



OPEN SESSION

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

**Tuesday, October 15, 2019 - 9:30 a.m.
Laguna Woods Village Community Center Board Room 24351 El Toro Road
Laguna Woods, California**

NOTICE OF MEETING AND AGENDA

- 1. Call meeting to order / Establish Quorum**
- 2. Pledge of Allegiance – Director Karimi**
- 3. Acknowledge Media**
- 4. Approval of Agenda**
- 5. Approval of Minutes**
 - a. September 17, 2019 – Regular Open Meeting
 - b. September 24, 2019 – Special Agenda Prep (Annual Meeting)
 - c. September 27, 2019 – Special Open (Tabulation Meeting)
- 6. Report of the Chair**
- 7. Open Forum (Three Minutes per Speaker) - *At this time Members may address the Board of Directors regarding items not on the agenda and within the jurisdiction of this Board of Directors. There is a maximum time limit of three minutes per speaker and a speaker may only address the Board once during this period. The Board reserves the right to limit the total amount of time allotted for the Open Forum.***
- 8. Responses to Open Forum Speakers**
- 9. CEO/COO Report**
- 10. Consent Calendar - *All matters listed under the Consent Calendar are recommended for action by committees and will be enacted by the Board by one motion. In the event that an item is removed from the Consent Calendar by***

Please silence your cell phones.

members of the Board, such item(s) shall be the subject of further discussion and action by the Board.

- a. Finance Committee Recommendations:
 - (1) Recommendation to Approve a Resolution to Record Lien against Member ID# 931-720-47
 - (2) Recommendation to Approve a Resolution to File in Small Claims Court against Member ID# 931-481-09
- b. Update Third Mutual and GRF Committee Appointments
- c. Street Light Pilot II Recommendation and Update
- d. Approve Resolution for Third Board Appointment of Officers
- e. Consistent with its statutory obligations the Board members individually reviewed Third Laguna Hills Mutual financials for the month of August 2019, and by this vote ratify that such review be confirmed in this month's Board Member Open Session Meeting minutes per Civil Code §5501.

11. Unfinished Business

- a. Entertain a Motion to Adopt a Resolution for a Membership in Good Standing Policy (**SEPTEMBER initial notification: 28-day notification for Member comments and suggestions to conform to Civil Code §4360 has been satisfied**)
- b. Entertain a Motion to Adopt a Resolution to Revise the Non-Emergency Maintenance Chargeable Services to Include Carport Condensation Panel Repairs as a Chargeable Service (**SEPTEMBER initial notification: 28-day notification for Member comments and suggestions to conform to Civil Code §4360 has been satisfied**)

12. New Business--None

13. Committee Reports

- a. Report of the Finance Committee / Financial Report – Director Pearlstone. The Committee met on October 1, 2019; next meeting November 5, 2019, at 1:30 p.m. in the Board Room
 - (1) Treasurer's Report
 - (2) Third Finance Committee Report
 - (3) Resales/Leasing Reports
- b. Report of the Architectural Controls and Standards Committee – Director Parsons. The September Committee meeting was canceled; next meeting October 28, 2019, at 9:30 a.m. in the Board Room.

- c. Report of the Communications Committee – Director McCary. The Committee met on October 9, 2019; next meeting will be held on January 8, 2020, at 1:30 p.m. in the Willow Room.
- d. Report of the Maintenance and Construction Committee – Director Bhada. The Committee met on September 9, 2019; next meeting November 4, 2019, at 1:00 p.m. in the Board Room.
 - Report of the Parking and Golf Cart Task Force – Director Parsons. The Task Force met on July 9, 2019 at 10:00 a.m. in the Sycamore Room; Next meeting TBA.
- e. Report of the Landscape Committee – Director Jarrett. The Committee met on October 10, 2019; next meeting November 7, 2019, at 9:30 a.m. in the Board Room.
- f. Report of the Water Subcommittee – Director Karimi. The subcommittee met on October 9, 2019; next meeting January 8, 2020, at 10:00 a.m. in the Sycamore Room.
- g. Report of the Resident Policy and Compliance Task Force – Director Jarrett. The Task Force met on August 29, 2019; next meeting TBA.
- h. Report of the Village Energy Task Force – Director Frankel. The Task Force met on September 4, 2019; next meeting November 6, 2019, at 1:30 p.m. in the Board Room.

14. GRF Committee Highlights

- a. Community Activities Committee – Director Bhada. The Committee met on September 12, 2019; next meeting November 14, 2019, at 1:30 p.m. in the Board Room.
- b. Finance Committee – Director Pearlstone. The Committee met on August 21, 2019; next meeting October 23, 2019, at 1:30 p.m. in the Board Room.
 - Investment Task Force-Jon Pearlstone
- c. Landscape Committee – Director Jarrett. The Committee met on August 14, 2019; next meeting November 13, 2019, at 1:30 p.m. in the Board Room.
- d. Maintenance & Construction Committee – Director Bhada – The Committee met on October 9, 2019; next meeting December 11, 2019, at 9:30 a.m. in the Board Room

- PAC Renovation Ad Hoc Committee – Director Pearlstone. The Committee met on October 17, 2019 at 1:30 p.m. in the Board Room
 - e. Media and Communications Committee – Director McCary. The Committee met on September 16, 2019; next meeting October 21, 2019, at 1:30 p.m. in the Board Room
 - f. Mobility and Vehicles Committee-Director Frankel – The Committee met on October 2, 2019; next meeting December 4, 2019, at 1:30 p.m. in the Board Room. There will be a Special Meeting on October 29, 2019 at 9:30 a.m. in the Board Room.
 - g. Security and Community Access Committee – Director Parsons. The Committee met on August 26, 2019; next meeting October 28, 2019, at 1:30 p.m. in the Board Room
 - Disaster Preparedness Task Force – Director Frankel. The Task Force met on September 24, 2019; next meeting November 26, 2019, 9:30 a.m. in the Board Room
 - h. Report of the Laguna Woods Village Traffic Hearings – Director Frankel. The hearings were held on September 18, 2019; next hearings October 16, 2019, at 9:00 a.m. in the Board Room and 1:00 p.m. in the Sycamore Room
- 15. Future Agenda Items--** *All matters listed under Future Agenda Items are items for a future Board Meetings. No action will be taken by the Board on these agenda items at this meeting. The Board will take action on these items at a future Board Meeting.*
- a. Parking Report
 - b. Census Report
 - c. Resolution to Revise the Alterations Fee Schedule
 - d. Resolution to Revise Alteration Standard 22: Patio & Balcony Covers (July Introduced, August Tables, September Postponed)
 - e. Resolution for an Alternative Heat Source Policy
 - f. Garden Villa Mailroom Flooring Replacement Material
 - g. Supplemental Funding for the Replacement of LH-21 Enclosed Bulletin Board Cabinets
 - h. Adopt a Resolution for a Co-Occupancy Policy
 - i. Gate 11 Updates

16. Director's Comments

- 17. Recess** - *At this time the Meeting will recess for lunch and reconvene to Executive Session to discuss the following matters per California Civil Code §4935.*

Closed Executive Session Agenda

Approval of Agenda

Approval of the Following Meeting Minutes;

- (a) September 6, 2019—Special Closed Session*
- (b) September 17, 2019—Regular Closed Session*
- (c) September 24, 2019—Special Closed Session*

Discuss and Consider Member Matters

Discuss Personnel Matters

Discuss and Consider Contractual Matters

Discuss and Consider Litigation Matters

18. Adjourn

this page intentionally left blank



**MINUTES OF THE REGULAR OPEN MEETING OF THE THIRD LAGUNA HILLS
MUTUAL BOARD OF DIRECTORS, A CALIFORNIA NON-PROFIT MUTUAL BENEFIT
CORPORATION**

**Tuesday, September 17, 2019 - 9:30 a.m.
Laguna Woods Village Community Center Board Room 24351 El Toro Road,
Laguna Woods, California**

Directors Present: Rosemarie diLorenzo, Steve Parsons, Jon Pearlstone, John Frankel, Lynn Jarrett, Reza Karimi, Annie McCary and Cush Bhada (arrived late)

Directors Absent: Bunny Carpenter

Staff Present: Jeff Parker, CEO, Siobhan Foster, Eileen Paulin and Cheryl Silva

Others Present: Wei-Ming Tao (VMS), Raquel Unger (VMS), Ralph Engdahl (VMS)
Bert Moldow (GRF)

1. Call meeting to order / Establish Quorum

Rosemarie diLorenzo, President of the Corporation, chaired and opened the meeting, and stated that it was a Regular Meeting held pursuant to notice duly given. A quorum was established, and the meeting was called to order at 9:30 a.m.

2. Pledge of Allegiance

Director McCary led the Membership in the Pledge of Allegiance.

3. Acknowledge Media

President diLorenzo acknowledged the presence of the media.

4. Approval of Agenda

Director McCary made a motion to approve the agenda as presented. Director Parsons seconded the motion.

President diLorenzo called for the vote, and the motion passed unanimously.

5. Approval of Minutes

- a. August 8, 2019 – Special Open Meeting (2020 Budget)
- b. August 8, 2019 – Special Open Meeting (LED Pilot Presentation)
- c. August 20, 2019 – Regular Open Meeting

d. August 23, 2019 – Special Open Meeting (Meet the Candidates)

Director McCary made a motion to approve the August 8, 2019—Special Open Meeting (2020 Budget), August 8, 2019—Special Open Meeting (LED Pilot Presentation), August 20, 2019—Regular Open Meeting and August 23, 2019, Special Open Meeting (Meet the Candidates) minutes, as presented. Director Parsons seconded the motion.

President diLorenzo called for the vote, and the motion passed unanimously.

Director Bhada arrived at 10:00 a.m.

6. Report of the Chair

President diLorenzo announced that Roy Bruninghaus has resigned from the Third Board because he is moving out of the community. She announced that Director Jarrett will be the Acting Secretary. There will be a Year-End Review presentation at the Annual meeting. She reminded Members to please vote! Even though we have four candidates running for four vacancies, we still need a quorum to finalize the election according to the Civil Code. Residents are invited to attend tabulation meeting when the ballots will be counted on September 27, 2019, at 9:00 a.m.

7. Open Forum

Several Members spoke about various issues:

- A Member commented about the Laguna Woods Foundation and the benefits of the Foundation. The Foundation will transport residents to the South County Food Pantry. Residents are encouraged to donate food to the Food Pantry;
- A Member commented about careless drivers and disoriented members. She thanked the Third Board for following the Davis-Stirling Act;
- A Member asked about landscape design for the landscape turf reduction and landscape modernization project;
- A Member commented about the street light proposal.

8. Responses to Open Forum Speakers

Board Members responded to the Members' concerns and requests:

- Director Jarrett responded about the landscape turf reduction and landscape modernization project timeline;
- President diLorenzo responded about the street lighting project and the pilot program;
- Director Parsons, Bhada and Karimi responded about the street lighting project and contract;
- Jeff Parker, CEO, responded about the street lighting contract.

9. CEO Report

Jeff Parker, CEO, and Siobhan Foster, COO, reported on the following subjects:

- Election Acclamation SB754 Legislation has passed through the House and Senate and the bill is on the Governor's Desk to sign;

- Staff meeting regarding resident services calls, the need for a call center and customer service was held last week;
- Guide for moisture intrusion will be developed for the residents;
- Thanked the Board for their work on the 2020 Budget;
- Garden Villa Association Meeting was held last week and he is moving ahead with some of their suggestions;
- Assemblywoman Cottie Petrie-Norris will hold a free Senior Scam Stopper seminar will be held Thursday, September 19, from 10 a.m. to noon at the Performing Arts Center;
- Patrons of Clubhouse 4 should be prepared for increased noise and activity, however, Pool 4 will remain open during the work;
- Security and Maintenance Divisions will continue working on updating the security system for Gate 11;
- Landscaping Division staff will be out in the community to pick up garden clippings on Fridays;
- Come join the excitement at the Club Rooms at Village Greens 19 Restaurant and Lounge now to December for Monday Night Football.
- Eileen Paulin, Marketing and Communications Director addressed the trash communications project;

10. Consent Calendar

10a. Architectural Controls and Standards Committee Recommendations:

- (1) Recommendation to Approve Request to Raise Living/Dining Room and Bedroom Ceiling above Existing Structural Members and Replace Materials to Accommodate Solar Panel Installation – 3456-B (Andaluz, P43)

RESOLUTION 03-19-90 **VARIANCE REQUEST**

WHEREAS, Mr. Timothy Cooper/Mrs. Susan Smallwood of 3456-B Bahia Blanca W, an Andaluz style unit, is requesting Board approval of a variance to raise living/dining room and bedroom ceiling above existing structural members and replace roofing materials to accommodate solar panel installation; and,

WHEREAS, a Neighborhood Awareness Notice was sent to Owners of affected units on August 12, 2019, notifying them that an application to make an alteration to a neighboring unit had been made and that comments or objections could be made in writing to the Architectural Controls and Standards Committee or in person at the Architectural Controls and Standards Committee Meeting on August 26, 2019.

NOW THEREFORE BE IT RESOLVED, on September 17, 2019, the Board of Directors hereby approves the request to raise living/dining room and bedroom ceiling above existing structural members and replace roofing materials to accommodate solar panel installation;

RESOLVED FURTHER, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Property's Member Owner at 3456-B and all future Mutual members at 3456-B.

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.

10b. Landscape Committee Recommendations:

- (1) Recommendation to Approve Tree Removal Request: 4024-A Calle Sonora Este (Newman) – One Carrotwood tree, since tree's proximity to unit does not allow for root trenching to prevent encroachment into infrastructure

RESOLUTION 03-19-91
TREE REMOVAL REQUEST

WHEREAS, September 20, 2011, that the Board of Directors adopted Resolution 03-11-149, Tree Removal Guidelines:

- Unless there is a purposeful reason, trees should not be removed merely because they are messy, or because of residents' personal preferences concerning shape, color, size, or fragrance.
- Trees should not be removed because of view obstruction if the obstruction is at a considerable distance from the complaining manor and therefore causes only a partial obstruction.
- Trees on slopes should not be removed if the removal will contribute to the destabilization of that slope.
- Trees which are damaging or will damage a structure, pose a hazard, in failing health or interfering with neighboring trees, will be considered for removal.

WHEREAS, on September 5, 2019, the Landscape Committee reviewed a request for a tree removal of one Carrotwood tree. The request was received from the Member at 4024-A, who cited the reasons as litter and debris, and structural damage and;

WHEREAS, the Committee recommended approving the request for the removal of one Carrotwood tree located at 4024-A Calle Sonora Este given the fact that the tree's proximity to the manor will not allow for root trenching to prevent encroachment on the infrastructure.

NOW THEREFORE BE IT RESOLVED, September 17, 2019, the Board of Directors approves the request for the removal of one Carrotwood tree located at 4024-A;

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

10b. Finance Committee Recommendations:

- (1) Recommendation to Approve a Resolution to Record Lien against Member ID# 933-620-08

RESOLUTION 03-19-92
RECORDING OF A LIEN

WHEREAS, Member ID 933-620-08; is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment; and

WHEREAS, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

NOW THEREFORE BE IT RESOLVED, September 17, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 933-620-08 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.

- 10c.** Consistent with its statutory obligations the Board members individually reviewed Third Laguna Hills Mutual financials for the month of July 2019, and by this vote ratify that such review be confirmed in this month's Board Member Open Session Meeting minutes per Civil Code §5501.

Director Parsons made a motion to approve the consent calendar as presented. Director Bhada seconded the motion, and it passed unanimously.

11. Unfinished Business

- 11a.** Entertain a Motion to Adopt a Resolution for a Co-Occupancy Policy

Director Jarrett presented a summary of the following resolution:

RESOLUTION 03-19-xx
CO-OCCUPANCY POLICY

WHEREAS, the Board of Directors (the "Board") of Third Laguna Hills Mutual ("Third") held a meeting on September 17, 2019, at which a quorum of the Board was present;

WHEREAS, Third is an independent-lifestyle and age-restricted senior citizen community, as defined by California Civil Code §51.3; no form of healthcare or assisted living is provided by Third; and each resident is responsible for his/her own health, safety, care and welfare;

WHEREAS, authorization for co-occupancy of any manor by a Member is effective only when approved in writing by Third and issued in writing by an authorized VMS staff member(s);

WHEREAS, Third and Member(s) have the right to terminate the Co-Occupant status of an approved Co-Occupant of the Member's manor at any time, without cause; however, Civil Code §51.3 may be interpreted to inhibit this right of termination under certain circumstances;

WHEREAS, in order to be approved for co-occupancy, the Member(s) and Co-occupant cannot have a landlord-tenant relationship during the duration of the Co-occupancy;

WHEREAS, pursuant to any co-occupancy approved by Third, both Member(s) and Co- occupant will reside in the Unit, and when necessary, the Board reserves the right to require proof of residency;

WHEREAS, in accordance with Third's governing documents, including without limitation, Declarations of Covenants, Conditions, and Restrictions, Bylaws and Operating Rules (collectively, the "Governing Documents"), Member(s) shall be responsible for the conduct and deportment of the Co-occupant of Member's manor;

WHEREAS, Third is authorized to take disciplinary action against a Member(s) whose dwelling may be found in violation of the Governing Documents. When a complaint is lodged regarding the occurrence of a violation, the Board has a fiduciary duty to investigate and impose disciplinary action or take other enforcement action, as may be appropriate, as set forth in the Governing Documents;

WHEREAS, this Co-Occupancy Policy itemizes, consolidates and clarifies the procedures and requirements for authorization of a Co-Occupant to reside in a Member's manor, including the administrative handling of Co-occupancy applications;

NOW THEREFORE BE IT RESOLVED, xxx, 2019, the Board of Directors of Third hereby adopts the Co-Occupancy Policy as attached to the official minutes of this meeting; and

RESOLVE FURTHER, that this policy supersedes all existing Co-Occupancy documents and procedures to the extent such documents or

procedures contradict the Co-Occupancy Policy, except as required by law, and shall be put into effect immediately; and

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

AUGUST Initial Notification

28-day notification for Member review and comment to comply with Civil Code §4360 has been satisfied.

Director Jarrett made a motion to postpone approval of a resolution for a Co-Occupancy Policy. Director McCary seconded the motion.

Discussion ensued among the Directors.

President diLorenzo called for the vote and the motion passed unanimously.

11b. Entertain a Motion to Adopt a Resolution to Revise the Lease Policy

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-93
LEASE POLICY CLARIFICATION

WHEREAS, the Board of Directors (the "Board") of Third Laguna Hills Mutual ("Third") held a meeting on September 17, 2019, at which a quorum of the Board was present;

WHEREAS, the Board is obligated to manage and enforce the residency requirements for Members and other residents and tenants as set forth in the Third's governing documents, including without limitation the Declarations of Covenants, Conditions, and Restrictions ("CC&Rs"), Bylaws and Operating Rules; and

WHEREAS, pursuant to its duties under Third's governing documents, the Board is obligated to review lease applications for prospective leases between Members and their proposed tenants and any amendments, extensions or renewals thereof in accordance with the provisions of the Bylaws, CC&Rs and Operating Rules;

WHEREAS, the Board previously adopted a revised Lease Policy by Resolution 03-19- 51 which clarified the restrictions relating to the leasing of manors in Third;

WHEREAS, it has come to the Board's attention that some Members are requesting to apply for a Lease Authorization Amendment due to unforeseen circumstances not related to rent sharing arrangements; and

WHEREAS, the Board has determined that it would be in the best interest of Third to modify some of the restrictions in the Lease Policy to clarify what leasing practices are not permitted and to prevent abuse by Members and Lessees of the authorization procedures to engage in leasing activities that are otherwise restricted by Third's governing documents;

NOW, THEREFORE BE IT RESOLVED, on September 17, 2019, that the Board of Third hereby approves and adopts the revised Lease Policy; as attached to the official minutes of this meeting; and

RESOLVED FURTHER, that Third's managing agent is hereby directed to disseminate this information to the realty community serving Laguna Woods Village and Laguna Woods; and

RESOLVED FURTHER, that this revised Lease Policy supersedes all existing leasing policies and shall be put into effect September 17, 2019; and

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

AUGUST Initial Notification
28-day notification for Member review and comment to comply with Civil Code §4360 has been satisfied.

Director Jarrett made a motion to adopt a resolution to revise the lease policy. Director Parsons seconded the motion.

Discussion ensued among the Directors.

President diLorenzo called for the vote and the motion passed unanimously.

11c. Entertain a Motion to Adopt a Resolution Prohibiting All New Planting of Fruit Trees and Vegetables in Common Area

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-94
FRUIT TREE AND VEGETABLES POLICY

WHEREAS, fruit trees in the Common Area were planted by or at the request of Members as part of the discontinued "Yellow Stake" program;

WHEREAS, fruit trees are not maintained or trimmed by the Mutual and are the responsibility of the Member to maintain;

WHEREAS, the maintenance of fruit trees is passed on to new Members with the purchase of the residence;

WHEREAS, fruit trees and vegetable gardens are a known attractant and food source for wildlife and rodents, and unmaintained fruit trees exacerbate the problem and;

WHEREAS, two Garden Centers have been provided by the Golden Rain Foundation for the purpose of providing a place for residents to grow tomatoes or other crops.

WHEREAS, there has been a consistent increase in rodent activity over the past six years.

NOW THEREFORE BE IT RESOLVED, on September 17, 2019, that the Board of Directors of this Corporation hereby prohibits the planting of any fruit trees in Common Area and requires Members to maintain existing fruit trees on Common Area and in Exclusive Use Common Areas;

RESOLVED FURTHER, the planting of vegetables in Common Area is prohibited;

RESOLVED FURTHER, to maintain the health and safety of the Members, fruit trees found to be unmaintained will be removed, with notice, by the Mutual.;

RESOLVED FURTHER, existing fruit trees in Common Area are to be removed in the resale process;

RESOLVED FURTHER, Resolution 03-11-30, revised March 15, 2011, and Resolution M3-84-122, revised November 15, 1984, are hereby superseded in their entirety and no longer in effect;

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

JULY Initial Notification

28-day notification for Member review and comment to comply with Civil Code §4360 has been satisfied.

Director Jarrett made a motion to adopt a resolution prohibiting all new planting of fruit trees and vegetables in common area. Director Karimi seconded the motion.

Discussion ensued among the Directors.

President diLorenzo called for the vote and the motion passed unanimously.

11d. Entertain a Motion to Adopt a Resolution to Revise Alteration Standard 41: Solar Panels, 1-Story Buildings

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-95
ALTERATION STANDARD 21: SOLAR PANELS, 1-STORY BUILDINGS

WHEREAS, the Architectural Controls and Standards Committee (ACSC) recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and

WHEREAS, the Architectural Controls and Standards Committee recognizes the need to revise Alteration Standard 41: Solar Panels, 1 Story Buildings and,

NOW THEREFORE BE IT RESOLVED, September 17, 2019, that the Board of Directors of this Corporation hereby adopts Alteration Standard 41: Solar Panels, 1 Story Buildings as attached to the official meeting minutes;

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

AUGUST Initial Notification
28-day notification for Member review and comment to comply with Civil Code §4360 has been satisfied.

Director Jarrett made a motion to adopt a resolution to revise alteration standard 21: solar panels, 1-story buildings. Director Parsons seconded the motion.

Discussion ensued among the Directors.

President diLorenzo called for the vote and the motion passed unanimously.

11e. Entertain a Motion to Approve the 2020 Collection and Lien Enforcement Policy

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-96
2020 COLLECTION AND LIEN ENFORCEMENT POLICY

WHEREAS, in accordance with California Civil Code, Third Laguna Hills Mutual maintains a collection and lien enforcement policy that outlines the procedures, policies and practices employed by the Mutual in enforcing lien rights or other legal remedies for default in payment of assessments; and

WHEREAS, the Finance Committee reviewed the updated 2020 Collection and Lien Enforcement Policy, including an increase in the delinquent interest charge from 10 to 12%;

WHEREAS, the Finance Committee requested that staff verify with Third's legal counsel that any and all language associated with the new appeals policy, currently on 28-day notice, be included as necessary;

WHEREAS, legal counsel has reviewed the existing Collection and Lien Enforcement Policy and determined that the updated policy complies with Civil Code requirements and reflects current practices for collection of Mutual delinquencies.

NOW THEREFORE BE IT RESOLVED, September 17, 2019, that the Board of Directors hereby adopts the 2020 Third Laguna Hills Mutual Collection and Lien Enforcement Policy as attached to the official minutes of this meeting; and

RESOLVED FURTHER, the policy statement is provided pursuant to the requirements of California Civil Code section 5310(a)(7) and will be distributed to members in November 2019 as part of the Annual Policy Statement.

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

AUGUST Initial Notification

28-day notification for Member review and comment to comply with Civil Code §4360 has been satisfied.

Director Jarrett made a motion to approve a resolution for the 2020 Collection and Lien Enforcement Policy. The motion was seconded by Director Parsons.

Discussion ensued among the Directors.

President diLorenzo called for the vote and the motion passed unanimously.

- 11f.** Entertain a Motion to Postpone Approval of a Resolution for Revise Alteration Standard 22: Patio & Balcony Covers

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-XX
**ALTERATION STANDARD 22: PATIO AND BALCONY COVER/
ALUMINUM AND VINYL**

WHEREAS, the Architectural Controls and Standards Committee recognizes the need to amend Alteration Standards and create new Alteration Standards as necessary; and

WHEREAS, the Architectural Controls and Standards Committee recognizes the need to revise Alteration Standard 22: Patio and Balcony Cover / Aluminum and Vinyl and,

NOW THEREFORE BE IT RESOLVED, XXX, 2019, that the Board of Directors of this Corporation hereby adopts Alteration Standard 22: Patio and Balcony Cover / Aluminum and Vinyl as attached to the official meeting minutes;

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

JULY Initial Notification-AUGUST Board Tabled this Item
28-day notification for Member review and comment to comply with Civil Code §4360 has been satisfied.

Director Jarrett made a motion to postpone approval of a resolution to revise alteration standard 22: patio and balcony covers. Director Bhada seconded the motion.

Discussion ensued among the Directors.

President diLorenzo called for the vote and the motion passed unanimously.

11g. Entertain a Motion to Approve the 2020 Third Business Plan

Director Pearlstone presented a summary of the following Resolution:

RESOLUTION 03-19-97
2020 THIRD BUSINESS PLAN

RESOLVED, September 17, 2019, that the Business Plan of this Corporation for the year 2020 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 net sum of \$33,162,715 is required by the Corporation to meet the Third Laguna Hills Mutual operating expenses and reserve contributions for the year 2020. In addition, the sum of \$15,054,537 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 2020. Therefore, a total of \$48,217,252 is required to be collected from and paid by members of the Corporation as monthly assessments; and

RESOLVED FURTHER, that the Board of Directors of this Corporation hereby approves expenditures from reserves in the sum of \$14,669,395 of which \$12,357,061 is planned from the Replacement Fund, \$255,000 from the Elevator Replacement Fund, \$118,420 from the Laundry Replacement Fund, \$1,867,932 from the Disaster Fund, and \$70,982 from the Garden Villa Recreation Room Fund; 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 2020 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 2020; 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 Pearlstone made a motion to approve the 2020 Third Business Plan. Director Jarrett seconded the motion.

Discussion ensued among the Directors.

Vice President Parsons called for the vote and the motion passed unanimously (Director diLorenzo was absent for the vote).

11h. Entertain a Motion to Approve the 2020 Third Reserves Funding Plan

Director Pearlstone presented a summary of the following Resolution:

RESOLUTION 03-19-98
2020 THIRD RESERVES FUNDING PLAN

WHEREAS, Civil Code § 5570 requires specific reserve funding disclosure statements for common interest developments;

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

NOW THEREFORE BE IT RESOLVED, September 17, 2019, that the Board has developed and hereby adopts the Replacement Reserves 30-Year Funding Plans (attached) with the objective of maintaining replacement reserve balances at or above established thresholds totaling \$8,290,000 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 Pearlstone made a motion to approve the 2020 Third Reserves Funding Plan. Director Karimi seconded the motion.

Discussion ensued among the Directors.

Vice President Parsons called for the vote and the motion passed unanimously (Director diLorenzo was absent for the vote).

11i. Entertain a Motion to Postpone Approval of a Resolution for an Alternative Heat Source Policy

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-xx
ALTERATION HEAT SOURCE POLICY

WHEREAS, the original heat source for many units is provided through radiant heat from conductive coils in the ceiling;

WHEREAS, the ceiling radiant heat is the primary heat source for the room;

WHEREAS, the installation of a ceiling fan may have caused the radiant heat to stop functioning and an alternative heat source be required to maintain a 'habitable' area according to California Residential Building Code;

WHEREAS, an alternative heat source can be provided by a Central Heating Ventilation and Air Conditioning (HVAC) System or a wall heater;

WHEREAS, the Committee desires to simplify the approval process for alterations and minimize the time for review of these alterations;

NOW THEREFORE BE IT RESOLVED, September xx, 2019, the Board of Directors adopts a resolution for an Alternative Heat Source Policy; and

RESOLVED FURTHER, any new primary alternative heat source will require a City Permit and Mutual Consent; and

RESOLVED FURTHER, no new ceiling fan Mutual Consents will be issued without having a corresponding alternative heat source listed on the same Mutual Consent.; and

RESOLVED FURTHER, all alternative heat sources shall be hardwired and installed on a dedicated circuit; 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.

JULY Initial Notification—AUGUST this item was Tabled
28-day notification for Member review and comment to comply with Civil Code §4360 has
been satisfied.

Director Jarrett made a motion to postpone approval of a resolution for Alternative Heat Source Policy. Director Bhada seconded the motion.

Discussion ensued among the Directors.

President diLorenzo called for the vote and the motion passed unanimously.

12. New Business

12a. Recommendation to Deny Tree Removal Request: 3317-C Via Carrizo (Conrad) – One Flexleaf Paperbark tree

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-99 DENY A TREE REMOVAL REQUEST ONE FLEXLEAF PAPERBARK TREE – 3317-C

WHEREAS, September 20, 2011, that the Board of Directors adopted Resolution 03-11-149, Tree Removal Guidelines:

- Unless there is a purposeful reason, trees should not be removed merely because they are messy, or because of residents' personal preferences concerning shape, color, size, or fragrance.
- Trees should not be removed because of view obstruction if the obstruction is at a considerable distance from the complaining manor and therefore causes only a partial obstruction.
- Trees on slopes should not be removed if the removal will contribute to the destabilization of that slope.
- Trees which are damaging or will damage a structure, pose a hazard, in failing health or interfering with neighboring trees, will be considered for removal.

WHEREAS, on September 5, 2019, the Landscape Committee reviewed a request for a tree removal of one Flexleaf Paperbark tree. The request was received from the Member at 3317-C, who cited the reasons as overgrown, litter, and debris;

WHEREAS, the Committee recommended denying the request for the removal of one Flexleaf Paperbark Tree located at 3317-C Via Carrizo based on the tree removal guidelines for not removing a tree based on litter or debris and the recent epoxying of sewer mainline should negate future root intrusion;

NOW THEREFORE BE IT RESOLVED, September 17, 2019, the Board of Directors denies the request for the removal of one Flexleaf Paperbark Tree located at 3317-C, and;

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

Director Jarrett made a motion to deny the tree removal request for 3317-C (Conrad). The motion was seconded by Director McCary.

Discussion ensued among the Directors.

President diLorenzo called for the vote, and the motion passed unanimously (Director Bhada was absent for the vote).

12b. Recommendation to Deny Tree Removal Request: 3511-A (Miles) – One Indian Laurel Fig tree

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-100
DENY TREE REMOVAL REQUEST
ONE INDIAN LAUREL FIG TREES – 3511-A

WHEREAS, September 20, 2011, that the Board of Directors adopted Resolution 03-11-149, Tree Removal Guidelines:

- Unless there is a purposeful reason, trees should not be removed merely because they are messy, or because of residents' personal preferences concerning shape, color, size, or fragrance.
- Trees should not be removed because of view obstruction if the obstruction is at a considerable distance from the complaining manor and therefore causes only a partial obstruction.
- Trees on slopes should not be removed if the removal will contribute to the destabilization of that slope.
- Trees which are damaging or will damage a structure, pose a hazard, in failing health or interfering with neighboring trees, will be considered for removal.

WHEREAS, on September 5, 2019, the Landscape Committee reviewed a request for a tree removal of one Indian Laurel Fig tree. The request was received from the Member at 3511-A, who cited the reasons as litter and debris;

WHEREAS, the Committee recommended denying the request for tree removal of one Indian Laurel Fig tree located at 3511-A Bahia Blanca based on the tree removal guidelines for not removing a tree based on litter or debris;

NOW THEREFORE BE IT RESOLVED, September 17, 2019, based upon Resolution 03-11-149 which states trees should not be removed merely because they are messy, the Board of Directors hereby denies removal of one Indian Laurel Fig tree located at 3511-A, and;

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

Director Jarrett made a motion to deny the tree removal request for 3511-A (Miles). The motion was seconded by Director Karimi.

Discussion ensued among the Directors.

President diLorenzo called for the vote, and the motion passed unanimously (Director Bhada was absent for the vote).

12c. Entertain a Motion to Introduce a Resolution to Adopt a Membership in Good Standing Policy

Director Jarrett presented a summary of the following resolution:

RESOLUTION 03-19-XX
MEMBERSHIP IN GOOD STANDING POLICY

WHEREAS, the Board of Directors (the "Board") of Third Laguna Hills Mutual ("Mutual") held a meeting on September 17, 2019, at which a quorum of the Board was present;

WHEREAS, the Board is obligated to enforce the provisions set forth in the Mutual's governing documents, including without limitation, the Declaration of Covenants, Conditions, and Restrictions (CC&Rs), Bylaws, and Operating Rules (collectively, the "Governing Documents"); and

WHEREAS, Mutual members/owners, or the units they own, as may be applicable, that have engaged in or are actively and currently in violation of the Governing Documents may be subject to certain disciplinary action and/or limitation in their rights and privileges, including, without limitation, suspension of voting rights and ineligibility for serving on the Board, as described in the Governing Documents; and

WHEREAS, the term *good standing* has been used colloquially by the Mutual and the Board in reference to Mutual members who are not in violation of the Governing Documents, and the lack of *good standing* to denote that such members have committed a violation or are currently in violation of the Governing Documents and thus limited in their membership privileges;

WHEREAS, despite the general use of the term *good standing*, and references made to same in various rules, policies, and elsewhere in the Governing Documents, there is no formal, comprehensive definition of *good standing* or accompanying description of the consequences of a lack of good standing by a Mutual member;

WHEREAS, the Board has determined that it would be in the best interests of the Mutual to adopt a formal definition of the term *good standing* to be added to the Mutual's Operating Rules, which will provide clear guidance on the term and the implications for Mutual Members identified as not being in *good standing*;

NOW, THEREFORE BE IT RESOLVED, xxx , 2019, that the Board of the Mutual hereby approves and adopts the below Good Standing Policy, which provides the definition of *good standing* and the implications of a lack of same, and incorporates such definition into the Mutual's Operating Rules as a part of the Mutual's Governing Documents; and

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

SEPTEMBER Initial Notification

Should the Board endorse the proposed revisions, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 28-days from the postponement to comply with Civil Code §4360.

Director Jarrett made a motion to introduce a resolution for a membership in good standing policy and place it on 28-day review. Motion was seconded by Director Parsons.

Discussion ensued among the Directors.

The motion passed without objection to introduce the resolution for 28-day review.

- 12d.** Entertain a Motion to Introduce a Resolution to Revise the Non-Emergency Maintenance Chargeable Services to Include Carport Condensation Panel Repairs as a Chargeable Service

Director Jarrett presented a summary of the following Resolution:

RESOLUTION 03-19-XX
NON-EMERGENCY MAINTENANCE CHARGEABLE SERVICES POLICY

WHEREAS, on October 20, 2015, the Board of Directors adopted Resolution 03-15-156 which reestablished the delivery of non-emergency

chargeable services and approved a schedule for non-emergency maintenance chargeable services; and

WHEREAS, the service call charge for all Maintenance chargeable services was increased to \$25; and

WHEREAS, the Board established a \$25 permit processing fee for work that requires a City of Laguna Woods building permit if VMS pulls the permit; and

WHEREAS the Board approved a \$15 service charge when the Mutual Member (or representative) is not home for a scheduled appointment and fails to cancel in advance; and

WHEREAS, on July 21, 2015 the Board of Directors approved amending the schedule for non-emergency maintenance chargeable services to include the replacement of manor low flow toilets; and

WHEREAS, on March 21, 2017 the Board of Directors approved amending the schedule for non-emergency maintenance chargeable services to include Water Heater Maintenance & Element replacement; and

WHEREAS, on September 21, 2018 additional non-emergency maintenance chargeable services were added for electrical, carpentry, plumbing and facilities divisions as shown on the attached approved list and

WHEREAS, repair and/or removal of alteration carport condensation panels have been added to the list of Non-Emergency Maintenance Chargeable services.

NOW THEREFORE BE IT RESOLVED, xxxxx. 2019, that the Board of Directors hereby approves the attached new schedule for non-emergency maintenance chargeable services; and

RESOLVED FURTHER, that the service call charge for all Maintenance chargeable services shall remain \$25; and

RESOLVED FURTHER, the \$25 permit processing fee for work that requires a City of Laguna Woods building permit if VMS pulls the permit shall remain in effect; and

RESOLVED FURTHER, the \$15 service charge for when the Mutual Member (or representative) is not home for a scheduled appointment and fails to cancel in advance shall remain in effect; and

RESOLVED FURTHER, should the Mutual Member not be notified of a scheduled appointment change or the technician does not make the scheduled appointment, the subsequent scheduled appointment will be at no charge to the Mutual Member; and

RESOLVED FURTHER, that Resolution 03-18-140 adopted September 21, 2018 is hereby superseded and cancelled; 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.

SEPTEMBER Initial Notification

Should the Board endorse the proposed revisions, Staff recommends that a motion be made and seconded to accept the resolution and allow discussion to ensure that the resolution reads to the satisfaction of the Board. Staff then recommends that a Board Member postpones the resolution to the next available Board Meeting no less than 28-days from the postponement to comply with Civil Code §4360.

Director Jarrett made a motion to introduce a resolution for Non-Emergency Maintenance Chargeable Services Policy and place it on 28-day review.

Discussion ensued among the Directors.

The motion passed without objection to introduce the resolution for 28-day review.

13. Committee Reports

- 13a.** Report of the Finance Committee / Financial Report – Director Pearlstone presented the Treasurer’s Report, gave an update on the 2020 Budget and commented on the Resale and Lease Activity Reports. The Committee met on September 3, 2019; next meeting October 1, 2019, at 1:30 p.m. in the Board Room
- 13b.** Report of the Architectural Controls and Standards Committee – Director Parsons reported on the last meeting. The Committee continues to update Third’s Architectural Standards. The Committee met on August 26, 2019; next meeting September 23, 2019, at 9:30 a.m. in the Sycamore Room
- 13c.** Report of the Communications Committee – Director McCary reported that the Committee meets quarterly. The Committee met on July 24, 2019; next meeting October 9, 2019, at 1:30 p.m. in the Board Room.
- 13d.** Report of the Maintenance and Construction Committee – Director Bhada. The Committee discussed the flooring in the GV mailrooms and bulletin boards in the LH-21 buildings. The Committee met on September 9, 2019; next meeting November 4, 2019 at 1:00 p.m. in the Board Room.

- Report of the Parking and Golf Cart Task Force – Director Parsons. The Task Force is looking a additional parking in the wedding cake area. The Task Force met on July 9, 2019 and July 17, 2019 and they identified eight sights for additional parking. Next meeting will be in January, 2020.
- 13e.** Report of the Landscape Committee – Director Jarrett reported from the last meeting. The Committee is working on slope clearance, grass aeration project, turf reduction project, tree removal requests and grass clipping pick-up on Fridays in September. The Committee met on September 5, 2019; next meeting October 10, 2019, at 1:30 p.m. in the Board Room
- 13f.** Report of the Water Subcommittee – Director Karimi. The Subcommittee met on July 10, 2019, the Water District is working on water incentives for residents; next meeting October 9, 2019 at 10:00 a.m. in the Sycamore Room.
- 13g.** Report of the Resident Policy and Compliance Task Force – Director Karimi gave an update from the last meeting. The Task Force is investigating unoccupied units and other compliance violations. The Task Force met on August 29, 2019; next meeting TBA.
- 13h.** Report of the Village Energy Task Force – Director Parsons gave an update from the last meeting. The Task Force met on September 4, 2019; next meeting November 6, 2019, at 1:30 p.m. in the Board Room.
- 14. GRF Committee Highlights**
- 14a.** Community Activities Committee – Director Pearlstone reported on highlights from the last Committee meeting. The Committee is looking at inactive clubs and use of clubhouses for weddings. The Committee met on September 12, 2019; next meeting November 14, 2019 at 1:30 p.m. in the Board Room.
- 14b.** Finance Committee – Director Pearlstone reported on highlights from the last Committee meeting. The Committee met on August 21, 2019; next meeting October 23, 2019 at 1:30 p.m. in the Board Room.
- 14c.** Landscape Committee – Director Jarrett reported on highlights from the last Committee meeting. The Committee met on August 14, 2019; next meeting will be on November 13, 2019 at 1:30 p.m. in the Board Room .
- 14d.** Maintenance & Construction Committee – Director Frankel reported on highlights from the last Committee meeting. The Committee met on August 14, 2019; next meeting October 9, 2019, at 9:30 a.m. in the Board Room.
- PAC Renovation Ad Hoc Committee – Director Pearlstone. The Committee met on August 15, 2019 at 2:00 p.m. in the Board Room and recommended moving ahead with the renovations.

- 14e.** Media and Communications Committee – Director McCary reported on highlights from the last Committee meeting. The Committee is working on the code red project for resident emergency contact. Two Fox Sport channels will be discontinued at the end of this year. The Committee met on September 16, 2019; next meeting October 21 2019, at 1:30 p.m. in the Board Room.
- 14f.** Mobility and Vehicles Committee – Director Frankel reported on highlights from the last Committee meeting. The Committee met on August 7, 2019; next meeting October 2, 2019, at 1:30 p.m. in the Board Room.
- 14g.** Security and Community Access Committee – Director Parsons gave an update from the last Committee meeting. The Committee is working on emergency operation, petty thief and compliance issues. Gate 11 recommendations have been given to staff. The Committee met on August 26, 2019; next meeting October 28, 2019, at 1:30 p.m. in the Board Room.
- Disaster Preparedness Task Force – Director Frankel reported on the last meeting. The Task Force is working on disaster preparedness in the event of an earthquake. The Task Force met on July 30, 2019; next meeting September 24, 2019, at 9:30 a.m. in the Board Room.
- 14h.** Report of the Laguna Woods Village Traffic Hearings – Director Frankel gave an update from the last meeting. The Traffic Hearings were held on August 21, 2019; next hearing will be September 18, 2019, at 9:00 a.m. in the Board Room.
- 15. Future Agenda Items** – *All matters listed under Future Agenda Items are Resolutions on 28-day public review or items for a future Board Meetings. No action will be taken by the Board on these agenda items at this meeting. The Board will take action on these items at a future Board Meeting.*
- 15a.** Parking Report
- 15b.** Census Process Report
- 15c.** Resolution for an Alternative Heat Source Policy
- 15d.** Resolution to Revise the Alternative Fee Schedule
- 15e.** Garden Villa Mailroom Flooring Replacement Material
- 15f.** Supplemental Funding for the Replacement of LH-21 Enclosed Bulletin Board Cabinets
- 15g.** Resolution to Revise Alteration Standard 22: Patio & Balcony Covers
- 15h.** Resolution for a Co-Occupancy Policy Resolution for a Co-Occupancy Policy
- 16. Director's Comments**
- Director Bhada requested hot water for tea in the Board Room.
 - Director Parsons commented about the report on disaster preparedness and emergency kits that are available to residents.
 - Director Karimi McCary commented about residents that ignore the stop signs and speeding in the Community.

- Director McCary thanked Carol Moore for her comments about the service of the Third Board Members.
- Several directors thanked Rosemarie diLorenzo for her leadership.

17. Recess

The Board recessed at 11:45 a.m. and reconvened in Executive Session at 12:30 p.m.

Summary of Previous Closed Session Meetings per Civil Code Section §4935

During the August, 2019, Regular Executive Session, the Board:

Approved the Agenda

Approved the Following Meeting Minutes;

(a) June 7, 2019 – Special Closed Meeting

(b) July 16, 2019 -- Regular Executive Session

Discussed and Considered Member Matters

Discussed and Considered Legal and Litigation Matters

Discussed and Considered Contractual Issues

19. Adjourn

With no further business to come before the Board of Directors, the meeting was adjourned at 4:30 p.m.



Lynn Jarrett, Acting Secretary
Third Laguna Hills Mutual

this page intentionally left blank



OPEN SESSION

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

Tuesday, September 24, 2019
Laguna Woods Village Community Center
Willow Room • 1:30 p.m.

NOTICE AND AGENDA

**The purpose of this meeting is to discuss contract matters pursuant to
Civil Code §4935**

Directors present: Rosemarie diLorenzo, Steve Parsons, Jon Pearlstone, Lynn Jarrett, Annie McCary, Cush Bhada and John Frankel

Directors absent: Reza Karimi

Staff present: Siobhan Foster, COO, Eileen Paulin, Cheryl Silva and John Howse

Others present:

1. Call the Meeting to Order and Establish Quorum

President diLorenzo called the meeting to order at 1:30 p.m.

2. Approval of the Agenda

Director McCary made a motion to approve the agenda as presented. Director Parson seconded the motion. The motion passed unanimously.

3. Review the Year-End Presentation and Finalize

The Board review the Year-End Presentation prepared by the Marketing and Communications Department.

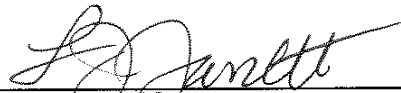
Discussion ensued among the directors.
Directors made changes to the presentation.

4. Review Agenda for the Annual/Organizational Meeting on October 3, 2019.

Discussion ensued among the directors.

5. Adjournment

President diLorenzo adjourned the meeting at 2:15 p.m.



Lynn Jarrett, Acting Secretary of the Board
Third Laguna Hills Mutual



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

September 27, 2019

The Special Meeting of the Third Laguna Hills Mutual Board of Directors, a California non-profit mutual benefit corporation, was held on Friday, September 27, 2019 at 9:00 a.m. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Rosemarie diLorenzo, Steve Parsons, Bunny Carpenter, Jon Pearlstone, Lynn Jarrett, John Frankel, Cush Bhada, Reza Karimi
Annie McCary and Bunny Carpenter (arrived late)

Directors Absent: None

Inspectors of Election: Catherine Burkhart and Andrew Burkhart, UniLect

Staff Present: Jeff Parker-CEO, Eileen Paulin, Becky Jackson, Cheryl Silva,
Daniel Hillburn and John Howse

CALL TO ORDER

President diLorenzo chaired the meeting, and stated that it was a special meeting held pursuant to notice duly given, that the purpose of the meeting was to cause the counting of the Ballots for the 2019 Board of Director Election, pursuant to California Civil Code §5100. A quorum was established, and the meeting was called to order at 9:00 a.m.

President diLorenzo announced that Roy Bruninghaus submitted his letter of resignation as a Third Mutual Board Member on September 4, 2019. Appointments to fill the vacancy will be held on October 29, 2019. Candidates can see the Corporate Secretary to pick up a candidate application beginning on October 3, 2019.

APPROVAL OF THE AGENDA

Director Jarrett made a motion to approve the agenda as presented. Director Karimi seconded the motion and the agenda was approved unanimously (Director Carpenter was absent for the vote).

Director McCary made a motion to commence counting of the Third Mutual ballots, Director Parsons seconded the motion and the motion passed by unanimous consent (Director Carpenter was absent for the vote).

September 27, 2019

Director Carpenter arrived at 9:30 a.m.

The Inspectors of Election were certified by a notary and announced that a quorum of ballots has been established.

Catherine Burkhart, Inspector of Elections explained the ballot count procedures and answered questions.

At 9:15 a.m. the Inspectors commenced opening of the ballots.

The Inspectors of Election began examining the irregular ballots at 10:00 a.m.

UniLect commenced scanning and counting of the ballots at 10:30 a.m.

The election results were announced at 11:00 a.m. and the following candidates were elected to fill four vacancies on the Board of Directors, term expiring 2022.

3 YEAR TERM

Cusrow "Cush" Bhada
Ralph Engdahl
Steve Parsons
Craig Wayne

ADJOURNMENT

With no further business before the Board of Directors, the special meeting was adjourned at 11:30 a.m.



Lynn Jarrett, Secretary of the Board
Third Laguna Hills Mutual



RESOLUTION 03-19-XX

Recording of a Lien

WHEREAS, Member ID 931-720-47; is currently delinquent to Third Laguna Hills Mutual with regard to the monthly assessment; and

WHEREAS, a Notice of Delinquent Assessment (Lien) will be filed upon adoption of this resolution following at least a majority vote of the Board (with no delegation of such action by the Board), acting in an open meeting, and for which the Board's vote is recorded in the minutes;

NOW THEREFORE BE IT RESOLVED, October 15, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 931-720-47 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.

this page intentionally left blank



RESOLUTION 03-19-XX

Filing of Separate Small Claims Court Case

WHEREAS, the Finance Committee recommends filing separate Small Claims Court cases of \$5,000 (or less) in an attempt to collect delinquent assessments by way of a judgment or stipulation against members/owners in Third Laguna Hills Mutual; and

NOW THEREFORE BE IT RESOLVED, October 15, 2019, that the Board of Directors hereby approves the filing of a separate Small Claims Court case for Member ID 931-481-09 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.

this page intentionally left blank



RESOLUTION 03-19-xx
Third Mutual Committee Appointments

RESOLVED, October 15, 2019 that the following persons are hereby appointed to serve on the committees and services of this Corporation;

RESOLVED FURTHER, that each committee chair in consultation with the vice chair may appoint additional members and advisors with interim approval by the President subject to the approval of the Board of Directors:

Architectural Standards and Control Committee

Steve Parsons, Chair

~~Bunny Carpenter~~

John Frankel

Lynn Jarrett

~~Ralph Engdahl~~

~~Craig Wayne, Alternate~~

~~Annie McCary, Alternate~~

Voting Advisors: Mike Butler and Mike Plean

Staff Advisor: Siobhan Foster

~~Roy Bruninghaus~~

~~Reza Karimi~~

~~Rosemarie diLorenzo, Alternate~~

Communications Committee

Annie McCary, Chair

Bunny Carpenter

Lynn Jarrett

Reza Karimi

~~Craig Wayne, Alternate~~

~~Roy Bruninghaus, Co-Chair~~

Executive Hearing Committee

Annie McCary, Chair

~~Reza Karimi, Alternate~~

~~Ralph Engdahl~~

Cush Bhada, Alternate

Bunny Carpenter, Alternate

~~Craig Wayne, Alternate~~

~~John Frankel, Alternate~~

~~Jon Pearlstone~~

~~Rosemarie diLorenzo~~

~~Steve Parsons~~

Finance (Committee of the Whole)

Jon Pearlstone, Chair

Steve Parsons, Co-Chair

Craig Wayne

~~Rosemarie diLorenzo, Second Co-Chair~~

Non-Voting Advisors: John Hess, Wei-Ming Tao, ~~Michael Cunningham~~

- **Investment Task Force**

Jon Pearlstone

Wei-Ming Tao

Craig Wayne, Alternate

~~Mike Cunningham~~

Garden Villa Recreation Room Subcommittee (Quarterly)

Lynn Jarrett, Chair

Jon Pearlstone

Cush Bhada

Craig Wayne, Alternate

Voting Advisors: Sharon Molineri, Stuart Hack, Randy Scott

Landscape

Lynn Jarrett, Chair

Jon Pearlstone, Co-Chair

Cush Bhada

Reza Karimi

Annie McCary

Ralph Engdahl, Alternate

John Frankel, Alternate

Bunny Carpenter, Alternate

Advisors: ~~James Tung~~ Vacant

Maintenance and Construction

Cush Bhada, Chair

Bunny Carpenter, Co-Chair

John Frankel

Jon Pearlstone

Craig Wayne

Steve Parsons, Alternate

Reza Karimi, Alternate

Ralph Engdahl, Alternate

Non-Voting Advisor: ~~Steve Leonard~~ Vacant

~~Rosemarie diLorenzo~~

New Resident Orientation

Per Rotation List

Water Conservation Committee (Bi-Monthly)

Reza Karimi, Chair

Cush Bhada

Lynn Jarrett

John Frankel, ~~Alternate~~
Ralph Engdahl
Craig Wayne, Alternate
Advisor: Katheryn Freshley

Parking & Golf Cart Task Force

Steve Parsons, Chair
John Frankel
Bunny Carpenter
Lynn Jarrett
Ralph Engdahl
Craig Wayne, Alternate

Resident Policy and Compliance Task Force

Lynn Jarrett, Chair
Reza Karimi, Co-Chair
Annie McCary
Bunny Carpenter
Steve Parsons
Ralph Engdahl, Alternate
Cush Bhada, Alternate
Voting Advisors: Stuart Hack, Cindy Baker
~~Roy Bruninghaus, Chair~~
~~Rosemarie diLorenzo~~

Energy Task Force

Steven Leonard, Chair
John Frankel
Cush Bhada
Ralph Engdahl, Alternate
Reza Karimi, Alternate
Craig Wayne, Alternate
Voting Advisors: Sue Stephens, Bill Walsh
~~Steve Parsons, Alternate~~

RESOLVED FURTHER, that Resolution 03-19-69, adopted July 16, 2019, is hereby superseded and canceled; and,

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

this page intentionally left blank



RESOLUTION 03-19-xx
GRF Committee Appointments

RESOLVED, October 15, 2019 that in compliance with Article 7, Section 7.3 of the Golden Rain Foundation Bylaws, the following persons are hereby appointed to serve on the committees of the Golden Rain Foundation:

Business Planning Committee

Jon Pearlstone
Steve Parsons, ~~Alternate~~
Lynn Jarrett, Alternate
~~Rosemarie diLorenzo~~

Community Activities Committee

Cush Bhada
Annie McCary, ~~Alternate~~
Jon Pearlstone, Alternate
Craig Wayne, Alternate
Bunny Carpenter, ~~Alternate~~

Finance Committee

Jon Pearlstone
Steve Parsons, ~~Alternate~~
Bunny Carpenter, Alternate
Reza Karimi, Alternate
~~Rosemarie diLorenzo~~

Landscape Committee

Lynn Jarrett
Reza Karimi
Ralph Engdahl, Alternate
~~Jon Pearlstone, Alternate~~

Maintenance and Construction Committee

Jon Pearlstone
Cush Bhada, ~~Alternate~~
John Frankel, Alternate
Craig Wayne, Alternate
Bunny Carpenter, ~~Alternate~~
~~Steve Parsons, Alternate~~

PAC Task Force

Jon Pearlstone
Cush Bhada
John Frankel, Alternate
Steve Parsons, Alternate

Media and Communication Committee

Annie McCary
Lynn Jarrett, ~~Alternate~~
Craig Wayne, Alternate
~~Roy Bruninghaus~~
~~Bunny Carpenter, Alternate~~

Mobility and Vehicles Committee

Craig Wayne
John Frankel, ~~Alternate~~
Cush Bhada, Alternate
Jon Pearlstone, Alternate
~~Lynn Jarrett, Alternate~~

Security and Community Access Committee

John Frankel
Ralph Engdahl
Steve Parsons, Alternate
Reza Karimi, Alternate
~~Annie McCary~~
~~Roy Bruninghaus, Alternate~~

Disaster Preparedness

Annie McCary
John Frankel
Ralph Engdahl, Alternate
Craig Wayne, Alternate
~~Steve Parsons, Alternate~~
~~Roy Bruninghaus, Alternate~~

Laguna Woods Village Traffic Hearings

John Frankel
Craig Wayne
Annie McCary, Alternate
Ralph Engdahl, Alternate
~~Reza Karimi, Alternate~~

RESOLVED FURTHER, that Resolution 03-19-78, adopted August 20, 2019, is hereby superseded and canceled; and

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



STAFF REPORT

DATE: October 15, 2019
FOR: Board of Directors
SUBJECT: Street Light Pilot II Recommendation and Update

RECOMMENDATION

Allow Siemens to execute the second street light pilot program as directed by the Board on August 8, 2019, and reaffirm the Board's decision not to authorize a second contractor to simultaneously install a screw in type LED bulb, as an additional pilot.

BACKGROUND

At the August 8, Special Meeting of the Board of Directors of Third Laguna Hills Mutual, a motion was passed to select the King K427 LED light fixture for the use in the second LED conversion pilot (Attachment 1).

During the same Special Meeting of the Board of Directors, a second motion was made to contract with another vendor to conduct a second pilot for the installation of light bulbs in existing fixtures (separate from the Siemens contract). This motion failed for lack of a second.

DISCUSSION

Included in the staff report provided to the Third Board of Directors on August 8, 2019, (Attachment 2), is a recommendation from Siemens, strongly advising against replacing the bulb only in the existing mushroom-style light fixtures for the following reasons:

1. LED lamp replacements retain heat, causing the bulbs to fail prematurely.
2. LED lamp replacements do not address the aging fixtures which are showing signs of various stages of disrepair, leaving them to continue to breakdown, requiring full replacement in future years.
3. LED lamp replacements do not support new technology.
4. LED bulb only replacements have poor optical control and limited coverage of the light output.

In addition to the professional advice received from Siemens' against installing LED light bulbs inside the existing fixtures, staff recommends against soliciting or contracting with another vendor for a simultaneous pilot.

At the Board's direction, Siemens was provided a notice to proceed for the second LED conversion pilot program. The LED fixtures are scheduled for delivery in late October and scheduled for installation in early November. Once all LED fixtures have been installed, staff

will attach a sign at each pole for identification purposes. These signs will be similar to those installed during the first LED conversion pilot program. (Attachment 3) Once all the pilot fixtures and identification signs are installed, information about the second pilot and directions on how residents can submit their comments will be appropriately publicized.

Prepared By: Guy West, Projects Division Manager

Reviewed By: Ernesto Munoz, P.E., Maintenance and Construction Director

ATTACHMENT(S)

Attachment 1 – Minutes of the August 8, 2019 Special Meeting of the Board of Directors
Attachment 2 – August 8, 2019 Street Light LED Conversion Pilot Staff Report
Attachment 3 – Picture of signage used during the LED conversion pilot.

Attachment 1 – Minutes of the August 8, 2019 Special Meeting of the Board of Directors



OPEN MEETING

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

Thursday, August 8, 2019
Laguna Woods Village Community Center
Board Room • 3:30 p.m.

NOTICE AND AGENDA

Board Members Present: Reza Karimi, Annie McCary, Cush Bhada Jon Pearlstone, Bunny Carpenter, Steve Parsons, Roy Bruninghaus, Lynn Jarrett

Board Members Absent: Rosemarie diLorenzo, John Frankel

Advisors Present: Steve Leonard

Staff Present: Siobhan Foster-COO, Ernesto Munoz-Staff Officer, and Cheryl Silva

1. Vice President Parsons called the meeting to order and established that a quorum was present.
2. Members Comments
 - Bert Moldow (3503-A) commented about the Siemens contract and the possibility of a “free” alternative pilot project offered by a different vendor;
 - Bill Walsh (3162-C) commented about the need for more EV charging capability in garages and carports;
 - Annette Soule (3428-C) commented about the need for more energy capability because of the increased demand;
 - Elizabeth Romano (2035-A) commented about the need for a survey to determine the demographics in the village.

Third Laguna Hill Mutual
Special Meeting
August 8, 2019
Page 2 of 2

3. Entertain a Motion to Approve the LED Street Lighting Recommendation

Ernesto Munoz, Staff Officer, answered questions from the Board about the street light LED conversion pilot #2.

Discussion ensued among the Directors regarding different options and costs.

Steve Leonard, Advisor, reviewed the recommendations from the Energy Task Force.

Ernesto Munoz, Staff Officer, provided background information about the Siemens contract.

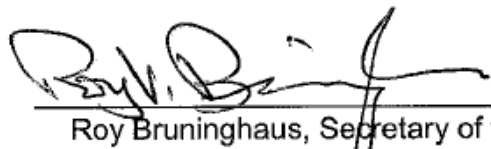
Director Pearlstone made a motion to select the King K427 LED fixture for the use in the second LED conversion pilot. Director Carpenter seconded the motion.

Discussion ensued among the Directors.

Vice President Parsons called for the vote and the motion passed 6-1-0 (Director Karimi opposed)

Director Karimi made a motion to contract with another vendor to conduct a second pilot for the installation of light bulbs in existing fixtures (separate from the Siemens contract). The motion failed for lack of a second.

4. Recess to Closed Session to Discuss Contractual Matters
The Board recessed at 4:35 p.m.



Roy Bruninghaus, Secretary of the Board
Third Mutual Laguna Woods

Attachment 2 – August 8, 2019 Street Light LED Conversion Pilot Staff Report



STAFF REPORT

DATE: August 8, 2019
FOR: Board of Directors
SUBJECT: Street Light LED Conversion Pilot #2

RECOMMENDATION

Select the King K427 LED fixture for use in the second LED conversion pilot.

BACKGROUND

In March 2018, Siemens was awarded a contract to assist Third Laguna Hills Mutual with acquiring the street light infrastructure from Southern California Edison, replacing the aging, high pressure sodium fixtures with LED technology, and providing street light maintenance after the acquisition. As part of the contract, Siemens was asked to provide light fixture recommendations and pricing for a pilot program to assist Third Mutual with lighting upgrades for the community.

In October 2018, Siemens provided a fixture analysis of several light fixtures, which included a total of five options; a **King K427**, a **Simply LED Retrofit** kit, a **GE Cobra Head**, an **Acuity Cobra Head** fixture and a **Truly Green LED Lamp** (bulb only, no fixture). Based on their analysis, Siemens recommended consideration be given to the installation of the three best rated options for the first pilot program; the King K427, the Simply LED Retrofit kit and the GE Cobra Head.

As part of their recommendations Siemens strongly advised against simply replacing the bulb in the mushroom-style light fixtures for the following reasons:

1. LED lamp replacements retain heat, causing the bulbs to fail prematurely.
2. LED lamp replacements do not address the aging fixtures which are showing signs of various stages of disrepair, leaving them to continue to breakdown, requiring full replacement in future years (Attachment 1).
3. LED lamp replacements do not support new technology.
4. LED bulb only replacements have poor optical control and limited coverage of the light output.

At the January 7, 2019 Third M&C Committee meeting, discussion ensued regarding photometric studies, cost of trimming trees for the pilot, pole spacing, “Kelvins” (colors), and the possibility of running multiple pilots at one time. A motion was made and unanimously approved to authorize staff to deploy a pilot project (Pilot 1) for the retrofit of street light fixtures along Avenida Sosiega utilizing Siemens’ recommended fixtures. Staff was also directed to obtain pricing from Siemens to conduct an additional pilot (Pilot 2), to include other locations, varying pole heights, different Kelvins, and different street configurations, including intersections, and cul-de-sacs.

After Pilot 1 was conducted, a special Board meeting was held on April 8, 2019 to discuss the pilot results and to receive feedback from the Members. At the meeting Siemens reiterated their recommendation to use the King K427 fixture to replace the mushroom-style lights due to their overall excellent performance, value to the Mutual, and positive feedback received. Siemens also provided a detailed and complete photometric analysis of the King K427, and indicated that the recommended fixture offered four types of light dispersion selections that could fit a variety of locations and lighting needs for the Mutual. Siemens also pointed out that included in the standard design price is the engineering analysis that will be performed based on pole height and specific location, in other words, the price includes fine-tuning the fixture for the specific location and situation.

After the presentation, discussion ensued regarding light dispersion that could reach across both lanes and the adjacent sidewalk; the need for additional lighting infrastructure; criteria the consultant used to perform the pilot; the GIS audit map with light locations prepared by Siemens; the need for tree trimming; lighting at intersections; the need to test additional locations with additional pilots; the variety of pole heights; width of roadways; the Siemens contract; and a single point of contact to represent the Mutual’s needs to the consultant.

Member and Board comments were received and expressed the need for an additional pilot to be installed at other streets, at an intersection, and in a cul-de-sac, with light fixtures that offered more directional light dispersion, reduced glare and included different pole heights.

By consensus, staff was directed to provide Siemens with updated criteria and a scope of work for an additional pilot to address all the voiced concerns. Siemens was also directed to recommend additional fixtures which may be included in the new pilot to provide the best possible lighting.

Staff carefully developed a scope of work for Pilot 2, and requested Siemens to provide a cost proposal to execute the new pilot which took into consideration Board direction and addressed all voiced concerns. Siemens provided a proposal to meet the scope of work and also included a selection of four additional, highly efficient fixtures, meeting the highest light performance with the best light dispersion characteristics and fixture options.

At the July 18, Special Open Workshop the Board reviewed a second presentation from Siemens regarding alternate fixtures available for the second Street Light LED Fixture Conversion pilot project. Siemens recommended using the Hubbell Beacon Slide for the second pilot, due to its outstanding photometric performance and light distribution options. The proposed fixture was chosen for its ability to be used in various locations with

different pole heights; different fixture temperatures; and different road widths. However, the Board requested that use of the Hubble fixture be contingent upon pricing and the allocated funding for the LED fixture conversion phase of the project.

Staff has received the associated costs to replace the existing mushroom style street lights with the “high performance” Hubbell Beacon Slide light fixture. The cost to replace 716 existing mushroom style street light fixtures with the Hubbell, as well as the 63 cobra style street light poles, is \$1,146,000 which is well over the not-to-exceed contract amount of \$738,407 for the LED fixture conversion phase of the project. Of the four “high performance”, suggested fixtures, the lowest priced option provided by Siemens is the Cree Edge, at a cost estimate of \$978,670, which is also significantly over the budgeted amount and which must be special ordered if it were to be included in Pilot 2.

DISCUSSION

The Board may consider the following options for Pilot 2:

1. Proceed to implement a second pilot project using the *Hubble Beacon Slide* to determine if this fixture provides the best lighting under the various conditions. If the Hubble Beacon Slide fixture were to be ultimately selected to replace all 716 mushroom-style street light fixtures, supplemental funding estimated at \$408,000 would be required to proceed with the LED Fixture Conversion project.
2. Proceed to implement a second pilot project using the *Cree Edge* which is the lowest priced of the four “high performance” fixture options. If this fixture was ultimately selected, supplemental funding in the estimated amount of \$241,000 would be required in excess of the allocated funding in order to proceed with the LED Fixture Conversion project.
3. Proceed to implement a second pilot project using the Siemens’ recommended *King K427* fixture, in order to determine if this fixture provides adequate lighting under all conditions. Replacing all 716 mushroom-style street light fixtures with the King K427, will require supplemental funding in the estimated amount of \$35,000.

FINANCIAL ANALYSIS

In 2018, the Third Laguna Hills Mutual awarded a contract to Siemens which included the retrofit of the existing street light poles with LED fixtures in the not to exceed amount of \$738,407.

Prepared By: Guy West, Projects Division Manager
Reviewed By: Ernesto Munoz, P.E., Maintenance and Construction Director

ATTACHMENT(S)

Attachment 1 – Photos of the Various Stages of Disrepair on the Existing Mushroom-Style Fixtures

**Attachment 1 – Photos of the Various Stages of Disrepair
on the Existing Mushroom Style Fixtures**



Attachment 3 – Picture of signage used during the LED conversion pilot.



this page intentionally left blank



STAFF REPORT

DATE: October 15, 2019
FOR: Board of Directors
SUBJECT: Appointment of Ex Officio Officer

RECOMMENDATION

Staff recommends adoption of a revised Resolution (Attachment 1) to add the Assistant Treasurer Ex Officio position to the list of officers.

BACKGROUND

The Laguna Woods Village boards typically operate with several non-voting ex officio positions, which were removed in the year preceding a management transition to VMS Inc. The CEO/General Manager remained as an ex officio Vice President per governing documents (Third Bylaw Section 9.1 & 9.6.5) and in subsequent years additional positions were added. However, the position of Assistant Treasurer Ex Officio has not yet been reinstated.

DISCUSSION

Certain financial documents require the signature of an officer of the Corporation. Village Management Services Inc. (VMS) uses the position of Chief Financial Officer for this purpose. Establishing the VMS CFO position as ex officio Assistant Treasurer for Third Laguna Hills Mutual would save administrative time and provide a knowledgeable staff member with signing authority as a corporate representative, while following policies and restrictions set forth by the Board (i.e. delegation matrix, borrowing resolution, etc.)

The documents to be executed by an ex officio Assistant Treasurer include (all corporations):

- Tax Returns, State & Federal
- State Filings (i.e. escheat, fuel tax)
- Cable System Copyright and Royalty Filings
- Banking Agreements:
 - Treasury Services
 - Deposit Account Signature Card
 - Facsimile Signature Agreement
 - Wire Transfers (requires two signatures)
 - ACH Authorizations (allowed for electronic payments, i.e. tax agencies, merchant accounts)
- Merchant Account Agreements (credit card processing i.e. Broadband, Pro Shop)
- Vendor Credit Applications (used to establish trade credit/payment terms)
- Other documents delegated to the CEO or COO, in their absence

FINANCIAL ANALYSIS

None.

Prepared By: Betty Parker, CFO

Reviewed By: Siobhan Foster, COO

ATTACHMENT(S)

ATT1: Resolution – Appointment of Officers



RESOLUTION 03-19-xx

Appointment of Officers

RESOLVED, on October 15, 2019, pursuant to Third Laguna Hills Mutual Bylaws Article 9 which sets guidelines, terms and responsibilities for the election of Officers to this Corporation the following persons are hereby elected to the office indicated next to their names to serve:

Steve Parsons	President
Annie McCary	1st Vice President
Cush Bhada	2nd Vice President
Lynn Jarrett	Secretary
Jon Pearlstone	Treasurer

RESOLVED FURTHER, that the following Staff person is hereby appointed as ex Officio officer of this Corporation:

Jeff Parker	President ex Officio
Siobhan Foster	Vice President ex Officio
Betty Parker	Assistant Treasurer ex Officio
Cheryl Silva	Assistant Secretary

RESOLVED FURTHER, that Resolution 03-19-102, adopted October 3, 2019, is hereby superseded and cancelled; and

RESOLVED FURTHER; that the officers and agents of this Corporation are directed on behalf of the Corporation to carry out this resolution.

this page intentionally left blank



STAFF REPORT

DATE: September 17, 2019
FOR: Board of Directors
SUBJECT: Good Standing Policy

RECOMMENDATION

Entertain a motion to approve a Good Standing Policy that provides the definition of good standing and implications of a lack of the same.

BACKGROUND

The board is obligated to enforce the provisions set forth in the mutual's governing documents, including, without limitation, the declaration of covenants, conditions and restrictions (CC&Rs); bylaws and operating rules (collectively governing documents). Mutual members/owners, or the units they own, as may be applicable, that have engaged in or are actively and currently in violation of the governing documents may be subject to certain disciplinary action and/or limitation in their rights and privileges, including, without limitation, suspension of voting rights and ineligibility for serving on the board, as described in the governing documents.

The term "good standing" has been used colloquially by the mutual and the board in reference to members who are not in violation of the governing documents. The lack of good standing has been used to denote that such members have committed a violation or are currently in violation of the governing documents and thus limited in their membership privileges. Despite the general use of this term and references made to same in the governing documents, there is no formal, comprehensive definition of good standing or accompanying description of the consequences of a lack of good standing by a member.

DISCUSSION

The board has determined that it would be in the best interests of the mutual to adopt a formal definition of good standing to be added to the operating rules to provide clear guidance on the term and the implications for members identified as not in good standing.

The proposed Good Standing Policy provides the definition of good standing and the implications of a lack of same, and would incorporate such definition into the operating rules as a part of the governing documents. The term good standing shall mean that a member is:

- Not delinquent in payment of any assessment or related charge to the mutual (including regular monthly assessments, special assessments or reimbursement assessments);
- Not currently in violation of the provisions of the governing documents; and

- Not currently subject to disciplinary action imposed by the board of directors (or a committee thereof) after a duly noticed hearing in accordance with disciplinary procedures for a violation of the governing documents.

A member who is not in good standing due to a failure to meet any of the above-described criteria may be subject to certain limitations in accordance with the provisions of the governing documents. A member not in good standing may not be eligible to vote in elections and be subject to collection, legal action or other disciplinary action. A member's lack of good standing may also impact such member's eligibility to be a candidate for election to the board.

FINANCIAL ANALYSIS

None.

Prepared By: Siobhan Foster, COO

Reviewed By: Francis Gomez, Operations Manager

ATTACHMENT(S)

ATT 1: Resolution 03-19-xx



RESOLUTION 03-19-XX

Good Standing Policy

WHEREAS, the Board of Directors (the “Board”) of Third Laguna Hills Mutual (“Mutual”) held a meeting on September 17, 2019, at which a quorum of the Board was present;

WHEREAS, the Board is obligated to enforce the provisions set forth in the Mutual’s governing documents, including without limitation, the Declaration of Covenants, Conditions, and Restrictions (CC&Rs), Bylaws, and Operating Rules (collectively, the “Governing Documents”); and

WHEREAS, Mutual members/owners, or the units they own, as may be applicable, that have engaged in or are actively and currently in violation of the Governing Documents may be subject to certain disciplinary action and/or limitation in their rights and privileges, including, without limitation, suspension of voting rights and ineligibility for serving on the Board, as described in the Governing Documents; and

WHEREAS, the term *good standing* has been used colloquially by the Mutual and the Board in reference to Mutual members who are not in violation of the Governing Documents, and the lack of *good standing* to denote that such members have committed a violation or are currently in violation of the Governing Documents and thus limited in their membership privileges;

WHEREAS, despite the general use of the term *good standing*, and references made to same in various rules, policies, and elsewhere in the Governing Documents, there is no formal, comprehensive definition of *good standing* or accompanying description of the consequences of a lack of good standing by a Mutual member;

WHEREAS, the Board has determined that it would be in the best interests of the Mutual to adopt a formal definition of the term *good standing* to be added to the Mutual’s Operating Rules, which will provide clear guidance on the term and the implications for Mutual Members identified as not being in *good standing*;

NOW, THEREFORE BE IT RESOLVED, October 15, 2019, that the Board of the Mutual hereby approves and adopts the below Good Standing Policy, which provides the definition of *good standing* and the implications of a lack of same, and incorporates such definition into the Mutual’s Operating Rules as a part of the Mutual’s Governing Documents; and

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

SEPTEMBER Initial Notification
28-Day notification to comply with Civil Code §4360 has been satisfied.

this page intentionally left blank

Good Standing Policy
Resolution 03-19-XX; Adopted October 15, 2019

I. Definition

For the purposes of the enforcement of the mutual's governing documents, and the exercise by mutual members of the rights and privileges appurtenant to such membership as further described in the governing documents, including, without limitation, the mutual's CC&Rs, bylaws and operating rules and other rules or policies that may be adopted by the mutual from time to time, the term "good standing" shall mean that the member (or the member's unit(s), as may be applicable) is:

- Not delinquent in the payment of any assessment or related charge to the mutual (including regular monthly assessments, special assessments or reimbursement assessments) or other any other amounts owed to the association, including, without limitation, payment of chargeable services, fees or costs required to be paid, or fines imposed against the member as a disciplinary measure for violation of the governing documents;
- Not currently in violation of the provisions of the governing documents, including, without limitation, in violation of any architectural or landscaping rules, policies or procedures; leasing or occupancy rules and requirements; vehicle registration requirements; or other similar ongoing obligations of members and their units.
- Not currently subject to disciplinary action imposed by the board of directors (or a committee thereof) after a duly noticed hearing in accordance with the disciplinary procedures for a violation of the governing documents, including any suspension of membership privileges such as voting rights and amenity use, or ongoing or unpaid fines.
 - If a one-time fine is levied against a member for one or more violations without additional ongoing disciplinary action such as suspension of membership privileges, the member shall be restored to good standing upon receipt of payment of the fines by the mutual.

II. Effect of Lack of Good Standing

A member who is not in good standing due to a failure to meet any of the above- described criteria may be subject to certain limitations in accordance with the provisions of the governing documents.

a. Eligibility to Vote

In accordance with the mutual's bylaws, any member who is more than 30 days delinquent on the payment of any sums due to the mutual (including, without limitation, any assessment, late fee or cost of collection relating to same; chargeable service or other required fee; or fine imposed by the mutual against the member) in excess of \$100 as of the prescribed record date for voting on the matter before the membership or board election, as may be applicable, shall be ineligible to vote in such election.

In addition, any member who has had his/her/its voting privileges suspended as a disciplinary measure for violation of the governing documents after a noticed hearing before the board in accordance with the mutual's disciplinary procedures as of the prescribed record date for voting on the matter before the membership or board election, as may be applicable, shall be ineligible to vote in such election. According to Section 4.5.3 of the mutual's bylaws, such suspension period shall not exceed one year for any individual violation.

Any vote cast by an ineligible member due to either the lack of good standing from unpaid sums owed to the association or due to such member having his/her/its voting rights suspended as a disciplinary measure, shall be deemed void by the inspector(s) of elections and shall not be tabulated or counted toward quorum.

b. Collection and Legal Action

A member who is delinquent in the payment of any sums owed to the mutual, in addition to being ineligible to vote and subject to other disciplinary measures that may be imposed by the mutual after a noticed disciplinary hearing before the board (or a committee thereof), shall also be subject to the mutual's procedures for the collection of delinquent sums owed as described in the governing documents, including without limitation the collection and lien enforcement policy, which may include the exercise by the association of its lien rights, foreclosure action, and/or other legal action against the member to collect the amounts owed to the mutual.

c. Other Disciplinary Measures

In addition to the foregoing disciplinary and enforcement procedures, a mutual member (or such member's unit[s]) determined to be in violation or to have committed a violation of the mutual's governing documents after a duly noticed disciplinary hearing before the board (or a committee thereof) may also be subject to other disciplinary measures in accordance with the mutual's enforcement procedures, including, without limitation, the imposition of fines

in accordance with the mutual's schedule of monetary penalties, the suspension of the member's (or the member's guests, residents and invitees) privilege to use amenities controlled by the mutual for a period not to exceed 90 days for each violation, a referral to GRF for potential suspension of the use of GRF operated facilities and the suspension of the member's right to lease his/her/its unit for a specified period.

III. Good Standing and Eligibility to Serve on the Board

In addition to the foregoing actions and disciplinary measures to which a member not in good standing is subject, due to violations by a member, the member's unit or the member's guests, residents and invitees, a member's lack of good standing may also impact such member's eligibility to be a candidate for election to the board.

In accordance with Section 6.2.4 of the mutual's bylaws, no mutual member will be eligible to be a candidate for election to the Board of Directors who is more than 30 days delinquent on the payment of any sums due to the mutual (including, without limitation, any assessment, late fee or cost of collection relating to same; chargeable service or other required fee; or fine imposed by the mutual against the member) as of the prescribed record date for voting for the election of the board.

In accordance with Section 6.2.7 of the mutual's bylaws, a candidate for election to the board may not have any unresolved disciplinary or architectural violation which remains unresolved for more than 60 days at any time within a period of 150 days prior to the election. A mutual member seeking candidacy to the board who is not in good standing due to such outstanding governing document violations shall not be eligible to be a candidate for election to the board and if so elected, notwithstanding same, shall not be eligible to be seated for a board position even if elected to same.

Any member who is ineligible to serve as a candidate for election to the board will have their nomination rejected by the mutual, and such member's name and candidate information will not appear in the election ballot package. In the event it is determined that a candidate is not eligible after the distribution of the ballots, any votes for such candidate will not be counted thereby invalidating a member's ability to be seated for same.

this page intentionally left blank



STAFF REPORT

DATE: September 9, 2018
FOR: Maintenance and Construction Committee
SUBJECT: Carport Condensation Panel Repairs as a Chargeable Maintenance Service

RECOMMENDATION

Approve a revision to Resolution 03-18-140, Schedule for Non-Emergency Chargeable Maintenance Services (Attachment 1), to include repairs to and removal of existing carport condensation panels as a chargeable service.

BACKGROUND

At the May 6, 2019 M&C Committee meeting, staff was directed to bring a report to a future M&C Committee meeting that would add repairs to and removal of existing alteration carport condensation panels as a non-emergency chargeable maintenance service.

DISCUSSION

Although the Alteration Standard for condensation panels in carports has been revoked, Members are able to apply for condensation panels in carports through the variance process, which requires Board approval.

The member-installed alteration carport condensation panels throughout the Mutual span the width of the ceiling and the length of one individual carport space. These panels are installed over each parking space, side by side, in most but not all, carport structure locations.

Staff has conducted visual inspections of multiple carport structures in the community. At the time of inspection, staff found that these panels were constructed from corrugated fiberglass or corrugated metal and are often screwed directly into the roof of the carport structure. Staff also found that many of these panels are falling from the carport ceiling and are in varying states of disrepair.

Staff estimates the cost for repairs to existing carport condensation panels that are becoming detached from the carport ceiling at \$111.00, per carport. To remove and dispose of the existing carport condensation panels in a state of disrepair and to repair and paint the Mutual's carport ceiling subsequent to removal of the panels is estimated at \$473.00.

The estimated costs include all materials at cost; labor is pro-rated to the tenth of an hour and applied at the current billing rate for the pertinent division. All costs associated with repair or removal of the upgraded component will be at the Member's expense.

As emergency work and Mutual responsible repairs will take precedence over non-emergency chargeable maintenance services, residents may experience a longer wait time for scheduling of chargeable maintenance services.

FINANCIAL ANALYSIS

The addition of repairs to and removal of existing carport condensation panels to Non-Emergency Chargeable Maintenance Services will have no fiscal impacts to the Mutual.

Prepared By: Elgin Hakala, Operations Supervisor
Velny Soren, Maintenance Operations Manager

Reviewed By: Ernesto Munoz, P.E., Maintenance and Construction Director

ATTACHMENT(S)

Attachment 1 – Revised Resolution 03-19-XX

Third Laguna Hills Mutual
Maintenance & Construction Committee
September 9, 2019

ENDORSEMENT (to Board)

Carport Condensation Panel Repairs as a Chargeable Service

The Maintenance Operations Manager summarized the report and answered questions from the Committee.

Discussion ensued regarding the number of alteration carport condensation panels; variance request process for alterations; maintaining alteration panels; rust on underside of carport roofs; and the process for repair or removal.

Although the Alteration Standard for condensation panels in carports has been revoked, Members are able to apply for condensation panels in carports through the variance process, which requires Board approval.

The member-installed alteration carport condensation panels throughout the Mutual span the width of the ceiling and the length of one individual carport space. These panels are installed over each parking space, side by side, in most but not all, carport structure locations.

Staff has conducted visual inspections of multiple carport structures in the community. At the time of inspection, staff found that these panels were constructed from corrugated fiberglass or corrugated metal and are often screwed directly into the roof of the carport structure. Staff also found that many of these panels are falling from the carport ceiling and are in varying states of disrepair.

Staff estimates the cost for repairs to existing carport condensation panels that are becoming detached from the carport ceiling at \$85.33, per carport. To remove and dispose of the existing carport condensation panels in a state of disrepair and to repair and paint the Mutual's carport ceiling subsequent to removal of the panels is estimated at \$448.03.

A motion was made to recommend the Board approve a revision to Resolution 03-18-140, Schedule for Non-Emergency Chargeable Maintenance Services, to include repairs to and removal of existing carport condensation panels as a chargeable service.

By a vote of 4/1/0 (Chair Bhada Opposed), the motion carried.

this page intentionally left blank

ATTACHMENT 1

Resolution **03-19-XX**

Schedule for Non-emergency Maintenance Chargeable Services

WHEREAS, on October 20, 2015, the Board of Directors adopted Resolution 03-15-156 which reestablished the delivery of non-emergency chargeable services and approved a schedule for non-emergency maintenance chargeable services; and

WHEREAS, the service call charge for all Maintenance chargeable services was increased to \$25; and

WHEREAS, the Board established a \$25 permit processing fee for work that requires a City of Laguna Woods building permit if VMS pulls the permit; and

WHEREAS the Board approved a \$15 service charge when the Mutual Member (or representative) is not home for a scheduled appointment and fails to cancel in advance; and

WHEREAS, on July 21, 2015 the Board of Directors approved amending the schedule for non-emergency maintenance chargeable services to include the replacement of manor low flow toilets; and

WHEREAS, on March 21, 2017 the Board of Directors approved amending the schedule for non-emergency maintenance chargeable services to include Water Heater Maintenance & Element replacement; and

WHEREAS, on September 21, 2018 additional non-emergency maintenance chargeable services were added for electrical, carpentry, plumbing and facilities divisions as shown on the attached approved list; and

WHEREAS, repair and/or removal of alteration carport condensation panels have been added to the list of Non-Emergency Maintenance Chargeable services.

NOW THEREFORE BE IT RESOLVED, October 15, 2019, that the Board of Directors hereby approves the attached new schedule for non-emergency maintenance chargeable services; and

RESOLVED FURTHER, that the service call charge for all Maintenance chargeable services shall remain \$25; and

RESOLVED FURTHER, the \$25 permit processing fee for work that requires a City of Laguna Woods building permit if VMS pulls the permit shall remain in effect; and

RESOLVED FURTHER, the \$15 service charge for when the Mutual Member (or representative) is not home for a scheduled appointment and fails to cancel in advance shall remain in effect; and

RESOLVED FURTHER, should the Mutual Member not be notified of a scheduled appointment change or the technician does not make the scheduled appointment, the subsequent scheduled appointment will be at no charge to the Mutual Member; and

RESOLVED FURTHER, that Resolution [03-18-140](#) adopted [September 21, 2018](#) is hereby superseded and cancelled; 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.

SEPTEMBER Initial Notification

28-Day notification to comply with Civil Code §4360 has been satisfied.

ATTACHMENT 1 (continued)



Non-Emergency Maintenance Chargeable Services

The Board of Directors of the Third Laguna Hills Mutual passed resolution 03-18-140 on September 21, 2018, to approve this updated schedule of non-emergency maintenance chargeable services. This program has been implemented for the convenience of the Members of Third Mutual.

Trade	Description of Service	Limitations	Cost*
Carpentry	Door Lock Services (rekeying, gate locks, storage cabinets)		\$55
	Mailbox Lock Service	Mutual Supplied	\$43
	Installation of Entry Door Dead Bolt Lock (excludes keyless lock systems)	Resident Supplied	\$70
	Installation of Manor Address/Letter on Entry Door	Resident Supplied	\$41
	Rescreen Sliding Screen Doors	Mutual Supplied	\$77
	Rescreen Window Screens	Mutual Supplied	\$60
	Install/Replace Door Stops/Bumpers	Resident Supplied	\$55
	Install/Replace Bathroom Accessories (towel bars, grab bars, toilet paper holders, soap dishes or toothbrush holders). Drywall installations only, not for fiberglass or tile.	Resident Supplied	\$55
	Sliding Closet Door Repair and Maintenance	Resident Supplied	\$77 to \$114
	Sliding Glass Door Repair and Maintenance	Resident Supplied	\$77 to \$114
	Sliding Window Repair and Maintenance	Resident Supplied	\$55 to \$114
	Repair of Alteration Carport Condensation Panels		\$111
	Removal of Alteration Carport Condensation Panels		\$473
Electrical	Light Bulb Replacement (max six bulbs per visit)	Resident Supplied	\$59
	Door Bell Service	Resident Supplied	\$108
	Breaker Service (electrical panel)	Mutual Supplied	\$63
	Ceiling Heat Service (thermostat)	Mutual Supplied	\$87
	Repair/Replace Outlets	Resident Supplied	\$59
	Repair/Replace Light Switches/Dimmer Switches	Resident Supplied	\$59

ATTACHMENT 1 (page 4 of 4)

	Range Hood Filter Cleaning Service		\$92
	Replace Existing Light Fixture	Resident Supplied	\$92
	Replace Existing Smoke Detector (hard wired only)	Resident Supplied	\$59
	Replace Smoke Detector Batteries	Mutual Supplied	\$59
Plumbing	Repair/Replace Faucet (cartridge style)	Resident Supplied	\$91
	Repair/Replace Faucet (old style)	Mutual Supplied	\$156
	Repair/Replace Toilet Seat	Resident Supplied	\$58
	Low Flow Toilet Replacement	Mutual Supplied	\$200
	Repair/Replace Angle Stop Valve	Mutual Supplied	\$137
	Repair/Replace Shower Head and Shower Hose	Resident Supplied	\$58
	Repair/Replace Tub Spout	Resident Supplied	\$91
	Repair/Replace Fitting/Flange/Valve	Mutual Supplied	\$129
	Toilet Operation Repair Service	Mutual Supplied	\$91
	Mix-It Valve Service	Mutual Supplied	\$95
	Water Heater Repair	Mutual Supplied	\$38 to \$150
	Water Heater Replacement	Mutual Supplied Only and 10 year Mfg. Warranty	\$1,721
	Water Heater Service/Element Replacement	Mutual Supplied	\$171
	Water Shut Off and Turn On Request		\$58
	Ice Maker Hose Replacement	Resident Supplied	\$58
	Clothes and Dish Washer Hose Replacement	Resident Supplied	\$58
	Clogged Drain Repair (“resident caused”)		\$156
Paving	Pole/Bollard Installation (water heater related)	Building Code/Permits	\$150 to \$300
	Stain/Oil Clean-Up		\$126
Facilities	Heating/Cooling Filter Cleaning/Replacement Service - includes filter cleaning, filter change, diagnosis of the unit to make sure it is operating to capacity and also check the thermostats.	Resident Supplied	\$124
Limitations	All Mutual-supplied parts will be standard brand only.		
	All Mutual-supplied parts will be limited to parts in stock.		
	All Mutual-provided parts and labor carry a 30-day warranty, unless specified otherwise.		
	Resident supplied: Resident to supply the replacement or repair parts at the time of service.		
	Failure to be present at the time of service will result in a \$15 no-show fee.		
	*Estimated cost includes service charge, labor and materials (unless otherwise specified)		

Financial Report

As of August 31, 2019



INCOME STATEMENT (in Thousands)	ACTUAL
Assessment Revenue	\$21,484
Non-assessment Revenue	\$1,817
Total Revenue	\$23,301
Total Expense	\$20,248
Net Revenue/(Expense)	\$3,053

1

Financial Report

As of August 31, 2019



OPERATING INCOME STATEMENT (in Thousands)	ACTUAL
Assessment Revenue	\$12,511
Non-assessment Revenue ¹	\$1,084
Total Revenue	\$13,595
Total Expense ²	\$13,285
Operating Surplus	\$310

1) excludes unrealized gain

2) excludes depreciation

2

Financial Report

As of August 31, 2019

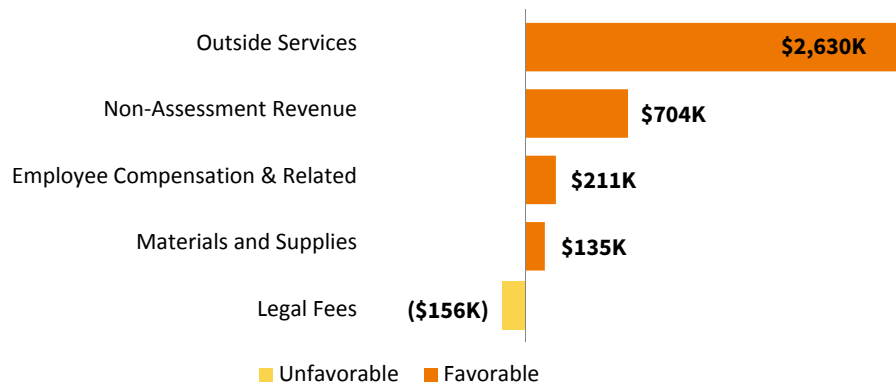


INCOME STATEMENT (in Thousands)	ACTUAL	BUDGET	VARIANCE
Assessment Revenue	\$21,484	\$21,484	\$0
Non-assessment Revenue	\$1,817	\$1,112	\$705
Total Revenue	\$23,301	\$22,596	\$705
Total Expense	\$20,248	\$23,102	\$2,854
Net Revenue/(Expense)	\$3,053	(\$506)	\$3,559

3

Financial Report

As of August 31, 2019



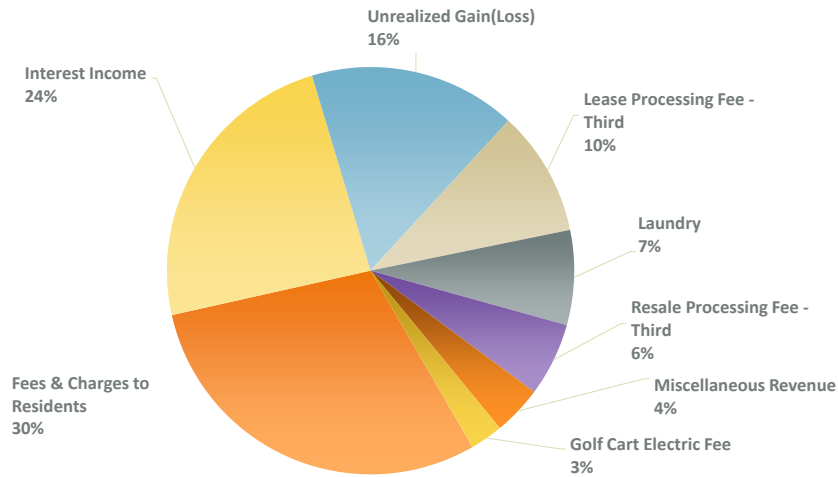
4

Financial Report

As of August 31, 2019



Total Non Assessment Revenues \$1,816,626



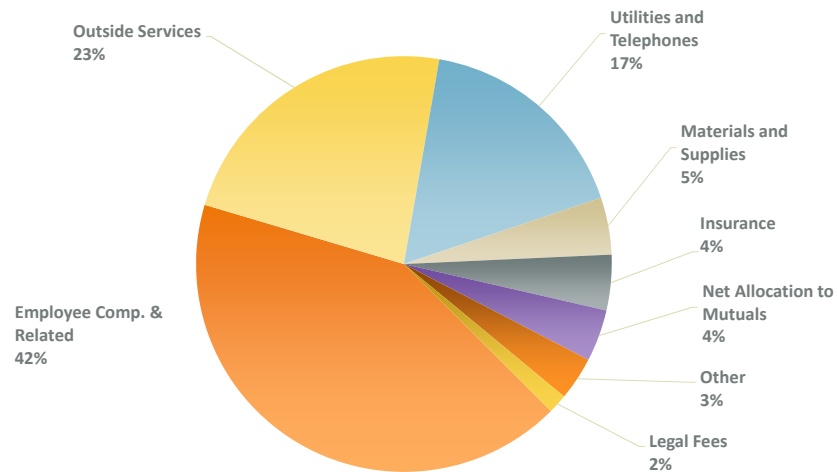
5

Financial Report

As of August 31, 2019



Total Expenses \$20,248,313



6

Financial Report

As of August 31, 2019



NON OPERATING FUND BALANCES (in Thousands)	Replacement Funds*	Disaster Fund	Unappropriated Expenditures Fund	Garden Villa Fund	TOTAL
Beginning Balances: 1/1/19	\$16,769	\$9,217	\$3,213	\$61	\$29,260
Contributions & Interest	7,427	1,487	438	56	9,408
Expenditures	<u>5,790</u>	<u>871</u>	<u>144</u>	<u>62</u>	<u>6,867</u>
Current Balances: 8/31/19	18,406	9,833	3,507	55	\$31,801

* Includes Elevator and Laundry Funds

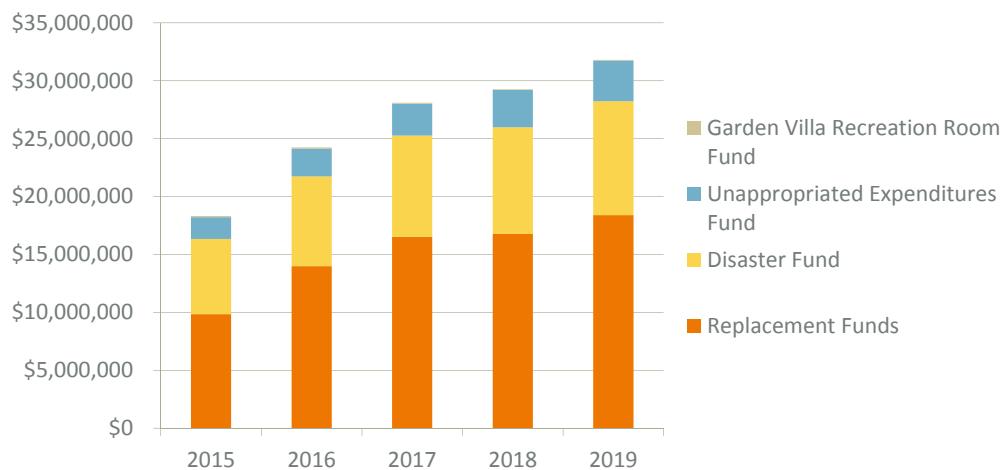
7

Financial Report

As of August 31, 2019



FUND BALANCES – Third Mutual



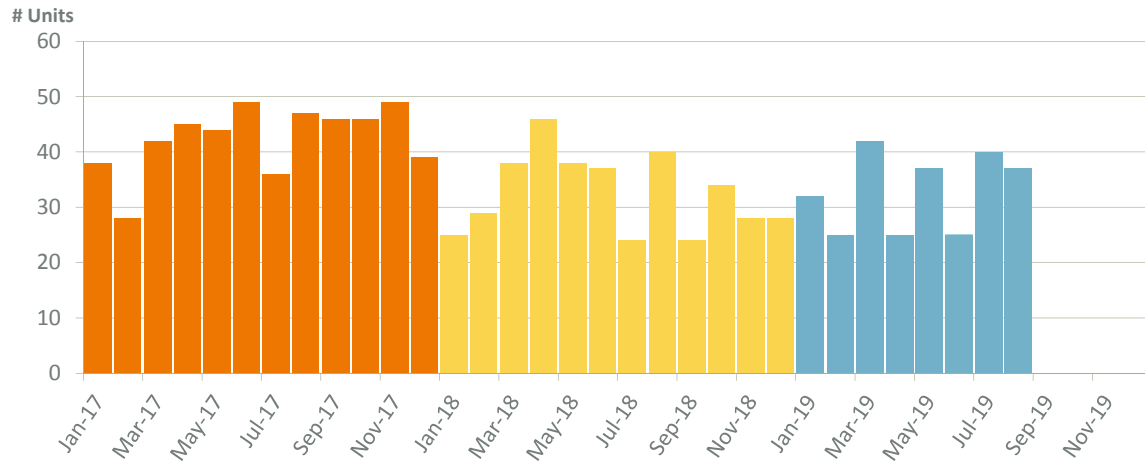
8

Financial Report

As of August 31, 2019



RESALE HISTORY – Third Mutual



9

Third Laguna Hills Mutual
Statement of Revenues & Expenses - Preliminary
8/31/2019
(\$ IN THOUSANDS)

		CURRENT MONTH			YEAR TO DATE			PRIOR YEAR	ANNUAL
		ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET
Revenues:									
Assessments:									
1	Operating	\$1,564	\$1,564		\$12,511	\$12,511		\$12,586	\$18,767
2	Additions to restricted funds	1,122	1,122		8,973	8,973		8,770	13,460
3	Total assessments	<u>2,686</u>	<u>2,686</u>		<u>21,485</u>	<u>21,484</u>		<u>21,356</u>	<u>32,227</u>
Non-assessment revenues:									
4	Fees and charges for services to residents	76	40	36	542	319	223	399	478
5	Laundry	18	18		137	147	(10)	90	220
6	Interest income	58	31	27	433	246	187	308	369
7	Miscellaneous	45	50	(5)	705	401	304	456	601
8	Total non-assessment revenue	<u>197</u>	<u>139</u>	<u>57</u>	<u>1,817</u>	<u>1,112</u>	<u>704</u>	<u>1,253</u>	<u>1,668</u>
9	Total revenue	<u>2,882</u>	<u>2,825</u>	<u>57</u>	<u>23,301</u>	<u>22,597</u>	<u>705</u>	<u>22,608</u>	<u>33,895</u>
Expenses:									
10	Employee compensation and related	1,089	1,104	16	8,523	8,733	211	8,790	13,088
11	Materials and supplies	106	129	24	901	1,036	135	905	1,554
12	Utilities and telephone	653	503	(149)	3,463	3,467	4	3,762	5,299
13	Legal fees	75	18	(57)	303	147	(156)	104	220
14	Professional fees		16	16	112	141	30	66	185
15	Equipment rental	1	3	2	18	27	9	14	40
16	Outside services	196	914	719	4,685	7,314	2,630	4,532	10,972
17	Repairs and maintenance	30	28	(2)	222	224	3	218	345
18	Other Operating Expense	14	15	1	100	121	22	100	181
19	Insurance	112	109	(2)	874	875	1	840	1,313
20	Investment expense		4	4	23	30	8	31	46
21	Uncollectible Accounts	17	12	(5)	111	92	(19)	34	138
22	(Gain)/loss on sale or trade				3		(3)	1	
23	Depreciation and amortization	12	12		95	95		97	143
24	Net allocation to mutuals	108	102	(6)	816	798	(19)	818	1,205
25	Total expenses	<u>2,411</u>	<u>2,970</u>	<u>559</u>	<u>20,248</u>	<u>23,102</u>	<u>2,854</u>	<u>20,314</u>	<u>34,730</u>
26	Excess of revenues over expenses	<u>\$471</u>	<u>(\$145)</u>	<u>\$616</u>	<u>\$3,053</u>	<u>(\$506)</u>	<u>\$3,559</u>	<u>\$2,294</u>	<u>(\$835)</u>



Statement of Revenues & Expenses - Preliminary

Variance Explanations as of August 31, 2019

SUMMARY

For the year-to-date period ending August 31, 2019, Third Mutual was better than budget by \$3.6 million, of which \$2.6 million was due to the timing of programs performed by outside contractors, primarily reserve programs. The remaining \$1M was due to higher non-assessment revenues and lower expenses in employee compensation and materials. Explanations for categories with significant variances are found below.

REVENUE

Non Assessment Revenue – \$704K [Line 8](#)

Favorable revenue resulted from an expanded list of non-emergency chargeable maintenance services approved by the board on September 21, 2018, generating more chargeable service activity, especially water heater replacements; offsetting expenses are included in compensation and materials. The variance was furthered by an increase in chargeable moisture intrusion events. Also, higher reserve balances than anticipated at the time of budget preparation yielded more interest income. Additionally, the quarterly reporting of \$299K unrealized gain on available for sale investments is shown here, reflecting market conditions as of June 30, 2019.

EXPENSES

Employee Compensation and Related – \$211K [Line 10](#)

A substantial portion of this favorable variance is due to timing of programs budgeted throughout the year but scheduled for Q3 and Q4, including building structures, decking, and tree maintenance. The variance was furthered by lower negotiated expenses for union medical costs and less participation in non-union retirement plan than expected. Favorable variance was partially offset by more hours required for touch-up paint programs and increases in workers' compensation insurance payments.

Materials and Supplies – \$135K [Line 11](#)

Favorable variance resulted from the programs noted above. The variance was partially offset by more water heater replacements, which are funded in Chargeable Services, line 4 above.

Legal Fees – (\$156K) [Line 13](#)

Unfavorable variance resulted from higher legal expenses than budgeted.

Outside Services – \$2,630K [Line 16](#)

Favorable variance is due to timing:

- **Landscape Modification – \$507K**

Timing; fire risk reduction and slope renovation program began in July; turf reduction and aeration will commence in October and are anticipated to be completed in November. Staff anticipates ending the year approximately \$135K better than budget in this line item.



Statement of Revenues & Expenses - Preliminary
Variance Explanations as of August 31, 2019

- **Exterior Lighting – \$498K**

Savings; the first pilot program to retrofit existing lighting fixtures to more efficient LED technology was conducted in March along Avenida Sosiega. Feedback from the community was gathered and shared with staff to provide additional pilot options. The second pilot program was approved by the board in August and is scheduled to begin in late October once required fixtures are received. Since the results of the pilot programs will not be available until the end of the year, most of the budgeted expense will be incurred in 2020.

- **Paving – \$477K**

Timing; seal coat and asphalt paving programs began in August and are scheduled to be completed in November; the budget was spread evenly throughout the year. Staff anticipates the program will be on budget by the end of the year.

- **Building Structures Replacement – \$446K**

Timing; 2019 dry rot work began in June and is expected to be completed by year end. The original scope of work was comprised of 10 buildings, which includes 57 balconies. However, the scope was reduced to 8 buildings due to more dry rot damage than anticipated and an additional non-planned building needing immediate repair. Staff anticipates completing the program within the approved budget by the end of the year.

- **Waste Line Remediation – \$247K**

Timing; work is in progress. The scope of work for 2019 includes 6 buildings, 3 of which have been completed. Staff anticipates the program will be on budget by year end.



FINANCE COMMITTEE MEETING REPORT OF THE REGULAR OPEN SESSION

Tuesday, October 1, 2019, 2019 – 1:30 p.m.
Laguna Woods Village Community Center Board Room, 24351 El Toro Road

MEMBERS PRESENT: Jon Pearlstone – Chair, Steve Parsons, Rosemarie diLorenzo, Bunny Carpenter, Reza Karimi, Lynn Jarrett, John Frankel, Annie McCary, Cush Bhada, Advisors: Wei-Ming Tao, John Hess

MEMBERS ABSENT: None

STAFF PRESENT: Betty Parker, Steve Hormuth, Christopher Swanson

Call to Order

Director Jon Pearlstone, Treasurer, chaired the meeting and called it to order at 1:32 p.m.

Approval of Meeting Agenda

A motion was made and carried unanimously to approve the agenda as presented.

Approval of Meeting Report for September 3, 2019

A motion was made and carried unanimously to approve the committee report as presented.

Chair Remarks

Director Pearlstone commented on the resignation of Advisor Cunningham and thanked him for his contributions to the community. Furthermore, he requested the committee pay close attention to upcoming matters that will likely have significant financial impact including the annual insurance renewal.

Member Comments (Items not on the Agenda)

Joan Coles (3147-C) commented on low attendance at Third Mutual meetings.

Doug Gibson (5289) commented on communication with Gate 11 residents.

Department Head Update

Betty Parker, Chief Financial Officer, reviewed key issues from the Department Head Update report included in the agenda, highlighting key financial performance data and information requests. Special updates were provided for the recent budget adoption, 10/1 insurance renewals, and investment account transfer to SageView/Fidelity.

Preliminary Financial Statements dated August 31, 2019

The committee reviewed financials and questions were addressed. The committee requested additional information on the following items:

- Location of insurance reimbursements to the Disaster Fund
- Provision for Doubtful Accounts: Identify total amount of chargeable service work that was performed vs. the total amount of chargeable service work anticipated to be uncollectible.

Golf Cart Decal Enforcement

The committee requested that a meeting be scheduled with all associated departments to communicate the need for effective enforcement and timely payment of annual fees.

Future Agenda Items

Tax Impact of NOLs
Alteration Fee Analysis
Solar System Update – Q3
Golf Cart Decal Solutions

Date of Next Meeting

Tuesday, November 6, 2019 at 1:30 p.m. in the Board Room.

Recess to Closed Session

The meeting recessed at 3:00 p.m.



Jon Pearlstone, Chair

Monthly Resale Report

PREPARED BY

Community Services Department

MUTUAL

All Mutuals

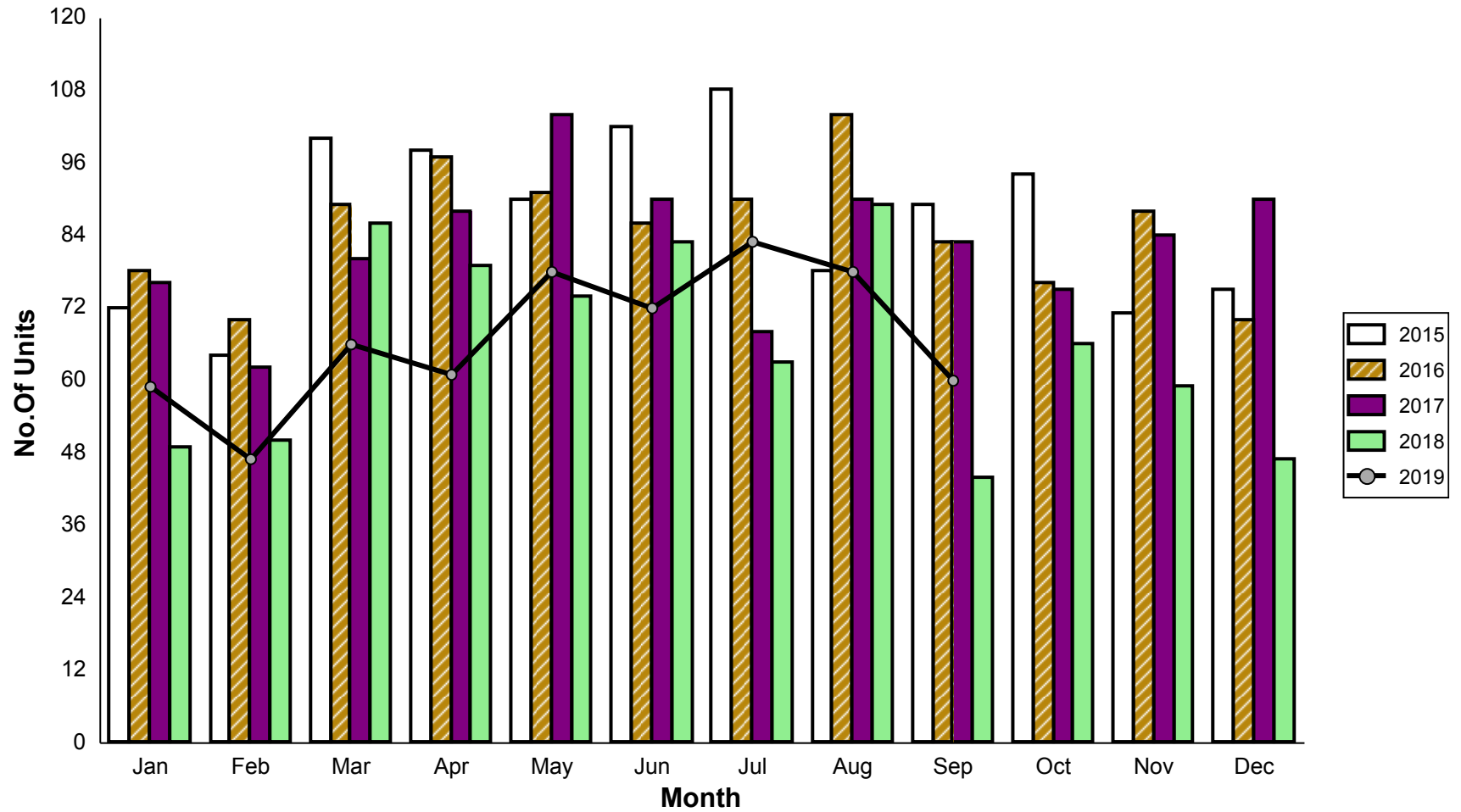
REPORT PERIOD

September, 2019

MONTH	NO. OF REALES		TOTAL SALES VOLUME IN \$\$		AVG RESALE PRICE	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
January	59	49	\$17,913,250	\$14,821,540	\$314,268	\$308,782
February	47	50	\$14,680,050	\$18,660,142	\$319,132	\$373,203
March	66	87	\$23,445,712	\$28,065,799	\$355,238	\$359,818
April	61	79	\$20,041,551	\$27,694,226	\$328,550	\$364,398
May	78	74	\$23,975,536	\$24,187,990	\$307,379	\$350,551
June	72	83	\$21,298,290	\$28,002,538	\$295,810	\$378,413
July	83	63	\$27,170,573	\$19,434,100	\$327,356	\$329,392
August	78	89	\$26,031,000	\$28,612,100	\$333,731	\$340,620
September	60	44	\$19,972,080	\$17,185,192	\$332,868	\$409,171
October		* 66		* \$22,702,400		* \$366,168
November		* 59		* \$17,330,500		* \$320,935
December		* 47		* \$17,262,399		* \$383,609
TOTAL	604.00	618.00	\$194,528,042	\$206,663,627		
MON AVG	67.00	68.00	\$21,614,227	\$22,962,625	\$323,815	\$357,150

* Amount is excluded from percent calculation

Resales - 5 Year Comparison



Monthly Resale Report

PREPARED BY

MUTUAL

REPORT PERIOD

Community Services Department

Third

September, 2019

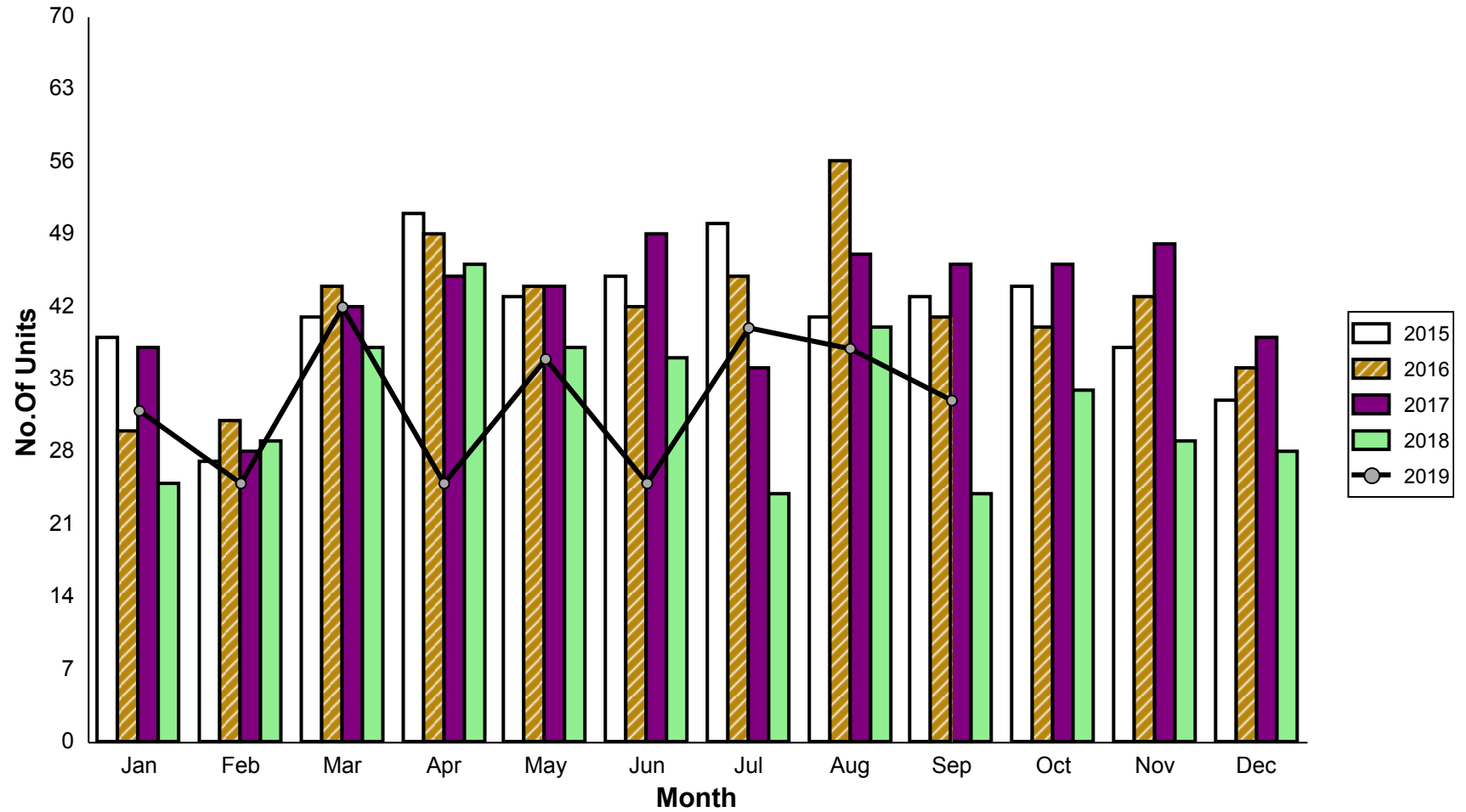
MONTH	NO. OF RESALES		TOTAL SALES VOLUME IN \$\$		AVG RESALE PRICE	
	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR	THIS YEAR	LAST YEAR
January	32	25	\$12,482,100	\$8,807,150	\$390,066	\$352,286
February	25	29	\$10,208,000	\$12,600,892	\$408,320	\$434,514
March	42	38	\$16,639,712	\$16,909,199	\$396,184	\$444,979
April	25	46	\$10,435,500	\$18,869,626	\$417,420	\$410,209
May	37	38	\$16,273,033	\$15,452,990	\$439,812	\$406,658
June	25	37	\$10,290,000	\$16,981,138	\$411,600	\$458,950
July	40	24	\$17,327,373	\$9,892,800	\$433,184	\$412,200
August	38	40	\$15,994,900	\$17,327,000	\$420,918	\$433,175
September	33	24	\$12,643,180	\$12,552,692	\$383,127	\$523,029
October		* 34		* \$14,146,300		* \$416,068
November		* 29		* \$10,947,500		* \$377,500
December		* 28		* \$13,693,599		* \$489,057

TOTAL	297.00	301.00	\$122,293,798	\$129,393,487		
MON AVG	33.00	33.00	\$13,588,200	\$14,377,054	\$411,181	\$430,667
% CHANGE - YTD	-1.3%		-5.5%		-4.5%	

% Change calculated (ThisYear - LastYear)/LastYear

* Amount is excluded from percent calculation

Resales - 5 Year Comparison



Resales Report Third Laguna Hills Mutual September, 2019

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
09/17/2019	962-C	3	\$290,000	Villa Nova	Laguna Woods Village Realty	Laguna Woods Village Realty	Granite Escrow
09/06/2019	2178-B	3	\$233,000	Casa Linda	HomeSmart Evergreen	Lakeside Mortgage	Escrow Options Group
09/23/2019	2237-Q	3	\$269,000	Casa Contenta	HomeSmart Evergreen	Century 21 Rainbow	Corner Escrow Inc.
09/09/2019	2241-Q	3	\$265,000	Castilla	Keller Williams Real Estate	Keller Williams Real Estate	Mission Country Escrow
09/06/2019	2269-B	3	\$190,000	Castilla	Professional Real Estate Services	H & M Realty Group	Pure Logic Escrow
09/26/2019	2369-1F	3	\$249,000	Garden Villa	We Help U Buy	Coldwell Banker	Prominent Escrow Services
09/06/2019	2381-2D	3	\$305,000	Garden Villa	Keller Williams OC Coastal Realty	Laguna Premier Realty, Inc	O C Coastal Escrow
09/12/2019	2382-C	3	\$339,900	Cordoba	Century 21 Rainbow	Happy Realty	Corner Escrow Inc.
09/20/2019	2384-3B	3	\$212,000	Garden Villa	Compass	Keller Williams Realty Irvine	Corner Escrow Inc.
09/16/2019	2389-2A	3	\$295,000	Garden Villa	Regency Real Estate	Johnhart Real Estate	Corner Escrow Inc.
09/12/2019	2402-2D	3	\$310,000	Villa Capri	Compass	Valiant Realty	Blue Pacific Escrow
09/11/2019	2404-3C	3	\$225,000	Villa Capri	First Team Real Estate	Laguna Premier Realty, Inc	Blue Pacific Escrow
09/19/2019	3008-B	3	\$260,000	San Clemente	Laguna Premier Realty, Inc	HomeSmart Evergreen	Blue Pacific Escrow
09/10/2019	3047-B	3	\$340,000	Casa Del Mar	Century 21 Rainbow	HomeSmart Evergreen	Corner Escrow Inc.
09/26/2019	3120-A	3	\$392,000	Hermosa	Truss Realty Group	First Team Real Estate	Granite Escrow
09/27/2019	3121-C	3	\$340,000	Mariposa	Truss Realty Group	Laguna View Realty	Corner Escrow Inc.
09/24/2019	3123-A	3	\$348,880	La Brisa	Re/Max Select One	First Team Real Estate	Blue Pacific Escrow
09/23/2019	3140-A	3	\$400,000	Las Flores	Re/Max Premier Realty	H & M Realty Group	Corner Escrow Inc.
09/13/2019	3165-A	3	\$455,000	Hermosa	Laguna Premier Realty, Inc	HomeSmart Evergreen	Blue Pacific Escrow
09/16/2019	3170-O	3	\$312,500	Casa Vista	Re/Max Universal Realty	IRN Realty	Granite Escrow
09/09/2019	3229-B	3	\$405,000	Las Flores	Real Consultants	Real Consultants	Lighthouse Escrow
09/30/2019	3244-1A	3	\$340,000	Villa Puerta	Keller Williams Carmel	Laguna Premier Realty, Inc	Blue Pacific Escrow
09/24/2019	3250-Q	3	\$448,900	Casa Vista	Laguna Premier Realty, Inc	First Team Real Estate	Granite Escrow

Resales Report Third Laguna Hills Mutual September, 2019

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
09/10/2019	3305-Q	3	\$525,000	Casa Vista	Prea Realty	Laguna Woods Village Realty	Corner Escrow Inc.
09/16/2019	3426-B	3	\$399,000	Catalina	Laguna Premier Realty, Inc	First Team Real Estate	Granite Escrow
09/03/2019	4013-2E	3	\$315,000	Villa Nueva	First Team Real Estate	HomeSmart Evergreen	Corner Escrow Inc.
09/23/2019	5062	3	\$880,000	Villa Serena	Laguna Premier Realty, Inc	Presidential Real Estate	Blue Pacific Escrow
09/04/2019	5338-B	3	\$550,000	La Reina	Century 21 Rainbow	Prea Realty	Corner Escrow Inc.
09/13/2019	5349-Q	3	\$485,000	Casa Vista	Prea Realty	Pacific Sotheby's International	Corner Escrow Inc.
09/03/2019	5473-C	3	\$380,000	Casa Milano	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Granite Escrow
09/19/2019	5511-2C	3	\$445,000	El Mirador	OC Real Estate 411	Coldwell Banker Residential	Corner Escrow Inc.
09/11/2019	5529-O	3	\$389,000	Villa Lugano	Century 21 Rainbow	Truss Realty Group	Corner Escrow Inc.
09/04/2019	5577-B	3	\$1,050,000	Casa Lorenzo	Century 21 Rainbow	Presidential Real Estate	Corner Escrow Inc.

Number of Resales: 33

Total Resale Price: \$12,643,180

Average Resale Price: \$383,127

Median Resale Price: \$340,000

Community Services Department

Third

September

Month	NUMBER OF RESALES				TOTAL SALES VOLUME IN \$\$				AVG RESALE PRICE			
	2019	2018	2017	2016	2019	2018	2017	2016	2019	2018	2017	2016
January	32	25	38	30	\$12,482,100	\$8,807,150	\$14,513,062	\$10,663,350	\$390,066	\$352,286	\$381,923	\$355,445
February	25	29	28	31	\$10,208,000	\$12,600,892	\$9,887,500	\$11,354,000	\$408,320	\$434,514	\$353,125	\$366,258
March	42	38	42	44	\$16,639,712	\$16,909,199	\$15,185,800	\$14,408,861	\$396,184	\$444,979	\$361,567	\$327,474
April	25	46	45	49	\$10,435,500	\$18,869,626	\$18,847,150	\$18,170,528	\$417,420	\$410,209	\$418,826	\$370,827
May	37	38	44	44	\$16,273,033	\$15,452,990	\$18,157,951	\$13,703,900	\$439,812	\$406,658	\$412,681	\$311,452
June	25	37	49	42	\$10,290,000	\$16,981,138	\$21,011,450	\$12,838,300	\$411,600	\$458,950	\$428,805	\$305,674
July	40	24	36	46	\$17,327,373	\$9,892,800	\$13,526,020	\$16,112,500	\$433,184	\$412,200	\$375,723	\$350,272
August	38	40	47	56	\$15,994,900	\$17,327,000	\$17,967,189	\$21,085,200	\$420,918	\$433,175	\$382,281	\$376,521
September	33	24	46	41	\$12,643,180	\$12,552,692	\$16,020,038	\$12,651,500	\$383,127	\$523,029	\$356,001	\$308,573
October	0	34	46	40	\$0	\$14,146,300	\$18,804,700	\$13,386,500	\$0	\$416,068	\$408,798	\$334,663
November	0	28	49	43	\$0	\$10,675,000	\$19,847,200	\$16,453,200	\$0	\$381,250	\$405,045	\$382,633
December	0	28	38	36	\$0	\$13,693,599	\$18,509,275	\$12,528,800	\$0	\$489,057	\$487,086	\$348,022
TOTAL	297	301	375	383	\$122,293,798	\$129,393,487	\$145,116,160	\$130,988,139				
MON AVG	33.0	33.4	41.7	42.6	\$13,588,200	\$14,377,054	\$16,124,018	\$14,554,238	\$411,181	\$430,667	\$385,659	\$341,388
% CHANGE-YTD	-1.3%	-19.7%	-2.1%	0.8%	-5.5%	-10.8%	10.8%	6.9%	-4.5%	11.7%	13.0%	6.2%

% Change calculated (This Year - Last Year)/Last Year

Percent calculation only includes YTD figures in black.



MONTHLY LEASING REPORT

Report Period:
September-2019

MONTH	LEASES IN EFFECT				Total this year	Total last year	Total Expirations	New Monthly Transactions		
	3 Months	6 Months	12 Months	12+Months				Leases	Renewals	Extensions
January	17	38	374	1280	1709	1613	61	41	97	0
February	13	32	380	1279	1704	1651	62	56	110	3
March	12	27	384	1267	1690	1644	96	67	137	3
April	10	16	369	1277	1672	1656	89	72	154	3
May	12	22	351	1279	1664	1625	64	74	151	4
June	14	27	356	1291	1688	1662	72	66	107	3
July	15	29	371	1269	1684	1673	82	83	109	0
August	10	29	390	1276	1705	1678	58	59	99	0
September	17	21	386	1279	1703	1667	70	40	88	1
October						1690				
November						1705				
December						1712				

Monthly Average	13.3	26.8	373.4	1277.4	1691.0	Sept 1652.1	72.7	62.0	116.9	1.9
------------------------	------	------	-------	--------	--------	-------------	------	------	-------	-----

Percentage Leased	1703 / 6102 = 28%									
--------------------------	-------------------	--	--	--	--	--	--	--	--	--

OPEN MEETING

REPORT OF THE REGULAR MEETING OF THE GOLDEN RAIN FOUNDATION COMMUNITY ACTIVITIES COMMITTEE

Thursday, September 12, 2019 – 1:30 p.m.
Board Room

MEMBERS PRESENT: Annette Sabol Soule-Chair, Beth Perak, Sue Margolis, Joan Milliman, Bunny Carpenter, Juanita Skillman, Ryna Rothberg, Jon Pearlstone, Leon St. Hilaire, Shaun Tumpane

MEMBERS ABSENT: Cush Bhada, Diane Phelps, Andre Torng

OTHERS PRESENT: Dick Rader, Maggie Blackwell, Annie McCary, and Bert Moldow were present in audience

STAFF PRESENT: Brian Gruner, Jennifer Murphy, Jackie Kupfert, Eileen Paulin

Call to Order

Chair Soule called the meeting to order at 1:32 p.m.

Acknowledgement of Media

There was no press present.

Approval of Agenda

A motion was made, and by consensus, the agenda was approved.

Approval of Committee Report for July 11, 2019

A motion was made, and by consensus, the report was approved.

Chair's Remarks

Chair Soule stated this meeting has a substantial amount of business and she is thankful for those attending.

Report of the Recreation and Special Events Director

Mr. Gruner reported on the highly attended monthly dinners. Twilight Golf is selling out as are the patio concerts at Clubhouse 1. Recreation increased the patio concert entrance fees to \$10 to assist with coverage of costs. Pool 6 hosted Splash Days for children with over 200 participants who enjoyed free ice cream and water slides. Grandparents Fun Day had approximately 230 attendees. The ESL program is doing exceptionally well. The Aquadettes were showcased in an upcoming program hosted by Jeff Goldblum and presented by National Geographic and Disney Live Streaming. They were also photographed by Getty Images in an effort to highlight active seniors.

Mr. Gruner stated the following facility enhancements: new pool furniture for all pools has been delivered. The new pool furniture is safer and more comfortable. Approximately 2,000 new banquet chairs for the clubhouses will be delivered the first week of October. The ballroom floors have been waxed and cleaned for general upkeep. Emergency phone lines have been upgraded at Pool 2 and Pool 6. New handrail grips have been added to the pool handrails to ensure safety. Construction on the Performing Arts Center is moving forward. No shows have been booked after May, 2020 to allow for the start of construction. The Clubhouse 4 jewelry floor has been redone for safety. A new ventilation system in the paint room at Clubhouse 4 will be installed to meet OSHA standards. An air ventilation system will be added in the Clubhouse 4 ceramics room. A community gathering area will be completed at Garden Center 1. A volunteer program has been created at the Garden Centers with the first volunteer starting soon. The Garden Center policies will be reviewed for update.

Mr. Gruner stated the following operational improvements: approximately 110 staff attended the Comprehensive Staff Training which was very successful and engaging. The training sessions were titled Emergency Procedures, Customer Interactions 101 and Know Your Community and Recreation Programs. A survey was sent to staff for feedback on future highlights at staff training. Mr. Gruner will be presenting a request to CAC regarding hosting staff training on a consistent basis. Mr. Gruner presented a photo of the staff who attended the training.

Director Perak inquired as to if cross training will be included for staff. Mr. Gruner stated yes, but will be held once staff levels are increased. Director Rothberg stated this is a morale booster. While referencing the staff training photo, Director Skillman inquired as to the standard color of staff shirts for Recreation. Mr. Gruner stated Recreation staff wears light blue staff shirts while golf course maintenance wears gray as they have different standards of safety. Director Skillman inquired as to where the banquet chairs replaced will be sent. Mr. Gruner stated the warehouse will take those in better shape, while the others will be destroyed. Chair Soule stated the Video Club was allotted 75 repurposed banquet chairs. Director Skillman stated the Library received repurposed chairs from the Spruce room at the Community Center.

Ms. Murphy stated September 28 will be the last outdoor concert for 2019 at Clubhouse 2 hosting a car show at 4 p.m. with music starting at 6 p.m. This free concert features a Huey Lewis tribute band with a 80s theme. Martinez catering will be selling food while supplies last. The free Monday night movie at the Performing Arts Center is Vice on September 16 at 7:30 p.m. Timeless Melodies will be hosted on October 1 at Clubhouse 2 at 1:30 p.m.; tickets are \$5. The steak dinner will be on October 3 at 5:30 p.m. at Clubhouse 1. Clubhouse 5 will host the Village Bazaar on October 5 at 10 a.m. The Harvest Hoedown will be held on October 5 at the Equestrian Center beginning at 4 p.m. The Rock N' Roll Legends show will be held on October 5 at the Performing Arts Center as part of the Celebrity Series. Shows are at 6 p.m. and 8:30 p.m. The Performing Arts Center will host the October 21 free Monday night movie, The Upside, at 7:30 p.m. The Saturday Night Dance will be hosted on October 26 at Clubhouse 5 at 6:30 p.m. The Arts and Crafts Bonanza at Clubhouse 4 will be on November 2 and 3. The monthly dinner on November 6 at Clubhouse 1 will be British themed. Monthly dinners will take a break in December. The Veteran's Day event will be on November 11 at Clubhouse 2 at 10 a.m. Monday Night Football is now hosted at 5 p.m. at the Village Greens in conjunction with the 19 Restaurant. Evening drink and food specials are available. The bus excursions continue to be very successful. The new Yoga for Golfers class will begin on September 20 which will be a 4-week session meeting two times per week, Tuesdays at 9 a.m. and Fridays at 9 a.m. The cost is \$200 per person.

Director Perak inquired as to the stage performance highlighting Frank Sinatra. Ms. Murphy stated the Champagne Pops series includes the stage performance. Chair Soule stated clarification may be needed regarding the story of Frank Sinatra versus the musical history. Ms. Murphy stated Timeless Melodies will highlight the history of Frank Sinatra's music and life while the Champagne Pops series performance will feature a Frank Sinatra tribute band.

Member Comments (Items Not on the Agenda)

Members spoke on the following topics: facility use in regards to businesses; policy restricting sales; classes for purchase at clubhouses; church membership status versus club status; constructing an amphitheater; pool cover for one pool; demands met for small groups; partial improvements of projects; shared costs in regards to the resident handbook reference of shared costs.

Chair Soule would like staff to provide the resident an updated resolution regarding shared cost and requested the resident attend the MACC meeting on Monday at 1:30 p.m.

Chair Soule deferred to Mr. Gruner regarding the travel company presentations. Per Mr. Gruner, staff will follow up with the Compliance Division regarding the club that is under review and cancel the event. Mr. Gruner is requesting a separate task force regarding church club status and will discuss further on agenda item number 17. Director Perak inquired as to the reference of class revenue at Clubhouse 5. Mr. Gruner stated the Recreation Department repurposed the Billiards room into the Fitness room at Clubhouse 5 and the classes are for residents only. Ms. Murphy clarified the at-cost class income pays the instructors and 20% of that fee is paid to GRF. Director Carpenter stated there is a committee looking for revenue generating ideas due to tight budgets. Director Perak stated the resident submitted good ideas with regards to pool cover, small group demands and partial improvements to projects.

Chair Soule stated residents are not currently happy regarding assessment increases proposed in 2020 budget presentations. Chair Soule suggested the member proposing construction of an amphitheater approach the Community Fund for underwriting via a large donation. Chair Soule directed the resident to present at the next Maintenance and Construction committee (M&C) meeting. Mr. Gruner stated staff is directed by committees and agreed the resident may present at the M&C meeting. Director Margolis stated this amphitheater would be utilized by Recreation and believes CAC should review. Director Pearlstone requested the resident attend the M&C meeting and budget meetings. Director Milliman stated the resident requesting the amphitheater should not do the feasibility study. Bert Moldow stated the resident should not go to M&C directly and requested that CAC make a motion to move this matter to M&C. Chair Soule stated CAC will not motion at this time to send this matter to M&C directly as request is lacking pertinent information; the resident may present as they wish. Advisor Tumpane stated more information will be needed for an amphitheater assessment. Director Milliman would like to see how many people are interested in an amphitheater. Director Perak stated the idea may start in either committee and agreed more data is necessary.

CONSENT

A motion was made, and by consensus, the consent calendar was approved.

REPORTS

Pool 2 Backstroke Flags and Stanchions – Mr. Gruner stated the staff recommendation to approve the Recreation and Special Events Department recommendation to install stanchions and backstroke flags at Pool 2.

A motion was made to postpone until legal counsel is advised.

Discussion ensued.

The motion failed 2-5-1. (Director Perak abstained)

A motion to approve the Recreation and Special Events Department recommendation to install stanchions and backstroke flags at Pool 2.

Discussion ensued.

The motion failed 3-5.

GRF Wedding Policy Revision - Ms. Murphy stated the staff report to approve staff recommendation to amend the current GRF wedding policy to make the:

1. Resident rate applicable to weddings and/or wedding receptions for residents; and
2. Exception rate applicable to weddings and/or wedding receptions reserved by a resident on behalf of a non-resident; limited to only siblings, children, parents and grandchildren.

A motion was made to approve staff recommendation to amend the current GRF wedding policy to make the:

1. Resident rate applicable to weddings and/or wedding receptions for residents; and
2. Exception rate applicable to weddings and/or wedding receptions reserved by a resident on behalf of a non-resident; limited to only siblings, children, parents and grandchildren.

Discussion ensued.

The motion passed unanimously.

Clubhouse 2 Open Space - Ms. Murphy stated the staff report to authorize the Recreation and Special Events Department recommendation to add the open space area adjacent to Clubhouse 2 to the rental agreement for the Clubhouse.

A motion was made to authorize the Recreation and Special Events Department recommendation to add the open space area adjacent to Clubhouse 2 to the rental agreement for the Clubhouse.

Discussion ensued.

The motion passed 6-2.

Clubhouse 2 Literature Rack - Ms. Murphy stated the staff report to approve the Recreation and Special Event Department recommendation not to install literature racks at Clubhouse 2 due to the

facility being a single use destination facility and the administrative time associated with managing the flyers.

A motion was made to approve the Recreation and Special Event Department recommendation not to install literature racks at Clubhouse 2 due to the facility being a single use destination facility and the administrative time associated with managing the flyers.

Discussion ensued.

The motion passed unanimously.

GRF Recreation Pricing Policies - Mr. Gruner stated the staff report to recommend pricing policy updates to reflect fee changes that will take effect January 1, 2020.

A motion was made to recommend pricing policy updates to reflect fee changes that will take effect January 1, 2020.

Discussion ensued.

The motion passed 7-1.

ITEMS FOR DISCUSSION AND CONSIDERATION

Emeritus Ad Hoc Committee Update – Mr. Gruner requested the Emeritus ad hoc committee meet within the next couple of weeks. Chair Soule stated Saddleback College Emeritus sent a free ticket to those participating in the classes and OLLI will have classes coming in the future.

Policy Review and Discussion (Clubs Conducting Business for Profit) - Mr. Gruner stated there are clubs consistently conducting business for profit. He requested a committee to review policies. The following volunteered to be on this committee: Director Milliman, Dick Rader, Director McCary and Advisor Tumpene as a reserve participant.

Equestrian Center Update – Mr. Gruner updated the committee regarding the Equestrian Center. The Equestrian Center is operational with new staff being hired as staff is short-handed with only three staff members. The Equestrian Supervisor was injured and directed by her doctor to remain home. Mr. Gruner assured the program is not being eliminated. Mr. Gruner and Mr. Jeff Parker have been meeting regularly with current boarders. Director Margolis inquired about the feed issue and Mr. Gruner stated it has been rectified.

ITEMS FOR FUTURE AGENDAS

None

CONCLUDING BUSINESS

Committee Member Comments

Director Perak stated CAC is always interesting.

Director Blackwell stated we should be reviewing shared costs in a different way instead of targeting groups.

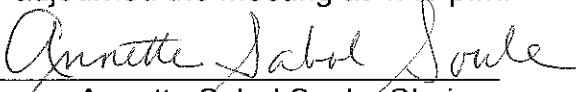
Chair Soule thanked the staff and stated there are always new items for discussion at CAC.

Date of Next Meeting

The next regular meeting of the GRF Community Activities Committee will be held at 1:30 p.m. at the Community Center in the Board Room on Thursday, November 14, 2019.

Adjournment

There being no further business, the Chair adjourned the meeting at 4:43 p.m.


Annette Sabol Soule, Chair



OPEN MEETING
THE GOLDEN RAIN FOUNDATION
MEDIA AND COMMUNICATIONS COMMITTEE
Monday, September 16, 2019, at 1:30 p.m.
Laguna Woods Village Community Center, Board Room
24351 El Toro Road, Laguna Woods, CA 92637

REPORT

MEMBERS PRESENT: Chair Joan Milliman, Directors Annie McCary, Pat English, Annette Sabol Soule, Maggie Blackwell, Lynn Jarrett, Juanita Skillman, Ryna Rothberg, Advisers Steve Carman, Sheila Bialka and Lucy Parker

MEMBERS ABSENT: None.

OTHERS PRESENT: Richard Rader - VMS

STAFF PRESENT: Eileen Paulin, Chuck Holland, and Becky Jackson

1. **Call to Order**
Chair Joan Milliman called the meeting to order at 1:31 p.m.
2. **Acknowledgement of Media**
Paul Ortiz from Village Television was present.
3. **Approval of the Agenda**
Agenda was approved with changing the reporting of agenda item number 9 before 8.
4. **Approval of Meeting Report from August 19, 2019**
Report was approved.
5. **Chair's Remarks**
Chair Milliman welcomed everyone.
6. **Member Comments (Items not on the Agenda)**
David Kohn 367-N was called to speak asked about Country Classics being on different channels and it being moved around. Consider adding one or two more new channels: News Max and One American News Channel.
7. **Director's and Staff Forum**
Chuck Holland explained Mr. Kohn's troubles are due to not having a set top box. Mr. Holland explained that the only way to solve the issue is to have a digital device.

In regards to the news channel he will get Mr. Kohn's information he will do the leg work

Goals of improving the website:

- Searchability
- Platform change
- Resident information behind portal
- Village-wide training sessions

Collaboration with Village Television:

- Coordinating programming to assure concise, consistent messages to residents
- Preplanning all staff and board member presentations to assure messaging consistency

The new platform for the Village Breeze

- All the information you need to live in the Village delivered to your mailbox – six times a year
- Bi-monthly 64-page magazine
- Four-color, coated cover
- Recreation events and classes
- Pool and Fitness Center schedules
- Community Map (pull out)
- Transportation information
- Alterations, Landscape, Maintenance, Security, Social Services, Resident Services updates
- Important Village phone numbers
- Information from VMS staff and board directors
- Helpful articles

ITEMS FOR DISCUSSION AND CONSIDERATION:

ITEMS FOR FUTURE AGENDAS:

Report on the Phone book

CONCLUDING BUSINESS:

10. Committee Member Comments

Adviser Sheila Bialka hopes to get the phone book situation straightened out.

Adviser Lucy Parker commented it was a good meeting and would like to have the Breeze six times a year.

Adviser Steve Carmen commented it was an excellent meeting and addressed Mr. Holland to have the streaming options with the removal of Fox. It would be good to communicate the suggestions on how to stream these through You Tube.

Director Ryna Rothberg commented it was an interesting meeting and hopes to work something out with Farmers Publications.

Director Juanita Skillman stated looking at what we are doing in these meetings is interesting.

to see if he is able to get the channels. One America News Network and News Max.

REPORTS:

8. Broadband and Contracts Report - Chuck Holland

Mr. Holland gave a report on DwellingLive and the amount of calls that Resident Services are receiving. He reported that Fox Sports channel went off for four hours on Sunday and there was only one phone call received. He stated that the annual collection policy will be sent out in the annual mailer in November 2019.

Mr. Holland explained that the contracts with West Coast Internet are on hold until he is able to explore other broadband groups per the direction of GRF. He is currently working with an outside contractor to inventory what we have to determine what would be the best outcome for the Village.

Mr. Holland gave his regular report on Contract Renewals, Subscriber Counts, and Summary of Operations. Summary of Operations include: revenues, broadband services, employee compensation, materials and supplies, utilities, legal fees, outside services, repairs and maintenance, property and sales tax, cable programming, copyright, franchise, and uncollectible accounts.

9. Marketing and Communications Report - Eileen Paulin

Eileen Paulin reported on Marketing and Communications Report which included giving the committee an update of the new responsibilities taken by the MarComm Department.

Staff was directed to provide reports on New Resident Orientation and Docent Tours as to cost and see if they can be conducted less frequently.

Eileen Paulin reported on the phone books and stated that they are not in compliance and there is also a competitive phone book.

Ms Paulin will work with Tim Moy, Chair Milliman, Mr. Holland and Director Annette Soule to reach out to Farmer's Publication about updating them on the policy.

Ms. Paulin introduced the Power Point Presentation that she presented before VMS board. Which included improvements in communications through various platforms:

- What's Up in the Village
- Village Breeze
- Newsletters, calendars and event promotions
- Flyers, calendars and posters

Electronic Communications:

- Increased subscribers to more than three-quarters of residents.
- Stellar further customized to be able to quickly target and deploy emails to residents affected by unscheduled elevator or power outages, facility closures, etc.
- Regular posting of Village news and club events to the website; also generating current chyron (crawl) messaging on TV6.

Director Maggie Blackwell thanked everyone for a good meeting.

Director Soule stated she is glad to be on the committee and thanked staff for all the hard work they do.

Director Pat English thanked Chair Milliman for a very good meeting. She would like to put the telephone books to rest.

Director Lynn Jarrett commented on CEO Jeff Parker coming out to the Garden Villa meeting to talk about technology.

Director Annie McCary stated it was a good meeting.

Mr. Holland stated it has been interesting to present numbers with things changing.

Chair Milliman thanked everyone and finds herself becoming an expert on streaming.

11. Date of Next Meeting - Monday, October 21, 2019, 1:30 p.m. in the Board Room

12. Adjournment

Meeting was adjourned at 3:24 p.m.


Joan Milliman, Chair
Media and Communications Committee