

OPEN MEETING

MEETING OF THE GOLDEN RAIN FOUNDATION
COMPLIANCE AD HOC COMMITTEE

Wednesday, May 3, 2023 - 1:30 p.m.
24351 El Toro Road, Laguna Woods, California 92637
Community Center – Sycamore Room/Virtual

NOTICE AND AGENDA

1. Call to Order Bunny Carpenter
 2. Approval of the Agenda Bunny Carpenter
 3. Approval of the Report from April 3, 2023 Bunny Carpenter
 4. Chair's Remarks Bunny Carpenter
 5. Member Comments Bunny Carpenter
Laguna Woods Village owners/residents are welcome to participate in all open committee meetings and submit comments or questions regarding virtual meetings using one of two options:
 1. Join the committee meeting via a Zoom link <https://us06web.zoom.us/j/89671074866> or by calling 669-900-6833. Access code: 896 7107 4866
 2. Via email to 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.
 6. Response to Member Comments Bunny Carpenter
- Items for Discussion and Consideration:
7. Member Disciplinary Hearing Process Procedure Blessilda Wright
 8. Disciplinary Violations Matrix Blessilda Wright
 9. Additional Occupancy Fee Bunny Carpenter
- Concluding Business:
10. Committee Member Comments
 11. Future Agenda Items
 - a. None
 12. Adjournment
 13. Date of Next Meeting: To be determined

*A quorum of the GRF Board or more may also be present at the meeting.

Bunny Carpenter, Chair
Blessilda Wright, Staff Officer
(949) 268-2255



OPEN MEETING

**MEETING OF THE GOLDEN RAIN FOUNDATION
COMPLIANCE AD HOC COMMITTEE**

Wednesday, April 3, 2023 - 1:30 P.M.

**Laguna Woods Village Community Center- Sycamore Room/Virtual
Meeting 24351 El Toro Road, Laguna Woods, CA 92637**

MEMBERS PRESENT: Bunny Carpenter- Chair, Joan Milliman, Reza Karimi, Maggie Blackwell, Pearl Lee, Juanita Skillman and Cris Prince

MEMBER EXCUSED: Mark Laws

STAFF PRESENT: Blessilda Wright and Ruby Rojas

CALL TO ORDER

Bunny Carpenter, Chair, called the meeting to order at 1:31 a.m.

APPROVAL OF THE AGENDA

Chair Carpenter made a motion to approve the agenda.

Without objection, the agenda was approved.

APPROVAL OF THE REPORT FROM MARCH 8, 2023

Chair Carpenter made a motion to approve the meeting report from March 8, 2023.

Without objection, the report was approved.

CHAIR'S REMARKS

None.

MEMBER COMMENTS

None.

RESPONSE TO MEMBER COMMENTS

None.

ITEMS FOR DISCUSSION AND CONSIDERATION

7. Appeal Policy

Ms. Blessilda Wright, Compliance Supervisor, gave an overview of the Appeal Policy. The Committee members made comments and asked questions.

The Committee elected to approve the Appeal Policy with minor changes and present the policy at the next scheduled GRF board meeting in May for review.

By consensus, the motion passed.

8. Nuisance Policy

Ms. Wright gave an overview of the Nuisance Policy. The Committee members made comments and asked questions.

The Committee approved the Policy and made scribner changes and the following changes:

- **Private Nuisance:** Remove his/her/their/they.
- **Odors:** Add strong odors before second-hand...
- **Violation of Laws:** A Violation of federal, state laws, local ordinances, including without limitation, such violations such as public nudity, brandishing of weapon(s) in the presence of another Resident, a guest and/ or invitees or a staff member.
- **V. Enforcement:**
Remove who may be found in violation of the Governing Documents, or and ; make Resident, tenant, guest singular; and add and/or invitees.
Remove or such Member's unit/manor in the last-paragraph's first-line.

9. Executive Hearings Resolution

Ms. Wright gave an overview of the Executive Hearings Resolution. The Committee members made comments and asked questions.

The Committee approved the Policy and made Scribner changes and the follow changes to the following:

- **Now Therefore Be It Resolved:**
Add a comma after DATE.
-;
Add authority after Autonomy;
Add a period at the end of hearing matters in the fourth-line.
-Create a Further resolved, stating the composition of the committee.
Update #3 with To be held in a closed meeting monthly, as needed.

11. Harassment Policy

Ms. Wright gave an overview of the Harassment Policy. The Committee members made comments and asked questions.

The Committee elected to approve the Harassment Policy with minor changes and present the policy at the next scheduled GRF board meeting in May for review.

By consensus, the motion passed.

CONCLUDING BUSINESS:

Committee Member Comments

None.

Future Agenda Items

- a. Resolution 90-40-72 Update
- b. Disciplinary Violation Matrix

Date of Next Meeting

Monday, May 3, 2023 at 1:30 p.m.

Adjournment

With no further business before the Committee, the Chair adjourned the meeting at 3:26 p.m.



Bunny Carpenter- Chair

STAFF REPORT

DATE: May 3, 2023
FOR: Compliance Ad Hoc Committee
SUBJECT: Member Disciplinary Policy

RECOMMENDATION

Review and file.

BACKGROUND

On October 5, 2004, the Board of Directors established a member discipline process for the purposes of holding disciplinary hearings in a timely manner and ensuring progressive discipline (Resolution 90-04-72, Attachment 1). The Board of Directors is obligated to evaluate and impose if appropriate, member discipline under its Bylaws and California Civil Code.

The member discipline process is coordinated by the Compliance Division. Upon notice of an alleged violation, staff investigates and should staff identify objective evidence of a violation of the governing documents (bylaws, rules and regulations, resolution, etc.) by a member or anybody they allowed into the Community, staff will send a courtesy notice to the offending party describing the allegation(s) and the disciplinary action that may ensue if not corrected. Staff will monitor the situation and if compliance is not evident, staff will send a final notice requesting compliance. Additionally, the matter is then scheduled for a disciplinary hearing with the Board of Directors to determine if member discipline is merited. If the alleged violation has been resolved, no further action is required. Depending on the seriousness of the matter, the Board has the authority to schedule a disciplinary hearing as soon as reasonably possible.

If a disciplinary hearing is merited, staff will proceed with noticing the member for a hearing. During a Member Disciplinary Hearing the member has the right to meet before the Board of Directors in executive session. If the board finds the member to be in violation of the governing documents, the board may impose a fine based on the Monetary Fee Schedule, suspend member privileges, and/or consider legal action.

Violations include but are not limited to abandoned/inoperable vehicles, nuisance, harassment, abuse, intimidation, amenity operating rules (equestrian center, garden center, etc.), the golf course, recreational vehicles and Department of Recreation and Special Events policies, etc. A complaint may be registered by calling the Department of Security Services at 949-580-1400; the Compliance Division at 949-268-2255; or by emailing compliance@vmsinc.org.

DISCUSSION

On average, the member disciplinary process takes approximately 45 days from when a complaint is reported to when a disciplinary hearing is scheduled. Additionally, at present time, approximately 92% of disciplinary cases are resolved with the courtesy notice. Staff from the Compliance Division and Recreation and Special Events Department are focused on this item and working to create efficiencies. The following categories currently result in an immediate

hearing: violations involving hazardous materials, violations involving safety concerns, and major nuisance violations.

Additionally, following is a list of challenges that staff faces consistently:

1. Due to strict confidentiality restrictions staff is unable to disclose any information of a complaint to the reporting party or any individual that is not the member.
2. The current overall caseload is 759 open cases.
3. Violations not being reported or escalated to the Compliance Division for appropriate action.
4. Violations not being reported or escalated to the Compliance Division in a timely manner for appropriate action.

FINANCIAL ANALYSIS

The Board imposes disciplinary monetary penalties as an action for violation of the governing documents. The penalties range from \$25 - \$500 depending on the specifics of the matter. For 2023, the Board has held seven hearings and imposed monetary penalties in total of \$500.

Prepared By: Blessilda Wright, Compliance Supervisor

Reviewed By: Jacob M. Huanosto, Compliance Coordinator

ATTACHMENT(S)

Attachment 1: Timely Processing of Member Discipline, Resolution 90-04-72



Professional Community Management, Inc. Agent
Leisure World, Laguna Woods

Timely Processing of Member Discipline

DATE: July 22, 2004

FOR: United Laguna Hills Mutual, the
Golden Rain Foundation, Third
Laguna Hills Mutual, and Laguna
Woods Mutual Fifty Boards of
Directors

SUMMARY OF REQUEST

Offered in this report are recommendations for standardizing the criteria currently used by Staff when preparing cases for member-disciplinary review by the Boards. This standardized criteria will help the Boards hold disciplinary hearings in a timely manner, ensure progressive discipline, and develop procedures to use at disciplinary hearings. Staff recommends adopting the following recommended guidelines to allow for the reasonable and timely processing of disciplinary issues that will help ensure that due process and due diligence guidelines are met.

BACKGROUND INFORMATION

Areas of member-discipline addressed in this report that may result in disciplinary hearings include: Nuisance Violations/Neighbor Disputes, Violations Involving Tortious Behavior, Clutter, and Unapproved Alterations. Note that any violation of the Boards' governing documents, rules, policies or procedures may result in a disciplinary hearing; however, these four categories represent the majority of the violations. This section discusses the legal basis for disciplinary action, timely processing of member-discipline, and progressive discipline.

It is important to note that Corporate Counsel has advised that the Board of Directors should become involved with member-disciplinary issues only when convinced by their hearing of objective evidence that the rules and/or regulations of the Corporation have been violated. However, once the determination has been made that a violation has occurred thorough careful evaluation of the objective evidence presented to them, the Boards are compelled to take action.

Legal Authority for Disciplinary Hearings and Taking Disciplinary Action

Each Member is obligated to comply with the rules, terms, and conditions as set forth in their Mutual's governing documents. United Laguna Hills Mutual's Occupancy Agreement, Third Laguna Hills Mutual's CC&R's, and Laguna Woods Mutual Fifty's CC&Rs all contain a clause that, to paraphrase, provides:

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No Member or Owner shall permit or suffer anything to be done or kept within their manor or other premises of the Corporation which will increase insurance rates on any building or contents thereof, or will obstruct or interfere with the rights of other members or annoy them by unreasonable noises or commit any nuisance or illegal or immoral act within the Corporation. The Member or Owner shall comply with the requirements of all governmental authorities.

There are occasions when these rules are ignored by Members, or the actions of a Member are so grievous, that disciplinary action is necessary. When a member violates the governing documents, the Board has the authority and obligation to impose member-discipline under the Bylaws and §1363 of the Davis-Stirling Act. The disciplinary action should be carried out in good faith and in a timely, fair, consistent, and reasonable manner; the discipline must be commensurate with the violation and progressive in severity.

Note that the Board has the ability to fine (ultimately lien the separate interest of) only the member, but may suspend privileges (such as the use of the swimming pools) of non-members such as co-occupants, guests, etc., for the purpose of disciplinary action. Should it be found that the actions of the non-member are so egregious, the Board may suspend their privileges and fine the member.

Timely Processing of Member Discipline

If complaints are not acted on in a timely manner by the Board, the complainant(s) may be critical of the Board's inaction and/or may litigate due to the perceived failure of the Board to enforce their Bylaws and rules and regulations. If on the other hand, the Board imposes discipline without sufficient evidence, it may be at risk for a harassment claim. Mediation services may be offered, and if accepted, may aid in the reconciliation process. Third-party mediators may be able to resolve disputes between neighbors in a timely and amicable manner, without the need for a Board hearing or involvement.

Timely processing of violations is often made difficult when the infractions occur sporadically; Staff and the Community leadership will need to work together in these cases, exercising sound judgment to ensure timely follow up. A clear, consistent, documented "paper-trail" will limit untimely action by the Boards.

Progressive Disciplinary Measures

In addition to ensuring the timely processing of complaints, the Boards are obligated to engage in what is termed "progressive discipline." This means that the Boards must entertain disciplinary measures of increasing and proportional severity to attempt to achieve compliance in a fair and measured fashion. A progressive discipline policy demonstrates that a Board's action are warranted under the circumstances and that the Member is given ample opportunity to understand the nature of the problem, the prospective outcome of uncorrected behavior, and take corrective action. Should a court challenge the Board's

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actions, a policy of progressive discipline will demonstrate that the action was reasonable and circumspect and not unfair nor hasty.

Progressive discipline available to the Board may include the following elements:

- *Request for Compliance:* A letter is sent advising the Member that an alleged violation of the Community's rules has been reported to the Association. The Member is advised of the violation and the disciplinary action that may ensue if not corrected (including the following two steps).
- *Fine:* Depending on the severity of the violation or the frequency of occurrence, the Member may be fined after a finding by the Board of Directors that the violation merited this response; a fine may be levied in response to a particularly egregious violation or as a second (or additional) step in the progression of member-discipline;
- *Suspension of Membership Rights and/or Termination of Membership:* The Board of Directors may suspend a Membership for the willful or repetitive failure of the Member to observe the obligations of a Member as set forth in the Mutual or GRF Bylaws. This suspension may include restriction of the use of the Clubhouses or CATV by GRF, or the suspension of voting privileges or service on the Boards. Note that should a housing corporation desire that GRF suspend member privileges (such as CATV as an added disciplinary measure) a hearing before the Board of GRF is required to suspend member privileges in the Golden Rain Foundation.
- *Termination of Membership:* As a final step in the disciplinary process, the Board of Directors may find that an action or cumulative actions are so egregious that the Board is compelled to terminate the membership of the violator. Note that such action is rare and that the Boards would proceed with the utmost in due-diligence and advice from legal counsel.

Note that resident membership in the Golden Rain Foundation is appurtenant to the membership in the housing corporation; accordingly, staff infers that GRF may only suspend member privileges and may not terminate membership in GRF, whereas termination of membership in a housing corporation simultaneously terminates the resident membership in the Golden Rain Foundation¹.

ANALYSIS / ALTERNATIVES

Nuisance Violations/Neighbor Disputes—Incidents Where a Member's Behavior Negatively Impacts Another Member

A nuisance occurs when a Member's behavior causes an annoyance, inconvenience or discomfort which interferes with the ordinary use or occupation of another Member's

¹ Should GRF desire to test this issue, staff recommends seeking guidance from legal counsel.

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property, especially a continuing or repeated invasion or disturbance of another Member's right to use and occupancy. Staff recommends the following procedure for this category of member-discipline:

- 1) Upon receipt of a complaint, Staff investigates and files an Incident Report (IR). Note that both the complaining party(s) and alleged violator(s) are identified in the IR.
- 2) By way of the initial investigation, should Staff identify objective evidence of a violation by a Member or their guests, Staff will send a letter to the offending party describing the allegation with an explanation of the Corporation's disciplinary procedures and jurisdiction. If the violation is considered severe, Staff will copy the Board of Directors recommending that they consider a hearing to determine if member-discipline is merited.
- 3) Third-party intervention will be offered to all parties involved. Professional third party mediation services may be utilized to amicably resolve issues without involving the Board. If successful, such intervention may preclude Board involvement. Social Services will be contacted to assess if any assistance may be provided by either GRF, Adult Protective Services, The Leisure World Foundation, etc.
- 4) If another complaint is received, another IR is filed, and by way of the second investigation should Staff identify objective evidence of a violation, Staff will send another letter to the alleged offender with a copy to the Board of Directors recommending that the Board consider a hearing to determine if member-discipline is merited. Note that if this policy is adopted, the Board will entertain up to 10 prospective matters for hearings per month.
- 5) Considering this information and any other information gathered subsequently, the Board will determine if a hearing is merited and direction will be given to Staff to proceed with noticing a hearing². So that Directors will have all information on hand at the time of the hearing, Staff will produce a subject report on the matter.

Violations Involving Tortious Behavior, i.e., Threats to Persons or Property, Personal Injury, etc.

Violence or behavior that is a threat to the welfare of the Community requires assistance from outside public agencies. When a resident poses a threat to the safety of others, the following procedure is used:

1. If an allegation of tortious behavior is made to Staff, the case is immediately reported to Emergency 9-1-1 or the Sheriff depending on the nature of the report.
2. Staff will assist the Public Agency(s) responding to the investigation and will also file an IR on behalf of the Corporation.
3. Social Services will be contacted to assess if any assistance may be provided to the parties.

² Depending on the frequency of the incidents and their severity, the Board may wish to review the issue during their Closed Sessions either during their regularly scheduled meeting or, at a Special Meeting if the issue is deemed immediate and/or is required due to scheduling difficulties.

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4. If, by way of the investigation, Staff identifies objective evidence of a violation, and, due to the potential for or actual enactment of injury to person or property, Staff will send a letter to the offender with a copy to the Board of Directors recommending that the Board consider a hearing to determine if member-discipline enacted by the Board is merited.
5. Considering this information and any other information gathered subsequently, the Board will determine if a hearing is merited and direction will be given to Staff to proceed with noticing a hearing. So that Directors will have all information on hand at the time of the hearing, Staff will produce a subject report on the matter.

Clutter Violations

Under current public policy, only clutter in common area may be acted on by the Boards. If the personal belongings are left in an exclusive use common area, the Mutual can only remove them in an emergency situation. Staff recommends the following procedure when dealing with clutter issues:

- 1) Upon notice of alleged violation, Staff inspects the condition of patio, balcony, breezeway, manor exterior, carport, laundry room, recreation rooms, etc., photographs the site, and files an IR.
- 2) If by using the Corporation's criteria for ascertaining "clutter," i.e., anything in a carport other than a Corporation-approved storage container, Staff may then issue a request for compliance without Board involvement; or,
- 3) Any subjective evaluations of clutter, i.e., use of patio for storage, will require confirmation of such by the Board or its designee, e.g., as currently performed by the Landscape Committee. With a finding in hand by the Committee³, Staff will send a request for compliance to the Member including a time-certain required for compliance, i.e., 10 days.
- 4) After the noticed period has expired, Staff again inspects the property, and if compliance with the request is not evident, a second IR is filed, and a second notice of violation is sent to the Member with a copy of the correspondence sent to the Board of Directors recommending consideration of a hearing to determine if member-discipline is merited; or, if the condition is resolved, no further action is required at this time.
- 5) Considering this information and any other information gathered subsequently, the Board will determine if a hearing is merited, and direction will be given to Staff to proceed with noticing a hearing. If the directive is given to Staff to notice a member-disciplinary hearing, Staff will produce a subject report on the matter so that Directors will have all information on hand at the time of the hearing.
- 6) The Board of Directors may direct Staff to remove personal belongings that are left in common areas. There is no statutory obligation to store the items; however, consideration should be given to the nature and apparent value of the property.

³ Staff recommends that the Security Committee review such subjective evaluations of clutter during their regularly scheduled meetings, by way of photographs taken by staff.

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Unapproved Alterations

1. Upon identification of an alleged unapproved alteration, Staff will inspect the property to confirm the alteration's status and to assess any damage to the property.
2. Should Staff find that the alteration did not follow the required application process, a letter will be sent to the Member under the signature of the Board President advising of the unapproved alteration. In this notice, the Member is advised that they may apply for a alteration permit with no guarantee that the application will be approved. The Member is requested to comply within 30 days and they are advised that upon expiration of the compliance date that if an alteration application is not submitted, Staff will inspect the property to ascertain if the alteration has been removed. The letter will also advise that if neither of these requests are met, the Member will be noticed for a disciplinary hearing. Also, if damage to the common area is noted, the Member is requested to effect the repair or pay the Corporation to effect the repair.
- 2) By way of adoption of this policy, the Board is authorizing Staff to notice a hearing. To accelerate the hearing process while providing due process for all parties, Staff recommends adoption of the aforementioned steps.

Alternative One:

Approve the noted procedures.

Alternative Two:

Approve the noted procedures with modifications.

RECOMMENDATION

To ensure appropriate and timely processing of member-disciplinary issues, Staff recommends Alternative One.

Prepared by:

Reviewed by:

STAFF REPORT

DATE: May 3, 2023
FOR: Compliance Ad Hoc Committee
SUBJECT: Disciplinary Violations Matrix

RECOMMENDATION

Review and provide direction.

BACKGROUND

On October 5, 2004, the Board of Directors established a member discipline process for the purposes of holding disciplinary hearings in a timely manner and ensuring progressive discipline (Resolution 90-04-72). The Board of Directors is obligated to evaluate and impose if appropriate, member discipline under its Bylaws and California Civil Code.

The member discipline process is coordinated by the Compliance Division. Upon notice of an alleged violation, staff investigates and should staff identify objective evidence of a violation of the governing documents (bylaws, rules and regulations, resolution, etc.) by a member or anybody they allowed into the Community, staff will send a courtesy notice to the offending party describing the allegation(s) and the disciplinary action that may ensue if not corrected. Staff will monitor the situation and if compliance is not evident, staff will send a final notice requesting compliance. Additionally, the matter is then scheduled for a disciplinary hearing with the Board of Directors to determine if member discipline is merited. If the alleged violation has been resolved, no further action is required. Depending on the seriousness of the matter, the Board has the authority to schedule a disciplinary hearing as soon as reasonably possible.

If a disciplinary hearing is merited, staff will proceed with noticing the member for a hearing. During a Member Disciplinary Hearing the member has the right to meet before the Board of Directors in executive session. If the board finds the member to be in violation of the governing documents, the board may impose a fine based on the Monetary Fee Schedule, suspend member privileges, and/or consider legal action.

Violations include but are not limited to abandoned/inoperable vehicles, nuisance, harassment, abuse, intimidation, amenity operating rules (equestrian center, garden center, etc.), the golf course, recreational vehicles and Department of Recreation and Special Events policies, etc. A complaint may be registered by calling the Department of Security Services at 949-580-1400; the Compliance Division at 949-268-2255; or by emailing compliance@vmsinc.org.

DISCUSSION

On average, the member disciplinary process takes approximately 45 days from when a complaint is reported to when a disciplinary hearing is scheduled. Additionally, at present time, approximately 92% of disciplinary cases are resolved with the courtesy notice. Staff from the Compliance Division and Recreation and Special Events Department are focused on this item and working to create efficiencies.

The proposed guidelines (Attachment 1) outline the compliance issues that should be immediately scheduled for a disciplinary hearing (“fineable”) as opposed to be given a courtesy notice (“warn-able”). Items that most adversely impact quality of life and/or public health and safety are categorized as immediately “fine-able” offenses.

Should the proposed guidelines be approved by the Board, Staff anticipates that additional Committee time will be required to accommodate the increase of disciplinary hearings.

FINANCIAL ANALYSIS

Staff anticipates that an increase of fines will result from the additional disciplinary hearings.

Prepared By: Blessilda Wright, Compliance Supervisor

Reviewed By: Jacob M. Huanosto, Compliance Coordinator

ATTACHMENT(S)

Attachment 1: Disciplinary Violations Matrix

GRF MUTUAL				
DISCIPLINARY VIOLATIONS MATRIX				
Allegation	Schedule Hearing Immediately	Follow Normal Hearing Process	Issue Courtesy Notice First	Notes
Delinquencies		X		
Broadband Services Fees		X		
Golf Fees		X		
Rental Fees (Garden Center, RV Lot, Recreations Rooms, etc.)		X		
Golf Course Restrictions		X		
Harassment/Abuse/Intimidation Restrictions	X	X		Depending on type
Nuisance - Behavior/Disturbance				
Assault, Theft	X			
Trespassing	X	X		Depending on type
Yelling		X		
Nuisance - Noise		X		
Nuisance - Odors		X		
Nuisance - Other	X	X		Depending on type
Other				
Illegal Business		X		
Improper use of GRF property	X	X		Depending on type
Non-Smoking Policy	X	X		Depending on type
Pet Restrictions				
Injury to person/Damage to property	X			
Not picking up and disposing of feces		X		
Not under control (off leash/longer than 6ft)		X		
Recreation Services and Special Events Policy				
Operating Rules (IE: Clubhouses and Garden Centers)	X	X		Depending on type
Soliciting without a permit		X		
Unauthorized Advertisement		X		
Room Reservation		X		
Traffic Rules				
Abandoned Vehicles		X		
Commercial, Excessive Vehicles		X		
Other		X		
RV Lot Operating Rules		X		
NOTES:				
1. Our legal counsel has advised us to add a disclaimer that this list does not identify/list all infractions nor constitute the handling of the same.				

RESOLUTION 90-19-57

GRF ADDITIONAL OCCUPANCY FEE of \$100 FOR EACH ADDITIONAL OCCUPANT OVER TWO

WHEREAS, the GRF assessment for net operating costs and reserve contributions is divided equally by the number of units in the Community, regardless of how many individuals occupy a unit.

WHEREAS, an Additional Occupant Fee is charged for each individual in excess of two occupants residing in unit, to account for additional use of community services and facilities.

WHEREAS, the board periodically reviews fees as part of the business planning process to determine adequacy of revenues and shared costs.

NOW THEREFORE BE IT RESOLVED, December 3, 2019, that the Board of Directors of this Corporation hereby sets the Additional Occupant Fee at \$100 per manor per month for each additional occupant over two, to offset costs incurred by the extra occupants, to be effective January 1, 2020.

RESOLVED FURTHER, that such fee shall be reflected on the Fee Schedule.

RESOLVED FURTHER, that Resolution 90-17-28 adopted September 5, 2017 is hereby superseded and cancelled on the effective date of January 1, 2020.

RESOLVED FURTHER, that the officers and agents of this corporation are hereby authorized on behalf of the corporation to carry out this resolution.