 years and older will be replaced at the request of the Mutual member. Although actual replacements are made on a reactive basis, the reserves plan is based on replacement at the end of the 20 year estimated life for each appliance.

Funding is also included for disbursements to residents who furnish their own cooktops.

### 41) Dishwashers

\$96,362

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Dishwashers are typically replaced due to rusting of the metal tubs and doors. New units are made using fiberglass tubs and have a longer serviceable life. Following current direction from the board, a dishwasher 12 years and older will be replaced at the request of the Mutual member.

Funding is also included for disbursements to residents who furnish their own dishwashers.

### 42) Fixtures – Basins/Faucets/Sinks/Toilets

\$224,611

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#### (A) Bathroom Basins

Bathroom basins are replaced for several reasons, most commonly due to rusting and normal wear and tear. The old basins are cast iron, whereas the new basins are porcelain. Costs for standard basins are an average based on type (over counter/under counter) with varying prices for types and colors. Although actual replacements are made on a reactive basis, planned expenditures are based on the anticipated 30-year useful life, current estimated cost of materials and labor plus inflation.

**(B) Toilets**

Toilets are replaced for many reasons, such as cracks in the bowl and/or tank, and various non-functioning components. The Mutual standard replacement includes 14" round and 18" elongated toilets which vary in cost. Although actual replacements are made on a reactive basis, planned expenditures are based on the anticipated 30-year useful life, current estimated cost of materials and labor plus inflation.

**(C) Kitchen Sinks**

Kitchen sinks are replaced due to normal wear and tear resultant from everyday use and due to chipping and flaking of the enamel finish (often due to corrosion). Approved standard kitchen sinks are now stainless steel (single or double). All vary in costs based on size and color. Although actual replacements are made on a reactive basis, planned expenditures are based on the anticipated 30-year useful life, current estimated cost of materials and labor plus inflation.

**(D) Faucets**

Faucets are replaced due to normal wear and tear. Although actual replacements are made on a reactive basis, planned expenditures are based on the anticipated 30-year useful life, current estimated cost of materials and labor plus inflation.

**43) Garbage Disposals**

**\$118,247**

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Garbage disposals are typically replaced due to age and wear. The serviceable life of a garbage disposal is currently 12 years. The plumbing division follows a reactive replacement policy, replacing the units only upon non-reparability. Although actual replacements are made on a reactive basis, planned expenditures are based on the anticipated 12-year useful life, current estimated cost of materials and labor plus inflation.

Garbage disposals are also changed when a countertop is replaced along with the sink and faucet as a proactive measure to prevent leaks.

**44) Hoods**

**\$39,542**

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Hoods are comprised of an exhaust fan and light fixture and work in conjunction with the ranges/cooktops. This reserve component funds the replacement of hoods which are generally replaced in conjunction with the cooktop for functionality reasons (some are connected to the control panel for the range) and occasionally to standardize the appearance (so that the cooktop and hood match).

Although actual replacements are made on a reactive basis, planned expenditures are based on the anticipated 20-year useful life, current estimated cost of materials and labor plus inflation.

Funding is also included for disbursements to residents who furnish their own hoods.

**45) Kitchen/Bath Counters, Floors, Misc.**

**\$1,467,906**

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This reserve component funds the replacement of kitchen and bath countertops, shower pans, bathtub and shower surround tile, vinyl flooring, shower and tub enclosures, and mirrors.

These components are reviewed and qualified for replacement in response to resident requests and during resale inspections. Replacements are made on a reactive basis and reserves are based on replacement at the end of the estimated life.

This budget also includes provision for abatement of lead and asbestos containing materials associated with vinyl and tile replacement.

**(A) Kitchen Counters**

Countertops are replaced due to worn laminate surfaces, swelling of wood substructure, and laminate separation from wood substructure. Countertops in manors are reviewed and qualified for replacement in response to resident requests and during resale inspections. The scope of work includes the replacement of countertop, the garbage disposal, and the sink along with the faucet. Although actual replacements are made on a reactive basis, planned expenditures are based on the anticipated 30-year useful life, current estimated cost of materials and labor plus inflation.

**(B) Bath Counters**

Countertops are replaced due to worn laminate surfaces, swelling of wood substructure, and laminate separation from wood substructure. Countertops in manors are reviewed and qualified for replacement in response to resident requests and during resale inspections. The scope of work includes the replacement countertop, the basin, along with the faucet. Although actual replacements are made on a reactive basis, planned expenditures are based on the anticipated 20-year useful life, current estimated cost of materials and labor plus inflation.

**(C) Laundry Counters**

Countertops are replaced due to worn laminate surfaces, swelling of wood substructure, and laminate separation from wood substructure. Countertops are currently replaced as-needed. The number of countertops range from 1 to 4 per laundry room. The replacements of the countertop will include the sink and faucet.

**(D) Kitchen Floors**

Vinyl floors are replaced due to normal wear and tear, non-repairable curling, discoloration from the subsurface, or areas on the floor that are worn through the surface.

Floors in manors are reviewed and qualified for replacement in response to resident requests and during resale inspections. The scope of work includes, disconnect and relocate appliances, abatement of the existing flooring materials, asbestos clearance, and installation of the new vinyl flooring along with cove base and the re-installation of the appliance. Although actual replacements are made on a reactive basis, the reserves plan is based on replacement at the end of the 25-year estimated life. This program assumes that only 50% of the planned units would require replacement annually.

**(E) Bath Floors**

Vinyl floors are replaced due to normal wear and tear, non-repairable curling, discoloration from the subsurface, or areas on the floor that are worn through the surface. Floors in manors are reviewed and qualified for replacement in response to resident requests and during resale inspections. The scope of work includes removal of the toilet(s), abatement of the existing flooring material, asbestos clearance, and installation of new vinyl flooring along with cove base and re-installation of the toilet(s). Although actual replacements are made on a reactive basis, the reserves plan is based on replacement at the end of the 25-year estimated life.

**(F) Bath Mirrors**

Bathroom mirrors are reviewed and qualified for replacement in response to resident requests and during resale inspections. The primary reason mirrors are replaced is de-silvering around the mirrors edges and/or when the mirror detaches from the wall or breaks. Although actual replacements are made on a reactive basis, the reserves plan is based on replacement at the end of the 30-year estimated life.

**(G) Bath Shower/Tub Enclosures**

Shower and tub enclosures in manors are reviewed and qualified for replacement in response to resident requests and during resale inspections. Tub enclosures are replaced for several reasons. The glass shatters from tension on the frame or from closing the door too hard. The frames of these enclosures rust, develop hard water deposits, and develop scaling. These factors may compromise the integrity of the enclosure, causing leaks to form in the corners. The life of these enclosures varies dependent upon resident care and cleaning methods and is estimated at 25 years.

**(H) Bath Tile Replacements**

Bathtub and shower surround tiles are replaced due to settlement cracking, loose wall tiles and moisture damage behind the tiles.

This budget also includes provision for abatement of lead and asbestos containing materials associated with tile replacement, as the glazing on the shower tiles has been found to contain lead and the backing board on the shower walls has been found to contain asbestos. Each of those materials must be removed following appropriate abatement practices.

#### 46) Ovens

\$133,646

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The ovens within the Mutual include both standard ovens and self-cleaning ovens. Following current direction from the board, an oven 20 years and older will be replaced at the request of the Mutual member. Although actual replacements are made on a reactive basis, the reserves plan is based on replacement at the end of the estimated life for each appliance.

Funding is also included for disbursements to residents who furnish their own ovens.

#### 47) Ranges

\$12,345

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With the exception of rings, pans, and burners, it is often more cost effective to replace an older unit than it is to repair. Following current direction from the board, ranges 20 years and older will be replaced at the request of the Mutual member.

Although actual replacements are made on a reactive basis, planned expenditures are based on the anticipated 20-year useful life, current estimated cost of materials and labor plus inflation.

Funding is also included for disbursements to residents who furnish their own ranges.

#### 48) Refrigerators

\$222,137

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Refrigerators are replaced upon age (if requested) or inability to repair. Following current direction from the board, a refrigerator 20 years and older will be replaced at the request of the Mutual member. Although actual replacements are made on a reactive basis, planned expenditures are based on the anticipated 20-year useful life, current estimated cost of materials and labor plus inflation.

Funding is also included for disbursements to residents who furnish their own refrigerators.

#### 49) Water Heaters & Permits

\$749,363

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##### (A) Residential Water Heaters

Reserves for water heaters are based on an estimated life of 10 years. The Mutual currently replaces water heaters on a proactive basis, replacing units during their tenth year in service.

Planned expenditures are based on the anticipated useful life and current estimated cost of materials and labor plus inflation.

**(B) Laundry Water Heaters**

There are 175 20-gallon, high efficiency water heaters in the Mutual's laundry rooms and were last replaced in 2016. The Mutual currently replaces water heaters on a proactive basis, replacing units during their tenth year in service, which will start in 2026.

There is a small budget as a contingency for failures. The manufacturer's warranty doesn't cover labor and miscellaneous parts.

**50) Dryers - Laundry**

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**\$38,113**

Funding in this component is used to replace laundry room dryers upon failure or non-reparability. These industrially-used units suffer wear and tear primarily to the heating elements, thermostats and control panels.

**51) Washing Machines - Laundry**

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**\$91,082**

Funding in this component is used to replace washing machines in laundry rooms upon failure or non-reparability, on a reactive basis. Washers are currently replaced with a front-loading machine.

**UNITED LAGUNA WOODS MUTUAL  
2023 RESERVE FUND EXPENDITURES  
GENERAL SERVICES**

This section covers the inspection, maintenance and repair of metal work (prior to paint), paving and concrete, and repair to common and perimeter walls. Primarily, these maintenance items are in response to resident service requests, although many items are planned program work.

**52) Prior to Paint – Welding** **\$9,558**

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Beginning in 2021, the Mutual began a 15-year full exterior paint program. This budget item includes a contingency for railing welding repairs on the buildings scheduled for the 2023 exterior paint program.

**53) Paving** **\$48,377**

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Funding provided in this section is used to fund general asphalt repair work, excavation related to mainline repair, and crack filling work that is completed in conjunction with Maintenance and Construction's planned slurry seal program.

**54) Walls** **\$15,400**

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This is a contingency for both perimeter and common wall replacements.

Funding is provided in this item to address common area walls, as well as the Mutual's perimeter walls. A contingency amount is included to address the repair or replacement of damaged common walls. This program assumes that an average of 1% of the walls would require repair every year.



**UNITED LAGUNA WOODS MUTUAL  
2023 RESERVE FUND EXPENDITURES  
LANDSCAPE SERVICES**

**55) Landscape Renovations**

**\$98,898**

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Landscape renovation and modernization programs are to address specific areas of concern, as determined by collaboration between staff and the Landscape Committee. These projects are funded through the Replacement Fund. Each program requires varying levels of time and materials, depending upon the site(s) and project(s) selected to be completed each year.

For 2023, the Staff recommends \$73,913 for Slope Maintenance and \$24,985 for Turf Reduction Irrigation Retrofit.

The 2023 Landscape Renovation Budget has decreased by (\$13,027), or (12%) from the 2022 Budget due to a decrease in the square footage of slopes needing renovation.

**56) Improvement and Restoration**

**\$177,744**

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The landscape in the Community is aging and in much of it is passed its useful life. The Improvement and Restoration work center replaces aging and dead plantings as well as re-landscaping areas that are difficult to maintain and irrigate. The work center also replaces standard plant material with drought tolerant water-saving plants. Additionally, this work center performs turf reduction projects, removing difficult to irrigate sections and maintain sections of turf and replacing them with attractive and functional drought tolerant plantings.

The 2023 Improvement and Restoration Budget has decreased by (\$195,469) or (52%) due to turf reduction and drought tolerant planting.

**57) Tree Maintenance**

**\$898,360**

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The Tree Maintenance work center, supplemented by contractors, perform routine tree trimming on approximately 38,000 trees within the Community. The service level is a five-year rotating cycle based upon the specific trimming needs of each tree species. All pruning is performed in accordance with International Society of Arboriculture pruning techniques. The tree inventory is maintained using the Arbor Pro program. Starting in 2020, Staff is supplemented by outside services to complete the scheduled maintenance cycle.

The 2023 Tree Maintenance budget has decreased by (\$49,297), or (5%) from the 2022 budget. This decrease is due to an anticipated reduction in tree trimming tickets.

**UNITED LAGUNA WOODS MUTUAL  
2023 CONTINGENCY FUND EXPENDITURES  
MAINTENANCE & CONSTRUCTION**

In 2021, funding for line items 58 through 62 of the Contingency Fund were equally split and moved to the Operating and Reserve Funds.

**UNITED LAGUNA WOODS MUTUAL  
2023 PROPERTY TAX FUND EXPENDITURES  
NON-WORK CENTER**

**63) Property Taxes**

**\$12,649,183**

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The Property Taxes Fund is used for property taxes, which are generally based on the most recent purchase price of the individual manor. Taxes are assessed by the County of Orange, based on the County's calculation of assessed value for each manor. Expenses are billed directly to each manor and vary by manor. The fund was established in 2021 and is not required by Civil Code and is not included in the reserve plan calculations.



Village Management Services, Inc.

DESCRIPTION	GRF Board	United Board	Third Board
<b>Review of Existing (2023) Service Levels</b>			
Department Workshops	Mon Mar 20 9:30 A.M. & Wed Mar 22 9:30 A.M.		
Landscape & Maintenance Review		Wed Mar 29 1:30 P.M.	Thur Mar 30 9:30 A.M.
<b>Internal Review</b>			
Reserves / Capital	April / May		
<b>Version 1</b>			
Capital Review	Tues May 23 1:30 P.M.		
Maintenance Review		Tues May 30 9:30 A.M.	Wed May 31 9:30 A.M.
Landscape Review		Wed May 31 1:30 P.M.	Thu Jun 1 1:30 P.M.
Operating Department Review	Mon Jun 5 1:30 P.M.		
Capital Or Operating Review <i>(if necessary)</i>	Mon Jun 19 9:30 A.M.		
<b>Version 2</b>			
Business Plan Preparation	Deadline for Changes June 23, 2023 Issue Agendas Thursday July 6, 2023		
Business Plan Review	Mon Jul 10 1:30 P.M.	Thu Jul 13 1:30 P.M.	Thu Jul 13 9:30 A.M.
<b>Version 3</b>			
Business Plan Preparation	Deadline for Changes July 21, 2023 Issue Agendas Thursday August 3, 2023		
Business Plan Review <i>(Televised)</i>	Mon Aug 7 9:30 A.M.	Wed Aug 9 1:30 P.M.	Thu Aug 10 9:30 A.M.
<b>Proposed Final</b>			
Business Plan Adoption	Tue Sept 5 9:30 A.M.	Tue Sept 12 9:30 A.M.	Tue Sept 19 9:30 A.M.



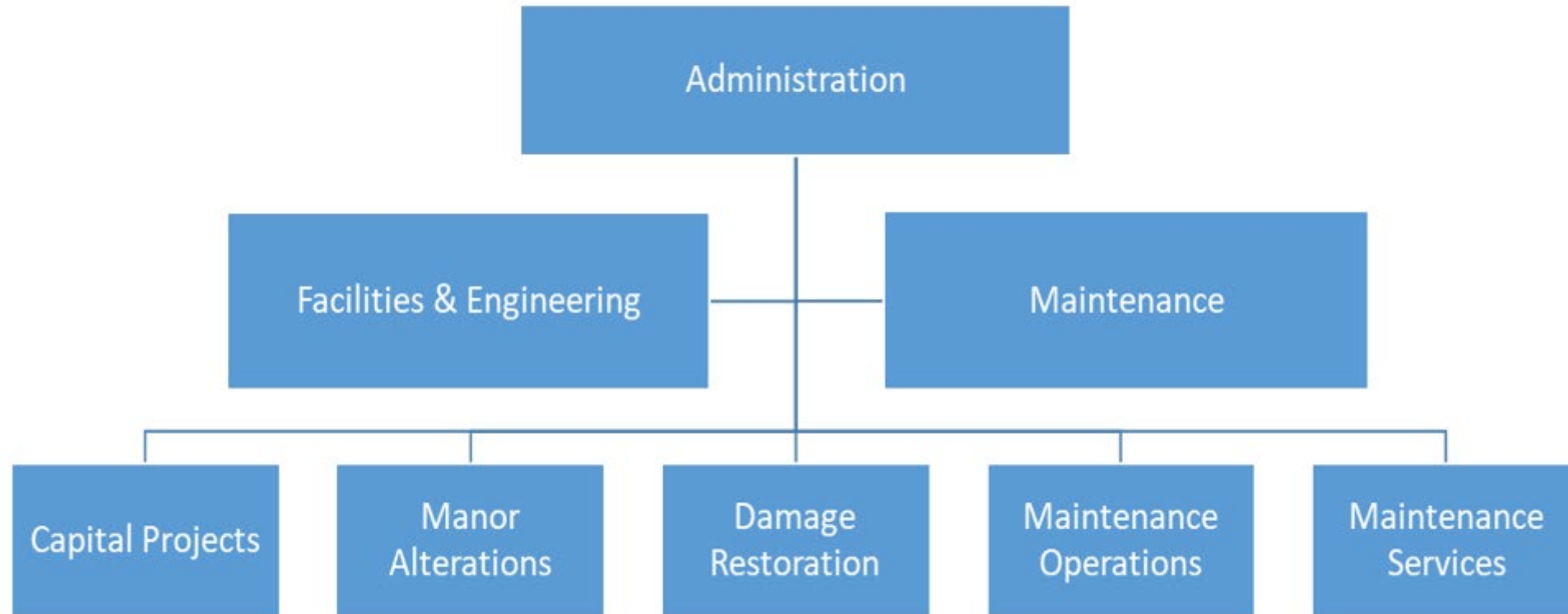
Village Management Services, Inc.

# Department Budget Review Maintenance & Construction United Mutual

March 29, 2023



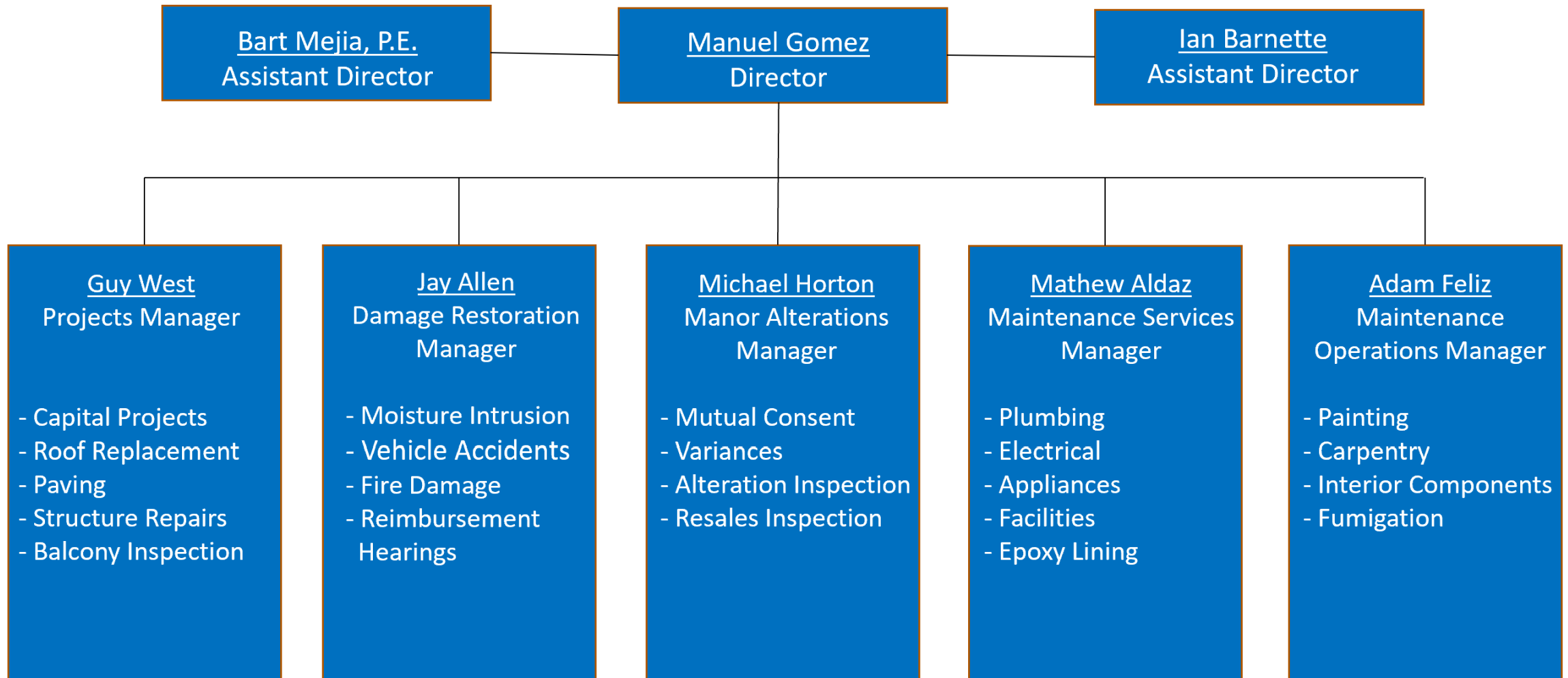
# M&C Department Divisions



179 FT Staff Positions  
\$35.4M Annual Budget

5 Standing Committees  
2 Ad Hoc/Sub-Committees

# M&C Management Team



# Maintenance and Construction - Staffing

Division	2021	2022	2023
Administration	6	7	7
Projects	8	7	7
Damage Restoration	8	10	10
Manor Alterations	12	16	16
Maintenance Services	50.8	50.8	50.8
Maintenance Operations	94.3	88.3	88.3
<b>Total FTE</b>	<b>179.1</b>	<b>179.1</b>	<b>179.1</b>

Figures expressed as full-time equivalents (FTE)



# Service Area - Projects

- Implement capital improvement projects
- Prepare plans, specifications, project cost estimates
- Develop, monitor project schedules
- Provide project management, contract administration, administrative support for mutual programs/maintenance projects, GRF capital plan:
  - Roof repair, replacement
  - Asphalt paving, seal coating, parkway concrete
  - Pushmatic electric panel replacement program
  - Shepherd's crook installation
  - Building foundation inspection, repair
  - Structure repair, dry rot repair

# Service Area - Damage Restoration

- Provide supervision, administrative support for damage restoration events
- Manage dry down, abatement, environmental services and restoration of mutual property due to moisture intrusion events (plumbing leaks, stoppages, roof leaks, failed alterations)
- Evaluate damage costs to mutual property related to fires, vehicular accidents
- Process chargeable damage costs, coordinate with VMS risk manager on insurance claims
- Coordinated and processed 2,426 service events in 2022; 1,231 in United
- Prepare Members Hearing Committee reimbursement reports for damages and mutual incurred expenses sustained from shareholder alterations, negligence, vehicle accidents; presented 86 cases in 2022 for United

# Service Area - Manor Alterations

- Provide supervision, administrative support for alteration mutual consents, variance requests, resale inspections:
  - Process mutual consent applications, variance applications
  - Process application fees
  - Assist residents, contractors, real estate agents with rules/regulations related to alterations, mutual architectural standards and resale inspection process
  - Conduct vacant manor inspections, interior/exterior resale inspections
  - Issue correction notices when alterations in disrepair
  - Prepare resale correction reports for required maintenance, water heater replacements, alterations
- Administrative support to Architectural Control and Standards Committee
- Processed 1,786 mutual consents and variances in 2022; 725 for United
- Conducted 637 resale inspections in 2022; 475 for United

# Service Area - Maintenance Services

- Provide management, supervision, administrative support for mutual replacement programs, facility maintenance service requests:
  - Waste line remediation (epoxy lining)
  - Copper pipe/supply line remediation (epoxy lining)
  - Preventive maintenance program – three-year cycle
  - Water heater replacement program (residential, common areas)
  - Fire extinguisher testing, repair
  - Walkway lighting requests
  - Plumbing services
  - Electrical and appliance repair, replacement
- Closed 35,450 service order tickets in 2022; 21,860 for United

# Service Area - Maintenance Operations

- Provide management, supervision, administrative support for mutual property maintenance service requests, annual maintenance programs:
  - Exterior dry rot inspection, repair
  - Building fumigation
  - Prior to paint, exterior paint programs
  - Top coat program (balcony, breezeway resurfacing)
  - Interior, exterior carpentry service requests
  - Interior component repairs (shower/tub enclosures, flooring, countertops)
  - Mirrors, glass, screen replacement
- Closed 17,775 work order tickets in 2022; 10,450 for United



## UNITED LAGUNA WOODS MUTUAL 2023 PLAN Programs Report

DESCRIPTION	2021 ACTUALS	2022 BUDGET	2023 BUDGET	ASSESSMENT INCREASE/(DECREASE)	
				\$	%
1 PLUMBING SERVICE	\$1,421,163	\$1,216,188	\$1,576,070	\$359,882	30%
2 DAMAGE RESTORATION	1,193,726	750,051	885,805	135,754	18%
3 CARPENTRY SERVICE	511,314	567,600	638,911	71,311	13%
4 INTERIOR PREVENTIVE MAINTENANCE	258,391	377,755	374,517	(3,238)	(1%)
5 ELECTRICAL SERVICE	380,555	372,361	373,787	1,426	0%
6 APPLIANCE REPAIRS	243,776	329,042	319,633	(9,409)	(3%)
7 PEST CONTROL	196,579	186,500	257,655	71,155	38%
8 COUNTERTOP/FLOOR/TILE REPAIRS	100,534	127,371	149,440	22,069	17%
9 FIRE PROTECTION	26,652	32,430	34,394	1,964	6%
10 ENERGY PROGRAM	19,060	25,000	35,000	10,000	40%
11 MISCELLANEOUS REPAIRS BY OUTSIDE SERVICES	21,031	25,000	20,000	(5,000)	(20%)
12 GUTTER CLEANING	(30,596)	0	0	0	0%
<b>TOTAL</b>	<b>\$4,342,183</b>	<b>\$4,009,298</b>	<b>\$4,665,212</b>	<b>\$655,914</b>	<b>16%</b>

Line 2 includes damage restoration cleanup costs moved from contingency in 2021.

Line 12 was moved to General Services in 2020.



## UNITED LAGUNA WOODS MUTUAL 2023 PLAN Programs Report

DESCRIPTION	2021 ACTUALS	2022 BUDGET	2023 BUDGET	ASSESSMENT INCREASE/(DECREASE)	
				\$	%
<b>RESERVE FUND - MAINTENANCE &amp; CONSTRUCTION</b>					
25 BUILDING STRUCTURES	\$979,064	\$1,492,903	\$1,314,877	(\$178,026)	(12%)
26 CDS SIGNAGE	0	0	0	0	0%
27 ELECTRICAL SYSTEMS	418,938	660,595	509,495	(151,100)	(23%)
28 EXTERIOR WALKWAY LIGHTING	30,711	75,635	75,550	(85)	(0%)
29 FOUNDATIONS	18,910	43,436	43,436	0	0%
30 GUTTER REPLACEMENT	68,558	126,889	113,127	(13,762)	(11%)
31 PAINT - EXTERIOR	1,635,609	1,739,285	1,734,242	(5,043)	(0%)
32 PLUMBING REPLACEMENT	276,882	646,769	337,826	(308,943)	(48%)
33 PRIOR TO PAINT	701,954	882,584	996,471	113,887	13%
34 PAVING	510,630	389,319	398,371	9,052	2%
35 ROOFS	841,632	1,020,439	1,041,301	20,862	2%
36 WALLS	27,928	35,000	35,000	0	0%
37 WASTE LINE REMEDIATION	2,502,222	2,300,000	2,300,000	0	0%
38 WATER LINE - COPPER PIPE REMEDIATION	62,049	100,000	100,000	0	0%
39 WINDOW/SLIDING SCREEN DOOR	108,699	133,896	140,157	6,261	5%
OTHER SUPPL. APPROPRIATIONS	0	0	0	0	0%

Line 25 includes major damage restoration construction costs moved from contingency in 2021.

Line 32 was moved from operations in 2021.



**UNITED LAGUNA WOODS MUTUAL  
2023 PLAN  
Programs Report**

DESCRIPTION	2021 ACTUALS	2022 BUDGET	2023 BUDGET	ASSESSMENT INCREASE/(DECREASE)	
				\$	%
<b>RESERVE FUND - MAINTENANCE &amp; CONSTRUCTION</b>					
APPLIANCE AND FIXTURES:					
40 COOKTOPS	58,719	70,442	69,963	(479)	(1%)
41 DISHWASHERS	66,351	97,526	96,362	(1,164)	(1%)
42 FIXTURES - BASINS/FAUCETS/SINKS/TOILETS	155,000	232,333	224,611	(7,722)	(3%)
43 GARBAGE DISPOSALS	115,475	117,647	118,247	600	1%
44 HOODS	18,470	40,005	39,542	(463)	(1%)
45 KITCHEN/BATH COUNTERS, FLOORS, MISC.	878,164	1,363,867	1,467,906	104,039	8%
46 OVENS	116,546	134,125	133,646	(479)	(0%)
47 RANGES	8,907	12,613	12,345	(268)	(2%)
48 REFRIGERATORS	158,863	223,841	222,137	(1,704)	(1%)
49 WATER HEATERS & PERMITS	479,830	762,029	749,363	(12,666)	(2%)
50 DRYERS - LAUNDRY	9,151	38,247	38,113	(134)	(0%)
51 WASHING MACHINES - LAUNDRY	42,691	91,380	91,082	(298)	(0%)
RESALE INSPECTION REPLACEMENTS	0	0	0	0	0%
<b>TOTAL APPLIANCE AND FIXTURES</b>	<b>\$2,108,168</b>	<b>\$3,184,055</b>	<b>\$3,263,317</b>	<b>\$79,262</b>	<b>2%</b>
<b>TOTAL</b>	<b>\$10,291,951</b>	<b>\$12,830,805</b>	<b>\$12,403,170</b>	<b>(\$427,635)</b>	<b>(3%)</b>





# 2024 Budget Considerations

- Composition shingle roof replacements
- SB 326 balcony inspections
- Large building number signs
- Shepherd's crook
- Walkway and cul-de-sac lighting
- Review SOPs to enhance operational efficiencies
- Explore contract opportunities for selected services
- Review and identify opportunities to reduce funding levels for contingency services



# Questions



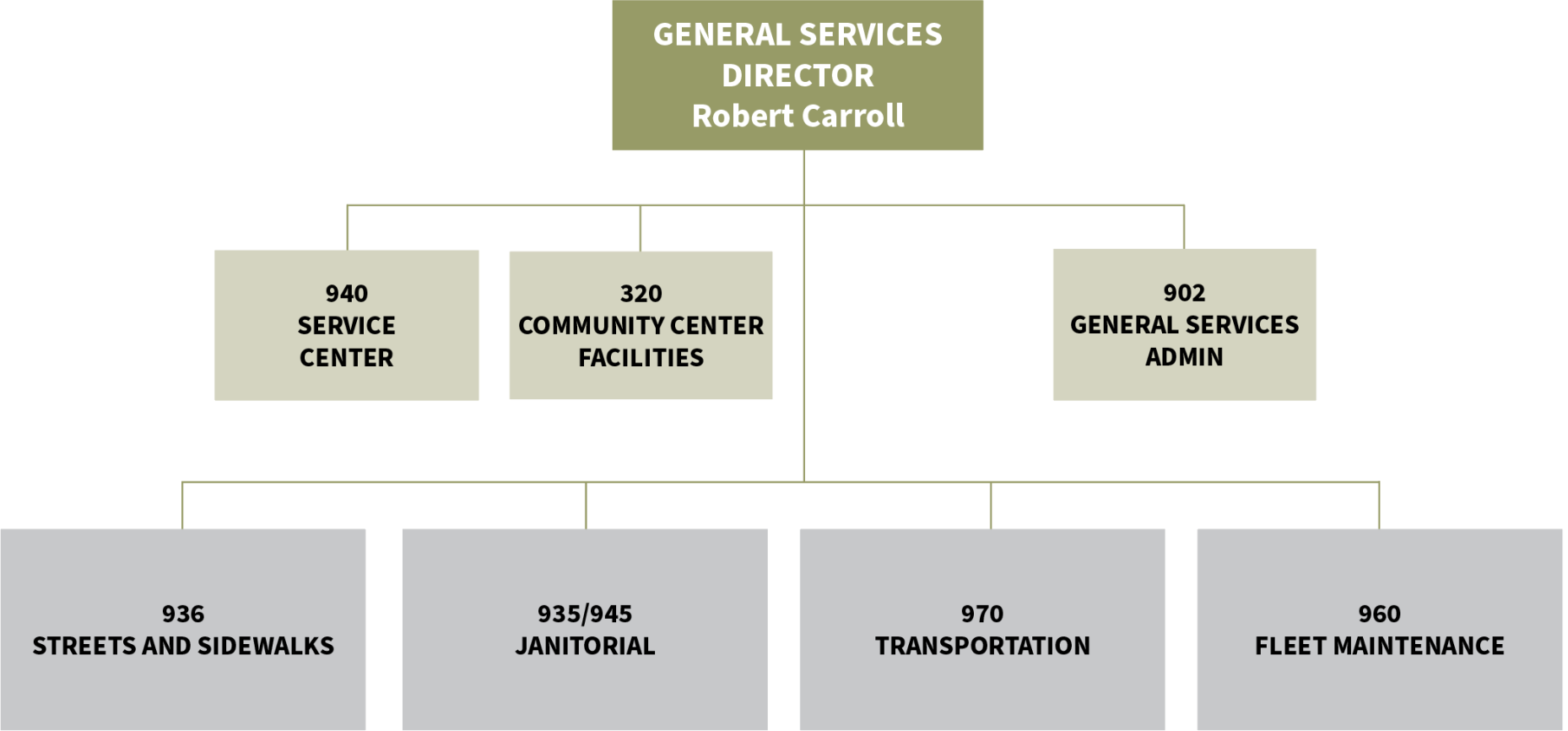
Village Management Services, Inc.

# Department Budget Review General Services

March 29, 2023



# Organization Chart



# Department Allocations

	2023 Plan	GRF	United	Third
<b>Department of General Services</b>	<b>\$8,082,065</b>	<b>\$5,200,899</b>	<b>\$1,164,313</b>	<b>\$1,716,853</b>
902 - General Services Admin	\$32,827	\$32,827	\$0	\$0
320 - Community Center Facility	\$1,040,065	\$1,040,065	\$0	\$0
940 - Service Center	\$200,674	\$200,674	\$0	\$0
935 - Janitorial	\$1,347,811	\$100	\$397,860	\$949,851
945 - GRF Janitorial	\$1,475,294	\$1,475,294	\$0	\$0
936 - Streets and Sidewalks	\$2,007,508	\$474,052	\$766,454	\$767,002
960 - Fleet Maintenance	\$217,963	\$217,963	\$0	\$0
970 - Transportation	\$1,759,924	\$1,759,924	\$0	\$0



### UNITED LAGUNA WOODS MUTUAL 2023 PLAN Programs Report

DESCRIPTION	2019 ACTUALS	2020 ACTUALS	2021 ACTUALS	2022 BUDGET	2023 BUDGET	ASSESSMENT	
						INCREASE/(DECREASE) \$	%
<b>OPERATING FUND - GENERAL SERVICES</b>							
CONCRETE SERVICE	\$437,408	\$372,289	\$396,868	\$401,523	\$406,550	\$5,027	1%
JANITORIAL SERVICE	318,622	437,293	369,411	369,653	397,860	28,207	8%
GUTTER CLEANING	66,425	146,092	152,886	85,351	158,152	72,801	85%
WELDING	71,405	63,817	105,816	116,345	112,840	(3,505)	(3%)
TRAFFIC CONTROL	8,821	8,778	14,467	15,587	15,576	(11)	(0%)
<b>TOTAL</b>	<b>\$902,681</b>	<b>\$1,028,269</b>	<b>\$1,039,449</b>	<b>\$988,458</b>	<b>\$1,090,978</b>	<b>\$102,520</b>	<b>10%</b>

# Concrete Service - \$406,550

- Addresses proactive and resident requests for repair and/or replacement of concrete slabs, walkways and driveways
- Concrete repairs include crack filling and grinding down of walkways that have lifted
- Replacement of concrete occurs when lifting exceeds two-inch grinding capability

# Janitorial Service - \$397,860

Based on the following established service levels:

<b>Description</b>	<b>Quantity</b>	<b>Times/Year</b>	<b>Hours/Visit</b>
Laundry rooms	175	13	1.40
Laundry room restrooms	40	52	0.25
Multistory bldg. breezeways	375	10	1.00
Carport stall cleanings	6,514	03	N/A



# Gutter Cleaning - \$158,152

- Provides for cleaning of building rain gutters to ensure proper function and drainage
- Reduces potential for structural water damage
- Includes cleaning of gutters on single and multistory buildings
- Majority of work completed during fourth quarter of year

## Welding - \$112,840

- Welding services are used in repair/replacement of railings, gates, fences and steel step rails
- Includes work completed as requested by staff and residents through service requests to Resident Services
- Includes contingency amount for lead testing and abatement, required due to EPA lead handling regulations

# Traffic Control - \$15,576

Addresses installation and maintenance of devices required to facilitate traffic safety and circulation throughout community, including:

- Parking lot and street striping
- Red and yellow curb painting
- Replacement of directional and vehicular control signage



### UNITED LAGUNA WOODS MUTUAL 2023 PLAN Programs Report

DESCRIPTION	2019 ACTUALS	2020 ACTUALS	2021 ACTUALS	2022 BUDGET	2023 BUDGET	ASSESSMENT INCREASE/(DECREASE)	
						\$	%
<b>RESERVE FUND - GENERAL SERVICES</b>							
PRIOR TO PAINT - WELDING	\$0	\$0	\$8,350	\$9,565	\$9,558	(\$7)	(0%)
PAVING	33,890	21,379	61,713	60,820	48,377	(12,443)	(20%)
WALLS	0	0	0	15,400	15,400	0	0%
<b>TOTAL</b>	<b>\$33,890</b>	<b>\$21,379</b>	<b>\$70,063</b>	<b>\$85,785</b>	<b>\$73,335</b>	<b>(\$12,450)</b>	<b>(15%)</b>

## Prior to Paint, Welding - \$9,558

- Beginning in 2021, mutual began a 15-year full exterior paint program
- Budget includes contingency for railing welding repairs on buildings scheduled for 2023 exterior paint program

## Paving/Concrete - \$48,377

- General asphalt repair work
- Excavation related to mainline repair
- Crack-filling work completed in conjunction with Maintenance and Construction Department's planned slurry seal program



## Walls - \$15,400

- Addresses common-area and perimeter walls
- Contingency amount included to address repair or replacement of damaged common walls
- Program assumes an average of 1% of the walls would require repair every year



# Questions





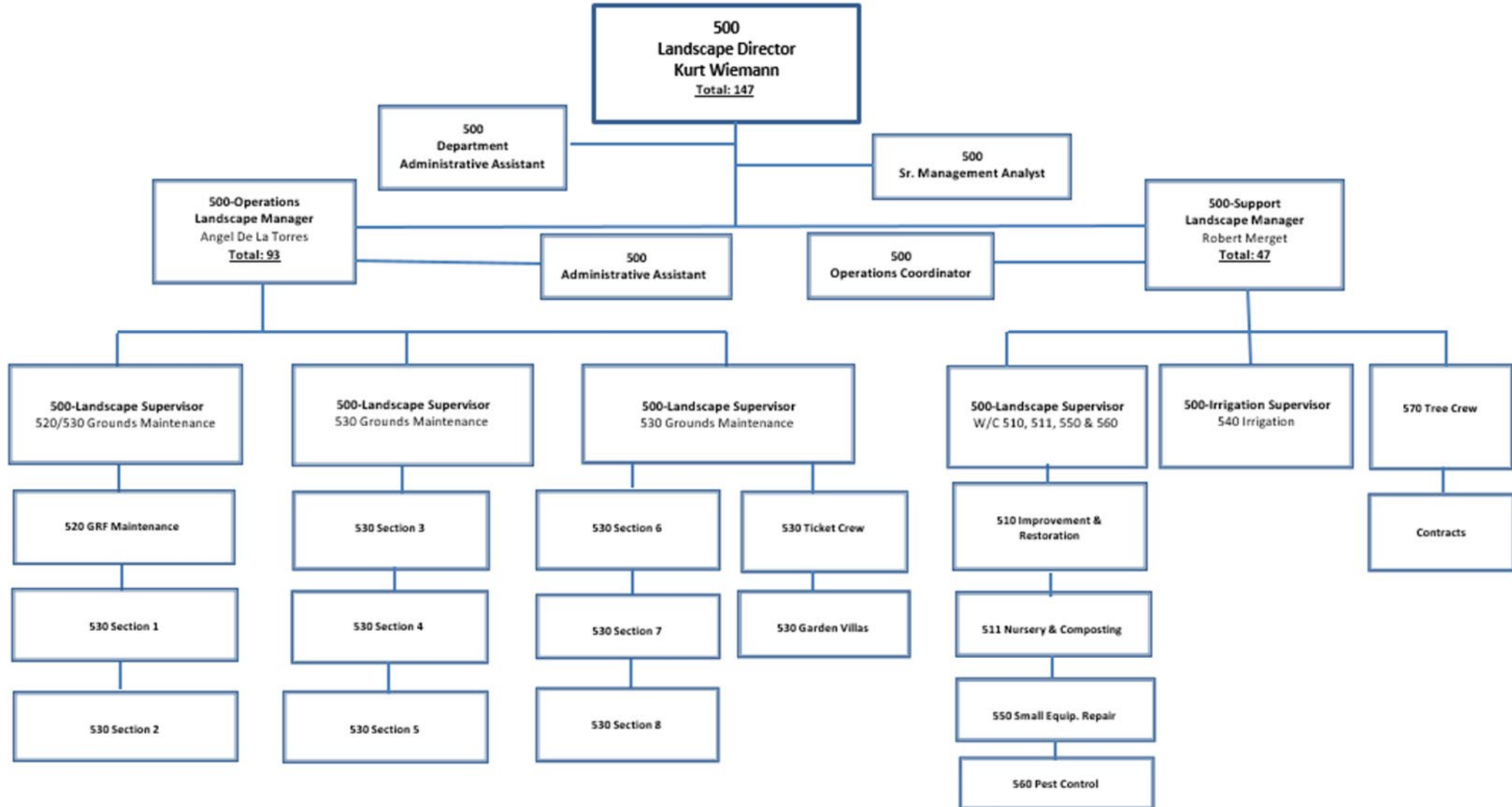
Village Management Services, Inc.

# Department Budget Review Landscaping – United Mutual

March 29, 2023



# Organization Chart



# Service Levels

All-corporations landscape services, including, but not limited to:

- Administration (WC 500)
- Improvements & Restoration (WC 510)
- Nursery & Composting (WC 511)
- Grounds Maintenance (WC 530):
  - Shrub-bed, slope and turf maintenance; miscellaneous tasks (general and storm cleanup, tickets) and Garden Villas
- Irrigation (WC 540)
- Small Equipment Repair (WC 550)
- Pest Control (WC 560)
- Tree Maintenance (WC 570)

# Staffing

DEPARTMENT	2022	2023	Increase/ (Decrease)
Landscaping Administration	11.00	12.00	1.00
Improvement/Restoration	5.00	5.00	0.00
Nursery/Composting	5.00	5.00	0.00
GRF Grounds Maintenance	8.00	8.00	0.00
Grounds Maintenance	82.50	81.50	(1.00)
Irrigation	17.00	17.00	0.00
Small Equipment Repair	4.00	4.00	0.00
Pest Control	6.00	7.00	1.00
Tree Maintenance	8.00	8.00	0.00
Total FTE	146.50	147.50	1.00

†Figures expressed as full-time equivalents (FTE)

# Revenue



Village Management Services, Inc.

	<u>2019 Actuals</u>	<u>2020 Actual</u>	<u>2021 Actual</u>	<u>2022 Budget</u>	<u>2023 Budget</u>	<u>Assessment Increase/ (Decrease)</u>	<u>VAR %</u>
<b>Non-Assessment Revenues:</b>							
Chargeable Service	\$0	\$0	\$20	\$0	\$0	\$0	0%
Rentals	65	0	171	0	0	0	0%
Fees and Charges for Services to Residents	19,482	7,045	25,254	47,048	29,135	17,913	38%
Miscellaneous	237	0	0	0	0	0	0%
<b>Total Non-Assessment Revenue</b>	<b><u>19,784</u></b>	<b><u>7,045</u></b>	<b><u>25,445</u></b>	<b><u>47,048</u></b>	<b><u>29,135</u></b>	<b><u>17,913</u></b>	<b><u>38%</u></b>

# Operating Fund



Village Management Services, Inc.

DESCRIPTION	2019 ACTUALS	2020 ACTUALS	2021 ACTUALS	2022 BUDGET	2023 BUDGET	ASSESSMENT INCREASE/(DECREASE)	
						\$	%
GROUNDS MAINTENANCE	\$2,282,873	\$2,585,229	\$2,533,730	\$2,760,602	\$2,816,943	\$56,341	2%
IRRIGATION	612,789	784,777	728,291	819,029	809,937	(9,092)	(1%)
PEST CONTROL	219,894	229,312	275,162	274,513	315,267	40,754	15%
LANDSCAPE ADMINISTRATION	126,159	121,344	224,189	241,403	253,034	11,631	5%
SMALL EQUIPMENT REPAIR	188,316	190,463	215,076	209,626	192,214	(17,412)	(8%)
NURSERY & COMPOSTING	185,790	211,268	179,886	187,602	192,001	4,399	2%
TREE MAINTENANCE	(24,714)	5,504	5,974	0	0	0	0%
<b>TOTAL</b>	<b>\$3,591,107</b>	<b>\$4,127,897</b>	<b>\$4,156,995</b>	<b>\$4,492,775</b>	<b>\$4,579,396</b>	<b>\$86,621</b>	<b>2%</b>



# Landscape Administration (WC 500)

2022 actuals: \$238,853; 2022 budget: \$241,403; 2023 budget: \$253,034

- Provides support to mutual boards, committees at regularly scheduled meetings
- Provides customer service, maintains databases, prepares work efficiency reports and annual operating budgets
- Includes all administrative management, supervisory positions
- 2023 administration budget increased \$11,631, or 5%, from 2022 budget due to the addition of one FTE

# Nursery and Composting (WC 511)

2022 actuals: \$168,044; 2022 budget: \$187,602; 2023 budget: \$192,001

- Combined work centers in mid-2020 (reflected in 2021 budget) to provide more oversight, more efficient manpower
- 2023 budget increased \$4,399, or 2%, from 2022 budget due to staff reallocation; eliminated entire budget from WC 512 (composting)
- Nursery grows shrubs/trees for new planting, replanting throughout community to greatly reduce replacement plant costs
- Using a tub grinder, composting work center recycles cuttings into mulch used throughout community
- Green waste processing, disposal, mulch costs are reduced by \$1,209,900 annually





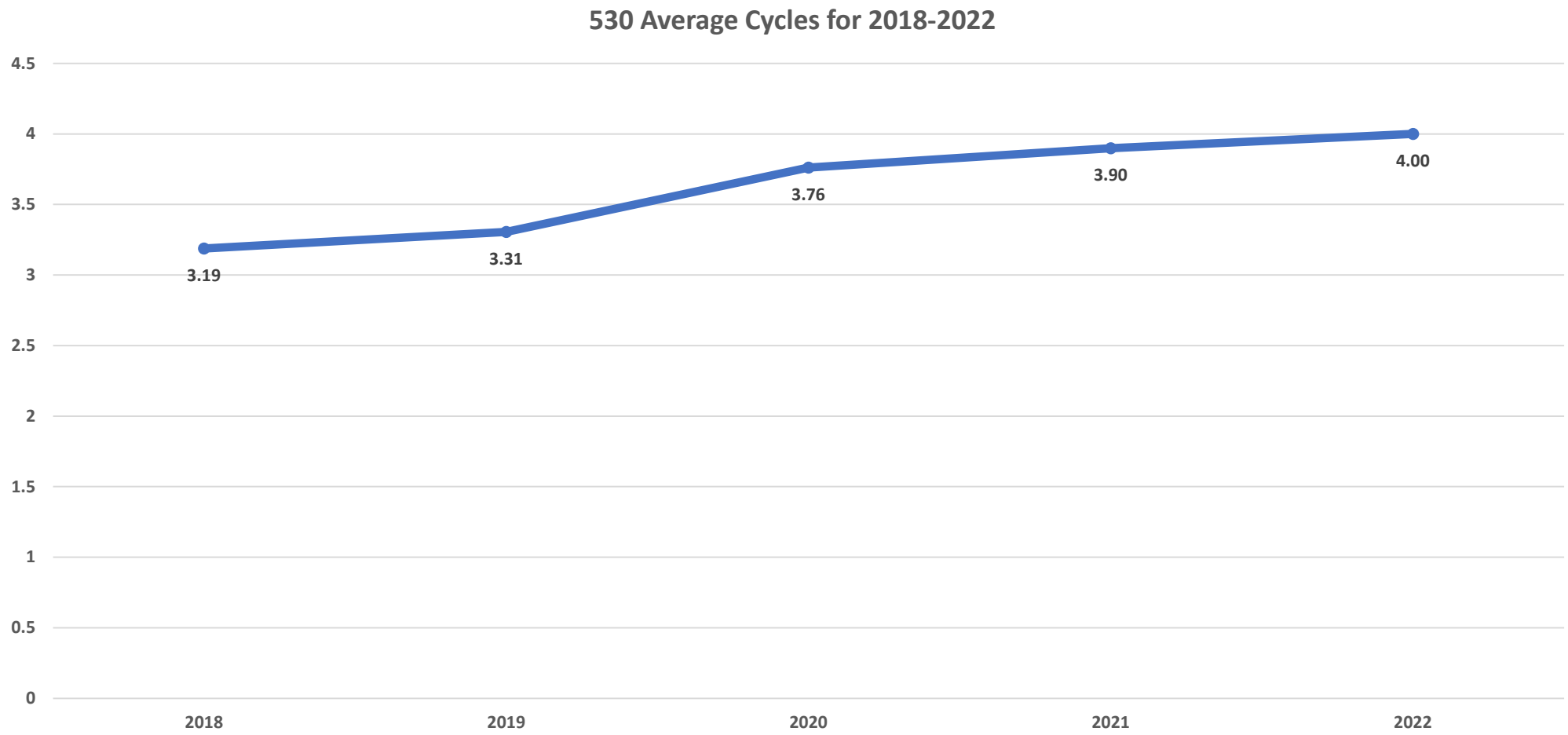
# Grounds Maintenance (WC 530)

2022 actuals: \$2,566,304; 2022 budget: \$2,760,602; 2023 budget: \$2,816,943

- Shrub-bed maintenance consists of pruning, raking, weeding, mulching, replanting, edging planters around buildings
- 2022 shrub-bed maintenance cycle budgeted at four cycles, varying seasonally (cycle is considered complete when every building has been serviced once)
- 2023 shrub-bed maintenance budget increased \$56,341, or 2%, from 2022 budget due to annual salary increases

# Grounds Maintenance

## Average Trim Cycles





# Grounds Maintenance (530)

- Turf maintenance consists of 138 acres in United Mutual
- Mowing cycle adjusted seasonally throughout year to respond to varying growing conditions
- 2023 turf maintenance budget increased \$26,681, or 4%, from 2022 budget due to annual salary increases and increased mowing frequency due to longer grow season



# Miscellaneous Tasks

- Perform general cleanup
- Perform storm damage repair, cleanup; preparation
- Provide employee training
- Prepare areas for paint crew access
- Prepare exterior for fumigation
- 2023 miscellaneous tasks budget increased \$13,959, or 6%, from 2022 budget due to reallocation of hours and annual salary increases



# Grounds Maintenance - Slope

- Slope maintenance consists of pruning, raking, weeding, edging, replanting, renovation
- Maintenance cycle performed on 24 acres of slopes in United
- All large slope maintenance is performed by contract; smaller slope maintenance adjacent to housing units will continue to be performed by staff in conjunction with shrub-bed maintenance
- 2023 slope maintenance budget decreased (\$3,549), or (34%), from 2022 operating budget due to reallocating work to outside services



# Irrigation (WC 540)

2022 actuals: \$792,677; 2022 budget: \$819,029; 2023 budget: \$809,937

- Provide irrigation support to other landscape maintenance sections
- Oversee 4,154 watering zones throughout United Mutual via 163 irrigation controllers managed by a central irrigation computer through radio, telephone communication transmission technologies; weather-sensitized system adjusts watering schedules based on daily plant evapotranspiration rate fluctuations
- Maintain, clean landscaping drains throughout community regularly
- 2023 irrigation maintenance budget decreased (\$9,092), or (1%), from 2022 budget due to reallocation of hours, staff efficiencies



# Small Equipment Repair (WC 550)

2022 actuals: \$214,095; 2022 budget: \$209,626; 2023 budget: \$192,214

- Support other crews by providing mower, small equipment maintenance, repair/delivery
- Order, receive supplies, materials used by crews to maintain lawns, slopes and shrub beds
- 2023 small equipment repair budget decreased (\$17,412), or (8%), from 2022 budget due to staff efficiencies



# Pest Control (WC 560)

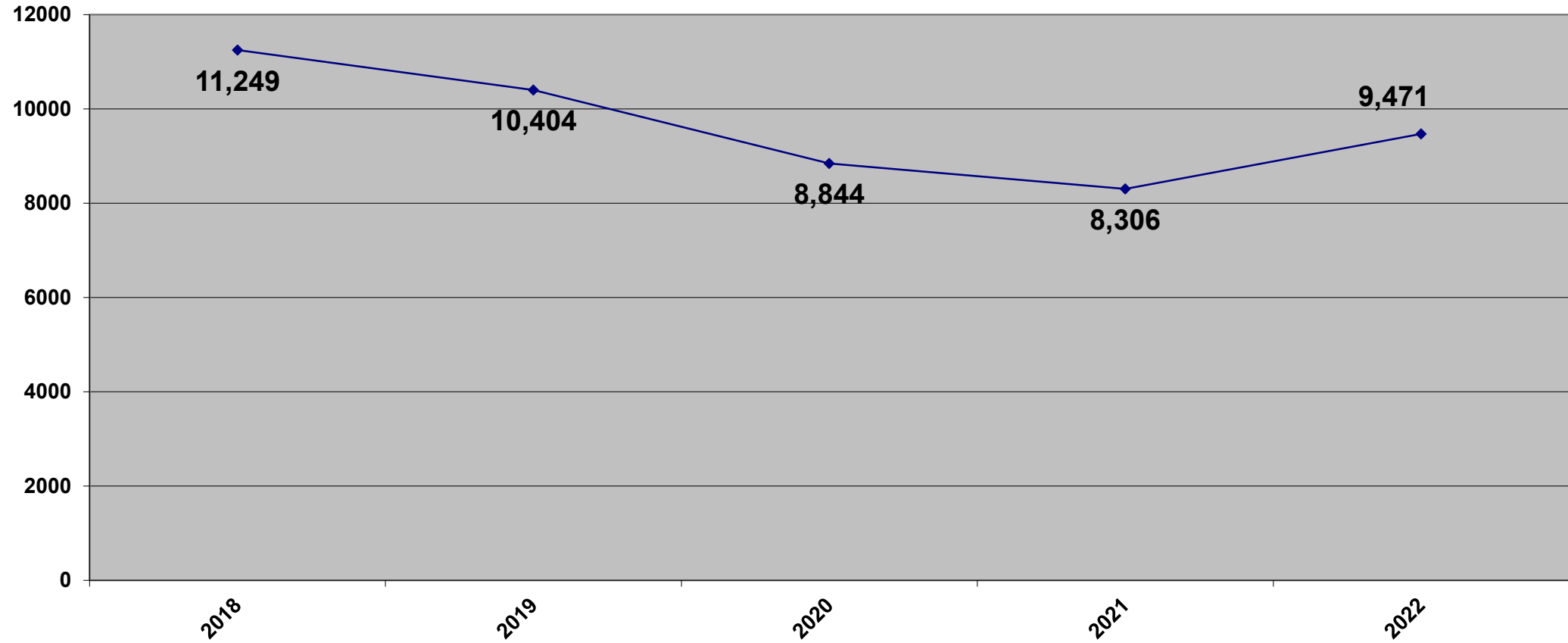
2022 actuals: \$280,098; 2022 budget: \$274,513; 2023 budget: \$315,267

- Provide pest control support to other landscape maintenance sections
- Use various methods to control various pests, including weeds, insects (including wasps, bees in landscaping), rodents and other vertebrates
- 2023 pest control budget increased \$40,754, or 15%, from 2022 budget due to addition of one full-time equivalent



# Total United Tickets

Total Landscape Tickets - United Mutual





# Reserve Funds

DESCRIPTION	2019 ACTUALS	2020 ACTUALS	2021 ACTUALS	2022 BUDGET	2023 BUDGET	ASSESSMENT INCREASE/(DECREASE)	
						\$	%
<b>RESERVE FUND - LANDSCAPE SERVICES</b>							
LANDSCAPE RENOVATION	\$104,142	\$257,365	\$160,582	\$111,925	\$98,898	(\$13,027)	(12%)
IMPROVEMENT & RESTORATION	0	0	273,458	373,213	177,744	(195,469)	(52%)
TREE MAINTENANCE	1,118,879	877,273	764,125	947,657	898,360	(49,297)	(5%)
<b>TOTAL</b>	<b>\$1,223,021</b>	<b>\$1,134,638</b>	<b>\$1,198,165</b>	<b>\$1,432,795</b>	<b>\$1,175,002</b>	<b>(\$257,793)</b>	<b>(18%)</b>



# Landscape Renovation (WC 530)

2022 actuals: \$101,504; 2022 budget: \$111,925; 2023 budget: \$98,898

- Modernization/Renovation programs included in budget designed to address specific areas of concern as determined by staff and landscaping committee
- Projects, including slopes, turf renovation, irrigation retrofitting, are funded through replacement fund; each program varies and is selected to be completed each year
- 2023 landscape modernization budget decreased (\$13,027), or (12%), from 2022 budget due to reallocating turf renovation to improvement and restoration and a decrease in irrigation retrofit



# Improvement and Restoration (WC 510)

2022 actuals: \$181,286; 2022 budget: \$373,213; 2023 budget: \$177,744

- Community landscape is aging, much past useful life; new-for-2021 work center replaces aging and dead plants, relandscapes turf areas difficult/dangerous to maintain and irrigate
- Some work previously performed by outside services
- 2023 budget decreased (\$195,469) or (52%), due to service level reduction



# Tree Maintenance (WC 570)

2022 actuals: \$857,973; 2022 budget: \$947,657; 2023 budget: \$898,360

- Crews perform routine tree trimming on approximately 38,000 trees, supplemented by contractors
- Service level on a five-year rotating cycle based on specific trimming needs of each tree species
- Tree inventory maintained via Arbor Pro
- Staff is supplemented by outside services to complete scheduled maintenance cycle in a cost-efficient, proactive manner



# Budget Considerations

- Service levels increases
- Automatic irrigation master valves
- Legislation requiring elimination of gas-powered equipment



# Questions