

## REGULAR MEETING

### MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF LAGUNA WOODS MUTUAL NO. FIFTY A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION

**Friday, October 16, 2020**

The Board of Directors of Laguna Woods Mutual No. Fifty, a California non-profit mutual benefit corporation, met at 10:00 a.m. on Friday, October 16, 2020 at 24055 Paseo Del Lago West, Laguna Woods, California.

**Directors Present:** Ryna Rothberg-Chair, Al Amado, John Carter and Inesa Nord-Leth and John Dalis

**Directors Absent:** None.

**Staff Present:** Kristen Orr, Ariana Rodriguez, Renee Pedroza

**Others Present:** None.

#### **CALL TO ORDER**

Director Rothberg called the meeting to order at 10:03 a.m. and established that a quorum was present.

#### **APPROVAL OF AGENDA**

By unanimous consent, the Board approved the Agenda.

#### **HOMEOWNER FORUM**

Unit 102, Chace Kendro, questioned the Food Service budget portion, specifically the projected income and \$0 for temporary staffing. She also requested that staff make sure that our advertisement reflects bi-weekly housekeeping.

Unit 901, Sue Stephens, requested that the meeting agenda be posted to the Laguna Woods Village website and that the minutes be updated on the Towers' website.

Unit 1103, Tom Christy, questioned the proposed Reserve Contribution amount for 2021, the cost of PMP (not including staff wages) to the HOA per unit. He also requested that an increase be considered when reviewing the 2021 Budget due to an increase in vacancies.

Ms. Orr, Director Rothberg, and Director Amado addressed residents.

#### **Secretary Report**

Without objection, the Board approved the minutes of the August 28, 2020 General Session meeting.

### **MANAGEMENT REPORT**

Ms. Orr and Director Rothberg praised both PMP and Sodexo staff for their continued hard work. Ms. Orr gave the management reports for August and September 2020, including: The Resale Report, the Leasing Report, and the Dining Services Reports (including budget figures/variances).

Director Carter is requesting that the total for Food Cost and Labor be added in the report. He is also requesting the Budget amount to be on the report.

### **TREASURER'S REPORT**

Director Amado reported a positive figure of \$40,432 for the August 2020 financials. He informed membership of the Bad Debt write-off which is creating a loss of \$93,000 for the year and explained how this is an expense that has been accrued and that it is not affecting our current cashflow. He also informed membership that there was a Tax Refund received this year which is why the budget is showing a positive figure. He reported on the rental income collected and a loss of \$148,000 in rental income for the year. He informed membership of how Bad Debt works and how it is written-off.

Director Amado moved to approve the August 2020 financials. Director Carter seconded the motion. By a vote of 5-0-0, the motion passed.

Director Carter requested (again) that management provide a summary report of the financials every month.

### **UNFINISHED BUSINESS**

#### **Approve 2021 Budget**

Director Carter read the proposed resolution:

#### **RESOLUTION M50-20-28**

**RESOLVED**, October 16, 2020, that the Business Plan of this Corporation for the year 2021 is hereby adopted and approved; and

**RESOLVED FURTHER**, that pursuant to said Business Plan, the Board of Directors of this Corporation hereby estimates that the sum of \$9,300,511.74 is required by the Corporation to meet the Laguna Woods Mutual No. Fifty operating expenses and reserve requirements for the year 2021. The sum of \$992,373 is projected as Association income (not including assessment income). In addition, the sum of \$767,299.20 is required by the Corporation to meet the Golden Rain Foundation and the Golden Rain Foundation Trust operating expenses and reserve contributions for the year 2021. The Board of Directors hereby estimates that the net sum of \$9,075,437.94 is required to be collected from and paid by members of the Corporation as basic monthly assessments; and

**RESOLVED FURTHER**, that the Board of Directors of this Corporation hereby approves expenditures from reserves in the sum of \$842,900 from the Replacement Funds; and

**RESOLVED FURTHER**, that the Board of Directors of this Corporation hereby determines and establishes monthly assessments of the Corporation as shown on each member's breakdown of monthly assessments for the year 2021 and as filed in the records of the Corporation; said assessments to be due and payable by the members of this Corporation on the first day of each month for the year 2021; and

**RESOLVED FURTHER**, that the Board of Directors of this Corporation hereby determines and establishes monthly assessments required to be paid by members of the Corporation effective January 1, 2021 as follows:

Unit Model	Monthly Assessment
A	\$2,219.66
B	\$2,257.82
C	\$2,433.41
D	\$2,402.87
F	\$2,616.62
G	\$2,364.70
H	\$2,555.55

**RESOLVED FURTHER**, that the second occupant charge will be \$762.52, of which \$618.65 is for food service and \$143.87 is for utility and maintenance costs; and

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

Director Carter moved the proposed resolution. Director Amado seconded the motion. By a vote of 5-0-0, the motion passed.

**Approve 2021 Reserve Funding Plan**

Director Carter read the proposed resolution:

**RESOLUTION M50-20-29**

**WHEREAS**, Civil Code Section 5570 requires specific reserve funding disclosure statements for associations, and

**WHEREAS**, planned assessments or other contributions to replacement reserves must be projected to ensure balances will be sufficient at the end of each year to

meet the association's obligations for repair and/or replacement of major components during the next 30 years;

**NOW THEREFORE BE IT RESOLVED**, October 16, 2020, that the Board has developed and hereby adopts the Replacement Reserves 30-Year Funding Plan (attached) with the objective of maintaining replacement reserve balances at or above a threshold of \$2,400,000 while meeting its obligations to repair and/or replace major components; and

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

Director Carter moved the proposed resolution. Director Nord-Leth seconded the motion. Discussion ensued. By a vote of 5-0-0, the motion passed.

**Approve 2021 Association-Owned Rental Rates**

Staff is seeking Board direction on the rental rates for 2021 for the Association-owned units for both existing leases and new leases. Ms. Orr recommended a 0% increase in light of the current number of Association vacancies and no increase to the assessment in 2021.

2021 Rental Rates:

<b>Unit Type</b>	<b>Assessment Amount</b>	<b>Unfurnished Rent</b>	<b>Furnished Rent</b>	<b>Double Occupant</b>
A	\$2,155.01	\$2,520	\$2,620	\$3,282.63
B	\$2,192.06	\$2,625	\$2,725	\$3,387.63
G	\$2,295.83	\$2,740	\$2,840	\$3,502.63

Director Carter moved for 0% increase for 2021 rental rates. Director Amado seconded the motion. By a vote of 5-0-0, the motion passed.

**Review and Approve Association Rules**

Director Carter read the following resolution:

**Resolution M50-20-XX**  
**Mutual Fifty Rules & Regulations**

**WHEREAS**, on August 28, 2020, the Mutual Fifty Board of Directors adopted Resolution M50-20-27, outlining rules and regulations of the corporation to be given to escrow and leasing offices for the information of new residents and lessees: and

**WHEREAS**, with the changes in policies necessitated by COVID-19, these forms needed revision;

**NOW THEREFORE BE IT RESOLVED**, as of November 16, 2020, the following rules have been approved by the Board of Directors as follows:

1. When a home is purchased in The Towers and the buyer is approved for Membership, he/she becomes a member of Laguna Woods Mutual Fifty, a California non-profit mutual benefit corporation and a resident member in the Golden Rain Foundation of Laguna Woods, also a California non-profit mutual benefit corporation.
2. Laguna Woods Mutual No. Fifty is jointly owned in undivided interest by the 311 owners of the respective units comprising The Towers, which is managed as a condominium project under the direction of its elected resident Board of Directors. The Corporation has retained a managing agent for the purpose of executing its policies and Business Plan.
3. The Golden Rain Foundation holds in trust for all Laguna Woods Village residents all common properties such as golf courses, clubhouses, buses, swimming pools, etc. It is also managed under the direction of its elected resident Board of Directors. Mutual Fifty Directors are elected by the 311 members and Directors of GRF are elected by the corporate members, United Laguna Hills Mutual, Third Laguna Hills Mutual, and Laguna Woods Mutual No. Fifty Board of Directors.
4. The residents of The Towers are provided reception desk services; housekeeping services; common area maintenance service; dining services; and educational and recreational activities. Services beyond what the Board determines to be basic services may be provided as a chargeable service, at an additional cost to the resident.
5. The Towers is not an assisted care facility. The residents must be capable of self-care or financially able to provide for health care attendants.
6. Personalized Motorized Vehicles are permitted within The Towers common area when prescribed by a doctor.
7. Residents are required to dress in acceptable clothing, appropriate to the location and occasion when in the common areas and to conduct themselves in an acceptable manner. There is a dress code in the dining rooms.
8. The monthly assessment for each unit does not include property taxes for the unit, telephone, internet and premium cable service, personal property insurance, and maintenance of the living space of the unit.
9. Each unit is provided with housekeeping services - every other week.
10. The monthly assessments include the cost of a daily meal. Additional fees may be charged if the resident purchases more meals than a daily meal.
11. Gratuity to staff is prohibited at The Towers.
12. There have been occasions when residents have been rude to staff, sometimes causing staff members to resign from his/her position. To avoid this, when an incident of rudeness to staff occurs, the Board of Directors may discipline the resident, including fining the resident up to five hundred dollars (\$500.00) depending upon the severity of the incident.

13. Residents are allowed up to two pets in their unit. Residents who wish to keep pets in their unit must make application to the Mutual and obtain approval before the pet may reside. Applications are available in The Towers Administration office. The Board of Directors may discipline any resident who violates this policy. This does not apply to personal assistance animals.
14. When Residents plan to move into The Towers or move out of The Towers, they MUST schedule the move with the Reception Desk at (949) 597-4278.
15. All construction and remodeling planned within a unit MUST be scheduled through the Maintenance shop (949) 434-5614.
16. Each resident may have two visitors at a time.
17. Residents must call in their visitors ahead of time to the Reception Desk.
18. Visitors must come through the front entrance and record their name, residence they are visiting, time and length of visit and telephone number with staff before entering the building.
19. Visitors will be asked about the possibility of symptoms/exposure.
20. Visitors will have their temperatures taken before entering the building; not permitted in the building if temperature is over 99.9 degrees.
21. Visitors must sanitize their hands and proceed directly to the unit that they are visiting.
22. Visitors must bring their own masks and must wear them in Common Areas including elevators and hallways.
23. Emergency Work only is permitted within The Towers (interior common areas). "Emergency Work" is defined as work that is necessary to address or correct an imminent threat to the health and safety of a resident or residents of the community.
24. Emergency Work only is permitted within residential units.
25. All work being done by outside vendors must abide by Visitor Rules.
26. Personal property may not be left anywhere in the Common Area for any period of time.
27. In-Room Dining Service only- (no charge)
28. Full-service housecleaning is performed bi-weekly for each resident requesting it.
29. Residents must wear a face mask at all times while the housekeeping staff is in the Resident's unit and must make all reasonable efforts to maintain distance from the housekeeping staff.
30. A maximum of 3 people in the elevator at a time.
31. No group gatherings in common area indoor spaces.
32. Minimum of six feet of distance is to be kept between residents at all times in both interior and exterior common area spaces.
33. Masks are required to be worn by residents, visitors, invitees, and staff in all common areas.
34. Delivery services are to deliver items to staff outside of the front entrance to the Lobby; Staff is to mark the package with unit number, sort and organize packages and take packages out for delivery, wearing gloves and a mask.

35. All staff is to enter the building through the front entrance.
36. Staff temperatures to be taken and recorded twice daily (sent home if above 99.9).
37. All caregivers must enter the building through the front entrance anytime they enter or re-enter the building (same as any other visitor).
38. All caregivers must go directly to the residence for which they are employed.
39. Caregivers must not enter the residence of any resident other than their employer.
40. Caregivers must not congregate with other caregivers inside any residence or common area.
41. Kristen Orr, Towers' General Manager is authorized by the Board to make exceptions to any of the Rules at her discretion.

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

**This resolution will go out for a required 28-day comment period in compliance with the Davis-Sterling Common Interest Development Act.**

Director Carter moved the proposed resolution Director Nord-Leth seconded the motion. Discussion ensued. By a vote of 4-0-0, the motion passed.

### **NEW BUSINESS**

#### **Bemus Landscape – Contract Increase Letter**

Director Carter moved to approve the contract increase for the monthly fee in the amount of \$5,768.00 (3%) effective January 1, 2021. Director Amado seconded the motion. Discussion ensued. By a vote of 5-0-0, the motion passed.

Director Nord-Leth moved to have PMP staff to rebuild the orchid house immediately. Director Carter seconded the motion. By a vote of 5-0-0, the motion passed.

#### **Bemus Landscape – 2021 Proposed Budget**

Director Carter moved to approve the 2021 Proposed Budget from Bemus Landscape with the exception that the Board will see and approve the proposed plants before any final decision making. Director Nord-Leth seconded the motion. Discussion ensued. By a vote of 5-0-0, the motion passed.

#### **Bemus Landscape – Replace Hibiscus Tree**

By unanimous consent, the Board moved to remove the tree and reject the proposal.

#### **Bemus Landscape – Remove and Replace Thuia Tree**

By unanimous consent, the Board moved to remove the tree and reject the proposal.

**Bemus Landscape – Fill in bare planter**

Director Carter moved to approve the proposal in the amount of \$406.89 to fill in the bare area in the planter located outside of Lortscher Hall. Director Nord-Leth seconded the motion. By a vote of 5-0-0, the motion passed.

**ADJOURNMENT**

The Meeting was adjourned at 11:42 a.m.

A handwritten signature in black ink, appearing to read "John Carter", with a long horizontal flourish extending to the right.

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John Carter, Secretary