

OPEN MEETING

MEETING OF THE GOLDEN RAIN FOUNDATION
COMPLIANCE AD HOC COMMITTEE

Friday, August 11, 2023 - 9:30 a.m.
24351 El Toro Road, Laguna Woods, California 92637
Community Center – Board Room/Virtual

NOTICE AND AGENDA

1. Call to Order Bunny Carpenter
2. Approval of the Agenda Bunny Carpenter
3. Approval of the Report from July 14, 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 Process Francis Gomez

Concluding Business:

8. Committee Member Comments
9. Future Agenda Items
 - a. Additional Occupancy Fee
10. Adjournment
11. 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
Francis Gomez, Staff Officer
(949) 268-2255



OPEN MEETING

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

**Friday, July 14, 2023 - 9:30 a.m. Laguna Woods Village Community Center
Sycamore Room/ Virtual Meeting
24351 El Toro Road, Laguna Woods, CA 92637**

DIRECTORS PRESENT: Bunny Carpenter- Chair, Juanita Skillman, Reza Karimi, Maggie Blackwell, S.K Park, Andy Ginnochio, Joan Milliman and Pearl Lee (entered the meeting at 9:59 a.m.)

DIRECTORS ABSENT: None.

STAFF PRESENT: Francis Gomez, Ruby Rojas and Pamela Bashline

OTHERS PRESENT: **GRF Directors-** Yvonne Horton and Elsie Addington

CALL TO ORDER

Bunny Carpenter, Chair, called the meeting to order at 9:31 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 JUNE 9, 2023

Chair Carpenter made a motion to approve the meeting report from June 9, 2023.

Without objection, the report was approved.

CHAIR'S REMARKS

None.

MEMBER COMMENTS

None.

RESPONSE TO MEMBER COMMENTS

None.

ITEMS FOR DISCUSSION AND CONSIDERATION

Additional Occupancy Fee

Ms. Pamela Bashline, Community Services Manager, entered the meeting at 9:36 a.m. for discussion. The Committee Members made comments and asked questions. Ms. Bashline responded to questions and left the meeting at 10:33 a.m.

Director Milliman made a motion directing Staff to forward the matter to the Finance Department for reevaluation of the GRF Occupancy Fee in today's market. Director Park seconded the motion.

By way of consensus, the motion passed.

Member Disciplinary Process

Ms. Francis Gomez, Operations Manager, gave an overview of the Member Disciplinary Process. The Committee Members made comments and asked questions.

Chair Carpenter requested that the document be updated with the Committee changes and be brought to the next meeting.

By way of consensus, the motion passed.

Internal Dispute Resolution

Ms. Gomez, gave an overview of the Internal Dispute Resolution. The Committee Members made comments and asked questions.

Without objection, the Committee reaffirmed that the Internal Dispute Resolution should be through the Compliance Division.

CONCLUDING BUSINESS:

Committee Member Comments

Director Lee and Director Addington suggested reevaluating member fees to include further parking restrictions.

Directors Carpenter and Skillman commented on it being a great meeting with different viewpoints.

Future Agenda Items


- a. Member Disciplinary Process
- b. Additional Occupancy Fee

Date of Next Meeting

Friday, August 11, 2023 at 9:30 a.m.

Adjournment

With no further business before the Committee, the Chair adjourned the meeting at 12:03 p.m.



Bunny Carpenter- Chair

STAFF REPORT

DATE: August 11, 2023
FOR: Compliance Ad Hoc Committee
SUBJECT: Member Disciplinary Process

RECOMMENDATION

Staff recommends approval of the updated Member Disciplinary Process.

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.

On July 14, 2023, the Compliance Ad Hoc Committee reviewed and made changes to the Member Disciplinary Process. The Committee requested the document be brought back for final review before the Board.

DISCUSSION

The Member Disciplinary Policy was updated to include the Schedule of Monetary Penalties, and Violations Matrix.

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 six disciplinary hearings thus far and imposed monetary penalties in total of \$2,000.

Prepared By: Francis Gomez, Operations Manager

Reviewed By: Blessilda Wright, Compliance Supervisor

ATTACHMENT(S)

Member Disciplinary Process

August 11, 2023

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Attachment 1: Member Disciplinary Process

Attachment 2: Schedule of Monetary Penalties

Attachment 3: Violations Matrix

Attachment 4: Resolution



Member Disciplinary Process Resolution 90-23-XX; Adopted [Date]

I. Purpose

The purpose of this Member(s) Disciplinary Process is to set forth the due process of enforcement of the Governing Documents in a timely manner and ensure progressive discipline.

The Board of Directors is obligated to evaluate and impose, if appropriate, Member(s) discipline under its bylaws and Civil Code. Each Member(s) is obligated to comply with the rules, terms and conditions as set forth in the Governing Documents.

II. Definitions

- a. Community – Laguna Woods Village
- b. Golden Rain Foundation (GRF) – the Golden Rain Foundation of Laguna Woods, a California nonprofit mutual benefit corporation.
- c. Governing Documents – all of the following, collectively, the Trust Agreement, the Articles of Incorporation; the Bylaws; the Rules and Regulations; and any Resolutions or Policies duly adopted by the Board of Directors; all as may be lawfully amended or modified from time to time.
- d. Incident Report (IR) – a form to document an interaction or event.
- e. Internal Dispute Resolution (IDR) – a policy and procedure to be followed by GRF and its Members in connection with disputes relating to enforcement of the Governing Documents.
- f. Member(s) – any person who is an owner/shareholder of a Unit in United Laguna Woods Mutual (United) or an owner of a Unit in Third Laguna Hills Mutual (Third) or Mutual 50 who has been approved for Member(s)ship in accordance with the Governing Documents.
- g. Notice of Violation (NOV) – a form to document clutter violations.
- h. Resident – any person who has been approved by the Board of Directors, or its designee, as applicable, for occupancy of a Unit within United or Third.
- i. Schedule of Monetary Penalties – identifies the violations and potential monetary penalties that may be imposed upon a member, following a hearing, for a violation of the Governing Documents.
- j. Staff – Employee of Village Management Services, Inc. authorized to act on behalf of GRF.

III. Procedure

Following is the disciplinary process when violations occur:

- a. Upon notice of alleged violation, staff investigates and files an ~~Incident Report (IR)~~ and/or ~~Notice of Clutter Violation (NOV)~~.
- b. By way of the initial investigation, should staff identify objective evidence of a violation by a Member(s), resident or their guests, staff will send a letter to the Member(s) describing the allegation(s) and the disciplinary action that may ensue if not corrected. Depending on the seriousness of the matter, the Board of Directors has the authority to schedule a disciplinary hearing as reasonably possible.
- c. Staff will monitor the situation, and if compliance with the request is not evident, an additional IR and/or NOV is filed, and a letter is sent to the Member(s) advising that a disciplinary hearing may be scheduled with the Board of Directors/Executive Hearings Committee to determine if Member(s) discipline is merited. If the alleged violation has been resolved, no further action is required.; a notice of acknowledgement will be sent.
- d. If a disciplinary hearing is merited, staff will proceed with noticing the Member(s) for a hearing. Disciplinary Hearings are noticed based on GRF bylaws, Section 4.5, Procedure for Suspension or Discipline ~~or Suspension~~.
- e. During a Member(s) Disciplinary Hearing the Member(s) has the right to meet before the Board of Directors/Executive Hearings Committee ~~of Directors~~ in executive session. If the Board of Directors/Executive Hearings Committee finds the Member(s) to be in violation with the Governing Documents, the Board/Committee may impose a fine based on the monetary fee schedule, suspend Member(s) 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 regulations, non-payment (chargeable services, recreation fees, monetary penalties, traffic citations, etc.) recreational vehicles and Recreation and Special Events Policy, etc.

County Mediation Services

County mediation services are available for disputes that don't violate the GRF Governing Documents. Third-party mediation services may be able to resolve disputes between individuals in a timely and amicable manner, without the need for a Board hearing or involvement.

IV. Reporting Claims

A complaint may be registered by calling the Security Department at 949-580-1400; the Compliance Division via email at compliance@vmsinc.org; or by calling 949-268-CALL.

For nuisance type of violations, call the Security Department when the alleged violation occurs. The call will be documented and a Security Officer may be dispatched to document the allegations. This will assist the Board of Directors in gaining compliance.

It is important to note that the disciplinary process is held to strict confidentiality. As a result, staff is not able to disclose the reporting party's information and staff is unable to provide updated information to individuals making the complaints.

V. Disciplinary Hearings**Right to a Hearing**

Before any disciplinary action is taken, the Member(s) charged with a violation shall be entitled to a hearing, except for traffic violations. The Member(s) will be officially noticed at least ten (10) days prior to the disciplinary hearing of a time and date to meet with the Board of Directors/**Executive Hearings Committee** to consider the allegations against the Member(s). The disciplinary hearing is held in executive session and Member(s) have the right to attend or submit their statements in writing. The Board **of Directors/Executive Hearings Committee** will review information presented by Staff and any oral or written information from the Member(s), and after completion of the hearing and due deliberation, the Board **of Directors/Executive Hearings Committee** will determine if the Member(s) has failed to comply with the Governing Documents and disciplinary action, if any. Notice of the Board's **of Directors/Executive Hearings Committee** decision will be given to the Member(s) within fifteen (15) days following the disciplinary hearing.

Disciplinary Action by the Board of Directors/Executive Hearings Committee

GRF is authorized to take disciplinary action against any Member(s), resident, tenant, guest, or invitee found to be in violation of the Governing Documents. Disciplinary actions include, but not limited to: impose monetary fines, suspend Member(s) privileges, and/or bring forth legal action, as more fully set forth in the Governing Documents, including without limitation the Schedule of Monetary Penalties, as may be revised from time to time.

In addition, the Board of Directors/**Executive Hearings Committee** may impose the following penalties, following a noticed hearing, for a violation of the Governing Documents:

- a. Daily fine of the ongoing violation of the same event in accordance with current Schedule of Monetary Penalties until compliance is achieved.

- b. Double of fines imposed for the ongoing violation of the same event in accordance with the current Schedule of Monetary Penalties.
- c. Suspension of the right to use any facilities owned, operated or managed by GRF for a period not to exceed 90 days for each breach.
- d. GRF may also make an application to a court of competent jurisdiction for legal or equitable relief.
- e. GRF may recommend that United or Third or Mutual 50 take disciplinary action against a resident Member(s) of GRF, to the extent possible under United/Third/Mutual 50's Governing Documents.

Discipline shall be imposed, if at all, after a duly noticed disciplinary hearing in accordance with the requirements of statute and GRF's Governing Documents. 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.

Each Member(s) is entirely responsible for ensuring that the Governing Documents are followed by anyone they allow into the Community— this includes any co-occupant, lessee, lodger, guest, care provider, vendor, invitee or contractor. The Board of Directors/Executive Hearings Committee has the ability to fine only the Member(s), but may suspend privileges (such a use of the swimming pools) of non-Member(s)s such as co-occupant, lessee, lodger, guest, care provider, etc. for the purpose of disciplinary action.

Additional Remedies

If GRF is the prevailing party, in addition to the remedies specified herein, a Member(s) shall be liable for costs of suit and a reasonable sum for attorney's fees incurred in enforcing the Governing Documents.



SCHEDULE OF MONETARY PENALTIES

The following notice is provided pursuant to Civil Code Section §5310 and §5850.

The following schedules identify the violations and potential monetary penalties that may be imposed upon a member. Such penalties may be imposed following a hearing by the Golden Rain Foundation (GRF) Board of Directors (Board) for a violation of those governing documents and rules and regulations by the member, co-occupant, guest or lessee.

Type of Violation	Penalty Ranges
Golf Course Restrictions	
According to Operating Rules Golf Facilities.	\$25 - \$200
Nonpayment	
Examples: Nonpayment of chargeable services, disciplinary penalties, facilities or services use charges, traffic citations, etc.	\$25 - \$500
Harassment/Abuse/Intimidation Restrictions	
Harassment, Abuse, Intimidation.	\$25 - \$500
Behavior/Disturbances: Assault, theft, trespassing, yelling, etc.	\$25 - \$500
Nuisance Restrictions	
Behavior/Disturbances: Assault, theft, trespassing, yelling, etc.	\$25 - \$500
Noise: Activities that interfere with quiet enjoyment of another person such as playing music or television too loud, loud conversation, etc.	\$25 - \$500
Violation of Laws: Violation of federal, state or local ordinances. An example would be public nudity, resident engaged in drug dealings, etc.	\$25 - \$500
Other	
Illegal business, nonsmoking policy, improper use of GRF property	\$25 - \$500
Pet Restrictions	
Examples: Dog not on leash, dog not under control, unreasonable noise (barking), not picking up and disposing of feces, etc.	\$25 - \$500
Recreation Services and Special Events Policy	
Examples: Operating rules, soliciting without a permit, unauthorized advertisement, room reservation, etc.	\$25 - \$500
Traffic Rules and Regulations	
Examples: Abandoned vehicle, commercial vehicles, excessive vehicles, vehicle oil, recreational vehicle policy, etc.	\$25 - \$500
Any violation of the governing documents or rules and regulations not specifically identified in this schedule.	\$25 - \$500
Second or Subsequent Violations of the Same Rule	

Ongoing violation of the same event may result in a daily fine in accordance with current monetary penalty schedule until compliance is achieved and/or double of fines imposed.

In addition to, or instead of the monetary penalty, the board of directors may impose the following penalties, following a noticed hearing, for a violation of the governing documents or rules and regulations:

1. Suspension of the right to use any facilities owned, operated or managed by GRF for a period not to exceed 90 days for each breach.
2. GRF may also make an application to a court of competent jurisdiction for legal or equitable relief.
3. GRF may recommend that United Laguna Woods Mutual (United) or Third Laguna Hills Mutual (Third) or The Towers Mutual No. Fifty (Mutual Fifty) take disciplinary action against a resident member of GRF, to the extent possible under United/Third/Mutual Fifty's governing documents.

GRF bylaws and rules and regulations provide that members/residents who receive a traffic citation may elect to waive their right to a hearing and attend traffic school or forfeit a fine for certain violations and under certain circumstances. (See Schedule of Traffic Monetary Penalties.)

Delinquent regular or special assessments, plus any costs of collection, late charges and interest, shall become a lien on the owner's interest in the common interest development upon recordation of a Notice of Delinquent Assessment in the Official Records of Orange County, California, and said lien may be enforced as provided by Sections 5650-5690 of the California Civil Code and as otherwise permitted by law.

If you have questions regarding the above information, please contact the Compliance Division during regular business hours at 949-268-CALL or via email at compliance@vmsinc.org.



Disciplinary Violations Matrix

Description	Schedule Hearing Immediately	Standard Hearing Process
Delinquency/Non-Payment		
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	
<u>Non-Smoking Policy</u>		<u>X</u>
Nuisance - Behavior/Disturbance		
Assault, Theft	X	
Trespassing	X	
Yelling		X
Nuisance - Noise		X
Nuisance - Odors		X
Nuisance — <u>Other (See Below)</u>	X	
Other		
Illegal Business	<u>X</u>	<u>X</u>
Improper use of GRF property	X	<u>X</u>
<u>Non-Smoking Policy</u>		<u>X</u>
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	
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

This list does not identify/list all infractions nor constitute the handling of the same.



**Member Disciplinary Process
Resolution 90-23-XX, Adopted [Date]**

WHEREAS, the Board of Directors created a Compliance Ad Hoc Committee to work with the Compliance Division and Recreation and Special Events Department to review the Member Disciplinary Process and the Schedule of Monetary Penalty; and

WHEREAS, the Compliance Ad Hoc Committee has recognized the need to update the Member Disciplinary Process to include the Schedule of Monetary Penalties and Violations Matrix;

NOW THEREFORE BE IT RESOLVED, [DATE], the Board of Directors of this Corporation hereby approves the updated Member Disciplinary Process, as attached to the official minutes of this meeting; and

RESOLVED FURTHER, that Resolution 90-04-72 adopted October 5, 2004 is hereby superseded and canceled; and

RESOLVE FURTHER, that the officers and agents of this Corporation are hereby authorized on behalf of this Corporation to carry out the purpose of this resolution.