



## **SPECIAL OPEN SESSION**

### **SPECIAL OPEN MEETING OF THE BOARD OF DIRECTORS OF THE THIRD LAGUNA HILLS MUTUAL A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

**Monday, June 3, 2024 - 1:30 p.m.  
24351 El Toro Road, Laguna Woods, California  
Board Room/Virtual Meeting**

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

1. Join the 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 meeting in the subject line of the email. Name and unit number must be included.

### **NOTICE OF MEETING AND AGENDA**

*This Meeting May Be Recorded*

The purpose of this meeting is to review the Landscape budget for the Third Laguna Hills Mutual in accordance with *Civil Code §4930* and was hereby noticed in accordance with *Civil Code §4920*

---

1. Call meeting to order / Establish Quorum – Treasurer Andy Ginocchio
2. State Purpose of Meeting – Treasurer Ginocchio
3. Approval of Agenda
4. Chair Remarks
5. Open Forum (Three Minutes per Speaker)
6. Responses to Open Forum Speakers
7. Review of the Proposed 2025 Business Plan – Version 1 Landscape Review
8. Adjournment



## STAFF REPORT

---

**DATE:** June 3, 2024  
**FOR:** Board of Directors  
**SUBJECT:** Proposed 2025 Business Plan – Version 1

---

### **RECOMMENDATION**

Staff recommends that the Board review the proposed 2025 service levels and provide direction for change or revision.

### **DISCUSSION**

On June 3, 2024 the Board will meet to review all components of the proposed operating and reserve expenditure budgets. A brief narrative for each of the budgetary line items is listed in order of appearance and changes resulting from the meeting will be incorporated into future versions of the 2025 business plan. Managers responsible for the programs will be in attendance and available to answer questions at the meeting.

### **FINANCIAL ANALYSIS**

In this version of the 2025 Business Plan, the operating portion of the Landscape budget totals \$6,387,318 for services such as grounds maintenance, irrigation, and pest control. This proposal reflects an increase of \$379,453 or 6% when compared to the current year budget. These programs are funded from the Operating Fund and will require an increase in the assessment of \$5.18 per manor per month as presented.

Landscape planned reserve expenditures total \$4,241,682, an increase of \$743,049 or 21% for scheduled landscape modernization, tree maintenance, improvement and restoration. A decrease in planned reserve expenditures may impact the assessment. All reserve components will be evaluated within a 30-year reserves plan and presented for Board consideration at the July 15, 2024 business planning meeting.

In this version of the 2025 Business Plan, the planned disaster fund expenditures total \$180,000, an amount equal to the current year budget. Expenditures are planned for fire risk management.

**Prepared By:** Jose Campos, Assistant Director of Financial Services

**Reviewed By:** Steve Hormuth, Director of Financial Services

**Attachment(s):**

**Attachment 1:** Landscape Expenditures by Program with Narratives

**THIRD LAGUNA HILLS MUTUAL  
2025 PLAN  
PROGRAMS REPORT**

DESCRIPTION	2021	2022	2023	2024	2025	LABOR	MATERIALS	OUTSIDE SERVICES	HOURS	Assessment	
	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET					Increase/(Decrease)	%
										\$	
Lines 1 to 14 discussed at M&C and General Services review on May 23.											
OPERATING FUND - LANDSCAPE											
LANDSCAPE ADMINISTRATION	\$316,948	\$340,320	\$362,103	\$393,940	\$414,535	\$414,535	\$0	\$0	3,325	\$20,595	5%
Landscape Administration	316,948	340,320	362,103	393,940	414,535	414,535	0	0	3,325	20,595	5%
NURSERY & COMPOSTING	\$276,053	\$260,595	\$234,999	\$229,670	\$259,629	\$247,310	\$12,319	\$0	3,832	\$29,958	13%
Nursery	216,873	173,564	150,570	143,270	\$162,979	155,246	7,733	0	2,406	\$19,709	14%
A558001003 - Shrub-Bed Maintenance - Nursery	211,756	740	4,844	10,031	3,715	3,538	176	0	55	(6,317)	(63%)
A558001004 - Slope Maintenance - Nursery	3,038	0	0	0	0	0	0	0	0	0	0%
A558001006 - Miscellaneous Employee Training	2,078	3,070	1,722	1,647	2,060	1,963	98	0	30	413	25%
A558001007 - Production Work - Nursery	0	84,877	60,230	69,169	83,357	79,402	3,955	0	1,231	14,188	21%
A558001008 - Maintenance Work - Nursery	0	84,877	83,774	62,423	73,847	70,343	3,504	0	1,090	11,424	18%
Composting	59,180	87,032	84,429	86,401	\$96,650	92,064	4,586	0	1,426	\$10,249	12%
A559000000 - Composting Services	58,661	61,162	54,669	62,160	73,005	69,541	3,464	0	1,077	10,845	17%
A559001010 - Recycling Work	0	23,346	29,151	23,743	23,130	22,032	1,097	0	341	(613)	(3%)
A559001011 - Yard Maintenance	0	1,757	179	87	0	0	0	0	0	(87)	(100%)
A558001006 - Miscellaneous Employee Training	519	767	431	412	515	491	24	0	8	103	25%
GROUNDS MAINTENANCE	\$3,652,369	\$4,098,923	\$4,514,692	\$3,685,393	\$3,847,738	\$3,785,325	\$62,413	\$0	0	\$162,344	4%
Shrub-Bed Maintenance	2,425,477	2,526,792	2,278,082	2,415,157	2,674,370	\$2,635,940	\$38,430	\$0	54,515	259,213	11%
A551001003 - Shrub-Bed Maintenance - Deadheading (P&W)	378	0	41	11,488	2,767	2,730	36	0	0	(8,722)	(76%)
A551001007 - Shrub-Bed Maintenance - Fertilizer Application	176,522	335,056	759	2,927	1,742	683	1,059	0	3,300	(1,185)	(40%)
A551001008 - Slope Maintenance - Fertilizer Application	1,618,441	1,596,372	0	1,076	0	0	0	0	38,000	(1,076)	(100%)
A551001011 - Shrub-Bed Maintenance - Herbicide Application	2,021	2,558	156,624	241,934	211,640	208,855	2,785	0	36	(30,295)	(13%)
A551001012 - Slope Maintenance - Herbicide Application	6,776	959	1,338	5,406	4,841	4,778	64	0	420	(565)	(10%)
A551001016 - Shrub-Bed Maintenance - Mulch Distribution	6,433	731	96,988	199,359	190,199	187,696	2,503	0	27	(9,160)	(5%)
A551001020 - Shrub-Bed Maintenance - Pruning/Weeding Cycle	418,231	479,279	1,855,882	1,854,300	2,187,794	2,156,802	30,991	0	9,123	333,494	18%
A551001021 - Slope Maintenance - Pruning/Weeding Cycle	1,844	5,196	22,490	20,949	24,899	24,571	328	0	0	3,949	19%
A551001023 - Shrub-Bed Maintenance – Re-planting	72,157	58,532	17,141	65,552	24,207	23,889	319	0	805	(41,345)	(63%)
A551001024 - Slope Maintenance - Re-Planting	24,281	4,131	558	3,379	2,075	2,048	27	0	1,095	(1,304)	(39%)
A551001030 - Shrub-Bed Maintenance - Ticket Response (NC Work)	82,390	33,189	126,262	8,785	24,207	23,889	319	0	1,643	15,422	176%
A551901033 - Chargeables	9,947	10,019	0	0	0	0	0	0	53	0	0%
A551990000 - Grounds Prepaid Resale Work	6,055	769	0	0	0	0	0	0	13	(0)	(100%)
Turf Maintenance	187,205	213,904	660,322	729,102	664,518	\$647,723	\$16,794	\$0	4,217		
A551001005 - Lawn Maintenance - Fertilizer Application	2,612	736	0	11,449	4,103	1,365	2,738	0	90	(7,346)	(64%)
A551001014 - Lawn Maintenance - Lawn Repair	3,308	0	10,423	14,152	11,664	6,143	5,521	0	0	(2,488)	(18%)
A551001015 - Lawn Maintenance - Mowing Cycle	35	0	561,721	523,740	524,949	518,042	6,907	0	0	1,209	0%
A551001029 - Lawn MaintenTicket Crew - Clippings Pick Up--MSO GROUNDS	111,586	137,977	596	0	0	0	0	0	2,600	0	0%
A551001036 - Landscape Maintenance - Blowing	5,298	0	59,991	115,561	77,463	76,444	1,019	0	27	(38,098)	(33%)
A551001037 - Lawn Maintenance - Edging	64,367	75,190	27,593	64,200	46,339	45,730	610	0	1,500	(17,861)	(28%)
Miscellaneous	311,868	469,255	389,465	459,540	421,896	\$416,345	\$5,551	\$0	6,171		
A551001004 - Miscellaneous - Employee Training	155,484	352,113	17,107	24,329	62,939	62,110	828	0	3,676	38,610	159%
A551001010 - Miscellaneous - General Cleanup	37,856	7,587	91,966	224,364	88,529	87,364	1,165	0	420	(135,835)	(61%)
A551001019 - Shrub-Bed Maintenance - Ticket Crew - Tree Needs Stake--MSO GROUNDS	24,773	0	0	0	0	0	0	0	109	0	0%
A551001025 - Lawn Maintenance - Root/Stump Removal	74,320	96,785	4,882	14,867	15,908	15,698	209	0	1,533	1,040	7%
A551001026 - Tree Maintenance - Root/Stump Removal	0	43	127,973	141,241	149,393	147,427	1,966	0	0	8,152	6%
A551001028 - Miscellaneous - Storm Cleanup	19,435	12,728	147,537	38,520	94,754	93,507	1,247	0	275	56,233	146%
A551001032 - Wood Splitting (Misc)	0	0	0	7,434	8,991	8,873	118	0	158	1,557	21%
A551003018 - Other Dept Assist	0	0	0	8,785	1,383	1,365	18	0	0	(7,402)	(84%)
Garden Villa	114,373	102,907	68,518	81,595	86,954	\$85,317	\$1,638	\$0	1,772		
A551001009 - Garden Villa Maintenance - Garden Villa Maintenance	24,312	7,895	61,029	81,595	86,954	85,317	1,638	0	430	5,359	7%
A551001022 - Miscellaneous - Special Projects--MSO GROUNDS	89,847	94,567	7,197	0	0	0	0	0	1,342	0	0%
A553001018 - Other Dept Assist	214	445	292	0	0	0	0	0	0	0	0%

**THIRD LAGUNA HILLS MUTUAL  
2025 PLAN  
PROGRAMS REPORT**

		2021	2022	2023	2024	2025	LABOR	MATERIALS	OUTSIDE SERVICES	HOURS	Assessment	
DESCRIPTION		ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET					Increase/(Decrease)	%
<b>18</b>	<b>IRRIGATION</b>	<b>\$1,009,848</b>	<b>\$1,024,963</b>	<b>\$948,494</b>	<b>\$1,092,124</b>	<b>\$1,183,038</b>	<b>\$1,019,914</b>	<b>\$163,123</b>	<b>\$0</b>	<b>11,549</b>	<b>\$90,914</b>	<b>8%</b>
540	A553000000 - Irrigation / Drainage Repair	121,781	136,723	16,554	0	0	0	0	0	0	0	0%
540	A553900000 - Irrigation / Drainage Charge	7,349	8,282	9,266	0	0	(1,064)	1,064	0	40	(0)	(87%)
540	A553001002 - Lawn Maintenance - Irrigation (Drainage)	148,693	109,951	100,945	83,214	157,860	136,236	21,625	0	1,537	74,647	90%
540	A553001003 - Shrub-Bed Maintenance - Irrigation (Drainage)	28,763	25,871	28,868	22,387	114,163	98,524	15,639	0	1,111	91,776	410%
540	A553001004 - Slope Maintenance - Irrigation (Drainage)	1,514	2,797	4,470	4,858	17,159	14,808	2,351	0	166	12,301	253%
540	A553001005 - Lawn Renovation - Irrigation (Retrofit)	16,820	10,838	6,891	422	915	790	125	0	8	493	117%
540	A553001006 - Relandscaping - Irrigation (Retrofit)	13,793	13,984	9,312	22,387	2,745	2,369	376	0	26	(19,642)	(88%)
540	A553001007 - Shrub-Bed Maintenance - Irrigation (Retrofit)	2,860	2,797	8,487	20,275	29,971	25,865	4,106	0	292	9,695	48%
540	A553001009 - Lawn Maintenance - Irrigation (Routine)	379,301	356,948	344,739	449,226	348,208	300,508	47,699	0	3,387	(101,018)	(22%)
540	A553001010 - Shrub-Bed Maintenance - Irrigation (Routine)	64,086	84,080	100,386	130,311	145,506	125,574	19,932	0	1,416	15,195	12%
540	A553001011 - Slope Maintenance - Irrigation (Routine)	3,532	4,195	4,008	9,082	9,151	7,898	1,254	0	90	70	1%
540	A553001012 - Miscellaneous - Employee Training	14,802	11,187	9,312	9,082	19,904	17,178	2,727	0	193	10,823	119%
540	A553001016 - Slope Renovation - Irrigation (Retrofit)	5,046	9,439	8,381	10,349	4,118	3,554	564	0	40	(6,231)	(60%)
540	A553001017 - System Check - Irrigation (Routine)	184,857	233,012	283,651	314,691	260,584	224,888	35,696	0	2,536	(54,107)	(17%)
540	A553001021 - Repair Project - Irrigation	0	0	0	6,758	64,517	55,679	8,838	0	627	57,758	855%
540	A554001009 - Miscellaneous - Other Department Assistance	16,652	14,858	13,223	9,082	4,118	3,554	564	0	40	(4,964)	(55%)
540	A553001022 - Special Project - Irrigation	0	0	0	0	4,118	3,554	564	0	40	4,118	100%
<b>19</b>	<b>SMALL EQUIPMENT REPAIR</b>	<b>\$233,039</b>	<b>\$233,928</b>	<b>\$183,142</b>	<b>\$235,451</b>	<b>\$241,493</b>	<b>\$192,643</b>	<b>\$48,850</b>	<b>\$0</b>	<b>2,438</b>	<b>\$6,042</b>	<b>3%</b>
550	Small Equipment Repair	233,039	233,928	183,142	235,451	241,493	192,643	48,850	0	2,438	6,042	3%
<b>20</b>	<b>PEST CONTROL</b>	<b>\$377,679</b>	<b>\$391,191</b>	<b>\$362,143</b>	<b>\$371,285</b>	<b>\$440,885</b>	<b>\$380,908</b>	<b>\$59,977</b>	<b>\$0</b>	<b>4,656</b>	<b>\$69,600</b>	<b>19%</b>
560	A555001001 - Pest Control - Ant Control	42,559	24,942	24,568	26,920	38,475	33,241	5,234	0	406	11,556	43%
560	A555001002 - Pest Control - Bee/Wasp Control	9,512	5,375	8,235	7,723	9,487	8,196	1,291	0	100	1,764	23%
560	A555001003 - Lawn Renovation - Herbicide Application (Turf PC)	0	47,734	0	20,226	4,919	4,250	669	0	52	(15,307)	(76%)
560	A555001004 - Pest Control - Other Vertebrate Control	3,100	1,792	824	736	3,426	2,960	466	0	36	2,690	366%
560	A555001007 - Shrub-Bed Maintenance - Pest Control (Gen LS PC)	66,305	52,321	147,479	92,674	118,501	102,380	16,121	0	1,252	25,826	28%
560	A555001008 - Slope Maintenance - Pest Control (Gen LS PC)	0	0	0	2,648	2,547	2,201	347	0	27	(100)	(4%)
560	A555001010 - Tree Maintenance - Pest Control (Tree PC)	564	358	480	441	1,933	1,670	263	0	20	1,491	338%
560	A555001011 - Laen Maintenance - Pest Control (Tree PC)	45,942	26,877	28,960	20,226	4,919	4,250	669	0	52	(15,307)	(76%)
560	A555001012 - Pest Control - RIFA Control	1,480	143	206	221	0	0	0	0	0	(221)	(100%)
560	A555001013 - Pest Control - Rodent Control	196,027	220,968	143,155	164,459	205,905	177,894	28,011	0	2,175	41,445	25%
560	A555001014 - Miscellaneous - Employee Training	12,190	10,679	8,235	6,105	8,082	6,982	1,099	0	85	1,977	32%
560	A555001016 - Miscellaneous - Other Department Assistance	0	0	0	736	5,271	4,554	717	0	56	4,535	616%
560	A555001017 - Turf Maintenance - Weed Control	0	0	0	26,258	34,962	30,206	4,756	0	369	8,704	33%
560	A555001019 - Shrub-Bed Maintenance - Growth Regulator	0	0	0	1,912	2,460	2,125	335	0	26	547	29%
<b>21</b>	<b>TREE MAINTENANCE</b>	<b>\$2,947</b>	<b>\$1,193</b>	<b>\$13,101</b>	<b>\$0</b>	<b>\$0</b>	<b>0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0%</b>
<b>TOTAL</b>		<b>\$5,306,282</b>	<b>\$5,602,317</b>	<b>\$6,618,673</b>	<b>\$6,007,865</b>	<b>\$6,387,318</b>	<b>\$6,040,636</b>	<b>\$346,682</b>	<b>\$0</b>	<b>25,800</b>	<b>\$379,453</b>	<b>6%</b>

**THIRD LAGUNA HILLS MUTUAL  
2025 PLAN  
PROGRAMS REPORT**

DESCRIPTION	2021 ACTUALS	2022 ACTUALS	2023 ACTUALS	2024 BUDGET	2025 BUDGET	LABOR	MATERIALS	OUTSIDE SERVICES	HOURS	Assessment Increase/(Decrease) \$ %
-------------	-----------------	-----------------	-----------------	----------------	----------------	-------	-----------	---------------------	-------	---

Lines 22 to 45 discussed at M&C and General Services review on May 23.

**RESERVE FUNDS - LANDSCAPE**

<b>46</b>	<b>LANDSCAPE MODERNIZATION</b>	<b>\$422,111</b>	<b>\$614,885</b>	<b>\$455,935</b>	<b>\$2,322,587</b>	<b>\$2,949,495</b>	<b>\$5,134</b>	<b>\$815</b>	<b>\$2,943,547</b>	<b>57</b>	<b>\$626,908</b>	<b>27%</b>
530	A551001027 - Slope Maintenance Outsourced	10,363	9,632	7,403	25,423	0	0	0	0	0	(25,423)	(100%)
540	A553001014 - Turf Reduction Irrigation	13,625	8,216	16,017	4,435	5,948	5,134	815	0	57	1,513	34%
510	A390000000 Landscape - Prior to Paint - OS	0	0	0	1,750,000	2,322,228	0	0	2,322,228	0	572,228	33%
510	A553704000 Landscape Renovation	0	391,504	(59,134)	0	0	0	0	0	0	0	0%
530	A553704000 Landscape Revitalization	(65,506)	0	0	0	0	0	0	0	0	0	0%
530	A553705000 Landscape Renovation Slopes	463,630	205,534	491,650	542,730	621,319	0	0	621,319	0	78,589	14%
<b>47</b>	<b>IMPROVEMENT &amp; RESTORATION</b>	<b>\$120,344</b>	<b>\$253,565</b>	<b>\$265,837</b>	<b>\$195,858</b>	<b>\$207,352</b>	<b>\$202,102</b>	<b>\$5,250</b>	<b>\$0</b>	<b>0</b>	<b>\$11,494</b>	<b>6%</b>
510	A553701100 Relandscape - Site Preparation	0	2,923	9,874	13,205	28,508	27,365	1,143	0	0	15,303	116%
510	A553701102 Turf Reduction - Hardscape	0	1,620	0	3,562	3,103	3,032	71	0	0	(459)	(13%)
510	A553702102 Relandscape - Planting	32,782	9,477	11,816	30,475	24,905	24,333	572	0	0	(5,570)	(18%)
510	A553702103 Relandscape - Irrigation	16,034	8,172	3,741	22,876	31,111	30,396	714	0	0	8,235	36%
510	A553702203 Turf Reduction - Planting	24,955	25,016	5,789	30,475	15,555	15,198	357	0	0	(14,920)	(49%)
510	A553702200 Turf Reduction - Site Preparation	0	18,713	10,894	25,409	12,453	12,167	286	0	0	(12,957)	(51%)
510	A553702204 Turf Reduction - Irrigation	9,013	20,356	2,883	24,143	15,555	15,198	357	0	0	(8,587)	(36%)
510	A557001004 Mulch Distribution	7,711	16,538	3,015	34,314	34,213	33,428	786	0	0	(101)	(0%)
530	A557001007 Other Department Assist (Misc)	7,285	0	0	0	0	0	0	0	0	0	0%
510	A557001007 Other Department Assist (Misc)	2,424	1,850	0	5,066	1,572	1,536	36	0	0	(3,494)	(69%)
510	A557001008 Replanting - Ticket Response	19,535	6,622	75,038	5,066	37,275	36,419	856	0	0	32,209	636%
510	A557001016 Miscellaneous - Employee Training	605	361	868	1,268	3,103	3,031	71	0	0	1,835	145%
<b>48</b>	<b>TREE MAINTENANCE</b>	<b>\$843,160</b>	<b>\$965,034</b>	<b>\$888,273</b>	<b>\$980,188</b>	<b>\$1,084,835</b>	<b>\$381,566</b>	<b>\$0</b>	<b>\$703,269</b>	<b>3,788</b>	<b>\$104,647</b>	<b>11%</b>
570	A553703005 Ticket Response (Off Sched)	0	137,264	1,235	0	0	0	0	0	0	0	0%
570	A553703007 Miscellaneous - Employee Training	914	3,855	0	0	0	0	0	0	0	0	0%
570	A553703003 Tree Maintenance - Off Schedule	3,502	5,000	310,088	0	0	0	0	0	0	0	0%
570	A553703004 Tree Maintenance - Scheduled Tree Work	455,536	687,285	497,717	503,120	703,269	0	0	703,269	0	200,149	40%
570	A553703001 Relandscaping - Brush Grinding (Off Sched)	321	0	0	0	0	0	0	0	0	0	0%
570	A554001001 Relandscaping - Brush Grinding	1,676	0	5,368	6,360	7,577	7,577	0	0	75	1,217	19%
570	A554001003 Tree Maintenance - Off Schedule Tree Work	2,371	0	0	262,494	265,384	265,384	0	0	2,635	2,890	1%
570	A554001004 Tree Maintenance - Scheduled Tree Work	352,997	0	0	0	0	0	0	0	0	0	0%
570	A554001005 Tree Maintenance - Ticket Response	5,606	0	0	87,498	10,103	10,103	0	0	100	(77,395)	(88%)
570	A557001019 Miscellaneous -Other Department Assistance Total	0	8,957	32,730	7,814	30,215	30,215	0	0	300	22,401	287%
570	A554001006 Tree Maintenance - Stump Grinding	0	0	32,156	26,713	60,710	60,710	0	0	603	33,997	127%
570	A554001007 Miscellaneous - Employee Training	7,523	800	8,979	5,815	7,577	7,577	0	0	75	1,762	30%
<b>TOTAL</b>		<b>\$1,385,616</b>	<b>\$1,833,485</b>	<b>\$1,610,045</b>	<b>\$3,498,633</b>	<b>\$4,241,682</b>	<b>\$588,802</b>	<b>\$6,065</b>	<b>\$3,646,816</b>	<b>3,845</b>	<b>\$743,049</b>	<b>21%</b>

Lines 49 to 53 discussed at M&C and General Services review on May 23.

**DISASTER FUND - LANDSCAPE**

<b>54</b>	<b>FIRE RISK MANAGEMENT</b>	<b>\$83,108</b>	<b>\$86,577</b>	<b>\$150,309</b>	<b>\$180,000</b>	<b>\$180,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$180,000</b>	<b>0</b>	<b>\$0</b>	<b>0%</b>
530	A551001052 - Landscape Risk Fire Management	83,367	83,108	150,309	180,000	180,000	0	0	180,000	0	0	0%
540	A551001052 - Landscape Risk Fire Management	23,230	0	0	0	0	0	0	0	0	0	0%
<b>TOTAL</b>		<b>\$83,108</b>	<b>\$86,577</b>	<b>\$150,309</b>	<b>\$180,000</b>	<b>\$180,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$180,000</b>	<b>0</b>	<b>\$0</b>	<b>0%</b>

**THIRD LAGUNA HILLS MUTUALS  
2025 OPERATING EXPENDITURES  
LANDSCAPE SERVICES**

*Lines 1 to 14 discussed at M&C and General Services review on May 23.*

**15) Landscape Administration**

**\$414,535**

Landscape Administration support is provided to the Mutual Boards and Committees at regularly scheduled meetings. Additionally, the administrative staff provides customer service, database maintenance, and prepares work efficiency reports and annual operating budgets. This task also includes supervisory personnel that oversee day to day operations. Other tasks not directly related to the daily operation of individual work centers are included in this budget.

The 2025 Administration Budget has increased by \$20,595, 5% over the 2024 Budget due to the annual increase in wage rates.

**16) Nursery and Composting**

**\$259,629**

The Nursery work center supports other crews by growing and providing groundcover and shrubs for use throughout the community for new and replanting tasks. By growing all the plants used by the crews on site, the costs of new and replacement plant material are greatly reduced.

The Nursery portion of the 2025 Budget is \$162,979. Nursery costs have increased \$19,709, or 13.8% over the 2024 Budget due to removal of the vacancy factor. The average cost per plant in place for Third is \$19.06; a quote from an Orange County wholesale nursery of 61 different plants used in the Village, had an average cost of \$22.83 per plant, not including delivery.

The 2025 Composting Budget portion of the 2025 Budget is \$96,650 has increased by \$10,249 or 11.9% from the 2024 Budget due to removal of the vacancy factor.

The Composting work center supports other crews by using a tub grinder to recycle tree and shrub cuttings, into the mulch used throughout the community. By recycling the green waste produced by the pruning within the Community, disposal costs are eliminated as well as the expense of purchasing mulch.

**17) Ground Maintenance**

**\$3,847,738**

Grounds Maintenance crews perform the routine maintenance tasks. The 2025 service levels used for this report are the same as 2024; four cycles of shrub bed maintenance and 28 cycles of mowing turf. The cost of these Grounds

Maintenance tasks is broken out below and include shrub bed maintenance, turf maintenance, miscellaneous tasks, small slope maintenance and garden villa maintenance. Since most landscape activities are predicated by ever changing weather patterns, annual costs are determined by an analysis of the previous three-year actual costs of labor and materials, accounting for inflation.

The total cost for Grounds Maintenance has increased by \$162,344, 4% over the 2024 Budget.

### **Shrub-Bed Maintenance**

**\$2,674,370**

Shrub-bed maintenance consist of many tasks, often performed concurrently:

- pruning
- cleaning
- weeding
- mulching
- herbicide application
- fertilizing
- soft edging
- re-planting

The shrub-bed maintenance cycle varies seasonally and is performed four times annually on 83 shrub-bed acres in Third. The costs for small slope maintenance were included in shrub-beds due to the tasks being concurrent.

- Costs for herbicide application have decreased (\$30,860), (12%) from 2024 due to efficiencies created by combining agronomics when applied to shrub beds

The 2025 Shrub-Bed Maintenance Budget has increased by \$259,213, 11% over the 2024 Budget due to the following factors:

- Annual increase in wage rates
- Moving allocated labor hours from turf maintenance to shrub bed maintenance

### **Turf Maintenance**

**\$664,518**

The turf maintenance responsibilities consist of 165 acres in Third Mutual. The mowing cycle schedules are adjusted seasonally throughout the year to respond to growing conditions; mowing weekly in summer to mowing monthly in winter.

Turf Maintenance consists of the following tasks:

- Mowing
- Edging of hard surfaces
- Turf repair
- Fertilizing
- Mow clean up
- Root and stump removal

The 2025 Turf Maintenance Budget has decreased by (\$64,584), (9%) from the 2024 Budget due to the following factors:

- Efficiencies in blowing and edging, reduction of (\$55,959), (31%) from 2024

Budget.

- Allocation of hours to shrub bed maintenance.

### **Miscellaneous Tasks**

**\$421,896**

The Grounds Maintenance work center also perform various miscellaneous tasks:

- General cleanup
- Storm response
- Ticket response crews
- Preparation of landscape for paint crews
- Preparation of exterior for fumigation
- Storm preparation
- Employee training

The 2025 Miscellaneous Tasks Budget has decreased by (\$37,644), (8%) over the 2024 Budget due to the department focus on improving core services, including training and annual increase in wage rates.

- Increase in training costs by 159% \$38,610
- Decrease in general clean up by (61%) (\$135,835)
- Increase in storm related work by 146% \$56,233

### **Garden Villa Maintenance**

**\$86,954**

The landscape maintenance performed at the Garden Villas consists of watering and pruning Mutual owned container plants and raised planters. Replacement of plants is also performed when plants have died or overgrown the planter. Residents are responsible for maintaining their personal plants.

The 2025 Garden Villa Maintenance Budget has increased by \$5,359, 7% over the 2024 Budget due to the annual increase in wage rates and increased costs due to inflation.

## **18) Irrigation**

**\$1,183,038**

This is a support work center, providing irrigation support to other Landscape Maintenance sections. The irrigation work center oversees 5,683 watering zones throughout Third, controlled by 223 irrigation controllers. These controllers are managed by a central irrigation system through the use of cellular communication technologies. The system receives regular weather updates and automatically adjusts irrigation run times. The irrigation crew also maintains and cleans landscape drains throughout the Community on a regular basis.

The 2025 Irrigation Maintenance Budget has increased by \$90,914, or 8% from the 2024 Budget. Major changes are due to:



- an increase in rain events for the last two years, the budgeted costs for drainage work for turf areas, shrub beds and slopes has increased by \$178,723 or 62%.
- efficiencies from new WeatherTRAK system and reallocation of hours to drainage issues, routine irrigation maintenance has decreased by (\$155,125) or (25%).

### 19) Small Equipment Repair

**\$241,493**

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

The 2025 Small Equipment Repair Budget has increased by \$6,042 or 3% over the 2024 Budget due annual wage increase.

### 20) Pest Control

**\$440,885**

This 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. Pests include;

- weeds
- insects; ants, wasps, and bees
- rodents
- gophers

The 2025 Pest Control Budget has increased by \$69,600, 19% over the 2024 Budget due to removal of the vacancy factor of one FTE and annual increase in wage rates.

### 21) Tree Maintenance

**\$0**

Item is included in Reserves.

### Resident Chargeable Services

**\$0**

In addition to routine maintenance, Grounds Maintenance crews also perform various services upon request. The cost of this service, for both labor and materials, is charged to the resident requesting service. Services that are considered chargeable include additional plantings, additional weeding, or pruning done out of cycle.

## THIRD LAGUNA HILLS MUTUAL 2025 RESERVE EXPENDITURES LANDSCAPE

*Lines 22 to 45 discussed at M&C and General Services review on May 23.*

### **46) Landscape Modernization**

**\$2,949,495**

Landscape renovation and modernization programs are included in the Landscape Modification budget and are designed 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. This budgeted item also includes slope renovation.

This includes landscaping for Paint Program Relandscaping Project (PPRP), which is a new function beginning in 2024, which will be renovating the shrub beds and portions of turf adjacent to the buildings scheduled for painting by the paint work center throughout Laguna Woods Village.

The 2025 Landscape Modernization Budget has increased by \$626,908 or 27% from the 2024 Budget due to more buildings scheduled for painting as part of PPRP mentioned above.

### **47) Improvement and Restoration**

**\$207,352**

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

The 2025 Improvement and Restoration Budget has increased by \$11,494 or 6% due to annual wage rates and inflation.

### **48) Tree Maintenance**

**\$1,084,835**

Tree Maintenance crews, supplemented by contractors, perform routine tree trimming on approximately 29,000 trees within the Community. The service level is on a six-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 was supplemented by outside services to complete the scheduled maintenance cycle.

The 2025 Tree Maintenance Budget has increased by \$104,647 or 11% from the 2024 Budget due to annual wage rates, inflation, and anticipated cost increases from bidding tree work for new contract.

**THIRD LAGUNA HILLS MUTUAL  
2025 DISASTER EXPENDITURES  
LANDSCAPE**

**54) Fire Risk Management**

**\$180,000**

This line item funds the Orange County Fire Authority mandated vegetation management to provide adequate defensible space on slopes, around residences and perimeter land adjacent to open space per OCFA guidelines and maps.

The 2025 Budget for Fire Risk Management is the same as the 2024 Budget.

# 2025 Third Mutual Landscape Budget

Kurt Wiemann, Director of Landscape Services

June 3, 2024



2024 funding level: \$393,940

2025 funding level: \$414,535

- Landscape Administration support is provided to Mutual Boards and Committees at regularly scheduled meetings.
- Administrative Staff provide customer service, database maintenance, prepares work efficiency reports and annual operating budgets, and performs other tasks not directly related to the daily operation of individual work centers.
- Management and supervisory staff are included in this work center.

2024 funding level: \$229,670

2025 funding level: \$259,629

The Nursery portion of the 2025 Budget is \$163,494:

- Nursery Work Center supports other crews by growing and providing groundcover and shrubs for use throughout Mutual.
- Growing all plants used by the crews in the Mutual greatly reduces plant material costs and delivery costs.
- The average cost per plant in place for Third is \$19.06; a quote from an Orange County wholesale nursery of 61 different plants used in the Village had an average cost of \$22.83 per plant, not including delivery.

2024 funding level: \$229,670

2025 funding level: \$259,629

The 2025 Composting Budget portion of the 2025 Budget is \$96,135 :

- The Composting Work Center supports other crews by recycling tree and shrub cuttings (via a tub grinder) into mulch used throughout the Community.
- By recycling the green waste produced by crews, disposal costs, and mulch expenditures are eliminated.
- Reduces contracting costs by accepting green waste from contracted work.



2024 funding level: \$3,685,393

2025 funding level: \$3,847,738

- Grounds Maintenance crews perform routine landscape maintenance tasks. The 2025 service levels used for this report are the same as 2024: four cycles of shrub bed maintenance and 28 cycles of mowing turf.
- The cost of these Grounds Maintenance tasks consists of four tasks: shrub bed maintenance, turf maintenance, miscellaneous tasks, and Garden Villa maintenance.
- Since most landscape activities are predicated by ever-changing weather patterns, annual costs are determined by analyzing the previous three-year actual costs of labor and materials, accounting for inflation.

2024 funding level: \$2,415,157

2025 funding level: \$2,674,370

Shrub-bed maintenance consists of many tasks, often performed concurrently:

- pruning
  - herbicide application
  - cleaning
  - fertilizing
  - weeding
  - soft edging
  - mulching
  - re-planting
- The shrub-bed maintenance cycle varies seasonally and is performed on 83 shrub-bed acres in Third.

2024 funding level: \$729,102

2025 funding level: \$664,518

- Mowing cycle schedules are adjusted seasonally to respond to differing growing conditions.
- Lawn repair activity is slowed in the summer months. It is usually done only in urgent situations due to the increased water and care needed to establish new growth during the summer heat.
- Turf maintenance responsibilities consist of 165 acres in Third.

2024 funding level: \$459,540

2025 funding level: \$421,896

- Grounds Maintenance Work Center also performs various miscellaneous tasks, including:
  - General Cleanup
  - Prep for storms, storm damage repair, and clean up
  - Prep for fumigation access
  - Ticket Response Crews
  - Staff training

2024 funding level: \$81,595

2025 funding level: \$86,954

- The landscape maintenance performed by the Grounds Maintenance at the Garden Villas consists of watering and pruning Mutual container plants and raised planters.
- Replacement of plants is also performed when plants have died or overgrown the planter.
- Replacement of Mutual owned pots when necessary.
- Residents are responsible for maintaining their personal plants.

2024 funding level: \$1,092,124

2025 funding level: \$1,183,038

This support work center provides irrigation support to other Landscape Maintenance sections.

- The irrigation work center oversees 5,683 watering zones throughout Third, controlled by 223 irrigation controllers.
- These controllers are managed by a central irrigation system using cellular communication technologies.
- The cloud-based system automatically adjusts watering schedules based on daily fluctuations in plant evapotranspiration rates (ET).
- The irrigation crew also regularly maintains, cleans, and repairs landscape drains throughout the Community.

2024 funding level: \$235,451

2025 funding level: \$241,493

Small Equipment Repair supports other crews:

- Provide mower and small equipment maintenance, repair, and delivery.
- Order and receive supplies and materials crews use to maintain lawns, slopes, and shrub beds.
- Refurbish capital equipment, such as riding mowers, reducing the need for capital expenditures.

2024 funding level: \$371,285

2025 funding level: \$440,885

- Pest Control uses various methods to control a variety of landscape pests.
- Pests include weeds, ants, wasps, bees, rodents, and other vertebrate (in landscaping only).
- Pest Control provides support to other Landscape Maintenance work centers.



2024 funding level: \$0

2025 funding level: \$0

- In addition to routine maintenance, Grounds Maintenance crews may perform minor services on request.
- Cost of this service, labor, and materials is charged to the Resident requesting service.
- Chargeable services include additional plantings, weeding, or pruning done out of cycle.

2024 funding level: \$2,322,587

2025 funding level: \$2,949,495

- Landscape renovation and modernization programs are included in the Landscape Modification budget. They are designed to address specific areas of concern, as determined by collaboration between Staff and the Landscape Committee.
- This includes landscaping for the Paint Program Re-landscaping Project (PPRP), which is a new function beginning in 2024, which will be renovating the shrub beds and portions of turf adjacent to the buildings scheduled for painting by the paint work center throughout Third.
- Slope Renovation is included in this budget item.

2024 funding level: \$195,858

2025 funding level: \$207,351

The landscape in the Community is aging and much of it is passed its useful life. The Improvement and Restoration crews replace aging and dead plantings, as well as the re-landscaping of turf areas that are difficult to maintain and irrigate.

2024 funding level: \$980,188

2025 funding level: \$1,084,835

Funding is based on tree counts by species, as shown in the approved six-year trimming schedule.

- Starting in 2020, Staff tree crews will be supplemented by contractors
- Contractors perform scheduled maintenance and large tree removals; staff performs service requests and smaller tree removals
- Service level is a six-year rotating cycle based on the specific trimming needs of each tree species.
- All work is performed following the International Society of Arboriculture pruning techniques.

2024 funding level: \$180,000

2025 funding level: \$180,000

This line item funds the Orange County Fire Authority mandated vegetation management to provide adequate defensible space on perimeter land adjacent to open space and interior property, per OCFA guidelines and maps.

- Service level increase; increase maintenance cycles by contracting mowing. (+ \$898,000)
- Increase slope maintenance frequency from two cycles to three. (+/- \$300,000)
- Legislation requiring elimination of non-functional turf
- Removal of large, problematic, high-maintenance trees. 80 trees were identified, which is \$4,500 per tree, totaling \$350,000.

# Questions