



**REGULAR OPEN MEETING OF THE UNITED LAGUNA WOODS MUTUAL BOARD
OF DIRECTORS A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

Tuesday, April 9, 2019 - 9:30 a.m.

Laguna Woods Village Community Center Board Room 24351 El Toro Road

NOTICE OF MEETING AND AGENDA

- 1. Call to Order / Establish Quorum - Juanita Skillman, President**
- 2. Pledge of Allegiance – Director Blackwell**
- 3. Acknowledge Media**
- 4. Approval of Agenda**
- 5. Approval of the Meeting Minutes**
 - a. March 12, 2019 – Regular Open Session
- 6. Report of Chair**
 - a. **Report from Select Audit Task Force—Elizabeth Roper**
- 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**
 - (a) Follow-up Report from March 12, 2019, Open Forum—Director Margolis
- 9. Update from VMS – Director Beldner**
- 10. CEO Report**
- 11. 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 members of the Board, such item(s) shall be the subject of further discussion and action by the Board.

- a. Architectural Controls and Standards Recommendations:
 - (1) Recommendation to Approve (836-O, Cadiz, 6A) Install Stair Lift on Common Area Staircase
- b. Finance Committee Recommendations:
 - (1) Approval of Resolution to Record Lien against Member ID 947-414-18
 - (2) Approval of Resolution to Record Lien against Member ID 947-387-01
- c. Consistent with its statutory obligations under Civil Code §5501, a subcommittee of the Board consisting of the Treasurer and at least one other Board member reviewed the United Laguna Woods Mutual financials for the month of February, 2019, and such review is hereby ratified.

12. Unfinished Business

- a. Entertain a Motion to Adopt a Resolution to Allow Guarantors (**MARCH initial notification-28-day notification to comply with Civil Code §4360 has been satisfied**)
- b. Entertain a Motion to Re-Introduce the Revised Payment Plan Agreement Form and a Resolution for a Payment Plan Fee Policy for Assessments (**FEBRUARY initial notification-sent back to Committee for review-- must postpone 28-days for Member review to comply with Civil Code §4360**)
- c. Proposed Resolution to Revise GRF Bylaw 2.1.4

13. New Business

- a. Entertain a Motion to Introduce a Resolution to Revise the Fees for Golf Cart Charging Violations (**APRIL initial notification-must postpone 28-days for Member review to comply with Civil Code §4360**)
- b. Entertain a Motion to Introduce the Amended Financial Qualification Policy (**APRIL initial notification-must postpone 28-days for Member review to comply with Civil Code §4360**)

14. Committee Reports

- a. Report of the Finance Committee / Financial Report – Director Morrison. The Committee met on March 26, 2019; next meeting May 28, 2019, 2:00 p.m. in the Sycamore Room

- b. Report of the Architectural Control and Standards Committee –Director Achrekar– The Committee met on March 21, 2019; next meeting April 18, 2019, 9:30 a.m. in the Elm Room
- c. Report of the Communications Committee –Director Blackwell. Next meeting TBA
- d. Report of Member Hearings Committee--Director Achrekar. The Committee met on March 28, 2019; next meeting April 25, 2019, 9:00 a.m. in the Sycamore Room
- e. Report of the Governing Documents Review Committee – Director Blackwell. The Committee met on March 25, 2019; next meeting April 22, 2019, 1:30 p.m. in the Sycamore Room
- f. Report of the Landscape Committee –Director Blackwell. The Committee did not meet in March, 2019; next meeting April 11, 2019, 9:00 a.m. in the Board Room
- g. Report of the Maintenance & Construction Committee – Director Randazzo. The Committee did not meet in March, 2019; next meeting April 24, 2019, 9:00 a.m. in the Board Room
 - Village Energy Task Force—Director Randazzo. The Task Force met on March 6, 2019; next meeting May 1, 2019, 1:30 p.m. in the Board Room
- h. Report of the Resident Advisory Committee – Director Achrekar. The Committee met on March 14, 2019; next meeting April 11, 2019, 4:00 p.m. in the Sycamore Room

15. GRF Committee Highlights

- a. Report of the Finance Committee—Director Morrison. The Committee did not meet in March, 2019; next meeting April 24, 2019, 1:30 p.m. in the Board Room
- b. Report of the Community Activities Committee—Director Margolis. The Committee met on March 14, 2019; next meeting May 9, 2019, 1:30 p.m. in the Board Room
- c. Report of the Landscape Committee – Director Blackwell. The Committee met on March 20, 2019; next meeting May 15, 2019, 1:30 p.m. in the Board Room

- d. Report of the Maintenance & Construction Committee—Director Randazzo. The Committee did not meet in March, 2019; next meeting April 10, 2019, 9:30 a.m. in the Board Room
 - e. Report of the Media and Communication Committee—Director Blackwell. The Committee met on March 18, 2019; next meeting April 15, 2019, 1:30 p.m. in the Board Room
 - f. Report of the Mobility and Vehicles Committee—Director Addington. The Committee met on April 3, 2019; next meeting June 5, 2019, 1:30 p.m. in the Board Room
 - g. Report of the Security and Community Access Committee—Director Liberatore. The Committee did not meet in March, 2019; next meeting April 22, 2019, at 1:30 p.m. in the Board Room
 - Laguna Woods Village Traffic Hearings – Director Torng. The Hearings were held on March 20, 2019; next hearings April 17, 2019, 9:00 a.m. in the Board Room and 1:00 p.m. in the Sycamore Room
 - h. Report of the Disaster Preparedness Task Force –Director Achrekar. The Task Force met on March 26, 2019; next meeting May 28, 2019, 9:30 a.m. in the Board Room
- 16. 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.*
- a. Approve 2019 Election Schedule and Inspector of Election
 - b. Approve a Resolution for a Canvassing Policy
 - c. Approve the Committee Advisor Qualifications, Procedure and Policy
- 17. Directors' Comments**
- 18. 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.*

EXECUTIVE SESSION NOTICE AND AGENDA

Approval of Agenda

Approval of the Following Meeting Minutes;

(a) March 12, 2019 – Regular Executive Session

Discuss and Consider Member Matters

Discuss Personnel Matters

Discuss and Consider Contractual Matters

Discuss and Consider Litigation Matters

19. Adjourn

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**MINUTES OF THE OPEN MEETING OF THE
BOARD OF DIRECTORS OF UNITED LAGUNA WOODS MUTUAL
A CALIFORNIA NON-PROFIT MUTUAL BENEFIT CORPORATION**

Tuesday, March 12, 2019

The Regular Meeting of the Board of Directors of United Laguna Woods Mutual, a California Non-Profit Mutual Benefit Corporation, was held on Tuesday, March 12, 2019, at 9:30 a.m. at 24351 El Toro Road, Laguna Woods, California.

Directors Present: Juanita Skillman, Carl Randazzo, Cash Achrekar, Maggie Blackwell, Gary Morrison, Elsie Addington, Manuel Armendariz, Reza Bastani, Sue Margolis and Andre Torng.

Directors Absent: Anthony Liberatore

Staff Present: Jeff Parker, CEO; Siobhan Foster, COO; Christine Spahr, Tim Moy, Pamela Bashline, Susan McInerney, Betty Parker and Cheryl Silva

Others Present: VMS: Dick Rader, and Mary Stone
Jeff Beaumont, Esq. of Beaumont Tashjian

1. Call Meeting to Order/Establish Quorum

President Skillman called the meeting to order at 9:30 a.m. and acknowledged that a quorum was present.

2. Pledge of Allegiance

Director Achrekar led the Pledge of Allegiance.

3. Acknowledge Media

A representative of the Laguna Woods Globe was present for the meeting, and the Village Television Camera Crew, by way of remote cameras, was acknowledged as present.

4. Approval of Agenda

Director Achrekar made a motion, seconded by Director Randazzo, to approve the agenda as presented. The motion passed by vote of 7-3-0 (Director Torng, Armendariz and Margolis opposed).

5. Approval of Minutes

5a. February 12, 2019 – Regular Open Session

Director Blackwell made a motion to approve the minutes of February 12, 2019, Regular Open Session. The motion was seconded by Director Randazzo.

The United Regular Meeting minutes of February 12, 2019 were approved without objection.

6. Report of the Chair

President Skillman asked the audience to silence their phones and fill out a speaker card if they would like to speak.

7. Open Forum

Members made comments regarding the following:

- Benefits of the Laguna Woods Foundation;
- Handyman Service
- Guarantor Loans and Interest Rates
- Financial Qualifications
- Solar Heating Report
- Survey of the Community

8. Responses to Open Forum Speakers

Several Directors responded to Member comments:

- Director Blackwell reminded residents to call 911 if you need help getting up and down the stairs if the elevators are out. They will send out Care Ambulance Services to help you.
- Director Achrekar responded to residents regarding Handyman Service, guarantor loans and survey.
- Director Randazzo responded to residents regarding the Handyman Program and financial qualifications, survey, and Solar Task Force.
- Director Morrison thanked Chris Collins for her work with the LWV Foundation. Financial qualifications and lenders.
- Director Torng responded to residents regarding guarantor loan interest rate reduction in sales and survey.
- Director Armendariz responded regarding survey, financing a unit in United and the Solar Task Force Report.
- President Skillman responded regarding the Handyman Service, Guarantor Loans, Solar Report is available.

a. Follow-up from the February , 2019, Board Meeting Open Forum— S.Margolis

- Roundup usage in the Village is only used around the edges and trees.
- Not everyone is using EZ pay which saves the Community money.
- Encouraged residents to come to the Committee or the Resident Advisory Committee where they can ask questions and dialog with the Directors.

9. Update from VMS - Director Stone

Director Stone discussed recent emergency repairs. Department updates were given to the VMS Board by the General Services Division under the direction of Kurt Wiemann. Kurt Wiemann discussed Landscape Services overview, current challenges in the Landscape Division, the various trees in the community, tickets vs. staffing, and Landscape Services priorities. The VMS Board also heard updates from the

Transportation and Maintenance Division under the direction of Chris Laugenour. Chris Laugenour discussed the transportation program, bus service evaluation study, town hall information meeting on transportation will take place on March 20th Clubhouse 1 at 10:00 a.m., fleet maintenance, custodial services, paving division, waste management, and current challenges.

10. CEO Report

Jeff Parker CEO, reported on the following subjects:

- Transportation Informational Meeting will be Wednesday, March 20th at Clubhouse 1 at 10:00 a.m.;
- Pickleball and Paddleball Court ribbon cutting ceremony will be tomorrow, March 13th;
- RFID Gate security renovation project continues at gates 2 and 8 as scheduled. During gate 2 construction; gates 1 and 3 will be open 24/7, gate 2 pedestrian access only from 6 a.m. to 10 p.m. gate 4 (exit only) will have extended hours from 6 a.m. to 10 p.m. During gate 8 construction; gates 7 and 10 will be open 24/7, gate 8 pedestrian and golf cart access from 6 a.m. to 10 p.m.;
- Staff will sponsor a photo contest. Submissions are due Friday, April 12th and the winners will be announced on April 19th;
- Staff is conducting interviews for new docents on Thursday, March 14th from 10 a.m. to 1 p.m. Contact Betty Jackson, Public Relations Specialist for appointment information.
- Update on Upcoming Recreation Events: Bohemian Rhapsody will be showing at Clubhouse 3 on Monday, March 18th at 7:30 p.m. and the upcoming Village Games return April 8-29th. Early registration begins on March 4th and ends on March 22nd.

Jeff Parker answered questions from the Board.

11. Consent Calendar

11a. Landscape Committee Tree Removal Recommendations:

- (1) Recommendation to Approve Request for Tree Removal 612-C (Henderson) – White Mulberry Tree

RESOLUTION 01-19-25

Approval of Removal of One White Mulberry Tree and Replacement at Member's Expense – 612-C

WHEREAS, February 12, 2013, that the Board of Directors adopted Resolution 01-13-17 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.

- 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 February 14, 2019, the Landscape Committee reviewed a request to remove one White Mulberry Tree. The request was received from *the Member at 612-C*, who cited the reasons of litter and debris, overgrown, and potential slip and fall from wet leaves; and

WHEREAS, on February 14, 2019, the Landscape Committee recommended to approve the removal of one White Mulberry tree *located at 612-C Avenida Sevilla* due to visible signs of decay and interference with a neighboring tree and to replace it at the Member's expense;

NOW THEREFORE BE IT RESOLVED, March 12, 2019, the Board of Directors approves the request for the removal of one White Mulberry tree and to replace it at the expense of the Member at 612-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.

- (2) Recommendation to Deny Request for Tree Removal 598-D (Yan) – Canary Island Pine Tree

RESOLUTION 01-19-26

Denial of Removal of One Canary Island Pine – 598-D

WHEREAS, February 12, 2013, that the Board of Directors adopted Resolution 01-13-17 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.
- 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 February 14, 2019, the Landscape Committee reviewed a request to remove one Canary Island Pine tree. The request was received from *the Member at 598-D*, who cited the reasons of litter and debris, structural damage, sewer damage, overgrown, poor condition, and the tree is leaning toward the unit;

WHEREAS, the Committee recommended to deny the removal of one Canary Island Pine tree *located at 598-D Avenida Majorca* due to no visible decay, pests, or trunk damage nor any damage to sidewalk or unit;

NOW THEREFORE BE IT RESOLVED, March 12, 2019, the Board of Directors denies the request for the removal of one Canary Island Pine tree at 598-D, and;

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

- (3) Recommendation to Approve Request for Tree Removal 599-E (Myhra) – two Canary Island Pine Tree

RESOLUTION 01-19-27

Approval of Removal of One Canary Island Pine – 599-E

WHEREAS, February 12, 2013, that the Board of Directors adopted Resolution 01-13-17 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.
- 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 February 14, 2019, the Landscape Committee reviewed a request to remove two Canary Island Pine trees. The request was received from *the Member at 599-E*, who cited the reasons of; litter and debris, overgrowth, structural damage, possible sewer damage, and seasonal pollen;

WHEREAS, *the Committee* recommended to approve the request to remove only one of the two Canary Island Pine trees located at 599-E Avenida Majorca to allow the remaining trees to fill out properly, reduce the amount of needle drops, and increase sunlight to the surrounding turf or shrub bed areas;

NOW THEREFORE BE IT RESOLVED, March 12, 2019, the Board of Directors approves the request for the removal of one Canary Island Pine tree at 599-E, and;

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

11b. Finance Committee Recommendations:

- (1) Approval of Resolution to Record Lien against Member ID#947-413-50

RESOLUTION 01-19-28
RESOLUTION TO RECORD LIEN

WHEREAS, Member ID 947-413-50; is currently delinquent to United Laguna Woods 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, March 12, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-413- 50 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.

11c. Approve City of Laguna Hills Memorial Day Half Marathon Run (10K/5K)

11d. This item was removed by Director Armendariz and moved to Unfinished Business agenda item 12d.

11e. Accept into corporate record the updated 2019 Reserve Component Schedule, used for preparation of Civil Code §5570 Assessment and Reserve Funding Disclosure Summary mailed to members In November 2018

11f. Ratify the Resolution for Additional Funding for Full Reserve Study

RESOLUTION 01-19-24
ADDITIONAL FUNDING FOR FULL RESERVE STUDY

WHEREAS, at the November 27, 2018 United Finance Committee meeting, Staff reviewed methodologies used to prepare the current reserve study and recommended retaining a reserve specialist to prepare a full reserve study with a draft available for upcoming budget meetings that start in the second quarter of 2019;

WHEREAS, on December 11, 2018, the Board of Directors approved via resolution 01-18-120 a supplemental appropriation of \$40,000 to perform a Full Reserve Study for use in the 2020 business planning process; and

WHEREAS, on February 21, 2019, the Board reviewed three proposals and conducted vendor interviews, making a request for additional information to assist in their decision.

NOW THEREFORE BE IT RESOLVED, on February 28, 2019 that the Board of Directors of this Corporation awards a contract to Association Reserves to provide labor and materials required to perform a Level 2 Reserve Study at a cost of \$50,000, and authorizes a supplemental appropriation in the amount of \$10,000 to be funded from the Replacement Reserve Fund to be used in addition to the \$40,000 appropriated by Resolution 01-18-120.

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.

11g. Resolution to Update the United Mutual and GRF Committee Appointments

RESOLUTION 01-19-29

UNITED LAGUNA WOODS MUTUAL COMMITTEE APPOINTMENTS

RESOLVED, March 12, 2019, that the following persons are hereby appointed to serve the Corporation in the following capacities:

Architectural Control and Standards Committee

Cash Achrekar, Chair

Reza Bastani

Gary Morrison

Carl Randazzo

Non-Voting Advisors: Michael Mehrair, Kay Anderson, Janey Dorrell

Communications Committee

Maggie Blackwell, Chair

Elsie Addington

~~Reza Bastani~~

Non-Voting Advisors: Vacant (2)

Finance Committee

Gary Morrison, Chair

Sue Margolis

Carl Randazzo

Juanita Skillman

Elsie Addington, Alternate

Non-voting Advisors: Vacant (2)

FINANCIAL REVIEW TASK FORCE

Gary Morrison

Elsie Addington

Governing Documents Review Committee

Maggie Blackwell, Chair

Juanita Skillman

Andre Torng

Anthony Liberatore

Non-voting Advisors: Bevan Strom, Mary Stone

Laguna Woods Village Traffic Hearings

Andre Torng

~~Elsie Addington~~

Cash Achrekar, Alternate

Landscape Committee

Maggie Blackwell, Chair
Manuel Armendariz
Anthony Liberatore
Non-Voting Advisor: Catherine Brians, Vacant (2)

Maintenance and Construction Committee

Carl Randazzo, Chair
Cash Achrekar
Reza Bastani
Sue Margolis
Gary Morrison
Juanita Skillman, Alternate
Non-voting Advisor: Ken Deppe, Walter Ridley, Janey Dorrell

Members Hearing Committee

Cash Achrekar, Chair
Juanita Skillman
Maggie Blackwell
Elsie Addington

New Resident Orientation

Per Rotation List

Resident Advisory Committee

Cash Achrekar, Chair
Anthony Liberatore
Juanita Skillman
Andre Torng
Non-voting Advisors: Kay Anderson, Nancy Lannon

Village Energy Task Force

Sue Margolis
Carl Randazzo
Advisor: Steve Leonard, Sue Stephens

RESOLVED FURTHER Resolution 01-19-16, adopted February 12, 2018,
is hereby superseded and canceled.

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

RESOLUTION 01-19-30
GOLDEN RAIN FOUNDATION COMMITTEE APPOINTMENTS

RESOLVED, March 12, 2019, that in compliance with Article 7, Section 7.3
of the Golden Rain Foundation Bylaws, adopted September 29, 2014, the
following persons are hereby appointed to serve on the committees of the

Golden Rain Foundation:

Business Planning

Gary Morrison
Juanita Skillman

Community Activities

Sue Margolis
Andre Torng
Juanita Skillman, Alternate

GRF Finance

Gary Morrison
Juanita Skillman
Carl Randazzo, Alternate

GRF Landscape Committee

Manuel Armendariz
Maggie Blackwell
Anthony Liberatore, Alternate

GRF Maintenance & Construction

Gash Achrekar
Carl Randazzo
Gary Morrison
Sue Margolis, Alternate

GRF Media and Communications Committee

Maggie Blackwell
Elsie Addington
Juanita Skillman, Alternate

Mobility and Vehicles Committee

Elsie Addington
Andre Torng
Juanita Skillman, Alternate

PAC Renovation Task Force

Sue Margolis
Carl Randazzo
Juanita Skillman, Alternate

Security and Community Access

Reza Bastani
Anthony Liberatore
Carl Randazzo, Alternate

Disaster Preparedness Task Force

Cash Achrekar
Gary Morrison

Town Hall Meetings
As Needed

RESOLVED FURTHER, that Resolution 01-19-17, adopted February 12, 2018, is hereby superseded and cancelled.

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

Director Randazzo made a motion to approve the Consent Calendar. The motion was seconded by Director Blackwell.

Discussion ensued among the Directors.

Director Armendariz made a motion, seconded by Director Margolis, to removed agenda item 11d to unfinished business for discussion.

President Skillman called for the vote of the consent calendar with the removal of agenda item 11d and the motion passed by vote of 9-0-1 (Directors Bastani abstained).

12. Unfinished Business

12a. Entertain a Motion to Adopt a Resolution for an Alteration Standard Plan Policy
Director Blackwell read the following resolution:

RESOLUTION 01-19-31
STANDARD PLAN REVIEW POLICY

WHEREAS, the Village has 248 previously approved Standard Plans available for Members to use for alterations with an over-the-counter Mutual Consent without having to use the variance process or need further Board approval;

WHEREAS, The Architectural Control and Standards Committee (Committee) reviews numerous variance requests from members proposing to make alterations using a previously approved Standard Plan with minor variations;

WHEREAS, current policy requires all variations from a Standard Plan to be reviewed by the Committee;

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

WHEREAS, the Committee directed Staff to create a policy pertaining to minor revisions to Standard plans for Members who are proposing to perform alterations to their units using a previously approved Standard Plan.

NOW THEREFORE BE IT RESOLVED, March 12, 2019, the Board of Directors

adopts the Standard Plan Review Policy; and

RESOLVED FURTHER, architectural drawings shall be provided for all revisions to Standard Plans to the Alterations Department office for review and to determine if they meet the intent of this policy, including but not limited to, closets, windows, door style or placement;

RESOLVED FURTHER, Staff shall thoroughly review the submitted drawings. If Staff determines that the proposed alteration does not affect load bearing walls or alter the purpose of rooms as depicted on the Standard Plan, meets the intent of this policy, and conforms to all pertinent alteration policies, Staff may issue a Mutual Consent; and

RESOLVED FURTHER, if Staff determines that the proposed alteration does not meet the intent of this policy and the Member desires to pursue the proposed alteration, Staff shall process the request as a variance for review by the Committee; and

RESOLVED FURTHER, all proposals for revisions that are not considered minor or alter the exterior aesthetics of the Unit shall require Board approval via the variance process; 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.

FEBRUARY Initial Notification

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

Director Blackwell made a motion to adopt the resolution to an alteration standard plan policy. The motion was seconded by Director Achrekar.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed by a vote of 9-0-0 (Director Torng was absent for the vote).

12b. Entertain a Motion to Adopt a Resolution to Amend the Care Provider Policy and Change the Name to Private Caregiver Policy

Director Blackwell read the following resolution:

RESOLUTION 01-19-32
PRIVATE CAREGIVER POLICY

WHEREAS, Staff has recommended enhancements to the existing Care Provider Policy; and

WHEREAS, the Private Caregiver Policy will encompass part-time and long-term caregivers, whenever scheduled day or night and;

WHEREAS, the Private Caregiver Policy addresses caregivers irrespective of

whether they are paid or not paid;

NOW THEREFORE BE IT RESOLVED, March 12, 2019, that the Board of Directors of this Corporation hereby introduces the "Care Provider Policy," and renames it "Private Caregiver Policy," as attached to the official minutes of this meeting; and

RESOLVED FURTHER, that Resolution 01-17-28 adopted February 14, 2017, 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 as written.

FEBRUARY Initial Notification

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

Director Armendariz made a motion to adopt the resolution to amend the care provider policy and change the name to private caregiver policy. The motion was seconded by Director Addington.

Discussion ensued among the Directors.

Residents spoke about this issue.

Staff answered questions from the Board.

Jeff Beaumont, Esq. answered questions from the Directors.

Director Armendariz called for the question and the motion failed by vote of 3-7-0 (Directors Armendariz, Margolis and Torng approved).

Discussion continued among the Directors.

President Skillman called for the vote and the motion passed by a vote of 7-3-0 (Director Blackwell, Morrison, and Addington opposed).

12c. Entertain a Motion to Adopt a Resolution for an Administrative Fee for Damage Reimbursement

Director Blackwell read the following resolution:

RESOLUTION 01-19-xx
ADMINISTRATIVE FEE FOR DAMAGE REIMBURSEMENT

WHEREAS, pursuant to Civil Code §5855, the Mutual is required to hold hearings to impose any monetary charges to reimburse the Mutual for costs incurred in the repair of damage to common area or facilities caused by the actions or inactions of a member, his or her tenant, guest, invitee, or vendor;

WHEREAS, significant staff time is necessary to investigate, document, and

prepare concise reports for Damage Reimbursement Hearings for damage caused by a member; and,

WHEREAS, the Mutual has seen an increase in administrative costs related to these damage reimbursement proceedings.

NOW THEREFORE BE IT RESOLVED, xxx, 2019, that the Board of Directors hereby adopts the Damage Reimbursement Administrative Fee;

RESOLVED FURTHER, effective April 1, 2019, the administrative fee for costs related to damage reimbursement proceedings will be ten percent of the total reimbursement decision amount for all decisions of one thousand dollars or more;

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.

FEBRUARY Initial Notification

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

Director Blackwell made a motion to adopt the resolution for administrative fee for damage reimbursement. The motion was seconded by Director Armendariz.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion failed by a vote of 5-5-0 (Director Achrekar, Bastani, Torng, Margolis and Armendariz opposed).

12d. Consistent with its statutory obligations under Civil Code §5501, a subcommittee of the Board consisting of the Treasurer and at least one other board member reviewed the United Laguna Woods Mutual financials for the month of January, 2019, and such review is hereby ratified.

This item was removed from the Consent Calendar by Director Armendariz.

Director Margolis made a motion, seconded by Director Armendariz, to discuss this item in closed session.

Legal Counsel commented that this item does not qualify for closed session discussion pursuant to Civil Code § 4935.

Director Armendariz made a comment that he pulled this item because he feels it is not in compliance with the law.

Legal Counsel reminded directors that should recognize the difference between productively participating in discussions and counter-productively dominating deliberations through the volume or length of comments when they do not agree with the vote of the majority.

Discussion ensued among the Directors.
Staff answered questions from the Board.

Director Blackwell made a motion, seconded by Director Armendariz, to approve the Financial Review per Civil Code 5501.

President Skillman called for the vote and the motion passed by a vote of 6-4-0 (Directors Bastani, Torng, Armendariz, and Margolis opposed).

13. New Business

13a. Entertain a Motion to Approve Supplemental Funding for the 2019 Fumigation Program

Director Blackwell read the following resolution:

RESOLUTION 01-19-33
SUPPLEMENTAL FUNDING FOR THE 2019 FUMIGATION PROGRAM
Supplemental Funding for 2019 Fumigation Program

WHEREAS, in 2018, staff, along with the contracted vendor, Newport Exterminating, conducted visual interior and exterior inspections of various building structures throughout the Mutual; and

WHEREAS, evidence of termite infestations that require whole structure tenting were found at 37 building structures, which encompass 216 units and 3 carports; and

WHEREAS, the adopted 2019 funding of \$111,200, will only cover 14 fumigations and related accommodations; and

WHEREAS, the additional fumigations and hotel accommodation would require a supplemental appropriation in the amount of \$104,762 to be funded from the Contingency Fund to complete the treatments in 2019.

NOW THEREFORE BE IT RESOLVED, on March 12, 2019, the Board of Directors of this Corporation hereby authorizes a supplemental appropriation in the amount of \$104,762, to be funded from the Contingency Fund, for termite fumigation and hotel accommodation for 37 building structures, to be performed by the Mutual's contractor, Newport Exterminating during the 2019 Fumigation Program; 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 Blackwell made a motion to introduce the resolution to approve supplemental funding for the 2019 Fumigation Program for 28-day review. The motion was seconded by Director Achrekar.

Discussion ensued among the Directors.

President Skillman called for the vote and the motion passed by unanimous consent.

13b. Entertain a Motion to Introduce a Resolution to Allow Guarantors
Director Blackwell read the following resolution:

RESOLUTION 01-19-XX

**Authorization to Accept Personal Unconditional Continuing Guaranty &
Security Agreement and to Revise Financial Qualifications Policy (rev. 5-23-18)**

WHEREAS, United Laguna Woods Mutual (hereinafter "United" or "Corporation"), is a non-profit mutual benefit corporation, existing under and by virtue of the laws of the State of California, organized for the purpose of providing its Members with housing on a cooperative non-profit basis pursuant to the provisions set forth in its Articles of Incorporation and Bylaws and Board Resolutions (collectively referred to as the "Governing Documents");

WHEREAS, the Corporation's Amended and Restated Bylaws ("Bylaws") provides the purpose of the Corporation is to, among other things, "manage, maintain, preserve, and administer the business of a common interest development, specifically, a stock cooperative";

WHEREAS, the Bylaws provide that the Board of Directors of the Corporation is responsible for managing the business and affairs and exercising all corporate powers of the Corporation;

WHEREAS, United is a stock cooperative wherein each shareholder-member is granted the right to occupy a specific unit pursuant to an Occupancy Agreement together with ownership of one share in the cooperative, provided each shareholder- member meets the financial qualifications set forth in the Financial Qualifications Policy (rev. 5-23-18);

WHEREAS, the Board of Directors desires the ability to enter into Occupancy Agreement(s) with certain Members whereby same require guarantor(s) to meet the Corporation's financial qualifications in order to qualify for membership and consistent policies regarding same;

NOW, THEREFORE, be it resolved on March 12, 2019, that the following resolution is introduced by the Board of Directors:

1. Personal Unconditional Continuing Guaranty & Security Agreement. The Corporation, by and through the Board of Directors, is authorized to enter into Personal Unconditional Continuing Guaranty & Security Agreement, in the manner and form attached hereto as Exhibit A and incorporated herein by reference thereto, and such Personal Unconditional Continuing Guaranty & Security Agreement will bind the Corporation and Guarantor.

Specifically, the Corporation may accept from guarantor(s) a guarantee to pay a Member's debt and/or obligation should the Member default or otherwise fail to pay a debt and/or obligation owed to the Corporation pursuant to an executed Personal Unconditional Continuing Guaranty & Security Agreement, and to cause security documents, which the Corporation may require, which shall evidence the asset(s) pledge by such guarantor(s).

2. Further Acts. The Board of Director may do and perform such other acts and things as may be reasonably necessary and proper in order to carry into effect the provisions of this Resolution, including, but not limited to, revising the current operative Financial Qualifications Policy (rev. 5-23-18) to allow prospective Members to meet the Corporation's financial qualifications, and to revise such other documentation, as may be necessary and appropriate.

- Satisfactory verification of annual income of at least \$90,000 and marketable or income producing assets of at least \$250,000 plus the unit purchase price.
- This in addition to the prospective Member's minimum annual income of at least \$24,000 and marketable and/or income producing assets of at least \$75,000.

BE IT FURTHER RESOLVED, that the officers, directors and agents of this Corporation are authorized to carry out the purpose of this Resolution.

MARCH 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 Blackwell made a motion to introduce and amend the resolution to allow guarantors for 28-day review. The motion was seconded by Director Randazzo.

Discussion ensued among the Directors.

Director Blackwell made amendments to Exhibit A of the resolution in paragraph three instead of "The undersigned..." and requested that the bullet points in the staff report be added to the resolution.

Director Morrison made amendments to Exhibit A of the resolution adding wording to require "renewal every 5 years" and the bullet points in the staff report.

Discussion ensued among the Directors.

Director Addington made a motion to send this item back to Committee for revisions.

The motion failed for lack of a second.

President Skillman called for the vote and the motion passed by a vote of 8-2-0 (Directors Addington and Bastani opposed).

14. Committee Reports

14a. Report of the Finance Committee / Financial Report – Director Morrison showed a presentation on the Treasurer's Report and reviewed the resale and lease reports. The Committee met on January 29, 2019; next meeting will be March 26, 2019, 2:00 p.m. in the Sycamore Room

14b. Report of the Architectural Control and Standards Committee – Director Achrekar. The Committee did not meet in February; next meeting will be March 21, 2019, 9:30 a.m. in the Elm Room.

14c. Report of the Communications Committee – Director Blackwell encouraged the Directors to read The Breeze. The next meeting TBA.

14d. Report of Member Hearings Committee - Director Achrekar gave a report from the last Committee meeting. The Committee met on February 28, 2019; next meeting will be March 28, 2019, 9:00 a.m. in the Sycamore Room.

14e. Report of the Governing Documents Review Committee - Director Blackwell gave a report from the last Committee meeting. The Committee met on February 25, 2019; next meeting will be March 25, 2019, 1:30 p.m. in the Board Room.

14f. Report of the Landscape Committee - Director Blackwell gave a report from the last Committee meeting. Herbicide update covered under the VMS Report. The Committee met on February 14, 2019; next meeting will be April 11, 2019, 9:00 a.m. in the Board Room.

14g. Report of the Maintenance & Construction Committee - Director Randazzo. The Committee discussed pedestals under the United laundry washers and dryers, painting of the exterior alterations, and drainage concerns. The Committee met on February 27, 2019; next meeting will be April 24, 2019, 9:00 a.m. in the Board Room.

- Village Energy Task Force Charter – Director Randazzo gave a report from the last Task Force meeting. Solar power and EV Charging stations were discussed. The Task Force met on March 6, 2019; next meeting will be May 1, 2019 at 1:30 p.m. in the Board Room.

14h. Report of the Resident Advisory Committee – Director Achrekar encouraged residents to attend this Committee meeting. The Committee met on February 14, 2019; next meeting will be March 14, 2019, 4:00 p.m. in the Sycamore Room.

15. GRF Committee Highlights

15a. Report of the Finance Committee—Director Morrison gave highlights from the last Committee meeting. The Committee met on February 20, 2019; next meeting will be April 24, 2019, 1:30 p.m. in the Board Room.

15b. Report of the Community Activities Committee—Director Margolis gave highlights from the last Committee meeting. The Committee did not meet in February; next meeting will be March 14, 2019, 1:30 p.m. in the Board Room.

15c. Report of the Landscape Committee—Director Blackwell gave highlights from the last Committee meeting. The Committee did not meet in February and the March meeting has been canceled; next meeting will be May 15, 2019, 1:30 p.m. in the Board Room.

15d. Report of the Maintenance & Construction Committee—Director Randazzo gave highlights from the last Committee meeting. The committee discussed street and walkway lighting. The Committee met on February 13, 2019; next meeting will be April 10, 2019, 9:30 a.m. in the Board Room.

15e. Report of the Media and Communication Committee—Director Blackwell gave highlights from the last Committee meeting. The Committee discussed how residents can call 911 for assistance getting in or out of their manors when elevators are out of service, negotiations with TV networks on charges, and conduction interviews for new docents. The Committee met on February 26, 2019; next meeting will be March 18, 2019, 1:30 p.m. in the Board Room.

15f. Report of the Mobility and Vehicles Committee—Director Addington gave highlights from the last Committee meeting. The Committee met on February 6, 2019; next meeting will be April 3, 2019, 1:30 p.m. in the Board Room.

15g. Report of the Security and Community Access Committee—Director Skillman. The Committee met on February 25, 2019; next meeting will be April 22, 2019, 1:30 p.m. in the Board Room.

- Laguna Woods Village Traffic Hearings – Director Addington summarized the results of the last traffic hearings. The Hearings were held on February 20, 2019; next hearings March 20, 2019, 9:00 a.m. in the Board Room and 1:00 p.m. in the Sycamore Room.

15h. Disaster Preparedness Task Force—Director Achrekar gave highlights from the last Committee meeting. The Village has one of the best Disaster Preparedness programs. The Task Force did not meet in February; next meeting will be March 26, 2019, 9:30 a.m. in the Board Room.

16. Future Agenda Items

16a. Revised Payment Plan Agreement Form and a Resolution for a Payment Plan Fee Policy for Assessments (FEBRUARY initial notification-sent back to Committee for review)

16b. Roles and Responsibilities

17. Director's Comments

- Director Blackwell commented about the Caregiver Policy
- Director Armendariz commented about the Financial Review per Civil Code 5501.
- Director Achrekar commented about the Handyman Program.
- Director Torng commented about the Financial Review, Roles and Responsibilities of VMS Board and if employees should be under VMS or United Board.
- Director Bastani commented about gate 2 construction.

18. 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.*

The meeting recessed at 1:16 p.m. into the Executive Session.

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

During the February 12, 2019, Regular Executive Session, the Board:

Approval of Agenda

Approval of the Following Meeting Minutes;

(a) January 8, 2018 – Regular Closed Meeting

(b) January 9, 2019 – Special Closed Meeting (Legal Matters)

Discussed Member Disciplinary Cases


Discussed and Considered Contractual Matters

Discussed Personnel Matters

Discussed and Considered Legal and Litigation Matters

19. Adjourn

The meeting was adjourned at 4:50 p.m.



Maggie Blackwell, Secretary of the Board
United Laguna Woods Mutual

RESOLUTION ATTACHMENTS

ATTACHMENT 1 (Page 1 of 4)



Private Caregiver Policy

I. Purpose

The purpose of this document is to define the policy of United Laguna Woods Mutual (United) regarding individuals who provide care to Residents.

II. Definitions

For the purposes of this policy:

- a. Activities of Daily Living (ADL) are defined as a series of basic activities performed by individuals on a daily basis necessary for independent living at home or in the community. There are many variations on the definition of the activities of daily living, including, without limitation:
 - i. Personal hygiene – bathing/showering, grooming, nail care, and oral care
 - ii. Dressing - the ability to make appropriate clothing decisions and physically dress/undress oneself
 - iii. Eating - the ability to feed oneself, though not necessarily the capability to prepare food
 - iv. Maintaining continence/toileting - both the mental and physical capacity to use a restroom, including the ability to get on and off the toilet and cleaning oneself
 - v. Transferring/Mobility/Ambulating - moving oneself from seated to standing, getting in and out of bed, and the ability to walk independently from one location to another
- b. Instrumental Activities of Daily Living are not necessary for fundamental functioning, but they let an individual live independently in a Community.
 - i. Companionship and mental support
 - ii. Transportation and shopping
 - iii. Preparing meals
 - iv. Managing household
 - v. Managing medications and finances
 - vi. Communicating with others
- c. Application is the form prescribed by United to apply for a Private Caregiver.
- d. Community is Laguna Woods Village.
- e. Community Facilities are defined as the facilities and services operated by the Golden Rain Foundation (GRF).
- f. Community Rules are defined as the Bylaws, Articles of Incorporation, Occupancy Agreement or any rules and regulations of United and of GRF.
- g. Golden Rain Foundation (GRF) – the non-profit mutual benefit corporation organized to manage and maintain the Community Facilities and services for the Community.

- h. A Live-In Private Caregiver is defined as an individual who will stay overnight for more than sixty (60) days in any twelve (12) month period, including individuals who are related to The Resident/Member.
- i. A Live-In Private Caregiver can be a family member, paid or not paid. All rules in the Private Caregiver Policy apply.
- j. Member is a person who has been approved by United as being entitled under the Governing Documents of United to membership in United and has an appurtenant right of membership in GRF.
- k. Private Caregiver, also known as a Home Care Aide or Care Provider, is a person who has been approved by United or authorized designee in writing on the basis of being a provider of primary caregiver support to The Resident. A Private Caregiver is a helper who assists an individual with activities of daily living or non-medical services. Non-medical home care is provided by caregivers. Unlike home health, caregivers are considered “non-clinical” and are not covered by insurance and does not need a physician order.
- l. Private Caregiver services include, but are not limited to, assistance with the following:
 - i. Activities of Daily Living as defined in Section II, a.
 - ii. Instrumental Activities of Daily Living as defined in Section II, b.
- m. An Affiliated Caregiver is a person who is employed by a licensed Home Care Organization/Agency (HCO) who provides homecare services to a Resident(s).
- n. A Private Caregiver is independent and is not employed by a HCO.
- o. In-Home Supportive Service (IHSS) Caregivers are part of the Medi-Cal program and required to adhere to this policy.
- p. Resident is defined as any person who has been approved by the Board of Directors for occupancy.

III. Conditions

- a. Private Caregivers must be approved by the Board or authorized designee in writing prior to commencing support. Special circumstances may be granted.
- b. Private Caregivers must be 18 years old or older.
- c. Private Caregivers must be registered with the California Department of Social Services Home Care Services Bureau.
- d. Private Caregivers must provide a copy of a government issued photo ID with the application.
- e. Private Caregivers must provide a copy of their driver's license, vehicle registration, and proof of vehicle insurance with the application if he/she will be operating a vehicle within Laguna Woods Village.
- f. A Private Caregiver Permit is approved for a period of up to one year. Residents are required to re-apply for approval.
- g. The total number of persons residing in a unit shall not exceed the number of bedrooms, plus one or no more than two persons in a one-bedroom unit; no more than three persons in a two-bedroom unit etc.
- h. Each Private Caregiver shall not have been convicted of a felony or a misdemeanor involving moral turpitude (e.g., fraud, perjury, criminal threats).
- i. The Member is responsible for the conduct of the Private Caregiver and shall ensure that he/she complies with all community rules, regulations, and policies.

- j. Upon approval by the Board or authorized designee, a gate pass shall be issued to the Private Caregiver that will permit gate access into the community. If a gate pass is supplied, it must be displayed on their car dashboard at all times. This pass may include an overnight parking pass when necessary.
- k. The Private Caregiver must wear in clear sight the Laguna Woods Village picture ID at all times.
- l. The Private Caregiver's ID and gate pass may not be transferred or lent to anyone.
- m. The Private Caregiver is authorized to use the Community Facilities only as necessarily incidental to provide support to The Resident.
- n. Part-time Private Caregivers may only use the laundry facilities for The Resident's use. Live-In Private Caregivers may use the laundry facilities for their limited personal use and The Resident's use.
- o. The Live-In Private Caregiver requires written permission from the Board of Directors to remain in the unit without The Resident only if both of the following are applicable:
 - i. The Resident is absent from the unit due to hospitalization or other necessary medical treatment and expects to return to the unit within 90 days from the date the absence began; and
 - ii. The Resident submits a written request desiring the Live-In Private Caregiver be allowed to remain in order to be present when The Resident returns to reside in the unit. [Civil Code §51.11.b.7]
- p. Private Caregivers are not permitted to bring family members, pets or guests into the Community. The sole purpose of the Private Caregiver is to provide care for The Resident.
- q. The Resident must surrender the Private Caregiver ID and vehicle pass to the Resident Services Department at the conclusion of the care service or be subject to charges.
- r. The Private Caregiver shall meet all applicable GRF requirements relating to operating a motor vehicle within the community.
- s. All Caregivers employed by a licensed Home Care Organization/Agency (HCO) are required to obtain a business pass.
- t. A person living in the residence to provide short term care must obtain a sixty (60) day Caregiver pass. Any person providing care beyond sixty (60) days must adhere to the Private Caregiver Policy.
- u. If applicant employs an In Home Supportive Services (IHSS) Caregiver and receives any correspondence related to ineligibility or violations that have occurred involving Caregiver, the applicant must notify the Resident Services Department immediately.

IV. Enforcement

United is authorized to take disciplinary action against a Member whose is found in violation of the Private Caregiver Policy. When a violation occurs, the Board of Directors is obligated to evaluate and impose, if appropriate, Member-discipline as set forth in the Governing Documents. The Board has the authority to impose monetary fines, suspend Member privileges, and/or bring forth legal action. The Member is entirely responsible for ensuring that the Community Rules and policies are followed by anyone they allow into the Community.

- a. The Member and Private Caregiver must read and agree to comply with and be bound by all the Governing Documents and the Community Rules.
- b. Nothing contained herein shall relieve Member of the performance of any obligation owed to United and/or GRF under the Governing Documents.

V. Procedures

- a. The Resident must complete and submit "Application for Private Caregiver Permit" for review. The Application is available for download at www.lagunawoodsvillage.com or upon request from the Resident Services Department.
- b. Application can be submitted to the Resident Services Department located in the Laguna Woods Village Community Center.
- c. Upon receipt of an Application, the Resident Services Department will research whether the Member and/or Private Caregiver has received notices of violations or has any outstanding Charges and Assessments before approval of the application.
- d. The Board or authorized designee will review the application and approve or deny request.
- e. The Resident Services Department will notify The Resident of the results within 10 business days. Special circumstances may be granted.
- f. The Resident Service Department hours of operation are Monday-Friday, 8:00 AM to 5:00 PM, phone number 949-597-4600.
- g. Mailing address is P.O. Box 2220, Laguna Hills, CA 92654-2220.

ATTACHMENT 2 (Page 1 of 2)



Private Caregiver
Application for Permit

☐ UNITED
☐ THIRD

UNIT # _____

Return completed application to: Resident Services Department – 240, 24351 El Toro Road, Laguna Woods, CA 92637; Phone: 949-597-4600, email: residentservices@vmsinc.org

Resident Information

Name:		<input type="checkbox"/> Member <input type="checkbox"/> Occupant	
Address:			
Telephone:		Cell Phone:	
Email:			
What is the expected schedule of the Private Caregiver? <input type="checkbox"/> Day time only <input type="checkbox"/> Night time only <input type="checkbox"/> 24 Hours – no. of days per week:			
What is the service the Private Caregiver is expected to provide? (check all that apply)			
<input type="checkbox"/> Personal Hygiene (bathing)	<input type="checkbox"/> Companionship & Mental Support		
<input type="checkbox"/> Continence Management	<input type="checkbox"/> Transportation & Shopping		
<input type="checkbox"/> Dressing	<input type="checkbox"/> Preparing Meals		
<input type="checkbox"/> Feeding	<input type="checkbox"/> Managing Household		
<input type="checkbox"/> Ambulating	<input type="checkbox"/> Managing Medications & Finances		
<input type="checkbox"/> Toileting	<input type="checkbox"/> Communicating with others		
Is The Resident an In Home Supportive Services (IHSS) recipient? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If Yes, list the 7 digit County IHSS case number: _____			

Private Caregiver Information

Name:			
Address:			
Telephone:		Cell Phone:	
Email:			
Driver's License No:		Expiration Date:	
Vehicle Color:	Make:	Model:	License Plate:
Vehicle Insurance Company:		Policy No. Expiration Date:	
Private Caregiver's personal state identification number: Expiration date:			
Has the Private Caregiver been convicted of a felony: <input type="checkbox"/> Yes <input type="checkbox"/> No			
Has the Private Caregiver been convicted of a misdemeanor involving moral turpitude (e.g., fraud, perjury, criminal threats)? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Is the Live-In Private Caregiver a family member? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If Yes, relationship to The Resident:			

Private Caregiver Permit Agreement

The undersigned acknowledges that the issuance of a Private Caregiver Permit does not constitute approval of the Private Caregiver nor does it represent any direct or indirect liability on behalf of United Laguna Woods Mutual (United), Third Laguna Hills Mutual (Third), and the Golden Rain Foundation of Laguna Woods (GRF), all California non-profit mutual benefit corporations, and Village Management Services, Inc. (VMS), a California corporation, and each of their respective directors, officers, employees, and agents. Further, I/we have read and received a copy of the Private Caregiver Policy and agree to wear the ID in clear sight and display the pass at all times while in this Community. I/we also understand that falsification of any information related to this application is subject to disciplinary action.

Resident Signature:

Date:

Member Signature:

Date:

Private Caregiver Signature:

Date:

For Office Use Only

Received By:

SA No.

Requirements: ☐ ID ☐ Gate Pass ☐ Overnight Pass ☐ Other

Will approval cause the unit to exceed the number of occupants permitted? ☐ Yes ☐ No

State status of the Private Caregiver: ☐ Pending ☐ Registered ☐ Other:

Has The Resident received notices of rules violation? ☐ Yes ☐ No

Verified IHSS Caregiver's Form SOC 2271 ☐ Yes ☐ No

Does staff recommend approval of this application? ☐ Yes ☐ No

If, No, state reason:

For Board of Directors or Authorized Designee Use Only

Application **DENIED**

The Board of Directors of this Mutual Corporation or authorized designee has reviewed this application. Based on the information provided, the application is **denied**.

Signature:

Signature:

Signature:

Application **APPROVED**

The Board of Directors of this Mutual Corporation or authorized designee has reviewed this application. Based on the information provided, the application is **approved**.

Signature:

Signature:

Signature:

For Office Use Only

Resident Notified By:

Date: ☐ SA No. Updated/Closed ☐ Documents Scanned



ATTACHMENT 3 (Page 1 of 1)

Private Caregiver Instructions and Checklist For Hiring

☐ UNITED
☐ THIRD
UNIT # _____

The Board of Directors adopted a Private Caregiver Policy to reasonably address caregivers who provide care for Residents. **Every Private Caregiver Application For Permit must be approved in writing prior to commencing support.** Please follow this checklist to ensure a smooth and efficient process.

Omission of any required items will result in delay or denial of the Private Caregiver Permit.

1. Review the Private Caregiver Policy and Submit the Required Paperwork.

- ☐ Register the Private Caregiver with the California Department of Social Services and complete the Live Scan requirements which include Background Check and Fingerprinting;
- ☐ Complete the "Application for Private Caregiver Permit";
- ☐ Provide a copy of the Private Caregiver's state issued Driver's License or ID;
- ☐ Submit "Private Caregiver Application" to the Resident Services Department.

2. Documentation Review

The Board of Directors or authorized designee will review the submitted documentation for approval or denial. The Resident Services Department will notify The Resident of the outcome within 10 business days.

- a. If approved, the Private Caregiver will be issued an ID which must be worn in clear sight at all times and obtain a Gate Pass which may include an overnight parking pass.
- b. If denied, the Shareholder/Member and Private Caregiver will be notified by the Resident Services Department.

Important information

- ☐ All documents must be received by the Resident Services Department before the application can be processed;
- ☐ The Private Caregiver cannot commence work until a Permit is obtained. Special circumstances may be granted;
- ☐ Only completed applications with the required paperwork will be reviewed;
- ☐ The Private Caregiver must be registered with the California Department of Social Services Home Care Services Bureau;
- ☐ The Private Caregiver Permit is approved for a period of up to one year and must be renewed annually;
- ☐ The Resident Services Department must be informed in writing of any deviations from an approved Private Caregiver Permit;
- ☐ Shareholder/Member is responsible for ensuring that rules, regulations, and policies are followed by anyone you allow into the Community;
- ☐ Failure to abide by the rules, regulations, and policies may result in disciplinary action including monetary fines, suspension of Shareholder/Member privileges, and/or legal action.

Attachments:

Private Caregiver Application
Private Caregiver Policy
Frequently Asked Questions



Private Caregiver Policy Frequently Asked Questions

1. Who is a Private Caregiver?

A Private Caregiver also known as a Home Care Aide or Care Provider, is a person who has been approved by Third Laguna Hills Mutual (Third) or United Laguna Woods Mutual (United) or authorized designee in writing on the basis of being a provider of primary caregiver support to the Resident. Private Caregiver services include, but are not limited to, assistance with the following:

- i. Activities of Daily Living as defined in Section II, a. of the Private Caregiver Policy.
- ii. Instrumental Activities of Daily Living as defined in Section II, b. of the Private Caregiver Policy

2. What if my Private Caregiver is already registered with the California Department of Social Services (CDSS)?

If your Private Caregiver is already registered with the CDSS you will need to provide proof of registration, with expiration date, along with the completed *Private Caregiver Application* to the Resident Services Department.

3. How does a Private Caregiver get registered with the CDSS?

The Private Caregiver can apply as a Home Care Aide by visiting the CDSS website <http://www.cdss.ca.gov/inforesources>:

- a. Select Home Care Services listed under Community Care Licensing.
- b. Scroll down to Quick Links and select Home Care Aide Application Process.

If you have questions, please phone California Department of Social Services, Home Care Service Bureau at 877-424-5778.

4. How does a Private Caregiver get a background check?

Complete the request for Live Scan fingerprinting service, form LIC 9163. Take form to a Live Scan location for processing. A criminal background check will be performed and the results will be electronically sent to the CDSS.

5. What are the costs to get registered?

The CDSS currently charges a registration fee of \$35. Other fees involved are Live Scan fingerprinting and Government criminal history background checks. The Live Scan fingerprinting operator's fee will vary depending on location of your choice and can run from \$10 up to \$35. Government fees for state and federal background checks for Private Caregivers will cost \$49. Costs are subject to change.

6. Who pays the registration costs?

That is held to The Resident's discretion. You can pay the Private Caregiver's registration fees or require the Private Caregiver that you hire pay his/her own registration fees.

7. When did the mandate take place?

The new policy began March 1, 2017.

8. Why do I have to obtain a Private Caregiver Permit?

The Boards of Directors recognized a need to provide a systematic, fair, and reasonable manner to address individuals who provide care to the residents.

9. Who is expected to abide by the amended Private Caregiver Policy?

All residents who hire a Private Caregiver must abide by the amended policy. Residents with existing Private Caregivers must abide by the amended policy when their current permit expires.

10. How do I find out when my current permit is up for renewal?

By calling the Resident Services Department at 949-597-4600. Any customer service representative can assist you.

11. Are there any exemptions or exceptions to the Policy?

There is no set list of exemptions. If there are “special circumstances” which the Shareholder/Member would like to have taken into account, the Shareholder/Member may file this request in writing stating why they cannot abide by the policy. This Statement will be reviewed by the Board for consideration.

12. How can I file an exception/exemption to the Policy?

Shareholder/Members may file for an exception/exemption by submitting a written request to the Resident Services Department located on the first floor of the Community Center.

13. What if I hire a Caregiver from a licensed agency?

Caregivers from a licensed agency are exempt from this process because agencies are required by law to do background checks on all their caregivers. Agencies are required to obtain a business pass.

14. Who is an In Home Supportive Services (IHSS) recipient?

The IHSS Program provides in-home assistance to eligible aged, blind, and disabled individuals as an alternative to out-of-home care. The IHSS Program enables recipients to remain safely in their own homes.



RESOLUTION 01-19-XX

Authorization to Accept Personal Unconditional Continuing Guaranty & Security Agreement and to Revise Financial Qualifications Policy (rev. 5-23-18)

WHEREAS, United Laguna Woods Mutual (hereinafter “United” or “Corporation”), is a non-profit mutual benefit corporation, existing under and by virtue of the laws of the State of California, organized for the purpose of providing its Members with housing on a cooperative non-profit basis pursuant to the provisions set forth in its Articles of Incorporation and Bylaws and Board Resolutions (collectively referred to as the “Governing Documents”);

WHEREAS, the Corporation’s Amended and Restated Bylaws (“Bylaws”) provides the purpose of the Corporation is to, among other things, “manage, maintain, preserve, and administer the business of a common interest development, specifically, a stock cooperative”;

WHEREAS, the Bylaws provide that the Board of Directors of the Corporation is responsible for managing the business and affairs and exercising all corporate powers of the Corporation;

WHEREAS, United is a stock cooperative wherein each shareholder-member is granted the right to occupy a specific unit pursuant to an Occupancy Agreement together with ownership of one share in the cooperative, provided each shareholder-member meets the financial qualifications set forth in the Financial Qualifications Policy (rev. 5-23-18);

WHEREAS, the Board of Directors desires the ability to enter into Occupancy Agreement(s) with certain Members whereby same require guarantor(s) to meet the Corporation’s financial qualifications in order to qualify for membership and consistent policies regarding same;

NOW, THEREFORE, be it resolved on March 12, 2019, that the following resolution is introduced by the Board of Directors:

1. **Personal Unconditional Continuing Guaranty & Security Agreement.**
The Corporation, by and through the Board of Directors, is authorized to enter into Personal Unconditional Continuing Guaranty & Security Agreement, in the manner and

form attached hereto as Exhibit A and incorporated herein by reference thereto, and such Personal Unconditional Continuing Guaranty & Security Agreement will bind the Corporation **and Guarantor**.

Specifically, the Corporation may accept from guarantor(s) a guarantee to pay a Member's debt and/or obligation should the Member default or otherwise fail to pay a debt and/or obligation owed to the Corporation pursuant to an executed Personal Unconditional Continuing Guaranty & Security Agreement, and to cause security documents, which the Corporation may require, which shall evidence the asset(s) pledge by such guarantor(s).

- Satisfactory verification of annual income of at least \$90,000 and marketable or income producing assets of at least \$250,000 plus the unit purchase price.
- This in addition to the prospective Member's minimum annual income of at least \$24,000 and marketable and/or income producing assets of at least \$75,000.

2. Further Acts. The Board of Director may do and perform such other acts and things as may be reasonably necessary and proper in order to carry into effect the provisions of this Resolution, including, but not limited to, revising the current operative Financial Qualifications Policy (rev. 5-23-18) to allow prospective Members to meet the Corporation's financial qualifications, and to revise such other documentation, as may be necessary and appropriate.

BE IT FURTHER RESOLVED, that the officers, directors and agents of this Corporation are authorized to carry out the purpose of this Resolution.

MARCH 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.

EXHIBIT A

PERSONAL UNCONDITIONAL CONTINUING GUARANTY & SECURITY AGREEMENT	UNIT NO.
--	-----------------

This Personal Unconditional Continuing Guaranty and Security Agreement (hereinafter "Guaranty") is made this _____ day of _____, 20____, by the undersigned, individually, jointly and severally if more than one (hereinafter individually and collectively the "Guarantor"), whose address(es) appear below their signatures hereon, to and for the benefit of: _____ ("Member") and United Laguna Woods Mutual, a California nonprofit mutual benefit corporation (hereinafter "United").

For purposes of this Guaranty, "Guarantor" is the undersigned who guarantees to pay for the Member's debt and/or obligations if Member should default or otherwise fail to pay a debt and/or obligations to United.

~~The undersigned Guarantor may only guarantee one (1) unit in the Village. For purposes of this Guaranty, Village means United Laguna Woods, Third Laguna Hills, and The Towers.~~

A Guarantor for a United Laguna Woods unit may not be a Guarantor for any other unit in Laguna Woods Village.

In consideration of the mutual covenants and agreements herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor warrants to, and covenants with, United as follows:

1. Personal Unconditional Continuing Guaranty

Guarantor, individually, jointly and severally, unconditionally and absolutely guarantees the due and punctual payment of the Indebtedness, as hereinafter defined (without deduction for any claim, setoff or counterclaim of Guarantor, or for the loss of contribution of a co-guarantor, if any) of Member to United, on demand in lawful money of the United States. The term "Indebtedness" is used herein in its most comprehensive sense and includes the Monthly Carrying Charge payable by the Member to United, all assessments levied in the name of United pursuant to the applicable Occupancy Agreement, Bylaws or other governing documents of United, and California law, all as now existing or as may be hereafter amended, any and all advances, debts, obligations and liabilities of Member or any one or more of them, now or hereafter made, incurred or created, whether voluntary or involuntary, and however arising, whenever due, and whether absolute or contingent, liquidated or unliquidated, determined or undetermined, and whether Member may be liable individually or jointly with others, or whether recovery upon such Indebtedness may be or hereafter become barred by any statute of limitations, or whether such Indebtedness may be or hereafter becomes otherwise unenforceable.

The obligation of Guarantor is a primary, continuing and unconditional obligation of payment and performance. This Guaranty shall be effective regardless of the solvency or insolvency of Guarantor at any time or the subsequent incorporation, reorganization, merger or consolidation of Guarantor, or any other change in composition, nature, personnel, ownership or location of Guarantor.

The obligations of Guarantor herein cannot be assigned or transferred in any manner whatever, directly or indirectly, by operation of law or otherwise, without the prior written consent of United, which consent may be withheld in any circumstances. However, Guarantor agrees that this Guaranty shall inure to the benefit of and may be enforced by United and by any subsequent holder or assigned of any and all of the Indebtedness and shall be binding upon and enforceable against Guarantor and Guarantor's executors, administrators, legal representatives, successors and assigns.

The obligations hereunder are joint and several, and independent of the obligations of Member. A separate action or actions may be brought and prosecuted by Corporation against Guarantor whether action is brought against Member or whether Member be joined in any such action or actions; and Guarantor waives the benefit of any statute of limitations affecting their liability hereunder or the enforcement thereof.

Guarantor authorizes Corporation, without notice or demand and without affecting Guarantor's liability hereunder, from time to time to (a) renew, compromise, extend, accelerate, or otherwise change the time for payment of, or otherwise change the terms of the Indebtedness or any part thereof, including increase or decrease of the rate of interest thereon; (b) take and hold security for the payment of this guaranty or the Indebtedness guaranteed, and exchange, enforce, waive and release any such security; (c) apply such security and direct the order or manner of sale thereof as Corporation in its discretion may determine; and (d) release or substitute any one or more of the endorsers or Guarantor. Corporation may, without notice, assign this Guaranty in whole or part. Without limiting the foregoing, Guarantor hereby waives the rights and benefits under California Civil Code ("CC") Section 2819, and agrees that Guarantor's liability shall continue even if Corporation allows any Indebtedness of Members in any respect or Corporation's remedies or rights against Member are in any way impaired or suspended without United's consent.

Guarantor waives any right to require Corporation to (a) proceed against Member; (b) proceed against or exhaust any security held from Member; or (c) pursue any other remedy in Corporation's power whatsoever. Guarantor waives any defense arising by reason of any disability or other defense of Member or by reason of the cessation from any cause whatsoever of the liability of Members. Until all Indebtedness of Members to Corporation shall have been paid in full, even though such indebtedness is in excess of Guarantor's liability hereunder, Guarantor shall have no right of subrogation, and waives any right to enforce any remedy which Corporation now has or may hereafter have against Member, and waives any benefit of, and any right to participate in any security now or hereafter held by United. Guarantor waives diligence and all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Guaranty and of the existence, creation, or incurring of new and additional Indebtedness. Notwithstanding, Guarantor will receive copies of Member's late payment notices.

Guarantor agrees to pay reasonable attorneys' fees and all other costs and expenses which may be incurred by Corporation in the enforcement of this Guaranty or any attempts to collect any of the obligations of Member whether or not Corporation files suit against Member and Guarantor.

In all cases where there is but a single Member or a single Guarantor, then all words used herein in the plural shall be deemed to have been used in the singular where the context and construction so require; and when there is more than one Member named herein, or when this Guaranty is executed by more than one Guarantor, the word "Members" and the word "Guarantors" respectively shall mean all and any one or more of them.

All obligations of Guarantor shall be performed at Laguna Woods, California. United may, from time to time, change or modify any obligation between Member and United in any manner it may deem fit and such change shall not affect the liability of Guarantor in any manner. Guarantor further waives any and all defenses of every kind which may be available by reason of any disability or defense of the Member.

Guarantor further waives all right to require United to proceed against the Member or any other person, firm or corporation, or to pursue any other remedy available to United. All rights of United herein or otherwise shall be cumulative and no exercise, delay in exercising, or omission to exercise any right of United shall be deemed a waiver and every right of this Corporation may be exercised repeatedly. Any and all property of the undersigned, whether community or separate or otherwise, may be applied to the payment of any obligation arising hereunder.

2. Security Interest; Financial Information

Guarantor hereby grants to United a continuing first priority security interest in and to all Guarantor's assets set forth on the attached Exhibit A ("Secured Collateral"). Guarantor authorizes United to cause UCC financing statements to be filed, UCC financing statement amendments and UCC financing statement continuation statements with respect to the Secured Collateral. The collateral in which a security interest is hereby granted includes all of the rights, titles, and interests of Guarantor in and to the Secured Collateral.

Guarantor hereby authorizes United to cause at any time and from time to time filing in any filing office in any jurisdiction any initial financing statements and/or any amendments thereto required to perfect or continue the perfection in the security interests granted hereby, including financing statements that: (a) indicate the Secured Collateral as being of an equal or lesser scope or with greater detail and (b) provide any other information required by Part 5 of Article 9 of the UCC for the sufficiency or filing office acceptance of any financing statement or amendment, including whether Guarantor is an organization, the type of organization and any organizational identification number issued to Guarantor. Guarantor hereby authorizes United at any time and from time to time to correct or complete, or to cause to be corrected or completed, any financing statements, continuation statements or other such documents as have been filed naming Guarantor as debtor and United as secured party. United is hereby authorized to give notice to any creditor or any other person as may be necessary or desirable under applicable laws to evidence, protect, perfect, or enforce the security interest granted to United in the Secured Collateral.

United may on an annual basis verify Guarantor's financial information provided to United pursuant to this Guaranty, **which shall meet the following minimum requirements:**

- **Satisfactory verification of annual income of at least \$90,000 and marketable or income producing assets of at least \$250,000 plus the unit purchase price.**
- **This in addition to the prospective Member's minimum annual income of at least \$24,000 and**

marketable and/or income producing assets of at least \$75,000.
This Guaranty is valid for 5 years, unless it is renewed by United and Guarantor.

3. Requirement of Guaranty

Guarantor is executing and delivering this Guaranty in order to induce United to enter into an Occupancy Agreement and accept a Shareholder Application with Member. Guarantor acknowledges, agrees, represents and warrants that Guarantor benefits from same and that such benefit is sufficient consideration for the entry of Guarantor into this Guaranty.

IN WITNESS WHEREOF, this Guaranty has been duly executed and delivered as of the date first written above.

Guarantor

By: _____

Name: _____

Title: _____

Guarantor

By: _____

Name: _____

Title: _____

Accepted.

United Laguna Woods Mutual

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Exhibit A

Secured Collateral

Asset(s), Asset Location (i.e., Bank account, Bank Account Number, Name of bank; or Real property, Real property address)	Guarantor Name	Ownership Interest

- 836-O (Cadiz, 6A) Install Stair Lift on Common Area Staircase

RESOLUTION 01-19-XX
Variance Request

WHEREAS, Mr. Gary W Caracciolo of 836-O Ronda Sevilla, a Cadiz style unit, requests Board approval of a variance to install a stair lift at the staircase leading to the entry of his unit;

WHEREAS, the staircase is designated as Common Area, however, Civil Code §4600 (b)(3)(F) provides for a Homeowners Association to grant Common Area for the Exclusive Use of a Member to accommodate a disability.

WHEREAS, a Neighborhood Awareness Notice was sent to Owners of affected units on March 14, 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 March 21, 2019.

NOW THEREFORE BE IT RESOLVED, on April 9, 2019, the Board of Directors hereby approves the request to install the stair lift on the entry staircase with the condition that the proposed alterations are constructed in accordance with the Conditions of Approval as included in the official Board Decision Notice;

RESOLVED FURTHER, all costs for maintenance, repair, renovation, replacement or removal of the improvement, present and future, are the responsibility of the Shareholder at 836-O and all future Shareholders at 836-O.

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.

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RESOLUTION 01-19-XX

Recording of a Lien

WHEREAS, Member ID 947-414-18; is currently delinquent to United Laguna Woods 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, April 9, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-414-18 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.

RESOLUTION 01-19-XX

Recording of a Lien

WHEREAS, Member ID 947-387-01; is currently delinquent to United Laguna Woods 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, April 9, 2019, that the Board of Directors hereby approves the recording of a Lien for Member ID 947-387-01 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.

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STAFF REPORT

DATE: April 9, 2019
FOR: Board of Directors
SUBJECT: Allowing Guarantors for Prospective Members

RECOMMENDATION

Approve Revised Guaranty and Security Agreement.

BACKGROUND

On December 18, 2018, January 28, 2019, and February 25, 2019, the Governing Documents Review Committee reviewed and discussed the possibility of reinstating the option of allowing guarantors for prospective Members in order to meet United's financial qualifications for membership. On February 25, 2019, the United Governing Documents Review Committee had a final review of a proposed Guaranty and Security Agreement. The Committee voted to recommend the item for approval by the Board.

You may be aware that guarantors were previously allowed for prospective Members who were otherwise unable to meet United's financial qualifications through 2017. Thereafter, the Board determined to disallow guarantors. As a practical matter, there were valid concerns that prospective Members who were otherwise unable to meet United's financial qualifications could not afford to be Members and would be more likely to default on financial obligations owed to United.

NOTE: If the Board re-instates Guarantors for prospective members, the effective date must be delayed to allow the Financial Qualification Policy to be amended accordingly.

DISCUSSION

The Committee has revisited the prospect of allowing guarantors proposing to put into place measures that protect United in case of default, while intending to attract prospective Members that may not otherwise qualify for membership. To this end, the attached Guaranty and Security Agreement (Attachment 1) is drafted to both allow for guarantors and balance the risk of defaults by putting security measures in place to protect United.

A guarantor is a third party that "guarantees" to pay someone else's financial obligations, i.e., promises to repay a debt if the debtor, or in United's case, the member cannot or will not pay. A guarantor's agreement to pay is established by a Guaranty Agreement. Keep in mind, however, without an underlying security agreement and a mechanism to perfect United's interest in the guarantor's assets, a Guaranty is merely a promise to pay that is confirmed in the Guarantee Agreement. United has no security in its debt against the guarantor, just the guarantor's promise to pay.

Further, a Guaranty and the Shareholder Application and Occupancy Agreement evidence separate obligations. To this end, the Shareholder Application and Occupancy Agreement

should be entered into by and between United and the Member. The Guaranty Agreement, on the other hand, is entered into between United and the guarantor. Thereby, in accordance with United's governing documents, a noncomplying Member's interest may be terminated for failure to pay, without United having received payment. Short of or separate and apart from terminating membership interest, United would be able to enforce the Guaranty and thereby satisfy the financial obligation (through the guarantor) independent of the Member.

If the Board proceeds with reinstating guarantors, pursuant to the revised Guaranty and Security Agreement, there are ways to perfect United's interest in the guarantor's asset(s) pledged in for purposes of assisting prospective Members with meeting United's financial obligations. Note, taking steps to perfect United's interest in a guarantor's asset(s) may act as a significant deterrent and result in prospective Members being unable to obtain guarantors. The revised Guaranty and Security Agreement includes not only a promise to pay, but it identifies the guarantor's means to pay (the security or collateral), and authorizes the creditor (i.e., United) to file UCC financing statements with respect to the security or collateral. This option, i.e., the filing of a UCC financing statement with the Secretary of State, creates collateral and secures United's debt. It is valid for 5 years, unless it is renewed. If a Member defaults in the payment of assessments, and the guarantor refuses to pay, United may collect against the guarantor by collecting against the assets listed in the UCC security statement (i.e., list specific assets, such as real estate, vehicles (owned, not leased), etc.) as filed with the Secretary of State. The revised Guaranty and Security Agreement is attached for your review and consideration.

Should the Board determine and resolve to allow guarantors, it will be necessary to revise the currently operative Financial Qualification Policy (rev. 5-23-18) in order to provide guarantor requirements. Previous guarantor requirements, which will, likewise, be reinstated included:

- Satisfactory verification of annual income of at least \$90,000 and marketable or income producing assets of at least \$250,000 plus the unit purchase price.
- This in addition to the prospective Member's minimum annual income of at least \$24,000 and marketable and/or income producing assets of at least \$75,000.

In addition to these requirements, the guarantor can be required, as set forth herein, to identify assets from which the financial obligation may be satisfied and authorize UCC financing statements to be filed.

Note, for your reference only, Third Laguna Hills Mutual ("Third Mutual") allows guarantors.

Third Mutual does not require a security agreement or UCC financing statement filings. As noted above, without same, although the guarantor may have demonstrated an ability to pay, there are no assurances as to what assets, if any, will be available to satisfy the financial obligation in case of the Member's default. From an administration standpoint, Staff will need to evaluate whether it is equipped to file UCC statements, or otherwise work through Beaumont Tashjian to file them.

FINANCIAL ANALYSIS

As noted above, reinstating a policy to allow guarantors would require Staff time to process and vet guarantors and to annually verify Guarantor's financial information provided to United.

Prepared By: Jeff Beaumont, Attorney for United Laguna Woods Mutual

Reviewed By: Siobhan Foster, Chief Operation Officer

ATTACHMENT(S)

Attachment 1 – Resolution 01-19-XX and Exhibit A

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RESOLUTION 01-19-XX

Authorization to Accept Personal Unconditional Continuing Guaranty & Security Agreement and to Revise Financial Qualifications Policy (rev. 5-23-18)

WHEREAS, United Laguna Woods Mutual (hereinafter “United” or “Corporation”), is a non-profit mutual benefit corporation, existing under and by virtue of the laws of the State of California, organized for the purpose of providing its Members with housing on a cooperative non-profit basis pursuant to the provisions set forth in its Articles of Incorporation and Bylaws and Board Resolutions (collectively referred to as the “Governing Documents”);

WHEREAS, the Corporation’s Amended and Restated Bylaws (“Bylaws”) provides the purpose of the Corporation is to, among other things, “manage, maintain, preserve, and administer the business of a common interest development, specifically, a stock cooperative”;

WHEREAS, the Bylaws provide that the Board of Directors of the Corporation is responsible for managing the business and affairs and exercising all corporate powers of the Corporation;

WHEREAS, United is a stock cooperative wherein each shareholder-member is granted the right to occupy a specific unit pursuant to an Occupancy Agreement together with ownership of one share in the cooperative, provided each shareholder-member meets the financial qualifications set forth in the Financial Qualifications Policy (rev. 5-23-18);

WHEREAS, the Board of Directors desires the ability to enter into Occupancy Agreement(s) with certain Members whereby same require guarantor(s) to meet the Corporation’s financial qualifications in order to qualify for membership and consistent policies regarding same;

NOW, THEREFORE, be it resolved on May 14, 2019, that the following will be adopted to allow for the Financial Qualification Policy to be amended accordingly:

1. **Personal Unconditional Continuing Guaranty & Security Agreement.**
The Corporation, by and through the Board of Directors, is authorized to enter into Personal Unconditional Continuing Guaranty & Security Agreement, in the manner and

form attached hereto as Exhibit A and incorporated herein by reference thereto, and such Personal Unconditional Continuing Guaranty & Security Agreement will bind the Corporation **and Guarantor**.

Specifically, the Corporation may accept from guarantor(s) a guarantee to pay a Member's debt and/or obligation should the Member default or otherwise fail to pay a debt and/or obligation owed to the Corporation pursuant to an executed Personal Unconditional Continuing Guaranty & Security Agreement, and to cause security documents, which the Corporation may require, which shall evidence the asset(s) pledge by such guarantor(s).

- Satisfactory verification of annual income of at least \$90,000 and marketable or income producing assets of at least \$250,000 plus the unit purchase price.
- This in addition to the prospective Member's minimum annual income of at least \$24,000 and marketable and/or income producing assets of at least \$75,000.

2. Further Acts. The Board of Director may do and perform such other acts and things as may be reasonably necessary and proper in order to carry into effect the provisions of this Resolution, including, but not limited to, revising the current operative Financial Qualifications Policy (rev. 5-23-18) to allow prospective Members to meet the Corporation's financial qualifications, and to revise such other documentation, as may be necessary and appropriate.

BE IT FURTHER RESOLVED, that the officers, directors and agents of this Corporation are authorized to carry out the purpose of this Resolution.

MARCH Initial Notification

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

EXHIBIT A

PERSONAL UNCONDITIONAL CONTINUING GUARANTY & SECURITY AGREEMENT	UNIT NO.
--	-----------------

This Personal Unconditional Continuing Guaranty and Security Agreement (hereinafter "Guaranty") is made this _____ day of _____, 20____, by the undersigned, individually, jointly and severally if more than one (hereinafter individually and collectively the "Guarantor"), whose address(es) appear below their signatures hereon, to and for the benefit of: _____ ("Member") and United Laguna Woods Mutual, a California nonprofit mutual benefit corporation (hereinafter "United").

For purposes of this Guaranty, "Guarantor" is the undersigned who guarantees to pay for the Member's debt and/or obligations if Member should default or otherwise fail to pay a debt and/or obligations to United.

~~The undersigned Guarantor may only guarantee one (1) unit in the Village. For purposes of this Guaranty, Village means United Laguna Woods, Third Laguna Hills, and The Towers.~~

A Guarantor for a United Laguna Woods unit may not be a Guarantor for any other unit in Laguna Woods Village.

In consideration of the mutual covenants and agreements herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor warrants to, and covenants with, United as follows:

1. Personal Unconditional Continuing Guaranty

Guarantor, individually, jointly and severally, unconditionally and absolutely guarantees the due and punctual payment of the Indebtedness, as hereinafter defined (without deduction for any claim, setoff or counterclaim of Guarantor, or for the loss of contribution of a co-guarantor, if any) of Member to United, on demand in lawful money of the United States. The term "Indebtedness" is used herein in its most comprehensive sense and includes the Monthly Carrying Charge payable by the Member to United, all assessments levied in the name of United pursuant to the applicable Occupancy Agreement, Bylaws or other governing documents of United, and California law, all as now existing or as may be hereafter amended, any and all advances, debts, obligations and liabilities of Member or any one or more of them, now or hereafter made, incurred or created, whether voluntary or involuntary, and however arising, whenever due, and whether absolute or contingent, liquidated or unliquidated, determined or undetermined, and whether Member may be liable individually or jointly with others, or whether recovery upon such Indebtedness may be or hereafter become barred by any statute of limitations, or whether such Indebtedness may be or hereafter becomes otherwise unenforceable.

The obligation of Guarantor is a primary, continuing and unconditional obligation of payment and performance. This Guaranty shall be effective regardless of the solvency or insolvency of Guarantor at any time or the subsequent incorporation, reorganization, merger or consolidation of Guarantor, or any other change in composition, nature, personnel, ownership or location of Guarantor.

The obligations of Guarantor herein cannot be assigned or transferred in any manner whatever, directly or indirectly, by operation of law or otherwise, without the prior written consent of United, which consent may be withheld in any circumstances. However, Guarantor agrees that this Guaranty shall inure to the benefit of and may be enforced by United and by any subsequent holder or assigned of any and all of the Indebtedness and shall be binding upon and enforceable against Guarantor and Guarantor's executors, administrators, legal representatives, successors and assigns.

The obligations hereunder are joint and several, and independent of the obligations of Member. A separate action or actions may be brought and prosecuted by Corporation against Guarantor whether action is brought against Member or whether Member be joined in any such action or actions; and Guarantor waives the benefit of any statute of limitations affecting their liability hereunder or the enforcement thereof.

Guarantor authorizes Corporation, without notice or demand and without affecting Guarantor's liability hereunder, from time to time to (a) renew, compromise, extend, accelerate, or otherwise change the time for payment of, or otherwise change the terms of the Indebtedness or any part thereof, including increase or decrease of the rate of interest thereon; (b) take and hold security for the payment of this guaranty or the Indebtedness guaranteed, and exchange, enforce, waive and release any such security; (c) apply such security and direct the order or manner of sale thereof as Corporation in its discretion may determine; and (d) release or substitute any one or more of the endorsers or Guarantor. Corporation may, without notice, assign this Guaranty in whole or part. Without limiting the foregoing, Guarantor hereby waives the rights and benefits under California Civil Code ("CC") Section 2819, and agrees that Guarantor's liability shall continue even if Corporation allows any Indebtedness of Members in any respect or Corporation's remedies or rights against Member are in any way impaired or suspended without United's consent.

Guarantor waives any right to require Corporation to (a) proceed against Member; (b) proceed against or exhaust any security held from Member; or (c) pursue any other remedy in Corporation's power whatsoever. Guarantor waives any defense arising by reason of any disability or other defense of Member or by reason of the cessation from any cause whatsoever of the liability of Members. Until all Indebtedness of Members to Corporation shall have been paid in full, even though such indebtedness is in excess of Guarantor's liability hereunder, Guarantor shall have no right of subrogation, and waives any right to enforce any remedy which Corporation now has or may hereafter have against Member, and waives any benefit of, and any right to participate in any security now or hereafter held by United. Guarantor waives diligence and all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Guaranty and of the existence, creation, or incurring of new and additional Indebtedness. Notwithstanding, Guarantor will receive copies of Member's late payment notices.

Guarantor agrees to pay reasonable attorneys' fees and all other costs and expenses which may be incurred by Corporation in the enforcement of this Guaranty or any attempts to collect any of the obligations of Member whether or not Corporation files suit against Member and Guarantor.

In all cases where there is but a single Member or a single Guarantor, then all words used herein in the plural shall be deemed to have been used in the singular where the context and construction so require; and when there is more than one Member named herein, or when this Guaranty is executed by more than one Guarantor, the word "Members" and the word "Guarantors" respectively shall mean all and any one or more of them.

All obligations of Guarantor shall be performed at Laguna Woods, California. United may, from time to time, change or modify any obligation between Member and United in any manner it may deem fit and such change shall not affect the liability of Guarantor in any manner. Guarantor further waives any and all defenses of every kind which may be available by reason of any disability or defense of the Member.

Guarantor further waives all right to require United to proceed against the Member or any other person, firm or corporation, or to pursue any other remedy available to United. All rights of United herein or otherwise shall be cumulative and no exercise, delay in exercising, or omission to exercise any right of United shall be deemed a waiver and every right of this Corporation may be exercised repeatedly. Any and all property of the undersigned, whether community or separate or otherwise, may be applied to the payment of any obligation arising hereunder.

2. Security Interest; Financial Information

Guarantor hereby grants to United a continuing first priority security interest in and to all Guarantor's assets set forth on the attached Exhibit A ("Secured Collateral"). Guarantor authorizes United to cause UCC financing statements to be filed, UCC financing statement amendments and UCC financing statement continuation statements with respect to the Secured Collateral. The collateral in which a security interest is hereby granted includes all of the rights, titles, and interests of Guarantor in and to the Secured Collateral.

Guarantor hereby authorizes United to cause at any time and from time to time filing in any filing office in any jurisdiction any initial financing statements and/or any amendments thereto required to perfect or continue the perfection in the security interests granted hereby, including financing statements that: (a) indicate the Secured Collateral as being of an equal or lesser scope or with greater detail and (b) provide any other information required by Part 5 of Article 9 of the UCC for the sufficiency or filing office acceptance of any financing statement or amendment, including whether Guarantor is an organization, the type of organization and any organizational identification number issued to Guarantor. Guarantor hereby authorizes United at any time and from time to time to correct or complete, or to cause to be corrected or completed, any financing statements, continuation statements or other such documents as have been filed naming Guarantor as debtor and United as secured party. United is hereby authorized to give notice to any creditor or any other person as may be necessary or desirable under applicable laws to evidence, protect, perfect, or enforce the security interest granted to United in the Secured Collateral.

United may on an annual basis verify Guarantor's financial information provided to United pursuant to this Guaranty, **which shall meet the following requirements:**

- Satisfactory verification of annual income of at least \$90,000 and marketable or income producing assets of at least \$250,000 plus the unit purchase price.
- This in addition to the prospective Member's minimum annual income of at least \$24,000 and

marketable and/or income producing assets of at least \$75,000.

This Guaranty is valid for 5 years, unless it is renewed in writing by United and Guarantor.

3. Requirement of Guaranty

Guarantor is executing and delivering this Guaranty in order to induce United to enter into an Occupancy Agreement and accept a Shareholder Application with Member. Guarantor acknowledges, agrees, represents and warrants that Guarantor benefits from same and that such benefit is sufficient consideration for the entry of Guarantor into this Guaranty.

IN WITNESS WHEREOF, this Guaranty has been duly executed and delivered as of the date first written above.

Guarantor

By: _____

Name: _____

Title: _____

Guarantor

By: _____

Name: _____

Title: _____

Accepted.

United Laguna Woods Mutual

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Exhibit A

Secured Collateral

Asset(s), Asset Location (i.e., Bank account, Bank Account Number, Name of bank; or Real property, Real property address)	Guarantor Name	Ownership Interest



STAFF REPORT

DATE: April 9, 2019
FOR: Board of Directors
SUBJECT: Delinquent Assessment – Payment Plan Agreement

RECOMMENDATION

Staff recommends the Board approve revisions to the Delinquent Assessment - Payment Plan Agreement form and initiating a one-time setup fee of \$50 to recover administrative costs.

BACKGROUND

As indicated in the United Mutual Collection and Lien Enforcement Policy (Attachment 1), any Member who is in arrears on regular assessments is entitled to make a written request for a payment plan for those assessments to the Board. The Board considers payment plan requests on a case-by-case basis, and is under no obligation to grant requests.

A Delinquent Assessment – Payment Plan Agreement form is used to create a contract between the delinquent Member and the Mutual. The form includes several payment options and conditions for repayment. Once completed by the Member, the form is submitted for review by the Finance Committee with a Staff recommendation for approval, denial, or modification.

The Finance Committee requested legal review of the existing form (Attachment 2) to provide stronger collection language if terms of the agreement are breached and to recover costs associated with accepting payments over time.

On November 26, 2018, the United Governing Documents Review Committee recommended approval of the amendments to the Payment Plan Agreement Form and Policy, which were subsequently reviewed and recommended by the Finance Committee on November 27, 2018.

On December 11, 2018 the Board requested further review of the proposed administrative fee and suggested clarifying language in the policy resolution.

On December 18, 2018, the United Governing Documents Review Committee recommended wording changes for clarification on the policy resolution. On January 29, 2019, the Finance Committee agreed with the wording changes and recommended a one-time setup fee of \$50 instead of the proposed \$25 monthly fee.

On February 12, 2019 the Board directed staff to send this item back to the Finance Committee to provide an example of how interest is calculated through the duration of the agreement.

On March 26, 2019, at the United Finance Committee meeting, a motion was made and carried unanimously to recommend the Board approve the proposed Delinquent Assessment - Payment Plan Agreement form and requested that Members receive a projected amortization schedule of charges for all approved payment plans.

DISCUSSION

The 2019 Collection and Lien Enforcement Policy (Attachment 1) was reviewed by legal counsel, approved by the Board via Resolution 01-18-88, and issued to all members as part of the Annual Policy Statement in November 2018. In section three of the policy, titled “Late Charges; Interest”, the late charge on delinquent assessments is set at \$50 per month and the interest charge is set at 12 percent per annum. Staff confirmed that a simple interest calculation is applied to delinquent balances, not compound interest. Below is an excerpt from section three of the collection policy:

“...both state law and United’s governing documents provide for interest on the delinquent assessment, late charge, and collection fees and costs. Accordingly, interest may be imposed thirty (30) days after the assessment is due, at an annual percentage rate not to exceed Twelve Percent (12%), consistent with Civil Code Section 5650. ”

Recommendations from the Governing Documents Review and Finance Committees have been incorporated into the revised Payment Plan Agreement Form (Attachment 3), including a new one-time setup fee of \$50, and will be prospectively applied to requests made after Board adoption of the policy resolution (Attachment 4).

FINANCIAL ANALYSIS

The stronger terms of the payment plan agreement are likely to result in additional compliance and repayment of delinquent assessments.

Prepared By: Betty Parker, Chief Financial Officer

Reviewed By: Steve Hormuth, Controller

ATTACHMENT(S)

Attachment 1 – 2019 Collection and Lien Enforcement Policy
Attachment 2 – Existing Payment Plan Agreement
Attachment 3 – Proposed Payment Plan Agreement - Assessments
Attachment 4 – Resolution



**YEAR 2019 COLLECTION AND LIEN ENFORCEMENT POLICY
AND PROCEDURES FOR ASSESSMENT DELINQUENCIES**

PURPOSE STATEMENT

The following is a statement (the “Policy Statement”) of the specific procedures, policies and practices employed by United Laguna Woods Mutual, a California nonprofit mutual benefit corporation (“United”) in enforcing lien rights or other legal remedies for default in payment of assessments against its members (“Shareholders”). This Policy Statement is provided pursuant to the requirements of California Civil Code Section 5310(a)(7) and incorporates by reference the disclosure provided by United pursuant to California Civil Code Section 5730.

The collection of delinquent assessments is of vital concern to all Shareholders of United. Such efforts ensure that all Shareholders pay their fair share of the costs of services and facilities provided and maintained by United. Shareholders’ failure to pay assessments when due creates a cash-flow problem for United and causes those Shareholders who make timely payment of their assessments to bear a disproportionate share of the community’s financial obligations.

Assessments are the separate debt of shareholders. United may employ single collection recourses or combinations thereof as allowed by law. In addition to any other rights provided for by law or described in the governing documents, including, but not limited to the Articles of Incorporation, Bylaws and each Shareholder’s Occupancy Agreement (“Governing Documents”), the Board has the right to collect delinquent assessments as stated herein.

WE SINCERELY TRUST THAT ALL SHAREHOLDERS, IN THE SPIRIT OF COOPERATION AND IN RECOGNITION OF THEIR LEGAL OBLIGATIONS, WILL MAKE TIMELY PAYMENTS AND AVOID THE IMPOSITION OF LATE CHARGES AND POSSIBLE RESULTANT LEGAL ACTION, AND REIMBURSEMENT FOR THE COSTS OF SUCH LEGAL ACTION. IT IS IN YOUR BEST INTEREST AND THE BEST INTEREST OF THE COMMUNITY AS A WHOLE TO MAKE YOUR MONTHLY PAYMENTS ON TIME.

REGARDLESS OF WHETHER A LIEN IS RECORDED AGAINST YOUR LEASEHOLD INTEREST DURING THE COLLECTION OF PAST-DUE ASSESSMENTS, ALL SHAREHOLDERS HAVE A PERSONAL AND ONGOING OBLIGATION TO PAY ASSESSMENTS AND CHARGES.

BASIC POLICIES AND PROCEDURES

Delinquency reports are made available monthly by United’s managing agent to the Board of United, identifying the delinquent Shareholder, the delinquent amount and the length of time the assessments have been in arrears. Additionally, to ensure the prompt payment of monthly assessments United employs the following collection and lien enforcement procedures. The

ATTACHMENT 1

policies and practices outlined herein shall remain in effect until such time as they may be changed, modified, or amended by a duly adopted resolution of United's Board of Directors.

Pursuant to United's Governing Documents, as well as the California Civil Code, the following are United's collection and lien enforcement policies and procedures for assessment delinquencies:

1. Assessments; Assessments Due Date. "Carrying Charges" as defined by United's Occupancy Agreement, also referred to as "fees" in United's Bylaws, are referred to in this paragraph and throughout this Policy Statement as "assessments." Assessments are due and payable to United, in advance, in equal monthly installments, on the first (1st) day of each month. **It is each Shareholder's responsibility to pay assessments in full each month regardless of whether a billing statement is received.** Special assessments shall be due and payable on the due date specified by the Board of Directors in the notice imposing the special assessment. In no event shall a special assessment be due and payable earlier than thirty (30) days after the special assessment is duly imposed. If a special assessment is payable in installment payments and an installment payment of that special assessment is delinquent for more than 30 days, all remaining installments will be accelerated and the entire unpaid balance of the special assessment shall become immediately due and payable. The remaining balance shall be subject to late charges and interest as provided herein.

2. Reminder Notice; Administrative Collection Fee. If Assessments are not received by United on or before the close of business on the sixteenth (16th) day of the month (or if a special assessment is not received by United on or before the close of business on the fifteenth (15th) day after it is due), a Reminder Notice is sent to the Shareholder. PLEASE NOTE THAT TO BE CONSIDERED TIMELY, THE PAYMENT MUST BE RECEIVED BY UNITED WITHIN THIS FIFTEEN (15) DAY GRACE PERIOD. SIMPLY PLACING THE PAYMENT IN THE MAIL BEFORE THE GRACE PERIOD EXPIRES IS NOT SUFFICIENT. It is the policy of United not to waive any duly imposed late charges, interest, or collection fees and costs. Each delinquent account shall incur an administrative collection fee, in the amount of Two Hundred Dollars (\$200) (the "Administrative Collection Fee"), which is charged by United's managing agent to cover staff's costs to prepare the files for delivery to United's collection agent in order to carry out collection activities authorized hereunder, as well as direct costs incurred in recording and/or forwarding documents in connection with the collection process. This Administrative Collection Fee may be increased by majority vote of United's Board, and may be collected by United's collection agent on United's behalf, and remitted to United's managing agent, or may be directly collected by United's managing agent. IT IS THE SHAREHOLDER'S RESPONSIBILITY TO ALLOW AMPLE TIME TO DROP OFF OR MAIL ALL PAYMENTS SO THAT THEY ARE RECEIVED BEFORE THE DELINQUENCY DATE. All notices or invoices for assessments will be sent to Shareholders by first-class mail addressed to the Shareholder or the Shareholder's designee at his or her address as shown on the books and records of United unless otherwise required by law. However, it is the Shareholder's responsibility to be aware of the assessment payment due dates and to advise United of any changes in the Shareholder's mailing address.

3. Late Charges; Interest. Assessments not received by the sixteenth (16th) day of the month will incur a late fee in the amount of Fifty Dollars (\$50.00), which amount is

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consistent with statutory authority. Further, both state law and United's governing documents provide for interest on the delinquent assessment, late charges and collection fees and costs. Accordingly, interest may be imposed thirty (30) days after the assessment is due, at an annual percentage rate not to exceed Twelve Percent (12%), consistent with Civil Code Section 5650. Such interest may be imposed and collected per the foregoing sentence regardless of whether the Shareholder's delinquent account is referred to United's collection agent for collections.

4. Thirty-Day Pre-Lien Letter Notice to Delinquent Shareholder. If full payment of the delinquent amount is not received by the close of business on the thirtieth (30th) day after the date of the Reminder Notice, United's managing agent will send a pre-lien letter (also referred to as a final demand for payment letter) to the Shareholder as required by Civil Code Section 5660 by certified and regular first class mail, to the Shareholder's mailing address of record in United's books and records advising of, among other things required by law, the delinquent status of the account, including an itemized statement of the charges owed by the shareholder, impending collection action and the Shareholder's rights including a statement that the shareholder will not be liable to pay charges, interest and costs of collection if it is determined the assessment was paid on time to United, and the right to request a meeting with the Board of Directors of United pursuant to Civil Code Section 5665, the right to dispute the assessment debt by submitting a written request for dispute resolution pursuant to Civil Code pursuant to Article 2 (commencing with Section 5900) of Chapter 10 ("IDR"), the right to request alternative dispute resolution pursuant to Article 3 (commencing with Section 5925) of Chapter 10 ("ADR") and the right to request debt validation. Notwithstanding the provisions of this paragraph, United may cause a pre-lien letter to be sent to a delinquent Shareholder at any time when there is an open escrow involving the Shareholder's leasehold interest, may cause a pre-lien letter to be sent to a delinquent Shareholder if any special assessment becomes delinquent, and/or may turn the delinquent account over to United's collection agent to send a pre-lien letter to a delinquent Shareholder.

5. Recordation of a Lien Against a Delinquent Shareholder's Leasehold Interest. If a Shareholder does not pay the amounts set forth in the pre-lien letter and does not request IDR or ADR within thirty (30) days of the date of the pre-lien letter, or, otherwise, requests to validate the debt in which case the collection process will be placed on hold in order to validate the debt, the delinquent account will be turned over to United's collection agent for collections. The Board shall decide, by majority vote in an open meeting, whether to authorize United's collection agent to record a lien for the amount of any delinquent assessments, late charges, interest, and collection fees and costs, including attorneys' fees against the Shareholder's leasehold interest. If United authorizes United's collection agent to record a lien against the Shareholder's leasehold interest, the Shareholder will incur additional fees and costs for preparing and recording the lien. The lien may be enforced in any manner permitted by law, including without limitation, judicial or non-judicial foreclosure (Civil Code Section 5700).

6. Enforcement of a Lien. United's collection agent may be authorized to enforce the lien thirty (30) days after recordation of the lien, in any manner permitted by law, which may include recording a Notice of Default. United may foreclose the lien by judicial or non-judicial foreclosure when either (a) the delinquent assessment amount

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totals One Thousand Eight Hundred Dollars (\$1,800.00) or more, excluding accelerated assessments, late charges, interest, and collection fees and costs or (b) the assessments are delinquent for more than twelve (12) months. **YOU COULD LOSE YOUR LEASEHOLD INTEREST AT UNITED IF A FORECLOSURE ACTION IS COMPLETED.** A non-judicial foreclosure sale by United to collect upon a debt for delinquent assessments is subject to a statutory right of redemption. The redemption period within which your leasehold interest may be redeemed ends ninety (90) days after United's foreclosure sale, per California Civil Code Section 5715(b). The Shareholder will incur significant additional fees and costs if a Notice of Default is recorded and a foreclosure action is commenced against the Shareholder's leasehold interest. The decision to foreclose on a lien must be made by a majority of the Board of Directors in an Executive Session meeting and the Board of Directors must record their votes in the minutes of the next open meeting of the Board. The Board must maintain the confidentiality of the delinquent Shareholder(s) by identifying the matter in the minutes by only the parcel number of the property in which the Shareholder has a leasehold interest. Prior to initiating any foreclosure sale on a recorded lien, United shall offer delinquent Shareholders the option of participating in IDR, ADR, or both IDR and ADR as requested by the Shareholder.

United may commence and maintain a lawsuit directly on the debt without waiving its right to establish a lien and initiate foreclosure against the owner's separate interest for the delinquent assessment. In any action to collect delinquent assessments, late charges, or interest, the prevailing party will be entitled to costs and reasonable attorney's fees.

7. Inspection of Books and Records. A Shareholder is entitled to inspect United's accounting books and records to verify the amounts owed pursuant to Civil Code Section 5200, *et seq.*

8. Application of Payments. Any payments made shall be first applied to assessments owed and only after the assessments owed are paid in full, shall such payment be applied to late charges, interest, and collection fees and costs, including attorneys' fees.

9. Account Sent to United's Collection Agent In Error. In the event it is determined that the Shareholder has paid the assessments on time, the Shareholder will not be liable to pay the charges, interests, and fees and costs of collection associated with collection of those assessments. If it is determined that a lien was recorded in error, a release of lien shall be recorded within twenty-one (21) calendar days and the owner of the separate interest will be provided with a copy of the release of lien. If the lien was recorded in error, United shall promptly reverse all late charges, fees, interest, attorney's fees, and costs of collection.

10. Payment Under Protest. A Shareholder may but is not obligated to, pay under protest any disputed charge or sum levied by United, including but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

11. Right to Dispute the Debt. A Shareholder has the right to dispute the assessment debt by submitting a written request for dispute resolution to the collection agent for

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delivery to United pursuant to Civil Code Section 5900 *et seq.* A dispute, by itself, will not impede United's ability to record a lien.

12. Right to Request Internal Dispute Resolution ("IDR"). Pursuant to Civil Code Section 5670, prior to recording a lien, United offers to Shareholders, and if so requested by a Shareholder, participation in internal dispute resolution ("IDR") pursuant to United's "meet and confer" program.

13. Right to Request Alternative Dispute Resolution ("ADR"). A Shareholder has the right to request alternative dispute resolution with a neutral third party pursuant to Civil Code Section 5925 *et seq.* before United may initiate foreclosure against the Shareholder's leasehold interest, except that binding arbitration shall not be available if United intends to initiate a judicial foreclosure.

14. Right to Request Debt Validation. Under the Fair Debt Collection Practices Act ("FDCPA"), a Shareholder may request that United and/or its collection agent send the Shareholder proof that the debt sought to be recovered is valid, that the Shareholder lawfully owes the debt, and that United and/or its collection agent has the right to collect the debt.

15. Payment Plan Requests. Any Shareholder who is unable to pay assessments will be entitled to make a written request for a payment plan to United, or United's collection agent, as applicable, to be considered by the Board of Directors. A Shareholder may also request to meet with the Board in executive session to discuss a payment plan if the payment plan request is mailed within fifteen (15) days of the postmark date of the pre-lien letter. The Board will consider payment plan requests on a case-by-case basis and is under no obligation to grant payment plan requests. Payment plans shall not interfere with United's ability to record a lien on a Shareholder's separate interest to secure payment for the Shareholder's delinquent assessments. If the Board authorizes a payment plan, it may incorporate payment of ongoing assessments that accrue during the payment plan period. If a payment plan is approved by the Board, additional late charges from the Shareholder will not accrue while the Shareholder remains current under the terms of the payment plan. If the Shareholder breaches an approved payment plan, United may resume its collection action from the time the payment plan was approved.

16. Termination of Shareholder's Rights under Occupancy Agreement. Nothing herein limits or otherwise affects United's right to proceed in any lawful manner to collect any delinquent sums owed to United, or to pursue any other discipline set forth in United's governing documents, including but not limited to a termination of the Shareholder's rights under the Occupancy Agreement pursuant to Article 14 therein and pursuant to the procedures set forth in Article IV, Section 3 of the Bylaws and pursuing an unlawful detainer action or other proceeding which may apply to the eviction of tenants.

17. Release of Lien. Prior to the release of any lien, or dismissal of any legal action, all assessments, late charges, interest, and fees and costs of collection, including attorneys' fees, must be paid in full to United.

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18. No Right of Offset. There is no right of offset. Shareholder may not withhold assessments owed to United on the alleged grounds that the Shareholder is entitled to recover money or damages from United for some other obligation.

19. Returned Checks. United may charge the Shareholder a Twenty-Five Dollar (\$25.00) fee for the first check tendered to United that is returned unpaid by the Shareholder's bank and Thirty-Five Dollars (\$35.00) for each subsequent check passed on insufficient funds. If the check cannot be negotiated, United may also seek to recover damages of at least One Hundred Dollars (\$100.00), or, if higher, three (3) times the amount of the check up to One Thousand, Five Hundred Dollars (\$1,500.00) pursuant to Civil Code Section 1719.

20. Additional Mailing Addresses. Shareholders have the right to provide a secondary address to United for mailing of an additional copy of notices and other correspondence related to collection of delinquent assessments. The Shareholder's request shall be in writing and shall be mailed to United in a way that shall indicate that United has received it. A Shareholder may identify or change a secondary address at any time, provided that, if a secondary address is identified or changed during the collection process, United shall only be required to send notices to the indicated secondary address from the point United receives the request.

21. Charges Subject to Change. All charges listed herein are subject to change upon thirty (30) days prior written notice. After a delinquent account has been turned over to United's collection agent, United's collection agent's charges may vary from United's and are subject to change without prior written notice. Shareholders in collections should rely on United collection agent's charges and statement of account.

22. Notice and Hearing Prior to Suspension of Shareholder Privileges. Until the Shareholder has paid all amounts due, including delinquent assessments, late charges, interest and fees and costs of collection, including attorneys' fees, the Board of Directors may suspend the Shareholder's right to vote, and suspend the Shareholder's right to use United's recreational facilities and/or the facilities or services provided by the Golden Rain Foundation of Laguna Woods after providing the Shareholder with a duly noticed hearing pursuant to Civil Code Section 5855. However, any suspension imposed shall not prevent the delinquent Shareholder from the use, benefit and pleasure of the Shareholder's leasehold interest (i.e., the manor).

When the Board is to meet in executive session to consider or impose a monetary charge as a means of reimbursing United for costs incurred by it in the repair of damage to common area and facilities caused by a member or the member's guest or tenant, the Board shall notify the member in writing, by either personal delivery or individual delivery pursuant to Section 4040, at least 10 days prior to the meeting. (Civil Code Section 5855(a).) The notice shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which a member may be disciplined or the nature of the damage to the common area and facilities for which a monetary charge may be imposed, and a statement that the member has a right to attend and may address the board at the meeting.

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23. Overnight Payments. The mailing address for overnight payment of assessments is: United Laguna Woods Mutual, Attn: Assessments, 24351 El Toro Road, Laguna Woods, CA 92637.

24. Annual Notice to Members. United shall distribute its collection policy to each member during the 60-day period immediately preceding the beginning of United's fiscal year.

25. No limitations. Nothing herein limits or otherwise affects United's right to proceed in any lawful manner to collect any delinquent sums owed to United.

**BOARD OF DIRECTORS
UNITED LAGUNA WOODS MUTUAL**

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**United Laguna Woods Mutual
Village Management Services, Inc., Agent
24351 El Toro Road
Laguna Woods, California 92637**

DELINQUENT ASSESSMENT – PAYMENT PLAN AGREEMENT

Current Form

**Manor No.:
Assessment Delinquency:**

Subject: ASSESSMENT DELINQUENCY

The undersigned hereby acknowledges the assessment delinquency shown above. He or she also acknowledges the rights of United Laguna Woods Mutual (the Mutual) to collect such assessments, together with accrued late charges, interest and collection costs, in accordance with the laws of the State of California and the governing documents of the Mutual.

The following reflects the standards that have been adopted by the Board of Directors.
The undersigned agrees to repay the delinquency debt according to the following plan:

- ☐ The delinquent balance will be paid off in its entirety within _____ months. To achieve this, extra monthly payments will be made in the amount of \$ _____. **These payments will be in addition to the regular monthly assessment.** Extra payments will commence on _____ and be made on or before the first of each successive month until the delinquency and accrued late charges are paid in full.
- ☐ Payment in full of the delinquent amount will be made in a lump sum on or before _____. **This payment will be in addition to the regular monthly assessment.**
- ☐ The undersigned states that the manor is presently for sale, and will present a copy of the executed listing agreement in conjunction with this agreement. If the listing agreement expires before the manor is sold, a new executed listing agreement must be presented. The total term of all listing agreements shall not exceed one year from the date of the subject delinquency. Payment in full of the delinquent amount will be made from the proceeds of sale of the manor, through escrow. Further, undersigned understands and agrees that accrued fees, charges and legal collection costs will be collected through escrow.
- ☐ Member's payment plan proposal that is in accordance with the standards for payment plans adopted by the Mutual:

This will be in addition to the regular monthly assessment.

The undersigned understands that late charges and fees will continue to accrue, in accordance with the Collection and Lien Enforcement Policy of the Mutual, until the delinquency is paid in full. Also, the undersigned understands that the Mutual reserves the right to pursue all available legal means to collect the sums due if the terms of this agreement are breached. Similarly, the undersigned understands that he or she has the right to meet with the Board of Directors of the Mutual to discuss a reasonable alternative payment plan option (see the fourth option above), according to the payment plan standards adopted by the Board of Directors of the Mutual.

Date: _____ Member's Signature _____
Mutual Officer's Signature _____

Return signed form to:
Manor Payment Representative
PO Box 2220
Laguna Woods, CA 92654-2220

Or:
Manor Payment Representative
24351 El Toro Road
Laguna Woods, CA 92637

Phone: (949) 597-4221 **Fax:** (949) 472-4154

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DELINQUENT ASSESSMENTS - PAYMENT PLAN AGREEMENT FORM



Manor Number: _____

Member Name: _____ Driver License # _____

The undersigned hereby acknowledges the rights of United Laguna Woods Mutual (the Mutual) to collect assessments, together with accrued late charges, interest and collection fees and costs, in accordance with the laws of the State of California and the governing documents of the Mutual. The following reflects the standards that have been adopted by the Board of Directors. Refer to the Payment Plan Standards For Delinquent Assessment Payments document for more details.

The total amount owed as of [date] is \$ _____, this includes assessments, late charges, interest, and collection fees and costs (the "Delinquent Amount"). The undersigned agrees to repay the Delinquent Amount according to the following plan:

Check One:

- ☐ **INSTALLMENTS:** The Delinquent Amount will be paid off in its entirety within _____ months. To achieve this, extra monthly payments will be made in the amount of \$ _____. **These payments will be in addition to the regular monthly assessment, which may come due during the term of the payment plan and the administrative fee described below.** Extra payments will commence on _____ and be made on or before the first of each successive month until the delinquency and accrued late charges are paid in full. With this standard payment option, the undersigned is also required to submit a completed financial statement form (enclosed) as well as a copy of pages one and two of the two most recent federal tax returns, which may be redacted to protect private and confidential information.
- ☐ **LUMP SUM:** Payment in full of the Delinquent Amount will be made in a lump sum on or before _____. **This payment will be in addition to the regular monthly assessment, which may come due prior to receipt of the lump sum payment.**
- ☐ **ESCROW:** The undersigned states that the manor is presently for sale, and will present a copy of the executed listing agreement in conjunction with this agreement. If the listing agreement expires before the manor is sold, a new executed listing agreement must be presented. The total term of the payment plan under this option cannot exceed 90 days. Payment in full of the Delinquent Amount will be made from the proceeds of sale of the manor, through escrow. Further, the undersigned understands and agrees that accrued fees, charges and legal collection costs will be collected through escrow. This option allows a request for review by the Board of Directors for an extension, in the event escrow does not close.
- ☐ **OTHER:** The undersigned's payment plan proposal that is in accordance with the standards for payment plans adopted by the Mutual, attached hereto and incorporated herein by reference thereto as Exhibit A. **Payments contemplated in the undersigned's payment plan are in addition to the regular monthly assessment, which may come due during the term of the payment plan and the administrative fee described below.**

Initial All:

- ☐ The undersigned understands that interest will accrue at the rate of 12% per annum, in accordance with the Collection and Lien Enforcement Policy of the Mutual, until the delinquency is paid in full. In addition, the undersigned shall pay a one-time administrative setup fee of \$50.00 due upon approval of this agreement. The undersigned will be responsible for all attorneys' fees, costs, interest, late charges and assessments incurred before this agreement and the undersigned's assessment account will be deemed "paid in full."
- ☐ The undersigned understands that the Mutual will pursue all available legal means to collect the sums due on the manor including, but not limited to recording of a lien for an additional cost of a minimum of \$625, which will be added to the Delinquent Amount. If a payment is not received by the due date stated, the Mutual shall, without any further notice to the undersigned, have the power and authority to pursue any and all collection remedies against the undersigned and/or the undersigned's property, including but not limited to non-judicial foreclosure, judicial foreclosure, any remedies available, and a lawsuit for purposes of securing a money judgment. The undersigned knowingly and voluntarily waives any and all claims against the Mutual and its agents and attorneys, and the undersigned waives any and all defenses available related to or arising out of this matter, the amounts as set forth in this agreement, and any other obligation stated herein.
- ☐ The undersigned understands that he or she has the right to meet with the Board of Directors of the Mutual to discuss a reasonable alternative payment plan option (see "Other" above), according to the payment plan standards adopted by the Board of Directors of the Mutual.

Undersigned/Member Name: _____ Signature: _____ Date: _____

Mutual Officer Signature: _____ Date: _____

Return signed form by mail to:

Assessment Payment Representative
PO Box 2220
Laguna Woods, CA 92654-2220

Or deliver in person to:

Assessment Payment Representative
24351 El Toro Road
Laguna Woods, CA 92637
Phone: (949) 597-4221 Fax: (949) 472-4154

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Attachment 4

Resolution 01-19-XX **Assessment Payment Plan Agreement**

WHEREAS, any Member who is in arrears on a regular assessments is entitled to make a written request for a payment plan to the Board;

WHEREAS, each request for a delinquent assessment payment plan is approved or denied on a case-by-case basis after review by the Finance Committee;

WHEREAS, a Delinquent Assessment – Payment Plan form, which includes several payment options and conditions, is used to create an agreement between the delinquent Member and the Mutual;

WHEREAS, the United Finance Committee recommends a revised Payment Plan Agreement Form with changes submitted by legal counsel to help reinforce collection activity that will occur if a member breaches the agreed-to payment plan for delinquent assessments; and

WHEREAS, the Finance Committee recommends recovering costs associated with setting up a payment plan.

NOW THEREFORE BE IT RESOLVED, on April 9, 2019, the Board of Directors of this Corporation hereby introduces revisions to the Delinquent Assessment - Payment Plan Agreement form, as attached to this Corporate record, and introducing a one-time setup fee of \$50; 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.

APRIL 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.

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STAFF REPORT

DATE: April 9, 2019
FOR: Board of Directors
SUBJECT: Resolution Interpreting Golden Rain Foundation Bylaw 2.1.4

RECOMMENDATION

That the Board approve the attached resolution interpreting Golden Rain Foundation (GRF) Bylaw 2.1.4 and recommend the adoption of this resolution by the Corporate Members on the agenda for an upcoming Special Corporate Members meeting.

BACKGROUND

At the January 30, 2018 meeting of the Corporate Members, counsel for United and GRF relayed concerns regarding undefined terms within GRF Bylaw Section 2.1.4. At this meeting the potential for inefficiency, waste and dispute was raised with respect to whether Corporate Member approval pursuant to Section 2.1.5 of the GRF Bylaws would be required for a particular project. A resolution detailing a process for obtaining Corporate Member approval, defining the total project cost for determining when Section 2.1.4 would be triggered and providing classes of projects that either do or do not require approval, was discussed and proposed.

Counsel for United, Third, and GRF worked cooperatively and in conjunction with their respective Boards, and came to a tentative agreement with respect to a draft resolution interpreting GRF Bylaw Section 2.1.4 subject to subsequent approval by each of the Boards and Corporate Members. On September 11, 2018, the Board entertained a motion to approve a Resolution 90-18-xx interpreting GRF Bylaw Section 2.1.4 and recommend adoption of the resolution by the Corporate Members at the Annual Meeting of Corporate Members on November 14, 2018. The motioned passed by a vote of 10-1-0 (Director Torng opposed).

On September 4, 2018, the GRF Board approved the same resolution interpreting GRF Bylaw Section 2.1.4 with one modification. The phrase "from a member" was deleted from paragraph 3a.

The Third Mutual Board did not support the resolution interpreting GRF Bylaw Section 2.1.4 and proposed deletions and changes to various sections of the resolution.

At the Annual Meeting of the Corporate Members on November 14, 2018, the resolution interpreting GRF Bylaw Section 2.1.4 was considered by the Corporate Members. Third President diLorenzo made a motion, seconded by United President Skillman, to postpone the vote on the resolution to interpret GRF Bylaw Section 2.1.4. Third President diLorenzo made an amendment to postpone the vote for 90-days. United President Skillman seconded the motion. The motion passed by unanimous consent.

The Corporate Attorneys clarified that the 90-day deadline would include comments from the Boards, through their Presidents, legal team, and a final draft distributed to Corporate Members in a timely manner. The revised resolution interpreting GRF Bylaw Section 2.1.4 must be brought back to the Corporate Members for a vote.

Following the November 14, 2018 Annual Meeting Corporate Members, counsel for United, Third and GRF have continued working cooperatively and in conjunction with their respective Boards, and have now come to an agreement with respect to the attached draft resolution. The draft resolution reflects the input of Village Management Services' new Chief Executive Officer and GRF's new Corporate Attorney.

DISCUSSION

Following adoption by each of the four Boards, counsel recommends that the Section 2.1.4 resolution be placed on the agenda for a Corporate Members Meeting for adoption.

FINANCIAL ANALYSIS

There is no financial impact associated with the Board's approval of the resolution.

Prepared By: Siobhan Foster, COO

Reviewed By: Jeff Parker, CEO
Jeffrey Beaumont, United Mutual Counsel

ATTACHMENT(S)

ATT 1: Resolution 90-19-xx

RESOLUTION 90-19-xx

WHEREAS, GRF is required to obtain approval of the Corporate Members prior to engaging in any business or activity specified in Paragraph 2.1.4 of its Bylaws (Bylaw 2.1.6) not included in a previously approved budget; and

WHEREAS, GRF and the Housing Mutuals desire to create a routine process for presenting information to the Housing Mutuals relating to those facilities that do require approval and to confirm what does not require approval, in accordance with the express terms and spirit of Paragraph 2.1.4 of the GRF Bylaws; and

WHEREAS, the Bylaw Section 2.1.4(4) limits the discretion of GRF as to either the construction of a new facility or an addition or expansion of or to an existing facility of at least one thousand (1,000) new and/or additional square feet and/or a cost of Five Hundred Thousand Dollars (\$500,000) or more; and

WHEREAS, the term “facilities” is defined in the GRF Trust Agreement Section VII(M)(4); and

WHEREAS, the GRF Trust Agreement Section VII(M)(4) defines “facilities” to mean a single structure or addition to an existing structure of a minimum cost or minimum size as stated in the Bylaws in total floor space and intended for office, residential, recreational or commercial use or any combination thereof; and

WHEREAS, the term “structure” is not defined in the GRF Trust Agreement or GRF Bylaws; and

WHEREAS, the uncertainty of whether certain GRF business or activity requires approval of the Corporate Members introduces inefficiency, waste, delay and strife to the process of undertaking certain GRF business and activities; and

WHEREAS, GRF, in conjunction with the Housing Mutuals, as defined in the GRF Bylaws, desires to eliminate this potential for inefficiency, waste, delay and strife by defining the term “Structure” as it relates to GRF Bylaws Sections 2.1.4 and 2.1.6;

NOW THEREFORE BE IT RESOLVED, that a Special Meeting of the Corporate Members shall be held in or about July of each year so that GRF can present any business or activity projects that require approval by the Corporate Members. Approvals may also be sought at the Annual Meeting, or at a Special Meeting of the Corporate Members called at any

time, consistent with the governing document and statutory notice requirements, for such purpose. May it be resolved further that the Corporate Members shall be permitted to vote personally at such meeting, or by written ballot prior to such meeting, in the same manner that votes are solicited and cast at each Annual Meeting of the Corporate Members, and that the GRF Board may appoint a member of VMS staff to serve as inspector of election for all such Special Meetings of the Corporate Members.

NOW THEREFORE, BE IT FURTHER RESOLVED, that, for the purposes of this resolution, the term **"Total Project Cost"** shall be understood to refer to all aggregate expense associated with the construction of a building or recreational facility intended for use by GRF Members, as well as the staff, agents or employees of VMS, including pre-construction costs, such as the cost of preliminary designs and concepts and cost appraisals, and a contingency cost equal to Ten percent (10%). It is understood that costs may be incurred in the development of such preliminary designs and cost estimates before they are presented to and approved by the Corporate Members in order to develop a meaningful understanding of the cost and scope of a project, and it is further understood that all preliminary costs shall be included in the calculated **Total Project Cost**. The **Total Project Cost** shall include the cost of engineering to generate a final plan, as is typically associated with the process for obtaining City permits, as well as the estimated project cost, including the estimated construction cost, design costs, consultant costs, demolition costs and construction support by architects and engineers. The **Total Project Cost** shall also take into account the estimated costs of new equipment and refurbishments associated with such construction. In addition, the **Total Project Cost** shall include a ten percent (10%) contingency above the actual estimated cost for cost overruns. For example, a project that is expected to incur an aggregate expense of Four Hundred Fifty-Five Thousand Dollars (\$455,000) shall require Corporate Member approval under 2.1.4 because the expected Total Project Cost would be Five Hundred Thousand, Five Hundred Dollars (\$500,500) (i.e. Four Hundred Fifty-Five Thousand Dollars (\$455,000) + Forty-Five Thousand Five Hundred Dollars (\$45,500)).

NOW THEREFORE, BE IT FURTHER RESOLVED, that the following types of business and activities shall require the approval of the Corporate Members, as described in GRF Bylaws Sections 2.1.4 & 2.1.6:

1. **Construction of a new building** intended for use by GRF Members and/or VMS employees, agents or invitees. The following lists examples of buildings that would be considered Structures requiring Corporate Member approval if they involve the construction of more than one thousand (1,000) square feet

and/or a Total Project Cost over Five Hundred Thousand Dollars (\$500,000):

- a. A new clubhouse;
- b. A new gym facility;
- c. A new office building.

2. **Construction of a new recreational facility** intended for use by GRF Members, their agents or invitees, and/or VMS employees, agents or invitees, which may be comprised of court surface areas, restrooms, seating areas, covered shade structures, etc. The following are examples of recreational facilities that would be considered Facilities requiring Corporate Member approval if they involve the construction of more than one thousand (1,000) square feet and/or a Total Project Cost of Five Hundred Thousand Dollars (\$500,000) or more:

- a. A new Pickleball Court;
- b. A new Bocce Ball Court;
- c. A new Tennis Court;
- d. A new Lawn Bowling area.

3. **Construction of an addition** to an existing building or recreational facility that involves a Total Project Cost of Five Hundred Thousand Dollars (\$500,000) or more and/or that expands the total square footage of the building or recreational facility by one thousand (1,000) square feet or more.

4. **Modification or repurposing** of an existing building or recreational facility that involves more than one thousand (1,000) square feet of area or a Total Project Cost of Five Hundred Thousand Dollars (\$500,000) or more. For the purposes of this Resolution, “modification” means adding or removing one thousand square feet of floor area and repurposing” refers to the modification or renovation of an existing facility from its previous primary purpose or use to a materially different purpose or use. For example, the following changes would be a “modification or repurposing”:

- a. The removal of the Club 19 Restaurant and its replacement with meeting rooms;
- b. The removal of the community gym and its replacement with additional office space;
- c. The removal of an open space park and its replacement with a golf facility;
- d. The renovation of any Clubhouse to serve a primary purpose other than its present primary purpose; or
- e. The closure of a Clubhouse; or

- f. Modifications or repurposing required to bring a facility or structure into compliance with the ADA;

The following changes would NOT be considered a “modification or repurposing”:

- a. The renovation of the Board Meeting Room;
- b. The relocation of the gym from the second floor to the first floor within the Community Center;
- c. The renovation of a gatehouse to incorporate cameras, computer equipment and programs associated with access control;
- d. The partial renovation of a Facility to bring it into compliance with the local, county, state or federal laws, codes, regulations or ordinances, including but not limited to the Americans with Disabilities Act;
- e. Upgrades of technology, energy efficiency or water efficiency;
- f. Replacement of existing equipment associated with a facility (e.g., HVAC equipment, boilers, camera systems or security systems)

NOW THEREFORE, BE IT FURTHER RESOLVED, that the following types of business and activities shall NOT require the approval of the Corporate Members pursuant to GRF Bylaws Section 2.1.4 & 2.1.6:

1. **Construction involving less than one thousand (1,000) square feet of area and/or less than Five Hundred Thousand Dollars (\$500,000) in Total Project Cost for new buildings and recreational facilities.**
2. **Repair, replacement or maintenance of existing improvements, assets and/or vehicles.** For example, purchase, repair, replacement or maintenance of the following:
 - a. Streets & parking lots (i.e. resurfacing, slurry sealing and/or striping);
 - b. Street signs;
 - c. Exterior lighting;
 - d. Computer equipment and software;
 - e. Cameras and other surveillance equipment, whether located in the interior or exterior of buildings, in recreational facilities or at access gates;
 - f. Vehicles used by VMS employees, such as buses, vans, cars, golf carts, bull dozers, construction vehicles, boom trucks, etc.;

- g. Landscaping (e.g. hydro-seeding, installation of straw waddles or the implementation of other anti-erosion measures);
- h. Perimeter fencing/walls;
- i. Air conditioning or heating units, water heaters and other associated plumbing;
- j. Sewers;
- k. Irrigation pipes and controllers, including relocation;
- l. Landscaping (i.e. non-building improvements) of the golf course;
- m. Sidewalks & other outdoor walking areas.

3. **Acquisitions that do not involve any expense to GRF** (e.g. by will, gift or otherwise gratuitously) and that do not increase the costs of a project (such as triggering an obligation for GRF to bring a facility into compliance with current building codes). Note that any bequest shall be included within the “Total Project Costs” of any project for the purposes of determining whether Corporate member Approval is required. Matching funds and/or other project costs that result from the bequest that increase the costs of the project (such as triggering and obligation for GRF to bring a facility into compliance with current building codes) shall be included within the “Total Project Costs” of any project for determining whether Corporate Member Approval is required. [this insertion informally approved by United, pending approval by Third] For example:

- a. A bequest or donation of furniture, art, or funds intended for the improvement of an existing facility;
- b. A conveyance of property from the City for general maintenance or for a specified purpose, such as for a dog park;

NOW THEREFORE, BE IT FURTHER RESOLVED, that the term “demolition” as used in Subparagraph 5, of Paragraph M, of Section VII of the Trust Agreement shall mean to completely remove a Facility (as that term is defined in Subparagraph 4, of Paragraph M, of Section VII of the Trust Agreement) and not replace it; that the term “rebuilding” refers to reconstruction of an existing facility after its “complete demolition”; and neither the term “demolition” nor “rebuilding” shall refer to the renovation of an existing facility that does not involve a complete demolition; and

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

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STAFF REPORT

DATE: April 9, 2019
FOR: Board of Directors
SUBJECT: Golf Cart Violation Fine

RECOMMENDATIONS

Staff recommends that the Board approve the proposed amendment to the Golf Cart Policies and Procedures to include a separate fine for golf carts cited using Mutual electricity without an Annual Electric Golf Cart decal.

BACKGROUND

On October 17, 2017, United Laguna Woods Mutual (United) approved revisions to the Golf Cart Policies and Procedures, adopted by Resolution 01-17-136. One provision in the policy allows golf cart plug in vehicles to charge batteries using common area electricity for a fee. When properly registered, golf carts are issued a rectangular yellow decal to indicate that they have paid the annual Electric Golf Cart fee, currently set at \$120 per cart, per year.

Included in the policies and procedures is the ability for United Mutual to impose a Notice of Violation and other enforcement actions when a golf cart is connected to common area electricity without proper permits. The current policy imposes a \$50 monetary penalty for golf carts that use Mutual electricity without a permit.

On March 26, 2019 at United Finance Committee meeting, at motion was made and carried unanimously to recommend the Board approve the a separate fine for golf carts using Mutual electricity without an Annual Electric Golf Cart decal.

DISCUSSION

Staff recommends amending the Schedule of Traffic and Monetary Penalties to increase the fine for unpermitted golf carts using common-area electricity, to \$100 for the first violation with increments of \$50 for subsequent occurrences, capping the fine at \$250. In addition, the Member must obtain the Annual Electric Golf Cart charging decal within 10 days of the violation. The proposed increase will promote a fine schedule that is fair and objective but is also a clear deterrent to help enforce community rules and regulations.

#	Type of Violation	1st	2nd	3rd	4th
	Unpermitted Golf Cart Using Mutual Electricity	\$100	\$150	\$200	\$250

FINANCIAL ANALYSIS

Monetary penalties are imposed in accordance with Civil Code §5850 for violations. Fines are designed primarily as a deterrent to help enforce community rules and regulations. The revenue collected is used to partially offset the administrative costs associated with a citation

such as patrolling, filing, data entry, correspondence with the driver/owner, and scheduling traffic hearings.

Prepared By: Jacob M Huanosto, Compliance Supervisor

Reviewed By: Tim Moy, Chief of Security
Siobhan Foster, Chief Operating Officer
Betty Parker, Chief Financial Officer

ATTACHMENT(S)

Attachment 1: Schedule of Traffic Monetary Penalties

Attachment 2: Resolution 01-19-xx Golf Cart Policy and Procedures

Security Division				
SCHEDULE OF TRAFFIC MONETARY PENALTIES				
Moving Violations	1st	2nd	3rd	4th (or more)
600 - Speeding (6 - 10 MPH)	\$25.00	\$50.00		
601 - Speeding (11 - 15 MPH)	\$50.00	\$100.00		
602 - Speeding (16 MPH and Over)	\$100.00	\$200.00		
610 - Failure to Stop	\$50.00	\$100.00	\$200.00	
620 - Right of Way	\$25.00	\$50.00		
630 - Turn Signal	\$25.00	\$50.00		
640 - Left of Center	\$25.00	\$50.00		
650 - Hit and Run	\$200.00	\$400.00		
660 - Valid Driver's License Not Produced	\$200.00	\$400.00		
680 - Reckless	\$150.00	\$300.00	\$300.00	\$300.00
690 - Headlight Violation	\$25.00	\$25.00	\$25.00	\$25.00
691 - Riding a Bicycle on Sidewalk	\$25.00	\$25.00	\$50.00	\$50.00
695 - Other Moving	\$25.00	\$50.00		
Parking Violations	1st	2nd	3rd	4th (or more)
010 - Abandoned Vehicle	\$25.00	\$25.00	\$50.00	\$50.00
700 - No Parking Zone	\$25.00	\$50.00	\$75.00	\$100.00
714 - Unpermitted Electric Plug-In (EV)	\$240.00	\$480.00	\$480.00	\$480.00
000 - Unpermitted Electric Plug-In (Golf Cart)	\$100.00	\$150.00	\$200.00	\$250.00
716 - Unattended Extension Cords & Battery Charger	\$50.00	\$100.00	\$150.00	\$150.00
720 - Limited Time Parking	\$25.00	\$25.00	\$50.00	\$75.00
721 - Recreational Vehicle Parked over 6 Hr. Limit	\$25.00	\$25.00	\$50.00	\$75.00
722 - Advertising on Vehicle Parked Overnight	\$25.00	\$25.00	\$50.00	\$75.00
723 - Vehicle Used for Storage	\$50.00	\$100.00	\$150.00	\$200.00
724 - Parked on sidewalk or Grass	\$25.00	\$25.00	\$50.00	\$75.00
725 - Expired Vehicle Registration	\$50.00	\$100.00	\$150.00	\$150.00
726 - Parked Obstructing Access	\$25.00	\$25.00	\$50.00	\$75.00
727 - No Valid GRF Vehicle Decal or Parking Permit Displayed	\$25.00	\$25.00	\$50.00	\$50.00
800 - Fire Hydrant	\$25.00	\$50.00	\$50.00	\$50.00
730 - Other Parking Violations	\$25.00	\$25.00	\$50.00	\$50.00
Handicap Parking Violations	1st	2nd	3rd	4th (or more)
810 - Handicapped Parking				
With Placard & Handicap I.D. verification	\$0.00	\$25.00	\$50.00	\$75.00
811 - Handicapped Parking				
No Placard or Handicap I.D. Displayed	\$150.00	\$200.00	\$250.00	\$275.00
Pedestrian Violations	1st	2nd	3rd	4th (or more)
750 -Pedestrian Violations	\$25.00	\$25.00	\$50.00	\$50.00
RV Parking Violations	1st	2nd	3rd	4th (or more)
820 - Hazardous Material	\$75.00	\$100.00	\$150.00	
830 - Wheel Block	\$25.00	\$50.00	\$75.00	\$100.00
840 - Jack Support (R & R Section "W" Violation)	\$25.00	\$50.00	\$75.00	\$100.00
850 - Maintenance or Repair	\$25.00	\$50.00	\$75.00	\$100.00
860 - Miscellaneous (Minor)	\$25.00	\$50.00	\$75.00	
870 - Miscellaneous (Major)	\$50.00	\$100.00	\$150.00	
RV Lot Parking Violations				
Miscellaneous (Minor)	Miscellaneous (Major)		Miscellaneous (Major)	
Flat Tires	Expired Registration		Unauthorized vehicle in space	
Failure to provide Registration paperwork	Utilizing RV vehicle as living quarters		Vehicle utilized for storage	
	Clutter		Generator running unattended	
	Storage outside of vehicle		Portable sheds or tents erected outside of vehicle	
	Wash-rack violation		Illegal Jack (R & R Section "X" Violation)	

Checks Payable to "GRF" w/ reference# in memo box
 Pay in person by leaving check in "Payment box"
 or mailing to:

Attention: Security Division
 24351 El Toro Road
 Laguna Woods, CA 92637

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RESOLUTION 01-19-XX
Golf Cart Policy and Procedures

WHEREAS, The United Laguna Woods Mutual (United) Board adopted Resolution 01-17-136 Golf Cart Policies and Procedures to include fines for unpermitted golf carts using mutual electricity;

~~**WHEREAS**, the Corporation assesses a \$50 fine for vehicles that use the common electricity without a permit; and~~

WHEREAS, cords, plugs and charging devices running through the property create a trip hazard and cause the property to otherwise be in an unsafe condition; and

WHEREAS, the safety risks associated with this conduct expose the Corporation to a risk of liability and expose any persons present on the property to risk of personal injury; and

~~**NOW THEREFORE BE IT RESOLVED**, October 17, 2017 in the interest of safety, unattended extension cords may not be used in United for any purpose; and~~

NOW THEREFORE BE IT RESOLVED, all golf cart battery chargers must be elevated a minimum of six inches from the floor; and

NOW THEREFORE BE IT RESOLVED, in the interest of safety, residents found in United with unattended extension cords and/or golf cart chargers that are not a minimum of six inches above the floor will be subject to fines; and

NOW THEREFORE BE IT RESOLVED, on April 9, 2019, the Board of Directors of this Corporation hereby approves the revisions to the Golf Cart Policy and Procedures to reference the Schedule of Traffic and Monetary Penalties, as attached to the official minutes of this meeting;

FEES AND FINES

Refer to the ULWM Fee Sheet and the Schedule of Traffic and Monetary Penalties.

~~**NOW THEREFORE BE IT RESOLVED**, fines for violations of unattended extension cords and battery chargers are as follows:~~

- ~~● **First Offense: \$50**~~
- ~~● **Second Offense: \$100**~~
- ~~● **Each Subsequent Offense: \$150**~~

NOW THEREFORE BE IT RESOLVED, that the Corporation's staff is authorized to take action to enforce this Resolution by citing occupants and/or guests and unplug any golf carts found in violation.

RESOLVED FURTHER, that Resolution 01-17-136 approved on October 17, 2017; 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 as written.

~~**BE IT FURTHER RESOLVED**, that the officers, directors and agents of this Corporation are authorized to carry out this Resolution.~~

APRIL 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.



STAFF REPORT

DATE: April 9, 2019
FOR: Board of Directors
SUBJECT: Proposed Amendment of Financial Qualification Policy

RECOMMENDATION

Approve Amendment of Financial Qualification Policy.

BACKGROUND

On March 25, 2019, the Governing Documents Review Committee reviewed and discussed clarification of language in United Mutual's Financial Qualification Policy and referred proposed changes to the Finance Committee. On March 26, 2019, the Finance Committee reviewed the proposed changes involving community property, capital gains earnings, and rental property depreciation. The committees unanimously agreed upon three proposed changes to the Financial Qualification Policy.

DISCUSSION

In United Mutual, an individual may own only one membership. The Governing Documents Review Committee recognizes situations wherein spouses, by purchasing memberships vested as sole and separate ownership, could possess more than one membership as community property assets. Consideration of community property assets or community property contributions to purchase the right to occupy a unit, albeit as sole property, may transmute the intended sole property into community property. To avoid this membership entanglement and limit a potential conflict with United Mutual Bylaws, the committees propose to exclude community property for asset qualification purposes unless it is the marital community property of the parties applying for membership.

United Mutual's treatment of capital gains earnings is a practice that has not been documented. Historically, capital gains earnings have not been calculated because they frequently reflect a one-time event. Therefore, the committees further propose to exclude capital gains earnings as a source of income when calculating an applicant's annual income.

Lastly, the Committees reviewed the issue of rental property depreciation. Depreciation should be consistently reported to the corporation as well as to state and federal taxing entities. Generally, individuals are not required to recognize rental property depreciation during a given rental period. Individuals are required to "recapture" depreciation allowed or allowable when the property is sold, which may be a taxable event, whether or not depreciation was claimed during the rental period. United Mutual recognizes residential/commercial income after depreciation, if any.

Approval of the three changes outlined above will result in clarification of income and asset requirements established by United Mutual, and codify practices that have not been documented within the Financial Qualification Policy.

FINANCIAL ANALYSIS

None.

Prepared By: Pamela Bashline, Community Services Manager
Christopher Swanson, Financial Analyst

Reviewed By: Siobhan Foster, Chief Operations Officer

ATTACHMENT(S)

ATT 1 – Resolution 01-19-XX

ATT 2 – Amended Financial Qualification Policy

RESOLUTION 01-19-XX
Community Property Consideration

WHEREAS, United Laguna Woods Mutual (hereinafter “United” or “Corporation”), is a non-profit mutual benefit corporation, existing under and by virtue of the laws of the State of California, organized for the purpose of providing its Members with housing on a cooperative non-profit basis pursuant to the provisions set forth in its Articles of Incorporation and Bylaws and Board Resolutions (collectively referred to as the “Governing Documents”);

WHEREAS, the Corporation’s Amended and Restated Bylaws (“Bylaws”) provides the purpose of the Corporation is to, among other things, “manage, maintain, preserve, and administer the business of a common interest development, specifically, a stock cooperative”;

WHEREAS, the Bylaws provide that the Board of Directors of the Corporation is responsible for managing the business and affairs and exercising all corporate powers of the Corporation;

WHEREAS, United is a stock cooperative wherein each shareholder-member is granted the right to occupy a specific unit pursuant to an Occupancy Agreement together with ownership of one share in the cooperative, provided each shareholder-member meets the financial qualifications set forth in the Financial Qualifications Policy (rev. 5-23-18);

WHEREAS, the Board of Directors desires consistent policies regarding community property consideration, reporting rental property depreciation, and capital gains consideration;

NOW, THEREFORE, be it resolved that on April 9, 2019, the following resolution is introduced by the Board of Directors:

1. Regarding community property, as set forth in the Financial Qualifications Policy (rev. 5-23-18) marital community property is excluded from assets to be considered in order to meet financial qualifications. Likewise, community property is not considered if a prospective member is purchasing a unit as his/her sole property. Consideration of community property assets or community property contributions to purchase a unit albeit as sole property may transmute the intended sole property into community property.

BE IT FURTHER RESOLVED, that the officers, directors and agents of this Corporation are authorized to carry out the purpose of this Resolution.

APRIL 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.

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FINANCIAL QUALIFICATIONS POLICY

Revised, 2019
Resolution 01-19-XX

Prospective shareholders of units in United Mutual (United) are required to meet minimum financial requirements for membership as set forth below. All income and assets claimed must be verified by presenting documentation acceptable to the United Mutual Board of Directors.

All applicants shall submit the most recent year's federal income tax return, signed and dated, including Schedules A and B, in addition to other verification documents. If income is derived from an owned business, the appropriate business tax schedules and a profit and loss statement are required.

Where there is more than one prospective shareholder, income and assets can be calculated collectively if each is eligible and intends to reside.

Membership applicants to United are required to submit a completed Financial Statement/Credit Information form together with satisfactory verification of identity, income and assets.

ASSET REQUIREMENT

The prospective shareholder shall submit satisfactory verification of assets equal to the purchase price of the unit plus \$125,000. Prospective transferees (i.e., outside escrow) are required to demonstrate a minimum asset base of \$125,000 only.

Acceptable assets will be those that are considered to be liquid, marketable or income producing. Only aged accounts (180 days) will be considered. Acceptable assets include, among others:

- Equity in U.S. residential property
- Savings accounts in U.S. financial institutions
- Cash value life insurance
- Certificates of deposit, money market accounts in U.S. financial institutions
- IRA, SEP, 401(k) and Keogh accounts
- U.S., state or municipal government bonds valued at current market prices
- American traded investments, (NYSE, Amex, OTC, NASDAQ, etc.) valued at current market prices
- Mortgages and promissory notes, provided that interest is reported on the applicant's tax return
- Equity in U.S. income producing real estate

Excluded from consideration are the following, among others:

- Mobile homes
- Recreational vehicles, boats and trailers
- Vacant land
- Automobiles
- Artwork, jewelry, furs and collections such as coins, dolls, stamps and other similar items
- Term life insurance
- Annuity funds, which cannot be withdrawn in lump sum
- Anticipated bequests or inheritances
- Promissory notes whose income is not reported on the perspective transferee tax return
- Community property: **marital community property, except between the parties**

INCOME REQUIREMENTS

Prospective shareholders shall submit from a recognized credit reporting agency (Equifax, TransUnion or Experian) a full credit report and FICO score dated within 60 days prior to the application submittal.

Prospective shareholders and transferees must provide satisfactory verification of income of at least \$40,000 per year at the time of purchase.

1. Acceptable verifications include, among others:

- The most recent federal tax returns
- W-2 forms or paycheck stubs
- Bank, credit union or investment account statements
- Letters from bankers
- Notices of annuities and social security payments
- Pensions
- Trust income
- Disability income
- Residential/commercial property rental income, **after depreciation**

2. Unacceptable income verifications include, among others:

- Letters from employers, accountants, bookkeepers and attorneys
- Income not reported on federal income tax returns
- Funds held outside U.S. borders
- **Capital gains earnings**

OWNERSHIP OF MULTIPLE MEMBERSHIPS

United does not permit ownership of more than one cooperative membership, except under an interim dual membership agreement, which is issued for six months.

FINANCIAL QUALIFICATION WAIVERS

Shareholders who purchase a replacement unit do not have to requalify financially for membership if there is no change to the membership vesting and the dual interim agreement is in effect.

Current members of one mutual who wish to purchase in another mutual are required to meet the financial requirements of the mutual in which they are purchasing.

A former member may obtain a waiver of financial qualifications if the replacement membership is purchased within 90 days of the closing of the sale of the previously owned membership, and vesting in the new unit is exactly the same as the vesting in the unit previously owned.

DISCRETIONARY AUTHORITY

The United Board of Directors may, but is not obligated to, deny or approve applications for membership based on the conditions herein. The board of directors, exercising prudent business judgment, may also deny or approve, in its sole and absolute discretion, applications based on other material factors, such as, but not limited to, history of bankruptcy, excess liabilities or history of noncompliance as a member in United, GRF or other mutuals in Laguna Woods Village.

MEMBERSHIP

Membership in United is created and starts with the later occurring of the following:

- Written approval of membership by the United Mutual Board of Directors
 - Issuance of a membership stock certificate
 - The signing of an Occupancy Agreement
 - Upon close of escrow
- I. Upon membership approval, the Occupancy Agreement entitles the member to occupy the unit for three years, which is automatically renewed for three-year terms per Article 4 of the Occupancy Agreement, unless terminated by transfer or United's nonrenewal or termination by the board of directors.

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Financial Report

As of February 28, 2019



INCOME STATEMENT (in Thousands)

ACTUAL

Assessment Revenue	\$6,736
Non-assessment Revenue	\$308
Total Revenue	\$7,044
Total Expense	\$6,485
Net Revenue/(Expense)	\$559

1

Financial Report

As of February 28, 2019



INCOME STATEMENT OPERATING FUND w/o Depreciation (in Thousands)

ACTUAL

Assessment Revenue	\$4,674
Non-assessment Revenue	\$238
Total Revenue	\$4,912
Total Expense	\$4,598
Operating Surplus	\$349

2

Financial Report

As of February 28, 2019



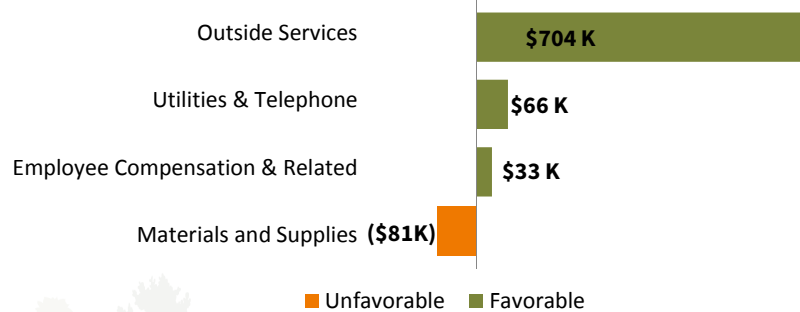
INCOME STATEMENT (in Thousands)

	ACTUAL	BUDGET	VARIANCE
Assessment Revenue	\$6,736	\$6,519	\$217
Non-assessment Revenue	\$308	\$286	\$22
Total Revenue	\$7,044	\$6,805	\$239
Total Expense	\$6,485	\$7,051	\$566
Net Revenue/(Expense)	\$559	(\$246)	\$805

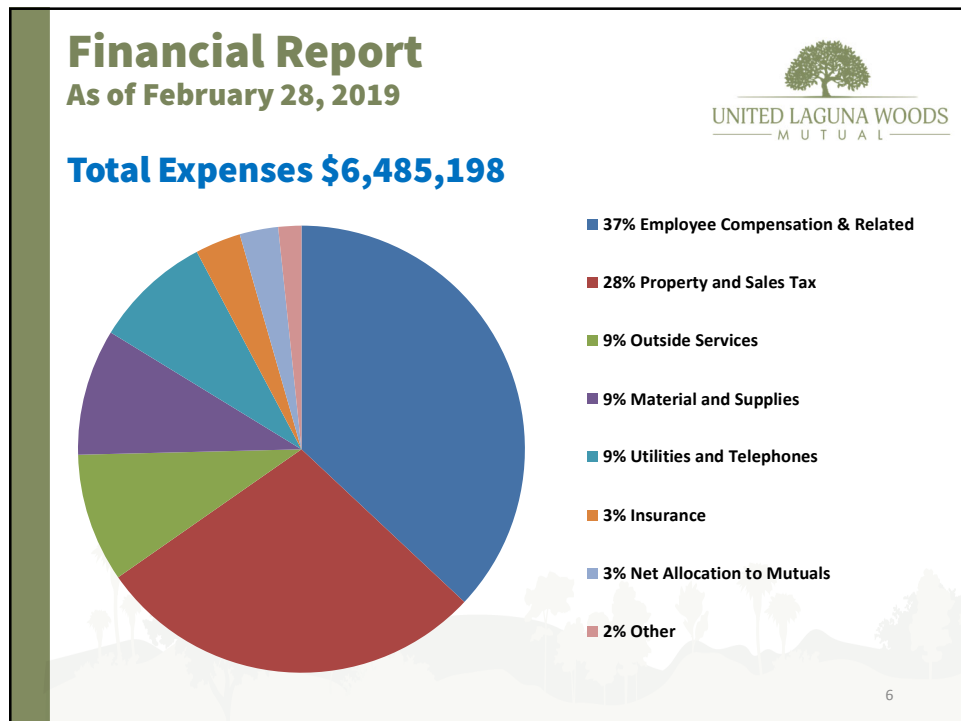
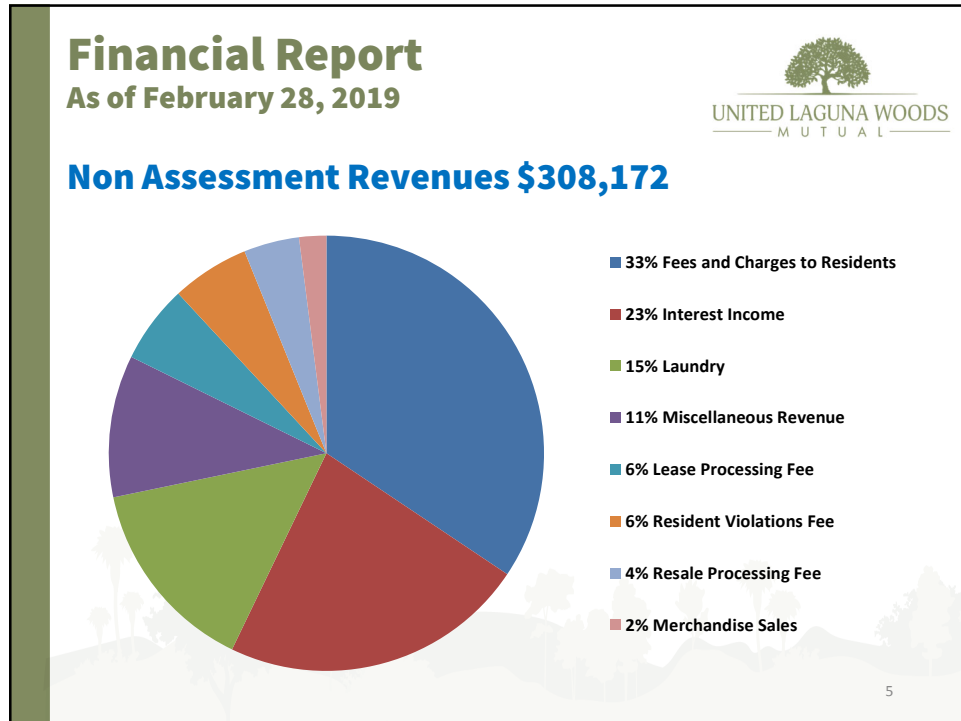
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Financial Report

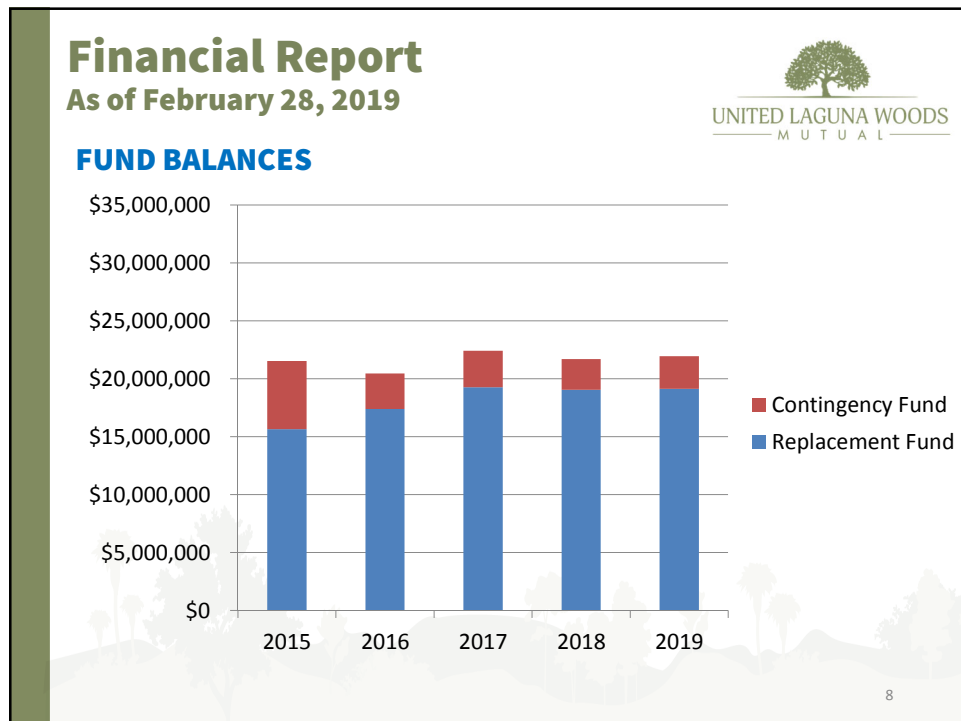
As of February 28, 2019



4



Financial Report As of February 28, 2019	
	
NON OPERATING FUND BALANCES	ACTUAL (in Thousands)
BEGINNING BALANCES: 1/1/19	\$21,713
Contributions & Interest	2,131
Expenditures	(1,887)
Current Balances: 2/28/19	\$21,957



Financial Report

As of February 28, 2019



FUND ENCUMBRANCES (in Thousands)

TOTAL APPROPRIATIONS

REMAINING ENCUMBRANCE

Emergency Panel Replacement	\$48	\$19
Reserve Study	40	40
Reserve Study Additional Fund	10	10
Energy Consultant Services	50	38
2019 Fumigation Program	105	105
TOTAL	\$253	\$212

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OPEN MEETING

REPORT OF THE REGULAR MEETING OF THE
UNITED LAGUNA WOODS MUTUAL FINANCE COMMITTEE

Tuesday, March 26, 2019 – 2:00 p.m.
Laguna Woods Village Community Center Sycamore Room, 24351 El Toro Road

MEMBERS PRESENT: Juanita Skillman - Chair, Carl Randazzo, Sue Margolis, Elsie Addington

OTHERS PRESENT: Manuel Armendariz, Andre Torng, Dick Rader (VMS)

MEMBERS ABSENT: Gary Morrison

STAFF PRESENT: Betty Parker, Steve Hormuth, Christopher Swanson, Pamela Bashline

Call to Order

Director Skillman chaired the meeting and called it to order at 2:00 p.m.

Approval of Agenda

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

Approval of the Regular Meeting Report of January 29, 2019

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

Member Comments (Items Not on the Agenda)

Dick Rader commented on the prior year deficit.

Director Torng commented on bank reconciliation procedures. The Committee agreed to add this item to a future agenda for discussion.

Department Head Update

Betty Parker, Chief Financial Officer, provided a summary of the special Board workshop held on Friday, March 22, 2019 to review financials and noted that Staff is compiling additional information that will become part of the procedural review for Civil Code Section 5500.

Review Preliminary Financial Statements dated February 28, 2019

The Committee reviewed Financial Statements for February 28, 2019. Discussion ensued and questions were addressed.

Payment Plan Form for Delinquent Assessments

The Committee reviewed a collection of recommendations made during prior meetings of the Governing Documents Review and Finance Committees, which resulted in wording changes to the Payment Plan Agreement Form for Assessments and the introduction of a new setup fee of \$50 for approved payment plans.

A motion was made and carried unanimously to recommend the Board adopt a proposed Payment Plan Agreement – Assessments form and policy resolution, as presented. The Committee requested that Members receive a projected amortization schedule of charges for all approved payment plans.

Discuss EZ Pay Service

The Committee reviewed a staff report [handout] describing several electronic payment methods used for assessment payments, including EZ Pay, Lockbox, and check scanning services. The Committee agreed to discuss on a future agenda the potential of making auto-debit payments mandatory for assessments.

Discuss Recognition Agreement

Pamela Bashline, Community Services Manager, provided a verbal update regarding the history and use of a Recognition Agreement, which is a contract between the Mutual and a lender that allows members to obtain mortgages for units purchased in United Mutual. While other lenders have shown an interest in working with members, NCB is the only authorized lender currently operating under an executed agreement.

A motion was made and carried by a vote of 2-1 (Addington opposed), to recommend the Board bring the current Recognition Agreement to legal counsel for review and determine the process for vetting other interested lenders.

Financial Qualification Policy

The Committee reviewed a revised Financial Qualification Policy that includes new language pertaining to Community Property, Rental Income, Capitals Gains, and Guarantors.

The Committee noted that reinstatement of Guarantors is currently under 28-day notice requirements and will be presented for approval at the next Board meeting on April 9, 2019. Should this item be adopted, the Financial Qualification Policy would be updated to reflect the reinstatement of Guarantors.

A motion was made and carried unanimously to recommend Board approval of the Financial Qualification Policy as revised by the United Governing Documents Committee, with no change in Guarantor wording until a policy is approved by the Board. The Committee further recommended that an effective date for Guarantor policy change be sufficiently in the future to allow for a coordinated Financial Qualifications Policy update.

Golf Cart Charging Violations Fees

A motion was made and carried unanimously to recommend the Board approve the amended Golf Cart Policy and Procedures to include a separate fine for golf carts cited using Mutual electricity without an Annual Electric Golf Cart decal.

Future Agenda Items

- Bank Reconciliation Procedures
- EZ Pay Discussion

Date of Next Meeting

Tuesday, May 28, 2019 at 2:00 p.m.

Recess to Closed Session

The meeting recessed to closed session at 4:10 p.m.

DRAFT

Juanita Skillman, Chair

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Monthly Resale Report

PREPARED BY

Community Services Department

MUTUAL

All Mutuals

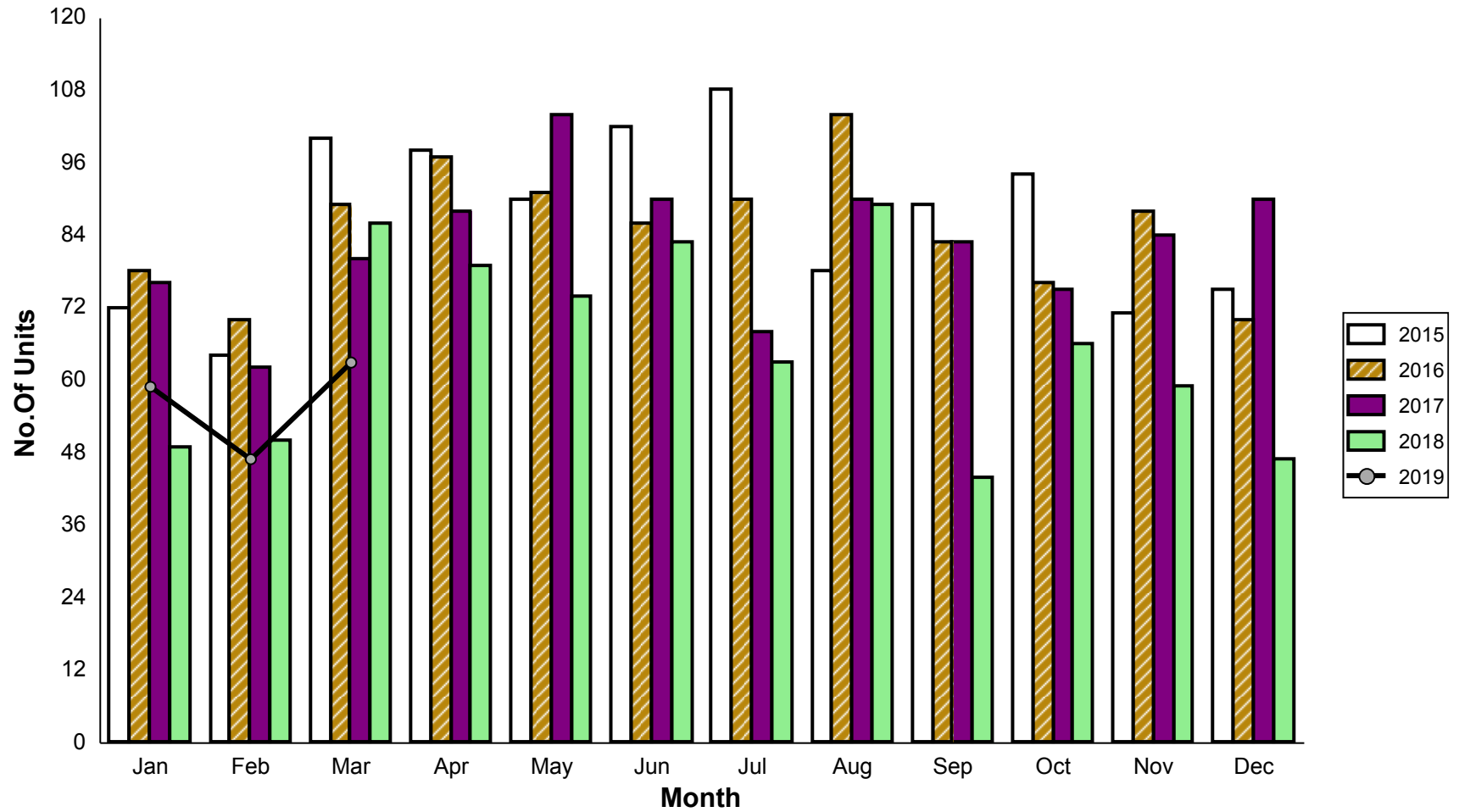
REPORT PERIOD

March, 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	\$14,629,050	\$18,660,142	\$325,090	\$373,203
March	63	86	\$22,994,712	\$28,065,799	\$364,995	\$359,818
April		* 79		* \$27,694,226		* \$364,398
May		* 74		* \$24,187,990		* \$350,551
June		* 83		* \$28,002,538		* \$378,413
July		* 63		* \$19,434,100		* \$329,392
August		* 89		* \$28,612,100		* \$340,620
September		* 44		* \$17,185,192		* \$409,171
October		* 66		* \$22,702,400		* \$366,168
November		* 59		* \$17,330,500		* \$320,935
December		* 47		* \$17,262,399		* \$383,609
TOTAL	169.00	185.00	\$55,537,012	\$61,547,481		
MON AVG	56.00	61.00	\$18,512,337	\$20,515,827	\$334,784	\$347,268

* Amount is excluded from percent calculation

Resales - 5 Year Comparison



Monthly Resale Report

PREPARED BY

MUTUAL

REPORT PERIOD

Community Services Department

United

March, 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	22	23	\$5,282,150	\$6,014,390	\$240,098	\$261,495
February	17	21	\$4,256,150	\$6,059,250	\$250,362	\$288,536
March	21	40	\$6,355,000	\$11,156,600	\$302,619	\$278,915
April		* 30		* \$8,824,600		* \$294,153
May		* 31		* \$8,735,000		* \$281,774
June		* 37		* \$11,021,400		* \$297,876
July		* 35		* \$9,541,300		* \$272,609
August		* 44		* \$11,285,100		* \$256,480
September		* 18		* \$4,632,500		* \$257,361
October		* 28		* \$8,556,100		* \$305,575
November		* 24		* \$6,194,000		* \$258,083
December		* 14		* \$3,368,300		* \$240,593
TOTAL	60.00	84.00	\$15,893,300	\$23,230,240		
MON AVG	20.00	28.00	\$5,297,767	\$7,743,413	\$264,360	\$276,315
% CHANGE - YTD	-28.6%		-31.6%		-4.3%	

% Change calculated (ThisYear - LastYear)/LastYear

* Amount is excluded from percent calculation

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Resales Report

United Laguna Woods Mutual

March, 2019

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
03/11/2019	25-D	1	\$202,000	Majorca	Laguna Premier Realty, Inc	HomeSmart Evergreen	Pacific Closing Services
03/06/2019	29-D	1	\$198,000	Majorca	Aspero Realty	Laguna Premier Realty, Inc	Momentum Escrow
03/27/2019	44-G	1	\$350,000	Barcelona	Coldwell Banker Residential	RE/Max Premier	Granite Escrow
03/12/2019	75-A	1	\$240,000	Majorca	RE/PRO Real Estate	RE/PRO Real Estate	Corner Escrow Inc.
03/20/2019	98-B	1	\$359,000	San Sebastian	BHHS California Properties	Laguna Woods Village Realty	Granite Escrow
03/29/2019	245-A	1	\$330,000	Cordoba	Laguna Premier Realty, Inc	HomeSmart Evergreen	Granite Escrow
03/19/2019	255-N	1	\$204,500	Casa Blanca	Laguna Premier Realty, Inc	Village Real Estate	Pacific Closing Services
03/14/2019	314-B	1	\$583,000	Cordoba	HomeSmart Evergreen	Compass Inc	Granite Escrow
03/19/2019	397-A	1	\$272,000	Seville	Laguna Premier Realty, Inc	Keller Williams Newport Estates	Pacific Closing Services
03/20/2019	431-A	1	\$419,000	Cordoba	Keller Williams Realty	Century 21 Rainbow	Granite Escrow
03/25/2019	449-C	1	\$360,000	Granada	Village Real Estate	Century 21 Rainbow	Generations Escrow
03/29/2019	487-H	1	\$233,000	Granada	HomeSmart Evergreen	H & M Realty Group	Corner Escrow Inc.
03/04/2019	533-F	1	\$348,000	Granada	HomeSmart Evergreen	Re/Max Discover	Granite Escrow
03/18/2019	647-A	1	\$250,000	San Sebastian	Keller Williams Real Estate	Century 21 Rainbow	Granite Escrow
03/20/2019	651-C	1	\$408,000	Cordoba	Century 21 Rainbow	Tarbell Realtors	Granite Escrow
03/05/2019	692-B	1	\$205,000	Majorca	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Granite Escrow
03/04/2019	817-B	1	\$280,000	Seville	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Pacific Closing Services
03/19/2019	873-D	1	\$365,000	Valencia	Laguna Premier Realty, Inc	Laguna Premier Realty, Inc	Granite Escrow
03/25/2019	878-O	1	\$237,500	Castilla	Prea Realty	Superior Real Estate Network	Corner Escrow Inc.
03/01/2019	928-A	1	\$276,000	Casa Linda	Laguna Premier Realty, Inc	Tarbell Realtors	Pacific Closing Services
03/26/2019	2023-A	1	\$235,000	San Sebastian	Century 21 Rainbow	Keller Williams Real Estate	Generations Escrow

Number of Resales: 21

Resales Report **United Laguna Woods Mutual** **March, 2019**

Close	Manor	Mutual	Price	Model/Style	Listing Realtor	Buyer Realtor	Escrow
<u>Total Resale Price:</u>			<u>\$6,355,000</u>				
<u>Average Resale Price:</u>			<u>\$302,619</u>				
<u>Median Resale Price:</u>			<u>\$276,000</u>				



MONTHLY LEASING REPORT

Report Period:
March-2019

MONTH	LEASES IN EFFECT				Total this year	Total last year	Total Expirations	New Monthly Transactions		
	3 Months	6 Months	12 Months	Renewed				Leases	Renewals	Extensions
January	35	44	312	163	554	500	29	30	25	0
February	29	43	296	191	559	520	19	30	31	0
March	16	34	270	224	544	506	54	25	29	1
April						478				
May						491				
June						512				
July						524				
August						540				
September						524				
October						527				
November						546				
December						558				
Monthly Average	26.7	40.3	292.7	192.7	552.3	Mar 508.7	34.0	28.3	28.3	0.3
Percentage Leased	544 / 6323 = 9%									

New Leases = Units Sublet

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OPEN MEETING

REGULAR MEETING OF THE UNITED LAGUNA WOODS MUTUAL ARCHITECTURAL CONTROL AND STANDARDS COMMITTEE

Thursday, March 21, 2019 – 9:30 a.m.
Laguna Woods Village Community Center Elm Room
24351 El Toro Road, Laguna Woods, CA 92637

REPORT

COMMITTEE MEMBERS PRESENT: Cash Achrekar – Chair, Carl Randazzo, Juanita Skillman, Reza Bastani

DIRECTORS PRESENT: Elsie Addington

COMMITTEE MEMBERS ABSENT: Gary Morrison

ADVISORS PRESENT: Walt Ridley, Janey Dorrell, Mike Mehrain

STAFF PRESENT: Ernesto Munoz, Brett Crane, Gavin Fogg, Eve Morton

1. Call to Order

Chair Achrekar called the meeting to order at 9:30 a.m.

2. Acknowledgement of Media

No media were present.

3. Approval of the Agenda

Director Randazzo moved to move switch the order of agenda items #8 and #9 and to approve the amended agenda. President Skillman seconded. The Committee was in unanimous support.

4. Approval of the Report for January 17, 2019

President Skillman moved to approve the agenda. The committee had no objection.

5. Committee Chair Remarks

Chair Achrekar stated that he hopes that he will do as good of a job as Janey Dorrell did as Chair of the committee and looks forward to making sure the community is structurally and aesthetically sound.

6. Member Comments

None.

7. Department Head Update

Mr. Munoz, Maintenance Operations Director, addressed the committee to announce that Mr. Crane had been promoted to the Permits, Inspections, and Restoration Manager and will now be the new Staff Officer for this committee. Mr. Crane stated that he is looking forward to working with everyone on the committee.

Consent:

All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.

None.

Items for Discussion and Consideration:

8. 126-D (Majorca, 8A) Appeal to Board's Decision to Deny Doors on Alteration that Requires Landing on Common Area

Director Randazzo moved to table this item until next month in order to obtain additional information to make a more informed decision. Director Bastani seconded. The vote was three in favor and two against. The motion passed.

For the next meeting, the committee requested City stamped plans which indicate that the City had approved the change from the windows in the original plan to the two doors and that they were not requiring landings outside of the doors.

9. 836-O (Cadiz, 6A) Install Stair Lift on Common Area Staircase

The committee requested the following conditions be added to the approval:

1. Require that the power for the stair lift be provided by the Member's unit.
2. Allow for a future resident of 836-O the option to accept the stair lift alteration.
3. Require that the current Member remove the stair lift prior to the close of escrow if the new Member chooses not to accept the stair lift.

Director Randazzo moved to accept Staff's recommendations to approve the request with the additional conditions. President Skillman seconded. The Committee was in unanimous support.

10. Discuss and Review Architectural Standard 18: Gutters and Downspouts

The committee made some updates to the Standard in order to address the problem of water currently draining too close to the buildings.

Staff was asked to make the updates to the Standard and also to provide additional ideas for this problem and bring all to the next meeting.

Reports:

11. Status of Mutual Consents

The committee reviewed this report.

Items for Future Agendas

- 126-D (Majorca, 8A) Appeal to Board's Decision to Deny Doors on Alteration that Requires Landing on Common Area
- Updates to Standard 18: Gutters and Downspouts and additional ideas to address water issues around buildings.

Concluding Business:

12. Committee Member Comments

President Skillman stated that the Common Area policy needs to be adhered to or changed. The state of the gutters is now a big issue because of all the rain and the problem needs to continue to be monitored.

Advisor Dorrell welcomed Mr. Crane to the committee.

Director Randazzo also welcomed Mr. Crane to the committee.

Advisor Ridley stated that there are gutter and also street drainage problems which need to be addressed.

Director Bastani stated that the Common Area policy should be revisited by the Board.

13. Date of Next Meeting - April 18, 2019

14. Adjournment at 11:15 a.m.

DRAFT

Cash Achrekar, Chair
Brett Crane, Staff Officer
Eve Morton, Alterations Coordinator 268-2565

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OPEN MEETING

REGULAR MEETING OF THE UNITED LAGUNA WOODS MUTUAL GOVERNING DOCUMENTS REVIEW COMMITTEE

Monday, March 25, 2019 – 1:30 PM
Laguna Woods Village Community Center, Sycamore Room
24351 El Toro Road, Laguna Woods, CA 92637

MEMBERS PRESENT: Maggie Blackwell – Chair, Anthony Liberatore, Juanita Skillman, Susan Margolis for Andre Torng, Advisors Bevan Strom and Mary Stone

MEMBERS ABSENT: Andre Torng

OTHERS PRESENT: Dick Rader, Cash Achrekar, Sherri Davis

STAFF PRESENT: Siobhan Foster, Tim Moy, Blessilda Wright, Susan McInerney, Christine Spahr, Pamela Bashline, Eve Morton

REPORT

1. Call to Order

Chair Blackwell called the meeting to order at 1:30 p.m.

2. Acknowledgement of Press

No press was present.

3. Approval of the Agenda

President Skillman moved to approve the agenda. The committee was in unanimous support.

4. Approval of Report from the February 25, 2018 Meeting

Director Liberatore made a motion to approve the Report. The Report was approved by consensus.

5. Chair's Remarks

None.

6. Member Comments (Items not on the agenda)

None.

Consent Calendar:

All matters listed under the Consent Calendar are considered routine and will be enacted by the Committee by one motion. In the event that an item is removed from the Consent Calendar by members of the Committee, such item(s) shall be the subject of further discussion and action by the Committee.

None.

Reports:

7. Review and Discuss Fees for Golf Cart Charging Violations

Ms. Wright from Compliance discussed this issue with the committee.

President Skillman moved to approve Staff's recommendation. Director Margolis seconded. The committee was in unanimous support.

The committee requested this item be placed onto the next Finance committee agenda (5/28/19).

Items for Discussion and Consideration:

8. Review and Discuss the Possibility of Allowing Roommates

The committee reviewed Staff's list of pros and cons and United attorney's memo on this topic.

Discussion ensued.

Director Skillman moved to not allow roommates in United. Director Margolis seconded. The motion passed with one abstention, Director Liberatore.

9. Review and Discuss the Election Rules as They Relate to the Bylaws

The committee made some updates to the current United election rules.

The committee requested that Staff ask the new Inspectors of Elections to also review the current election rules and to make any recommendations for changes. Then, Staff is requested to send all the proposed updates to the Board for approval.

10. Review and Discuss the New State Law Regarding the Canvassing Policy

The committee felt that the current United policy regarding distribution of materials and solicitation by residents, resident organizations, and sponsored outside entities is with the new law. Updates were made to the current policy to cover the concerns.

The committee recognized that procedures and approval for gate access by outsiders are under GRF regulation.

The committee requested that the updated policy be brought back to the next meeting as written.

Concluding Business:

11. Committee Member Comments


None.

12. Future Agenda Items

- Review the committee updates to the current policy regarding distribution of materials by residents and resident organizations (canvassing).

13. Date of next meeting is April 22, 2019

14. Adjournment at 3:25 p.m.


Maggie Blackwell, Chair

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OPEN MEETING

REPORT FOR REGULAR MEETING OF THE VILLAGE ENERGY TASK FORCE

**Wednesday, March 6, 2019 – 1:30 P.M.
Laguna Woods Village Community Board Room
24351 El Toro Road**

MEMBERS PRESENT: Bert Moldow – Chair, Dick Palmer, Carl Randazzo, Sue Margolis, John Frankel, Cush Bhada, Advisors: Bill Walsh, Sue Stephens, Steve Leonard

MEMBER ABSENT: None

OTHERS PRESENT: Juanita Skillman, Gary Morrison, Beth Perak, Pat English, Steve Parsons, Kathryn Freshly

STAFF PRESENT: Ernesto Munoz - Staff Officer, Siobhan Foster, Jeff Parker, Laurie Chavarria

1. Call to Order

Chair Moldow called the meeting to order at 1:33 PM.

2. Acknowledgment of Media

Chair Moldow noted no members of the media were present.

3. Approval of the Agenda

The topic of the Walkway Lighting Program was added to Items for Future Agendas. The agenda was approved as amended.

4. Approval of Meeting Report for January 9, 2019

The Meeting Report of January 9, 2019, was approved as written.

5. Chairman's Remarks

Chair Moldow commented on a Community Choice Aggregation workshop coming up in Dana Point; his years of service and involvement with lighting and energy conservation; the GRF code of ethics; and the street light pilot program. Chair Moldow stated that he was resigning from the Village Energy Task Force.

6. Member Comments (*Items Not on the Agenda*)

- Gary Morrison (107-R) commented on waiting for the water to get hot in his faucets & shower.
- Pat English (2202-D) commented on Chair Moldow leaving the Village Energy Task Force.
- Kathryn Freshley (5490-N) commented on the energy distribution system.
- Loren Lutzenhiser (567-A) commented on the state's energy goals.

Staff Officer Ernesto Munoz, Chair Moldow, Advisors Walsh and Leonard responded briefly to all comments.

7. Department Head Update

Staff Officer Ernesto Munoz provided an update on the multi-year contract for the Pushmatic Panel Replacement project.

Consent:

All matters listed under the Consent Calendar are considered routine and will be enacted by the Task Force by one motion. In the event that an item is removed from the Consent Calendar by members of the Task Force, such item(s) shall be the subject of further discussion and action by the Task Force.

Both items on the Consent Calendar were pulled for discussion.

8. Project Log

Staff Officer Ernesto Munoz provided an update to the Task Force on a few items listed in the project log.

9. Street Light Outage Report

Director Margolis commented that there are a fewer number of street light outages than has been reported previously.

Discussion ensued regarding access to the street light repair portal, the audit performed by Siemens, the street light pole damaged by a vehicular accident, a meeting with Siemens to evaluate the pilot program, working with Marketing to get information out to the residents and trees to be trimmed for street light pilot.

By consensus, staff was directed to set up a meeting with Siemens Industry to discuss the street light LED pilot project.

Village Energy Task Force
March 6, 2019
Page 3 of 4

Post meeting note: A Street Light LED Pilot Presentation & Discussion was set up with Siemens Industry, Inc. on Monday, April 8, 2019 between 2:00 – 4:00PM in the Board Room

Reports:

10. Community Center EV Charging Station Update

Staff Officer Ernesto Munoz summarized the report and addressed questions from the Task Force.

At this meeting we reviewed the budget and overall project for 8 Electric Vehicle Charging Stations that will be installed on 4 bollards in the Community Center parking lot adjacent to the other 2.

Post meeting note: This budget was approved at the GRF finance committee meeting and subsequently approved by the GRF Board. With this money four bollards that will contain a total of 8 chargers will be installed. We are addressing the addition of them at that location and not in the community yet, because it is a public space and as such if we add EV stations in this public space, we are eligible under the Southern California Incentive Project (SCIP) to be reimbursed up to 75% of the cost up to \$210,000. The other reason to have them located there is the fact that we have most of the infrastructure in place to support the additions and therefore this would minimize the cost of the installation. Within the village there is no public access so we are not eligible for any monies through the SCIP.

11. Ice Bear Technology Update

Staff Officer Ernesto Munoz summarized the report and addressed questions from the Task Force.

The report addressed the fact that the Ice Bear Technology will not be able to be used within the Village. This could have been a cost saving measure, however, the Ice Bear people in coordination with our Staff, have determined that the application of this technology here in the Village is either not available or is not cost effective.

12. Solar Roofs (oral discussion – Bert)

Chair Moldow commented on the policy change for allowing solar installations in Third Mutual.

Discussion ensued regarding the state requirements for solar roof installations, the alteration standard currently in place, roof penetrations, and available space on residential building roof tops.

13. JCI Solar Installations (oral discussion)

Village Energy Task Force
March 6, 2019
Page 4 of 4

Director Margolis commented on a United Solar Power Plant Task Force meeting that members of United Mutual have scheduled to discuss the JCI contract and the Kwh generation from the solar arrays.

Discussion ensued regarding a performance guarantee, how to calculate energy generation, energy generation information gathered in the portal for each inverter location and an independent study of the total energy generation.

Items for Future Agendas:

Third Mutual:

- Electric Vehicle History Report
- Golf Cart Report
- LED Solar Street Lights (low priority)
- 2-story Buildings LED Lighting Pilot Program (low priority)
- Additional Walkway Lighting

United Mutual:

- Electric Vehicle History Report
- Golf Cart Report

GRF:

- Install Level II EV Bollard Chargers (on the streets)

Concluding Business:

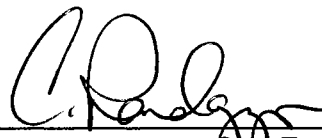
Committee Member Comments:

- Advisor Stephens commented on the SCE owned street lights in Mutual 50.
- Advisor Walsh commented on Chair Moldow's resignation.
- Director Bhada commented on Chair Moldow's resignation.
- Director Frankel commented on Chair Moldow's resignation.
- Director Margolis commented on OOM Energy, a Canadian company that offers alternative energy systems.
- Director Randazzo commented on Chair Moldow's resignation.
- Chair Moldow commented on the need for the Task Force to continue their education regarding future energy initiatives.

Date of next meeting – May 1, 2019

Adjournment

This meeting was adjourned at 3:54 PM



Carl Randazzo, Vice Chair